



Legislation Text

File #: 20-1304, Version: 2

TO: Mayor and Members of City Council

THRU: Angel Wright-Lanier, Assistant City Manager

FROM: Cynthia Blot, Economic and Community Development Director

DATE: April 6, 2020

RE:
2020-2024 Community Development Block Grant (CDBG) & Home Investment Partnership Grant (HOME) 5-year Consolidated Plan, 2020-2021 Annual Action Plan, Impediments to Fair Housing, and Neighborhood Revitalization Strategic Area (NRSA)

COUNCIL DISTRICT(S):
All

Relationship To Strategic Plan:

Desirable Place to Live, Work and Recreate
Diverse & Viable Economy
Citizen Engagement and Partnerships.

Executive Summary:

Every five years the City is required to update its Consolidated Plan for the Community Development Block Grant and Home Investment Partnership Grant with the United States Department of Housing and Urban Department (HUD). The proposed 2020-2024 Consolidated Plan reflects the current needs of the community based on extensive outreach in the City. The City is also required to prepare an Annual Action Plan that reflects the goals and objectives of the Consolidated Plan for the upcoming year. In addition, the City has completed an Impediments to Fair Housing study and a Neighborhood Revitalization Strategic Area Plan. Staff is also requesting a substantial amendment to the 2019-2020 Annual Action Plan.

Background:

The Consolidated Plan is designed to address the areas of decent affordable housing, suitable living environments and economic opportunities. The Annual Action Plan contains goals and objectives and describes projects and activities that implement strategies established in the Consolidated Plan. It sets forth a description of activities for the use of funds that are expected to become available in the upcoming fiscal year.

The 2020-2021 Annual Action Plan is based on priorities, goals, and objectives of the 2020-2024 Consolidated Plan. This plan is a comprehensive plan addressing the City's housing, homeless, community development and economic development needs through 2021. The plan contains goals, objectives, and implementation strategies for each of the plan's elements. It also describes the activities to be funded or implemented and is consistent with the 2020-2024 Consolidated Plan.

In an effort to provide citizens an opportunity to participate in the process of developing the Five year Consolidated Plan and Annual Action Plan, the Community Development staff held four citizen participation meetings in several community neighborhoods, in an effort to have full citizen participation. Urban Design Ventures met with local government and other city representatives on multiple occasions in various locations throughout the City. A public meeting was held on Thursday, March 5, 2020. A draft copy of the plan was made available in various locations for review and comments for 30 days from Friday, March 6, 2020 through Tuesday, March 24, 2020. This was cut short due to all locations being closed starting Wednesday, March 25, 2020, related to the COVID19 pandemic. However, draft copies of the plan were still available in the community and online, and comments were accepted by email at CommEconDev@ci.fay.nc.us until 5 pm on Wednesday, April 6, 2020 in accordance with the 30 day comment period.

A presentation of the proposed budget and activities was made at the public meetings for consideration by citizens. This information is being provided to City Council for feedback prior to consideration of adoption at the April 27, 2020 public hearing and City Council meeting.

The Neighborhood Revitalization Strategic Area Plan lays the ground work for focused efforts in a particular area and enables alternative methods to utilize Federal Funds in that area. There are three primary factors for the NRSA designation:

- A grantee must define a geographical area that comprises a neighborhood that is primarily residential and contains a percentage of low- and moderate-income residents that is 70% or equal to the community's "upper quartile percentage".
- Documentation of consultations with community members and stakeholders.
- An assessment of the housing market and economic conditions of the area and a comprehensive strategy that will produce measurable results

Urban Design Ventures, Inc. was hired jointly by the City's Economic & Community Development and County Community Development Departments to develop the Impediments to Fair Housing, NRSA, and respective CDBG & HOME plans. The Fayetteville Redevelopment Commission (FRC) has reviewed the various plans and is in support of the identified programs.

This substantial amendment to the original action plan submitted and approved by HUD for program year 2019-20. The Hoke Loop Commons Project was not listed as a funded project in the original plan and the City had previously committed to a second year of funding in prior years for the affordable housing project. This project is now included in the list of projects and details of the project are provided in the substantial amendment.

Issues/Analysis:

The City's Community Development Block Grant (CDBG) allocation for next year is \$1,534,426 compared to \$1,443,783 for the current year. The HOME Investment Partnership Grant (HOME)

allocation for next year is \$905,172 compared to \$ 769,913 for the current year. This results in an increase of \$225,902 for both programs.

The 2020-2024 Consolidated Plan focuses on the following goals:

Goal 1. Decent Affordable Housing: Provide decent, safe and affordable housing to improve the quality of lives, households, neighborhoods and community stability.

- Objective 1.1: Preserve, improve and expand the supply of affordable housing for low to moderate-income homeowners and renters.
- Objective 1.2: Increase homeownership opportunities.
- Objective 1.3: Create suitable living environments that promote access to quality housing, elimination of blight and the acquisition of land for future affordable housing.

Goal 2. Suitable Living Environments: Create environments that promote neighborhood improvement, eliminate slum and blight, increase accessibility and support the homeless.

- Objective 2.1: Provide support to the City's efforts to extend water and sewer to newly annexed areas, pave remaining streets and various community improvements.
- Objective 2.2: Support homeless programs and service providers to reduce the number of homeless while increasing their independence and self-sufficiency.
- Objective 2.3: Provide programs that eliminate slum and blight and increase the appearance of neighborhoods.

Goal 3. Economic Opportunities: Create community investment programs designed to support entrepreneurship, economic empowerment, retention of businesses and job creation opportunities.

- Objective 3.1: Provide loan and grant programs to support the development and expansion of small businesses.

Objective 3.2: Create job opportunities through entrepreneurship training, job skills training and the coordination of community resources.

Budget Impact:

The HOME Investment Partnership Grant requires a match in the amount of \$226,293. Additionally, the CDBG grant reimburses the City approximately \$110,000 for cost allocation.

<u>2020-2021 Funding Sources</u>	<u>Amount</u>
Community Development Block Grant (CDBG)	\$ 1,534,426
CDBG Program Income	\$ 107,738
HOME Investment Partnership (HOME)	\$ 905,172
HOME Program Income	\$ 1,083,032
CDBG Prior Years Funds	\$ 767,000

City (HOME match)	\$ 226,293
Total	\$ 4,623,661

Options:

Provide guidance on the recommended CDBG and HOME programs for the 2020-2024 Five year consolidated plan, 2020-2021 Annual Action Plan, Impediments to Fair Housing, and Neighborhood Revitalization Strategic Area.

Recommended Action:

This will be considered for approval at the April 27, 2020 City Council meeting.

Attachments:

2020-2024 Consolidated Plan
2020-2021 Annual Action Plan
2020-2021 Proposed Allocations
Impediments to Fair Housing
Neighborhood Revitalization Strategic Area
PowerPoint Presentation
Substantial Amendment