



Legislation Details (With Text)

File #: ID#24-0773 **Version:** 1 **Name:** Approve the 2024/25 Annual Action plan
Type: Action Item **Status:** Passed
File created: 6/27/2024 **In control:** Neighborhood and Affordable Housing Advisory Board
On agenda: 7/9/2024 **Final action:** 7/9/2024
Title: Recommend City Council approval of the City of Clearwater's FY2024/2025 Annual Action Plan, which is the fifth and final Action Plan of the FY2020/2021 - FY2024/2025 Consolidated Plan, to implement the goals and objectives set forth in the Consolidated Plan and authorize the appropriate officials to enter into agreements with HUD and organizations approved for funding, together with authorization to execute administrative adjustments to same as needed.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2024AAP-Presentation.pdf, 2. FY2024-FY2025-Budget-Final.pdf, 3. FY2024-2025 Clearwater Action Plan Attachments Draft.pdf, 4. FY2024-2025 Action Plan Draft.pdf

Date	Ver.	Action By	Action	Result
7/9/2024	1	Neighborhood and Affordable Housing Advisory Board		

SUBJECT/RECOMMENDATION:

Recommend City Council approval of the City of Clearwater's FY2024/2025 Annual Action Plan, which is the fifth and final Action Plan of the FY2020/2021 - FY2024/2025 Consolidated Plan, to implement the goals and objectives set forth in the Consolidated Plan and authorize the appropriate officials to enter into agreements with HUD and organizations approved for funding, together with authorization to execute administrative adjustments to same as needed.

SUMMARY:

On July 16, 2020, City Council approved the 2020/2021 - 2024/2025 Consolidated Plan (Consolidated Plan) identifying the city's goals and objectives with respect to the city's administration of HOME Investment Partnerships (HOME) and Community Development Block Grant (CDBG) Program funds. Under the Consolidated Plan, the City is required by US Department of Housing and Urban Development (HUD) to create and implement a plan each year to identify the sources and uses of these funds for housing, community programs, and economic development. This plan, referred to as the Annual Action Plan, provides HUD with the City's Housing Division budget and proposed expenditures based on the entitlement funds and estimated program income that the City will receive in the upcoming fiscal year to meet the goals and objectives established in the Consolidated Plan.

Funds will be used to develop viable communities and sustain existing ones. In addition, the funds will be used to provide safe, decent, and affordable housing to assist extremely low- to moderate-income households. This year's Annual Action Plan allocates federal funds to provide housing opportunities to extremely low- to moderate-income households for new and existing homes, construction and/or renovation of public facilities, and to fund public services programs.

The Annual Action Plan serves as a budget for planned projects and identifies unallocated funds available for additional project(s) throughout the budget year. Staff requests authorization to make administrative adjustments during the budget year to fund additional project(s), including shifting funds between projects

within budgetary segments.

The FY2024/2025 Annual Action Plan is due to HUD on August 16, 2024. All organizations that will be receiving an allocation will have agreements prepared and executed by October 1, 2024. Staff performs compliance monitoring with funded organizations on an annual basis.

On June 5, a notice of 30-day comment period and public hearings was published in the Tampa Bay Times. On July 9, 2024, the City's Neighborhood and Affordable Housing Advisory Board (NAHAB) hosted the 1st of the 2 required public hearings and passed a motion recommending City Council approval of the FY2024/2025 Annual Action Plan.

Grant Application Process for CDBG Program

The City partners with several non-profit agencies to implement the goals and objectives established in the Consolidated Plan. To obtain these partners, the City annually publishes in February a Notice of Funding Availability in the local newspaper and on its website. This notice informs the public of the resources the City will make available and the eligible uses of those resources. It also informs them of the 30-day application period for requesting funds. The applications were due on March 15, 2024. The city received 32 completed and qualified applications.

A Technical Review Committee (TRC) comprised of a professional in the social service and grants community, a member of the NAHAB, a representative of the Homeless Leadership Alliance, and the City Clerk reviewed and ranked the applications. Applicants were provided an opportunity to present their proposed projects at the April 9, 2024, NAHAB meeting. City Housing staff also reviewed each application to ensure it met HUD's baseline requirements. With guidance from the TRC and NAHAB and based on available funding, City staff prepared recommended funding allocations. The NAHAB met on May 14, 2024, and approved the recommended allocations. NAHAB approval is subject to City Council approval of the Annual Action Plan.

Recommended CDBG Grant Allocations (Competitive)

The City may allocate up to 15% (\$141,072) of its CDBG entitlement funds for Public Services activities. This year the city received thirteen requests for funding subject to the 15% cap. Staff recommends allocation of funding based on TRC scoring. Requested funding from the three highest-ranked applicants combined narrowly exceeded the \$141,072 cap. The staff recommendation is to distribute available Public Service funds to these three organizations.

The city received twelve requests for funding of Public Facilities improvements. The TRC reviewed each application and recommended funding of the four highest scoring projects. Staff is recommending funding of all eligible components of these four requests (plus project delivery costs paid by the city including inspection fees, environmental review record and other fees). The total staff-recommended allocation for the four projects is \$448,080. These investments will help daily operations of each public service provider with improved facility functionality, efficiency, and safety features.

Other Recommended Allocations (Non-Competitive)

Staff recommends funding of the following additional activities/programs:

- Small business/microenterprise, childcare, and façade improvement activities (\$490,560),
- New Construction, Rehabilitation, Purchase Assistance (f/k/a Down Payment Assistance), Tenant Based Rental Assistance and Community Housing Development Organization (CHDO) set aside funds (\$6,075,506)
- Homeownership Education & Counseling (\$55,000)
- Property Acquisition & Demolition (\$100,000)

- Program administration (\$247,608)

BACKGROUND:

Anticipated Resources

In FY2024-2025, the City will receive \$940,482 in entitlement funds for the CDBG Program and \$400,222 in entitlement funds for the HOME Program. The City is also reprogramming: \$4,325,451 in prior year HOME entitlement and program income funding; \$172,000 in anticipated FY2024-2025 HOME program income; \$374,797 in prior year CDBG entitlement and program income funding; \$11,448 in anticipated FY2024-2025 CDBG program income; \$1,047,867 in CDBG Revolving Loan Program funds for housing infill and rehabilitation; and \$230,560 in Revolving Loan Program funds for economic development activities.

Funds provided through the CDBG Program may be used for housing, community and economic development, public services and facilities, acquisition, relocation, and administration. Funds provided through the HOME Program are limited to housing-related activities and administration.

Staff will present this item at the City Council Meeting scheduled for August 1, 2024.

APPROPRIATION CODE AND AMOUNT:

N/A

USE OF RESERVE FUNDS:

N/A

STRATEGIC PRIORITY:

Objective 2.4 - Supports equitable housing programs that promote household stability and reduces the incidence of homelessness within Clearwater.

