



**CITY OF TYLER
CITY COUNCIL COMMUNICATION**

Agenda Number: O-3

Date: July 23, 2008

Subject: Request that the City Council consider adopting an ordinance adopting the FY 2008-2009 Community Development Block Grant (CDBG) and HOME Programs and adopt the budget as recommended.

Page: 1 of 1

Item Reference: CDBG Regulations, Census Information, and the Department of Housing and Urban Development (HUD) Low and Moderate Income Data, Housing Surveys

On March 28, 2008 the Neighborhood Services Department held the first of two public hearings to inform the public of the availability of federal funds for FY 2008-2009 and to solicit citizen and neighborhood input. The second hearing was held on March 31, 2008. On March 19, 2008, Staff conducted a CDBG Public Services Application workshop and on March 20, 2008, a Public Facilities & Housing Application workshop. The workshops provided an in-depth overview of the CDBG & HOME programs and further explained the application process. Request for Proposals (RFP) for Public Services, Public Facilities, and Housing were solicited beginning March 21 – April 28, 2008 and technical assistance provided as requested. The RFP committee reviewed each proposal, conducted site visits, and recommended funding based on guidelines required by HUD and Council policies.

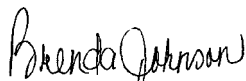
The total 2008 allocation from the U.S. Department of Housing and Urban Development for the Community Development Block Grant Program is \$935,129. The total 2008 allocation for the HOME Program is \$468,480. **\$468,504**. This makes a total of ~~\$1,403,609~~ **\$1,403,633** for FY 2008-2009. Attached is the proposed budget recommendation which includes Staff requests, external requests, and administrative and direct delivery costs. The administrative budgets are subject to the same review process as all other City departments and will be finalized with the City budget.

The final public hearing was held July 9, 2008 at the City Council meeting, during which Staff requested direction on the proposed programs. No changes were submitted.

RECOMMENDATION:

It is recommended that the City Council adopt the ordinance approving the FY 2008-2009 Community Development Block Grant (CDBG) and HOME Annual Plan and Budget as recommended by staff.

Drafted/Recommended By:
Department Leader


Brenda Johnson

Edited/Submitted By:
City Manager

HOUSING AND CODE RELATED PROJECTS

| Organization | Program Name and Description | 2008 CDBG | | | 2008 HOME | | |
|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|--------------------|--------------------|-------------------------|------------------|------------------|
| | | # to be Served | Amount Requested | Proposed Amount | # to be Served | Amount Requested | Proposed Amount |
| City of Tyler Neighborhood Services Department | “Clearance/Demolition” : Provides funding for project delivery costs and the removal of dilapidated structures and site clearance to eliminate slum and blight. | 8 projects | \$50,000 | \$50,000 | Not Eligible | Not Eligible | Not Eligible |
| | Population Served : Not Applicable | | | | | | |
| | Area Served : City wide demolition only | | | | | | |
| City of Tyler Neighborhood Services Department | “Interim Assistance” : Provides funding for special neighborhood clean-up events in conjunction with neighborhood revitalization efforts. | 2 projects | \$15,000 | \$15,000 | Not Eligible | Not Eligible | Not Eligible |
| | Population Served : Not Applicable | | | | | | |
| | Area Served : Low-income Census Tracts and Block Groups | | | | | | |
| City of Tyler Neighborhood Services Department | “Code Enforcement – Housing Inspections” : Provides funding for project delivery costs and the identification of housing code violations related to neighborhood revitalization. | 300 inspections | \$50,000 | \$50,000 | Not Eligible | Not Eligible | Not Eligible |
| | Population Served : Not Applicable | | | | | | |
| | Area Served : Low-income Census Tracts and Block Groups | | | | | | |
| City of Tyler Neighborhood Services Department | “Housing Rehabilitation Program” : Funding for project delivery costs for the <u>rehabilitation</u> and <u>reconstruction</u> of dwellings occupied by low-income homeowners to bring units into compliance with housing and building codes. CDBG funds are also used to remove conditions that threaten the immediate safety and health of homeowner occupants and to increase <u>handicapped accessibility</u> for disabled. | 1 project | CDBG: \$150,000 | CDBG: \$150,000 | 1 project | HOME \$90,000 | HOME \$90,000 |
| | Population Served : Low-income homeowners | | | | | | |
| | Area Served : 100% Tyler – Funds are available city-wide for Emergency Rehab and Removal of Architectural Barrier Program; CDBG funds are available for use in the target area that is designated annually for the Housing Rehabilitation Program. | | | | | | |
| | Area Served : 100% Tyler –city-wide/ Low-income Census Tracts and Block Groups | | | | | | |
| City of Tyler Neighborhood Services Department | “Homebuyer’s Program” : Provides project delivery costs & funds for Downpayment & Closing Cost assistance to low-income homebuyers with income up to 80% MFI. | 1 low-income household | \$50,000 | \$50,000 | Not Requested | Not Requested | Not Requested |
| | Population Served : Low-income homebuyers | | | | | | |
| | Area Served : 100% Tyler | | | | | | |
| | Area Served : 100% Tyler | | | | | | |
| City of Tyler Neighborhood Services Department | “New Construction” : HOME program allows New Construction of modest and affordable dwellings for low-income households | Not Eligible | Not Eligible | Not Eligible | 2 low-income households | \$221,654 | \$221,654 |
| | Population Served : Low-income households | | | | | | |
| | Area Served : 100% Tyler | | | | | | |
| Andrew’s Center | Tenant Based Rental Assistance – Provides funds for rental assistance for low-income households. | Not Eligible | Not Eligible | Not Eligible | 10 | \$180,00 | \$60,000 |
| | Population Served : Low-income households | | | | | | |

| | | | | | | | |
|----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|--------------|--------------------------|----------|----------|
| | Area Served: 100% Tyler | | | | | | |
| Habitat for Humanity | "New Construction": Funding to be used for new construction of modest & affordable dwellings for low-income homebuyers with incomes between 30%-60% MFI Population Served: Low-income households Area Served: 100% Tyler | Not Eligible | Not Eligible | Not Eligible | 10 low-income households | \$75,000 | \$50,000 |

PUBLIC FACILITY ACTIVITIES - CDBG ONLY

| | | | | | | | |
|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----------|-----------|--------------|--------------|--------------|
| City of Tyler Neighborhood Services Department | "Curbs and Gutter – Herndon Hills": Provides funding for project delivery costs and infrastructure improvements in low-income neighborhoods | 1 project | \$289,785 | \$289,785 | Not Eligible | Not Eligible | Not Eligible |
| | Population Served: Low-income households | | | | | | |
| | Area Served: Herndon Hills Target Area | | | | | | |

| | | | | | | | |
|------------------------------------------------------|------------------------------------------------------------------------------------------------|-----------|----------|----------|--------------|--------------|--------------|
| City of Tyler Neighborhood Services Department | "Herndon Hills Park": Provides funding for park improvements in low-income neighborhood | 1 project | \$45,000 | \$45,000 | Not Eligible | Not Eligible | Not Eligible |
| | Population Served: Low-income households | | | | | | |
| | Area Served: Herndon Hills Target Area | | | | | | |

PUBLIC SERVICE ACTIVITIES – SUBJECT TO 15% CAP – CDBG ONLY

| Agency | Program Name and Brief Description | # to be Served | Amount Requested | Proposed Amount | Previous Year Funding |
|---------------------------------|--------------------------------------------------------------------------------------------|----------------|------------------|-----------------|-----------------------|
| Literacy Council of Tyler, Inc. | "Adult Literacy Program" – will provide educational services for illiterate adults. | 166 | \$75,000 | \$75,000 | \$30,000 |
| | Population Served: Illiterate adults | | | | |

EXHIBIT A

ORDINANCE NO. 0-2008-94

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS, ADOPTING THE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME APPLICATION AND BUDGET FOR 2008-2009, AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, for many years, the U. S. Department of Housing and Urban Development has allocated funds through grant applications to the City of Tyler for housing rehabilitation and neighborhood improvement programs, along with administrative costs associated with such programs; and

WHEREAS, the City of Tyler has obtained extensive statistical demographic and research information, solicited citizen input, and developed a strategic plan to address identified community needs; and

WHEREAS, it is in the public interest that such proposed application and budget for 2008-2009 be approved by Council, subject to approval and allocation by the U. S. Department of Housing and Urban Development;

WHEREAS, The City of Tyler is proposing implementation of its 2008-2009 Community Development Block Grant (CDBG) and HOME Programs,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TYLER, TEXAS:

Part 1: That the proposed budget for 2008-2009 Community Development Block Grant and HOME Grant funds, attached hereto as Exhibit "B" and made a part hereof for all purposes, is hereby approved, subject to approval and allocation by the U. S. Department of Housing and Urban Development.

Part 2: That the City of Tyler grants and designates the City Manager with the authority to execute and submit all documentation and certifications necessary to the U.S. Department of Housing and Urban Development in order to receive CDBG and HOME program funding to be utilized to provide eligible services and programs for low-income residents in the City on or before the submission deadline of August 15, 2008.

Part 3: That this ordinance shall take effect immediately upon adoption.

PASSED AND APPROVED this 23rd day of July, A. D., 2008.

BARBABA BASS, MAYOR
CITY OF TYLER, TEXAS

A T T E S T:

CASSANDRA BRAGER, CITY CLERK

APPROVED:

GARY C. LANDERS, CITY ATTORNEY

EXHIBIT "B" TO ORDINANCE 0-2008-94

PROPOSED 2008 CDBG AND HOME BUDGET

| Projects | Activities | 2008 CDBG | 2008 HOME | Total 2008 CDBG and HOME |
|------------------------------------------------------|------------------------------|------------------|------------------|--------------------------|
| Administration | | \$187,025 | \$46,850 | \$233,875 |
| Public Services | <i>Literacy Council</i> | \$75,000 | | \$75,000 |
| Owner Rehab | | \$150,000 | 90,000 | \$240,000 |
| Homebuyers | | \$50,000 | | \$50,000 |
| Demolition | | \$50,000 | | \$50,000 |
| Code Enforcement | | \$50,000 | | \$50,000 |
| Public Facility | | \$358,104 | | \$358,104 |
| | <i>Herndon Hills C&G</i> | \$289,785 | | |
| | <i>Herndon Hills Park</i> | \$45,000 | | |
| Interim Assistance | | \$15,000 | | \$15,000 |
| Andrew's Center Tenant Based Rental Assistance | | | \$60,000 | \$60,000 |
| New Construction | | | \$271,654 | \$271,654 |
| | <i>City of Tyler</i> | | \$221,654 | \$221,654 |
| | <i>Habitat for Humanity</i> | | \$50,000 | \$50,000 |
| TOTALS | | \$935,129 | \$468,504 | \$1,403,633 |