



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: December 19, 2016

Re: Approving an Amendment to the FY 2016 CDBG and HOME Annual Action Plan

Executive Summary

Staff has prepared a resolution to approve the amendment to the 2016 Annual Action Plan. The amendment must be submitted to the Department of Housing and Urban Development (HUD) prior to January 1, 2017 to be approved within this program year. If the amendment is not approved within the calendar year, the City must wait until FY final allocation amounts are determined by HUD. Final budget allocations have been determined as late as April in years past; therefore, staff is seeking approval prior to January 1, 2017, in order to maintain progress on current projects. The 2016 Action Plan covers the 2nd year of the 5- Year Consolidated Plan for 2015-2019.

Discussion

HUD requires that an amendment to the City's 2016 Action Plan be submitted within the current Annual Action Plan year. Approval of the amended FY 2016 Action Plan is required in order to amend CDBG or HOME program funding amounts for organizations. This amendment will include allocation of \$67,000 in FY 2016 HOME Community Housing Development Organization (CHDO) funding to Job Point-COMO CHDO, Show-Me Central Habitat for Humanity and Central Missouri Community Action (CMCA). CHDO funding will include the development of three affordable homes to be developed at 115 Lynn, 107 Lynn and 105 Lynn.

The FY 2016 CHDO funding process featured a new process featuring additional collaboration in order to fully maximize local resources. City staff met with local CHDOs to discuss ways to improve collaboration prior to releasing the FY 2016 CHDO funding RFP. City staff and local CHDOs agreed to a non-competitive funding process that included an allocation of funds and one of three Lynn Street properties to each CHDO.

Habitat and Job Point are both proposing plans to construct three-bedroom, two-bathroom homes, while CMCA's plans include constructing a two-bedroom, one bath home. City staff and the Community Development Commission are supportive of including a two-bedroom, one-bath home, due to feedback obtained through a neighborhood engagement process in fall of 2015, as well as the opportunity to provide a variety of housing options. City staff and the CHDOs agreed that a lower level of subsidy should be provided for the two-bedroom, one-bath and approached dividing the subsidy up based on a per square foot approach. City staff and the CHDOs also recommended the two-bedroom, one-bathroom home for the 105 Lynn property and the Community Development Commission agreed due to this providing a good transition from Centro Latino. Each of the CHDOs agreed to divide the \$67,000 available for projects as follows:



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Property	square ft	subsidy/sq ft.	Total Subsidy	Rounded to nearest \$1,000
105 Lynn (2 bed 1 bath)	1050	\$ 18.61	\$ 19,541.67	\$ 20,000
107 Lynn (3 bed 2 bath)	1250	\$ 18.61	\$ 23,263.89	\$ 23,500
115 Lynn (3 bed 2 Bath)	1250	\$ 18.61	\$ 23,263.89	\$ 23,500

The Action Plan amendment also includes moving CDBG funds from a Boone County Family Resources (BCFR) project to Centro Latino's facility renovation project. BCFR's demolition of its 4632 Apple Tree Lane facility had costs that were \$5,320 less than estimated, while an additional \$5,500 in costs were identified at Centro Latino's facility in order to construct an engineered landscaping wall between its property and the 105 Lynn Street property. Centro Latino was planning to construct a four foot high non-engineered wall that would have met all City specification requirements; however, upon grading the 105 Lynn lot and examining further, City staff and Centro Latino staff agreed that a five-foot tall engineered wall would provide more flexibility in location of the future home on 105 Lynn and ensure the long term integrity of the wall. Approving this movement of funds will ensure Centro Latino has adequate funding to move forward with additional improvements previously planned by covering the additional costs associated with an engineered wall.

Fiscal Impact

Short-Term Impact: Reallocates \$67,000 in previously appropriated FY 2016 HOME funds and \$5,320 in previously appropriated FY 2016 CDBG funds.

Long-Term Impact: None.

Vision & Strategic Plan Impact

Vision Impacts:

Primary Impact: Health, Social Services & Affordable Housing, Secondary Impact: Community Facilities & Services

Strategic Plan Impacts:

Primary Impact: Social Equity, Secondary Impact: Infrastructure, Tertiary Impact: Economy

Comprehensive Plan Impacts:

Primary Impact: Livable & Sustainable Communities

Legislative History

Date	Action
10/7/2014	City Council adopted the 2015-2019 CDBG and HOME Consolidated Plan and 2015 Annual Action Plan.
4/4/2016	City Council adopted the FY 2016 Annual Action Plan.



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Suggested Council Action

Recommend Council adopt a resolution approving an amendment to the FY 2016 CDBG and HOME Annual Action Plan.