



## Legislation Text

File #: 21-0079R, Version: 1

RESOLUTION AUTHORIZING A REQUEST FOR HUD HOME INVESTMENT PARTNERSHIP FUNDS FOR THE 2021 PROGRAM YEAR, AUTHORIZING AGREEMENTS WITH APPROPRIATE AGENCIES.

### CITY PROPOSAL:

WHEREAS, City Council Resolution No. 21-0077R, adopted February 8, 2021, approved FY 2021 annual Action 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:

2021 HOME PROGRAM - FUND 260, AGENCY 020, OBJECT 5434, PROJECT CD21HM

### SUB

<u>PROJECT</u>	<u>ACTIVITY</u>	<u>PROJECTS</u>	<u>AMOUNT</u>
GN21	1734	Homeless Rental Asst. (TBRA) - HRA	\$ 90,624
GN21	1734A	TBRA Admin - HRA	\$ 7,500
CH21	6915	CLT Acquisition/Rehabilitation - One Roof	\$ 353,476
CH21	6915A	Community Land Trust - New Construction One Roof Community Housing	\$ 50,000
GN21	AD01	Program Administration (City)	\$ 47,400
Total			\$ 549,000

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

Year 2021 HOME Grant \$ 549,000

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 the Community Development Committee approved a contingency plan on January 26, 2021 stating that if there should be a higher level of HOME funding allocated to the city for FY 2021 than estimated, such funding shall be distributed proportionally to previously recommended projects that were not recommended to receive full funding, up to 1% of the final allocation, and if less funding is allocated, all projects 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 2021 funding for the Community Development Block Grant (CDBG). The recommendations contained in this resolution were developed based on consideration of citizen comments, the public hearing held on January 5, 2021 and the deliberations of the CD committee on January 26. There was a 30-day public comment period from December 19, 2020, to January 18, 2021 on the 2021 annual action plan, which also includes recommended funding for the 2021 CDBG, HOME and ESG programs. The CD committee held a public hearing on January 26, 2021, 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 January 26, 2021, with the concurrence of the Planning and Development Manager.

Source of Funds:

\$549,000 in new 2021 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 2021 HOME Program.
- (b) Authorizes contracts for the activities upon receipt of the funding contract and completion of the environmental review process.

## 21-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:** 16 Households

**Amount Recommended:** \$90,624

## 21-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 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:** 12 Housing Units

**Amount Recommended:** \$353,476

## 21-HM-03

**Project Name:** Community Land Trust - New Construction

**Project Summary:** One Roof, a Community Housing Development Organization, will construct a new housing unit, 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:** 1 Housing Unit

**Amount Recommended:** \$50,000