



## General Government Committee

### Priority Strategies for Program Year 2018 CDBG Program and the upcoming Five-Year CDBG Strategic Plan

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#### **Title**

Priority Strategies for Program Year 2018 CDBG Program and the upcoming Five-Year CDBG Strategic Plan

#### **Recommended Action**

##### **Committee Recommendation:**

Not referred to a committee

##### **City Manager Recommendation:**

Identify and recommend priority strategies for Program Year 2018 (9/1/18 - 8/31/19) Community Development Block Grant Program (CDBG) and the CDBG Five-Year Strategic Plan (2018 - 2022).

#### **Report**

##### **Issue:**

Whether to identify the priority strategies for Program Year 2018 Community Development Block Grant Program (9/1/18 - 8/31/19) and the CDBG Five-Year Strategic Plan (2018 - 2022).

##### **Staff Contact:**

Anna Schlecht, Community Service Programs Manager, Community Planning and Development Department (360-753-8183).

##### **Presenter(s):**

Anna Schlecht, Community Service Programs Manager.

##### **Background and Analysis:**

This item was originally discussed at the August 23, 2017, General Government Committee meeting and continued for further discussion at a September meeting. Separate from this agenda item, the Committee will also discuss options for a potential second amendment to PY 2017 (September 1, 2017 - August 31, 2018).

The coming Program Year (PY) 2018 (September 1, 2018 - August 31, 2019) will be the first year of the next Five-Year (2018 - 2022) Community Development Block Grant (CDBG) Consolidated Plan,

also referred to as the CDBG Five-Year Strategic Plan. Tonight's discussion offers an opportunity to begin the process to identify both multi-year strategies as well as to identify the first year's specific activities.

**Starting Earlier** - The Council has stated an interest in beginning the CDBG Program's annual public process much sooner to allow for a more deliberative approach to identifying priorities and ultimately choosing CDBG-eligible activities for the coming PY 2018. This will also facilitate the City's work with Thurston County to develop the joint Five-Year Consolidated Plan, an effort that is likely to require more time given the involvement of two jurisdictions.

**Alignment with other Plans** - By starting earlier, the Council will have more time to align CDBG strategies with other plans. Staff will present information on CDBG-eligible linkages from the following plans, summarized as follows:

- **Downtown Strategy** Calls for more housing, economic opportunities, ADA accessible walk ways, and well managed social services in the urban hub.
- **Community Renewal Area Strategies** Encourages the elimination of urban blight in key areas with housing, economic development opportunities and the creation of jobs for low and moderate income people.
- **Economic Development Strategies**; Encourages a broad range of city-wide economic development which includes job creation for low & moderate income people.
- **County Five-Year Homeless Housing Plan** (*Scheduled for October release*) Calls for more affordable housing, emergency shelter capacity, day centers, 24/7 accommodations for all homeless populations, supportive services and review of local zoning and development policies to encourage more affordable housing.
- **Regional Fair Housing Plan:** (*Scheduled for October release*) Encourages better geographic distribution of affordable housing and a review of local zoning and development policies to encourage more affordable housing. **Please note:** The strategies from this plan must be incorporated into the CDBG Five-Year Consolidated Plan.

Following tonight's discussion, staff hope to start the discussion on how the Committee wants to identify CDBG options for PY 2018 as well as the next Five-Year Consolidated Plan strategies within the context of these other strategic plans.

In addition to these plans, the Committee may also want to begin to consider how our CDBG program will coordinate and align with the Olympia Home Fund should it be approved by voters in February of 2018.

**Public Process** - In addition to identifying Five-Year Plan strategies and PY 2018 activities, the Council will also need to identify the method(s) for the public process to be used for project selection.

Process options include:

- “Direct select” - Council-chosen activities and providers (aka Sub-recipients), or
- “Request for Proposals (RFP)” process to procure specific projects or programs through a competitive process.

Ideally, the public process will be clarified by November of this year in order to produce draft Five-Year Plan strategies and PY 2018 activities. This allows the Council to commence the public comment process on the draft plans much earlier, and adjust CDBG strategies and activities as needed.

**Charting the Options** -To facilitate tonight’s discussion of both first-year and multi-year strategies and activities, the attached chart presents some preliminary options for consideration by General Government Committee members.

## **CDBG Background**

**CDBG Purpose** - The Community Development Block Grant (CDBG) Program was created as a “bundled” federal aid program intended to aid the development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. The program was designed with flexibility to allow communities to determine how to meet the specific local needs of low-moderate income individuals.

**CDBG Annual Action Plan Referral** - Every year the Council refers the initial review of the CDBG Program to General Government Committee for the purpose of developing recommendations on priorities and the public process for the coming program year.

**Options for CDBG-funded Activities** - The attached “Options for Community Development Block Grant Funding” present the preliminary strategies along with recent examples of activities identified by staff:

### **1. Economic Development**

Examples: Business training programs; CPTED Safety projects.

### **2. Public Facilities**

Examples: ADA curb Cuts, Warming Center, Community Care Center

### **3. Land Acquisition**

Examples: Purchase of Griswold’s Building; Land for Drexel I / Devoe II

### **4. Clean-up of Contaminated Sites**

Examples: Isthmus Building Demolition Asbestos removal

### **5. Housing Rehabilitation**

Examples: Homes First, LIHI Fleetwood Building. Can include both acquisition and rehabilitation as conducted by Homes First!

### **6. Public Services**

Examples: Downtown Ambassador Program.

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

The federal CDBG Program offers a flexible source of funding to meet a wide variety of affordable housing, social service, economic development and other community development needs. All neighborhoods and community stakeholders have an interest in how CDBG funds are invested in community development programs and projects.

**Options:**

- 1) Identify and recommend priority strategies for Program Year 2018 (9/1/18 - 8/31/19) Community Development Block Grant Program (CDBG) and the CDBG Five-Year Strategic Plan (2018 - 2022).
  
- 2) Delay the process to identify priority strategies for Program Year 2018 (9/1/18 - 8/31/19) Community Development Block Grant Program (CDBG) and the CDBG Five-Year Strategic Plan (2018 - 2022).

**Financial Impact:**

Program Year 2018 (September 1, 2018 - August 31, 2019) will guide the investment of an estimated total of \$450,000 and the Five-Year CDBG Consolidated Plan will guide the investment of an estimated total of \$2,250,000 (including the first Program Year 2018).

**Attachments:**

Options for CDBG Funding  
CDBG Program Annual Cycle