

## Legislation Text

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Presenter/Contact

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**SUBJECT:**

Discussion, possible direction to staff, and approval regarding the U.S. Department of Housing and Urban Development Community Development Block Grant 2020-2024 Consolidated Plan, Citizen Participation Plan, Fair Housing Plan, and Annual Action Plan, including funding recommendations for Program Year 2020.

**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 subrecipients 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. Of the total annual funding amount, HUD requires that specific percentages of the funding be allocated to: CDBG program administration, public service activities, and housing and public facility projects. Any additional funds, including from previous Program Years, are held in reserve in the U.S. Treasury to be utilized by the City for housing/public facilities projects at a future date in accordance with timeliness requirements and project/program eligibility.

**2020-2024 Consolidated Plan**

As required by HUD, the City has developed a Community Development Block Grant 2020-2024 Consolidated Plan (Con Plan) as the current 2014-2019 Con Plan will conclude on September 30, 2020. Components of the Con Plan include a Housing Study, Market Analysis, a 5-Year Strategic Plan, and a 1-Year Action Plan. In addition to community feedback, the Housing Study and Market Analysis are used to identify specific community needs which are then incorporated within the 5-Year Strategic Plan. The 5-Year Strategic Plan provides an outline of the anticipated use of CDBG funds for the next five HUD program years, whereas the 1-Year Action Plan (Annual Action Plan) submitted with the Con Plan will identify specific projects and programs that the City will support with CDBG funds during the upcoming HUD Program Year 2020 beginning on October 1. As per CDBG requirements, subsequent Annual Action Plans are created and submitted to HUD each year with projects/programs that support the goals of the HUD-approved Con Plan.

Collaboration with community members, and public and private entities, is important to the development of the Con Plan as it allows for more effective alignment of CDBG programs with other plans, programs, and resources to achieve an overall greater impact for the City's residents.

Community engagement included stakeholder meetings, public hearings, one-on-one interviews, and online surveys (provided in English and Spanish) with collaborative partners including, but not limited to non-profit social service providers, non-profit housing providers, a local foundation, the New Braunfels Housing Authority, and City Departments. Due to public health concerns caused by COVID -19, CDBG staff has gathered community input via a variety of methods, including socially distant in-person meetings, virtual meetings conducted via Zoom, online surveys, and interviews conducted via phone and email.

### **PROGRAM YEAR 2020 Funding Recommendation**

As aforementioned, the City is preparing to submit the Program Year 2020 (PY20) Annual Action Plan to HUD as part of the 2020-2024 Consolidated Plan process. 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. 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 PY20 is \$413,251.00 and will begin October 1, 2020. Of the total funding amount, up to 15 percent (\$61,987.65) could be allocated for public service activities, 20 percent (\$82,650.20) for CDBG program administration, and the remaining 65 percent (\$268,613.15) is to be used for housing and public facilities projects as per HUD CDBG requirements. A competitive application was released in January 2020 to eligible non-profit agencies and other entities for the public services, and housing and public facilities categories; the allocation for program administration is provided directly to the City and not subject to the competitive process. Applications were subsequently reviewed by the City's Community Development Advisory Committee (CDAC) to establish PY20 funding recommendations.

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 then included in the City's Annual Action Plan.

After extensive review, CDAC members met on May 6 to discuss and publicly rank the applications and consider funding allocations for CDBG Program Year 2020. 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.

Funding allocations initially presented during the regular City Council meeting on July 13, 2020 were recommendations provided by CDAC. The July 27, 2020 Recommended Funding amounts within the table below reflect feedback provided by City Council during the July 13 meeting. It is important to note that the total amount requested for the housing/public facilities category exceeded the City's PY20 allocation, so it the recommendation to utilize a portion of the unallocated funds from PY19 to provide additional funding as unallocated funds from PY 19 must be spent in the housing/public facilities category rather than in Administration or Public Services.

**CDBG PROGRAM YEAR 2020 (PY20)**  
**TOTAL GRANT AMOUNT: \$413,251**

ADMINISTRATION (20% Cap): \$82,650.20			
Administration allocation is not subject to ranking by committee.			
PUBLIC SERVICES (15% Cap): \$61,987.65			
Name of Organization <i>Name of Program</i>	Funding Requested	July 13, 2020 Recommended Funding	July 27, 2020 Recommended Funding
CASA of Central Texas, Inc. <i>Court-Appointed Advocacy for New Braunfels Children</i>	\$ 35,000.00	\$ 10,000.00	\$ 10,000.00
Comal County Senior Citizens Foundation <i>Meals on Wheels Nutrition Program / Unfunded Meals</i>	\$ 20,701.00	\$ 12,000.00	\$ 12,000.00
Family Life Center <i>Benevolent Program</i>	\$ 20,000.00	\$ 10,000.00	\$ 10,000.00
Holistic Empowerment Resources <i>Case Management and Mental Health Services for Clients Affected/Effectuated by HIV</i>	\$ 9,100.00	\$ 5,200.00	\$ 5,200.00
River City Advocacy & Counseling Center <i>Community Counseling Program</i>	\$ 20,000.00	\$ 9,787.65	\$ 9,787.65
San Antonio Food Bank <i>New Braunfels Food Bank</i>	\$ 25,000.00	\$ 15,000.00	\$ 15,000.00
	<b>\$ 129,801.00</b>	<b>\$ 61,987.65</b>	<b>\$ 61,987.65</b>
HOUSING / PUBLIC FACILITIES (PY 2020 Grant Balance + Unallocated PY 2019 Fun \$268,613.15 + \$70,996.00 = \$339,609.15)			
Name of Organization <i>Name of Project/Program</i>	Funding Requested	July 13, 2020 Recommended Funding	July 27, 2020 Recommended Funding
City of New Braunfels' Parks and Recreation Department <i>Market Plaza Renovation Project – Phase 2</i>	\$ 75,000.00	\$ 75,000.00	\$ -
Comal County Habitat for Humanity <i>Home Program</i>	\$ 11,550.00	\$ 11,550.00	\$ 11,550.00
Comal County Habitat for Humanity <i>Home Repair Program</i>	\$ 108,387.10	\$ 75,000.00	\$ 108,387.10
Comal County Senior Citizens Foundation <i>Minor Home Repair Program</i>	\$ 80,000.00	\$ 60,000.00	\$ 80,000.00
Crisis Center of Comal County <i>Transitional/Workforce Housing project – Phase I</i>	\$ 36,000.00	\$ 36,000.00	\$ 36,000.00
HCS 308, LLC (by Prospera HCS as Sole Member) <i>Exterior Repairs at Village Circle Apartments</i>	\$ 75,038.00	\$ 75,038.00	\$ 75,038.00
	<b>\$ 385,975.10</b>	<b>\$ 332,588.00</b>	<b>\$ 310,975.10</b>

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 2020-2024 Consolidated Plan and its associated PY20 Annual Action Plan. The comment period is June 22 to July 22 and a full draft of the Consolidated Plan, including the PY20 Annual Action Plan, is available for review at the City Secretary's Office and the New Braunfels Public Library. Information is also available on the City's Community Development - CDBG Program website during this timeframe. The first public hearing was held on June 16 at the New Braunfels City Hall. The second public hearing was held on July 13 during the regular City Council meeting at which time City Council requested additional information

and recommended the possible reallocation of funding. As such, the finalized Consolidated Plan and Annual Action Plan with the incorporated public comments and adjusted funding recommendations will be presented to City Council for approval on July 27 during the regular City Council meeting and delivered to HUD no later than August 15, 2020.

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

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

There is no direct fiscal impact to the City as this is an allocation of federal funding.

**COMMITTEE RECOMMENDATION:**

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

**STAFF RECOMMENDATION:**

After discussion and possible direction to staff, Staff recommends approval of the U.S. Department of Housing and Urban Development Community Development Block Grant 2020-2024 Consolidated Plan, Citizen Participation Plan, Fair Housing Plan, and Annual Action Plan, including funding recommendations for Program Year 2020.