



TO: Honorable Mayor & Members of the Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: July 11, 2017

TITLE: Public Hearing Approving Annual Action Plan for Fiscal Year 2017-2018 Entitlement Grant Programs through the U.S. Department of Housing and Urban Development

Recommendation

It is recommended that the City Commission determine the allocations for the Community Development Block Grant (CDBG) Program, HOME Investment Partnership Program, and Housing Opportunities for Persons with HIV/AIDS (HOPWA) Program. Further, it is recommended that the City Manager be authorized to execute the necessary documents (including without limitation, participation agreements, amendments thereto, or agreements related to reallocation of program income that are not deemed substantial amendments) related to the Annual Action Plan and its submittal to the Department of Housing and Urban Development (HUD) by August 15, 2017.

Background

Each year, the City of Fort Lauderdale is required to submit an Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) in order to continue receiving funding for the City's Entitlement Grant Programs through HUD. The entitlement grant programs offered by the City of Fort Lauderdale include:

- HOME Investment Partnerships (HOME);
- Community Development Block Grant (CDBG); and
- Housing Opportunities for Persons with HIV/AIDS (HOPWA).

Congress has not released its preliminary entitlement allocations for fiscal year 2017-2018; however, in an effort to meet HUD's submittal deadlines staff anticipates the same allocations from the 2016-2017 fiscal year.

The 2017-2018 estimated allocations from HUD to the City for these programs are:

HOME	\$ 471,564.00
CDBG	\$ 1,475,549.00
HOPWA	\$ 6,744,845.00

A summary of proposed activities for these programs are located within the draft budget and narrative summary, attached as Exhibit 1 and summarized below.

HOME Investment Partnerships Program (HOME)

Staff recommends the following distribution of HOME funds:

- 15% – Community Housing Development Organization (*required HUD percentage*)
- 0% – Housing Rehabilitation / Replacement
- 75% – Purchase Assistance
- 10% – Program Administration (*this is the maximum percentage permitted by HUD*)

Community Development Block Grant (CDBG)

Requests for CDBG funds are received three ways: through a competitive application process, unsolicited proposals and requests from City departments. Funding available to award minus administrative costs is \$980,439.20.

HUD permits 20% of the CDBG allocation to be set aside for program administration. Annually \$200,000 is set aside for administrative costs associated with construction, application processing and file underwriting.

CDBG requests are separated and defined in five categories as listed below and further explained in Exhibit 1 and Exhibit 3. All categories are funded at the Commission's discretion. However, some categories have maximums and in the case of administration to mitigate any potential budgetary impact on the General Fund; the full 20% should be utilized.

1. Housing Programs – Staff recommends funding rehabilitation for FY 17-18 through the State Housing Initiative Partnership (SHIP) Program funds; as such we are not recommending any rehabilitation using HOME or CDBG.
2. Neighborhood Revitalization Strategy Area (NSRA) Programs - The purpose of this Neighborhood Revitalization Strategy Area (NRSA) is to continue the efforts of the past years to revitalize the northwest quadrant of the City. The boundaries for the NRSA consist of the contiguous low-income neighborhoods of the City, as identified by the 2010 Census. The NRSA is the low income target area that all HUD certified Community Based Development Organization's (CBDO) must operate. Within the NRSA, CBDO's can provide the following services: housing, community development, economic development (including job training and education). Currently the City has two (2) HUD certified CBDO's. The funding request we received this year is as follows:
 - H.O.M.E.S., Inc. - \$175,000.00
3. Public Service Activities – while the Commission has the discretion to not award any Public Service Activity (*other than Fair Housing Activities*), the

maximum amount of CDBG funds in this category cannot exceed 15% of the annual allocation.

4. Community Services Board (CSB) Public Service Category Recommendations: The Community Services Board (CSB) met on April 24, 2017 and April 25, 2017 to rank the CDBG funding requests. A copy of their recommendations is provided as Exhibit 2. Additionally, the recommended performance indicators will be provided as part of the final Annual Action Plan which will be submitted for approval on June 6, 2017.

The CSB recommends funding the eligible top rated agencies seeking CDBG funding. When funding remains after the top rated agency is funded, other agencies are also considered. The agencies recommended for CDBG assistance are as follows:

- Women In Distress - \$50,000.00
- Impact Broward - \$42,464.00
- Turnstone Development - \$27,268.00
- Fort Lauderdale Community Center - \$27,268.00
- HOPE Fair Housing Center - \$30,000.00*

** HOPE was not reviewed by the CSB, as it is a HUD requirement. Staff supports the requested funding amount for HOPE Fair Housing Center.*

5. Other CSB funding Recommendations:

- Call of Africa - \$100,000.00

An economic development activity that will bring an art gallery to the community and produce a minimum of five (5) new fulltime jobs for low to moderate income households.

- The Light Center - \$88,347.00

The funding will be used to renovate facilities in order to offer needed programs to low and moderate income families in the community. The planned programs are summer and Afterschool program featuring the STEM (Science, Technology Engineering, and Math) curriculum to the students in the neighborhood schools (Northfork and Walker). They will also offer a mentoring redirection program for middle and high school students and a job center in conjunction with Atlantic Vo-Tech and Career Source.

- Turnstone Development - \$40,000.00

The recipient will use the funds to install a security gate access to the new constructed Wisdom Village Crossing. Wisdom Village Crossing is a 105- unit multifamily affordable housing for families at or below 60% area median income.

At the May 16, 2017 City Commission Conference Meeting, the Community Service Board (CSB) Chair discussed the request. William Schneider, Turnstone representative, indicated that the building plans were approved by the City; however, the fire code regulations were subsequently updated. In order to receive the certificate of occupancy, Turnstone was required to meet the new fire code regulations at an approximate cost of \$120,000. Since this was an unexpected cost that was not in the original building budget, Turnstone used the funding allocated for the security gate to offset the cost to bring the building into compliance.

The cost of the security gate is approximately \$98,000. The CSB recommended \$40,000 towards the cost and Turnstone will leverage the remaining \$58,000. This is an eligible CDBG activity because it meets one of HUD's national objectives of providing safe, decent and affordable housing to low income families

By allowing this activity, the City can leverage the entire project as a CDBG accomplishment.

6. Other funding Recommendations:

Staff recommends setting aside CDBG funding for City Community Investment Plan Projects that fund projects within CDBG eligible areas, including infrastructure and neighborhood match portions for the City's Neighborhood and Business Capital Improvement Plan program (NCIP/BCIP) and the CRA:

- Community Investment Plan Projects: - \$300,092.00
- Central City Community Redevelopment Agency (CRA) Programs - \$100,000.00

Housing Opportunities for Persons with HIV/AIDS (HOPWA):

The HOPWA Entitlement allocation is estimated at \$6,744,845. Proposed activities include:

- ADMINISTRATION – City of Fort Lauderdale (\$196,451)
- HOMELESS MANAGEMENT INFORMATION SYSTEM (\$70,000)
- BROWARD HOUSE (\$3,368,657)
 - Facility Based Housing
 - Project Based Rental Assistance
 - Tenant Based Rental Voucher
- BROWARD REGIONAL HEALTH PLANNING COUNCIL (\$2,036,737)
 - Short Term, Rent, Mortgage and Utilities and Permanent Housing Placement (STRMU-PHP)
 - Tenant Based Rental Voucher (TBRV)

- CARE RESOURCES (\$182,000)
 - Non-Housing Supportive Services – Housing Case Management
- LEGAL AID OF BROWARD COUNTY (\$150,000)
 - Non-Housing Supportive Services – Legal Services
- MOUNT OLIVE DEVELOPMENT CORPORATION (\$493,000)
 - Project Based Rental (PBR) Assistance
- SUNSERVE (\$248,000)
 - Non-Housing Supportive Services – Housing Case Management

The Public Hearing is held to receive final approval on the draft Annual Action Plan which will subsequently be submitted to HUD.

Strategic Connections

This item corresponds to the *Press Play Fort Lauderdale Strategic Plan 2018* initiative included within the Neighborhood Enhancement Cylinder of Excellence, specifically advancing:

- Goal 5: Be a community of strong, beautiful, and healthy neighborhoods.
- Option 2: Ensure a range of housing options for current and future neighbors.

This item advances the *Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community*.

Resource Impact

There is no fiscal impact to the City’s general fund. All HUD grant funds are provided on a reimbursement basis.

Attachments

- Exhibit 1 – Proposed Budget and Narrative Summary
 - Exhibit 2 – Advertisement of Public Hearing
 - Exhibit 3 – Summary of CDBG Funding
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