



Legislation Text

File #: 20-0075R, Version: 1

RESOLUTION AUTHORIZING A REQUEST FOR HUD HOME INVESTMENT PARTNERSHIP FUNDS FOR THE 2020 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

CITY PROPOSAL:

WHEREAS, city council resolution no. 20-0073R, adopted January 27, 2020, approved FY 2020 annual Action Plan portion of the 2020-2024 Consolidated Plan; and

WHEREAS, the secretary of HUD is authorized to make grants to cities and/or counties to finance local community development programs, approved in accordance with the provisions of Title I of said Act, as well as grants under the Cranston-Gonzales National Affordable Housing Act of 1990, as amended, (the HOME program) and the Stewart B. McKinney Homeless Assistance Act of 1987, as amended (the Emergency Solutions Grants program [ESG]);

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials are hereby authorized to make and submit appropriate documentation to HUD for those projects and corresponding funding levels as set forth below:

2020 HOME PROGRAM - FUND 260, AGENCY 020, OBJECT 5434, PROJECT CD20HM

SUB			
<u>PROJECT</u>	<u>ACTIVITY</u>	<u>PROJECTS</u>	<u>AMOUNT</u>
GN20	1734	Homeless Rental Asst. (TBRA) - HRA	\$ 86,995
GN20	1734A	TBRA Admin - HRA	\$ 7,500
GN20	6915	CLT Acquisition/Rehabilitation - One Roof	\$ 200,000
GN20	1226	Birchwood Apartments - Center City	\$ 200,000
GN20	AD01	Program Administration (City)	<u>\$ 46,611</u>
	Total		<u>\$ 541,106</u>

BE IT FURTHER RESOLVED, the following are hereby designated as the financial sources for the above program:

Year 2020 HOME Grant

\$ 541,106

BE IT FURTHER RESOLVED, that the city of Duluth and its officials are authorized and directed to assume full responsibility for assuring that its community development program is carried out in full compliance with the provisions of the acts implementing the programs and all regulations of HUD issued pursuant thereto. This authorization shall also apply to existing programs with the city and HUD under the HUD CDBG, HOME and ESG programs.

BE IT FURTHER RESOLVED, that the appropriate city officials are authorized to execute the appropriate agreements with these agencies upon receipt of approval of HUD funds.

BE IT FURTHER RESOLVED, that a contingency plan is hereby approved based on the recommendation of the community development committee on December 3, 2020, as follows: should there be a higher level of HOME funding allocated for FY 2020, than estimated, such funding shall be distributed proportionally to proposals that were not recommended to receive full funding, up to 1% of the final allocation, and if less funding is allocated by than all proposals shall be reduced proportionally up to 1% of the final allocation. If the final allocated amount varies by more than 1% of the estimated amount then the community development committee shall reconvene and revise the funding recommendation and submit it to the city council.

STATEMENT OF PURPOSE: This resolution reflects the recommendations of the community development committee (CD committee) with concurrence of the planning and development manager. The CD committee solicited comments from organizations and citizens as related to the proposed FY 2020 funding for the HOME Investment Partnerships Program (HOME). The recommendations contained in this resolution were developed based on consideration of citizen comments, the public hearing held on November 19th and on December 3rd, 2019, and the deliberations of the CD committee. There was a 30-day public comment period from October 26, 2019, to November 25, 2019 on the 2020 annual action plan portion of the 2020-2024 consolidated plan, which also includes recommended funding for the 2020 CDBG, HOME and ESG programs. The CD committee held a public hearing on December 3, 2019, to hear comments on the funding recommendations and approved a contingency plan if the allocated funding was altered by more than 1%. The CD committee's recommendations were adopted on December 3, 2019, with the concurrence of the planning and development manager.

Source of Funds:

\$541,106 in new 2020 HUD HOME Funds

The resolution, in addition to authorizing application for grant funds and administration of same when received, also takes the following actions:

- (a) Allocates funds by project for 2020 HOME Program.
- (b) Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process.

20-HM-01

Project Name: Homeless Rental Assistance Program (TBRA) - Duluth HRA

Project Summary: The program will provide rental assistance for households who would otherwise be homeless or are homeless by HUD's definition. The City and the HRA have established this program to

provide rental assistance as a significant component in the continuum of services to prevent homelessness.

Goal: 13 homeless families to be served

Amount Recommended: \$79,495

20-HM-02

Project Name: Community Land Trust Acquisition/Rehabilitation/Resale- One Roof Community Housing

Project Summary: One Roof, a Community Housing Development Organization, will acquire and rehab five housing units, providing affordable homeownership opportunities, for low-moderate income households. The long-term affordability of the homes will be preserved through the Community Land Trust (CLT) program.

Goal: 5 Housing Units

Amount Recommended: \$200,000

20-HM-03

Project Name: Birchwood Apartments- Center City Housing Corporation

Project Summary: Center City, a Community Housing Development Organization, will build a 30 unit apartment building for very low income households.

Goal: 30 Housing Units

Amount Recommended: \$200,000