EUGENE CITY COUNCIL AGENDA ITEM SUMMARY



Work Session and Action: Eugene-Springfield 2015 Consolidated Plan - A Five Year Strategic Plan for Affordable Housing and Community Development

Meeting Date: April 15, 2015

Department: Planning and Development

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Council Work Session

Staff Contact: Stephanie Jennings Contact Telephone Number: 541-682-5529

ISSUE STATEMENT

The City Council is asked to adopt the Eugene-Springfield 2015 Consolidated Plan (Consolidated Plan). The Consolidated Plan provides an assessment of local housing, homelessness, and community development needs and establishes a five-year strategic plan with priority needs and strategies for the use of federal funds received from the U.S. Department of Housing and Urban Development (HUD). Completion and adoption of the Consolidated Plan is a prerequisite for receiving Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and other HUD funds. At this work session, staff will review the Consolidated Plan development process and the proposed priority needs and strategies. The Consolidated Plan must be submitted to HUD by May 15, 2015.

BACKGROUND

This is the third presentation and discussion that the City Council has had on the Eugene-Springfield 2015 Consolidated Plan. At its November 12, 2014, meeting, the City Council was presented an overview of the 2010 Consolidated Plan, on which this plan is based. Information was provided about the goals and objectives from the 2010 Plan, and the HUD-required process and timeline for developing, reviewing and submitting the Plan. At its February 9, 2015, meeting, the City Council provided information and discussed recent changes to the HOME Consortium, the public outreach and consultation efforts, and the preliminary priority needs and strategies contained in the 2015 Plan.

The Consolidated Plan presents an assessment of local housing, homelessness, and community development needs, identifies priority needs for use of funds received from HUD, and presents strategies to address the priority needs. Eugene and Springfield must complete, adopt, and submit a new five-year Consolidated Plan to HUD by May 15, 2015. CDBG and HOME must be used to advance one or more of the following statutory objectives

that primarily support low-income and moderate-income residents: 1) Provide decent, safe, and affordable housing (CDBG and HOME); 2) Create suitable living environments (CDBG); and 3) Expand economic opportunities (CDBG).

Since 1992 and continuing with this plan, Eugene and Springfield work together to develop the Eugene-Springfield Consolidated Plan. This collaboration allows for consideration of needs for the metropolitan area as a whole, development of shared goals and strategies, and more efficient use of limited resources. A joint plan is required given that Eugene and Springfield receive a formula allocation of HOME funds through the Eugene-Springfield HOME Consortium. Eugene and Springfield receive separate formula allocations of CDBG funds.

Each year, the Consolidated Plan is augmented by a One-Year Action Plan (Action Plan) that is also jointly developed and submitted by Eugene and Springfield. The purpose of the Action Plan is to select uses of funds allocated by formula to the jurisdictions each year. The 2015/16 Action Plan will be presented to the City Council for review and action on April 27. The Action Plan must also be submitted to HUD by May 15, 2015.

Lastly, the jurisdictions jointly develop a Consolidated Annual Performance Evaluation Report (CAPER) to report on outcomes and progress achieved for each year. This report is made available for public review and comment prior to submission. A visual diagram of the required planning and reporting components is provided in Attachment A.

2015 Consolidated Plan Development Process

The 2015 Consolidated Plan development process differs significantly from previous years as HUD has moved to an online submittal process. For purposes of community engagement and adoption, HUD allows participating jurisdictions to prepare a summary plan which is provided as Attachment B. A copy of the full electronic submittal is available online at: http://www.eugene-or.gov/hudconplan. The Consolidated Plan summary includes the following components:

- Community engagement activities and comments received on the plan
- Community needs assessment and market analysis developed through data analysis, community surveys, and other stakeholder input
- Priority needs to be addressed over the next five years based on the community needs assessment and market analysis
- Strategies to address the identified priority needs

Staff from the Cities of Eugene and Springfield employed a multi-faceted approach to engage community members and other stakeholders in the development of the Consolidated Plan. As a part of the process, a needs survey was conducted for public and private agencies that provide assisted housing, fair housing, and health and social services. Additionally, consultations were held with coalitions of providers, advisory committees, local housing and social service providers, and with city, county and state agencies serving

this population. Further description of community engagement activities are provided in the Consolidated Plan summary.

The Draft Consolidated Plan summary was made available for public review and public comment starting on February 24 through March 25. Two comments were received during the process and have been addressed through modifications to the Consolidated Plan.

A Consolidated Plan Advisory Committee was created to guide the Plan's development. Members were drawn from the Intergovernmental Housing Policy Board, Eugene CDBG Advisory Committee, and the Springfield Community Development Advisory Committee. A list of the Advisory Committee members is provided in Attachment C. The committee met on February 10 to discuss the Consolidated Plan process and draft priority needs and strategies. On March 10, the committee held a public hearing and reached consensus to recommend the proposed priority needs and strategies. On March 31, the committee met a third time to review written comments and other community input and to discuss the progress measures and numeric targets for each strategy. The Advisory Committee voted unanimously on March 31 to recommend approval of the Consolidated Plan summary.

Priority Needs

The Consolidated Plan must include identification of priority needs based on the community needs assessment, market analysis, and community engagement. Staff utilized data provided by HUD as well as numerous other quantitative and qualitative sources to develop a proposed set of priority needs. Resources created as a part of the Lane Livability Consortium were also utilized to inform the development of priority needs. These priority needs were shared as part of the many consultations with boards, commissions, and agencies.

In summation, while the local economy is improving there are many households who cannot meet the basic needs for food, shelter, medical care and transportation. In addition, there are a growing number of seniors, persons with disabilities, and others who are unable to work. These factors, combined with a very tight housing market, have resulted in a large number of households with moderate or severe housing cost burdens. In addition, there are some areas of Eugene and Springfield that have concentrations of poverty and vulnerable populations.

Proposed priority needs have been identified for five specific populations including low-income renters, low-income homeowners, people experiencing homelessness, populations with special needs who are not experiencing homelessness, and unemployed/underemployed persons. In addition, priority needs have been identified for low-income areas and areas that meet HUD's definition of slums and blight. Expanded descriptions of the priority needs are provided in the Consolidated Plan summary.

Strategic Plan

The Consolidated Plan must also specify strategies to address each of the identified priority needs. The identified strategies create the basis for allocating CDBG and HOME funds in the Action Plan each year. A summary of each proposed strategy is provided below:

Increase the supply of affordable housing.

Utilize HUD funds for land and development subsidies to increase the supply of primarily affordable rental housing. In addition, the City will provide operating assistance to nonprofit agencies that act as Community Housing Development Organizations to expand capacity to develop affordable housing.

Rehabilitate existing housing stock affordable to low-income persons.

Utilize HUD funds to rehabilitate housing affordable to low-income persons. Assistance will be made available for rehabilitation of rental units, rehabilitation of owner-occupied units, emergency repairs, and accessibility improvements.

Provide down payment assistance for home ownership.

Utilize HUD funds to provide down payment assistance for low-income, first-time homebuyers. The assistance received by each household is modest but plays a critical role in enabling them to become homeowners.

Remove barriers to affordable and supportive housing.

Affirmatively further fair housing and raise awareness of the housing needs of low- and moderate-income persons so these may be considered in the development of related policies and regulations. Support programs that assure housing opportunities are provided without discrimination. Maintain the Housing Policy Board.

Support a human services delivery system to address the needs of homeless persons and special needs populations.

Support the provision of human services for people experiencing homelessness or with special needs through funding for human service operations and funding for capital improvements for facilities where services are provided. Funds may also be used to support facilities with emergency or transitional housing.

<u>Promote economic development and employment opportunities through the creation of jobs and business development.</u>

Support economic development activities resulting in job creation for low- and moderate-income households through business loans and micro-enterprise training and development opportunities.

Make strategic investments to improve low-income neighborhoods and other areas of slums and blight.

Provide funding to make strategic investments in low-income areas or to address conditions of slums and blight.

RELATED CITY POLICIES

The Consolidated Plan is consistent with other plans adopted by the local jurisdictions, such as the Residential Land Use and Housing Element of the Metropolitan Area General Plan, Eugene City Council Adopted Growth Management Policies, the Diversity and Equity Strategic Plan, the Lane County Ten-Year Plan to End Chronic Homelessness, and the Lane County Continuum of Care Plan. The proposed uses of funds also specifically support economic development and affordable housing goals set forth in the Envision Eugene Pillars.

COUNCIL OPTIONS

- 1. Approve the Eugene-Springfield 2015 Consolidated Plan summary
- 2. Modify or amend the Eugene-Springfield 2015 Consolidated Plan summary

CITY MANAGER'S RECOMMENDATION

The City Manager recommends Option 1, approve the Eugene-Springfield 2015 Consolidated Plan Summary included in Attachment B.

SUGGESTED MOTION

Move to approve the attached Eugene-Springfield 2015 Consolidated Plan summary.

ATTACHMENTS

- A. HUD Required Plans and Reports Diagram
- B. Eugene-Springfield 2015 Consolidated Plan Summary
- C. Consolidated Plan Advisory Committee
- D. Resolution Approving the 2015 Eugene-Springfield Consolidated Plan

FOR MORE INFORMATION

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