



## City Council

# Approval of Allocation for Program Year 2021 Community Development Block Grant Funds and Creation of Revolving Loan Fund

**Agenda Date:** 6/22/2021  
**Agenda Item Number:** 4.1  
**File Number:**21-0619

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**Type:** decision **Version:** 4 **Status:** Passed

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### Title

Approval of Allocation for Program Year 2021 Community Development Block Grant Funds and Creation of Revolving Loan Fund

### Recommended Action

#### Committee Recommendation:

The General Government Committee recommends approval of an allocation for Program Year (PY) 2021 Community Development Block Grant (CDBG) funds and creation of revolving loan fund.

#### City Manager Recommendation:

Move to approve allocation for PY 2021 CDBG Funds and creation of revolving loan Fund.

### Report

#### Issue:

Whether to approve allocation for PY 2021 CDBG funds and creation of revolving loan fund.

#### Staff Contact:

Darian Lightfoot, CDBG Program Manager 360.280.8951

#### Presenter(s):

None - Consent Calendar Item.

### Background and Analysis:

The City of Olympia will receive a PY 2021 CDBG allocation of \$391,548. Staff has created a proposal to allocate PY 2021 funds to the below sub grantees in an effort to address economic development and improved affordable housing.

Proposed uses for these funds are as follows:

1. Northwest Coop Development Center to provide technical assistance, business planning, and support to low/mod income residents.
2. Rebuilding Together Thurston County to provide critical home repair to low-income homeowners.

3. Homes First to provide roof repair and energy efficiency support to low-income renters.
4. Housing Authority of Thurston County to provide rental rehab to low-income renters.
5. Downtown Ambassador Program to support the downtown.

Staff is also recommending the City reinstate the Rental Rehabilitation and Single-Family Rehabilitation programs in the form of a revolving loan fund. Approximately \$6M in outstanding rehabilitation loans will feed into this fund and offer new rehabilitations loans to low-income residents to complete health and safety renovations to their homes.

The General Government Committee advanced this recommendation on May 26, 2021.

An opportunity for public hearing was provided on June 8, 2021. Approval of the CDBG Annual Action Plan requires a 30-day public comment period. That period began on May 20, 2021, and will end on June 20, 2021. At the time of publishing the agenda, the public comment period has not yet closed.

**Neighborhood/Community Interests (if known):**

CDBG funds can be spent to meet the needs of low to moderate income individuals throughout the community.

**Options:**

1. Move to recommend for approval staff recommendations for allocation of PY 2021 and the recently added CDBG Coronavirus (CDBG-CV2) grant funds.
2. Provide staff with feedback and provide alternative direction.
3. Take other action.

**Financial Impact:**

There is approximately \$484,584 available for allocation from the Department of Housing and Urban Development. Staff provided a detailed recommendation at the May 26, 2021, General Government Committee meeting.

**Attachments:**

HUD PY21 Award Letter-Revised  
Budget Spreadsheet