

COUNCIL ACTION FORM

SUBJECT: 2020-21 PROPOSED ANNUAL ACTION PLAN PROJECTS FOR COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) and HOME PROGRAMS PUBLIC FORUM FOLLOW-UP

BACKGROUND:

On February 18th and 19th, City staff hosted public forums to gather input regarding possible projects for the 2020-21 CDBG/HOME Annual Action Plan as part the City's Entitlement Program. Ten people attended and participated in the forum discussions, including representatives from Emergency Residence Project (ERP), Hunziker & Associates, residents of the 321 State Avenue Neighborhood Revitalization Strategy Area (NRSA) and a representative from the Ames Tribune.

The forum attendees participated in a group discussion that involved the following activities:

- Review of the adopted 2019-23 Strategic Plan Goals and Priorities, for both low and moderate income and as well as for non-low and moderate-income households;
- Review the amended 2019-20 Action Plan Projects and budget;
- Review the proposed 2021-21 Action Plan Projects and budget; and
- Review the tentative timeframe of the Action Plan next steps.

The participants were then asked for feedback on the proposed action plan projects, including their thoughts on 321 Sate Avenue and where the proposed multi-family should be built on the site.

Participant feedback included locating multi-family on the south side, no multi-family units on the site, build single-family rentals, or build all single-family owner-occupied units. No other feedback or concerns regarding the remaining projects were received. There seem to be a continued consensus that affordable is needed in the community and the action plan should reflect those types of projects in FY 2020-21 in whole or part.

Additionally, just last week, the City received notification from HUD that we will be receiving **\$602,642 in CDBG funds** (which is a \$21,435 increase from 2019) and **\$468,771 in HOME funds** (which is a \$13,197 decrease from 2019) for the 2020-21 program year.

Staff is recommending the following proposed projects and budget for the 2020-21 Annual Action Plan. Of the additional \$21,435 in CDBG funding, \$17,148 was added to the Acquisition/Reuse for Affordable Housing Program for a total budget of \$167,148, the remaining \$4,287 was added to Administration as part of the 20% allowance for a total budget of \$120,528. The HOME amount was reduce by \$13,197. Therefore, per City Council direction at their February 11th meeting, staff is proposing the following Action Plan Projects and Budget for the 2020-21 program fiscal year.

2020-21 Proposed CDBG/HOME Annual Action Plan Projects and Budget

Programs	Budget
Public Infrastructure Program for a Share Use Bike Path/Acquisition (Franklin Park to State Avenue)	\$425,000
Acquisition/Reuse Program for Affordable Housing	\$167,148
Homebuyer Assistance Program	\$300,813
Public Infrastructure Improvements Program for State Avenue NRSA (including Engineering costs+ GO Bond)	\$739,153
HOME Homeownership Construction Program for 321 State Avenue	\$1,252,115
General Administration for CDBG & HOME	CDBG: \$120,528 HOME: \$170,074
Total	\$3,174,831
PROPOSED 2020-21 Action Plan Revenue Budget:	
2020-21 CDBG Allocation	\$602,642
2019-20 CDBG Program Rollover	\$600,000
2020-21 CDBG Anticipated Program Income	\$300,000
Non-CDBG Revenue-GO Bonds	\$250,000
2020-21 HOME Allocation	\$468,771
19-20 HOME Anticipated Program Rollover	\$953,418
Grand Total CDBG & HOME	\$3,174,831

City Council should note that the anticipated revenue for the CDBG program rollover and the anticipated program income are estimates projected by staff.

ALTERNATIVES:

1. The City Council can approve the proposed 2020-21 Annual Action Plan Program Projects and proposed budget in connection with the City's Community Development Block Grant and HOME Programs, as outlined above, direct staff to prepare an Annual Action Plan for Public Comment, and set a public hearing date for May 12, 2020.
2. The City Council modify the proposed programs and approve the proposed 2020-21 Annual Action Plan Program Projects and budget in connection with the City's Community Development Block Grant and HOME Programs, as modified, direct staff to prepare an Annual Action Plan for Public Comment and set a public hearing date for May 12, 2020.
3. The City Council can refer this item back to staff with further direction.

MANAGER'S RECOMMENDED ACTION:

Although there was not a high level of participation in the public forums, those who attended were satisfied with the proposed program activities as continuing in the right direction to address the needs identified in the 2019-23 Five-Year Consolidated Plan.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1, thereby approving the proposed 2020-21 Annual Action Plan Program Projects and proposed budget in connection with the City's Community Development Block Grant and HOME Programs.

This alternative will also authorize staff to prepare the Action Plan document for the required 30-day public comment period and set May 12, 2017 as the date for the public hearing for approval of the 2020-21 Annual Action Plan and submittal to HUD on or by May 17, 2020.