

City of Columbia

701 East Broadway, Columbia, Missouri 65201



Agenda Item Number: R 38-15

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: 3/2/2015

Re: Setting a public hearing to consider the CDBG and HOME 2015-2019 Consolidated Plan and 2015 Annual Action Plan.

Documents Included With This Agenda Item

Council memo, Resolution/Ordinance

Supporting documentation includes: None

Executive Summary

The U.S. Department of Housing and Urban Development's (HUD) Citizen Participation rules require jurisdictions to consider any comments or views of citizens at a public hearing prior to submitting an amendment to the the Consolidated Plan or Annual Action Plan. In order to comply with this requirement, staff has prepared a resolution setting a public hearing on the 2015-2019 Consolidated Plan and 2015 Annual Action Plan for March 16, 2015. The full report will be provided to the Council prior to the public hearing.

Discussion

The City of Columbia receives Community Development Block Grant (CDBG) and HOME funding from HUD according to its population, demographics and the federal formula for distributing funds. The City is required to submit a Consolidated Plan at least every 5-years. The City is required to submit a Consolidated Plan for years 2015-2019.

The Council approved a draft version of the 2015-2019 Consolidated Plan and 2015 Annual Action Plan on October 16, 2014 based on funding estimates for FY 2015. HUD released final 2015 budget allocations on February 11, 2015 and the City is required to amend its 2015-2019 Consolidated Plan and 2015 Annual Action Plan to reflect final budget amounts. Final CDBG funding allocation amounts were slightly higher than estimated or less than 1%. City staff estimated \$835,000 in CDBG funding for 2015, and the final CDBG allocation amount is \$839,885 for 2015. HOME funding was reduced by approximately 10%. City staff estimated \$409,000 in HOME funding for FY 2015, and the final HOME allocation amount is \$369,532.

The reduction in HOME funds has required a funding reduction to projects previously identified for 2015. The City will be required to reduce its annual HOME Administration funding. City staff and the CDC are also recommending a reduction in Community Housing Development Organization (CHDO) funding in order to meet budget reduction requirements. City staff proposed to the Community Development Commission (CDC) that City internal housing programs receive a majority of the reduction due to the increased amounts in program income received recently and due to the progress

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on the Columbia Housing Authority's Stuart Parker project. Staff recommended the following FY 2015 budget reduction amounts to the CDC:

Organization	Project	Initial Budget	Recommended Amendment
Community Development Dept.	Homeownership Assistance Program	\$105,000	\$90,200
Columbia Housing Authority	Stuart Parker Housing Renovations	\$101,750	\$101,750
Community Development Dept.	Rehab Program	\$100,000	\$85,199
Community Development Dept.	Community Housing Development Org. (CHDO)	\$61,350	\$55,430
Community Development Dept.	Administration	\$40,900	\$36,953
Total		\$409,000	\$369,532
Reallocation of Previous HOME Funding			
Jes Dev Co Inc.,	Gentry Estates Phase II	NA	\$100,000

The CDC agreed with the above staff recommended 2015 Annual Action Plan amendment and recommends them for Council approval.

The amendment to the 2015-2019 Consolidated Plan and 2015 Annual Action Plan will also include a funding allocation of \$100,000 in HOME funds for the Gentry Estates Phase II development utilizing previous year's funding. The City has continually received increasing amounts of program income in recent years and is required to expend program income before HUD funding. The City expends most program income on rehab projects and increasing amounts of program income has freed up HUD funds initially allocated for the rehab program. City staff and the CDC recommend reallocating \$100,000 in previously unspent HOME funds from the rehab program to the development of Gentry Estates phase II. A full report on the amendment to the 2015-2019 Consolidate Plan and 2015 Annual Action Plan will be provided to Council before the March 16, 2015 meeting.

Fiscal Impact

Short-Term Impact: None.

Long-Term Impact: Maintains compliance with HUD expenditure requirements.

Vision, Strategic & Comprehensive Plan Impact

Vision Impact: Economic Development, Health, Social Services and Affordable Housing

Strategic Plan Impact: Economic Development, Financial Health, Health, Safety and Wellbeing, Infrastructure, Workforce

Comprehensive Plan Impact: Infrastructure, Mobility, Connectivity, and Accessibility, Economic

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Development, Livable & Sustainable Communities

Suggested Council Action

Approve the resolution to set a hearing to consider an amendment to the the CDBG and HOME 2015-2019 Consolidated Plan and 2015 Annual Action Plan.

Legislative History

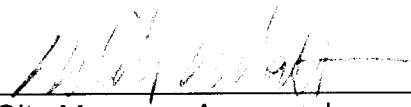
To date the City Council has taken the following action on the 2015-2019 Consolidated Plan and 2015 Annual Action Plan:

November 4, 2013: Council hearing to approve the Citizen Participation Plan

August 18, 2014: Council approved resolution setting hearings for consideration of the Consolidated Plan.

October 6, 2014: Council approved the draft 2015-2019 Consolidated Plan and 2015 Annual Action Plan.


Department Approved


City Manager Approved

Introduced by _____ Council Bill No. R 38-15

A RESOLUTION

setting a public hearing to consider an amendment to the 2015-2019 Consolidated Plan and FY 2015 Annual Action Plan for CDBG and HOME funds.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF COLUMBIA, MISSOURI, AS FOLLOWS:

SECTION 1. A public hearing will be held before the City Council of the City of Columbia, Missouri in the Council Chamber in the City Hall Building, 701 E. Broadway, Columbia, Missouri on March 16, 2015 at 7:00 p.m. to consider an amendment to the 2015-2019 Consolidated Plan and FY 2015 Annual Action Plan for CDBG and HOME funds. All citizens and interested persons will be given an opportunity to be heard.

SECTION 2. The City Manager, or the Manager's designee, is hereby directed to cause notice of this hearing to be published in a newspaper of general circulation in Boone County, Missouri.

ADOPTED this _____ day of _____, 2015.

ATTEST:

City Clerk

Mayor and Presiding Officer

APPROVED AS TO FORM:

City Counselor