



General Government Committee

Continued Discussion of Options for 2019 Community Development Block Grant (CDBG) Annual Action Plan and Public Process

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Title

Continued Discussion of Options for 2019 Community Development Block Grant (CDBG) Annual Action Plan and Public Process

Recommended Action

Committee Recommendation:

At its January 23 meeting, the General Government Committee sought to continue the discussion of options for the 2019 CDBG Annual Action Plan, the CDBG public process and options for alignment with the Olympia Home Fund.

City Manager Recommendation:

Continue the discussion of options for the Program Year 2019 (9/1/19 - 8/31/20) Community Development Block Grant (CDBG) Action Plan, the CDBG public process, potential alignment with Olympia Home Funds and give direction to staff.

Report

Issue:

Whether to discuss what additional information is needed for the Committee's review of options for the PY 2019 CDBG Annual Action Plan, what public process should be utilized and how can these funds align with the Olympia Home Fund allocation process?

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:

Tonight's Goal: The goal for tonight's meeting is to review additional information on the preliminary options identified by the Committee for the coming CDBG PY 2019 (9/1/18 - 8/31/19) Annual Action Plan. and to launch the CDBG Citizen Participation Process.

Starting now allows more time to request information on how the CDBG Program could align with other funding sources including the Olympia Home Fund monies, which began its first full inaugural fiscal year in 2019. The Committee may also consider whether to recommend either a “*Direct Select*” process or a “*Request for Proposals*” process.

Staff guidance is needed on recommended allocations, the public process and alignment with the Olympia Home Fund.

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 24 CFR 570.

Prior Discussions: Tonight’s discussion follows the January 23, 2018 initial review of options the CDBG PY 2019 Annual Action Plan. The committee asked for additional information to be provided on five (5) options for capital projects listed below. Please note that options for alignment of the CDBG Program and the Home Fund have been addressed at numerous meetings during calendar years 2017 and 2018.

Initial Options for Capital Projects in CDBG PY 2019: The Committee identified five (5) options for capital investments and stated an interest in continuing several current programs. These options are described in more detail in the attached, “Preliminary Options: Olympia’s Program Year 2019 Community Development Block Grant Annual Action Plan”. Additional information will also be provided as part of the staff presentation.

Following is a list of the Committee’s five (5) options for capital projects:

Salvation Army Day Center / Community Kitchen: This project was initially funded with \$300,000 in PY 2018 CDBG funds for building improvements.

Family Support Center Housing Project: This project was initially funded with \$400,000 in PY 2018 CDBG funds for land acquisition which was completed.

2828 Martin Way Project: The property was purchased with City General Funds. The project is still in the scoping phase with several options under consideration.

Thurston County Food Bank: The Thurston County Food Bank is in the initial phase of seeking community support a new, central facility for their County-wide operations. No location has been identified yet.

Thurston County Court House: The City Council is working with the County Commission to identify a location and funding sources to build a new County Courthouse. No location has been identified yet.

The Committee also indicated an interest in continuing the following CDBG-funded activities:

Olympia Downtown Ambassador Program: Social services for street dependent homeless and severely mentally ill people. Last year’s allocation was \$55,000.

Business Training & Technical Assistance: Assistance for both Micro-enterprises and small

businesses. Last year's allocation was for \$50,000.

Downtown Safety Loans: Assistance for lighting projects and alcove gates. Last year's allocation was for \$50,000.

General Administration: Each year 20 percent of CDBG funding is required to administer this complex federal program. The estimate for PY 2019 will be \$90,000.

CDBG Public Process: The public process for the PY 2019 CDBG Annual Action Plan is presented in the attached chart, "Olympia CDBG Program - Annual Cycle," and is summarized as follows:

January 23, 2019	General Government Committee review of PY 2019 options
February 12, 2019	Committee continues review of PY 2019 options
April	General Government Committee recommendations to Council
May	Council launch of the CDBG Citizen Participation Process
May - June	30 Day CDBG Citizen Participation Process
June	Council's Public Hearing - PY 2019 CDBG Annual Action Plan
June - July	Council review and approval of draft PY 2018 Annual Action Plan
July 15	Submission of PY 2019 Annual Action Plan to HUD
September	Start of PY 2019 CDBG & potential alignment with Olympia Home Fund

The coming PY 2019 will be the second year of the next Five-Year (2018 - 2022) CDBG Consolidated Plan, also referred to as the CDBG Five-Year Strategic Plan.

Five-Year Strategies for CDBG Program: The attached "CDBG Program Five-Year Strategies - Overview" identifies the key strategies selected by Council for investing CDBG funds during the five years between 2018 - 2022. This plan identifies housing as a key strategy, which could potentially align with Home Fund priorities.

Alignment with Home Fund: Throughout the planning of the Home Fund, Council expressed interest in using those funds to leverage other monies including CDBG funds. At this time, the Home Fund is still in the early stages of founding an Advisory Body, whose work will ultimately inform Council decisions on allocations. More information on options for alignment will be made available once the Advisory Body meets later in 2019.

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. Continue the discussion of options for the Program Year 2019 (9/1/19 - 8/31/20) Community Development Block Grant (CDBG) Action Plan, the CDBG public process, potential alignment with Olympia Home Funds and give direction to staff.
2. Request additional information to support the discussion of options for the Program Year 2019 (9/1/19 - 8/31/20) Community Development Block Grant (CDBG) Action Plan, the CDBG public process, potential alignment with Olympia Home Funds prior to giving direction to staff.

Financial Impact:

The PY 2019 (September 1, 2019 - August 31, 2020) Annual Action Plan will guide the investment of an estimated \$450,000. This estimate includes \$350,000 in new PY 2019 CDBG funds along with \$100,000 in CDBG Program Income. This estimate will be updated with the actual CDBG annual entitlement along with revised estimates of program income by Spring 2019. At that time, staff can provide the most current estimates of Olympia Home Funds that could potentially be allocated in conjunction with CDBG funds.

Attachments:

Preliminary Options: Olympia's CDBG Program Annual Action Plan

CDBG Five-Year Strategies - Overview

Olympia CDBG Program - Annual Cycle