

FY2022-2023 Funding; CDBG, HOME, ESG



Housing & Community
Services/Community
Investments Division

December 2021



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.



Types of Funds



- Community Development Block Grant (CDBG) – used for a wide range of community development needs. The 2021-22 award amount is \$2,968,676.
- HOME Investment Partnerships (HOME) – used to create affordable housing for low-income households. The 2021-22 award amount is \$1,519,843.
- Emergency Solutions Grant (ESG) – used to address homelessness. The 2021-22 award amount is \$250,208.



Planning Process



- Five-year Consolidated Plan - identifies the community needs and spending priorities for CDBG, HOME, and ESG funds.
- Program Year Action Plan - allocates estimated funding amounts for defined activities.
- The Fourth Program Year Action Plan (2022-2023) - due to HUD on May 15, 2022, allocates funds for the period from July 1, 2022 through June 30, 2023.



CARES Act Funding Allocations



- Community Development Block Grant (CDBG-CV)
 - 1st Round Allocation: \$1,725,897
 - 2nd Round Allocation: \$1,943,527
- Emergency Solutions Grant (ESG-CV)
 - 1st Round Allocation: \$850,376
 - 2nd Round Allocation: \$2,450,744



Timeline



- November - December 2021 – Gathering of Public Input, Development of Annual Action Plan
- January 2022 – Appointment of GRC, Issuance of Requests for Proposals (RFPs)
- February 2022 – GRC reviews proposals and makes funding recommendations, Development of Preliminary Spending Plan



Timeline



- March - April 2022 – Opening & Closing of a 30-day comment period for Fourth-Year Annual Action Plan
- May 2022 – City Council Reviews Final Spending Plan and Amounts
- May 15, 2022 – Fourth-Year Annual Action Plan due to HUD
- July 1, 2022 – Program Year begins



CDBG



CDBG Eligible Activities



- Meets national objectives (benefit low to moderate income; prevent slum or blight; address urgent community needs)
- Used for eligible spending activity
- Not less than 70% of spending must benefit low to moderate income persons



Additional CDBG Considerations



- Limit on Public Service category is \$1,163,310
- Funds can only be used based on a Memorandum of Understanding (MOU) with other City departments or RFP for contractual services with private vendors
- Funds cannot be allocated to a specific provider or for an ineligible purpose



CDBG



- Infrastructure Improvements in Low-to-Moderate Income Neighborhoods/Opportunity Zones
- Park Improvements in Low-to-Moderate Income Neighborhoods
- Economic Development- Façade Improvement Program & Small Business Assistance
- Home Repair Program
- MABCD Demolition and Clearance



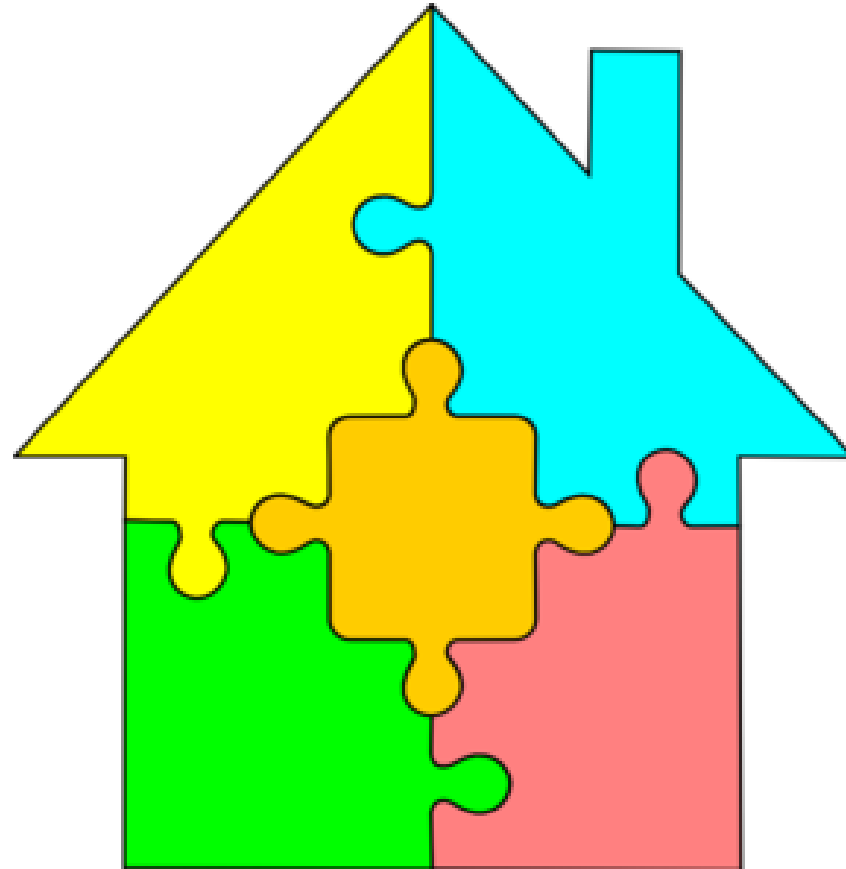
CDBG (continued)



- Land Bank
- City Manager's Office: Office of Community Services
- Housing First Project Coordinator/Other Homeless Assistance
- Domestic Violence Shelter Services
- Youth Crime Prevention and Enrichment
- Training and Employment- The Way to Work (TWTW)



HOME Investment Partnerships



HOME



- Homeownership Activities
- Affordable Housing Development/Redevelopment Activities
- Community Housing Development Organization (CHDO) Set-Aside for Housing Development
- Operating Support Funding for CHDOs
- Administration



CHDO Set-Aside



- Staff issues Applications for Community Housing Development Organization Set-Aside Funding
- Funding Must Be Utilized for the Development of Affordable Housing



CHDO Requirements



- Legal and Tax Exempt Status
- Financial Management Capacity and Accountability
- Capacity and Experience
- Experience Serving the Community
- Community Representation on Board
- Lack of For-Profit or Public Control
- Purpose – Development of Affordable Housing



Emergency Solutions Grant



ESG Activities



- Homeless Assistance (60% Cap)
- Homeless Prevention
- Rapid Rehousing
- HMIS Administration



ESG



- **Shelter Services** – Includes Shelter Operations, Essential Services, and Major Rehabilitation/Conversion
- **Homeless Prevention** – Rent and Utilities Assistance for Families and Individuals In Immediate Danger of Homelessness



Prioritization



- What should be funded if the allocation increases or decreases?
- Which activities are highest priority?
- Which activities are lowest priority?
- Are there urgent needs which should be considered?



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