



TOWN OF CHAPEL HILL

Town Hall
405 Martin Luther King Jr.
Boulevard
Chapel Hill, NC 27514

Legislation Text

File #: [19-0370], Version: 3

Adopt the Recommended 2019-2020 Community Development Block Grant Program Plan.

Staff:

Loryn Clark, Executive Director
Nate Broman-Fulks, Affordable Housing Manager
Renée Moye, Community Development Program Manager

Department:

Housing and Community

Overview: The recommended Community Development Block Grant (CDBG) program plan includes the Town’s 2019-2020 CDBG allocation of \$386,584 from the U.S. Department of Housing and Urban Development (HUD). On [March 20, 2019 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3891433&GUID=DB318A9C-147B-40BA-A4F9-FA96DA9802F2>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3891433&GUID=DB318A9C-147B-40BA-A4F9-FA96DA9802F2), the Council held a public forum on a preliminary plan for use of 2019-2020 funds.

★ **Recommendation(s):**

That the Council:

1. Adopt the attached resolution approving the recommended 2019-2020 Community Development Program Plan for use of \$386,584;
2. Authorize the Town Manager to submit the 2019-2020 Community Development Annual Action Plan to the U.S. Department of Housing and Urban Development as part of the annual update to the 2015-2019 Consolidated Plan; and
3. Enact the attached project ordinance to establish the CDBG budget for the 2019-2020 program.

Summary of Recommended Plan

Affordable Housing		
Town of Chapel Hill	Neighborhood Revitalization	\$169,728
Community Home Trust	Homebuyer Assistance	30,000
Habitat for Humanity	Home Preservation	27,000
Town of Chapel Hill	Code Enforcement	25,000
Public Services		
Inter-Faith Council	HomeStart Case Management	28,500
Town of Chapel Hill	Summer Youth Employment Program	27,000
Exchange Club’s Family Center	Children’s Parenting Classes	2,040
Administration	Grant Administration/HUD Compliance & Reporting	77,316
Total		\$386,584

Background

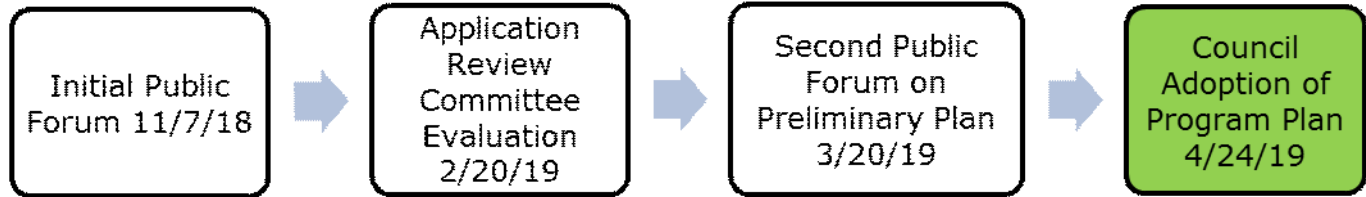
- The 2019-2020 CDBG funding process is outlined below:
 - On [November 7, 2018 <https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3717570&GUID=9A856CDB-BF17-4FCF-A7D6-3FDCFE7EE28C>](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3717570&GUID=9A856CDB-BF17-4FCF-A7D6-3FDCFE7EE28C), Council held a public forum to receive comments on the Town's community development needs and potential uses of 2019-2020 CDBG funds.
 - On November 6, 2018, 2019-2020 funding applications were posted and available on the Town's website.
 - On November 27, 2018, and December 18, 2018 Chapel Hill Town staff, jointly with staff from the Town of Carrboro and Orange County, held a funding application workshop for applicants.
 - On January 8, 2019, staff jointly held an information session for applicants.
 - January 22, 2019 was the submission deadline for 2019-2020 CDBG funding applications.
 - On February 12 and February 22, 2019, the CDBG Application Review Committee met to review and evaluate applications received and make a recommendation for allocations.
 - On March 20, 2019, the Council held a public forum to receive comments on a 2019-2020 preliminary CDBG Program Plan.
- Once the Council approves the CDBG Program Plan:
 - Staff submits the Plan to HUD, as part of the annual update to the 2015-2019 Consolidated Plan.
 - The approved annual CDBG plans are posted on the [Town's CDBG website <https://www.townofchapelhill.org/town-hall/departments-services/housing-and- >](https://www.townofchapelhill.org/town-hall/departments-services/housing-and-).
 - Each year, the Town enters into Performance Agreements with subrecipients, according to the approved program plan
 - Performance Agreements with subrecipients 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.
- CDBG funds are provided on a reimbursement basis for eligible expenses according to the budget and identified goals in the funding applications. Funds are disbursed upon submission of satisfactory documentation of accomplishments, expenses, and compliance with federal rules and regulations.

Key Issues:

- The recommended Plan includes an allocation of \$386,584 of grant funds.
- In April, we were notified of an 8% (\$31,760) decrease of funding, compared to 2018-2019.
- The recommended Plan includes funding for Neighborhood Revitalization. This activity sets aside funds for unidentified projects such as second mortgage assistance; property acquisition and/or renovation; code enforcement; demolition; public housing improvements; public improvements such as installation of sidewalks; curb and gutter improvements; or parks and recreation facilities. Funds could be used Town-wide and projects can be approved by the Town Manager.
- The Plan recommends funding the following projects:
 - Key Town projects: the Summer Youth Employment Program, code enforcement, neighborhood revitalization, and program administration.
 - Continued support for affordable housing, community development, and public service programs operated by the Community Home Trust, Habitat for Humanity, Inter-Faith Council (IFC), and the Exchange Club's Family Center.

Fiscal Impact/Resources: The Town enters into performance agreements with non-profit agencies and provides Community Development Block Grant funds to them for affordable housing and public service projects as grants. These funds are not repaid to the Town.







Where is this item in its process?



Next Steps

- The Plan approved by Council will be submitted to HUD as part of the Annual Update to the 2015-2020 Consolidated Plan. The Town will compile and incorporate all comments received in writing and at public forums into the Community Development Annual Plan.

Council Goals:

<input checked="" type="checkbox"/>		Create a Place for Everyone	<input type="checkbox"/>		Develop Good Places, New Spaces
<input type="checkbox"/>		Support Community Prosperity	<input type="checkbox"/>		Nurture Our Community
<input type="checkbox"/>		Facilitate Getting Around	<input type="checkbox"/>		Grow Town and Gown Collaboration

 **Attachments:**

- Resolution Approving the 2019-2020 Community Development Block Grant Program Plan
- Project Ordinance Establishing the 2019-2020 Community Development Block Grant Plan Budget
- Summary of 2019-2020 Community Development Block Grant Recommended Program Plan
- Draft Executive Summary of the 2019-2020 Community Development Block Grant Annual Update to the 2015-2019 Consolidated Plan

A RESOLUTION APPROVING THE 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (2019-04-24/R-2)

WHEREAS, the Council of the Town of Chapel Hill held two public forums to receive public input on use of 2019-2020 Community Development Block Grant funds; and

WHEREAS, the U.S. Department of Housing and Urban Development has notified the Town of the 2019-2020 Community Development Block Grant allocation of \$386,584.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that based on the Town's allocation of \$386,584 of Community Development Block Grant funds, the Town of Chapel Hill Town Council approves the following 2018-2019 Community Development Block Grant Program Plan:

Affordable Housing		
Town of Chapel Hill	Neighborhood Revitalization	169,728
Community Home Trust	Homebuyer Assistance	30,000
Habitat for Humanity	Home Preservation	27,000
Town of Chapel Hill	Code Enforcement	25,000
Public Services		
Inter-Faith Council	HomeStart Case Management	28,500
Town of Chapel Hill	Summer Youth Employment Program	27,000
Exchange Club's Family Center	Children's Parenting Classes	2,040
Administration	Grant Administration/HUD Compliance & Reporting	77,316
Total		\$386,584

BE IT FURTHER RESOLVED that the Council authorizes the Manager to include this 2019-2020 Annual Action Plan in the 2015-2019 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

This the 24th day of April, 2019.

AN ORDINANCE TO ESTABLISH THE 2019-2020 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2019-04-24/O-1)

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 10, 2019: 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 2019 Entitlement Community Development Block Grant. The grant activities include renovation of public housing, homebuyer assistance programs, community services to 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	<u>\$ 386,584</u>
Total Revenues	\$ 386,584

SECTION IV

Amounts appropriated for projects are as follows:

	Current Bud
Public Services	
Inter-Faith Council HomeStart Case Management	\$ 28,500
Town of Chapel Hill Summer Youth Employment Program	27,000
Exchange Club's F Children's Parents Parenting	2,040
Affordable Housing	
Town of Chapel Hill Neighborhood Revitalization	169,720
Town of Chapel Hill Code Enforcement	25,000
Community Home Trust Homebuyer Assistance	30,000
Habitat for Humanity Home Preservation	27,000
Administration	
Town of Chapel Hill Grant Administration/HUD Compliance	77,310
Total Expenditures	\$ 386,580

SECTION V

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 VI

Copies of this amended projects 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 24th day of April, 2019.

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

By adopting the resolution and enacting the ordinance, the Council approves the recommended 2019-2020 Community Development Block Grant Program Plan and authorizes the Town Manager to include this 2019-2020 Annual Action Plan in the 2015-2019 Consolidated Plan update for submission to the U.S. Department of Housing and Urban Development.