

SUBJECT

Items Relating to the Completion of the 2012 Spring Cycle of the Competitive Process for Allocating City Financial Resources to Affordable Housing and Community Development Activities Utilizing Funds from the Federal Community Development Block Grant (CDBG) Program and the City's Human Services Program.

- A. Second Reading of Ordinance No. 044, 2012, Appropriating Unanticipated Revenue and Authorizing the Transfer of Appropriations Between Program Years in the Community Development Block Grant Fund.
- B. Second Reading of Ordinance No. 045, 2012, Appropriating Unanticipated Revenue and Authorizing the Transfer of Appropriations Between Program Years in the Home Investment Partnership Fund.
- C. Resolution 2012-037 Allocating Appropriated Monies from the 2012 Affordable Housing Fund for the Fort Collins Housing Authority's Supportive Housing Project.

EXECUTIVE SUMMARY

Ordinance No. 044, 2012, appropriates the City's FY 2012 CDBG Entitlement Grant from the Department of Housing and Urban Development (HUD). Ordinance No. 045, 2012, appropriates the City's FY 2012 HOME Participating Jurisdiction Grant from HUD. Both Ordinances were unanimously adopted on First Reading on May 15, 2012.

Resolution 2012-037 will complete the 2012 spring cycle of the Competitive Process, by allocating City financial resources to the Fort Collins Housing Authority's Supportive Housing project. The additional allocation addresses a \$131,892 funding shortfall in currently available and allocated spring Competitive Process monies allowed for Council action on request and/or CDBG Commission recommendations for the Housing and Public Facility funding category. This action would fill the funding gap for the Housing Authority's requested amount of \$455,000 for its Supportive Housing project.

BACKGROUND / DISCUSSION

City Council desires to fully fund all application funding requests and/or CDBG Commission recommendations in the Housing and Public Facility category for the Spring 2012 Competitive Process. Those funding amounts are: Disabled Resource Services Building Purchase--\$385,000 and Fort Collins Housing Authority Supportive Housing Project--\$455,000.

At its meeting on May 15, 2012, Council adopted Resolution 2012-035 which allotted all monies available for allocation in this funding category, leaving a \$131,892 shortfall in funding for the Housing Authority's requested \$455,000.

This Resolution would utilize a portion (\$131,892) of an already appropriated amount of \$325,000 in the City's Affordable Housing Fund, normally allocated in the fall cycle of the Competitive Process, which is reserved for housing projects.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinances on Second Reading and the Resolution.

ATTACHMENTS

- 1. Copy of First Reading Agenda Item Summary - May 15, 2012 (w/o attachments)
- 2. Resolution 2000-013, Establishing a Competitive Process for the Allocation of City Financial Resources to Affordable Housing Programs/Projects and Other Community Development Activities

DATE: May 15, 2012
STAFF: Heidi Phelps
 Sharon Thomas

AGENDA ITEM SUMMARY
 FORT COLLINS CITY COUNCIL

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SUBJECT

Items Relating to the Completion of the 2012 Spring Cycle of the Competitive Process for Allocating City Financial Resources to Affordable Housing and Community Development Activities Utilizing Funds from the Federal Community Development Block Grant (CDBG) Program and the City's Human Services Program.

- A. Hearing and Resolution 2012-035 Approving the Programs and Projects that Will Receive Funds from the Federal Community Development Block Grant Program and the City's Human Services Program. (Three Options for Section 2)
- B. Hearing and First Reading of Ordinance No. 044, 2012, Appropriating Unanticipated Revenue and Authorizing the Transfer of Appropriations Between Program Years in the Community Development Block Grant Fund.
- C. Public Hearing and Resolution 2012-036 Approving the Fiscal Year 2012 Administration and Project Budgets for the Home Investment Partnership Program.
- D. Hearing and First Reading of Ordinance No. 045, 2012, Appropriating Unanticipated Revenue and Authorizing the Transfer of Appropriations Between Program Years in the Home Investment Partnership Fund.

EXECUTIVE SUMMARY

Resolution 2012-035 will complete the 2012 spring cycle of the competitive process for allocating City financial resources to affordable housing programs/projects and community development activities by listing the specific programs/projects that will receive funding starting October 1, 2012. Ordinance No. 044, 2012, appropriates the City's FY 2012 CDBG Entitlement Grant from the Department of Housing and Urban Development (HUD). Resolution 2012-036 establishes the major funding categories within the HOME Program for the FY 2012 program year, which also starts on October 1, 2012. Specific projects for the use of HOME funds will be determined in November as a result of the 2012 fall cycle of the competitive process. Ordinance No. 045, 2012, appropriates the City's FY 2012 HOME Participating Jurisdiction Grant from HUD.

BACKGROUND / DISCUSSION

Resolution 2012-035 establishes which programs and projects will receive funding with CDBG funds for the FY 2012 program year (including the Entitlement Grant, Program Income, and Unprogrammed funds), which starts on October 1, 2012; and which programs will receive funding from the City's 2012 Human Services Program, including an allocation of Keep Fort Collins Great (KFCG) funds. The CDBG Commission presents to the City Council a list of recommendations as to which programs and projects should receive funding. The following table summarizes the total amount and sources of all available CDBG and City funds for distribution during the 2012 spring cycle of the competitive process:

Available Funding	
AMOUNT	SOURCE
\$977,729	FY 2012 CDBG Entitlement Grant
67,436	FY 2011 CDBG Program Income
28,750	FY 2011 Unprogrammed CDBG Funds
389,601	2012 City Human Services Program
150,733	2012 City Human Services Program
\$1,614,248	Total Funding Available

Unprogrammed funds are funds from previous years that have yet to be allocated to specific programs or projects. Program Income includes repayments from rehabilitation loans and home buyer assistance loans along with repayments from development loans.

The FY 2012 CDBG Entitlement Grant and FY 2011 CDBG Program Income totals \$1,045,164. HUD regulations limit a maximum of 20% of these funds, or \$209,032, for planning and program administrative purposes. The FY 2011 Unprogrammed CDBG funds cannot be used in the calculation for planning and administrative purposes because they were subjected to the calculation for the FY 2011 program year. The following table summarizes the amount and sources of available funds for planning projects and CDBG Program administrative costs:

Funding for Planning and CDBG Program Administration	
AMOUNT	SOURCE
\$195,545	20% of the FY 2012 CDBG Entitlement Grant
13,487	20% of FY 2011 CDBG Program Income
\$209,032	Total Funding Available for Planning and CDBG Program Administration

HUD regulations limit a maximum of 15% of the FY 2012 CDBG funds and FY 2011 CDBG Program Income, or \$156,774 for use in the Public (Human) Services category. The City's 2012 Human Services Program adds \$389,601 and Human Services Program KFCG funds adds an additional \$150,733, for use in the category, for a total of \$697,108 of available funding in the Public (Human) Services category. The FY 2011 Unprogrammed CDBG funds can not be used in the calculation for public service purposes because they were subjected to the calculation for the FY 2011 program year. The following table summarizes the amount and sources of available funds for public/human service proposals:

Funding for Public (Human) Services	
AMOUNT	SOURCE
\$146,659	15% of the FY 2012 CDBG Entitlement Grant
10,115	15% of FY 2011 CDBG Program Income
389,601	2012 City Human Services Program
150,733	2012 City Human Services KFCG Funds
\$697,108	Total Funding Available for Public/Human Services Proposals

Considering the set-asides for Planning and Administration and Public (Human) Services presented above, the balance of the FY 2012 CDBG Entitlement Grant and FY 2011 CDBG Program Income amounts, or \$679,358, plus \$28,750 of unprogrammed FY 2011 CDBG funds provide an amount of \$708,108 available for allocation to affordable housing and public facility proposals. The following table summarizes the amount and sources of available funds for affordable housing and public facility proposals:

Funding for Affordable Housing and Public Facilities	
AMOUNT	SOURCE
\$635,524	FY 2012 CDBG Entitlement Grant
\$43,834	FY 2011 CDBG Program Income
\$28,750	FY 2011 Unprogrammed CDBG Funds
\$708,108	Total Funding Available for Affordable Housing Proposals

The City received 30 applications for funding (not counting one affordable housing proposal which was subsequently withdrawn by the applicant) and a staff administration request as part of the 2012 spring cycle of the competitive process requesting a total of \$1,745,240. The total amount of funds available from all sources is \$1,614,248. The total of application requests is, thus, about \$131,000 more than the amount of available funding. Also, HUD regulation limitations within the Public Services category results in a total of \$307,100 more in requests than available funds for the category. Unfortunately, funds in the Planning and Administration and Affordable Housing and Public Facility categories cannot be used to fund any Public Service applications. The following table summarizes the amount of funding requests compared to the amount of funding available for each of the major funding categories.

Category	Number of Applications	Requested Funding	Available Funding	Request-Available Difference
Affordable Housing & Public Facilities	2	\$532,000	\$708,108	\$176,108
Public Services	28	1,004,208	697,108	-307,100
Administration		209,032	209,032	0
Totals	30	\$1,745,240	\$1,614,248	-\$130,992

FINANCIAL / ECONOMIC IMPACTS

The Community Development Block Grant (CDBG) Program, and the 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. The total amount of CDBG funds available for allocation during FY 2012 is \$1,073,914. The City’s General Fund does contribute \$389,601 in the Human Services Program and \$150,733 of KFCG funds for allocation during the spring cycle, and \$325,047 of Affordable Housing Fund dollars for the fall cycle of the competitive process.

Through the provision of affordable housing, more of Fort Collins’ work force can reside within the community. This means there is an available labor pool within the city, which is a positive benefit to economic sustainability.

Public/human services programs contribute to economic sustainability by providing such programs as job training and child care, so workers can maintain their employment and housing situations.

The City of Fort Collins sees its Competitive Process dollars as an investment in community sustainability. Social sustainability is an important part of that triple bottom line decision making. Funds allocated provide dollars that leverage other funding to support important programs and projects. The City does not view itself as a human services or affordable housing agency, but rather a community partner working in team with others in addressing these critical sustainability dynamics. Funds are strategically allocated to areas of service and funding gaps. Key focus areas are: basic health and safety (emergency food, shelter, etc.); programs that serve vulnerable populations (homebound seniors, persons with HIV/AIDs); empowerment or poverty intervention/prevention programs (job training, self-sufficiency); and programs that decrease immediate or long-term community cost or impact or multiply benefits back over the long-term (early childhood education and child care, homelessness prevention).

In terms of citizen surveys, results that citizens want, and Council policy priorities, Competitive Process funding is a foundational building block. Empowered and stabilized families and households contribute to thriving neighborhoods. Higher quality neighborhoods lead to a more sustainable, healthy community in all aspects.

ENVIRONMENTAL IMPACTS

Affordable housing programs help provide for a healthy environment. By offering affordable housing options for lower income people, more of Fort Collins’ work force can live in the community instead of being forced to live outside the community and commute into the city for work. This helps reduce traffic congestion and, thus, improves air quality.

Affordable housing developers, including for-profit and non-profit agencies, are utilizing green building practices. Green building practices are being used in both new construction and major rehabilitation of existing housing unit projects. These practices include geo-thermal applications and other energy saving techniques.

All affordable housing projects utilizing CDBG and HOME funds are required to pass a HUD Environmental Review which covers such items as noise impacts, floodplains, hazardous materials, etc.

STAFF RECOMMENDATION

Staff recommends adoption of the resolutions and the ordinances.

BOARD / COMMISSION RECOMMENDATION

The CDBG Commission presents recommendations as to which programs and projects should receive funding from the available funding sources presented above, including CDBG funds and the Human Services Program (HSP). The following tables present the allocations recommended by the Commission to the City Council within each major category:

Planning and Administration Category				
Applicant Project/Program	Request and Recommendation	Source(s) of Funding	Unfunded Balance	Percent of Request Funded
AD-1 City of Fort Collins CDBG Administration	Request \$209,032 Recommendation \$209,032	\$195,545 FY 2012 CDBG Entitlement Grant \$13,487 CDBG Program Income	\$0	100%

Affordable Housing and Public Facility Category				
Applicant Project/Program	Request and Recommendation	Source(s) of Funding	Unfunded Balance	Percent of Request Funded
HO-1 Fort Collins Housing Authority (FCHA): Supportive Housing	Request \$455,000 Recommendation \$323,108	\$250,524 FY 2012 CDBG Entitlement Grant \$43,834 FY 2011 CDBG Program Income \$28,750 FY 2011 CDBG Unprogrammed Funds	\$131,892	71%
PF-1 Disabled Resource Services (DRS): Robertson Building Purchase	Request \$77,000 Recommendation \$385,000	\$385,000 FY 2012 CDBG Entitlement Grant	\$0	500%

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

Public (Human) Service Category				
Applicant Project/Program	Request and Recommendation	Source(s) of Funding	Unfunded Balance	Percent of Request Funded
PS-1 Alliance for Suicide Prevention: Education & Awareness Programs	Request \$3,000 Recommendation \$3,000	\$3,000 (HSP Grant)	\$0	100%
PS-2 B.A.S.E. Camp: Childcare Scholarships	Request \$59,000 Recommendation \$50,000	\$50,000 (CDBG Entitlement Grant)	\$9,000	85%
PS-3 Boys & Girls Club: After-school and School-break Child Care and Youth Program	Request \$22,566 Recommendation \$22,566	\$22,566 (HSP Grant)	\$0	100%
PS-4 CASA: Program Support	Request \$12,995 Recommendation \$0	\$0	\$12,995	0%
PS-5 Catholic Charities: Senior Outreach	Request \$15,000 Recommendation \$15,000	\$4,659 (CDBG Entitlement Grant) \$10,115 (CDBG Program Income) \$226 (HSP KFCG Grant)	\$0	100%
PS-6 Catholic Charities: the Mission and Supportive Services	Request \$60,000 Recommendation \$40,000	\$40,000 (CDBG Grant)	\$20,000	67%
PS-7 Center for Family Outreach: Low- Income Youth Scholarships	Request \$7,020 Recommendation \$7,020	\$7,020 (HSP Grant)	\$0	100%
PS-8 Childsafe Research & Treatment Foundation: Child Abuse Treatment Program	Request \$20,000 Recommendation \$12,000	\$11,106 (HSP Grant) \$894 (HSP KFCG Grant)	\$8,000	60%
PS-9 Colorado Health Network – NCAP: Client Services & Homeless Prevention	Request \$25,000 Recommendation \$15,000	\$15,000 (HSP Grant)	\$10,000	60%

Public (Human) Service Category				
Applicant Project/Program	Request and Recommendation	Source(s) of Funding	Unfunded Balance	Percent of Request Funded
PS-10 Crossroads Safehouse: Advocacy Program	Request \$99,216 Recommendation \$39,853	\$39,853 (HSP KFCG Grant)	\$59,363	40%
PS-11 Disabled Resource Services (DRS): Access to Independence (ATI) Program	Request \$33,065 Recommendation \$23,370	\$22,000 (CDBG Grant) \$1,370 (HSP Grant)	\$9,695	71%
PS-12 Education and Life Training Center (ELTC): Employment Skills Training	Request \$24,500 Recommendation \$20,000	\$20,000 (HSP Grant)	\$4,500	82%
PS-13 Elderhaus: Mindset Therapy Center Activity Program	Request \$23,592 Recommendation \$10,800	\$10,800 (HSP Grant)	\$12,792	46%
PS-14 Family Center: Childcare Scholarships	Request \$45,000 Recommendation \$35,000	\$35,000 (HSP Grant)	\$10,000	78%
PS-15 Food Bank for Larimer County: Kids Café Program	Request \$27,000 Recommendation \$21,407	\$21,407 (HSP Grant)	\$5,593	79%
PS-16 Homelessness Prevention Initiative (HPI): Rental Assistance	Request \$50,000 Recommendation \$45,000	\$45,000 (HSP KFCG Grant)	\$5,000	90%
PS-17 Larimer Center for Mental Health (LCMH): Community Dual Disorders Treatment (CDDT) Program	Request \$37,884 Recommendation \$28,380	\$28,380 (HSP Grant)	\$9,504	75%
PS-18 Larimer Center for Mental Health (LCMH): Emergency Mental Health Services	Request \$24,000 Recommendation \$10,000	\$10,000 (HSP KFCG Grant)	\$14,000	42%

Public (Human) Service Category				
Applicant Project/Program	Request and Recommendation	Source(s) of Funding	Unfunded Balance	Percent of Request Funded
PS-19 Matthews House: Transition Program	Request \$31,500 Recommendation \$27,000	\$27,000 (HSP Grant)	\$4,500	86%
PS-20 Neighbor to Neighbor (N2N): Housing Counseling	Request \$69,205 Recommendation \$29,760	\$29,760 (HSP KFCG Grant)	\$39,445	43%
PS-21 Neighbor to Neighbor (N2N): Rent Assistance	Request \$30,000 Recommendation \$25,000	\$25,000 (HSP KFCG Grant)	\$5,000	83%
PS-23 Rehabilitation and Visiting Nurse Association (RVNA): Home Health Care Scholarships	Request \$40,000 Recommendation \$33,450	\$33,450 (HSP Grant)	\$6,550	84%
PS-24 Respite Care: Childcare Scholarships	Request \$32,000 Recommendation \$30,000	\$30,000 (CDBG Grant)	\$2,000	94%
PS-25 Turning Point: Crisis Intervention Program	Request \$25,000 Recommendation \$17,500	\$17,500 (HSP Grant)	\$7,500	70%
PS-26 (UDCC) Teaching Tree – Childcare Scholarships	Request \$60,000 Recommendation \$50,000	\$50,000 (HSP Grant)	\$10,000	83%
PS-27 Volunteers of America (VOA): Nutrition Services	Request \$39,200 Recommendation \$29,200	\$29,200 (HSP Grant)	\$10,000	74%
PS-28 Women's Resource Center (WRC): Dental Connections	Request \$55,465 Recommendation \$34,802	\$34,802 (HSP Grant)	\$20,663	63%

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

Recommended Funding	% of Total	Category
\$708,108	43.9%	Affordable Housing and Public Facility
697,108	43.2%	Public Services
209,032	12.9%	CDBG Administration
\$1,614,248	100.0%	Total

The CDBG Commission has recommended all (100%) of the available funding amount of \$1,614,248 be allocated. The Commission has recommended that the affordable housing proposal receive 71% of its funding request and that the public service proposal receive 500% of its funding request. While recommending that an applicant receive more funding than what was requested is unusual, it is not unprecedented. In 2002, the City Council followed the Commission's recommendation and allocated over \$299,000 to the City's Home Buyer Assistance Program which initially requested \$250,000. The Commission has recommended that 4 of the 28 public service proposals receive full funding; 23 proposals receive partial funding (ranging from 40% to 94%); and 1 proposal to receive no funding. The justifications for the Commission's recommendations can be found in Attachment 5, Minutes of the April 12, 2012, meeting.

PUBLIC OUTREACH

HUD regulations require a 30-day public comment period on the proposed allocation of CDBG funds as recommended by the CDBG Commission. Staff placed an ad in the Coloradoan newspaper presenting the list of recommended funding for programs/projects and indicated the public comment period would start on April 16, 2012, and end on May 15, 2012. The Fort Collins Housing Authority has challenged the Commission's recommendation for reduced funding for the Authority's Supportive Housing project (letter attached). Conversely, Disabled Resource Services was thankful for the recommendation for building purchase that it received (letter attached). Staff has prepared the following options for Council's consideration:

OPTION 1: Maintain the CDBG Commission's funding recommendations.

FY 2012 CDBG Entitlement Grant

\$250,524	Fort Collins Housing Authority: Supportive Housing
385,000	Disabled Resource Services: Robertson Building Purchase

FY 2011 CDBG Program Income

\$43,834	Fort Collins Housing Authority: Supportive Housing
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FY 2011 CDBG Unprogrammed Funds

\$28,750	Fort Collins Housing Authority: Supportive Housing
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Funding totaling \$323,108 would be allocated to the Fort Collins Housing Authority for its Supportive Housing project; and funding of \$385,000 would be allocated for Disabled Resource Services (DRS). Choosing this option would leave no remaining funding in this category.

OPTION 2: Modify the funding recommendation of the CDBG Commission to increase funding for the FCHA and decrease funding for DRS.

FY 2012 CDBG Entitlement Grant

\$455,000	Fort Collins Housing Authority: Supportive Housing
180,524	Disabled Resource Services: Robertson Building Purchase

FY 2011 CDBG Program Income

\$43,834	Disabled Resource Services: Robertson Building Purchase
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FY 2011 CDBG Unprogrammed Funds

\$28,750	Disabled Resource Services: Robertson Building Purchase
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This option would increase the funding allocation for the Fort Collins Housing Authority's Supportive Housing project to the requested amount of \$455,000. Doing so would require a reduction in funds allocated for Disabled Resource Services new building purchase proposal to \$253,108. Choosing this option would leave no remaining funding in this category.

Note: Staff subsequently discussed Option 2 with DRS, and they are agreeable to the reduced amount (\$253,108) of funding. The reduced amount is \$176,108 over what DRS originally asked for (\$77,000).

OPTION 3: Modify the funding recommendations of the CDBG Commission to what was originally requested for both proposals.

FY 2012 CDBG Entitlement Grant

\$455,000	Fort Collins Housing Authority: Supportive Housing
4,416	Disabled Resource Services: Robertson Building Purchase

FY 2011 CDBG Program Income

\$43,834	Disabled Resource Services: Robertson Building Purchase
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FY 2011 CDBG Unprogrammed Funds

\$28,750	Disabled Resource Services: Robertson Building Purchase
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This option would allocate the funding as originally requested: \$455,000 for FCHA's Supportive Housing Project and \$77,000 for Disabled Resource Services building purchase. Choosing this option would mean the full amount of CDBG funds would be appropriated, but \$176,108 in CDBG funds would carry over to the fall 2012 Competitive Process cycle.

Some applicants were disappointed in what resulted in an average five to ten thousand dollar funding decrease from last year's allocations, but understood the realities of a three hundred thousand dollar shortfall on what was requested compared to what was available. Many agencies also been impacted by United Way funding cuts, and State and other funding reductions. In light of these challenges, many applicants expressed gratitude for anticipated City dollars, regardless of the amount.

The City received several phone calls and letters. An April 20, 2012, letter from CASA-Court Appointed Special Advocates (copy attached) expressing disappointment with the Commission's recommendation for no (\$0) funding for CASA's Program Support application, which requested \$12,995. Staff does not expect CASA to appeal to the Council for funding at the May 15 meeting. In order for the City to allocate any funding to CASA, a funding recommendation for another agency(s) would need to be reduced as the Commission has recommended all funds eligible for distribution to public/human service agencies be allocated.

The City also received a letter from Elderhaus regarding its reduced funding for the Mindset Therapy Center Activity Program (attached). Elderhaus was not critical of the Competitive Process and is not expected to formally contest the Commission's recommendation, but did make an impassioned plea for additional funding. Again, in order for the City to allocate additional funding to Elderhaus, a funding recommendation for another agency(s) would need to be reduced, as all funds available were allocated.

HOME Program

Resolution 2012-036 establishes the major funding categories within the HOME Program for the FY 2012 Program year, which starts on October 1, 2012. Specific projects for the use of HOME funds will be determined in November as a result of the 2012 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. Overall HOME funding needing approval is \$743,833. This overall amount includes: the FY 2012 HOME Grant of \$542,507 and total FY 2011 Program Income of \$201,326. Of that, dollars available for HOME Program Administration equals \$57,556 (10% of Entitlement

[\$54,250] and a portion [\$3,306] of HOME FY 2011 Program Income). After Administration costs, there is \$686,277 remaining, to be allocated to specific projects in the fall.

The following table summarizes the sources of HOME funding for FY 2012.

Amount	Source
\$542,507	FY 2012 HOME Participating Jurisdictions Grant (\$54,250 for Administration)
201,326	FY 2011 HOME Program Income (\$3,306 for Administration)
\$743,833	Total

HUD regulations allow a maximum of 10% of the HOME grant, or \$54,250, and \$3,306 of eligible Program Income, for a total of \$57,556, for program administrative purposes. The following table summarizes the distribution of HOME funding.

Recommended Funding	% of Total	Category
\$ 57,556	7.7%	HOME Program Administration
686,277	92.3%	Other Affordable Housing Projects
\$743,833	100.0%	Total

In addition to the HOME funds above, \$325,047 from the City's Affordable Fund will be also available for allocation to affordable housing proposals in the fall cycle of the competitive process.

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 Comments
4. Background Information on the CDBG and HOME Federal Programs
5. CDBG Commission's Funding Recommendations, Meeting Minutes April 12, 2012
6. Public Comment Period on CDBG Competitive Process Recommendations:
 - (a) April 30, 2012 letter from Fort Collins Housing Authority (FCHA)
 - (b) April 23, 2012 letter from Disabled Resource Services (DRS)
 - (c) April 20, 2012 letter from Court Appointed Special Advocates (CASA)
 - (d) April 24, 2012 letter from Elderhaus
7. Focus Questions for CDBG Commission Decision Making
8. Formulation of Funding Recommendations Session
9. PowerPoint Presentation

COPY

RESOLUTION 2000-13
OF THE COUNCIL OF THE CITY OF FORT COLLINS
ESTABLISHING A COMPETITIVE PROCESS FOR THE ALLOCATION OF
CITY FINANCIAL RESOURCES TO AFFORDABLE HOUSING
PROGRAMS/PROJECTS AND OTHER COMMUNITY
DEVELOPMENT ACTIVITIES

WHEREAS, in February, 1999, the City Council approved the "Priority Affordable Housing Needs and Strategies Report", which report contained the following strategy:

Change from an administrative funding mechanism...to a competitive application process for the Affordable Housing Fund; and

WHEREAS, between September and November, 1999, a subcommittee consisting of members of the Affordable Housing Board and the Community Development Block Grant (CDBG) Commission met with staff to review issues and develop options for the establishment of a competitive application process; and

WHEREAS, the staff has also solicited ideas from existing affordable housing providers; and

WHEREAS, the subcommittee established as its mission the development of a competitive application process and a set of shared criteria for the allocation of the City's financial assistance resources to affordable housing projects/programs that address the City's priority affordable housing needs; and


WHEREAS, as a result of the efforts of the aforesaid subcommittee, a competitive process, funding cycles, funding cycle schedules, review criteria and new application forms have been developed (hereafter collectively referred to as the "Process"); and

WHEREAS, both the Affordable Housing Board and the CDBG Commission have unanimously recommended to the Council that the Process be adopted; and

WHEREAS, the Council has determined that the Process should be adopted.

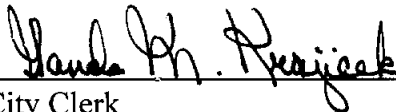
NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the new competitive process for the allocation of City financial resources to affordable housing programs/projects and other community development activities, including, without limitation, the competitive process, funding cycles, funding cycle schedules, funding review criteria and application forms, all attached hereto as Exhibit "A" and incorporated herein by this reference, be and hereby is adopted.

Passed and adopted at a regular meeting of the City Council held this 18th day of January,
A.D. 2000.



Mayor

ATTEST:



City Clerk

Exhibit "A"

Competitive Process

Presented below is a description of the Competitive Process for making allocations of funding from the Federal CDBG and HOME Programs and the City's Affordable Housing Fund. The description discusses the roles of the Affordable Housing Board and CDBG Commission. The Competitive Process also includes the following:

1. There will be a single Proposal Application form required from applicants for all sources of funding.
2. There will be a single set of Review Criteria to base decisions upon.

The Review Criteria incorporate current City policies and guidelines derived from the "Priority Affordable Housing Needs and Strategies" report (2/99), including the guidelines that 65% of CDBG funds and 90% of HOME funds should be allocated to affordable housing projects/programs.


Role of the Affordable Housing Board

The Affordable Housing Board reviews all affordable housing applications and provides a priority listing of proposals to the CDBG Commission.

Role of the CDBG Commission

CDBG Commission makes the final recommendations for funding for all funds, including CDBG, HOME, and the Affordable Housing Fund. HOME funds (by Federal regulations) and Affordable Housing Fund dollars are restricted to affordable housing projects/programs. The majority (65%) of CDBG funds are earmarked for affordable housing purposes, but also offer wider potentials for usage including public facilities, public services, economic development, etc.

Funding Cycles



There will be two funding cycles. CDBG funds will be allocated in the spring. HOME and Affordable Housing funds will be allocated in the fall.

ORDINANCE NO. 044, 2012
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE AND
AUTHORIZING THE TRANSFER OF APPROPRIATIONS BETWEEN
PROGRAM YEARS IN THE COMMUNITY DEVELOPMENT BLOCK GRANT FUND

WHEREAS, the City will receive in federal fiscal year 2012-2013 unanticipated revenue in the form of federal Community Development Block Grant (“CDBG”) funds totaling \$977,728; and

WHEREAS, the City also received unanticipated CDBG Program income in the 2011-2012 federal fiscal year in the amount of \$67,436; and

WHEREAS, unexpended funds are also available from the CDBG Program from prior fiscal years in the amount of \$28,750; and

WHEREAS, by adoption of Resolution 2012-035 the City Council approved the 2012 Community Development Block Grant Program; and

WHEREAS, by adoption of Resolution 2012-036 the City Council authorized the City Manager to transmit for approval the 2012 Fort Collins Consolidated Annual Action Plan to HUD as required to receive the grant funds; and

WHEREAS, Article V, Section 9, of the City 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, Article V, Section 10, of the City Charter authorizes the City Council to transfer by ordinance any unexpected and unencumbered amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the funds were initially appropriated no longer exists; and

WHEREAS, Article V, Section 11, of the City 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; 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 2012.

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 2012-2013 into the Community Development Block Grant Fund, the sum of NINE HUNDRED SEVENTY-SEVEN THOUSAND SEVEN HUNDRED TWENTY-EIGHT DOLLARS (\$977,728), upon receipt thereof for federal fiscal year 2012-2013 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 SIXTY-SEVEN THOUSAND FOUR HUNDRED THIRTY-SIX DOLLARS (\$67,436), for approved Community Development Block Grant projects.

Section 3. That the unexpended and unencumbered amount of TWENTY-EIGHT THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$28,750) is hereby authorized for transfer from the 2011-2012 Community Development Block Grant Program to the 2012-2013 Community Development Block Grant Program and appropriated therein.

Introduced, considered favorably on first reading, and ordered published this 15th day of May, A.D. 2012, and to be presented for final passage on the 5th day of June, A.D. 2012.

Mayor

ATTEST:

Interim City Clerk

Passed and adopted on final reading on the 5th day of June, A.D. 2012.

Mayor

ATTEST:

Interim City Clerk

ORDINANCE NO. 045, 2012
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 1994-092 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 2012-2013 is \$542,507; and

WHEREAS, the City also received unanticipated HOME Program income in the 2011-2012 federal fiscal year in the amount of \$201,326; and

WHEREAS, unexpended funds are also available from Community Housing Development Organizations (CHDO) funds in the amount of \$89,888; and

WHEREAS, Article V, Section 9, of the City Charter 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, Article V, Section 10, of the Charter authorizes the City Council to transfer by ordinance any unexpected and unencumbered amount or portion thereof from one fund or capital project to another fund or capital project, provided that the purpose for which the funds were initially appropriated no longer exists; 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 Program Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during the 2012 fiscal year; and

WHEREAS, Article V, Section 11, of the City Charter provides that federal grant

appropriations shall not lapse if unexpended at the end of the fiscal 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 2012-2013 in the HOME Program Fund the sum of FIVE HUNDRED FORTY-TWO THOUSAND FIVE HUNDRED SEVEN DOLLARS (\$542,507), upon receipt from federal fiscal year 2012-2013 HOME Participating Jurisdiction Grant Funds.

Section 2. That there is hereby appropriated for expenditure from unanticipated program income revenue, upon receipt thereof, in the HOME Program Fund the sum of TWO HUNDRED ONE THOUSAND THREE HUNDRED TWENTY-SIX DOLLARS (\$201,326), for approved HOME Program projects.

Section 3. That the unexpended and unencumbered amount of EIGHTY-NINE THOUSAND EIGHT HUNDRED EIGHTY-EIGHT DOLLARS (\$89,888) is hereby authorized for transfer from the 2011-2012 HOME Program projects to the 2012-2013 HOME Program and appropriated therein.

Introduced, considered favorably on first reading, and ordered published this 15th day of May, A.D. 2012, and to be presented for final passage on the 5th day of June, A.D. 2012.

Mayor

ATTEST:

Interim City Clerk

Passed and adopted on final reading on the 5th day of June, A.D. 2012.

Mayor

ATTEST:

Interim City Clerk

RESOLUTION 2012-037
OF THE COUNCIL OF THE CITY OF FORT COLLINS
ALLOCATING APPROPRIATED MONIES FROM THE
2012 AFFORDABLE HOUSING FUND FOR THE
FORT COLLINS HOUSING AUTHORITY'S SUPPORTIVE HOUSING PROJECT

WHEREAS, on January 18, 2000, the City Council adopted Resolution 2000-013, establishing a competitive process for the allocation of City financial resources to affordable housing programs and projects, and community development activities (the "Competitive Process"); and

WHEREAS, On May 15, 2012, the City Council adopted Resolution 2012-035, approving the programs and projects that will receive funds from the Federal Community Development Block Grant Program and the City's Human Services Program as part of the spring Competitive Process; and

WHEREAS, based on recommendations from the CDBG Commission, Resolution 2012-035 presented the City Council with three options for dividing \$708,108 in available Community Development Block Grant (CDBG) funding between a request for funding from the Fort Collins Housing Authority (FCHA) for its Supportive Housing Project, and a request from Disabled Resource Services for purchase of a building; and

WHEREAS, the City Council chose to approve funding in the amount of \$385,000 for Disabled Resource Services and \$455,000 for FCHA, leaving a shortfall in available funding of \$131,892 for the FCHA's Project; and

WHEREAS, funds sufficient to cover this shortfall are appropriated and available for expenditure in the City's Affordable Housing Fund; and

WHEREAS, the Competitive Process states that CDBG funds will be allocated in the spring, while HOME and Affordable Housing funds will be allocated in the fall; and

WHEREAS, the City Council wishes to make an exception to the Competitive Process in this instance in order to allocate \$131,892 of Affordable Housing Fund moneys as part of the spring 2012 Competitive Process, as the Council has determined that funding of both projects at this time is important and time-sensitive, and serves a public purpose.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the sum of ONE HUNDRED THIRTY ONE THOUSAND EIGHT HUNDRED NINETY-TWO DOLLARS (\$131,892) in the City's Affordable Housing Fund is hereby approved for expenditure to fund the Fort Collins Housing Authority's Supportive Housing Project as part of the 2012 spring cycle of the Competitive Process.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 5th day of June A.D. 2012.

Mayor

ATTEST:

Interim City Clerk