



Legislation Details (With Text)

File #: 22-742 **Version:** 1 **Name:** 2023 Annual Action Plan
Type: Resolution **Status:** Mayor's Office
File created: 11/7/2022 **In control:** City Council
On agenda: 2/14/2023 **Final action:** 2/14/2023

Title: A resolution of the City Council of Colorado Springs, Colorado approving the 2023 Action Plan for the use of Federal Block Grant Funds (CDBG, HOME, ESG) provided through the U.S. Department of Housing and Urban Development

Presenter:
Catherine Duarte, HUD Programs Manager, Community Development Division

Sponsors:

Indexes:

Code sections:

Attachments: 1. 2023 Action Plan_Council Resolution, 2. 2023 AAP Infographic web opt, 3. 2023 AAP Draft for Public Comment, 4. Community Development_Jan23 work session slides_2023 Annual Action Plan, 5. Signed Resolution No. 11-23.pdf

Date	Ver.	Action By	Action	Result
2/14/2023	1	City Council	adopted	Pass
1/23/2023	1	City Council Work Session	referred	

A resolution of the City Council of Colorado Springs, Colorado approving the 2023 Action Plan for the use of Federal Block Grant Funds (CDBG, HOME, ESG) provided through the U.S. Department of Housing and Urban Development

Presenter:
Catherine Duarte, HUD Programs Manager, Community Development Division

Summary:
Approval of the Annual Action Plan draft to HUD identifying strategies and performance expectations, as well as planned activities for the 2023 program year (Apr 1, 2023, through Mar 31, 2024)

Background:
The City of Colorado Springs is a U.S. Department of Housing and Urban Development (HUD) entitlement grantee and receives allocations of federal block grant funds under the Community Development Block Grant Program (CDBG), Home Investment Partnerships Program (HOME) and Emergency Solutions Grant (ESG). The purpose of the funds is to benefit low- and moderate- income residents of Colorado Springs, prevent slum and blight, encourage the development, improvement, and preservation of affordable housing, prevent homelessness and meet other urgent community needs. To be eligible to receive the annual entitlement grants, the City must develop and submit to HUD an Action Plan every year, identifying activities for the coming program year.

This item supports the City's strategic goal relating to building community and collaborative

relationships by addressing a shortage of affordable housing, funding efforts to address and prevent homelessness, and improving the built environment in low- to moderate-income neighborhoods.

Furthermore, this item is supported by and implements PlanCOS Vibrant Neighborhoods Policy VN-2 -A pertaining to attainable housing and providing a variety of housing types for various life stages and income levels.

Previous Council Action:

N/A

Financial Implications:

The 2023 Annual Action Plan lays out the Division's expected financial resources. The Division drafted the 2023 Action Plan based on a 10% funding increase for HOME and 5% increase for CDBG and HOME. Per capita entitlements from HUD have decreased over the past two decades, but we have received nominal increases in recent years.

This estimate mirrors what CDD provided to Council in the City's 2023 budget.

Because the Congressional budget was passed several months late, HUD gives its grantees permission to proceed with the public process and local approval based on estimates. The 2023 federal appropriations bill was passed on December 29, 2022. HUD has 60 days to announce the final allocation amounts, so we are awaiting the final amounts. It is likely that the final allocations will be consistent with our estimates and the amount approved in the City's 2023 budget. Community Development's general fund appropriation will not be affected by any change to the City's entitlement grants.

CDD staff will apply any changes in the actual federal allocations to the three programs on a pro rata basis prior to submitting the final plan to HUD. The final plan will be available on our website upon submittal.

This year, CDD estimates receiving the following resources:

CDBG: \$3,384,401
\$3,184,401 from HUD
\$200,000 in program income

HOME:
\$2,730,056
\$1,930,056 from HUD
\$800,000 in program income

ESG: \$283,749 (all from HUD)

TOTAL: \$6,398,206
\$5,398,206 from HUD
\$1,000,000 from program income

Additional program income from HOME is anticipated this year due to a change in accounting

practices related to a homebuyer program administered by the Rocky Mountain Community Land Trust. All proceeds generated by this program are recycled into new loans enabling additional low- to moderate-income homebuyers to achieve homeownership.

The projects and activities described in the 2023 Annual Action Plan are consistent with the highest priority needs established in the 2020-2024 Consolidated Plan with a particular emphasis on projects and activities that address affordable housing and housing stability in the community.

City Council Appointed Board/Commission/Committee Recommendation:

N/A

Stakeholder Process:

Substantive public engagement is essential to effectively meet the needs of our residents and understand what people are experiencing and what our residents care about. To this end, the Division follows the City's Citizen Participation Plan (CPP), which provides for and encourages public participation and consultation. It emphasizes involvement by residents and the organizations and agencies that serve low/moderate income (LMI) persons in the planning and implementation of community development and housing programs.

Before writing the plan, we held two public hearings that allowed both digital and in person participation, which were noticed through our paper of record and through several digital outlets including social media, City website, targeted email outreach and the Division's email newsletter. The goals of the hearings were to get feedback from community groups on CDD's priorities and planned activities and to hear any suggestions to add or change anything to our proposed use of federal funds.

We posted notice for the public review and comment period and another public hearing on the plan draft using the same methods above. All site contents on the City's website are available in 104 languages. Email notices were sent in English and Spanish. Free language interpretation and accessibility support are offered for free in all promotional materials for the public hearings, and the video is posted on YouTube, which provides captions in multiple language. The January public hearing included these as well.

We also consulted with at least 25 local peer agencies and organizations by holding a number of small virtual and in-person meetings to discuss mutual goals, planned projects, opportunity for partnership, and challenges. We seek mutually supportive ties with partner organizations when goals and target audiences intersect or complement one another.

Alternatives:

Council can choose to not approve the Action Plan draft and decline the estimated \$5.4 million allocation from HUD.

Proposed Motion:

Approve the resolution approving the 2023 Annual Action Plan for the use of federal block grant funds (CDBG, HOME, ESG) provided through the U.S. Department of Housing and Urban Development (HUD).

N/A