

AGENDA ITEM SUMMARY

FORT COLLINS CITY COUNCIL

ITEM NUMBER: 9 A-B

DATE: July 1, 2008

STAFF: Ken Waido

SUBJECT

Items Relating to the Completion of the Spring Cycle of the Competitive Process for Allocating City Financial Resources to Affordable Housing and Community Development Activities Utilizing the Federal Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs, and the City's Human Services Program and Affordable Housing Fund.

RECOMMENDATION

Staff recommends adoption of these Ordinances on Second Reading.

EXECUTIVE SUMMARY

- A. Second Reading of Ordinance No. 061, 2008, Appropriating Unanticipated Revenue in the Community Development Block Grant Program.
- B. Second Reading of Ordinance No. 062, 2008, Appropriating Unanticipated Revenue and Authorizing the Transfer of Appropriations Between Projects in the HOME Investment Partnership Program.

These Ordinances, unanimously adopted on First Reading on June 3, 2008, complete the spring cycle of the competitive process for allocating City financial resources to affordable housing programs/projects and community development activities.

ATTACHMENTS

- 1. Copy of First Reading Agenda Item Summary - June 3, 2008.
(w/o original attachments)

AGENDA ITEM SUMMARY
FORT COLLINS CITY COUNCIL

ITEM NUMBER: 15 A-D

DATE: June 3, 2008

STAFF: Ken Waido

COPY

SUBJECT

Items Relating to the Completion of the Spring Cycle of the Competitive Process for Allocating City Financial Resources to Affordable Housing and Community Development Activities Utilizing the Federal Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs, and the City's Human Services Program and Affordable Housing Fund.

RECOMMENDATION

Staff recommends adoption of the Resolutions and the Ordinances on First Reading.

The CDBG Commission presents a list of recommendations as to which programs and projects should receive funding.

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FINANCIAL IMPACT

The Community Development Block Grant (CDBG) Program and Home Investment Partnership (HOME) Program provide Federal funds from the Department of Housing and Urban Development (HUD) to the City of Fort Collins which can be allocated to housing and community development related programs and projects, thereby, reducing the demand on the City's General Fund Budget to address such needs. City funds for this item have been appropriated as part of the Human Services Program and Affordable Housing Fund in December 2007.

EXECUTIVE SUMMARY

- A. Resolution 2008-052 Approving the Programs and Projects that Will Receive Funds from the Federal Community Development Block Grant (CDBG) and Home Investment Partnership (HOME) Programs, and the City's Human Services Program and Affordable Housing Fund.
- B. Resolution 2008-053 Approving the FY 2008 Home Investment Partnerships Program for the City of Fort Collins.
- C. Hearing and First Reading of Ordinance No. 061, 2008, Appropriating Unanticipated Revenue in the Community Development Block Grant Program.

- D. Hearing and First Reading of Ordinance No. 062, 2008, Appropriating Unanticipated Revenue and Authorizing the Transfer of Appropriations Between Projects in the HOME Investment Partnership Program.

These Resolutions and Ordinances will complete the spring cycle of the competitive process for allocating City financial resources to affordable housing programs/projects and community development activities.

BACKGROUND

Resolution 2008-052 establishes which programs and projects will receive funding with CDBG funds for the FY 2008 Program year (Entitlement Grant and Program Income), which starts on October 1, 2008, and which programs will receive funds from previous CDBG and HOME fiscal years (Reprogrammed and Unprogrammed funds) and from the City’s Human Services Program and Affordable Housing Fund. The CDBG Commission presents a list of recommendations as to which programs and projects should receive funding.

The following table summarizes the amount and sources of all available CDBG and City funds for distribution during the spring cycle of the competitive process.

AMOUNT	SOURCE
\$998,391	FY 2008 CDBG Entitlement Grant
57,000	FY 2008 CDBG Program Income
61,383	FY 2006 CDBG Reprogrammed
312,937	FY 2007 CDBG Unprogrammed
172,499	FY 2005 & FY 2006 HOME CHDO Reprogrammed
208,835	FY 2007 HOME Unprogrammed
96,139	FY 2007 HOME CHDO Unprogrammed
68,387	FY 2006 City Affordable Housing Fund Unprogrammed
133,000	FY 2007 City Affordable Housing Fund Unprogrammed
440,334	FY 2008 City Human Services Program
\$2,548,905	Total Funding Available

Reprogrammed funds are funds that were previously allocated to specific projects, but have been returned to the City. Unprogrammed funds are funds that have yet to be allocated to specific projects. Program Income includes anticipated repayments from rehab loans and home buyer assistance loans along with repayments from development loans. HOME Community Housing Development Organization (CHDO) funds are HOME grant fund earmarked for use by CHDO designated entities.

The FY 2008 CDBG Entitlement Grant and Program Income totals \$1,055,391. HUD regulations limit a maximum of 20% of these funds for Planning and Administrative purposes, or \$211,078. The following table summarizes the amount and sources of available funds for CDBG Program administrative purposes:

AMOUNT	SOURCE
\$199,678	FY 2008 CDBG Entitlement Grant
11,400	FY 2008 CDBG Program Income
\$211,078	Total Funding Available for CDBG Program Administration

HUD regulations limit a maximum 15% of the FY 2008 CDBG funds, or \$158,309 for use in the Public Services category. The City's Human Services Program adds \$440,334 for use in the category, for a total of \$598,643 of available funding. The following table summarizes the amount and sources of available funds for public/human service proposals:

AMOUNT	SOURCE
\$149,759	FY 2008 CDBG Entitlement Grant
8,550	FY 2008 CDBG Program Income
440,334	FY 2008 City Human Services Program
\$598,643	Total Funding Available for Public/Human Service Proposals

The following table summarizes the amount and sources of available funds for affordable housing proposals:

AMOUNT	SOURCE
\$648,954	FY 2008 CDBG Entitlement Grant
61,383	FY 2006 CDBG Reprogrammed
312,937	FY 2007 CDBG Unprogrammed
37,050	FY 2008 CDBG Program Income
172,499	FY 2005 & FY 2006 HOME CHDO Reprogrammed
208,835	FY 2007 HOME Unprogrammed
96,139	FY 2007 HOME CHDO Unprogrammed
68,387	FY 2006 City Affordable Housing Fund Unprogrammed
133,000	FY 2007 City Affordable Housing Fund Unprogrammed
\$1,739,184	Total Funding Available for Affordable Housing Proposals

The City received 31 applications for funding as part of the spring cycle of the competitive process requesting a total of approximately \$2.9 million. The total amount of funds available from all sources totals about \$2.5 million. The following table summarizes the amount of funding requested compared to the amount of funding available for each of the major funding categories.

Category	Number of Applications	Requested Funding	Available Funding
Affordable Housing	6	\$1,906,911	\$1,739,184
Public Services	25	\$815,239	\$598,643
Administration	1	\$211,078	\$211,078
Totals	31	\$2,933,228	\$2,548,905

The CDBG Commission presents recommendations as to which programs and projects should receive funding from the available funding sources presented above. The following tables present the allocations recommended by the Commission to the City Council within each major category:

Planning and Administration

Applicant Project/Program	Funding Request	Commission's Recommendation	Unfunded Balance
PA-1 City of Fort Collins CDBG Administration	\$211,078	\$211,078	\$0

Affordable Housing

Applicant Project/Program	Funding Request	Commission's Recommendation	Unfunded Balance
HO-1 CARE Housing – Provincetowne Pre- Development Costs	\$150,000	\$150,000	\$0
HO-2 City of Fort Collins – Home Buyer Assistance	\$200,000	\$200,000	\$0
HO-3 City of Fort Collins – Land Bank Program	\$201,387	\$0	\$201,387
HO-4 Fort Collins Housing Authority – Stanford Acquisition & Renovation	\$1,139,000	\$1,139,000	\$0
HO-5 Fort Collins Housing Corporation – Leisure Drive Rehabilitation	\$216,524	\$216,524	\$0

All funding recommendations in the Affordable Housing category are in the form of a "Due on Sale Loan + 5% Simple Interest."

Public Service

Applicant Project/Program	Funding Request	Commission's Recommendation	Unfunded Balance
PS-1 B.A.S.E. CAMP: Sliding Scale Fee Tuition Assistance	\$48,000	\$0 (CDBG grant)	\$0
PS-2 BOYS & GIRLS CLUB: After School Program	\$18,309	\$11,520 (HSP grant)	\$6,789
PS-3 CATHOLIC CHARITIES NORTHERN (CCN): Senior Outreach	\$10,000	\$10,000 (HSP grant)	\$0
PS-4 CATHOLIC CHARITIES NORTHERN: Shelter and Supportive Services	\$48,264	\$43,546 (CDBG grant)	\$4,718
PS-5 CROSSROADS SAFEHOUSE: Advocacy Program	\$90,000	\$45,000 (HSP grant)	\$45,000

Applicant Project/Program	Funding Request	Commission's Recommendation	Unfunded Balance
PS-6 DISABLED RESOURCE SERVICES (DRS): Access to Independence (ATI) Program	\$22,054	\$22,504 (HSP grant)	\$0
PS-7 EDUCATION AND LIFE TRAINING CENTER (ELTC): Employment Skills Training	\$25,000	\$17,623 (CDBG grant)	\$7,377
PS-8 EDUCATION AND LIFE TRAINING CENTER (ELTC): Job Access & Training Program	\$4,992	\$0	\$4,992
PS-9 ELDERHAUS: Therapy Center Activity Program	\$21,202	\$21,202 (HSP grant)	\$0
PS-10 ELDERHAUS: Home Front Veterans Program	\$32,256	\$0	\$32,256
PS-11 FAMILY CENTER: Sliding Scale Fee Tuition Assistance	\$20,000	\$20,000 (HSP grant)	\$0
PS-12 FOOD BANK FOR LARIMER COUNTY: KIDS CAFÉ CASA: Harmony House Visitation Center Program Support	\$22,167	\$22,167 (HSP grant)	\$0
PS-13 HOMELESSNESS PREVENTION INITIATIVE (HPI): Emergency Rent Assistance	\$40,000	\$40,000 (HSP grant)	\$0
PS-14 LARIMER CENTER FOR MENTAL HEALTH (LCMH): Crisis Prevention Partnership	\$41,238	\$0	\$41,238
PS-15 MATHEWS HOUSE (LIVE THE VICTORY) PROGRAM FOR AT-RISK YOUTH	\$29,436	\$14,000 (HSP grant)	\$15,436
PS-16 NORTHERN COLORADO AIDS PROJECT (NCAP): CLIENT SERVICES AND HOMELESSNESS PREVENTION PROGRAM	\$25,000	\$25,000 (HSP grant)	\$0

Applicant Project/Program	Funding Request	Commission's Recommendation	Unfunded Balance
PS-17 NEIGHBOR TO NEIGHBOR (N2N): Emergency Rent Assistance	\$21,000	\$21,000 (HSP grant)	\$0
PS-18 NEIGHBOR TO NEIGHBOR (N2N): Comprehensive Housing Counseling	\$68,906	\$39,375 (HSP grant)	\$29,531
PS-19 PROJECT SELF-SUFFICIENCY (PSS): Services for Single Parent Families	\$30,000	\$30,000 (CDBG grant)	\$0
PS-20 RESPITE CARE: Sliding Scale Fee Tuition Assistance	\$25,000	\$19,140 (CDBG grant) \$5,860 (HSP grant)	\$0
PS-21 REHABILITATION AND VISITING NURSE ASSOCIATION (RVNA): Home Health Care Scholarships	\$35,000	\$35,000 (HSP grant)	\$0
PS-22 UNITED DAY CARE CENTER (UDCC): Sliding Scale Fee Tuition Assistance	\$54,000	\$54,000 (HSP grant)	\$0
PS-23 UNITED WAY 2-1-1	\$29,259	\$0	\$29,259
PS-24 VOLUNTEERS OF AMERICA (VOA): Home Delivered Meal Program	\$25,116	\$25,116 (HSP grant)	\$0
PS-25 WOMEN'S RESOURCE CENTER (WRC): Dental Care Assistance Program	\$29,040	\$29,040 (HSP grant)	\$0

A summary of the Commission's funding recommendations by category is presented in the following table:

Recommended Funding	% of Total	Category
\$1,705,524	67.8%	Affordable Housing
598,643	23.8%	Public Services
211,078	8.4%	CDBG Administration
\$2,515,245	100.0%	Total

The CDBG Commission has recommended that \$2,525,245 of the available funding amount of \$2,548,905 be allocated leaving a balance of \$33,660. The Commission recommends that all of the funds from all sources be utilized except for \$33,660 from the FY 2007 City Affordable Housing

Fund. The \$33,660 will be carried over and will be available for allocation in the fall cycle of the competitive process.

HOME Program

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Resolution 2008-053 established the major funding categories within the HOME Program for the FY 2008 Program year, which also starts on October 1, 2008. Specific projects for the use of HOME funds will be determined in November as a result of the fall funding cycle of the competitive process for the allocation of the City's financial resources to affordable housing programs/projects and community development activities. The FY 2008 HOME Grant totals \$618,429. HUD regulations allow a maximum of 10% for Administrative purposes, or \$61,840. In addition, administrative costs of \$20,000 will be charged to the Home Buyer Assistance program for administrative purposes bringing the HOME administrative budget to a total of \$81,840. The following table summarizes the amount and sources of available HOME funds for FY 2008:

AMOUNT	SOURCE
\$618,429	FY 2008 HOME Participating Jurisdiction Grant
50,000	FY 2008 HOME Program Income
\$668,429	Total HOME Funds Available for FY 2008

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ATTACHMENTS

1. Background and Summary of the CDBG Commission's Recommendations for Funding .
2. Background Information on the Competitive Process.
3. Affordable Housing Board's List of Priority Projects.
4. Background Information on the CDBG and HOME Federal Programs.
5. CDBG Commission's Comments on the Proposal.
6. Focus Questions for CDBG Commission.
7. Formulation of Funding Recommendations Session.
8. Powerpoint Presentation.

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ORDINANCE NO. 061, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE COMMUNITY
DEVELOPMENT BLOCK GRANT FUND

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins ("Charter") permits City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, the City will receive in federal fiscal year 2008-2009 unanticipated revenue in the form of federal Community Development Block Grant ("CDBG") funds totaling \$998,391, constituting a new revenue source; and

WHEREAS, the City will also receive unanticipated CDBG Program income in the 2008-2009 federal fiscal year in the amount of \$57,000; and

WHEREAS, City staff has determined that the appropriation of all unanticipated CDBG grant and program revenue as described herein will not result in total appropriations in excess of the current estimate of actual and anticipated revenues for fiscal year 2008; and

WHEREAS, by adoption of Resolution 2008-052 City Council approved the 2008 Community Development Block Grant Program; and

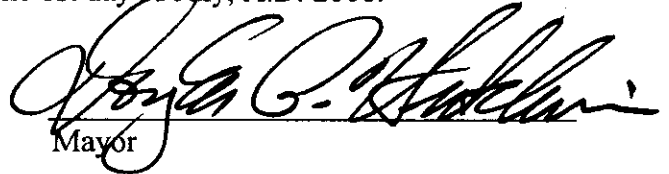
WHEREAS, by adoption of Resolution 2008-053 City Council authorized the City Manager to transmit for approval the 2008 Fort Collins Consolidated Annual Action Plan to HUD as required to receive the grant funds.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

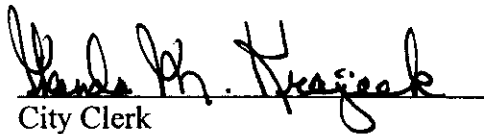
Section 1. That there is hereby appropriated for expenditure from unanticipated revenue in the federal fiscal year 2008-2009 into the Community Development Block Grant Fund, the sum of NINE HUNDRED NINETY-EIGHT THOUSAND THREE HUNDRED NINETY-ONE DOLLARS (\$998,391), upon receipt thereof from federal fiscal year 2008-2009 Community Development Block Grant Funds.

Section 2. That there is hereby appropriated for expenditure from unanticipated program income revenue, upon receipt thereof into the Community Development Block Grant Fund, the sum of FIFTY SEVEN THOUSAND DOLLARS (\$57,000), for approved Community Development Block Grant projects.

Introduced, considered favorably on first reading, and ordered published this 3rd day of June, A.D. 2008, and to be presented for final passage on the 1st day of July, A.D. 2008.


Mayor

ATTEST:


City Clerk

Passed and adopted on final reading on the 1st day of July, A.D. 2008.

Mayor

ATTEST:

City Clerk

**ORDINANCE NO. 062, 2008
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE AND
AUTHORIZING THE TRANSFER OF APPROPRIATIONS BETWEEN
PROGRAM YEARS IN THE HOME INVESTMENT PARTNERSHIPS FUND**

WHEREAS, the HOME Investment Partnership Program (the "HOME Program") was authorized by the National Affordable Housing Act of 1990 to provide funds in the form of Participating Jurisdiction Grants for a variety of housing-related activities which would increase the supply of decent, safe, and affordable housing; and

WHEREAS, on March 1, 1994, the City Council adopted Resolution 1994-92 authorizing the Mayor to submit to the Department of Housing and Urban Development ("HUD") a notification of intent to participate in the HOME Program; and

WHEREAS, on May 26, 1994, HUD designated the City as a Participating Jurisdiction in the HOME Program, allowing the City to receive an allocation of HOME Program funds as long as Congress re-authorizes and continues to fund the program; and

WHEREAS, the City has been notified by HUD that the City's HOME Participating Jurisdiction Grant for the federal fiscal year 2008-2009 is \$618,429, constituting a new revenue source; and

WHEREAS, the City will also receive unanticipated HOME Program income in the 2008-2009 federal fiscal year in the amount of \$50,000; and

WHEREAS, Article V, Section 9, of the Charter of the City of Fort Collins permits the City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, do not exceed the then current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of the HOME Program funds as described herein will not cause the total amount appropriated in the HOME Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during the 2008 fiscal year; and

WHEREAS, Article V, Section 11, of the Charter provides that federal grant appropriations shall not lapse if unexpended at the end of the budget year until the expiration of the federal grant.

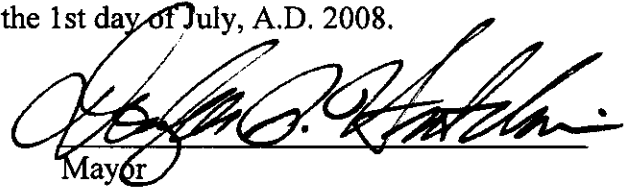
NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That there is hereby appropriated for expenditure from unanticipated revenue in the federal fiscal year 2008-2009 into the HOME Program Fund the sum of SIX HUNDRED EIGHTEEN THOUSAND FOUR HUNDRED TWENTY-NINE DOLLARS (\$618,429), upon receipt from federal fiscal year 2008-2009 HOME Participating Jurisdiction Grant Funds.

Section 2. That there is hereby appropriated for expenditure from unanticipated program income revenue, upon receipt thereof into the HOME Program Fund the sum of FIFTY THOUSAND DOLLARS (\$50,000) for approved HOME Program projects.

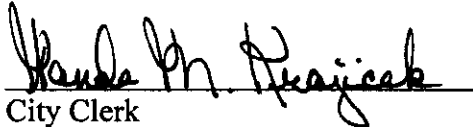
Section 3. That the unexpended and unencumbered amount of THREE HUNDRED FIFTY-EIGHT THOUSAND TWO HUNDRED NINETY-THREE DOLLARS (\$358,293) is hereby authorized for transfer from 2004-2005 HOME Program projects to the 2005-2006 HOME Program.

Introduced, considered favorably on first reading, and ordered published this 3rd day of June, A.D. 2008, and to be presented for final passage on the 1st day of July, A.D. 2008.



Mayor

ATTEST:



City Clerk

Passed and adopted on final reading on the 1st day of July, A.D. 2008.

Mayor

ATTEST:

City Clerk