

City of Lakewood

MEMORANDUM

TO: MAYOR AND CITY COUNCIL

THRU: Jay N. Hutchison, Director of Planning & Public Works

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

DATE: September 28, 2009
City Council Study Session Date: October 5, 2009

SUBJECT: 2010 Community Development Block Grant and HOME Investment Partnerships Grant
One Year Action Plan and Neighborhood Revitalization Strategy Plan

RECOMMENDATION

Staff recommends that City Council:

Direct Staff to prepare a resolution to be brought forward at the City Council regular meeting on October 26, 2009, endorsing the Neighborhood Revitalization Strategy Plan and recommended programs and funding levels for the 2010 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 2010 One Year Action Plan for the 2010 Program Year are reviewed and approved by City Council. An estimated \$910,200 in Community Development Block Grant (CDBG) funds and an estimated \$600,000 in HOME Investment Partnerships funds will be available in 2010.

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 available 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.

2010 One Year Action Plan

The One Year Action Plan (copy attached) 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 2010 program year begins January 1, 2010 and ends December 31, 2010.

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 2010 One Year Action Plan. The recommended projects are described later in this memorandum.

The following criteria were used to evaluate and select recommended projects:

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 the identified Neighborhood Revitalization Strategy Area and/or Qualified Target Area neighborhoods in need of revitalization. (See attached map.)*
4. *The project conforms to HUD limitations on administration and public services costs.*
5. *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 2010

Resources Available	Amount
HOME Investment Partnerships (HOME) Grant	\$600,000
Community Development Block Grant (CDBG)	\$910,200
2010 CDBG Program Income	\$50,000
2009 CDBG Program Recaptured Funds	\$60,000
Total CDBG/HOME Resources	\$1,620,200

2010 PROGRAMS RECOMMENDED FOR FUNDING

HOME Investment Partnerships (HOME)

Rental Housing Development	\$400,000
Home Ownership Assistance	\$50,000
Community Housing Development Organizations (CHDOs)	\$90,000
HOME Program Administration	\$60,000
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Total HOME Funds	\$600,000

Community Development Block Grant (CDBG)

Single Family Housing Rehabilitation Loan Program	\$90,000
Housing Administration	\$84,000
Neighborhood Cleanup/ Code Enforcement	\$61,000
Neighborhood Plan Implementation	\$90,000
Public Facilities (Park Improvements)	\$90,000
Lakewood Self-Sufficiency Program	\$100,000
Child Care Scholarships	\$40,000

CDBG Administration		\$85,668
Section 108 Loan Repayment		\$379,532
	Total CDBG Funds	\$1,020,200
Total CDBG/HOME Grant Funds		\$1,620,200

BRIEF DESCRIPTION OF 2010 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. These activities are typically carried out through Metro West Housing Solutions.

Home Ownership Assistance: Assists homebuyers with down payment and closing costs. The City contracts with Colorado Housing Assistance Corporation to operate the program for Lakewood residents.

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. Example activities include working with Habitat for Humanity to acquire property for new home construction for low-income first time homebuyers.

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. Through a contract with Jefferson County Housing Authority 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. These activities are carried out through the City's Family Services Division and through a contract with Metro West Housing Solutions.

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 assisting neighborhood organizations with outreach and events, coordinating internal projects within CDBG Target neighborhoods and assisting with neighborhood clean-up events.

Public Facilities: Provides needed infrastructure to build and maintain viable neighborhoods, blighted and commercial areas. Improvements to Surfside Park will be undertaken in 2010.

Lakewood Self-Sufficiency Program: Offers a broad range of services to Lakewood residents on public assistance. Services offered through the City's Family Services Division and through a contract with Metro West Housing Solutions 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.

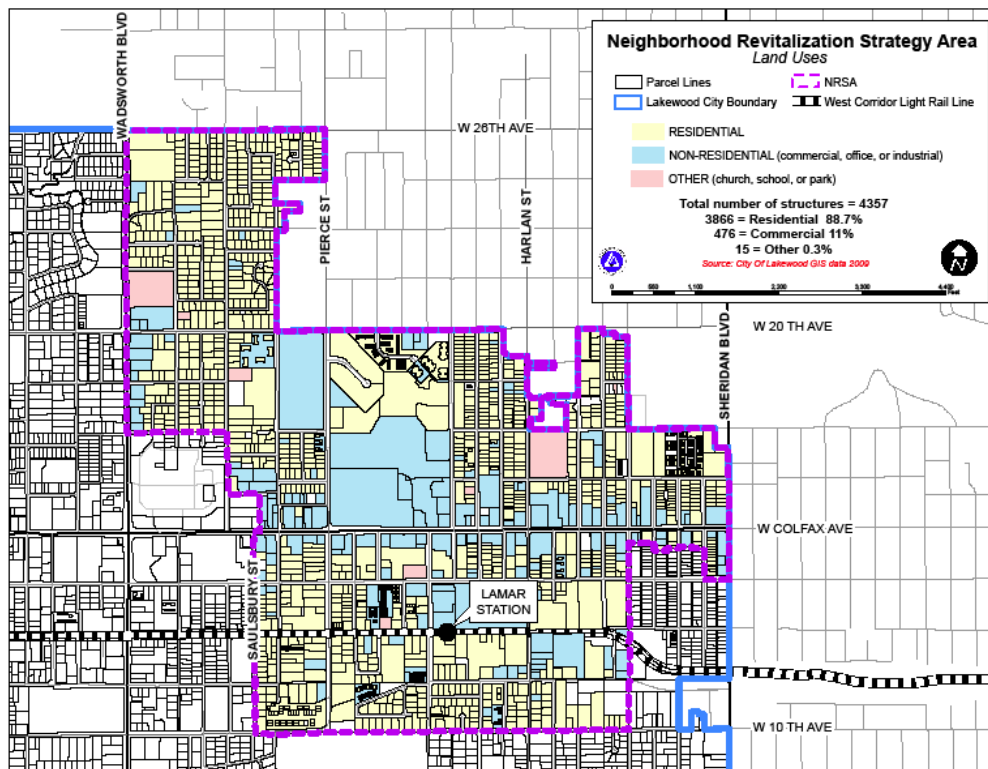
Neighborhood Revitalization Strategy

New this year is the creation of a Neighborhood Revitalization Strategy (NRS) Plan for a portion of northeast Lakewood. NRS is a strategy employed by HUD that allows for more flexibility when utilizing CDBG funds. The NRS Plan is intended to: 1) identify a specific area where significant social, economic

and physical needs exist; 2) take a comprehensive approach to addressing those needs through outreach, community partnerships and available resources; and 3) set goals or benchmarks in the form of CDBG eligible projects or activities that must be completed within a particular time frame.

This method concentrates CDBG funded projects within a smaller area rather than throughout all of Lakewood's CDBG eligible target areas in an effort to produce enhanced revitalization in a relatively short time frame. The Plan identifies possible strategies to revitalize the northeast neighborhoods through area housing, park, infrastructure and economic development activities. Implementation of the NRS will be carried out through annual CDBG projects as annual funding becomes available.

The Neighborhood Revitalization Strategy Plan is being submitted along with the One Year Action Plan for approval by HUD. Once approved, the strategies identified in the NRS will be completed as CDBG funds are made available throughout the next three years. These activities will be outlined each year in the One Year Action Plan and then reported in the Consolidated Annual Performance and Evaluation Report (CAPER) and submitted to HUD. Although satisfying the goals of the NRS will be a priority, CDBG funds will continue to be used to assist low – and moderate-income residents throughout the City Lakewood. The map below illustrates the boundaries of the Neighborhood Revitalization Strategy Area (NRSA) which encompasses the Edgewood neighborhood and a portion of the Two Creeks neighborhood.



Summary

Council is asked to direct Staff to prepare a resolution to be brought forward at the City Council's regular meeting on October 26, 2009, supporting the Neighborhood Revitalization Strategy Plan and the programs and recommended funding levels in the 2010 One Year Action Plan for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Program.

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