REVISED Agenda Item #: 5C2

### PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### AGENDA ITEM SUMMARY

**Meeting Date:** 

April 15, 2014

[ ] Consent

[X] Regular

[ ] Ordinance

[ ] Public Hearing

Department:

**Department of Economic Sustainability** 

#### I. EXECUTIVE BRIEF

**Motion and Title: Staff recommends motion to: A) Approve** program strategies for the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs for Fiscal Year 2014-2015; and **B) Approve** funding amounts based on Fiscal Year 2014-2015 allocations provided by the U.S. Department of Housing and Urban Development (HUD).

Summary: Palm Beach County receives annual allocations of Federal CDBG, HOME, and Emergency Solutions Grant (ESG) funds from HUD. For Fiscal Year 2014-2015, HUD has allocated \$5,865,753 in CDBG funds (0.9% decrease from Fiscal Year 2013-2014), \$1,749,997 in HOME funds (8.6% increase from Fiscal Year 2013-2014) and \$478,676 in ESG funds (21.6% increase over Fiscal Year 2013-2014). Staff recommends CDBG funding for the following six (6) strategies: 1) Housing Demolition in the amount of \$500,000; 2) Economic Development in the amount of \$683,376; 3) County-Initiated Capital Projects in the amount of \$1,557,192; 4) Local Entitlement Municipalities in the amount of \$749,882; 5) Special Area of Hope Allocation in the amount of \$322,291; and 6) Public Services in the amount of \$879,862. Staff recommends HOME funding for the following three (3) strategies: 1) Rental Development in the amount of \$794,998; 2) Homeless Prevention/Intervention in the amount of \$250,000; and Community Housing Development Organization Activities in the amount of \$350,000. A competitive ESG allocation process will be administered by the Department of Community Services. Funding allocations for all three (3) Programs will be contained in the Action Plan for Fiscal Year 2014-2015 and presented to the Board of County Commissioners for approval at a Public Hearing on July 22, 2014. Two (2) public meetings to obtain citizen input were held in the eastern and western regions of the County on March 5 and 6, 2014. No local match is required to implement the CDBG Program. The ESG Program matching requirement is met through a cash or in-kind contribution by each agency receiving funding and the HOME matching requirement is met from State funds allocated from the State Housing Initiatives Partnership Program. (Strategic Planning) Countywide (TKF)

Background and Justification: HUD allocates the annual CDBG, HOME, and ESG appropriations between States and local jurisdictions called "entitlement communities" including qualified urban counties with a population of 200,000 or more. Smaller municipalities may elect to participate in either a State program or an urban county program, and thirty local municipalities participate in Palm Beach County's urban county program. The CDBG Program works to ensure decent affordable housing, to provide community facilities and services, and to create jobs through expansion of businesses. The HOME Program leverages resources to provide affordable housing to lower-income families. The ESG Program provides housing and supportive services to the homeless and those at risk of homelessness.

Attachments: Presentation

Recommended By

Department Director

Date /

Approved By:

Assistant County Administrator

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#### II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

	- Cur Guilliary		·puot.				
Fiscal Yea	ers	2014	2015	2016	2017	2018	
Capital Ex	penditures						
Operating	Costs						
External R	External Revenues						
Program Income							
In-Kind Match (County)							
NET FISC	NET FISCAL IMPACT *						
# ADDITION	NAL FTE IS (Cumulative)						
Is Item Inclu Budget Acco	ded In Curren unt No.:	t Budget?	Yes	No			
Fund	Dept Un	it Ob	ject F	Program Code	e/Period		
B. Recor	nmended Sou	rces of Fun	ds/Summar	of Fiscal Im	npact:		
⊀ No fise	cal impact at th	is time.			,		
C. Depar	tmental Fisca	Review:	Shairette Ma	ajor, Fiscal Ma	4-4-14 anager I	-	
		III. <u>RE</u>	VIEW COM	<u>MENTS</u>			
A. OFME	B Fiscal and/or	· Contract D	evelopment	and Control	Comments:		
A. OFMB Fiscal and/or Contract Development and Control Comments:							
OFMB AN AND Contract Development and Contract 4-8-14 Burgers							
B. Legal	Sufficiency:			-			
Chief	Assistant Coun	ty Attorney	9/14				
C. Other	Department R	deview:				·	
Depar	tment Director		-				



# Palm Beach County Action Plan Community Development Block Grant (CDBG) Program Emergency Solutions Grant (ESG) Program HOME Investments Partnership (HOME) Program

PRESENTED BY:
DEPARTMENT OF ECONOMIC SUSTAINABILITY

### **Action Plan**

- Required by HUD
- Serves as consolidated application for CDBG,
   HOME, and ESG Program funding
- Identifies uses and recipients of funding
- Presented to BCC for adoption at a Public Hearing in July of each year
- Due to HUD by August 14<sup>th</sup> annually

# CDBG Objectives

### **CDBG's Primary Goals:**

- Provision of decent housing;
- Creation of a suitable living environment; and
- Expanding economic opportunities.

### **CDBG National Objectives:**

- Benefit low and moderate income persons;
- Prevention or elimination of slums and blight; and
- Meeting a community need of particular urgency.

## CDBG Eligible Categories & Activities

### Public Facilities and Infrastructure

- Construction of park and recreational facilities
- Installation of public sanitary sewer system

#### Public Services

- Counseling services for abused children
- Operating costs of a homeless shelter

### Economic Development

- Funding business incubators
- Services to businesses creating jobs in the community

### Housing Activities

- Demolition and Clearance of blighted structures
- Rehabilitation of owner occupied single family homes

### Historical CDBG Annual Allocations

Fiscal Year		Allocation	Increase/Decrease		
FY 2009-10	\$	<i>7</i> ,11 <i>5</i> ,780	+0.24%		
FY 2010-11	\$	7,351,246	+3.3%		
FY 2011-12	\$	6,188,977	-15.8%		
FY 2012-13	\$	5,418,765	-12.5%		
FY 2013-14	\$	5,917,217	+9.2%		
FY 2014-15	\$	5,865,753	-0.9%		

### **CDBG Strategy**

**Demolition** 

**Economic Development** 

Public Services and The Lewis Center

**Local Entitlement Municipalities** 

County-Initiated Capital Projects

Special Area of Hope

**Program Administration** 

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- Strong demand for demolition of dilapidated housing
- NSP has funded over \$1M of demolition work in the Glades, but needs are Countywide
- Crime deterrent
- Eliminates blight

- Business Incubators
  - TED Center
  - Enterprise Development Corporation
  - Center for Enterprise Opportunity
- Economic Development Services:
  - Section 108 Loan Technical Assistance
  - Enterprise Zone Applications
  - Urban Job Tax Credit
  - Economic Development Incentive Grants
  - Ad Valorem Tax Exemptions

# FY 2014-2015 Recommendation County-Initiated Capital Projects

County Project	Department
Pahokee Gymnasium (District 6)	FDO
Bill Bailey Community Center (District 6)	FDO
Runyon Village Water/Sewer (District 6)	WUD
John Prince Park Fitness Zone (District 3)	Parks
Westgate Park Phase 2 (District 7)	Parks
County Project Implementation	DES

# FY 2014-2015 Recommendation Special Area of Hope Program Strategy

Continue annual rotation of the Special Area of Hope (SAOH) Program Allocation between all 8 Local Entitlement Municipalities.

- The SAOH Program Allocation started in FY 2001, and after rotation among Glades Tri-Cities, began rotating among all municipalities in 2013 - 2014.
- Town of Lake Park is to receive in 2014 2015

# FY 2014-2015 Recommendation Public Services and the Lewis Center

Allocate full allowable 15% of the CDBG grant for Public Service activities.

- 75% Philip D. Lewis Center
- 25% Existing Non-Profit Partners

CDBG Activity		FY 2013-14 Actual		FY 2014-15 Proposed	
Demolition	\$	100,000	\$	500,000	
Utility Connection	\$	35,000	\$	-	
Economic Development	\$	783,376	\$	683,376	
Public Services and The Lewis Center	\$	883,832	\$	879,862	
Local Entitlement Municipalities	\$	749,882	\$	749,882	
County-Initiated Capital Projects	\$	1,864,493	\$	1,557,192	
Special Area of Hope	\$	322,291	\$	322,291	
Program Administration	\$	1,178,343	\$	1,173,150	
TOTAL	\$	5,917,217	\$	5,865,753	

# **Economic Development**

Agency	Funding		
Center for Enterprise Opportunity	\$ 80,000		
Enterprise Development Corporation	\$ 51,000		
Center for Technology, Enterprise, and Development	\$ 151,000		
Economic Development Services	\$ 401,376		
TOTAL	\$ 683,376		

# County-Initiated Capital Projects

Project	Department	Funding
Pahokee Gymnasium (District 6)	FDO	\$ 150,000
Bill Bailey Community Center (District 6)	FDO	\$ 150,000
Runyon Village Water/Sewer (District 6)	WUD	\$ 700,000
John Prince Park Fitness Zone (District 3)	Parks	\$ 100,000
Westgate Park Phase 2 (District 7)	Parks	\$ 100,000
County Project Implementation	DES	\$ 357,192
TOTAL	N/A	\$1,557,192

# **Public Services**

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Agency	Funding		
Aid to Victims of Domestic Abuse	\$ 20,020		
Children's Home Society	\$ 18,480		
Children's Place at Home Safe	\$ 13,867		
Coalition for Independent Living Options	\$ 17,821		
Healthy Mothers/Healthy Babies	\$ 7,252		
J.A.Y. Ministries	\$ 9,239		
Legal Aid Society	\$ 47,300		
Place of Hope	\$ 12,100		
Redlands Christian Migrant Association	\$ 10,780		
Seagull Industries for the Disabled	\$ 24,200		
Sickle Cell Foundation	\$ 13,860		
Urban League	\$ 14,708		
Vita Nova	\$ 10,339		
Philip D. Lewis Center	\$ 659,896		
TOTAL	\$ 879,862		

### **HOME Program**

### **Objective**

Provide decent affordable housing to lower income households

### Eligible Activities

- Homebuyer Assistance
- New construction of Rental or For-Sale Housing
- Acquisition and/or Rehabilitation of Affordable Housing
- Rental Assistance

Note: 15% of HOME funding must be allocated to non-profit groups designated as Community Housing Development Organizations (CHDOs).

# FY 2014-2015 Recommendations HOME Program Strategies and Funding

HOME Activity		FY 2013-14 Actual		FY 2014-15 Proposed		
CHDO Activities	\$	322,369	\$	350,000		
Rental Development	\$	1,128,290	\$	794,998		
Homeless Prevention/Intervention (Tenant Based Rental Assistance)	\$	-	\$	250,000		
Program Administration	\$	161,184	\$	354,999		
TOTAL	\$	1,611,843	\$	1,749,997		

# **ESG** Program

### **Objective**

To provide housing and supportive services to the homeless, and the at-risk population.

### **Eligible Activities**

- Emergency Shelter
- Homeless Prevention
- Rapid Re-Housing
- Street Outreach
- Client Management Information System

### **ESG** Process

- ESG is administered by the Palm Beach County
   Department of Community Services
- The ESG allocation for FY 2014-2015 is \$478,676.
- Funds are provided to local non-profit agencies through a competitive process
- FY 2014 2015 funding recommendations are forthcoming from a grant review committee of the PBC Homeless and Housing Alliance
- Funding recommendations will be brought to the Board in the Action Plan at a July 22<sup>nd</sup> Public Hearing

### Staff Recommendations

### Staff recommends Motion to:

- A) Approve program strategies for Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) Programs for Fiscal Year 2014 2015; and
- B) Approve funding amounts based on Fiscal Year 2014-2015 allocations provided by the U.S. Department of Housing and Urban Development (HUD).

# **Board Directions**