



City Council

Approval to Initiate the Process to Amend the PY2013 Community Development Block Grant (CDBG) Action Plan to Redirect Use of \$25,650 for the Downtown Ambassador Program

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Title

Approval to Initiate the Process to Amend the PY2013 Community Development Block Grant (CDBG) Action Plan to Redirect Use of \$25,650 for the Downtown Ambassador Program

Recommended Action

Committee Recommendation:

The General Government Committee recommends:

1. Drafting an amendment to the PY2013 City of Olympia CDBG Action Plan to fund one staff position within the Downtown Ambassador/Clean Team program for six months (March 1 - August 31, 2014), and
2. Scheduling a 30-day public comment period, including a public hearing, on the draft CDBG Action Plan amendment.

City Manager Recommendation:

Move to direct staff to:

1. Draft an amendment to the PY2013 City of Olympia CDBG Action Plan to fund one staff position within the Downtown Ambassador/Clean Team program for six months (March 1 - August 31, 2014) and
2. Schedule a 30-day public comment period, including a public hearing, on the draft CDBG Action Plan amendment.

Report

Issue:

Should the City amend its PY2013 CDBG Action Plan to shift \$25,650 from Isthmus Park Project to Downtown Ambassador program?

Staff Contact:

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Presenter(s):

Leonard Bauer, Deputy Director, Community Planning and Development Department

Background and Analysis:

The Community Development Block Grant (CDBG) is a program of the U.S. Department of Housing and Urban Development. There are two basic sources of Community Development Block Grant funds.

Annual Entitlement Grants: The City receives CDBG funds as an entitlement grant from the Department of Housing and Urban Development (HUD). The funds must be used in accordance with detailed regulations to benefit low- and moderate-income households or aid in the elimination of slum or blighted conditions. The CDBG grant in PY2013 is \$357,000.

Program Income: In previous years, housing rehabilitation funding was distributed by the City in the form of loans. These are repaid to the City according to the loan terms and reused for other housing projects that benefit low- and moderate-income households. These funds are called "Program Income". During PY2013 the City anticipates receiving approximately \$300,000 in program income.

Olympia's adopted CDBG Action Plan allocates approximately \$1.02 million towards a variety of projects for PY2013. See Proposed PY 2013 Annual Action Plan attachment.

This \$1.02 million allocation is predicated on all additional program income being utilized for the Isthmus Park project, up to \$450,000.

This recommendation would divert \$25,650 of the program income currently allocated to the Isthmus Park to fund one position in the Downtown Ambassador program. A timeline chart and Downtown Ambassador/Clean Team position descriptions are included in the attachments. The City Council can consider extending CDBG funding for the position in the PY2014 CDBG Action Plan, which it will consider for adoption in late spring or early summer 2014. The City Council could also consider "re-funding" \$25,650 to the Isthmus Park project in the PY2014 CDBG Action Plan.

Neighborhood/Community Interests (if known):

The CDBG program is a city-wide program created to help low to moderate income residents. Downtown Olympia is within a low to moderate income census block group.

Options:

1. Direct staff to:
 - a. Draft an amendment to the PY2013 City of Olympia CDBG Action Plan to fund one staff position within the Downtown Ambassador program for six months (March 1 - August 31, 2014) and
 - b. Schedule a 30-day public comment period, including a public hearing, on the draft CDBG Action Plan amendment.
 - c. Final action by Council will be taken after the public comment period.
2. Choose not to pursue an amendment to the PY2013 City of Olympia CDBG Action Plan at this time.

Financial Impact:

Re-direct use of \$25,650 CDBG program income.