



AGENDA MEMORANDUM

Public Hearing/1st Reading Ordinance for the City Council Meeting of July 21, 2020
2nd Reading Ordinance for City Council Meeting July 28, 2020

DATE: 6/26/2020

TO: Peter Zaroni, City Manager

FROM: Rudy Bentancourt, Housing and Community Development Director
RudyB@cctexas.com
361-826-3021

Public Hearing/1st Reading Ordinance regarding the City of Corpus Christi's proposed FY2020-2021 Consolidated Annual Action Plan.

CAPTION:

Ordinance adopting the fiscal year (FY) 2020-2021 Consolidated Annual Action Plan (CAAP) for the Community Development Block Grant (CDBG) budget in the amount of \$2,758,645, the Emergency Solutions Grant (ESG) budget in the amount of \$232,899, and the HOME Investment Partnerships (HOME) budget in the amount of \$1,141,628 for a total of \$4,133,172.00 of entitlement funding from the United States Department of Housing and Urban Development (HUD) and authorizing the execution of all necessary documents to submit the CAAP, authorizing a staff complement of 26 positions; accept and appropriate funding for the approved CAAP projects and further execute funding agreements, amendments or other documents necessary to implement the FY2020-2021 CAAP with organizations for approved projects.

PURPOSE:

The purpose of Public Hearing is to meet the HUD requirements of approving the CAAP and to provide a "Citizen Comment Period" for citizens to provide comments on the proposed project funding for the FY2020-2021 CAAP. The Ordinance will include the adoption of the proposed CAAP.

SUMMARY:

The U.S. Department of Housing and Urban Development (HUD) regulation requires, as part of the approved process for the FY2020-FY2021 Consolidated Plan/Citizens Participation Plan, two (2) public hearings prior to the adoption of the FY2020-2021 CAAP. In order to maximize the citizen comments from the public, a total of three (3) Public Hearings were held. An initial public hearing was held at the City of Corpus Christi's City Hall on February 7, 2020. A second public hearing to receive additional input was held on February 13, 2020. The public hearing to be conducted on Tuesday, July 21, 2020 by the City of Corpus Christi's City Council will be a third public hearing and will more than satisfy the requirement of the two required hearings.

The City of Corpus Christi has received official notification from HUD of the FY2020-2021 funding allocation for the following programs.

\$2,758,645 Community Development Block Grant (CDBG)

\$232,899 Emergency Solutions Grant (ESG)

\$1,141,628 HOME Investment Partnerships Program (HOME)

It is important to note that for FY2020-2021, CDBG will experience a 4.08% increase (\$108,083), ESG will experience a 2.12% increase (\$4,832), and HOME will experience an 8.14% increase (\$85,980) from prior year funding, based on the entitlement funding which will be received from HUD.

Additional funding in the amount of \$406,146 was recaptured from previously funded projects that were unspent have been made available to be reprogrammed; as well as \$300,000 of generated program income from the Rehabilitation Loan Program; and \$100,000 of program income from Clearance of Vacant Properties have been made available to augment funding levels for the upcoming FY2020-2021 CDBG program allocations for a total funding level of \$3,564,791.

The ESG Program will have an allocation amount of \$232,899 for FY2020-2021. 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 \$1,141,628 as a funding level from entitlement funds to be received, with an additional \$375,000 generated from the Rehabilitation Loan Program for a preliminary estimated funding amount of \$1,516,628 for the FY2020-2021 budget year.

The FY2020-2021 CAAP represents the third annual action plan of the previously approved five-year (FY2018-FY2022) Consolidated Plan and is the application to HUD for funding for the CDBG, ESG, and HOME Programs. The FY2020-2021 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 FY2020-2021 CAAP has been developed according to HUD regulations and is required to be submitted to HUD no later than August 10, 2020.

Staff will be making a brief presentation to the City Council at the opening of the Public Hearing to outline the FY2020-2021 CAAP's eligibility criteria for the programs and staff's recommendations.

The FY2020-2021 Consolidated Annual Action Plan will be submitted to HUD on or before August 10, 2020 following the required citizen comment period.

ALTERNATIVES:

None

FISCAL IMPACT:

The City is expected to receive \$4,133,172 in federal funding for projects which include community improvements, housing programs, addressing homelessness, and affordable housing activities.

Funding Detail:

Fund:	N/A
Organization/Activity:	N/A
Mission Element:	N/A
Project # (CIP Only):	N/A
Account:	N/A

RECOMMENDATION:

Staff is recommending the approval of the project recommendations for the CDBG, ESG and HOME Programs.

LIST OF SUPPORTING DOCUMENTS:

Ordinance

Presentation

CDBG Attachment FY2020-2021

ESG Attachment FY2020-2021

HOME Attachment FY2020-2021