



Albemarle County

Legislation Text

File #: 20-321, **Version:** 1

AGENDA DATE: 5/20/2020

TITLE:

Virginia Community Development Block Grant (CDBG)

SUBJECT/PROPOSAL/REQUEST: Public Hearing on the availability of CDBG funding and to receive input on community development and housing needs.

ITEM TYPE: Regular Information Item

STAFF CONTACT(S): Richardson, Walker, Kamptner, Baumgartner, Filardo, Pethia

PRESENTER (S): Stacy Pethia

LEGAL REVIEW: Yes

REVIEWED BY: Jeffrey B. Richardson

BACKGROUND: The Virginia Community Development Block Grant (VCDBG) is a federally funded grant program administered by the Virginia Department of Housing and Community Development (DHCD). Since 1982, the DHCD has provided funding to eligible units of local government (non-entitlement communities only) for projects that address critical community needs including housing, infrastructure and economic development. Albemarle County has received numerous grants in previous years to support housing and community improvement initiatives. The VCDBG application process requires that two local public hearings be conducted. The purpose of the first public hearing is to provide information on eligible activities that may be funded by CDBG, the amount of funding estimated to be available, and past activities undertaken with CDBG funds, and to receive public comment on this information and potential community development and housing needs. The follow-up public hearing is held in order to consider proposed project applications and must take place prior to the DHCD application due date in March 2021. Applications must be submitted by the County to the DHCD; however, the proposed activities may be undertaken by partner agencies.

STRATEGIC PLAN: *Quality Government Operations:* Ensure County government's capacity to provide high quality service that achieves community priorities.

DISCUSSION: Albemarle County, as a non-entitlement community, is eligible to apply to the DHCD for up to approximately \$1.5 million in CDBG funding for projects that benefit low- and moderate-income persons, prevent slums and blight, or address urgent community needs. Eligible activities include economic development, housing rehabilitation, housing production, community facilities and community service facilities. Community development projects can receive varying levels of funding, depending on the nature of the activity, or by combining multiple activities. The DHCD has not released estimates for 2021. Current fiscal year (FY20) funding was \$15.3 million for competitive grants and \$12.4 million for open submission applications.

Over the years, Albemarle County has been successful in receiving a number of CDBG grant awards. The most recent grant was awarded in 2016 to improve 29 owner-occupied homes in the Alberene neighborhood. Staff is in the process of closing out this project. Prior grants have resulted in improved infrastructure for the

Oak Hill subdivision and preservation of owner-occupied homes and rental units located in neighborhoods throughout the County. The County is currently working with Habitat for Humanity on a Vibrant Communities Initiative Grant, which includes \$1 million of CDBG funds, to assist in developing the first phase of the Southwood Redevelopment Project.

In addition to the regular FY20 CDBG allocation, the Coronavirus Aid, Relief, and Economic Security (CARES) Act provides an additional \$10,993,780 in CDBG funds for Virginia's non-entitlement communities. DHCD has not yet published guidance on approved uses for these funds. However, based on an April 1, 2020 press release from the U.S. Department of Housing Urban Development, staff anticipate the CARES Act CDBG funding will be directed towards projects addressing COVID-19 related community needs. The total amount of these funds Albemarle County may be eligible to receive is not yet known.

Albemarle County is currently seeking community input on community needs that may be addressed through a CDBG project. The County is also soliciting proposals for potential CDBG grant applications. For any project to be considered by the County for CDBG funding, the applicant must notify the County no later than June 12, 2020. Proposals shall be submitted utilizing the form found in Attachment A. This notice shall include a brief description of the project, the proposed use of CDBG funds, and a description of the beneficiaries of the proposed activity. Priority will be given to proposals addressing COVID-19 related community needs.

BUDGET IMPACT: There is no budgetary impact until an application is made to the DHCD and approved for a funded project. Projects approved for CDBG funding generally require some level of local funding support, which may include funding provided by the project sponsor.

RECOMMENDATION:

Staff recommends that the Board receive information on available CDBG funding and eligible uses and hold the public hearing to receive input from the public on potential community development and housing needs. Staff also recommends that the Board set a public hearing for the second regular Board meeting in July 2020 for the second required public hearing to review and approve the submission of any proposed applications to the DHCD.

ATTACHMENTS:

Att. A - CDBG Project Proposal Form