City Council Date: June 8, 2021

Subject: Authorization to submit the Updated 2021-22 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD).

Staff Resource(s): Nikki Reid, Interim Community and Economic Development Director
Paul D'Angelo, Community Development Program Director

Action Requested: Authorization from the City Manager to submit the Updated 2021-22 Annual Action Plan (AAP) for Community Development Block Grants (CDBG) and the HOME Investment Partnerships Program (HOME) programs to the U.S. Department of Housing and Urban Development (HUD) and to sign all documents necessary to implement the plan.

Background:

- The City originally received the 21/22 HUD allocation notice and with approximately $1,137,995 in CDBG funds and $1,370,760 in HOME funds available for the fiscal year that will begin July 1, 2021.
- Community Development Staff, in coordination with the Housing & Community Development (HCD) Committee, have made recommendations for the use of CDBG funds, which must be used in housing & community development programs within the city limits of Asheville.
- The Asheville Regional Housing Consortium Board has recommended uses for HOME funds, which must be used for housing programs within the four-county Consortium area (Buncombe, Henderson, Madison, and Transylvania counties).
- Funds are awarded based on HUD CDBG & HOME guidelines as well as the Priorities listed in the City's 5 Year Consolidated Plan, FY20/21-24/25.
- On Friday, May 14, 2021, CD Staff received a HUD Notice that the City of Asheville would be receiving an additional $15,296 in CDBG Funds - New CDBG Award Total $1,153,291 - with a new AAP submission deadline of June 16, 2021.
- CD Staff recommends putting this additional funding in Contingency to then be reallocated at a future HCD & Council meeting.

Council Goal(s):

- A Diverse Community
- Quality Affordable Housing
- Thriving Local Economy

Committee(s):

- Asheville Regional Housing Consortium Board - March 25, 2021 - Approval
- Housing & Community Development Committee - March 26, 2021 - Approval
- Housing & Community Development Committee - May 18, 2021 - Approval

Pro(s):

- Approval of the Annual Action Plan paves the way for HUD funding to be utilized by partners in the City of Asheville and the region, with funds to be used to create affordable housing, jobs and impact in our moderate and lower income communities.

Con(s):

- It is not always possible to fund all of the applications received, and many agencies funded will receive less than the amounts requested.

Fiscal Impact:

- The Action Plan is fully funded from federal CDBG & HOME entitlement grants, unused funds from previously completed projects, and estimated program income.
- Staff costs to administer the program are also fully paid from federal sources.
- The FY 2021-22 budgets for both the CDBG & HOME programs will be included in the annual budget ordinance that City Council will adopt in the coming months.

Suggested Motion:

- Move to adopt the resolution authorizing submission of the City's Updated Annual Action Plan for 2021-2022 to the U.S. Department of Housing and Urban Development and authorizing the City Manager to sign all contracts or agreements required for the implementation of the 2021-2022 Annual Action Plan.

Attachment(s)

- Resolution
- Action Plan Summary

RESOLUTION NO. 21-____

RESOLUTION AUTHORIZING SUBMISSION OF THE CITY'S UPDATED ANNUAL ACTION PLAN FOR 2021-2022 TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AND AUTHORIZING THE CITY MANAGER TO SIGN ALL DOCUMENTS NECESSARY TO IMPLEMENT THE CONSOLIDATED ANNUAL ACTION PLAN

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, a Public Hearing was held for the City's Original FY21/22 Annual Action Plan on April 27, 2021, to obtain citizen input and comments on the draft plan, and the draft plan was made available to the public; and

WHEREAS, City Council approved the City's Original FY21/22 Annual Action Plan on May 11, 2021; and

WHEREAS, the Department of Housing and Urban Development (HUD) notified the City of Asheville on Friday, May 14, 2021, of an additional award amount of CDBG funding in the amount of $15,296; and

WHEREAS, this additional funding does not constitute a substantial amendment for the City's Citizen Participation Plan and the funding is recommended to be put in CDBG Contingency for future reallocation; and

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

1. City Council approves the submission to HUD of the Updated Annual Action Plan for 2021-22 which is attached hereto as Exhibit A to include the additional CDBG funding highlighted.
2. City Council authorizes the City Manager to sign all contracts and grant and loan agreements, after approval by the City attorney, with HUD and other designated agencies for the implementation of the Consolidated Annual Action Plan.

Read, approved and adopted this 8th day of June, 2021.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney

SUMMARY OF ANNUAL ACTION PLAN FOR 2021-2022 (Exhibit A)

CDBG PROGRAM

Projected Revenue:

Estimated Program Income	$100,000
CDBG Entitlement Grant	$1,037,995
Additional CDBG Allocation	**$15,296**
Total CDBG Funds Available:	**$1,153,291**

Proposed Use of Funds:

2021-2022 PROGRAM	Funding Recommendations
Asheville-Buncombe Community Land Trust -Permanently Affordable Housing Services	$39,184
Asheville Area Habitat for Humanity - Affordable Home Repairs for Low Income	$128,000
Caring for Children, Inc. - Trinity Place Runaway and Homeless Youth Shelter	$15,000
Carolina Small Business Development - Western Women's Business Center (WWBC)	$100,000
Eagle Market Streets Development - EMSDC Incubate to Innovate	$25,000
Eliada Homes, Inc. - Eliada Homeless Services	$22,272
Getting Back to the Basics- Project Lighten Up After School Virtual Learning	$10,000
Haywood Street Congregation (HSC) -Haywood Street Respite (HSR)	$15,000
Helpmate, Inc. - Emergency Shelter for Domestic Violence Survivors	$17,500
Helpmate, Inc. - Housing Case Management for Domestic Violence	$49,241
Homeward Bound of WNC - AHOPE Coordinated Entry	$33,199
Homeward Bound of WNC - Acquisition - Permanent Supportive Housing	$100,000
Homeward Bound of WNC - Housing Services - Permanent Supportive Housing	$81,000
Mountain BizWorks - Opportunity Asheville: Expanding Access to Small Business	$100,000
Mountain Housing Opportunities, Inc. - Emergency Home Repair	$95,000
OnTrack Financial Education & Counseling - Housing & Financial Capabilities Program	$15,000
Partners Unlimited, Inc. - Academic Enhancement Program	$10,000
Pisgah Legal Services - Homeless Prevention Project	$20,000
SPARC Foundation,Inc. - Changing Together Program	$20,000
YWCA of Asheville and WNC - Empowerment Child Care Program	$15,000
City of Asheville- CDBG Planning and Administration	$227,559
CDBG Contingency	$15,296
RECOMMENDED FUNDING	**$1,153,291**

HOME INVESTMENT PARTNERSHIP PROGRAM

Projected Revenue:

Estimated Program Income	$74,000
New HOME Entitlement Grant	$1,296,760
Total HOME Funds Available:	**$1,370,760**

Proposed Use of Funds:

2021-2022 PROGRAM	Funding Recommendations
Commonwealth Development - Fairhaven Summit	$100,000
Community Housing Coalition of Madison Co. - Rural Replacement Housing	$165,000
Eliada Homes, Inc. - Eliada Homeless Services	$20,208
Helpmate, Inc. - Rental Assistance for Domestic Violence	$50,000
Homeward Bound of WNC, - HOME Asheville - Tenant Based Rental Assistance	$80,000
Homeward Bound of WNC, - HOME Buncombe - Tenant Based Rental Assistance	$100,000
Housing Authority of the City of Asheville, - Tenant Based Rental Assistance Mobility	$75,000
SCG Development Partners, LLC. - Ovata at Ascension	$100,000
WDT Development ,LLC. - White Pines Villas	$100,000
Workforce Homestead, Inc. - Falling Waters	$402,862
City of Asheville - HOME Planning and Administration	$137,076
CHDO Reservation - CHDO Contingency	$40,614
RECOMMENDED FUNDING	**$1,370,760**