



TOWN OF CHAPEL HILL

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

Legislation Text

File #: [20-0280], Version: 1

Public Forum and Consider Amending the 2019-2020 Community Development Block Grant Program Plan.

Staff:

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

Department:

Housing and Community

Overview: The purpose of this memorandum is to receive public comment on a proposed amendment to the [2019-2020 Community Development Block Grant \(CDBG\) program](https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3924502&GUID=6F20008D-41EB-45AB-9F55-A5969AD5D3A8) <<https://chapelhill.legistar.com/LegislationDetail.aspx?ID=3924502&GUID=6F20008D-41EB-45AB-9F55-A5969AD5D3A8>> approved by the Council on April 24, 2019. We propose reallocating \$169,728 of 2019-2020 Community Development Block Grant funds to support temporary housing expenses related to decongregating the IFC Homeless Shelter facilities.

Decongregating the shelters will isolate people at high risk of contracting COVID-19 who do not have other non-congregate housing options per guidance from CDC/HUD and NC Department of Health and Human Services Program. We developed the proposal in partnership with Orange County Department of Social Services, Orange County Department of Housing & Community Development, the Orange County Partnership to End Homelessness (OCPEH), and the Inter-Agency Council for Social Service (IFC), under advisement by the Orange County Homeless System COVID Coordination group inclusive of service providers, UNC Healthcare, Piedmont Health Services, and Cardinal Innovations.



Recommendation(s):

That the Council:

1. Open the forum to receive and provide comments on an amendment to the 2019-2020 CDBG program;
2. Close the public forum;
3. Adopt the resolution approving an amendment to the 2019-2020 CDBG program to use;
4. Authorize the Town Manager to submit an amended 2019-2020 Community Development Block Grant Annual Action Plan to the U.S. Department of Housing and Urban Development;
5. And enact the attached project ordinance to amend the CDBG budget for the 2019-2020 program.

Summary of Proposed CDBG Program Amendment

- We propose reallocating FY 20 funds previously approved for Neighborhood Revitalization activities.
- As in previous years, in FY 20, the Council allocated \$169,728 for activities that would serve households earning less than 80% of the Area Median income including: code enforcement; demolition; public housing improvements; public improvements such as installation of sidewalks; curb and gutter improvements; or parks and recreation facilities.
- The Neighborhood Revitalization activity provides a flexible source of funds not assigned to a specific activity. This allows us to be responsive to projects identified throughout the program year.

- We have not received requests for use of these funds, and we have not identified a Town project at this time.
- If we received a request for an unanticipated project, there are other sources of funds that could be considered to fund the request such as the Affordable Housing Fund, the Affordable Housing Development Reserve, or FY 21 CDBG Neighborhood Revitalization funds if approved by the Council.
- We propose to use funds to assist with temporary housing expenses related to decongregating the IFC Shelters.

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 from 30 days to 5 days.
 - Approving the use of virtual meetings where input can be received, and elected officials are able to respond.
 - Removing the limitation of spending to no more than 15% of CDBG grant funds on public service activities for FY 20 and FY 21. Provision of funds for hotel expenses would be considered a public service.
- A notice of the proposed amendment was posted on the Town's website on April 22, 2020.

Fiscal Impact/Resources: If the Council approves the proposed amendment, funds would be provided as a grant. If presented with a project during the year, we would identify other sources of funds to respond to the request.



Attachments:

- Resolution
- Project Ordinance
- Draft Staff Presentation (to be distributed)

A RESOLUTION APPROVING AN AMENDMENT TO THE 2019-2020 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (2020-04-29/R-1)

WHEREAS, on April 24, 2019, the Chapel Hill Town Council approved a 2019-2020 Community Development Block Grant Program Plan; and

WHEREAS, in response to COVID-19, the Town of Chapel Hill supports decongregating the IFC shelters in accordance with local and federal recommendations (?) to address safety concerns of the residents; and

WHEREAS, the Town has identified \$169,728 of 2019-2020 Community Development Block Grant funds that could be used to support temporary housing expenses related to decongregating the shelters.

NOW, THEREFORE, BE IT RESOLVED by the Council of the Town of Chapel Hill that the Council approves an amendment to the 2019-2020 Community Development Block Grant Program as follows:

Agency	Activity	Approved Plan	Proposed Amendment
Town of Chapel Hill	Neighborhood Revitalization	\$169,728	\$0
Town of Chapel Hill	Temporary Housing Assistance	0	169,728
Community Home Trust	Homebuyer Assistance	30,000	30,000
Habitat for Humanity	Home Preservation	27,000	27,000
Town of Chapel Hill	Code Enforcement	25,000	25,000
Inter Faith Council	Homestart Case Management	28,500	28,500
Town of Chapel Hill	Summer Youth Employment Program	27,000	27,000
Exchange Club's Family Center	Children's Parenting Classes	2,040	2,040
Administration	Grant Administration/Compliance and Reporting	77,316	77,316
Total		\$386,584	\$386,584

BE IT FURTHER RESOLVED that the Council authorizes the Town Manager to submit an amended 20192020 Annual Action Plan to the 2015-2019 Consolidated Plan to the U.S. Department of Housing and Urban Development.

This the 29th day of April, 2020.

AN ORDINANCE AMENDING THE 2019-2020 COMMUNITY DEVELOPMENT ENTITLEMENT GRANT PROJECT ORDINANCE (2020-04-29/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 24, 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

	Current Budget	Revised Budget
Community Development Block Grant	<u>\$ 386,584</u>	<u>\$ 386,584</u>
Total Revenues	\$ 386,584	\$ 386,584

SECTION IV

Amounts appropriated for capital projects are hereby amended as follows:

		Current Budget	Revised Budget
<u>Public Services</u>			
Town of Chapel Hill	Temporary Housing Assistance	\$ -	\$ 169,728
Inter Faith Council	Homestart Case Management	28,500	28,500
Town of Chapel Hill	Summer Youth Employment Program	27,000	27,000
Exchange Club's Family Center	Children's Parenting Classes	2,040	2,040
<u>Affordable Housing</u>			
Town of Chapel Hill	Neighborhood Revitalization	169,728	-
Town of Chapel Hill	Code Enforcement	25,000	25,000
Community Home Trust	Homebuyer Assistance	30,000	30,000

Habitat for Humanity	Home Preservation	27,000	27,000
<u>Administration</u>			
Administration	Grant Administration/HUD Compliance	<u>77,316</u>	<u>77,316</u>
Total Expenditures		\$ 386,584	\$ 386,584

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

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, Director of Business Management, and the Town Clerk."

This the 29th day of April, 2020.

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

PRESENTER: Loryn B. Clark, Executive Director for Housing and Community

RECOMMENDATION: That the Council:

1. Open the forum to receive and provide comments on an amendment to the 2019-2020 CDBG program;
2. Close the public forum;
3. Adopt the resolution approving an amendment to the 2019-2020 CDBG program to use;
4. Authorize the Town Manager to submit an amended 2019-2020 Community Development Block Grant Annual Action Plan to the U.S. Department of Housing and Urban Development;
5. And enact the attached project ordinance to amend the CDBG budget for the 2019-2020 program.