



Legislation Text

File #: [24-0339], Version: 1

Adopt the Recommended 2024-2025 Community Development Block Grant Annual Action Plan.

Staff:

Sarah Osmer Viñas, Director
Emily Holt, Affordable Housing Manager

Department:

Affordable Housing and Community Connections

Overview: The recommended 2024-25 Community Development Block Grant (CDBG) Annual Action Plan includes funding eligible affordable housing, economic development, public services, and administration activities for use of \$444,669. This includes a 2024-25 CDBG grant award of \$437,331 plus \$7,338 in program income. Eligible activities must serve households earning less than 80% of the area median income, or \$84,700 for a family of four.

☆ **Recommendation(s):**

That the Council:

1. Adopt the attached resolution approving the recommended 2024-2025 Community Development Block Grant Annual Action Plan for use of \$444,669
2. Authorize the Town Manager to submit the Plan to the U.S. Department of Housing and Urban Development (HUD) as the annual update to the 2020-2024 Consolidated Plan
3. Enact the attached project ordinance to establish the CDBG budget for the 2024-2025 program

Summary of Recommended Plan

The following recommended plan reflects the final HUD-calculated CDBG grant amount that was released on May 7. The grant amount is \$18,106 higher than the grant estimate included in the recommendation at the public forum on April 24, 2024.

The updated recommended plan applies the maximum 20% cap on administrative costs and the maximum 15% for public services, which allows for an increase to the recommended award to the Summer Youth Employment Program (SYEP) of \$2,716. This approach is in line with feedback provided via email by the Application Review Committee to apply any additional funding received from HUD to the SYEP. The Town has received more SYEP applications for summer 2024 than it has funding to support, and the additional funding could allow the Town to increase the number of youth hired and/or raise wages or increase the number of hours worked for currently funded youth. The remaining additional CDBG funding was applied to neighborhood revitalization.

2024-2025 Community Development Block Grant Annual Action Plan

	Requested	Recommendation
Public Services		
Town’s Summer Youth Employment Program	\$35,000	\$37,716
Inter-Faith Council Homeless Case Management	\$137,961	\$28,984
Affordable Housing		
Community Home Trust - Homebuyer Subsidy	\$30,000	\$30,000

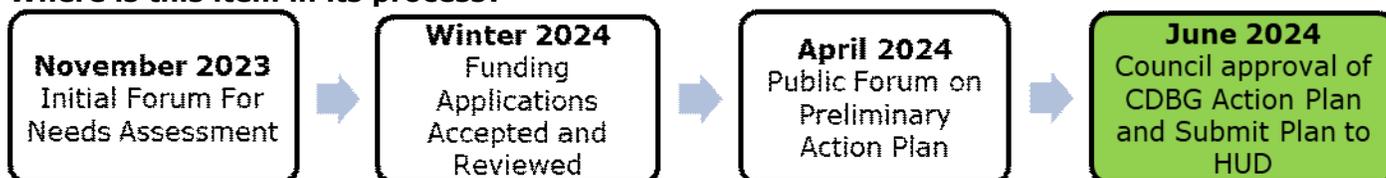
Rebuilding Together of the Triangle Home Preservation Administration and Repairs	\$89,500	\$89,500
Neighborhood Revitalization	--	\$151,751
Economic Development		
Transplanting Traditions Community Farm	\$17,784	\$17,784
Administration	\$85,312	\$88,934
Total	\$395,557	\$444,669

If the Council approves the CDBG Annual Action Plan, our next steps would be:

- Submit the Plan to HUD as the annual update to the 2020-2024 Consolidated Plan
- Post the approved annual CDBG plans on the [Town's CDBG webpage](https://www.townofchapelhill.org/government/departments-services/housing-and-)
<<https://www.townofchapelhill.org/government/departments-services/housing-and->
- Enter into Performance Agreements with agencies, according to the approved Plan

Fiscal Impact/Resources: The Town of Chapel Hill is a Community Development Block Grant Entitlement Community and receives an annual CDBG allocation from HUD. The Town provides CDBG funding as grants through performance agreements with agencies that implement approved programs and services.

Where is this item in its process?



Attachments:

- Resolution Approving the 2024-25 CDBG Annual Action Plan
- Project Ordinance Establishing the 2024-25 CDBG Budget
- Summary of Recommended 2024-25 Annual Action Plan
- [Town of Chapel Hill CDBG Quick Guide](https://www.townofchapelhill.org/home/showpublishedimage/37163/638472258168600000)
<<https://www.townofchapelhill.org/home/showpublishedimage/37163/638472258168600000>>

A RESOLUTION APPROVING THE 2024-25 COMMUNITY DEVELOPMENT BLOCK GRANT ANNUAL ACTION PLAN (2024-06-12/R-5)

WHEREAS, the Council of the Town of Chapel Hill used multiple methods to receive public input on use of 2024-2025 Community Development Block Grant funds; and

WHEREAS, the U.S. Department of Housing and Urban Development has notified the Town of the 2024-2025 Community Development Block Grant allocation of \$437,331; and

WHEREAS, the Town received \$7,338 in program income from the repayment of an affordable housing loan making \$444,669 available to be allocated.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that based on the Town’s available funding of \$444,669 of 2024-2025 Community Development Block Grant funds, the Council approves the following 2024-2025 Community Development Block Grant Program:

2024-2025 Community Development Block Grant Annual Action Plan

	Recommendation
Public Services	
Town’s Summer Youth Employment Program	\$37,716
Inter-Faith Council Homeless Case Management	\$28,984
Affordable Housing	
Community Home Trust - Homebuyer Subsidy	\$30,000
Rebuilding Together of the Triangle Home Preservation Administration and Repairs	\$89,500
Neighborhood Revitalization	\$151,751
Economic Development	
Transplanting Traditions Community Farm	\$17,784
Administration	\$88,934
Total	\$444,669

BE IT FURTHER RESOLVED that the Council authorizes the Manager to include this 2024-2025 Annual Action Plan in the 2020-2024 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

This the 12th day of June, 2024.

AN ORDINANCE TO ESTABLISH THE 2024-25 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2024-06-12/O-5)

BE IT ORDAINED by the Council of the Town of Chapel Hill that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby established:

"SECTION I

The projects authorized are the Community Development projects as approved by the Council on April 24, 2024 funds are as contained in the Funding Approval and Grant Agreement between the Town and the U.S. Department of Housing and Urban Development (HUD). The projects are known more familiarly as the 2024 Entitlement Community Development Block Grant. The grant activities include eligible affordable housing, public services, low-income residents, and administration costs for the program.

SECTION II

The Manager of the Town of Chapel Hill is hereby directed to proceed with the grant project within the terms of the grant document(s), the rules and regulations of the U.S. Department of Housing and Urban Development, and the budget contained herein.

SECTION III

The following revenues are anticipated to be available to complete the project:

	Current Budget
Community Development Block Grant	\$ 437,331
Program Income	<u>7,338</u>
Total Revenues	\$ 444,669

SECTION IV

Amounts appropriated for projects are as follows:

	Current Budget
<u>Public Services</u>	
Town of Chapel Hill - Summer Youth Employment	\$ 37,716
Inter-Faith Council - Homeless Case Management	28,984
<u>Economic Development</u>	
Transplanting Traditions Community Farm	17,784
<u>Affordable Housing</u>	
Community Home Trust - Homebuyer Subsidy	30,000
Rebuilding Together of the Triangle - Home Repairs	72,500
Rebuilding Together of the Triangle - Administration	17,000
Neighborhood Revitalization	151,751
<u>Administration</u>	
Grant Administration	<u>88,934</u>
Total Expenditures	\$ 444,669

SECTION V

The Director of Business Management is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to provide the accounting to the U.S. Department of Housing and Urban Development as required by the grant agreement(s) and Federal and State regulations.

SECTION VI

The Manager is directed to report annually on the financial status of the project in an informational section to be included in the Annual Budget and shall keep the Council informed of any unusual occurrences.

SECTION VII

Copies of this project ordinance shall be entered into the minutes of the Council and copies shall be filed within five days of adoption with the Manager, Business Management Director and Town Clerk."

This the 12th day of June, 2024.

The Agenda will reflect the text below and/or the motion text will be used during the meeting.

By adopting the resolution, the Council approves the 2024-2025 Community Development Block Grant Annual Action Plan for use of \$444,669 and authorizes the Town Manager to submit the Plan to the U.S. Department of Housing and Urban Development as the annual update to the Five-Year Consolidated Plan. By enacting the attached project ordinances, the Council establishes the CDBG budget for the 2024-2025 program.