



Legislation Text

File #: 24-006, **Version:** 1

Resolution to approve the draft 2024 Annual Action Plan for HUD submittal

Presenter:

Catherine Duarte, HUD Programs Manager, Housing and Community Vitality Department

Summary:

Approval of the Annual Action Plan draft to HUD identifying strategies and performance expectations, as well as planned activities for the 2024 program year (Apr 1, 2024 through Mar 31, 2025)

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:

Council reviewed and approved the 2024 City budget in the fall of 2023. This budget included our estimate of entitlement grant funding from HUD and of program income.

Financial Implications:

The 2024 Annual Action Plan lays out the Department's expected financial resources. The Division drafted the 2024 Action Plan based on a 3% funding increase. 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 the Department provided to Council in the City's 2024 budget.

Because Congress has not yet passed a federal budget, HUD gives its grantees permission to proceed with the public process and local approval based on estimates. After the 2024 federal

appropriations process is completed HUD has 60 days to announces the final allocation amounts, at which time we will add final numbers to the plan. It is highly unlikely the final allocations will exceed our estimates and the amount approved in the City's 2024 budget, but if they do, we will request a supplemental appropriation from City Council. No additional general fund appropriation will be required.

Housing and Community Vitality Department staff will apply any changes in the actual 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, the Department estimates receiving the following resources:

CDBG: \$3,374,629
\$3,174,629 from HUD
\$200,000 in program income

HOME:
\$2,128,734
\$1,828,734 from HUD
\$300,000 in program income

ESG: \$274,544 (all from HUD)

TOTAL: \$5,777,907
\$5,277,907 from HUD
\$500,000 from program income

The projects and activities described in the 2024 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:

The Community Development Advisory Committee will be reviewing the plan at their January 18th meeting. They will issue their recommendation at that time.

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 Department 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 Department's email newsletter. The goals of the hearings were to get input from community members and agencies on priorities and

planned activities before drafting the plan. We posted notice for the public review and comment period and another public hearing on the plan draft using the same methods above. The goals of that hearing and public comment period are to hear any suggestions to add or change anything to our proposed use of federal funds.

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 37 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 \$5.7 million allocation from HUD.

Proposed Motion:

Approve the resolution approving the draft 2024 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