



City Council

Approval of the Draft Community Development Block Grant (CDBG) 2019 Annual Action Plan

Agenda Date: 6/18/2019
Agenda Item Number: 6.A
File Number: 19-0562

Type: decision **Version:** 1 **Status:** Passed

Title

Approval of the Draft Community Development Block Grant (CDBG) 2019 Annual Action Plan

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Move to approve the Draft CDBG 2019 Action Plan and direct staff to submit to HUD on or before July 15, 2019.

Report

Issue:

Whether to approve the Draft CDBG Program Year 2019 Action Plan.

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:

The Council will discuss the Draft Community Development Block Grant (CDBG) Program Year (PY) 2019 Annual Action Plan (9/1/19 - 8/31/20) and either approve or amend the proposed activities. Council received public comments at the June 4 public hearing and those comments are recorded in the attached hearing minutes. The only other public comments received during the 30-day CDBG Citizen Participation Process were in the form of an email from Homes First requesting funds. Immediately following the Public Hearing, Council discussed their interest in amending the proposed activities. The recommendations for funded activities were developed by the General Government Committee.

CDBG Program Purpose: The CDBG Program was created as a "bundled" federal 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. Regulations for the CDBG Program are contained in the Code of Federal Regulations (24 CFR 570).

Prior Discussions: This item was discussed at two prior General Government Committee meetings on January 23 and February 26, 2019. There was a prior Council discussion on May 7, 2019 to launch the CDBG public process and a public hearing on June 4, 2019. Please note that this is the second year of the Five-Year CDBG Consolidated Plan (2018 - 2022)

Draft Recommendations for CDBG-funded Activities: The attached “Draft Community Development Block Grant 2019 Action Plan - Citizen Summary” presents the original recommendations developed by the General Government Committee along with the potential amendments discussed by Council immediately following the Public Hearing. These activities are drawn from recommended CDBG Five-Year Consolidated Plan strategies.

\$125,000	Salvation Army - Day Center: Supplement to the \$300,000 funded via PY 2018 CDBG Funds.
\$ 80,000	Interfaith Works / First Christian Church: Sewer repairs, flooring repairs and other
\$ 55,000	Olympia Downtown Ambassadors: Street Outreach
\$ 50,000	Olympia Downtown Safety Loan Program (Crime Prevention Through Environmental Design - CPTED)
\$ 30,000	Thurston Economic Development Council (TEDC): Small Business Training Program
\$ 20,000	Enterprise for Equity: Micro Business Training Program
\$ 90,000	<u>Planning & Administration Costs: General Administration</u>
\$450,000	TOTAL PROPOSED CDBG INVESTMENTS

Public Process: The draft CDBG 2019 Action Plan will be made available for public review in the CDBG Citizen Participation Process, summarized as follows:

February 26	General Government Committee Recommendations
May 7	Council launch of the CDBG Citizen Participation Process
May 10 - June 10	30 Day CDBG Citizen Participation Process
June 4	Public Hearing: CDBG 2019 Action Plan
June 18	Council review & approval of draft CDBG 2019 Action Plan
July 15	Submission of draft CDBG 2019 Action Plan to HUD

Activity & Community Partner Selection: As identified on the attached chart “Draft Community Development Block Grant 2019 Action Plan - Citizen Summary,” the General Government Committee recommendations include several “Direct-Select” providers to indicate the intent of working with

specific community partners. Their recommendations also included a “Request for Proposal” process for the Downtown Safety Loan Program activity, to allow the City to procure specific projects or programs through a competitive process to be administered by staff upon final approval.

Neighborhood/Community Interests:

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

Options:

1. Move to approve the Draft CDBG Program Year (PY) 2019 (9/1/19 - 8/31/20) and direct staff to submit to HUD on or before July 15, 2019.
2. Move to amend the Draft CDBG Program Year (PY) 2019 (9/1/19 - 8/31/20) and direct staff to submit to HUD on or before July 15, 2019.
3. Delay the approval and/or amendment of the Draft CDBG Program Year 2018 (9/1/19 - 8/31/20) and risk loss of funding resulting from a late submission to HUD. Provide staff direction on next steps.

Financial Impact:

The CDBG 2019 Action Plan (September 1, 2019 - August 1, 2020) will guide the investment of an estimated total of \$450,000. This includes projected the annual grant award of \$368,906 in new CDBG funds, and \$81,094 in anticipated CDBG Program Income.

Attachments:

Draft CDBG 2019 Annual Action Plan
Draft Citizen Summary - 2019 Annual Action Plan
CDBG Program Annual Cycle
Draft June 4, 2019 City Council Meeting Minutes
Public Comment - Homes First Request