Council Meeting Date: November 10, 2020

Subject: Authorization to submit the Updated 20-21 Annual Action Plan to the U.S. Department of Housing and Urban Development.

Staff Resource(s): Sam Powers, Community and Economic Development Director
Paul D'Angelo, Community Development Director

Action Requested: Authorization from the City Manager to submit the 2020-21 Annual Action Plan 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; and a technical budget amendment to revise the amount of the FY 2020-21 CDBG and HOME Fund budgets that were adopted in the FY 2020-21 Annual Budget Ordinance based on updated information.

Background:

- The City has received HUD notification that we will have approximately $1,120,871 in CDBG funds and $1,767,655 in HOME funds available for the fiscal year that began July 1, 2020.
- 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 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.
- A new 5 Year Consolidated Plan, that will include this 20/21 Action Plan, is expected to come before Council on November 10, 2020, for approval.

Council Goal(s):

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

Committee(s):

- Asheville Regional Housing Consortium Board - May 26, 2020; October 5 2020 - Approval
- Housing & Community Development Committee - July 21, 2020; September 29, 2020 - 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 2020-21 budgets for the both CDBG & HOME program were included in the annual budget ordinance that City Council adopted on July 30, 2020. However, staff has since received updated information regarding the amount of funding available in FY 2020-21. The attached technical budget amendment will revise those amounts.

Suggested Motion:

- Move to adopt the resolution authorizing submission of the City's Annual Action Plan for 2020-2021 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 Consolidated Annual Action Plan; and a technical budget amendment to revise the amount of the FY 2020-21 CDBG and HOME Fund budgets that were adopted in the FY 2020-21 Annual Budget Ordinance based on updated information.

Attachment(s)

- Resolution
- Action Plan Summary
- Budget Ordinance Amendment

RESOLUTION NO. 20-____

RESOLUTION AUTHORIZING SUBMISSION OF THE CITY'S ANNUAL ACTION PLAN FOR 2020-2021 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 has been held on October 27, 2020, to obtain citizen input and comments on the draft plan, and the draft plan has 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 the submission to HUD of the Annual Action Plan for 2020-21 which is attached hereto as Exhibit A.
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 10th day of November, 2020.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney

SUMMARY OF ANNUAL ACTION PLAN FOR 2020-2021 (Exhibit A)

CDBG PROGRAM

Projected Revenue:

Estimated 2020-21 Program Income	$50,000
Estimated 2019-20 Program Income	$24,000
Funds available for reallocation	$0
New CDBG Entitlement Grant	$1,046,871
Total CDBG Funds Available:	**$1,120,871**

Proposed Use of Funds:

2020-2021 PROGRAM	Funding Recommendations
CARING for Children-Trinity Place Runaway and Homeless Youth Shelter	$16,332
Helpmate, Inc-Emergency Shelter for Domestic Violence Survivors	$30,000
Homeward Bound of Western North Carolina-AHOPE Coordinated Entry	$47,000
OnTrack Financial Education & Counseling-Financial Capabilities Program	$25,000
YWCA of Asheville and Western North Carolina-Empowerment Child Care	$25,000
YWCA of Asheville and Western North Carolina-Mother Love	$25,000
Pisgah Legal Services-Homelessness Prevention Project	$45,000
Homeward Bound of Western North Carolina-Housing Services	$81,000
Eliada Homes - Homelessness Services Program	$15,000
Haywood Street Congregation - Respite	$20,000
Asheville Area Habitat for Humanity-Home Repair-Low Income Homeowners	$128,000
Mountain Housing Opportunity - Emergency Home Repair	$95,000
Mountain BizWorks-Opportunity Asheville	$120,000
Carolina Small Business Development Fund-Opportunity Asheville	$120,000
Eagle Market Streets Development Corporation IDA for Small Business	$30,000
The SPARC Foundation-Changing Together	$74,542
City of Asheville-Program Administration	$223,997
RECOMMENDED FUNDING	**$1,120,871**

HOME INVESTMENT PARTNERSHIP PROGRAM

Projected Revenue:

Estimated 20-21 Program Income	$19,586
2019-2020 Estimated Program Income	$23,127
"Returned" FY16-17 HOME Award	$165,000
Additional Program Income	$225,000
New HOME Entitlement Grant	$1,334,952
Total HOME Funds Available:	**$1,767,665**

Proposed Use of Funds:

2020-2021 PROGRAM	Funding Recommendations
Community Housing Coalition Madison County - Rural Rehabilitation	$150,000
Asheville Buncombe Community Land Trust - Home & Lot Purchase	$261,963
WDT Development- The Villas at Swannanoa	$840,000
Housing Assistance Corporation (HAC) - Transylvania Rehabilitation	$62,000
Housing Authority of the City of Asheville- TBRA Resident Mobility	$95,000
Homeward Bound of Western North Carolina- TBRA Asheville	$80,000
Homeward Bound of Western North Carolina - TBRA Buncombe	$100,000
Eliada Homes- Homeless Services Program	$18,750
City of Asheville - Program Administration	$159,952
RECOMMENDED FUNDING	**$1,767,665**

ORDINANCE NO. _____

BUDGET ORDINANCE AMENDMENT

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEVILLE

That the City of Asheville Fiscal Year 2020-21 Budget Ordinance be amended to restate the CDBG Fund budget as follows:

CDBG FUND

Revenues:	
Federal Grant FY 2020-21	$1,046,871
CDBG COVID-19	$615,934
Program Income FY 2020-21	$50,000
Program Income FY 2019-20	$24,000
Total Revenues	$1,736,805
Appropriations:	
Fiscal 2020-21 CDBG Program	$1,096,871
CDBG COVID-19	$615,934
Fiscal 2019-20 CDBG Program	$24,000
Total Appropriations	$1,736,805

That the City of Asheville Fiscal Year 2020-21 Budget Ordinance be amended to restate the HOME Fund budget as follows:

HOME FUND

Revenues:	
Estimated 20-21 Program Income	$19,586
Estimated 19-20 Program Income	$23,127
Additional Program Income	$225,000
New HOME Entitlement Grant	$1,334,952
Total Revenues	$1,602,665
Appropriations:	
Fiscal 2020-21 HOME Program	$1,579,538
Fiscal 2019-20 HOME Program	$23,127
Total Appropriations	$1,602,665

That this ordinance shall be in full force and effect upon the date of final passage.

Read, approved and adopted this the 10th day of November 2020.

_____ _____

City Clerk Mayor

Approved as to form:

_____
City Attorney