

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

THRU: Rebecca Clark, Director of Community Planning and Development
Tami Fischer, Director of Housing and Family Services

FROM: Roger Wadnal, Manager, Comprehensive Planning and Research
Amy DeKnikker, Associate Planner / CDBG Program Manager
Kim Buehler, HOME Manager

DATE: October 28, 2008
City Council Study Session Date: November 3, 2008

SUBJECT: 2009 Community Development Block Grant and HOME Investment Partnerships Grant
One Year Action Plan

RECOMMENDATION

Staff recommends that City Council:

Direct Staff to prepare a resolution to be brought forward at the City Council regular meeting on November 10, 2008, endorsing the recommended programs and funding levels for the 2009 One Year Action Plan.

BACKGROUND

The U.S. Housing and Urban Development Department (HUD) will grant funds to the City of Lakewood for housing and community development activities once the 2009 One Year Action Plan for the 2009 Program Year are reviewed and approved by City Council. An estimated \$870,000 in Community Development Block Grant (CDBG) funds and estimated \$600,000 in HOME Investment Partnerships funds will be available in 2009.

Community Development Block Grant (CDBG) Program: The purpose of the CDBG program is to enable communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community services and facilities. The national goal of the CDBG program is to develop viable communities.

All activities undertaken with CDBG funds must address one of the following three federal program

objectives:

1. Benefit low- and moderate- income persons.
2. Aid in the prevention or elimination of slum and blight (as defined by the community).
3. Address urgent community development needs that present a serious and immediate threat to the health or welfare of the community.

HOME Investment Partnerships (HOME) Program: The purpose of the HOME program is to expand the supply of affordable rental housing units available to low-income households and to assist with the development of affordable single-family homes to low-income homebuyers.

Both CDBG and HOME activities must also satisfy additional HUD eligibility requirements and address a local objective outlined in the community's Housing and Community Development Plan.

2009 One Year Action Plan

The One Year Action Plan describes programs that the City proposes to fund during a specific year to address the priority objectives identified in the 2008-2012 Consolidated Plan. The One Year Action Plan also serves as Lakewood's annual funding application for the CDBG and HOME programs. The 2009 program year begins January 1, 2009 and ends December 31, 2009.

Project Selection Process: A review committee consisting of City Staff from affected City departments reviewed proposed projects and evaluated how each project satisfies national and local objectives. Keeping in mind ongoing commitments, the committee reviewed the estimated annual allocation of funds and selected the recommended projects included in the 2009 One Year Action Plan. The following criteria was used to evaluate and select individual projects and develop the overall recommendations submitted to Council:

1. *The project addresses a local priority need identified in the 2008-2012 Housing and Community Development Plan (Consolidated Plan).*
2. *The project provides a benefit to low- and moderate-income residents of Lakewood.*
3. *The project benefits Target Area neighborhoods that are in need of revitalization. (See Target Area Map attached.)*
4. *The project corrects a condition of documented property or infrastructure deterioration.*
5. *The project conforms to HUD limitations on administration and public services costs.*
6. *The project objectives and outcomes can be measured for aggregation nationally as HUD reports to Congress on program efficiencies. HUD program objectives are: a) provides a suitable living environment; b) provides an opportunity for decent housing, or c) provides an economic opportunity. HUD program outcomes are: 1) Availability/Accessibility; 2) Affordability; and 3) Sustainability.*

Estimated CDBG / HOME Resources Available in 2009

Resources Available	Amount
HOME Investment Partnerships (HOME) Grant	\$600,000
Community Development Block Grant (CDBG)	\$870,000
2009 CDBG Program Income	\$80,000
2008 CDBG Program Recaptured Funds	\$290,000
CDBG Line of Credit Amount	\$200,000
Total CDBG/HOME Resources	\$2,040,000

2009 PROGRAMS RECOMMENDED FOR FUNDING

HOME Investment Partnerships (HOME)

Rental Housing Development	\$350,000
Home Ownership Assistance	\$50,000
Single-Family Housing Rehabilitation (Contract with Jefferson County Housing Authority)	\$50,000
Community Development Housing Organizations (CHDOs)	\$90,000
HOME Program Administration	\$60,000

Total HOME Funds	\$600,000
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Community Development Block Grant (CDBG)

HOUSING PROGRAMS

Single Family Housing Rehabilitation Loan Program (Contract with Jefferson County Housing Authority)	\$80,000
Cedar Gardens Rehabilitation	\$50,000
Housing Administration	\$90,000

NEIGHBORHOOD PROGRAMS

Neighborhood Cleanup/ Code Enforcement	\$84,500
Neighborhood Plan Implementation	\$149,000
Public Facilities (Infrastructure)	\$382,000

SUPPORTIVE SERVICES

Lakewood Self-Sufficiency Program	\$90,000
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Child Care Scholarships		\$40,000
	OTHER	
CDBG Administration		\$95,000
Section 108 Loan Repayment		\$379,532
	Total CDBG Funds	\$1,440,032
Total CDBG/HOME Grant Funds	\$2,040,032	

BRIEF DESCRIPTION OF 2009 PROGRAMS RECOMMENDED FOR FUNDING

Home Investment Partnerships (HOME) Program

Rental Housing Development: Funds acquisition, rehabilitation, and development of affordable rental housing for low- and moderate- income households.

Home Ownership Assistance: Assists homebuyers with down payment and closing costs.

Community Housing Development Organizations (CHDO)s: 15% of annual HOME funds are reserved and then allocated to activities undertaken by CHDOs to produce affordable housing in Lakewood. Examples activities include working with Habitat for Humanity to acquire property for new home construction for low-income and first time homebuyers.

Single-Family Housing Rehabilitation Program: Provides low interest loans and/or grants to low- and moderate-income homeowners for renovation of single-family homes to bring them up to National Housing Quality Standards. Grants are provided to ensure homeowners are not forced from their homes due to dangerous or substandard conditions.

Home Program Administration: Provides oversight, management, monitoring and coordination of the HOME program.

Community Development Block Grant (CDBG)

Single-Family Housing Rehabilitation: Provides low interest loans and/or grants to low- and moderate-income homeowners for renovation of single-family homes to bring them up to National Housing Quality Standards. Grants are provided to ensure homeowners are not forced from their homes due to dangerous or substandard conditions.

Housing Administration: Develops resources and facilitates housing development. Assists with program

administration and implementation of a variety of CDBG funded housing related activities.

Neighborhood Cleanup/Code Enforcement: Operates programs in designated CDBG Target Areas that are designed to enhance neighborhood appearance, safety and pride. Some activities include pro-active code enforcement to resolve, junk, trash, and weed problems and neighborhood cleanup events.

Neighborhood Plan Implementation: Implements activities to strengthen neighborhoods. Emphasis is given to activities identified through adopted neighborhood plans. Focus is on revitalizing Target Area neighborhoods and improving the quality of life for residents. Some activities include the removal of dead and diseased trees from low-income resident's property or assisting with neighborhood clean-up events.

Public Facilities: Provides needed infrastructure to build and maintain viable neighborhoods, blighted and commercial areas. Sidewalk installation along Wadsworth and Sheridan Boulevards are examples of public improvements that will be undertaken in 2009.

Lakewood Self-Sufficiency Program: Offers a broad range of services to Lakewood residents on public assistance. Services offered through the Department of Housing and Family Services include grant scholarships, case management, referral services, and increased affordable housing opportunities.

Child Care Scholarships: Provides childcare scholarships to low-income families so parents can remain in the workforce or receive job training.

CDBG Administration: Provides oversight, management, monitoring and coordination of the CDBG program.

Section 108 Loan Repayment: Repayment of a Section 108 Loan that is being used to develop and construct a Lakewood Head Start Facility and make improvements to Ray Ross Park. Both of the projects are located in CDBG Target Areas.

Summary

Staff is seeking Council to direct Staff to prepare a resolution to be brought forward at the City Council's regular meeting on November 10, 2008, supporting the programs and recommended funding levels in the 2009 One Year Action Plan for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs.

Submitted by:

Reviewed by:

Amy DeKnicker
Associate Planner / CDBG Program Manager

Joni Inman, Director
City Manager's Office

Roger Wadnal, Manager
Comprehensive Planning and Research

Michael J. Rock
City Manager

Rebecca P. Clark, Director
Community Planning and Development

Tami Fischer, Director
Housing and Family Services

Kim Buehler
HOME Program Manager