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City Council

Public Hearing on the Draft Community Development Block Grant (CDBG) 2014 Action Plan Amendment

Agenda Date: 10/20/2020

Agenda Item Number: 5.A

File Number: 20-0799

Type: public hearing **Version:** 1 **Status:** Passed

Title

Public Hearing on the Draft Community Development Block Grant (CDBG) 2014 Action Plan Amendment

Recommended Action

Committee Recommendation:

No committee recommendation. Finance committee was briefed on the housing and home fund budgets on October 14, 2020.

City Manager Recommendation:

Hold a public hearing on draft CDBG 2014 action plan amendment.

Report

Issue:

Whether to hold a public hearing on draft CDBG 2014 action plan amendment.

Staff Contact:

Jessica Pollett, CDBG Grant Coordinator, Community Planning and Development, 360.280.8951

Presenter(s):

Jessica Pollett, CDBG Grant Coordinator

Background and Analysis:

In program year (PY) 2014 (9/1/2014 - 8/31/2015), the City entered a Section 108 Loan agreement (\$325,000) to begin an economic development project that would focus on crime prevention through environmental design. During the same program year, the City allocated \$64,000 in federal CDBG entitlement funds to satisfy our first repayment of this Section 108 loan.

After guidance from the US Department of Housing and Urban Development (HUD), it was determined the City would not make its first Section 108 payment until program year 2015 (9/1/2015 - 8/31/2016); however, the City did not amend its 2014 Action Plan to reallocate these funds.

The City now proposes to reallocate \$60,000 in CDBG program year 2014 funds to COVID-19

response through Economic Development and Public Service activities, and \$728 to the City's final Section 108 loan payment. These reallocation proposals were approved by Council on May 12, 2020, but the City did not inform the community of the specific details of the PY2014 reallocation. For this reason, the City must allow the community opportunity to comment on the specific reallocation of these funds. Please see chart attached for specific reallocation details.

The public participation period (October 14, 2020 - October 20, 2020) for this draft amendment was launched by Council on October 13, 2020.

Neighborhood/Community Interests (if known):

All neighborhoods and community stakeholders have an interest in how federal CDBG funds are invested in community development programs and projects.

Options:

1. Hold a public hearing on the Draft Community Development Block Grant (CDBG) 2014 Action Plan Amendment to receive public comments.
2. Delay the public hearing on the Draft Community Development Block Grant (CDBG) 2014 Action Plan Amendment and risk non-compliance with HUD.

Financial Impact:

The \$60,728 reallocated in this amendment is part of \$481,000 in unspent prior-years' funds and were approved for reallocation to COVID-19 response by Council on May 12, 2020.

Attachments:

Program Year 2014 Reallocation Chart