



AGENDA MEMORANDUM

Public Hearing/1st Reading Ordinance for the City Council Meeting of July 17, 2018
2nd Reading Ordinance for City Council Meeting July 24, 2018

DATE: 7/5/2018

TO: Keith Selman, Interim City Manager

FROM: Rudy Bentancourt, Housing and Community Development Director
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361-826-3021

Public Hearing/1 st Reading Ordinance regarding the City of Corpus Christi's proposed FY2018-2019 Consolidated Annual Action Plan.

CAPTION:

Ordinance adopting the fiscal year (FY) 2018-2019 Consolidated Annual Action Plan (CAAP) for the Community Development Block Grant (CDBG), the Emergency Solutions Grant (ESG), and the HOME Investment Partnerships (HOME) Programs funding from the United States Department of Housing and Urban Development (HUD) and authorizing the City Manager or designee to execute all documents necessary to submit the CAAP, accept and appropriate funding for the approved CAAP projects and further execute funding agreements, amendments or other documents necessary to implement the FY2018-2019 CAAP with organizations for approved projects.

PURPOSE:

Purpose of Public Hearing is to meet HUD requirements and to provide a "Citizen Comment Period" for citizens to provide comments on the proposed project funding for the FY2018-2019 CAAP; the Ordinance will include the adoption of the proposed CAAP.

BACKGROUND AND FINDINGS:

The U.S. Department of Housing and Urban Development (HUD) regulation requires, as part of the approved process for the FY2018-FY2019 Consolidated Plan/Citizens Participation Plan, two (2) public hearings prior to the adoption of the FY2018-2019 CAAP. In order to maximize the citizen comments from the public, a total of four (4) Public Hearings were held. An initial public hearing was held at the City of Corpus Christi's City Hall on February 9, 2018. A second public hearing to receive additional input was held on February 15, 2017. A third public hearing was scheduled on June 5, 2018. The public hearing to be conducted on Tuesday, July 17, 2018 by the City of Corpus Christi's City Council will more than satisfy the requirement of the two required hearings, though three public hearings were held.

The City of Corpus Christi has received official notification from the U.S. Department of Housing and Urban Development (HUD) of the FY2017-2018 funding allocation for the following programs.

\$2,687,817 Community Development Block Grant (CDBG)

\$216,522 Emergency Solutions Grant (ESG)

\$1,188,809 HOME Investment Partnerships Program (HOME)

It is important to note that for FY2018-2019, CDBG will experience a 11.75% increase (\$282,624), ESG will experience a .04% increase (\$90), and HOME will experience a 40.75% increase (\$344,213) from prior year funding, based on the entitlement funding which will be received from HUD.

An additional funding in the amount of \$343,000 which was recaptured from previously funded projects that were unspent has been made available to be reprogrammed as well as \$450,000 of generated program income from the Rehabilitation Loan Program has been made available to augment funding levels for the upcoming FY2018-2019 CDBG program allocations for a total funding level of \$3,480,817.

Since 1975, the City of Corpus Christi has received funding for its CDBG Programs in excess of 178.9 million, of which approximately 22 million has been income generated by various programs administered by the Housing and Community Development Department.

The ESG Program will have an allocation amount of \$216,522 for FY2018-2019. 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. Emergency Shelter activities assist with the shelter operations and staffing for homeless shelters. Homeless Prevention activities assist individuals and families who are currently homeless but are at high risk of becoming homeless “but for” this assistance. Rapid Re-Housing activities assist those individuals and families with rapidly rehousing those who are homeless back into permanent housing “but for” this assistance. Commencing in 1987, the City of Corpus Christi has received in excess of \$4.7 million in funding for ESG services.

The HOME Program will have an allocation amount of \$1,188,809 as a funding level from entitlement funds to be received, with an additional \$400,000 being made available for reprogramming from previously funded recaptured program funds, an unallocated amount of \$375,000 from the FY2017-2018 HOME entitlement, as well as an additional \$340,779 generated from the Rehabilitation Loan Program for a preliminary estimated funding amount of \$2,304,588 for the FY2018-2019 budget year. The HOME Program was initiated in 1992 with the mandate to increase and improve affordable housing opportunities; HOME funds totaling \$38.8 million have been utilized to fund Rental and Home Ownership programs in addition to the rehabilitation and reconstruction of affordable housing within the City of Corpus Christi. Of the \$38.8 million in HOME funding, approximately \$5.3 million of those funds have been made available from previous loans as generated program income; these funds have been utilized to augment available funding.

The FY2018/19 CAAP represents the first annual action plan of the developed five-year (FY2018-FY2022) Consolidated Plan and is the application for HUD for funding for the CDBG, ESG, and HOME Programs. The FY2018/19 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 developed objectives. The Housing and Community Development Department adopted a timeline that provides for public hearings during Technical Assistance Workshops which were held on February 9, 2018, February 15, 2018, and June 5, 2018 to be followed by the City Council public hearing on July 17, 2018. Citizens’ public comment period begins on June 14, 2018 and ends July 19, 2018, for the FY2018/19 CAAP. Subsequently, adoption of the CAAP is scheduled for July 24, 2018, allowing timely submission of the program to HUD. The proposed FY2018/19 CAAP has been developed according to HUD regulations.

Staff will be making a brief presentation to the City Council at the opening of the Public Hearing so that staff may outline the FY2018-2019 CAAP’s eligibility criteria for the programs and staff’s recommendations. Housing and Community Development held four Technical Assistance Workshops on February 6, 9, 15, and 21, 2018, and two Technical Assistance Workshops which included a Public Hearing on February 9 and 15, 2018, and one Public Hearing on June 5, 2018. Also held were two Neighborhood Meetings, in conjunction with Technical Assistance Workshops, on February 15 and 21, 2018 at Corpus Christi City Hall. The public hearing date with City Council was also disclosed at this time.

The FY2018-2019 Consolidated Annual Action Plan will be submitted to HUD on or before August 10, 2018 following the required citizen comment period.

ALTERNATIVES:

None

OTHER CONSIDERATIONS:

None

CONFORMITY TO CITY POLICY:

Public Hearing is required per HUD Regulations.

EMERGENCY / NON-EMERGENCY:

This item is non-emergency

DEPARTMENTAL CLEARANCES:

Legal
Finance

FINANCIAL IMPACT: Not applicable

Fiscal Year: 2018-2019	Project to Date Expenditures (CIP only)	Current Year	Future Years	TOTALS
Line Item Budget				
Encumbered / Expended Amount				
This item				
BALANCE				

Fund(s):

Comments: None

RECOMMENDATION:

At the conclusion of public hearing, the City Council may, at their discretion, discuss any and all recommendations and provide direction on the projects/activities to be funded under the FY2018-2019 CAAP

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Presentation
CDBG Attachment FY2018-2019
ESG Attachment FY2018-2019
HOME Attachment FY2018-2019
City Council Policy No. 9