



AGENDA MEMORANDUM

Public Hearing/1st Reading Ordinance for the City Council Meeting of July 19, 2022
2nd Reading Ordinance for City Council Meeting July 26, 2022

DATE: 7/6/2022

TO: Peter Zanoni, City Manager

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Public Hearing and Ordinance regarding the City of Corpus Christi's proposed FY 2022-2023 Consolidated Annual Action Plan

CAPTION:

Ordinance adopting the City of Corpus Christi Fiscal Year 2022-2023 and United States Department of Housing and Urban Development (HUD) Program Year 2021-2022 Consolidated Annual Action Plan (CAAP) for the Community Development Block Grant (CDBG) budget in the amount of \$2,680,058, the Emergency Solutions Grant (ESG) budget in the amount of \$234,034, and the HOME Investment Partnerships Program (HOME) budget in the amount of \$1,355,913 for a total of \$4,270,005 annual HUD funding; authorizing the execution of all necessary documents to submit the CAAP; authorizing a staff complement of 12 positions; accepting and appropriating funding for the approved CAAP projects and authorizing the execution of funding agreements, amendments and other documents necessary to implement the FY 2022-2023 PY 2021-2022 CAAP.

SUMMARY:

Public Hearing and Ordinance to adopt the FY 2022-2023 PY 2021-2022 CAAP and to close the Comment Period for citizens to provide comments on the proposed project funding for the FY2022-2023 CAAP.

BACKGROUND AND FINDINGS:

The U.S. Department of Housing and Urban Development (HUD) regulation requires, as part of the approved process for the FY 2022-FY2023 Consolidated Plan/Citizens Participation Plan, two public hearings prior to the adoption of the FY 2022-2023 CAAP. To maximize the citizen comments from the public, a total of three public hearings were held. An initial public hearing was held on January 19, 2022 and a second public hearing to receive additional input was held on January 27, 2022. No input was received. The public hearing on Tuesday, July 19, 2022 is the third public hearing. The City has met the public hearing requirements.

The City of Corpus Christi has received official notification from HUD of the FY 2022-2023 funding allocation for the following programs:

\$2,680,058 Community Development Block Grant (CDBG)

\$234,034 Emergency Solutions Grant (ESG)

\$1,355,913 HOME Investment Partnerships Program (HOME)

For FY 2022-2023, the CDBG allocation is \$104,061 (3.74 percent) less than FY2021-2022, the ESG allocation is \$1,231 (.52 percent) less than FY 2021-2022, and the HOME allocation is \$193,227 (16.62 percent) greater than FY 2021-2022.

Additional funding in the amount of \$224,965 is being reprogrammed from previously funded CDBG projects that have not expended the full amount. Also, program income of \$264,000 is available to augment funding levels for the upcoming FY 2022-2023 CDBG program allocations for a total funding level of \$3,169,023 for affordable housing and community development activities.

The ESG Program has \$234,034 for FY 2022-2023. The intent of the ESG Program is to provide funding to providers of Homeless services to support the efforts of Emergency Shelter, Homeless Prevention and Rapid Re-Housing activities.

The HOME Program will have an allocation amount of \$1,355,913 from entitlement funds, with an additional \$475,000 generated from the program income and reprogrammed funds for a preliminary estimated funding amount of \$1,830,913 for affordable housing activities for the FY2022-2023 budget year.

The FY 2022-2023 CAAP is the fifth annual action plan of the previously approved five-year (FY 2018-FY 2022) Consolidated Plan and is the application to HUD for funding for the CDBG, ESG, and HOME Programs. The FY 2022-2023 CAAP describes the activities and projects to be assisted with funds received under CDBG, ESG, HOME, and other HUD/Non-HUD programs that help to meet housing and community development objectives. The proposed FY 2022-2023 CAAP has been developed according to HUD regulations and is required to be submitted to HUD no later than August 16, 2022.

ALTERNATIVES:

Alternatives include not adopting the CAAP or changing the recommendations made in the HUD Award Matrix.

FISCAL IMPACT:

The City is expected to receive \$4,270,005 in federal funding for affordable housing, community development and homelessness. These programs operate on a reimbursement basis.

Funding Detail (See attached HUD Award Matrix):

CDBG and ESG

Fund: 1059

Organization/Activity: Various

Mission Element: 132

Project # **(CIP Only)**: N/A

Account: Various

HOME

Fund: 9045

Organization/Activity: Various

Mission Element: 132

Project # **(CIP Only)**: N/A

Account: Various

RECOMMENDATION:

Staff is recommending the approval of the CAAP.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
HUD Award Matrix
CAAP
Presentation