



Staff Report

File #: 19-229

Version: 1

Date: 5/28/2019

Item #: 4. a.

TO: Mayor and City Council

THROUGH: Steve Powers, City Manager

FROM: Kristin Retherford, Urban Development Director

SUBJECT:

2019-2020 Housing and Community Development Annual Action Plan

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

ISSUE:

Shall City Council adopt the 2019-2020 Housing and Community Development Annual Action Plan (AAP)?

RECOMMENDATION:

Adopt the 2019-2020 Housing and Community Development Annual Action Plan (AAP).

SUMMARY AND BACKGROUND:

The City of Salem receives an annual entitlement allocation from the U.S. Department of Housing and Urban Development (HUD) for Community Development Block Grant funds (CDBG) and HOME Investment Partnership Program funds (HOME) to assist low-to-moderate-income households in Salem and Keizer. HUD requires a five-year Consolidated Plan to set goals and prioritize needs that can be helped by CDBG and HOME. The goals are ending homelessness, expanding affordable housing and economic development. With annual entitlements, reallocation of funds from canceled projects, and unallocated funds the total resources available are \$1,265,949 in CDBG and \$1,482,573 in HOME.

The City must submit an AAP to be eligible to receive CDBG and HOME funds (Attachment 1). The AAP identifies all resources and proposed expenditures of the CDBG and HOME funds and other federal funds administered by HUD.

Applications for CDBG and HOME funds were solicited by the City from February 12 through March 14, 2019. All applications were provided to the Federal Programs Application Review Workgroup to review and score. The 2019-2020 CDBG and HOME funding recommendations for the AAP are provided in Facts and Findings.

FACTS AND FINDINGS

The 2019-2020 proposed projects address the priorities identified in the amended 2015-2019 Consolidated Plan. Several of the recommended projects also address goals in the City's Strategic Plan and the Mid-Willamette Homeless Initiative Plan.

Consolidated Plan/Annual Plan (AAP) 2019-2020 Funding

• Goal 1: End Homelessness	\$ 965,740
• Goal 2: Expand Affordable Housing	\$ 783,832
• Goal 3: Neighborhood Revitalization	No applications submitted
• Goal 4: Promote Economic Development	\$ 106,800
• Administration	\$ 399,110
• Unallocated (HOME)*	\$ 420,000
• Unallocated (CDBG)	\$ 73,040
Total	\$2,748,522

**Note: This amount includes \$180,000 set-aside for an eligible Community Housing Development Organization (CHDO) activity.*

Goal 1: End Homelessness **\$ 965,740**

Interim housing assistance (subsistence payments), case management for victims of domestic violence/human trafficking, supporting the warming centers network, and one-time security deposit assistance and providing tenant based rental assistance to families that are homeless.

- | | |
|---|-----------|
| • Center for Hope and Safety - Case Mgmt. | \$ 90,000 |
| • Congregations Helping People - Subsistence Payments | \$ 55,000 |

• Salem Interfaith Hospitality Network - Rental Assistance	\$ 473,354
• MWVCAA - Warming Centers Network	\$ 77,386
• Salem Housing Authority - Security Deposits	\$ 270,000
Total	\$ 965,740

Goal 2: Expand Affordable Housing **\$ 783,832**

Rehabilitation of multi-family affordable units, new construction of multi-family affordable units.

• WestCare - Veterans Housing Facility Improvements	\$ 69,984
• Fisher/Sizemore Apartments - Rehab of 11 units	\$ 81,358
• Polk CDC - Owner Occupied Housing Rehabilitation	\$ 180,530
• Salem Housing Authority - Yaquina Hall Rehabilitation <ul style="list-style-type: none">○ 50 Units; 1 bedroom	\$ 451,960
Total	\$ 783,832

Goal 4: Promote Economic Development **\$ 106,800**

Microenterprise training program that will assist new businesses and those seeking to expand an existing business owned/operated by low to moderate income persons. This will create jobs.

• MERIT-Microenterprise Development <ul style="list-style-type: none">○ 20 businesses assisted	\$ 106,800
Total	\$ 106,800

Public Process

A 30-day comment period of the draft AAP will end on May 20, 2019. Public comments received as of May 13, 2019, are attached. Prior to submitting the AAP to HUD, a public hearing and City Council adoption is required.

Shelly Ehenger
Federal Programs Manager

Attachments:

1. Draft 2019-2020 Housing and Community Development Annual Action Plan]

2. Public Comments received as of May 13, 2019