



# CITY OF SALEM

585 Liberty St SE  
Salem, OR 97301

## Staff Report

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**File #:** 21-472

**Version:** 1

**Date:** 11/8/2021

**Item #:** 4.a.

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**TO:** Mayor and City Council  
**THROUGH:** Steve Powers, City Manager  
**FROM:** Kristin Rutherford, Urban Development Director

### **SUBJECT:**

Amendments to the 2019 and the 2020 Annual Action Plan for Community Development Block Grant Funds

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Service Area(s): Safe Community; Welcome and Livable Neighborhood; Good Governance

### **SUMMARY:**

The proposed amendment to the 2019 Annual Action Plan (AAP) includes allocation of \$510,890 from previously unallocated 2019 CDBG entitlement funding. The proposed amendment to the 2020 Annual action Plan (AAP) includes allocation of \$93,306 from previously unallocated 2020 CDBG entitlement funding.

### **ISSUE:**

Shall City Council adopt Amendment #6 to the 2019 Annual Action Plan Amendment and Amendment #4 to the 2020 Annual Action Plan Amendment and direct staff to submit required forms to the U.S. Department of Housing and Urban Development?

### **RECOMMENDATION:**

Adopt Amendment #6 to the 2019 Annual Action Plan Amendment and Amendment #4 to the 2020 Annual Action Plan Amendment and direct staff to submit required forms to the U.S. Department of Housing and Urban Development (HUD).

### **FACTS AND FINDINGS:**

Funding recommendations align with the HUD objectives of decent housing, suitable living environment, and economic opportunity. A five-day comment period for the amendments ended on October 25, 2021. There were no public comments received.

### **Amendment #6 2019 AAP (Attachment 1)**

- Reduce the original allocation of \$200,000 to \$40,000 from CARES Act CDBG-CV3 for support services to childcare providers in the community.
- Allocate \$160,000 from CARES Act CDBG-CV3 and \$37,474 from unallocated 2019 CDBG entitlement funds to Salvation Army for rental assistance and case management.
- Allocate \$54,196 from unallocated 2019 funds to purchase and install an emergency generator and purchase of satellite phones for Bridgeway Recovery Services on Harold Drive NE.
- Allocate an additional \$200,000 from unallocated 2019 funds to Seed of Faith for installation of a fire sprinkler system, fire exit doors, modify windows for egress, add ADA lavatories, and other items to satisfy current health and safety codes for the building at Medical Center Drive NE.
- Allocate an additional \$256,694 from unallocated 2019 funds to Salem Housing Authority for Yaquina Hall.

### **Amendment #4 2020 AAP (Attachment 1)**

- Allocate an additional \$93,306 from unallocated 2020 funds to Salem Housing Authority for Yaquina Hall. (Total allocation over two years = \$350,000)

The City's Citizen Participation Plan for CDBG and HOME funding requires that official action be taken if there are substantial changes to funding activities and amounts, including:

- Changes in funding, if more than \$50,000
- Funding is allocated to a new activity for the first time
- A funded activity is cancelled during the program year and reprogrammed

Prior to submitting the AAP amendment to HUD, a public hearing and City Council adoption is required.

### **BACKGROUND:**

The City of Salem receives an annual entitlement allocation of CDBG and HOME funds through the federal Housing and Urban Development Department (HUD) to assist low-to-moderate-income households. The funds are distributed following an annual funding application process. Occasionally, there are more funds available than requests, or projects that have been awarded funds don't come to fruition or have had modifications. This leaves funds available for new allocation.

Tiffany Ottis  
Program Manager

**Attachments:**

1. 2019 AAP-Amendment #6 and 2020 AAP- Amendment #4