


COUNCIL COMMUNICATION

	Number:	20-132	Meeting:	March 23, 2020
	Agenda Item:	28	Roll Call:	20-0528
	Submitted by:	Chris Johansen, Community Development Director		

AGENDA HEADING:

Reprogramming of prior years' unspent Community Development Block Grant (CDBG) funding and other funds for the 2020 U.S. Department of Housing and Urban Development (HUD) Consolidated Plan Programs.

SYNOPSIS:

Staff recommend approval of City Manager's recommendation for reprogramming unspent prior years' CDBG funds for the 2020 Action Plan.

FISCAL IMPACT:

Amount: \$6,404,122

Funding Source: Fiscal Year (FY) 2020 Operating Budget, Community Development: Special Revenue Funds, CDBG Fund, Page 61; HOME Investment Partnerships Program (HOME) Fund, Page 61; Homeless Fund, Page 61.

ADDITIONAL INFORMATION:

- On November 4, 2019, the City Council approved the 2020 Action Plan based on funding estimates. On February 19, 2020, HUD announced the City's allocation amounts for the CDBG, HOME, and Emergency Solutions Grant (ESG) Programs. The following is an analysis of the funding estimates used to plan for the 2020 Program Year and the actual amounts.
- For CDBG in 2020, the City will receive \$3,792,908, which is an increase of \$134,938. After subtracting the amount for administration (20%) the City will have \$3,034,327 to allocate for projects.
- Additionally, it is being recommended to reprogram the following \$1,273,772.02 of unspent funding:
 - Central Iowa Shelter & Services - \$4,953.33
 - Demolition - \$448,239.91
 - Economic Development Neighborhood Commercial Revitalization - \$341,666.13
 - Economic Development Financial Assistance - \$260,370.53
 - Economic Development Revolving Loan - \$218,542.12

- This allows \$4,308,099 to be allocated for projects. The funding recommendations for the 2020 Action Plan are consistent with the 5-year strategy for our consolidated plan. Please see below for detailed funding:

<u>ACTIVITY NAME</u>	<u>CDBG</u>
Neighborhood Conservation Services - Housing Opportunities	\$ 633,816
Neighborhood Revitalization Plan Implementation	\$ 87,520
Neighborhood-Based Service Delivery	\$2,436,763
Park Playgrounds	\$ 500,000
IMPACT Community Action Agency	\$ 200,000
Central Iowa Shelter & Services	\$ 375,000
Homebuyer Education	\$ 75,000

- For HOME in 2020, the City will receive \$1,016,025, which is an increase of \$57,293. After subtracting the amount for administration (10%) the City will have \$914,423 to allocate for projects. Like in the past, this funding is being recommended for allocation to the Neighborhood Conservation Services Division.
- For ESG in 2020, the City will receive \$321,417, which is an increase of \$8,129. After subtracting the amount for administration (7.5%) the City will have \$287,669 for projects. The Continuum of Care (COC) Grant Committee will meet to allocate this funding and make a recommendation to the COC Board, the Homeless Coordinating Council (HCC), and the City Council for approval.

PREVIOUS COUNCIL ACTION(S):

Date: November 4, 2019

Roll Call Number: [19-1792](#)

Action: [On](#) the proposed 2020-2024 Consolidated Plan, which includes the 2020 Action Plan, for the US Department of Housing and Urban Development (HUD) Consolidated Plan. ([Council Communication No. 19-476](#)) Moved by Gatto to adopt. Motion Carried 7-0.

BOARD/COMMISSION ACTION(S):

Board: Neighborhood Revitalization Board

Date: March 4, 2020

Resolution Number: NA

Action: Approval of 2020 CDBG/HOME/ESG funding allocations as presented with the exception of \$50,000 being reallocated from Neighborhood Plan Implementation to IMPACT. Moved by Kennedy to adopt, seconded by Piedras. Motion Carried 8-0.

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS: NONE

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