

CITY COUNCIL COMMUNICATION



MEETING DATE: January 26, 2010 **ITEM NUMBER:** 8A
TYPE OF ITEM: Public Hearing Karen Roney
PRESENTED BY: Kathy Fedler, CDBG and Affordable Housing Programs Coordinator
303-651-8736 kathy.fedler@ci.longmont.co.us

Digitally signed by Karen Roney
DN: cn=Karen Roney, o.ou,
email=karen.roney@ci.longmont.
co.us, c=US
Date: 2010.01.19 18:21:41 -0700

SUBJECT/AGENDA TITLE: Public Hearing on 2010-2014 Regional Consolidated Plan and 2010 Community Development Block Grant (CDBG) Program and HOME Program Action Plan

EXECUTIVE SUMMARY:

Regional Consolidated Plan – The Boulder County/Broomfield Regional Consortium was formed in 2007 to obtain HOME funding for the entire region (previously only the city of Boulder was a direct HOME recipient). This has resulted in over \$300,000 in additional HOME funding being provided to this area on an annual basis. The Consortium is made up of the City of Boulder, the City and County of Broomfield, the City of Longmont, and Boulder County (representing all the other incorporated and unincorporated jurisdictions). The City of Boulder is the lead entity for the Consortium per HUD regulations.

This year, the Consortium has received permission from HUD to submit one Consolidated Plan covering all the HOME and CDBG funding for 2010-2014 for the region. In the past Boulder, Broomfield and Longmont have had to submit three separate Consolidated Plans with coordination only overlapping in HOME funding. This Plan identifies the housing and community development needs, programs and policies for the region as a whole as well as identifying the unique programs and characteristics of the individual consortium members.

After a 30 day comment period running from January 15 – February 15, 2010 the Consortium will submit the Plan and the Action Plans to HUD. Once the 2010-2014 Consolidated Plan is accepted by HUD, it will be updated each year with a new Action Plan outlining how the region's HOME and CDBG funding will be spent in that year.

2010 Action Plan - After three public hearings in Longmont (held on May 26, September 10 and September 22, 2009), Council accepted the project funding recommendations of the Longmont Housing and Human Services Advisory Board (HHSAB) for the 2010 Community Development Block Grant (CDBG) and HOME Programs at the September 22, 2009 Council meeting.

This public hearing allows Longmont citizens a final opportunity to comment on the Consolidated Plan and the city's Action Plan.

COUNCIL OPTIONS: Staff is asking for your authorization to submit the 2010-2014 Regional Consolidated Plan and 2010 Action Plan for the CDBG and HOME Programs to HUD. This authorization should be given with the caveat that any comments received between now and February 15 (the end of the 30 day comment period) will be brought to your attention for any additional action or consideration that may be needed. No comments have been received to date.



RECOMMENDED OPTIONS: Approve submission
--

FISCAL IMPACT & FUND SOURCE FOR RECOMMENDED ACTION: No impact to the General Fund. Approval will result in between \$855,000 and \$955,700 in HOME and CDBG funding allocated to Longmont with an additional \$17 million in other federal, public and private funds (including \$739,600 from the city’s Affordable Housing Fund) being leveraged for projects in Longmont, and a total of over \$3.2 million in HOME and CDBG funds for the Consortium with over \$84 million in other funding being leveraged consortium-wide.
--

BACKGROUND AND ISSUE ANALYSIS:

Executive Summary of the Consolidated Plan:

Significant findings of the housing market analysis and needs assessment include -

- The Consortium region covers an area best thought of as a single regional housing market, one generally characterized by excess demand – seen in low vacancy rates and rising housing purchase prices and rents.
- After a rapid increase in both population and housing units during the latter half of the 20th century, growth rates for both are now slowing.
- Although the region enjoys high area median incomes (“AMI”) compared to the rest of the state –the “housing wage” for Boulder County is 121% of the mean renter wage.
- Using 2008 American Community Survey data, approximately 54% of the renters in Boulder County and 51% of renters in Broomfield are “housing cost burdened.”
- The Boulder MSA (which does not include Broomfield) is the most expensive MSA in the state.
- The estimates for affordable housing units required to meet the expected demand in 2014 are 15,280 additional rental units and 22,272 ownership units. Today, there are approximately 5,645 publicly assisted affordable units in the Consortium region, as well as approximately 1,625 Section 8 Housing Choice vouchers.
- Although compared to neighboring counties, Boulder and Broomfield counties have weathered the foreclosure crisis relatively well, foreclosures present significant issues for Consortium communities, especially in Longmont.
- All four housing authorities within the Consortium region agreed that the needs are urgent and the Very Low-Income client population is increasing.
- According to the 2009 Point-in-Time Survey, there were 1207 homeless people in the region with significantly more families homeless in Broomfield County.

Based on the housing market analysis, needs assessment and the input gathered through the Consolidated Planning process, the Consortium selected six priority areas for investment that are further outlined in the Strategic Plan. The priorities interlock intentionally in order to further the Consortium's efforts to address poverty and service provision in a holistic and more effective manner. Specific objectives and goals are defined for each priority area in Chapter 4.

1. Increase the amount and affordability of rental housing for the Consortium's lowest income renters.
2. Preserve existing affordable owner-occupied housing stock by keeping houses safe and habitable, help owners to age in place and provide foreclosure prevention services to all homeowners.
3. Support low-to-moderate income home buyers and increase the supply of affordable housing units.
4. Reduce homelessness within the Consortium geographic area.
5. Revitalize and invest in the consortium's communities to ensure that all neighborhoods, particularly those of low/moderate income, enjoy a high quality of life for their residents.
6. Increase the economic empowerment of residents to secure a stable income and begin to build wealth.

Past Year Performance

A summary of the past year's performance is a requirement of each subsequent year's Action Plan public hearing. During 2009, staff has put over \$1.4 million of CDBG and HOME funds under contract which is 94% of all approved projects. \$574,300 of these contracted funds have been spent to date for a 39% expenditure rate. Most importantly, we have more than met our timeliness standard and so will be in good standing with HUD on that issue. We have also worked to close out prior year's grants with only 2007-2009 projects open, and only two projects remain open from 2007. In addition in 2009, we received \$144,674 in special CDBG Stimulus funding, 100% of which is committed and \$132,913 of which is spent for a 92% expenditure rate.

Using both CDBG and HOME funds, we have helped 16 low income families purchase their own home in 2009 through the Down Payment Assistance Program. And 4 families have purchased new homes under the Community Housing Program to date. 67 applications for both programs were processed. In addition,

CDBG funds have been used for the following projects:

- 126 persons have attended the Home Ownership Training Sessions and 17 have completed the one-on-one budgeting sessions
- 124 Longmont households received mortgage delinquency or foreclosure counseling and 20 received one-on-one budget or credit counseling. 22 attended a foreclosure prevention seminar.

- 189 total persons attended other housing education and outreach sessions
- 6 families received assistance to rehabilitate their home
- 6 families had their homes made accessible for disabled family members
- 19 emergency grants were made to replace heating systems, water heaters, and correct electrical safety issues
- 2 homes owned by very low income elderly persons were painted in partnership with Longmont Senior Services staff and various volunteers
- 8 persons with disabilities received rent deposit loans to allow them to live independently
- 5 new households are participating in the Individual Development Account (IDA) program in 2009, saving to buy a home or further their education.
- Completed roofing project at English Village (32 units family housing) and installed exhaust fans at Parkville apartments (76 units family housing), completed land acquisition for Imagine! group home construction project.
- Funded computer lab and lighting projects in Mountain View Mobile Home Park, undertook comprehensive code enforcement efforts in Mid-town and began other investment efforts in Mid-town.

HOME Consortium funds have been used for the following projects:

- The Down Payment Assistance program was recapitalized with HOME funds and loans made are included in the totals above.
- Completed the soft costs necessary to begin construction at the Aspen Meadows Neighborhood, put the infrastructure costs under contract and started moving ground in 2009.
- Began the Tenant-based Rental Assistance Program in November with 21 persons in 8 homeless households placed in housing by end of 2009. All will receive supportive case management.
- Completed the land acquisition for the Imagine! group home for persons with developmental disabilities.

CDBG-R – Stimulus Funds have been used for the following projects:

- Completed the installation of an energy efficiency improvement project at St. Vrain Manor which met the needs of its low income senior residents by splitting out the thermostat control system so that each resident can control their own apartment's heating/cooling needs. This provided utility savings to the non-profit management company as well as provided a much more energy-efficient delivery system.
- One Longmont business entrepreneur started a new business using Stimulus funding. Another business is receiving technical assistance to bring it into financial solvency and potentially attract new contracts.

Affordable Housing Funds have been used for the following projects:

- 10 affordable homes in Blue Vista have been closed in 2009 bringing the total sold to 30. 23 market homes have sold to date.
- Completed The Lodge at Hover Crossing providing housing for 50 extremely low income seniors.
- 34 rental units in 9 buildings were rehabilitated and made affordable for next 5 years under the Rental Rehab Program.

- \$44,475 in water and sewer system development fees were paid by the Affordable Housing Fund to the Water/Sewer Fund to offset these costs for the new construction of 9 affordable homes.

Other Programs/Activities:

- Under the Digital Divide Program, 40 families with school aged children received free wireless internet accounts and 20 families received computers so they could access the internet
- 5 homeless persons received security deposits so they can rent apartments through the Jobs to Home program
- During National Homeless Awareness Week, LHOT held an educational event which attracted over 150 attendees giving information about “Life In And Out of the Alley”
- Completed “The Homeless Plan – Working Together to End Homelessness in Longmont”

Appreciation

Staff again wishes to thank the members of the Housing and Human Services Advisory Board and the Affordable Housing Technical Review Group for all of their hard work on behalf of the CDBG and HOME Programs. Their assistance and time is greatly appreciated by staff.

ATTACHMENT: Draft 2010-2014 Consolidated Plan and 2010 Action Plan