

## Staff Report

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**File #:** 21-409**Version:** 1**Date:** 9/27/2021**Item #:** 3.3c.

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

**SUBJECT:**

Approve the addition of .5 FTE in the Urban Development Department to hire a Program Manager 1 to support federal program delivery efforts

Ward(s): All Wards

Councilor(s): All Councilors

Neighborhood(s): All Neighborhoods

Result Area(s): Strong and Diverse Economy; Welcoming and Livable Community.

**SUMMARY:**

In March 2021, the Urban Development Department hired a Program Manager 1 in the Federal Programs Division in an 18-month limited duration capacity. This limited duration position was created to assist with new Covid-related funding received from HUD. It is evident that distribution of these funds and ongoing monitoring and reporting requirements will continue for several years into the future. The Urban Development Department currently has .5 FTE within the department's position control that can be re-purposed. With approval of an additional .5 FTE, the Urban Development Department can convert the existing limited duration position to a full-time permanent position through an internal recruitment process. This position will be funded from the HUD-allowed administrative set aside for HOME and CDBG programs and program delivery revenues.

**ISSUE:**

Shall City Council approve the addition of .5 FTE in the Urban Development Department to hire a Program Manager 1 to support federal program delivery efforts?

**RECOMMENDATION:**

Approve the addition of .5 FTE in the Urban Development Department to hire a Program Manager 1 to support federal program delivery efforts.

## **FACTS AND FINDINGS:**

In addition to its regular 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 (HOME) funds to assist low-to-moderate-income households, the City has received additional funding to address the impacts of COVID-19. The City received \$775,837 in CDBG-CV1 funding, \$860,500 in CDBG CV3 funding, and an additional Covid-related HOME allocation of \$2,349,370 in American Rescue Plan Act (ARPA) funds. The workload in the Federal Programs Division has increased significantly as a result of these additional funds and will continue to be high for many years due to ongoing performance requirements.

The Urban Development Department hired a program manager in a limited duration capacity for eighteen months to assist with these programs, but it has become apparent that the need will extend far beyond the remaining twelve months for this position. The department currently has .5 FTE unallocated within departmental position control. Council approval of an additional .5 FTE would allow the creation of new full-time FTE to support our federal programs on an ongoing basis. HUD programs are highly complex and specialized, and the skill sets to be effective take several months to acquire. The added work to support low moderate-income persons cannot be absorbed by existing staff. The permanent position would be funded through administrative and program service delivery revenue through the HOME and CDBG programs. If approved, the department would immediately move forward with an internal recruitment.

## **BACKGROUND:**

The City of Salem receives an annual entitlement allocation from the HUD for CDBG and HOME funds to assist low-to-moderate-income households. The City has as many as four years to obligate a given year's allocation to a project. The 2020/2021 allocations were \$778,029 in HOME funds and \$1,318,651 in CDBG funds.

Kristin Retherford  
Urban Development Director

### **Attachments:**

1. CDBG and HOME entitlements by year with FTE