

In accordance with Federal requirements for CDBG funding, the City is preparing to submit its Annual Action Plan to HUD. The Annual Action Plan, developed according to the City's Citizen Participation Plan, outlines the projects and programs the City will support with CDBG funds during the upcoming Program Year, thereby furthering the goals of the HUD-approved Consolidated Plan, a five-year strategic planning document. After submission of the Annual Action Plan to HUD for the agency's review, projects and programs are implemented in accordance with the HUD-approved one-year budget and activities

The City's allocation for Program Year 2021 (PY21) is \$430,279 and will begin October 1, 2021. Of the total funding amount, up to 15 percent (\$64,541.85) can be allocated for public service activities, up to 20 percent (\$86,055.80) is eligible for program administration, and a minimum of 65 percent (\$279,681.35) must be used for other activities such as housing and public facilities projects as per HUD CDBG requirements.

Consistent with the City's standard practice to distribute funding provided by HUD, a competitive Request for Application (RFA) was available to nonprofit agencies and other eligible entities from February 10, 2021 to March 10, 2021. Applications were available for 3 categories: Public Services, Public Facilities, and Housing. The City subsequently received applications from 10 local non-profit organizations for a variety of activities for a total of \$364,454.28 within the Public Services category, and \$493,917 within the Public Facilities (\$369,667) and Housing (\$124,250) categories.

Due to being significantly oversubscribed for the competitive categories, it is the recommendation that all unallocated funds from PY20 (\$56,460.30; eligible for public facilities and housing projects only) be added to the PY21 grant award. In addition, to support the agency projects at a higher level, it is also recommended that the administration costs be absorbed into the General Fund in FY 2021, which allows the housing and public facilities and housing allocation to increase by \$86,055.80. Supporting the administrative costs in FY 2022 is a one-time initiative. Future consideration of this is dependent upon the applications received and financial capacity in the General Fund to support the administrative costs. By adding the unallocated funds from FY 20 as well as including the for a total of \$486,739.30 to be distributed to the applicants.

In support of the City's standard process, the Community Development Advisory Committee (CDAC) is composed of nine citizens of New Braunfels who have applied and been approved by City Council to serve in an advisory capacity on matters relating to the CDBG Program. CDAC's responsibilities include reviewing the competitive applications for funding, hosting agency presentations, and making recommendations for funding allocations to be considered and approved by City Council. Funding allocations are subsequently included in the City's Annual Action Plan.

After prior extensive review and discussion, the CDAC members met on May 5 to publicly rank the applications and consider funding allocations for CDBG Program Year 2021. Recommendations for funding were based upon factors such as how the program/project will benefit low to middle income residents, availability of funding, past/current performance for organizations who had previously received funding, and the experience and capacity of the agency in managing the proposed program/activity, consideration of other available funding sources for the agency, and direct support of the City's recently adopted CDBG 2020-2024 Consolidation Plan.

The following allocations are being recommended by CDAC; it is the recommendation for PY21 that \$64,541.85 be awarded to activities for Public Services and \$422,197.45 be awarded to Public Facilities and Housing projects.

As mentioned earlier, if recommendations are approved by City Council, CDBG Program Administration costs will be paid by the General Fund in FY 2022. If City Council would prefer all or a portion of CDBG Program

Administration costs to be funded by CDBG, it is the request of CDAC that the awarded Administration amount be reduced from the recommended award (\$241,667) for NB Housing Partners to be utilized in opening an emergency homeless shelter.

U.S. Department of Housing and Urban Development (HUD)
Community Development Block Grant (CDBG): Entitlement Program

PY 2021 TOTAL GRANT AMOUNT: \$430,279

Recommendations for Funding Distribution provided on May 5, 2021 and confirmed on June 2, 2021

PUBLIC SERVICES (15% Cap): \$64,541.85			
Name of Organization	Average CDA Score (max: 100)	Funding Requested	Recommended Funding
Big Brothers Big Sisters of South Texas <i>BBBS Mentoring in New Braunfels</i>	86	\$ 4,576.00	\$ 4,576.00
CASA of Central Texas, Inc. <i>Court-Appointed Advocacy for New Braunfels Children</i>	86	\$ 50,000.00	\$ 12,000.00
Family Life Center <i>Benevolent Program</i>	83	\$ 15,000.00	\$ 8,128.00
Hope Hospice <i>COVID/Suicide Related Grief Support and Camp HavenHeart Grief Camps</i>	77	\$ 42,953.28	\$ 8,384.85
NB Housing Partners <i>Public Services application: First Footing Shelter</i>	79	\$ 56,076.00	\$ 8,337.00
River City Advocacy, Inc. <i>Community Counseling Program</i>	74	\$ 20,000.00	\$ 6,500.00
The Salvation Army Braunfels Corps <i>Sheltering Sheep Haus Program</i>	55	\$ 160,849.00	\$ 7,616.00
San Antonio Food Bank <i>New Braunfels Food Bank Distribution Program</i>	88	\$ 15,000.00	\$ 9,000.00
		\$ 364,454.28	\$ 64,541.85
HOUSING / PUBLIC FACILITIES: \$422,197.45			
Name of Organization	Average CDA Score (max: 100)	Funding Requested	Recommended Funding
The Crisis Center of Comal County <i>Purchase and Development of a Building to Provide Transitional Housing for Survivors of Sexual Violence and Women and Children Experiencing Homelessness</i>	87	\$ 128,000.00	\$ 105,310.00
* NB Housing Partners <i>Public Facilities application: First Footing Shelter and Coordinate Entry</i> NOTE Funding recommendation is subject to change.	92	\$ 241,667.00	\$ 241,667.00
Comal County Habitat for Humanity <i>Home Program: Down Payment and Closing Cost Assistance</i>	88	\$ 19,500.00	\$ 13,434.38
Comal County Habitat for Humanity <i>Home Repair Program</i>	87	\$ 104,750.00	\$ 61,786.00
		\$ 493,917.00	\$ 422,197.45

HUD requires a 30-day comment period, and two public hearings prior to submission, allowing for citizens to comment on the information proposed in the Annual Action Plan. The comment period for CDBG Program Year 2021 is June 7 to July 6; a full draft of the Annual Action Plan is available for review at the City Secretary's Office and the New Braunfels Public Library, and information is also available on the City's Community Development - CDBG Program website during this timeframe. The first public hearing is on June 14 during the regular City Council meeting; the second public hearing is on June 28 during the regular City Council meeting. It is anticipated that the finalized Annual Action Plan will be presented to City Council for approval on July 12 and delivered to HUD no later than August 16, 2021.

ISSUE:

Not applicable.

FISCAL IMPACT:

There is no direct fiscal impact to the City for the CDBG-funded recommended awards as this is an allocation of federal funding. Costs associated with the administration of the CDBG PY21 Program will be incorporated into the City's FY 2022 Budget and will be paid from the General Fund.

RECOMMENDATION:

There is no Council action required as this is a public hearing for the U.S. Department of Housing and Urban Development Community Development Block Grant Program Year 2021 (PY21) Annual Action Plan. However, action is requested if Council should decide to redistribute PY21 funding recommendations as proposed by staff and CDAC.