



Memorandum

To: Housing & Community Development Act Committee

From: Sarah Flax, Housing and Grants Administrator

Subject: May 15, 2018 HCDA Meeting Cover Memo

Date: May 15, 2018

Attached please find:

- The meeting agenda
- Item 2: Draft minutes of the March 20, 2018 meeting for approval
- Item 3: 2018 Community Development Block Grant Funding from U.S. Department of Housing and Urban Development Memo
- Item 4: 2018 CDBG Allocation Recommendation based on Actual Funds Available

We look forward to seeing you on March 20th.



HOUSING & COMMUNITY DEVELOPMENT ACT COMMITTEE

Tuesday, May 15, 2018

7:00 pm

Lorraine H. Morton Civic Center, 2100 Ridge Avenue
Room 2402

AGENDA

- I. CALL TO ORDER/DECLARATION OF QUORUM**
- II. APPROVAL OF MEETING MINUTES FOR MARCH 20, 2018**
- III. ALLOCATION OF ADDITIONAL FY 2018 CDBG FUNDS**
- IV. 2019 CDBG/MHB APPLICATION AND PROCESS**
- V. PUBLIC COMMENT**
- VI. STAFF REPORTS**
- VII. ADJOURNMENT**

The next meeting of the Housing & Community Development Act Committee
is scheduled for
Tuesday, June 19, 2018 in Room 2402.

Order of agenda items is subject to change

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DRAFT

MEETING MINUTES

HOUSING & COMMUNITY DEVELOPMENT ACT COMMITTEE

Tuesday, March 20, 2018

7:00 P.M.

Lorraine H. Morton Civic Center, 2100 Ridge Avenue, Room 2402

Members present: Ald. Rainey, Ald. Wilson, Ald. Wynne, Shawn Jones, Glen Mackey, Michael Miro

Members Absent: Ald. Braithwaite, Ald. Rue Simmons, Carol Goddard, Jeannie Sanke

Presiding Member: Ald. Rainey, Committee Chair

Staff: S. Flax

Call to Order / Declaration of Quorum

Chair Rainey declared a quorum of the Housing and Community Development Act Committee and called the meeting to order at 7:05 PM.

Approval of Meeting Minutes for February 20, 2018

Mr. Jones moved approval of the minutes as submitted, Ald. Wynne seconded the motion; it was approved unanimously.

Public Input of the Draft 2017 Consolidated Annual Performance and Evaluation Report

Chair Rainey noted that City Council had approved the 2017 Consolidated Annual Performance and Evaluation Report (CAPER) at its meeting the prior evening due to timing issues; the March 26 Council meeting at which the CAPER was scheduled for approval had been canceled, requiring this change to meet the March 31, 2018 submission date to HUD. Staff noted there had been no comment submitted in writing by email or in hard copy, or via social media prior to tonight's meeting. A resident called staff to question why the maps in the CAPER were based on such old data (American Community Survey data from 2006-2010) but did not have any comment on the CAPER. Chair Rainey asked the members of the public in attendance if they wished to make any comment on the draft CAPER. Both declined. As there was no input from any member of the public, Chair Rainey closed the 15-day public comment period for the draft 2017 CAPER.

Community Development Block Grant Application Discussion

Chair Rainey opened discussion by asking committee members for their input on the suggested changes in the staff memo. Following a brief discussion, Chair Rainey requested that staff put the current questions into a Word document and send that document with the changes in the memo to committee members. Each member will then submit their changes to staff, who will incorporate them into a single document. Mr. Mackey asked if the revised version would come back to the committee for review/approval. It was agreed that the final wording and format would be handled administratively by staff.

The draft schedule for the application review process and allocation meeting was discussed. Staff recommended adding a third meeting for the committee to review/ask questions about the City CDBG applications and have a preliminary discussion about funding priorities before

receiving the allocation spreadsheet, as discussed in the February meeting. If the total number of letters of intent submitted by August 1 is lower than estimated, the third meeting would be canceled.

Other Public Comment

Ray Friedman asked for information on the number of affordable housing units created or approved since January 1, 2016 when the amended Inclusionary Housing Ordinance went into effect. Staff noted that four units were under construction at 828 Noyes Street development and fifteen would be included in the Albion development that had been approved recently. In addition, the 811 Emerson Street development will pay \$2.4 million to the Affordable Housing Fund in lieu of on-site units.

Staff Reports

None.

Adjournment

There being no further business before the committee, Shawn Jones moved adjournment, Ald. Wynne seconded the motion and it was approved unanimously; the meeting was adjourned at 7:21 PM.

Respectfully submitted,
Sarah K. Flax
Housing and Grants Administrator



Memorandum

To: Chair and Members of the Housing & Community Development Act Committee

From: Erika Storlie, Assistant City Manager / Acting Community Development Director
Sarah Flax, Housing & Grants Administrator
Jessica Wingader, Grants & Compliance Specialist

Subject: 2018 Community Development Block Grant Funding from U.S. Department of Housing and Urban Development

Date: May 8, 2018

Recommended Action:

Staff recommends approval of the proposed increases of Community Development Block Grant (CDBG) funding to CDBG Administration, Graffiti Removal, Summer Youth Employment, Certificate of Rehab, and Target Area Code Enforcement as shown in the attached spreadsheet. In addition, an allocation of \$187,813 to the Foster Athletic Field Renovations project is recommended.

Funding Source:

CDBG funding from the U.S. Department of Housing and Urban Development. The City's actual 2018 CDBG grant, combined with 2017 repayments to the Revolving Loan fund, 2017 program income and unspent CDBG funds from prior years, total \$2,005,332, giving the Committee \$328,863 more CDBG funding than the estimate used to make allocations in September 2017 for the draft 2018 Action Plan.

Livability Benefit:

Built Environment: Enhance public spaces, support housing affordability, provide compact and complete streets and neighborhoods

Economy & Jobs: Retain and expand local businesses, expand job opportunities, develop workforce, and support green jobs and businesses

Education, Arts and Jobs: Support social and cultural diversity, promote a cohesive and connected community, and support older adults as they age in the community

Equity & Empowerment: Ensure equitable access to community assets, provide for meaningful community engagement, support quality human services programs, and support poverty prevention and alleviation

Summary:

The U.S. Department of Housing & Urban Development released the 2018 Federal grant allocations for Entitlement Grantees on May 1, 2018. City of Evanston CDBG, HOME and ESG grants for 2018 are all increasing from 2017, as shown below.

Grant	2018 City of Evanston Entitlement Grants			Change from 2017	
	2017	2018 Estimate	2018 Actual	Dollars	Percent
CDBG	\$ 1,622,067	\$ 1,500,000	\$ 1,788,178	\$ 166,111	10.24%
HOME	\$ 281,174	\$ 260,000	\$ 384,889	\$ 103,715	36.89%
ESG	\$ 144,334	\$ 140,000	\$ 146,023	\$ 1,689	1.17%

The Housing & Community Development Act Committee must allocate the additional CDBG funds to specific activities, and staff will incorporate those allocations in the 2018 Action Plan. That plan will then be submitted to City Council for approval on May 29, 2018 before its submission to HUD.

The attached spreadsheet shows the staff recommendations to allocate the additional CDBG funding received for 2018 in the second column from the right and increases CDBG Administration to \$330,000, which is less than the 20% of the actual grant allowed by HUD for this category; at least \$25,000 is expected to be needed for an Analysis of Impediments to Fair Housing or Assessment of Fair Housing based on guidance from HUD. Additional funding from the 2019 grant may be needed for this requirement, as well due to cost increases and timing of the work and payments. (The contract for the Analysis of Impediments completed in 2013 was \$24,990.)

With the additional funding allowed for Public Services, staff recommends increasing allocations for Graffiti Removal, Summer Youth Employment, and Certificate of Rehab. These three activities received among the lowest percent of their requests in the September allocation. Increasing CDBG brings them in line with funding for external applicants and helps offset costs to the General Fund.

Staff recommends increasing funding to Targeted Code Enforcement to \$325,000 to help reduce the amount of CDBG-eligible expenses charged to the General Fund, and allocating the remaining \$187,813 for the Foster Field Athletic Field Renovations. This project is a high need on the City’s capital project list and is located in the Neighborhood Revitalization Strategy Area, the highest priority area for CDBG investment. Public Works is evaluating whether part of this project may be undertaken in 2018 with this funding or if funds should be held until additional CDBG and/or capital funds are allocated in 2019 for the full project. The City could also choose to reallocate these

funds to another project as part of the 2019 Action Plan if it is determined that another CDBG-eligible capital project has a higher priority during the City's budgeting process.

These proposed changes will not trigger a substantial amendment to the draft 2018 Action Plan, which the Committee approved at its meeting in November 2017. Following the Committee's allocation of the additional funds, the draft Action Plan will be updated and submitted to City Council on May 29, 2018 for approval. The plan will be submitted to HUD for approval by June 1, 2018. HUD has 45 days to review and approve before grant agreements are executed and funds are released.

Attachments:

2018 CDBG Actual Funds Available - Staff Allocation Recommendation

2018 CDBG Allocation Recommendation based on Actual Funds Available

		2018 Request	Committee Recommendation		2018 Actual Funds Available	
		\$ 2,925,866	\$ 1,676,469		\$ 2,005,332	
		\$ 1,676,469	\$ 1,676,469		\$ 2,005,332	
		\$ 1,249,397	\$ (0)		\$ -	
Program/Project Name	2017 Allocation	2018 Request	Committee Recommendation	% of Request	Staff Recommendation	% of Request
Administration - 20% cap						
City/CDBG Administration & Planning(or 20% of grant)	\$ 324,413	\$ 300,000	\$ 300,000	100%	\$ 330,000	100%
Administration Subtotal	\$ 324,413	\$ 300,000	\$ 300,000	100%	\$ 330,000	
Spending cap (20% of entitlement)		\$ 300,000	\$ 300,000		\$ 357,636	
Amount over (under) cap		\$ -	\$ -		\$ (27,636)	
Public Services - 15% cap						
Family Focus/The Future Focus-Youth Program	\$ 15,000	\$ 20,000	\$ 15,000	75%	\$ 15,000	75%
Youth & Opportunity United/STEAM is For Teens	NA	\$ 25,000	-		-	0%
Open Studio Project/Art and Action	\$ 4,000	\$ 10,000	\$ 4,000	40%	\$ 4,000	40%
Evanston Scholars/College Readiness	\$ 5,200	\$ 30,500	\$ 15,000	49%	\$ 15,000	49%
Youth Job Center/Youth Employment Programs	\$ 21,800	\$ 50,000	\$ 21,000	42%	\$ 21,000	42%
Moran Center/Legal & Social Services	\$ 21,800	\$ 30,000	\$ 20,000	67%	\$ 20,000	67%
Impact Behavioral Health/Employment Services	\$ 15,300	\$ 25,000	\$ 15,000	60%	\$ 15,000	60%
Shore Community Services/Vocational Training	NA	\$ 20,000	\$ 7,448	37%	\$ 7,448	37%
The Josselyn Center/Psychiatric Services	NA	\$ 12,000	-	0%	-	0%
Turning Point/Open Access Program	NA	\$ 10,000	-	0%	-	0%
Jewish Family Services/Financial Counsel & Case Mgmt	NA	\$ 10,000	-	0%	-	0%
North Shore Senior Center/Grandparents Raising	\$ 10,500	\$ 15,000	\$ 9,000	60%	\$ 9,000	60%
Meals At Home/Home-Delivered Meals	\$ 14,700	\$ 20,000	\$ 15,000	75%	\$ 15,000	75%
Interfaith Action/Emergency Overnight Shelter	\$ 12,500	\$ 20,000	\$ 15,000	75%	\$ 15,000	75%
YWCA Evanston-NS/Domestic Violence Services	\$ 24,800	\$ 35,000	\$ 25,000	71%	\$ 25,000	71%
Connections for the Homeless/Supportive Housing	\$ 15,100	\$ 45,000	\$ 15,000	33%	\$ 15,000	33%
City/Target Area Graffiti Removal	\$ 41,921	\$ 47,000	\$ 20,000	43%	\$ 44,329	94%
City/Summer Youth Employment Program	\$ 22,000	\$ 25,000	\$ 10,000	40%	\$ 25,000	100%
City/Certificate of Rehab & Record Sealing	\$ 30,000	\$ 75,000	\$ 30,000	40%	\$ 40,000	53%
Public Services Subtotal		\$ 524,500	\$ 236,448	45%	\$ 285,777	
Spending cap (15% of entitlement +RL+PI)		\$ 236,448	\$ 236,448		\$ 285,777	
Amount over (under) cap		\$ 288,052	\$ 0		\$ (0)	
Housing						
City/Housing Rehab Administration	\$ 143,499	\$ 210,244	\$ 100,000	48%	\$ 100,000	48%
Housing Rehab Loan Repayments(actual repayments)	\$ 208,541	\$ 66,122	\$ 66,122	100%	\$ 116,742	100%
Code Enforcement Subtotal		\$ 276,366	\$ 166,122	60%	\$ 216,742	
Code Enforcement						
City/CDBG Target Area Code Enforcement	\$ 300,000	\$ 375,000	\$ 313,899	84%	\$ 325,000	87%
Code Enforcement Subtotal		\$ 375,000	\$ 313,899	84%	\$ 325,000	
Public Facilities & Infrastructure						
Friendship Baptist Church/Senior Access Project	NA	deferred	NA	NA		
City/Foster Athletic Field Renovations	NA	\$ 350,000	-	0%	\$ 187,813	54%
City/Mason Park Field House Roof Replacement	NA	\$ 110,000	\$ 110,000	100%	\$ 110,000	100%
City/Alley Paving Project	\$ 150,000	\$ 600,000	\$ 210,000	35%	\$ 210,000	35%
City/Street Resurfacing Project	\$ 210,000	\$ 290,000	\$ 290,000	100%	\$ 290,000	100%
Public Facilities & Infrastructure Subtotal		\$ 1,350,000	\$ 610,000	45%	\$ 797,813	
Economic Development						
City/Economic Development Loan Fund Recapitalization	\$ 33,875	\$ 100,000	\$ 50,000	50%	\$ 50,000	50%
Economic Development Subtotal		\$ 100,000	\$ 50,000	50%	\$ 50,000	
Totals		\$ 2,925,866	\$ 1,676,469		\$ 2,005,332	
Total Estimated Funds Available		\$ 1,676,469	\$ 1,676,469		\$ 2,005,332	
Estimated To Be Cut:		\$ 1,249,397	\$ (0)		\$ -	

Funds Available:

	Est 9/19/17	Actual 5/1/18
2018 CDBG Grant (est 7.5% under 2017 grant of \$1,622,067)	\$ 1,500,000	\$ 1,788,178
2017 Revolving Loan repayments	\$ 66,122	\$ 116,742
2017 Program Income	\$ 10,197	\$ 262
Unspent Prior Years Funds for Reallocation	\$ 100,150	\$ 100,150
Total Available Funds:	\$ 1,676,469	\$ 2,005,332