



Legislation Text

File #: [20-0293], Version: 2

**Adopt the Recommended 2020-2021 Community Development Block Grant Program and Community Development Block Grant - CV Program Plans.**

**Staff:**

Loryn B. Clark, Executive Director  
Sarah Osmer Viñas, Assistant Director  
Nate Broman-Fulks, Affordable Housing Manager

**Department:**

Housing and Community

**Overview:** The Town of Chapel Hill receives an annual allocation of Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) to address community development and affordable housing needs. The recommended 2020-21 CDBG Program Plan includes recommended activities for \$424,994. Eligible activities must serve households earning less than 80% of the area median income, or \$67,850 for a family of four.

The Town also received notice on April 9, 2020 of an additional allocation of \$245,693 made available through the passage of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). These CDBG-CV funds are to assist with efforts to address community needs related to COVID-19. Town staff is recommending a CDBG-CV program plan to assist in meeting the increased demand for homeless and housing case management services due to COVID-19, and the anticipated increased need for rental and homeownership assistance for low-moderate income residents.

☆ **Recommendation(s):**

That the Council 1) Adopt the attached resolution approving the recommended 2020-2021 Community Development Program Plan for use of \$424,994 and the recommended CDBG-CV Plan for use of \$245,693, and authorizing the Town Manager to submit the Plans to the U.S. Department of Housing and Urban Development as part of the recommended Five-Year Consolidated Plan; and 2) Enact the attached project ordinances to establish the CDBG budget for the 2020-2021 program and the CDBG-CV budget for COVID-19 assistance.

**Summary of Recommended Plans**

**2020-2021 Community Development Block Grant Program Plan**

	<b>Requested</b>	<b>Committee Recommendation</b>
<b>Public Services</b>		
Summer Youth Employment Program	\$40,000	\$57,648
Exchange Club	2,978	5,000
<b>Affordable Housing</b>		
Community Home Trust	30,000	30,000
Habitat for Humanity	27,000	-
Housing Repair	-	27,000

Rebuilding Together of the Triangle	24,000	24,000
Neighborhood Revitalization	-	197,815
<b>Administration</b>	83,531	83,531
<b>Total</b>	<b>\$207,509</b>	<b>\$424,994</b>

**Community Development Block Grant - CV Program Plan**

	Available	Recommendation
<b>Public Services</b>		
IFC Homelessness Case Management		\$109,960
Rental and Homeownership Assistance		\$135,733
<b>Total</b>	<b>\$245,693</b>	<b>\$245,693</b>

**CDBG Funding Process Overview**

- [November 13, 2019 <https://chapelhill.legistar.com/MeetingDetail.aspx?ID=710216&GUID=A43497D0-01A0-4A7F-A34F-DD1B14B4F39B&Options=info&Search=>](https://chapelhill.legistar.com/MeetingDetail.aspx?ID=710216&GUID=A43497D0-01A0-4A7F-A34F-DD1B14B4F39B&Options=info&Search=>): The Council held a public forum to receive comments on the Town’s community development needs and potential uses of 2020-2021 CDBG funds.
- November 26, 2019: Staff posted 2020-2021 funding applications on the Town’s website.
- January 8, 2020: Staff held an information session for interested applicants.
- January 22, 2020: Application submission deadline.
- January - February 2020: Housing and Community Development needs survey sent to stakeholders and available for the community to provide feedback on Chapel Hill and Orange County needs.
- February 16, 2020: CDBG Application Review Committee met to review and evaluate applications to make recommendations. The Review Committee is made up of one member from the Housing Advisory Board, one member of the Human Services Advisory Board, and staff from the Human Resource Development and Library Departments.
- February 26, 2020: Community Meeting at the Hargraves Center to discuss the Housing and Community Development needs of Chapel Hill and Orange County
- March 13, 2020: Staff posted the recommended Annual Allocation Plan for public review and comment at the Public Library, Town Hall, and on the Town’s website.
- April 9, 2020: HUD informed the Town of CDBG-CV funding to address COVID-19 related community needs.
- April 23, 2020: Updated plan including the CDBG-CV funding plan posted to Town website for public comment.
- If the Council approves the CDBG Program Plan, our next steps would be:
  - Staff would submit the Plan to HUD, as part of the Five-Year Consolidated Plan.
  - The approved annual CDBG plans would be posted on the Town's CDBG webpage
  - The Town would enter into Performance Agreements with agencies, according to the approved program plan
    - Performance Agreements with agencies include federal rules and regulations, accomplishments and goals specific to the program (as outlined in the submitted funding application), and the reporting and compliance requirements in order to receive funds.

**Modifications to Federal Regulations**

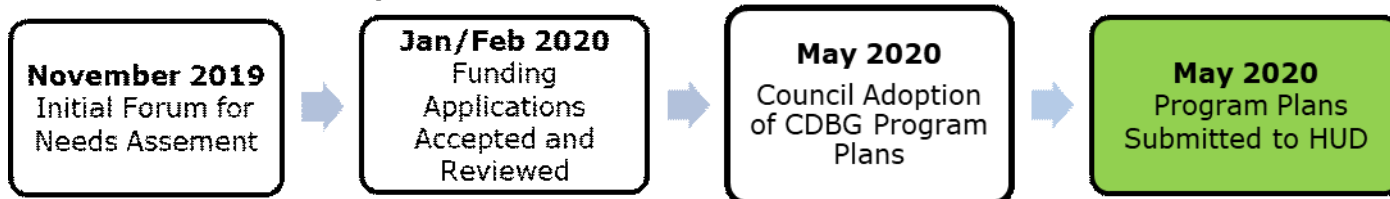
- To be responsive to community needs related to COVID-19 as quickly as possible, the U.S. Department of Housing and Urban Development modified some of the federal CDBG requirements

related to the CDBG program, including:

- Reducing the public notice requirement for amending program plans and creating plan for CDBG-CV funds from 30 days to 5 days.
- Allowing virtual meetings where input can be received, and elected officials are able to respond are acceptable.
- Lifting the limitation of spending no more than 15% of CDBG grant funds on public service activities for FY 20 and FY 21. Use of funds for rental assistance and funding for IFC case management and rental and homeownership assistance would be considered public service activities.
- A CDBG-CV funding plan was added to the Annual Action Plan and posted on the Town’s website on April 23, 2020.

**Fiscal Impact/Resources:** The Town is a CDBG Entitlement Community and receives an annual allocation from HUD. The Town provides CDBG funding through performance agreements with agencies that implement approved programs and services. CDBG funding is provided on a reimbursement basis for eligible expenses according to the budget and identified goals in the funding applications. The Town disperses funding after subrecipients submit satisfactory documentation of accomplishments, expenses, and compliance with federal rules and regulations.

**Where is this item in its process?**



**Attachments:**

- Resolution Approving the 2020-2021 CDBG Program Plan and CDBG-CV Program Plan
- Project Ordinance Establishing the 2020-2021 CDBG Budget
- Project Ordinance Establishing the CDBG-CV Budget
- Summary of Application Review Committee Recommended 2020-21 Program Plan
- CDBG CARES Act Letter

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**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 recommended 2020-2021 Community Development Program Plan for use of \$424,994 and the recommended CDBG-CV Plan for use of \$245,693, and authorizes the Town Manager to submit the Plans to the U.S. Department of Housing and Urban Development as part of the recommended Five-Year Consolidated Plan. By enacting the attached project ordinances, the Council establishes the CDBG budget for the 2020-2021 program and the CDBG-CV budget for COVID-19 assistance.