

AGENDA REPORT

DATE January 8, 2008

ITEM 2008/2009 Community Development Block Grant Policies and Funding Priorities

INITIATED BY Community Development Staff

ACTION REQUESTED Approve Motion

PREPARED & PRESENTED BY Chris Imhoff, CDBG Administrator

REVIEWED & APPROVED BY Mike Rattray, Community Development Director

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RECOMMENDATION:

Staff recommends the City Commission reaffirm the Community Development Block Grant (CDBG) Policies and Citizen Participation Plan and approve the 2008-2009 CDBG Funding Priorities.

MOTION:

I move to reaffirm the CDBG Policies and Citizen Participation Plan, and approve the 2008-2009 Community Development Block Grant Funding Priorities.

SYNOPSIS:

The CDBG policies, adopted in previous years and amended in December 2005 by the City Commission, are attached for the Commission's review, as is the Citizen Participation Plan adopted in February of 2005. Staff is asking acceptance of these policies and the Plan for use in the 2008-2009 CDBG allocation process.

Based on testimony given at the Community Needs Public Hearing held by the City Commission on December 4, 2007, staff is recommending the attached priorities for the 2008 program year. There are changes recommended in the funding priorities as compared to the 2007 program year. The changes primarily accommodate funding for economic development through job creation. The recommendations include 29% of the grant allocated to Public Facility Improvements/Handicap Accessibility, 25% allocated to Housing, 11% allocated to economic development, 15% allocated to Public Services, and 20% allocated to Administration.

BACKGROUND:

The majority of the current CDBG policies were adopted by the City Commission during the block grant allocation process in 1994. The policies were amended in 2005, and have been reaffirmed annually.

The City Commission conducted a Community Issues and Needs Public Hearing on December 4, 2007. Based on the input from that hearing, and the objectives of the Community Development Block Grant Program, funding priorities have been prepared.

This year's recommendation to fund the Public Facility Improvements/Handicap Accessibility allocation could support projects that provide handicap accessibility in public facilities and/or general public facility improvement projects. The Administration priority includes funding administrative costs for the CDBG and HOME grant programs and fair housing activities. Funding priorities will lay out the base for the Annual Action Plan required by HUD as part of the Consolidated Plan. Projects will be considered that fall into the guidelines established by these funding priorities.

The Citizen Participation Plan was adopted with the Consolidated Plan in 2005. It has been reaffirmed annually.

Attachments: CDBG Policies

2008-2009 CDBG Funding Priorities

Community Needs Public Hearing Minutes

Citizen Participation Plan

City of Great Falls Community Development Block Grant
2008/2009 Funding Priorities

We are expecting the budget to be approximately 3.2% less than the 2007-2008 allocation of \$983,697. The budget amount will not be announced until after the new Congress convenes.

<u>08/09 CDBG Priorities</u>	<u>Funding Percentage</u>	<u>08/09 Funding Amount</u>
Public Facility Improvements/ Handicap Accessibility (Includes Infrastructure, Park Facilities, Public Building Rehab)	29%	\$280,900
Affordable Housing (Housing for low/moderate income Families: Rehab Services, New Construction, Rehabilitation including Historic Preservation)	25%	\$238,050
Economic Development (Includes Infrastructure Improvements resulting in Job Creation for low/moderate income persons)	11%	\$100,000
Public Service Activities (maximum) (Benefiting low/moderate income persons)	15%	\$142,830
Administration (maximum) (Includes Grant Administration & Fair Housing)	20%	\$190,440
Total Allocation	100%	\$952,220

**City of Great Falls
Community Development Block Grant
City Commission Policies
January 8, 2008**

1. City Commission will determine the allocation of all CDBG projects.
2. The City Commission will conduct a Community Needs public hearing to allow citizens (especially low/moderate income persons) and city staff the opportunity to express their opinion as to the needs of the community that should be addressed with block grant funding.
3. The City Commission will determine priorities and allocate funding percentages to priority categories following the Community Needs public hearing.
4. The Community Development Department will make recommendations to the City Commission for any grant proposal applications not reviewed by the Community Development Council.
5. The Community Development Council will review and make funding recommendations for grant proposal applications, as directed by the City Commission.
6. The Community Development Council will review, prioritize, and make funding recommendations to the City Commission for all public service grant applications based on solicitation for proposals in an amount to be approximately 15% of the grant entitlement amount. The minimum grant request will be for \$5,000.
7. The City Commission will not fund proposals from agencies/departments whose last fiscal year or older CDBG funded projects will not be 75% complete by March 31st of the current year, unless a special public purpose exists for waiving the policy.

8. Private non-profit agencies will not be funded for staff salaries, benefits, office consumables, and rent payments for agency office space or utility costs.
9. City Commission will fund activities to further fair housing as a part of block grant administration.
10. Projects that leverage and/or match the CDBG funds will be given priority consideration for funding.
11. Handicap accessible projects that serve the largest number of the public will be given priority consideration for funding.

Previous version 12-19-2006

CITY COMMISSION PUBLIC MEETING
December 4, 2007

A public meeting was held as part of the regular City Commission meeting on December 4, 2007, at 7 p.m. in the Commission Chambers at the Civic Center. The meeting was held to provide an opportunity for citizens to advise the City Commission on what the needs are of low income people in the community and how CDBG and HOME grant funds could be used to address those issues and eliminate community needs.

The following listing is a summary of the comments involving current community needs which were expressed in the meeting.

Nancy O'Brien, board chair, McLaughlin Research Center (MRC)

Ms. O'Brien stated MRC will be undertaking a \$6 million multi-phase expansion project to develop lab space for three additional scientists. Each scientist requires five support staff, therefore, a total of 18 new jobs will be created. The new support staff jobs will include animal technician and maintenance positions. Jobs will also be created during the construction phase. MRC currently has four scientists and a total of 41 employees. Their mean income is \$27,000 plus full benefits. Ms. O'Brien provided a history of the funding initially obtained when MRC was built. She also described the educational component of MRC which many people are not aware of. She requested the City Commission support funding for match requirements for this project as it will create new jobs in Great Falls which pay well above minimum wage and have full benefits.

Dan Sullivan, board commissioner, Great Falls Housing Authority

Mr. Sullivan thanked the City Commission for their support for affordable housing projects they have funded in the past. He reported the Great Falls Housing Authority waiting list reflects the most pressing needs for affordable housing are one and two bedroom units. Mr. Sullivan requested continued support for affordable housing projects in Great Falls.

Allene Mares, Community Health Care Center (CHCC), City-County Health Department

Ms. Mares stated the CHCC provides medical and dental care for people with the lowest incomes in the community. She described the funding sources they currently have and reported they serve 5,000+ people and have 15,000 patient visits per year. Ms. Mares noted they are seeing an increase in new patients each month and have a target of obtaining \$1.6 million in additional funding to increase services at the CHCC. She requested the City Commission consider supporting a portion of the additional funding they are seeking.

Brett Doney, director, Great Falls Development Authority and national development council member, McLaughlin Research Center

Mr. Doney thanked the City Commission for the \$68,000 in CDBG revolving loan funds

which were given to the GFDA in the past. He noted these funds were used by Dimitris, a new restaurant which moved into a vacant building. Mr. Doney described how MRC has facilities in other cities and those facilities are rapidly expanding and benefiting the communities where they are located. Mr. Doney requested support for matching funding for the MRC expansion project in Great Falls as it would bring primary money to the community and would be of benefit to the overall economic development of the city.

Jerome Patton, member, Imagine Downtown housing group and Downtown Task Force

Mr. Patton reported there is currently strong interest in revitalizing downtown and he requested the City Commission support funding requests which address downtown revitalization.

Audrey Finlayson, Cascade County Aging Services

Ms. Finlayson thanked the City Commission for their past support of the Meals on Wheels program through Aging Services. She noted this program serves 150 elderly people a day but there are approximately 300 elderly people who need food delivery services. Ms. Finlayson requested continued support for these important senior services.

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Attached are public comments which were received via letter, email, and/or telephone.

From: Patricia Cadwell
Sent: Tuesday, December 04, 2007 3:54 PM
To: Chris Imhoff
Subject: FW: December 4th Commission Meeting

Chris,

Tawny Newth from Council #5 sent her concern below.

Patty

From: Tawny Newth [mailto:tnewth@hotmail.com]
Sent: Tuesday, December 04, 2007 3:25 PM
To: Patricia Cadwell
Cc: Diane Gelernter
Subject: Dec. 4th Commission Meeting

Patty and Diane,

Just to let you know that I will probably not be attending tonight's City Commission meeting. I had planed to attend as the Commission had presented that request to the Neighborhood Councils to give input on Low Income issues for our community. My only contribution is concern

for the transportation issues of some of our low income citizens. Some hold jobs that require extended hours or holidays/weekends that the city bus service does not cover.

I am feeling pretty "sickly" today and have been fighting off something since Saturday. Sorry to not be available for this meeting.

Thanks,

Tawny

Citizen Participation Plan
for the
Consolidated Plan or the Annual Action Plan
January 2008

PURPOSE OF CITIZEN PARTICIPATION IN DEVELOPING THE CONSOLIDATED PLAN:

A key component in creating the HUD required Consolidated Plan is citizen participation in all steps of the planning development process. To ensure citizens in Great Falls have the opportunity to take part in creating the Consolidated or the Annual Action Plan, the City of Great Falls has developed and commits to follow these elements of the Citizen Participation Plan.

THE CITIZEN PARTICIPATION PLAN:

PARTICIPATION: The City of Great Falls will provide for, and encourage, citizen participation emphasizing the involvement of low, very low, and poverty income residents in areas where housing and community development funds may be spent. The City of Great Falls will also inform and offer opportunities for comment to residents of low, very low and poverty income neighborhoods. The City of Great Falls will encourage the participation of the Great Falls Housing Authority and public and assisted housing residents of the Great Falls Housing Authority, and of Opportunities, Inc., and their assisted housing residents in Great Falls. The City will provide Consolidated Plan or Annual Action Plan development information to the Great Falls Housing Authority that will be available at the public hearing required for the Public Housing Agency Plan.

The City of Great Falls will make reasonable efforts to consult with other public, private, and non-profit agencies that provide housing, health services, and social services (including those focusing on services to children, elderly persons, persons with disabilities - including physical, mental and developmental disabilities as well as other persons in need of services). When preparing the portion of the Consolidated Plan or Annual Action Plan concerning lead-based paint hazards, the City of Great Falls will consult with the City/County Health Department in order to examine data identifying the addresses of housing units with children as containing lead. The City of Great Falls will encourage input and solicit information from each of the nine neighborhood councils, notify of all of the public hearings and the Consolidated Plan or the Annual Action Plan development process, and solicit comments.

The City Commission appoints ten citizens who reside within Great Falls to a voluntary advisory board that reviews public service and public facility projects submitted for CDBG funding. This advisory board, the Community Development Council, recommends project funding to the City Commission under the public service and public facility portions of the CDBG funding. The encouragement of lower income, minority, and disabled citizens or their representatives to apply for Community Development Council positions occurs annually;

through advance notice of board openings and application information with have adequate time to apply.

ACCESS TO MEETINGS: The City of Great Falls will afford adequate, timely notification of meetings so all citizens can attend the public hearings. This will include, as appropriate, legal notices, advertisements, press releases, public service announcements, letters or other means of notifying interested parties. The City of Great Falls will also provide reasonable accommodations for persons with disabilities to all public hearings, and local meetings. Reasonable accommodations include but are not limited to holding meetings in handicapped accessible buildings, providing for sign language interpreters, and language interpreters, etc. when requested.

ACCESS TO INFORMATION: The City of Great Falls will provide citizens, public agencies, and other interested parties with reasonable and timely access to information and records relating to the Consolidated Plan or annual Action Plan and all of its components and the City's planned use of financial assistance received under the relevant federal programs during the next year. The public will have the opportunity to receive information, review and submit comments on any proposed submission including the Consolidated Plan adoption by the City of Great Falls City Commissioners and any Plan amendments and its performance reports. The required 30-day comment period on any proposed submission, adoption of the Consolidated Plan or Annual Action Plan submission, and any plan amendments is available as occurring. Information will also be available on the range of programs, the amount of assistance the City expects to receive, the amount of funds available and the estimated amount proposed to benefit low, very low and poverty income residents. These groups will also have access to the City's plans to minimize displacement of residents and businesses and assist those displaced because of these activities. Information and public records will be available during regular business hours in the City Community Development Department. Special arrangements are available to accommodate access to information for persons with disabilities.

TECHNICAL ASSISTANCE: The City of Great Falls will provide appropriate technical assistance to all groups that request assistance in developing proposals for financial assistance under any of the programs covered by the Consolidated Plan.

PUBLIC HEARINGS: To obtain citizens views the City holds at least two public hearings conducted at a minimum of two different stages of the program. The City of Great Falls program year begins July 1 and ends June 30. These public hearings will address and respond to proposals and comments on:

1. Housing and community development needs
2. Development of proposed activities
3. Review of proposed uses for funds
4. Review of program performance

The City of Great Falls attempts to provide public meetings conveniently timed for people who might or will benefit from program funds, accessible to people with disabilities and adequately publicized with sufficient information about the subject of the hearing to permit informed comment. The public hearings occur on a weekday evening in the Civic Center Building, which is centrally located, easily accessible with adequate parking, and handicap accessible.

Throughout the year, citizens may attend the City Commission meetings and public hearings to provide input as to the distribution of federal funds into the City. There will be two public hearings conducted by the City Commission annually. The first public hearing will give citizens the opportunity to comment and provide input on the following:

- Any housing and non-housing community development needs that they have identified and wish addressed
- How funding proposals may meet community development needs in Great Falls
- Performance of the City in administering and distributing federal funds
- Every five years, or anytime the Citizen Participation Plan has substantial revisions or re-written, citizens may comment on the adoption of the Citizens Participation Plan. Prior to adopting the plan, the City distributes the plan for review and comment for a full 15 days.

The second public hearing will offer the opportunity for the citizens to comment on the following:

- Adoption of the Consolidated or Annual Action Plan
- Use of federal funds
- Performance of the administration and implementation of funded projects

TIMELY RESPONSE: The City of Great Falls will consider any comments or views of citizens, agencies, units of general local government, or other interested parties concerning the Consolidated Plan or Annual Action Plan, any amendments to the Plan and all performance reports. The Community Development Department will address any complaints with written responses to written complaints within 15 working days, where practical. Depending on the nature of the complaint, staff may refer the issue to the City Manager or the City Commission if the response from staff is unsatisfactory to the complainant. As appropriate, an attachment of summary of comments and responses to complaints to the final submission of the Consolidated Plan, the Consolidated Plan Amendments, or the Annual Performance Report will take place.

NON-ENGLISH SPEAKING RESIDENTS: In the event that a significant number of non-English speaking residents can reasonably be expected to participate, the City will provide accommodations for non-English speaking residents in the case of public hearings, if such accommodations are available.

SUBSTANTIAL AMENDMENTS: Substantial changes in the City's planned or actual activities will require an amendment to the Consolidated Plan or Annual Action Plan. The following criterion determines substantial change and governs Consolidated Plan or Annual Action Plan amendments:

1. If a new project that has not previously received funding, is being created with unprogrammed funds, or created from financial changes from other funded projects.
2. If there is a change in the project site location, or the project affects an area, an amendment will be required if the project location changes to a different census tract.
3. If there is a change in project purpose or beneficiaries, such as a project eliminates or reduces by over 50% the proposed impact on the original beneficiaries, and/or if less than 51% of the beneficiaries are determined to be low, very low, or poverty income an amendment will be required. The CDBG administrator will determine on a case-by-case basis if an Amendment is required when the beneficiaries change from one targeted group to another.
4. If the project changes in scope the activity from the original proposal.
5. If a project budget increases by twice the total allocation and the increase exceeds 10% of the City's total current Block Grant allocation.

The City will advertise a notice in the *Great Falls Tribune* and make available any amendments to the Consolidated Plan for citizen comment for a 30-day period.

ANNUAL PERFORMANCE EVALUATION REPORT

The Annual Performance Report is available to all citizens at the Public Library and the City Community Development Office through a notice in the daily newspaper notifying the public of the availability of this report for review and comment for a minimum of 15 days. Any comments received regarding the Annual Performance Report are considered and a summary of all comments is attached to the performance report.

SOLICITATION OF CITIZEN COMMENTS ON THE CITIZEN PARTICIPATION PLAN:

Prior to its adoption and approval by the Great Falls City Commission, the City of Great Falls will publish a legal notice in the *Great Falls Tribune* and *Consumer's Press*. The notices of the plan and/or any amendments to this plan are available for a 15-day comment listing the sites that a citizen may obtain a copy of the plan. The plan and any amendments to this plan are available to citizens at the Great Falls Public Library, the Great Falls city web page (www.ci.great-falls.mt.us) and the City Community Development Office in the Civic Center.

SOLICITATION OF CITIZEN COMMENTS IN PREPARING THE CONSOLIDATED OR THE ANNUAL ACTION PLAN:

1. The City of Great Falls will contact local agencies, the housing authority, the local neighborhood revitalization agency, and the neighborhood councils to obtain information and comments to make citizens aware of the Consolidated or Annual Action Plan process.
2. The proposed Consolidated Plan or Annual Action Plan is available to all citizens at the Public Library, the City Community Development Office, the City's web page (www.ci.great-falls.mt.us) and the Housing Authority. To inform the citizens of the proposed Consolidated Plan or Annual Action Plan, a notice published in the daily newspaper, the free weekly publication, and distributed to various agencies describes the availability of this plan and the 30-day period to receive public comment.
3. City Commission will conduct two public hearings requesting input from the citizens and representatives of low, very low and poverty level people as to the needs of the community, including but not limited to housing, community development, infrastructure, economic development and homeless assistance. A second public hearing conducted to receive citizen comments on the proposed Consolidated Plan or Annual Action Plan occurs after completion of the Plan.

The City will provide a reasonable number of free copies of the Consolidated Plan or Annual action Plan to citizens and groups upon request.