THE CITY OF ASHEVILLE

STAFF REPORT

Council Meeting Date: July 28, 2020

Subject: Authorization to submit the 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
Megan Gaskell, Community Development Analyst

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.

Background:

- The City will have approximately $1,121,092 in CDBG funds and $1,378,014 in HOME funds available for the fiscal year beginning July 1, 2020. Community Development Staff, in coordination with the Housing & Community Development (HCD) Committee, has made recommendations for the use of CDBG funds, which must be used in housing & community development programs within the City of Asheville. Partner Agencies & Programs that will be assisted, if approved -
    - CARING for Children-Trinity Place Runaway and Homeless Youth Shelter
    - Helpmate, Inc-Emergency Shelter for Domestic Violence Survivors
    - Homeward Bound of Western North Carolina-AHOPE Coordinated Entry
    - OnTrack Financial Education & Counseling-Financial Capabilities Program
    - YWCA of Asheville and Western North Carolina-Empowerment Child Care
    - Pisgah Legal Services-Homelessness Prevention Project
    - Homeward Bound-Housing Services
    - Asheville Area Habitat for Humanity-Home Repair-Low Income Homeowners
    - Mountain Housing Opportunity - Emergency Home Repair
    - Mountain BizWorks-Opportunity Asheville
    - Carolina Small Business Development Fund-Opportunity Asheville
    - Eagle Market Streets Development Corporation IDA for Small Business
    - The SPARC Foundation-Changing Together
- 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). Partner Agencies & Programs and Builds that will be assisted, if approved -
    - Community Housing Coalition Madison County-Rural Rehabilitation
    - Workforce Homestead-Falling Waters
    - WDT Development-The Villas at Swannanoa
    - WDT Development-White Pine Villas
    - Housing Authority of the City of Asheville-TBRA Resident Mobility
    - Homeward Bound of Western North Carolina-TBRA Asheville
    - Homeward Bound of Western North Carolina-TBRA Buncombe
    - Eliada Homes-Homeless Services Program
- 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 August 28, 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
- Housing & Community Development Committee - July 21, 2020

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 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 previous completed projects, and estimated program income.
- Staff costs to administer the program are also fully paid from federal sources.
- The funded programs will provide new construction and other economic activity in the City and the region, creating and sustaining employment and impacting moderate and low income communities.

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.

Attachment(s)

- Resolution
- Action Plan Summary

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 Lead Entity on behalf of the Asheville Regional Housing Consortium 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 July 28, 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 incorporated by reference as if fully set forth herein.
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 28th day of July, 2020.

_____ _____

City Clerk Mayor

Approved as to form:

_____

City Attorney

SUMMARY OF ANNUAL ACTION PLAN FOR 2020-2021

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	$1,047,092
Total CDBG Funds Available:	**$1,121,092**

Proposed Use of Funds:

2020-2021 PROGRAM	Funding Recommend.
CARING for Children-Trinity Place Runaway and Homeless Youth Shelter	$10,000
Helpmate, Inc-Emergency Shelter for Domestic Violence Survivors	$20,000
Homeward Bound of Western North Carolina-AHOPE Coordinated Entry	$40,000
OnTrack Financial Education & Counseling-Financial Capabilities Program	$17,000
YWCA of Asheville and Western North Carolina-Empowerment Child Care	$15,000
Pisgah Legal Services-Homelessness Prevention Project	$28,000
Homeward Bound-Housing Services	$81,000
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	$38,163
City of Asheville-Program Administration	$224,218
Contingency (Funds not allocated)	$154,711
RECOMMENDED FUNDING	**$1,121,092**

HOME INVESTMENT PARTNERSHIP PROGRAM

Projected Revenue:

Estimated 20-21 Program Income	$19,586
2019-2020 Estimated Program Income	$23,127
Funds available for reallocation	$0
New HOME Entitlement Grant	$1,335,301
Total HOME Funds Available:	**$1,378,014**

Proposed Use of Funds:

2020-2021 PROGRAM	Funding Recommend.
Community Housing Coalition Madison County - Rural Rehabilitation	$75,000
Workforce Homestead- Falling Waters	$488,000
WDT Development- The Villas at Swannanoa	$330,000
WDT Development- White Pine Villas	$300,000
Housing Authority of the City of Asheville- TBRA Resident Mobility	$15,000
Homeward Bound of Western North Carolina- TBRA Asheville	$10,000
Homeward Bound of Western North Carolina - TBRA Buncombe	$16,213
Eliada Homes- Homeless Services Program	$6,000
City of Asheville - Program Administration	$137,801
RECOMMENDED FUNDING	**$1,378,014**