

Legislation Text

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Presenter/Contact

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SUBJECT:

Public hearing and possible direction to staff regarding the U.S. Department of Housing and Urban Development Community Development Block Grant Annual Action Plan and funding recommendations for Program Year 2019.

BACKGROUND / RATIONALE:

The City of New Braunfels has been fortunate to receive annual grants from the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Program since 1994. The annual funding amount varies each year as it is determined on a formula basis and then provided to entitled cities, counties, and states to help develop viable urban communities. Funds are distributed by the City throughout the community to provide eligible recipients with grant funding that can be used to revitalize neighborhoods, support affordable housing, provide economic opportunities, and improve community facilities and services intended for low- and moderate-income (LMI) residents.

In accordance with CDBG funding requirements, the City is preparing to submit the 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 HUD 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, projects and programs are then implemented in accordance with the approved one-year budget and activities.

The City's allocation for Program Year (PY) 2019 is \$393,910 and will begin October 1, 2019. Of the total funding amount, up to 15 percent (\$59,086.50) can be allocated for public service activities, 20 percent (\$78,782) for program administration, and the remaining 65 percent (\$256,041.50) is to be used for housing and public facilities projects as per HUD CDBG requirements. Any additional funds, including from previous Program Years, are held in reserve in the U.S. Treasury to be utilized by the City at a future date in accordance with timeliness requirements and project/program eligibility.

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 including reviewing 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 previous extensive review and discussion, the CDAC members met on April 10 to publicly rank

the applications and consider funding allocations for CDBG Program Year 2019. Recommendations for funding were based upon factors such as how the program/project will benefit LMI 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.

For example, funding was not recommended for all agencies who submitted applications within the highly-competitive Public Services category. During funding considerations, CDAC initially considered distributing funds proportionately to all who applied; however, this would have resulted in amounts that would seemingly have little to no impact for some agencies. Therefore, CDAC determined that it would be more effective to recommend funding that will maximize impact. Additionally, the request submitted by the Senior Citizens Foundation for their Minor Home Repair Program was adjusted due to the agency's perceived capacity at the time of the funding recommendation meeting.

The following allocations are being recommended by CDAC. As the table illustrates, there is approximately \$100,000 in additional available funding. These funds are earmarked for housing/public facilities projects. The City and CDAC are hopeful there will be sufficient applications and projects within this category to allocate this funding in conjunction with CDBG Program Year 2020.

CDBG PROGRAM YEAR 2019 (PY19) TOTAL GRANT AMOUNT: \$393,910			
ADMINISTRATION (20% Cap): \$78,782			
Administration and oversight of CDBG program			
NOTE: Administration allocation is not subject to ranking by committee.			
PUBLIC SERVICES (15% Cap): \$59,086.50			
Name of Organization	Project/Program	Funding Requested	Committee Recommended Funding
Any Baby Can	case management (salaries)	\$ 7,070.00	\$ -
Big Brothers Big Sisters	expand workplace mentoring program	\$ 8,000.00	\$ -
CASA of Central Texas, Inc.	court advocacy services	\$ 40,000.00	\$ 13,333.00
Family Life Center & Counseling Center	emergency rent & utility assistance	\$ 20,000.00	\$ 10,318.50
River City Advocacy & Counseling Center	counseling program	\$ 27,000.00	\$ 5,000.00
San Antonio Food Bank	food distribution	\$ 25,000.00	\$ 12,500.00
Comal County Senior Citizens Foundation	Meals on Wheels Program	\$ 20,651.00	\$ 17,935.00
		\$ 147,721.00	\$ 59,086.50
HOUSING / PUBLIC FACILITIES (65% Cap): \$256,041.50			
Name of Organization	Project/Program	Funding Requested	Committee Recommended Funding
Comal County Habitat for Humanity	closing cost assistance	\$ 8,500.00	\$ 8,500.00
Comal County Habitat for Humanity	home repair program	\$ 65,798.00	\$ 65,798.00
Comal County Senior Citizens Foundation	minor home repair program	\$ 100,000.00	\$ 80,000.00
Westside Community Center	replace/improve electrical lighting	\$ 12,000.00	\$ 12,000.00
Westside Community Center	complete roof replacement	\$ 50,000.00	\$ 50,000.00
		\$ 236,298.00	\$ 216,298.00
ADDITIONAL AVAILABLE FUNDING (TO-DATE): \$100,008.50			
CDBG Program Year	Project/Program	Available	
Previous CDBG Program Years	TBD Housing/Public Facilities	\$ 60,265.00	
Program Year 2019	TBD Housing/Public Facilities	\$ 39,743.50	
		\$ 100,008.50	

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 2019 is June 11 to July 12; 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 was held on June 17 at the Westside Community Center. The second public hearing is on June 24 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 22 and delivered to HUD no later than August 16, 2019.

ADDRESSES A NEED/ISSUE IN A CITY PLAN OR COUNCIL PRIORITY:

<input checked="" type="checkbox"/>	Yes	Strategic Priorities	20. Protect the integrity of our neighborhoods.
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FISCAL IMPACT:

There is no direct fiscal impact to the City. The program is fully supported by federal dollars.

COMMITTEE RECOMMENDATION:

The Community Development Advisory Committee (CDAC) has approved the above-referenced recommendations for City Council consideration.

STAFF RECOMMENDATION:

No action is required as this is a public hearing to allow citizens to make comments on the CDBG Annual Action Plan and associated funding recommendations for Program Year 2019 as required by HUD.