CITY OF FORT LAUDERDALE
City Commission Agenda Memo **#18-0394**
REGULAR MEETING

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

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

DATE: June 5, 2018

TITLE: Public Hearing Approving Annual Action Plan for Fiscal Year 2018-2019 Entitlement Grant Programs through the U.S. Department of Housing and Urban Development

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Recommendation

It is recommended that the City Commission determine the allocations for the Community Development Block Grant (CDBG), HOME Investment Partnerships and Housing Opportunities for Persons with AIDS (HOPWA) programs. 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, 2018.

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 AIDS (HOPWA).

The 2018-2019 estimated projected allocations from HUD to the City for these programs are:

HOME	$ 687,807.00
CDBG	$ 1,580,452.00
HOPWA	$ 7,209,708.00

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)

The HOME entitlement allocation is estimated at $687,807.00. HUD permits 10% of the HOME allocation to be set aside for program administration. The full 10% should be utilized to mitigate any potential budgetary impact on the General Fund. The City is required to set-aside 15% of its annual HOME allocation for an eligible Community Housing Development Organization (CHDO). The remaining funds may be used for purchase assistance, housing rehabilitation/replacement and project service delivery costs.

Staff recommends the following allocation:

- Administration - $68,780.70
- CHDO Set Aside - $103,171.05
- Housing and Rehabilitation - $0.00*
- Purchase Assistance – $485,855.25
- Project Delivery - $30,000.00

*Staff recommends funding rehabilitation for FY 18-19 through the State Housing Initiatives Partnership (SHIP) Program funds; as such we are not recommending any rehabilitation using HOME or CDBG.

Community Development Block Grant (CDBG)

The CDBG entitlement allocation is estimated at $1,580,452.00. HUD permits maximum of 20% of the CDBG allocation to be set aside for program administration. The full 20% should be utilized to mitigate any potential budgetary impact on the General Fund. Additionally, $275,000 is set-aside for project service delivery costs associated with construction, application processing and file underwriting.

Staff recommends the following allocation:

- Administration – $316,090.40
- Project Service Delivery Costs - $275,000.00

Requests for CDBG funds are through a competitive application process, unsolicited proposals and requests from City departments. Funding available is the award minus administrative and project delivery cost. Therefore, *$989,361.60* is available for allocation.

CDBG requests are separated and defined in categories as listed below and further explained in Exhibit 1. All categories are funded at the Commission's discretion. However, some categories have maximums.

1. **Housing Programs** – Staff recommends funding rehabilitation for FY 18-19 through the State Housing Initiatives 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 Community Services Board (CSB) met on April 9, 2018 and April 10, 2018 and reviewed funding requests. A copy of their recommendations is provided as Exhibit 2 CSB recommends funding as follows:
    - Housing Opportunities, Mortgage Assistance & Effective Neighborhood Solution, Inc. (H.O.M.E.S., Inc.) - $125,000.00 (exhibit 3)
    - Mount Bethel- $50,000.00 (exhibit 4)

3. **Public Service Activities** – While the Commission has the discretion to not award any Public Service Activities (*other than Fair Housing Activity*), the maximum amount of CDBG funds in this category cannot exceed 15% of the annual allocation.

    The Community Services Board (CSB) met on April 9, 2018 and April 10, 2018 to rank the CDBG funding requests. A copy of their recommendations is provided as Exhibit 2. 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:
    - Broward Partnership for the Homeless, Inc (BPHI)- $37,000.00 (exhibit 5)
    - Jack and Jill - $37,000.00 (exhibit 6)
    - South Florida Institute on Aging - $36,000.00 (exhibit 7)
    - Women in Distress - $37,000.00 (exhibit 8)
    - 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.

    Exhibit 9 is an executive summary for CDBG Public Services and NRSA applicants.

4. **Other funding Recommendations-** Staff recommends setting aside CDBG funding for City Community Investment Plan (CIP) 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):

    - City of Fort Lauderdale Community Investment Plan Projects
        i. New Riverland Multipurpose Field Lighting - $500,000.00
        ii. To Be Determined Project(s) – 137,361.60

Housing Opportunities for Persons with AIDS (HOPWA)

The HOPWA entitlement allocation is estimated at $7,209,708.00. HUD permits 3% of the HOPWA allocation to be set aside for program administration. The full 3% should be utilized to mitigate any potential budgetary impact on the General Fund. Staff makes the following allocation recommendations:

- Administration – City of Fort Lauderdale - $216,291.24
- Homeless Management Information System (HMIS) - $70,000.00
- Housing Quality Standards (HQS) Inspector - $97,000.00
- Go Section 8 Database – $3,000.00

Funding available is the award minus administrative, HMIS, HQS Inspector and Go Section 8 Database. Therefore, *$6,823,416.76* is available for allocation. CSB met on May 14, 2018 to allocate the remaining *$6,823,416.76* funds to existing HOPWA agencies. CSB made the following recommendations:

- BROWARD HOUSE - $3,291,657.00
    - Facility Based Housing
    - Project Based Rental Assistance
    - Tenant Based Rental Voucher
- BROWARD REGIONAL HEALTH PLANNING COUNCIL - $1,928,737.00
    - Short Term, Rent, Mortgage and Utilities (STRMU)
    - Permanent Housing Placement (PHP)
    - Tenant Based Rental Voucher (TBRV)
- CARE RESOURCES - $262,000.00
    - Non-Housing Supportive Services – Housing Case Management (HCM)
- LEGAL AID OF BROWARD COUNTY - $180,000.00
    - Non-Housing Supportive Services – Legal Services
- MOUNT OLIVE DEVELOPMENT CORPORATION - $493,000.00
    - Project Based Rental (PBR) Assistance
- SUNSERVE - $328,000.00
    - Non-Housing Supportive Services – Housing Case Management (HCM)

- Uncommitted funds will allocated based on future housing needs - $340,022.76

Annual Action Plan (AAP) requires Commission approval after proper notice has been published for a 30-day open comment period including neighbors' input at a public hearing (Exhibit 10). The Public Hearing is held to receive final approval on the draft Annual Action Plan which will subsequently be submitted to HUD.

Resource Impact

HOME, CDBG and HOPWA grants will reimburse the City for the funds expended on eligible activities.

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.

Attachments

Exhibit 1 - Proposed Budget and Narrative Summary
Exhibit 2 - Summary of CDBG Scoring
Exhibit 3 - Housing Opportunities, Mortgage Assistance & Effective Neighborhood Solution, Inc. (H.O.M.E.S., Inc.) Application
Exhibit 4 - Mount Bethel Human Services Application
Exhibit 5 - Broward Partnership for the Homeless, Inc (BPHI) Application
Exhibit 6 - Jack and Jill Application
Exhibit 7 - South Florida Institute on Aging Application
Exhibit 8 - Women in Distress Application
Exhibit 9 - Executive Summaries for CDBG Public Service and NRSA Applicants
Exhibit 10 - Public Notice

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