

March 11, 2021

Item No. 3.10.

PY 2020 Action Plan Substantial Amendment 1-3

Sponsor: Debbie Eller, Director of Community Services

Reviewed By CBC: City Council

Agenda Caption: Presentation, discussion, and possible action regarding the adoption of a resolution approving three (3) substantial amendments to the Program Year 2020 Annual Action Plan to reprogram Community Development Block Grant funding and HOME Investment Partnership Program funding to address repairs to owner-occupied homes and economic assistance for businesses affected by COVID-19.

Relationship to Strategic Goals:

Neighborhood Integrity

Core Services and Infrastructure

Diverse & Growing Economy

Recommendation(s): Staff recommends approval of 3 substantial amendments to the PY2020 Annual Action Plan.

Summary: Community Development staff recommends the adoption of a resolution approving three (3) substantial amendments to the Program Year 2020 Annual Action Plan to address home repair needs of homeowners, potentially caused by the severe winter weather and to move additional funds to continue to address needs of small business owners caused by COVID-19.

The Substantial Amendments include:

1) Reprograms \$270,000 from Acquisition/New Construction and \$10,000 from Demolition to the Minor Repair Program. This program provides a grant of up to \$7,500.00 to address needed repairs to owner-occupied homes that affect the health and safety of the occupants.

The Acquisition/New Construction funds have been reserved for B-CS Habitat for Humanity (Habitat) to construct new homes on Renee Lane in College Station. After discussions with Habitat, these funds will be moved to allow for home repairs and funds from the PY2021 grant will be allocated to replace this amount. There are funds in place to address engineering expenses to allow Habitat to move the project closer to construction next year.

The Demolition funds have been included in the Community Development budget to address unsafe structures. These funds will be replaced from the PY2021 grant.

2) Reprograms \$267,243.00 from HOME COVID-19 Rental Assistance to Owner-Occupied Rehabilitation.

A substantial amendment last year reprogrammed \$475,000.00 in HOME funds to make rental assistance available to residents affected by COVID-19. \$207,757.00 was expended for this purpose. Additional needs have been addressed through CARES Act Community Development

Block Grant funds. The City will also partner with Brazos County to receive Emergency Rent Assistance Program funds from the U. S. Treasury to address rental assistance needs caused by COVID-19 in the future.

The Owner-Occupied Rehabilitation Program offers a loan of up to \$50,000.00 to eligible homeowners to make repairs to homes and bring all systems up to current codes. 50% of the loan is forgiven if the owner remains in the home for 10 years. The balance is paid back to the City at a 3% interest rate. Elderly household loan payments can be deferred until the owner moves from the home.

3) The City received a total of \$822,034 in additional CDBG CARES Act funding (CDBG-CV3). These funds were allocated to Economic Development in the amount of \$411,017 and Public Service Agency funds in the amount of \$411,017 with the intent of funding partners expecting to utilize the funds for rent assistance.

Due to the partnership with Brazos County and Emergency Rent Assistance funds from the U. S. Treasury, staff recommends moving \$411,017.00 of CDBG-CV3 funds to Economic Assistance to assist more small businesses with retaining jobs for low-to-moderate income employees.

A virtual public hearing was held on Monday, March 1, 2021 at 5:30 PM to present these substantial amendments and receive public comment. Staff will provide any comments received.

Budget & Financial Summary: Funds available in the FY2021 Community Development budget.

Reviewed & Approved by Legal: No

Attachments:

1. Resolution - PY2020 Action Plan - Substantial Amendments 1-3

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF COLLEGE STATION, TEXAS, APPROVING THREE (3) SUBSTANTIAL AMENDMENTS TO THE CITY'S 2020 ANNUAL ACTION PLAN TO REPROGRAM COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING AND HOME INVESTMENT PARTNERSHIP PROGRAM FUNDING TO ADDRESS OWNER-OCCUPIED HOUSING REPAIRS AND ECONOMIC ASSISTANCE FOR BUSINESSES AFFECTED BY COVID-19.

WHEREAS, the City of College Station has prepared three (3) substantial amendments to the 2020 Annual Action Plan to (1) reprogram Community Development Block Grant funds in the amount of \$270,000.00 from Acquisition/New Construction and \$10,000.00 from Demolition to the Minor Repair Program, (2) reprogram HOME Investment Partnership Program funding in the amount of \$267,243.00 from COVID-19 Rent Assistance to Owner-Occupied Rehabilitation, and (3) reprogram Community Development Block Grant CARES Act – 3 funds in the amount of \$411,017 from Public Service Agency funding to Economic Assistance; and

WHEREAS, the City of College Station, Texas, has a Five-Year Consolidated Plan that has been approved by both City and HUD that guides the development of the annual Action Plan and Budget; and

WHEREAS, the City of College Station, Texas, has an established Community Development Program under Chapter 373 of the Texas Local Government Code that (1) identifies areas of the City with concentrations of low and moderate income persons; (2) establishes areas in which program activities are proposed; (3) provides a plan under which citizens may publicly comment on activities; and (4) requires public hearings on program activities; and

WHEREAS, the City of College Station has provided adequate information to the citizens and an opportunity to participate in the development of the Substantial Amendments to the 2020 Annual Action Plan; and

WHEREAS, the City Council acknowledges that the adoption of the Substantial Amendments to 2020 Annual Action Plan is in the best interest of the City and is for the purpose of expending community development resources for the primary benefit of low and moderate income citizens; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLLEGE STATION, TEXAS:

PART 1: That the City Council hereby approves three (3) Substantial Amendments to the 2020 Action Plan.

PART 2: That the City Council hereby designates and authorizes and the City Manager to sign all required applications, certifications, evaluations and other forms required by HUD

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for the Substantial Amendments to the 2020 Action Plan on behalf of the City of College Station.

PART 3: That this resolution shall take effect immediately from and after its passage.

ADOPTED this _____ day of _____, A.D. 2021

APPROVED

ATTEST:

Karl Mooney, Mayor

Tanya Smith, City Secretary

APPROVED:

City Attorney