

# EUGENE CITY COUNCIL

## AGENDA ITEM SUMMARY



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### Approval of Amendment to Prior Year Action Plans for Use of Community Development Block Grant Funds

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Meeting Date: April 25, 2016  
Department: Planning & Development  
[www.eugene-or.gov](http://www.eugene-or.gov)

Agenda Item Number: 2C  
Staff Contact: Stephanie Jennings  
Contact Telephone Number: 541-682-5529

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#### **ISSUE STATEMENT**

The City Council is asked to approve the reprogramming of Community Development Block Grant (CDBG) funds from multiple activities to support human service capital facility projects to address the needs of people experiencing homelessness and other special needs populations.

#### **BACKGROUND**

The City of Eugene established current goals and programs for the use of CDBG funds to benefit low-income people through the adopted Eugene-Springfield 2015 Consolidated Plan. Each year, the City Council approves the allocation of federal funds from the U.S. Department of Housing and Urban Development (HUD) through a One-Year Action Plan. From time to time, the council also approves reprogramming of federal funds among projects and programs to facilitate timely use of CDBG funds or to address critical needs.

Each year, City staff works with the CDBG Advisory Committee to develop a recommended allocation for use of CDBG funds to the Eugene City Council. This year, City staff also worked with the CDBG Advisory committee to develop recommendations for use for funds available for reprogramming. The CDBG funds available for reprogramming include proceeds from the sale of the Willow Creek landbank site (\$306,913), entitlement funds previously allocated to the Business Development Fund (\$300,000), entitlement funds previously allocated for housing acquisition (\$112,908), and unused program administration funds from prior years (\$78,717). The total amount of funds available for reprogramming is \$798,538.

A special focus for this year is the identification of potential human service capital facility projects to benefit people experiencing homelessness and special needs populations. Through the Eugene-Springfield 2015 Consolidated Plan, the City set of a goal of investing in 15 human service facilities over a five-year period.

Staff released an open Request for Proposals (RFP) in January and received six applications of which five were determined to be eligible for CDBG funds. CDBG eligible project proposals were received from Catholic Community Services, Headstart, and Looking Glass, as well as two proposals from ShelterCare. Collectively, these proposals identified critical repairs to preserve or increase the

capacity of existing facilities that provide food to low-income persons, access to early learning programs for low-income families, medical respite care for homeless persons, and transitional housing for homeless youth and families. Requests received through the RFP exceeded \$1.2 million.

The CDBG Advisory Committee met three times to review programs and develop the recommended CDBG allocation reflected in the attached draft Action Plan. The CDBG Advisory Committee reviewed and approved a draft recommendation for reprogramming of CDBG funds on March 8, 2016. A public hearing was held at the CDBG Advisory Committee meeting on April 12, 2016. Testimony was provided by six individuals representing five human service and affordable housing agencies including ShelterCare, Looking Glass, NEDCO, Catholic Community Services, and Headstart. Of the six people, five testified in support of the recommended human service capital facilities funding allocation in the proposed amendment and Action Plan. The sixth person made comments in support of recommendations for other uses of CDBG funds. There were no comments received through the 30-day written comment period.

The CDBG Advisory Committee unanimously recommended the funds available for reprogramming be allocated to the human services capital facilities program to reserve funding for these projects. These proposed funds would be combined with new entitlement CDBG funding presented to the council through the 2017 Action Plan. Once the overall budget for available funds is established, staff and agencies can work to refine the preliminary scopes of work and budget estimates presented in the original proposals. Staff will return to the council for approval of specific grant amounts for each project later this year.

### **RELATED CITY POLICIES**

In addition to the Eugene-Springfield 2015 Consolidated Plan, the proposed reallocation supports the Diversity and Equity Strategic Plan, the Lane County Ten-Year Plan to End Chronic Homelessness, and the Lane County Continuum of Care Plan.

### **COUNCIL OPTIONS**

1. Approve reprogramming of CDBG funding in the amount of \$798,538 from multiple sources to the human services capital facilities program as shown in Attachment A.
2. Decline to approve reprogramming.

### **CITY MANAGER'S RECOMMENDATION**

The City Manager recommends approval of reprogramming of CDBG funds as described in Option 1.

### **SUGGESTED MOTION**

Move to approve reprogramming of CDBG funding as described in Option 1.

### **ATTACHMENTS**

- A. Summary of Proposed CDBG Reprogramming Sources and Uses

**FOR MORE INFORMATION**

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## Summary of Proposed CDBG Reprogramming Sources and Uses

### Sources

FY 14 and FY 15 Willow Creek Affordable Housing Site	\$306,913
FY 11 Business Development Fund	\$200,000
FY 14 Business Development Fund	\$100,000
FY 16 Housing Acquisition Funds	\$112,908
FY 16 Administration	\$78,717
<b>TOTAL</b>	<b>\$798,538</b>

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### Uses

Human Service Capital Facilities	\$798,538
- \$275,000 for project(s) that meet the CDBG Low Income Area benefit criteria	
- \$523,538 for project(s) that meet the CDBG Limited Clientele criteria	
<b>TOTAL</b>	<b>\$798,538</b>