

Substantial Amendment to 2019-2023 Consolidated Plan and 2020-2021 Second Program Year Annual Action Plan



Housing & Community
Services/Wichita Housing
Authority

July 21, 2020



Background



- The City receives an annual allocation of funds from the U.S. Department of Housing and Urban Development (HUD).
- Funded activities align to the City's goal of creating a livable and sustainable community.
- These funds are used to create strong, sustainable, inclusive communities and affordable housing.



Entitlement Grants



- Community Development Block Grant (CDBG) – used for a wide range of community development needs. The 2020-21 award amount is \$2,933,865.
- HOME Investment Partnerships (HOME) – used to create affordable housing for low-income households. The 2020-21 award amount is \$1,535,187.
- Emergency Solutions Grant (ESG) – used to address homelessness. The 2020-21 award amount is \$246,609.



Planning Process



- 2019-2024 Consolidated Plan – five-year plan to identify the community needs and spending priorities for CDBG, HOME, and ESG funds.
- Program Year Annual Action Plan – allocates funding amounts for specified activities.
- The Second Program Year Action Plan (2020-2021) – due to HUD on August 1, 2020, and allocates funds for the period from July 1, 2020 through June 30, 2021.



Significant Amendment to Consolidated Plan



- Staff proposes amending the Consolidated Plan to provide additional flexibility in addressing community needs.
- New components:
 - Expand Economic Development activities
 - Allow for documentation of accomplishments related to Rental Housing Rehabilitation (RAD)



Significant Amendment to Consolidated Plan



- Continued...
 - Provide for flexibility to allocate HOME Program funding for rental housing development in conjunction with Low Income Housing Tax Credits
 - Allow for funding of programs related to Infectious Disease and Disaster Response
 - Account and plan for ESG and CBDG CARES Act Funding



CDBG (24 CFR Part 570)



- Meets national objectives:
 - Benefit low to moderate income
 - Prevent slums or blight
 - Address urgent community needs
- Used for eligible spending activities.
- Not less than 70% of spending must benefit low to moderate income persons.



CDBG



- 2020-21 Allocation is \$2,933,865



CDBG- MABCD



Total allocated: \$100,000

- Demolition and Clearance of Properties Cited by MABCD Staff



CDBG- Infrastructure Improvements



Total allocated: \$100,000

- Public Facilities and Infrastructure Improvements in a high priority funding area



CDBG- Commercial Façade Improvement Program



Total allocated: \$50,000

- Funding proposed for a commercial façade improvement program for qualified business owners to make improvements and correct code violations.
- Anticipated that the program will serve businesses within a high priority funding area.



CDBG- Small Business Assistance Program



Total allocated: \$220,000

- Options for funding could include assistance for private, for-profit businesses through grants, loans, loan guarantees, and economic development services in connection with otherwise eligible CDBG economic development activities.



CDBG- Housing Activities



Total allocated: \$892,776

- Home Repair program



CDBG- Administration



Total allocated: \$586,773

- Program management - \$471,711
- Indirect costs - \$115,062



CDBG- Public Services



Total allocated: \$1,109,316

- Office of Community Services - \$385,000
- Housing First Coordination - \$74,316
- Domestic Violence Shelter Services - \$250,000
- Youth Crime Prevention and Enrichment - \$200,000
- Summer Youth Employment - \$200,000



CDBG- GRC



The 2020-21 Grants Review Committee (GRC):

- Reviewed proposals/applications received from community service providers interested in receiving CDBG, ESG, and HOME funds
- Conducted a public hearing regarding proposals/applications on February 13, 2020
- Made selection and funding recommendations



CDBG- DV Shelter



Total allocated: \$250,000

- Catholic Charities Harbor House - \$90,000
- StepStone, Inc. Transitional Housing - \$23,000
- Wichita Family Crisis Center - \$127,000
- Raise My Head Foundation - \$10,000



CDBG- Youth Services



Total allocated: \$200,000

- YMCA Middle School After School - \$105,000 to provide an after-school program for 4,300 youth in 14 middle schools
- Kansas Big Brothers/Big Sisters - \$33,000 to serve 75 youth with volunteer mentors
- Real Men Real Heroes - \$12,000 to serve 50 youth through the Teen Hero peer to peer mentoring program



CDBG- Youth Services cont.



Total allocated: \$200,000

- Park and Recreation Youth Activity Program - \$50,000



CDBG- Youth Employment



Total allocated: \$200,000

- The total 2020-21 allocation will be utilized during the summer of 2021 for The Way to Work (TWTW) summer youth employment program.
- TWTW summer youth employment program is currently being implemented with funds from the 2019-20 allocation.



HOME – CHDO Set-aside



Total allocated: \$269,145

- Mennonite Housing - \$197,028
- Power CDC - \$72,117



HOME



Total allocated: \$1,535,187

- CHDO Operating Funds and Set-Aside - \$319,145
- HOMEownership 80 - \$256,307
- Housing Development Loan Program - \$400,000
- Program Administration and Indirect Charges - \$153,518
- WHA– RAD - \$406,217



Emergency Solutions Grant (ESG)



- Continuum of Care Coordinating Team Administered by the United Way of the Plains:
 - Reviewed proposals from community service providers interested in receiving ESG funds for homeless assistance and prevention programs
 - Participated in the public hearing regarding proposals/ applications on February 13, 2020



ESG cont.



- The Continuum of Care made selection and funding recommendations for the GRC.



ESG – Homeless Assistance



Total allocated: \$135,628

- Harbor House - \$17,163
- St. Anthony Family Shelter - \$23,846
- HumanKind Inn - \$22,819
- Salvation Army - \$13,567
- United Methodist Open Door - \$38,156
- Wichita Family Crisis Center - \$20,077



ESG – Homeless Prevention



Total allocated: \$38,146

- Center of Hope - \$25,000
- The Salvation Army - \$13,146



ESG



Total allocated: \$246,609

- Homeless Assistance - \$135,628
- Homeless Prevention - \$38,146
- Rapid Re-Housing - \$53,029
- Homeless Management Information System - \$1,311
- Program Administration and Indirect Charges - \$18,495



CARES Act



- As a result of the passage of the Coronavirus Aid Relief, and Economic Security (CARES) Act, the City has received additional CDBG and ESG allocations.
- Jurisdictions have until the end of 2022 to expend additional allocations of CDBG and ESG funds.



CARES Act



- Community Development Block Grant- CARES (CDBG-CV) – used to prevent, prepare for and respond to COVID-19. The award amount is an additional \$1,725,897.
- Emergency Solutions Grant- CARES (ESG-CV) – used to prevent, prepare for and respond to COVID-19 among individuals and families who are homeless or receiving homeless assistance. Total award amount is \$3,301,120.



CDBG-CV



- 20/21 Recommendations:
 - Program Administration and Indirect Costs - \$146,333
 - Increased funding for Domestic Violence Shelters - \$75,000
 - Office of Community Services – WIFI Hotspot Program - \$50,000
 - Office of Community Services – COVID-19 Outreach - \$30,000
 - COVID-19 Food Box Program - \$40,000
- Remaining \$480,778 for other Public Services Activities to respond to COVID-19 for 20/21



ESG-CV



- 20/21 Recommendations:
 - Program Administration and Indirect Costs - \$160,311
 - Homeless Caseworker Program - \$209,361
 - Homeless Services Activities - \$424,044
 - Rapid Rehousing - \$319,360
 - Homeless Prevention Activities - \$319,360



Financial Considerations



- HOME Program regulations include a requirement for 25 percent local match.
 - Match obligation is satisfied with permit fee waivers, additional grants and loans for down payment assistance provided through local financial institutions and CHDOs, and other funding or reduced charges offered by CHDOs and other organizations receiving HOME Program development subsidy loans.
- ESG regulations require 100 percent local match.
 - Match is satisfied with City and County Housing First funding, and funding provided through homeless services providers.



Financial Considerations



- CARES Act ESG Funding is exempt from match requirements
- There is no impact to the General Fund
- Development of a Consolidated Plan and an Annual Action Plan are required for receipt of Federal funds



Recommendation



- It is recommended that the City Council close the public hearing, approve the funding allocations and recommendations, and authorize submission of the Substantial Amendment to the 2019-2023 Consolidated Plan and the 2020-2021 Annual Action Plan to the U. S. Department of Housing and Urban Development, and authorize the funding agreements and necessary signatures.



