



Department Source: Community Development - CDBG/Home

To: City Council

From: City Manager & Staff

Council Meeting Date: February 21, 2022

Re: Public Hearing for Amendment #1 to the FY 2021 CDBG and HOME Annual Action Plan Incorporating HOME-ARP Funds allocated through the American Rescue Plan

Executive Summary

HUD guidance has directed cities to develop a HOME-ARP Allocation Plan and submit for HUD approval as a substantial amendment to the FY2021 Annual Action Plan. HUD identifies these funds as HOME-ARP. Funds must be used to primarily benefit individuals and families that meet a qualifying population definition. This Council action is to hold a hearing to consider the HOME-ARP Allocation Plans for \$2,161,654 in HOME-ARP funding

Discussion

The City of Columbia was awarded \$2,161,654 in HOME-ARP funds through the American Rescue Plan. The American Rescue Plan was signed into law on March 11, 2021 and provides relief to address the continued impact of the COVID-19 pandemic on the economy, public health, State and local governments, individuals, and businesses. HOME-ARP funding must primarily benefit individuals and families meeting a qualifying population definition. Eligible activities include tenant-based rental assistance, non-congregate shelters (i.e., shelters with private sleeping rooms), supportive services, and development of rental housing.

Housing and Urban Development (HUD) requires Cities to conduct a consultation process with local agencies and service providers whose clientele include HOME-ARP qualifying populations to identify unmet needs and gaps in housing or service delivery systems. The Housing Programs Division sent out a list of consultation questions to thirty-six agencies and organization on October 11, 2021. Consultation questions included:

Describe the size and demographic composition of the qualifying populations you serve.

1. *Describe the unmet housing and services needs of the qualifying populations you serve in regards to:*
 - a. *Sheltered and unsheltered homeless populations*
 - b. *Those currently housed populations at risk of homelessness*
 - c. *Other families requiring services or housing assistance or to prevent homelessness*
 - d. *Those at greatest risk of housing instability or in unstable housing solutions*
2. *Identify the current resources available to assist qualifying populations, including congregate and non-congregate shelter units, supportive services, TBRA, and affordable and permanent supporting rental housing.*
3. *Identify any gaps within the current shelter and housing inventory as well as the service delivery system.*



4. *Identify the characteristics of housing associated with instability and an increased risk of homelessness.*
5. *Identify priority needs for qualifying populations.*
6. *Explain how the level of needs and gaps in shelter and housing inventory and service delivery systems are determined.*

Housing Programs Division received responses from twelve agencies and are included in the HOME-ARP allocation plan. Responses focused on a lack of affordable housing.

In addition to the consultation process, HUD also requires a public participation process. To meet this requirement the Housing Programs Division conducted a Pre-Application Workshop on October 26, 2021 for interested organization and citizens to learn about the eligible HOME-ARP projects and beneficiaries.

The Housing and Community Development Commission (HCDC) held a public hearing at their meeting on November 3, 2021. At this public hearing the commission heard from local agencies and citizens regarding barriers and unmet needs existing in the community for serving HOME-ARP qualifying populations.

The HOME-ARP Allocation Plan has been available for public review and comment since February 1, 2022.

The primary role of the Housing and Community Development Commission (HCDC) historically has been to provide recommendations for CDBG and HOME funding to the City Council. The HCDC conducted the following process timeline for developing funding recommendations for HOME-ARP.

October 11, 2021: Consultation questions sent to community agencies

October 26, 2021: Pre-Application Workshop for eligible projects and qualifying populations

November 1, 2021: Consultation responses due

November 3, 2021: HCDC Public Information Session- Council Chambers

November 8, 2021: Request for Proposals released

November 10, 2021: Public Notice for RFP's released

November 19, 2021 Letters of Intent to Apply due

December 6, 2021: Requests for Proposals due

December 15, 2021: HCDC Meeting to hear HOME-ARP proposals and determine funding recommendations

February 1, 2022: HOME-ARP Allocation Plan available for 15 day Public Comment

February 21, 2022: End of 15 Day Comment Period

February 21, 2022: Recommended Council Public Hearing & HOME-ARP Allocation Plan Approval

March 1, 2022: Submission of HOME-ARP Allocation Plan to Housing and Urban Development (HUD)

April 15, 2022: Estimated date for HUD approval of HOME-ARP Allocation Plan.



City of Columbia

701 East Broadway, Columbia, Missouri 65201

Summer 2022: Estimated schedule for Housing Programs Staff to conduct National Environmental Policy Act (NEPA) and 24 CFR Part 58 Environmental Review Procedures for HOME-ARP approved project.

Fall 2022: Estimated schedule for Council to review HOME-ARP funding agreement with approved project agency.

The Housing Programs Division released an RFP on November 8, 2021 seeking eligible HOME-ARP projects. There was one proposal received from the Columbia Housing Authority for the amount of \$2,000,000.

The HCDC listened to a proposal presentation and voted on funding recommendations at its December 15, 2021 meeting. HCDC recommendations will be presented to Council as an amendment to the FY 2021 Annual Action Plan at the February 21, 2022 Council meeting. The HCDC's funding recommendations are included within the FY 2021 Annual Action Plan Amendment & HOME-ARP Allocation Plan as follows:

Housing and Community Development Commission HOME-ARP Funding Recommendations		
Organization	Project	Amount
Columbia Housing Authority	Kinney Point- 24 Units	\$2,000,000
Administration	Staff Administration	\$161,654
	Total	\$2,161,654

The Columbia Housing Authority has proposed to build a 24-unit affordable housing development at the corner of Sexton and Garth to be known as Kinney Point. The new housing will primarily benefit homeless and at-risk for homeless individuals and families. This project addresses a central theme of the consultation responses of a lack of affordable housing. HCDC unanimously recommended fully funding the project.

To date, the Housing Programs Division has overseen nearly \$6 million in funding allocations & recommendations related to COVID response and recovery efforts. Staff included these total budget allocations, as well as recommended Round 3 allocations to ensure City Council was provided the full scope of response and recovery efforts with the HPD, while considering Round 3 recommendations. A comprehensive spreadsheet of all budget allocations related to HPD COVID response and recovery efforts, as well as Round 3 recommendations, is as follows:



Total COVID Response Funding Allocations (Housing Programs Office)										
*HOME-ARP Column is "Recommended"										
Category	Activity	CDBG-CV Round 1	FY 2019 CDBG	FY 2020 CDBG	FY 2020 HOME	County CARES	CDBG-CV Round 3	City Reserve Funding	*HOME-ARP	Total
Housing & Homelessness	Rent & Mortgage Assistance	\$270,000					\$220,000	\$10,000		\$500,000
	Tenant Based Rental Assistance				\$300,000					\$300,000
	Shelter & Quarantine	\$70,000					\$62,000	\$44,708		\$176,708
	Housing Ambassador							\$77,022		\$77,022
	Land Acquisition							\$100,000		\$100,000
	Affordable Housing								\$2,000,000	\$2,000,000
	Transitional Housing							\$200,000		\$200,000
Subtotal										\$3,353,730
Small Business Assistance	Micro Enterprise Recovery Loans	\$175,000	\$90,000							\$265,000
	Small Business Recovery Loans			\$400,000						\$400,000
	Small Business Recovery Grants					\$825,000				\$825,000
Subtotal										\$1,490,000
Food Security	Food Bank						\$123,000	\$13,740		\$136,740
	Food Distribution						\$36,000			\$36,000
	Food Production						\$54,000			\$54,000
Subtotal										\$226,740
Education & Child Care Access	Child Care Provider Assistance						\$100,000			\$100,000
	Family Childcare Assistance						\$30,500			\$30,500
	Learning Pods						\$50,588			\$50,588
	Educational Kits						\$9,000			\$9,000
Subtotal										\$190,988
Training	Vocational Training						\$84,088	\$86,412		\$170,500
Subtotal										\$170,500
Administration		\$58,473				\$5,000	\$124,000		\$161,654	\$349,127
Subtotal										\$349,127
Total										\$5,781,085

Fiscal Impact

Short-Term Impact: Allocates \$2,161,654 in HOME-ARP funding
 Long-Term Impact: Enter the cost of proposed legislation to the city for years **beyond two**.



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Strategic & Comprehensive Plan Impact

[Strategic Plan Impacts:](#)

Primary Impact: Resilient Economy, Secondary Impact: Inclusive Community, Tertiary Impact: Safe Neighborhoods

[Comprehensive Plan Impacts:](#)

Primary Impact: Livable & Sustainable Communities, Secondary Impact: Economic Development, Tertiary Impact: Tertiary

Legislative History

Date	Action
10/7/2019	City Council adopted the 2020-2024 CDBG and HOME Consolidated Plan and 2020 Annual Action Plan.
4/19/2021	Council approved the FY 2021 Annual Action Plan.
1/18/2022	City Council approved a resolution setting a public hearing for February 21, 2022.

Suggested Council Action

Open the public hearing and accept public comment on the Amendment to the FY 2021 Annual Action Plan incorporating HOME-ARP recommended budget allocations.