



Legislation Text

File #: 2015-3586, **Version:** 1

TO: Mayor and Commission

AGENDA DATE: 7/6/2021

FROM: John A. Peters, III, P.E., Acting City Manager

AGENDA ITEM: 6 - B

SUBJECT:

Public Hearing - Resolution No. 2021-34, Approval of the City of Deltona Community Development Block Grant (CDBG) Program Year 2021-2022 Annual Action Plan (AAP) - Ron A. Paradise, Director Planning and Development Services (386) 878-8610.

Strategic Goal: Fiscal Issues - administer grants.

LOCATION:

Citywide

BACKGROUND:

The City of Deltona is recognized by the United States Department of Housing and Urban Development (HUD) as an entitlement community and is therefore eligible to receive CDBG funding. For funding cycle 2021-2022, the City is tentatively approved to receive approximately \$600,000.

In order to appropriately manage federal grant dollars, HUD requires entitlement communities annually report how grant funds will be expended as part of an Annual Action Plan (AAP). The Plan illustrates how the City has used CDBG funds, how those funds were leveraged with State (SHIP) money and how CDBG funds will be used in the next year. There is also information presented in the report regarding COVID-19 allocations administered by the City.

CDBG money within the City of Deltona has been used to fund stormwater improvement projects, park and recreation upgrades, owner occupied home rehabilitation for low income households, and non-profit public service entities. Please note: parks and stormwater projects are directed to certain areas of the City with a preponderance of low income households known as Areas of Greatest Need (AGN).

For a number of years as part of the Annual Action Plan process, the City has funded through the annual Community Development Block Grant (CDBG) several public service entities providing a wide range of public services, including childcare, elder activities, homeless prevention (food, utility/rent assistance), counseling, and after school programs. The amount of money the City can allocate for public service applicant funding is capped at 15% of the entire annual CDBG entitlement. While the City of Deltona in the past has been encouraged by the United States Department of Housing and Urban Development (HUD) to fund public services, the City is under no obligation to fund public services or fund public services at or near the 15% cap. However, the City has had a history of funding various public services, and every year public service applicants are competing for limited CDBG public service dollars.

In the past, the Planning and Zoning Board (Board) ranked and provided a recommendation on public service funding. Since 2020, as per Commission direction, staff has performed the public service ranking and provide a funding recommendation. Staff ranking is predicated on written evaluation criteria. The criteria includes a range of important elements ranging from the demonstration of service capacity to usage of the HMIS or similar tracking system. This year there were five (5) public service applicants vying for up to \$89,000 in possible CDBG funds.

The ranking committee was made up of a cross section of four staff members who were provided with the application packages and the ranking criteria. Some staff members have experience with public service project implementation, contract compliance, and HUD monitoring and auditing requirements. Other staff members do not work directly in the community development disciplines but understand contract compliance, tax return matters, financial leveraging, staff capacity, etc. The ranking of the committee along with the amount recommended is as follows:

<u>Public Service Provider/Mission</u>	<u>Amount Proposed</u>
Neighborhood Center/Homelessness	\$22,000
Boys and Girls Club/Youth Programs	\$20,000
Hands of Hope/Homelessness	\$19,000
Council on Aging/Elder Activities	\$15,000
Early Learning Coalition/Childcare	\$13,000
Total	\$89,000

The ranking represents strict adherence to the points based ranking criteria reviewed by the City Commission, including implementing 'National Objectives' and City priorities. The ranking and suggested awards indicate the public service applicants were generally prepared to implement requisite missions. However, some of the applicants had greater capacity to implement missions. In addition, higher ranked applicants tended to be better leveraged having established relationships with other public funders and private donors. The ranking spreadsheet including, the scores and corresponding award amounts is illustrated as 'Exhibit 3' within the attached AAP.

The City has other community needs that are appropriate to be funded with CDBG money. As part of the attached Annual Action Plan, the City plans to use approximately \$300,000 to help construct drainage improvement projects for the Normandy Blvd. corridor. In addition, another \$21,000 will be allocated to improve drainage for the segment of E. Normandy Blvd. between Parker Av. and Lombardy Dr. The infusion of CDBG money will facilitate these needed stormwater projects being more quickly advanced and realized.

The City has allocated the majority of the program year 2021-2022 funding to drainage, administration, and \$89,000 proposed to fund public services. Remaining funds will be allocated to administration (\$120,000) housing rehab or rental and utility assistance if needed (\$59,000).

For more information see the attached the Program Year 2021-2022 Annual Action Plan.

The Acting City Manager has the authority to make corrections of scrivener's errors and the like.

Alternatives

Alternative 1

Approve the funding as follows:

Drainage

- 1) Normandy/Providence Blvd. drainage improvement: \$300,000
- 2) Drainage, E. Normandy Parker-Lombardy segment: \$21,000
- 3) Public Service Funding:

<u>Public Service Provider/Mission</u>	<u>Amount Proposed</u>
Neighborhood Center/Homelessness	\$22,000
Boys and Girls Club/Youth Programs	\$20,000
Hands of Hope/Homelessness	\$19,000
Council on Aging/Elder Activities	\$15,000
Early Learning Coalition/Childcare	\$13,000
Total	\$89,000

- 4) Administration: \$120,000
- 5) Housing and Rent/Utility Assistance: \$59,000

Rational for approving Alternative 1: Alternative 1 represents CDBG compliant expenditures which will address needed City drainage infrastructure. In addition, the public service funding (ranking and award amount) has been vetted utilizing Commission accepted ranking methodology in light of National Objectives and City priorities. The total public service award amount does not exceed the CDBG 15% cap. The administration amount will pay for the Community Development Staff members and is consistent with CDBG rules - does not exceed 20% of grant award. Finally, the suggested housing and utility/rental allocation will be leveraged with SHIP or other funds to improve City housing stock and prevent homelessness.

Alternative 2

The City Commission, may choose other funding arrangements and projects. However, those projects and arrangements need to be consistent with HUD requirements including being located within an Area of Greatest Need and the myriad of Federal contractual and monitoring parameters. Finally, public service ranking and award amounts are based on staff ranking. If the rankings and awards are changed, such changes should be done in a manner that maintains the spirit and intent of the application and ranking process. For example and hypothetically, if the Commission were to award public service money to a provider that did not participate in the application and ranking process, the result would be an undermining of and a loss of confidence in the application/ranking process used by the City.

Recommendation

Staff recommends the City Commission approve Resolution No. 2021-34 and the funding allocations illustrated in Alternative 1 and direct the Acting City Manager to transmit the 2021-2022 PY Annual Action Plan to the U.S. Department of Housing and Urban Development.

COST:

\$600,000

SOURCE OF FUNDS:

United States Department of Housing and Urban Development

ORIGINATING DEPARTMENT:

Planning and Development Services

STAFF RECOMMENDATION PRESENTED BY:

Ron A. Paradise, Director, Planning and Development Services - Staff recommends the City Commission approve Resolution No. 2021-34, the staff suggested funding, including CDBG public services, and direct the Acting City Manager to transmit the Program Year 2021-2022 Annual Action Plan to the U.S. Department of Housing and Urban Development.

POTENTIAL MOTION:

"I hereby move to approve Resolution No. 2021-34, the staff suggested funding, including CDBG public services, and direct the Acting City Manager to transmit the Program Year 2021-2022 Annual Action Plan to the U.S. Department of Housing and Urban Development. The Acting City Manager has the authority to make corrections of scrivener's errors and the like."