THE CITY OF ASHEVILLE

Staff Report

Council Meeting Date: October 24, 2023

Subject: Adoption of amendments to the 2020-2024 Consolidated Plan for activities that were funded for the following Fiscal Years (FY): FY 2018-19, FY 2019-20, FY 2021-22, and FY 2022-23, that will be carried out as part of the 2023-24 Annual Action Plan.

Staff Resource(s): Nikki Reid, Director, Community & Economic Development Department
Dennis Newburn, Community Development Division Manager
Laura Near, Community Development Analyst

Action Requested: Hold a public hearing and adopt a resolution to approve amendments to the 2020-2024 Consolidated Plan for activities that were funded for the following Fiscal Years: FY 2018-19, FY 2019-20, FY 2021-22, and FY 2022-23 to (1) allow Community Development Block Grant (CDBG) funding previously awarded to Helpmate, Inc. to additionally be used outside of the jurisdictional limits of the City of Asheville, but within Buncombe County; (2) to allow the unused amount of $300,000 of Community Development Block Grant (CDBG) funding to be used for an accessibility improvement project at 108 Patton Avenue; and (3) to allow a previous award to Homeward Bound of WNC for FY 2021-22 HOME Tenant Based Rental Assistance (TBRA) program to include both Permanent Supportive Housing and Rapid Rehousing; and to authorize the City Manager to submit the amendments to the U.S. Department of Housing and Urban Development (HUD) and to sign all necessary documents to give effect to these Amendment requests.

Background: This public hearing and proposed amendments contain three key actions, as further described below.

CDBG Jurisdiction Change for Helpmate, Inc

- Previous Annual Action Plans have granted CDBG Housing Services funds to Helpmate, to support survivors of domestic violence (housing-related intake and case management) that receive HOME Tenant-Based Rental Assistance (TBRA). These two funding sources work together to provide comprehensive housing support for Helpmate clients.
- HOME funds can currently be used outside of the City of Asheville but CDBG, even those used in conjunction with HOME TBRA funds, must be used within Asheville City limits, per the City's 2020-2024 Consolidated Plan.
- Affordable housing options can be harder to find in City limits than in other parts of Buncombe County.
- In addition, survivors of domestic violence require more choices regarding their housing placement to ensure their ongoing safety.
- To reduce constraints that only using CDBG funds within City limits poses, City staff recommend that an amendment be made to the 2020-2024 Consolidated Plan such that CDBG Housing Services funds can be spent in Asheville City limits and also in areas of Buncombe County outside of Asheville City limits.

Homeward Bound Tenant-Based Rental Assistance (TBRA) Amendment

- Tenant-Based Rental Assistance is one of the most important tools used to end homelessness in our community and can be used for (1) Permanent Supportive Housing programs, like the recently completed Compass Point Village, where wrap-around services are provided alongside housing, and (2) Rapid Rehousing programs that do not include long-term supportive services, but focus on rental payments.
- Homeward Bound receives Tenant-Based Rental Assistance (TBRA) funding from the City of Asheville through the federal HOME and CDBG programs, though most of the funds are currently limited to Permanent Supportive Housing Programs.

- The agency has seen a diminishing number of chronically homeless individuals who need long-term housing services (Permanent Supportive Housing) and an increasing number of individuals experiencing episodes of homelessness who do not need long-term supportive services (Rapid Rehousing).
- Recent recommendations from the National Alliance to End Homelessness confirm this finding and point to a significant system gap in Rapid Rehousing capacity.
- Homeward Bound asked the City if an amendment could be made to expand the use of their existing HOME TBRA funds from Permanent Supportive Housing to include Rapid Rehousing to accommodate for these new needs and changes in the homeless population. City staff recommend support of this change.

CDBG Reallocation to 108 Patton Avenue Sidewalk and Accessibility Project

- The City of Asheville (COA) has $300,000 in available CDBG funds that must be spent by April 2024 to meet HUD timeliness requirements. These funds come from previous years' (FY 2018-19 and FY 2019-20) contracts that have either expired or have unspent balances that have now been returned.
- Community Development staff met with multiple City departments to discuss projects in their capital plans that would meet HUD CDBG requirements.
- Projects that address Americans with Disabilities Act (ADA) accessibility concerns were prioritized, as these types of projects serve the target populations that CDBG regulations require.
- The Public Works Department had planned to improve sidewalks and curb ramps located in the vicinity of 108 Patton Avenue, using City funds allocated for FY 2023-24. This project was identified as the highest priority in the City's Greenways, Accessibility, and Pedestrians (GAP) Plan.
- This project was identified as the best fit for the reallocation of $300,000 in CDBG funds, and construction can proceed as soon as the reallocation is approved.
- This action would reaffirm the City's commitment to the Americans with Disabilities Act by undertaking activities that will remove architectural barriers, achieve compliance with HUD's timeliness requirements, and assist with the preservation of City facilities.
- CDBG funds will be used to construct the sidewalk project at 108 Patton instead of General Funds. This will allow the Public Works Department to redirect those operational dollars to other critical sidewalk maintenance projects.

Vendor Outreach Efforts:

- N/A

Council Goal(s):

- Quality, Affordable Housing
- Clean, Safe, and Healthy Environment
- Well-planned and Livable Community
- An Equitable and Diverse Community

Committee(s):

- Asheville Regional Housing Consortium - July 6, 2023 - Approved Unanimously (Homeward Bound TBRA Amendment)
- Housing and Community Development Committee - August 21, 2023 - Approved, 2-1 (108 Patton)
- Housing and Community Development Committee - September 19, 2023 - Approved Unanimously (Helpmate Jurisdiction Change)

Pros:

- Concerning the Homeward Bound and Helpmate changes, these amendments will give greater flexibility and opportunity to serve the intended clientele and provide a greater chance for success.

- The proposal regarding the 108 Patton project allows for needed ADA improvements within a highly traveled corridor in downtown Asheville and is shovel-ready such that the City can achieve timely expenditure of funds.
- Additionally, all proposed amendments support the City's need to meet HUD's timeliness requirements for effective expenditure of federal funds.

Cons:
- None noted.

Fiscal Impact:
- All proposed amendments would enable the City to spend CDBG funds in a more timely manner and serve intended populations.
- CDBG funds will be used to construct the sidewalk project at 108 Patton Avenue instead of General Funds, allowing for those operational dollars to be redirected to other critical sidewalk maintenance projects.
- All proposed amendments involve the use of existing funds, with no request for additional City funding.

Suggested Motion:
- Motion to adopt a resolution to approve amendments to the 2020-2024 Consolidated Plan for activities that were funded for the following Fiscal Years: FY 2018-19, FY 2019-20, FY 2021-22, and FY 2022-23 to (1) allow CDBG funding previously awarded to Helpmate, Inc. to additionally be used outside of the jurisdictional limits of the City of Asheville, but within Buncombe County; (2) to allow the unused amount of $300,000 of Community Development Block Grant (CDBG) funding to be used for an accessibility improvement project at 108 Patton Avenue; and (3) to allow a previous award to Homeward Bound of WNC for FY 2021-22 HOME Tenant Based Rental Assistance (TBRA) program to include both Permanent Supportive Housing and Rapid Rehousing; and to authorize the City Manager to submit the amendments to the U.S. Department of Housing and Urban Development (HUD) and to sign all necessary documents to give effect to these Amendment requests.

Attachment(s)
- Resolution
- Past CDBG Awards

RESOLUTION NO. 23-____

RESOLUTION APPROVING AMENDMENTS TO THE 2020-2024 CONSOLIDATED PLAN FOR ACTIVITIES THAT WERE FUNDED FOR THE FOLLOWING FISCAL YEARS (FY) FY2018-2019, FY2019-2020, FY2021-2022, AND FY2022-2023 AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS AND SUBMIT THE AMENDMENTS TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD).

WHEREAS, the City of Asheville is an Entitlement City for the federal Community Development Block Grant (CDBG) program and is the Lead Entity on behalf of the Asheville Regional Housing Consortium (ARHC) for the federal HOME Investment Partnerships Program (HOME) and;

WHEREAS, each year the City must submit to the U.S. Department of Housing and Urban Development (HUD) an Annual Action Plan detailing its proposed use of CDBG and HOME funds for the upcoming fiscal year; and

WHEREAS, the City must submit to the U.S. Department of Housing and Urban Development (HUD) Amendments to the Annual Action Plan; and

WHEREAS, the City must submit to the U.S. Department of Housing and Urban Development (HUD) Amendments to the Consolidated Plan; and

WHEREAS, $300,000 of CDBG funding in unspent prior year resources from FY 2018-19 and FY 2019-20 are requested to be reallocated for accessibility improvements located in the vicinity of 108 Patton Avenue and the Plan to be amended accordingly; and

WHEREAS, $180,000 of HOME funding for the FY 2021-22 was previously allocated to Homeward Bound of WNC for Tenant Based Rental Assistance (TBRA), of which it is proposed that eligible expenses are to be expanded to include both Permanent Supportive Housing and Rapid Rehousing programs and the Plan amended accordingly; and

WHEREAS $169,241 of CDBG funding for the FY 2021-22, FY 2022-23, and FY 2023-24 was previously allocated to Helpmate, Inc. for Housing Services, of which eligible expenses are proposed to be expanded such that funds may be used outside of the jurisdictional limits of the City of Asheville, but within Buncombe County, and the Plan amended accordingly; and

WHEREAS, a public meetings have been held on September 21, 2023, September 22, 2023 and October 24, 2023 to obtain citizen comments on the draft plans and the draft plans have been made available to the public;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE THAT:

1. City Council approves amendments to the 2020-2024 Consolidated Plan for

activities that were funded for the following fiscal years FY 2018-19, FY 2019-20, FY 2021-22, and FY 2022-23 which are hereto summarized and attached as **Exhibit A**.

2. City Council authorizes the City Manager to submit the requested amendment to HUD and to sign all contracts, grants, and loan agreements, after approval by the City Attorney, with HUD and other designated agencies for amendments made to the 2020-2024 Consolidated Plan for activities that were funded for the following fiscal years FY 2018-19, FY 2019-20, FY 2021-22, and FY 2022-23.

Read, approved, and adopted this the 24th day of October, 2023.

_____ _____

City Clerk Mayor

Approved as to form:

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City Attorney

EXHIBIT A

SUMMARY OF AMENDMENTS TO 2018-19 AND 2019-20 ANNUAL ACTION PLAN

Prior Year CDBG funds to reallocate	$300,000

Proposed Use of CDBG Funds

PROJECT	**Recommended Funding**
City of Asheville – Accessibility Expansion at 108 Patton Avenue	$300,000
Total	$300,000

City of Asheville
Notice of Proposed Amendments to the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) for FY 2023-24 Annual Action Plan

Background
The City of Asheville Annual Action Plan details the funding strategy for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs. Additionally, the Annual Action Plan describes how funds will be used to address the priorities and goals outlined in the 2020-2024 Consolidated Plan.

Proposed Substantial Amendments
Three amendments are being proposed to the 2020-2024 Consolidated Plan for activities that were funded for the following Fiscal Years: FY 2018-19, FY 2019-20, FY 2021-22, and FY 2022-23, that will be carried out as part of the 2023-24 Annual Action Plan. These amendments are to reprogram unused Community Development Block Grant (CDBG) funds to be used in FY 2023-24. The funds being reprogrammed are unused funds, balances for programs that no longer exist, or are funds unlikely to be used in a timely manner.

Amendment No.1
The amendment to the 2020-2024 Consolidated Plan will allow CDBG funding to be used outside of the jurisdictional limits of the City of Asheville, but within Buncombe County, for Helpmate, Inc. This amendment is being made due to the extremely limited availability of housing for domestic violence survivors and will be considered on a case-by-case basis.

Amendment No.2
Community Development Block Grant (CDBG) in the amount of $300,000 will be used for an accessibility improvement project at 108 Patton Avenue. This project will expand accessibility

via sidewalk and curb ramp replacements along both sides of Patton Avenue between Asheland Avenue and Coxe Avenue.

Amendment No. 3
An amendment to the FY 2021-22 Annual Action Plan modifying the activities of the Homeward Bound of WNC FY 2021-22 HOME Tenant Based Rental Assistance (TBRA) program to include both Permanent Supportive Housing and Rapid Rehousing.