



Legislation Details (With Text)

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On agenda:	4/16/2016	Final action:	
Title:	Public Hearing on the Draft Fiscal Year 2017 Action Plan for Housing and Community Development.		
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Attachments:	1. 14-5162_Attachment 1-Citizen Summary for the Draft FY 2017 Action Plan, 2. 14-5162_Attachment 2 Link to the full Draft FY 2017 Action Plan, 3. 14-5162_Attachment 3 HUD 80 and Math 80 Income Limits.pdf		

Date	Ver.	Action By	Action	Result
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City of Alexandria, Virginia

MEMORANDUM

DATE: APRIL 6, 2016

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK B. JINKS, CITY MANAGER /s/

DOCKET TITLE:

Public Hearing on the Draft Fiscal Year 2017 Action Plan for Housing and Community Development.

ISSUE: Hold a Public Hearing on the Draft Fiscal Year 2017 Action Plan for Housing and Community Development

RECOMMENDATION: That City Council:

1. Receive the Draft FY 2017 Action Plan for Housing and Community Development (a Citizen Summary of this federally required Plan is included as Attachment 1, with a link to the full draft Plan as Attachment 2), containing the City's application for Fiscal Year 2017 funding for \$805,792 in Community Development Block Grant (CDBG) monies and \$395,514 in Home Investment Partnerships Program (HOME) monies; and
2. Docket the Draft FY 2017 Action Plan for Public Hearing on April 16, and final Council action on May

10, 2016.

DISCUSSION: The City of Alexandria’s Draft Consolidated Plan for Housing and Community Development has been prepared in accordance with regulations set forth by the U. S. Department of Housing and Urban Development (HUD). These regulations require that participants in certain HUD programs including, but not limited to, the CDBG and HOME programs, submit an annual Action Plan to provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year of its current five-year Consolidated Plan period, to address the priority needs and specific goals identified by the Consolidated Plan. A Draft Citizen Summary of the Action Plan is provided as an attachment, as well as a link to the full draft Plan (Attachments 1 and 2).

The Draft Action Plan describes the City’s specific objectives to be undertaken or accomplished during Fiscal Year 2017 to address the overall needs for affordable housing, shelter and services for the homeless, housing for persons with special needs, and community and economic development. One change to be noted is a recommendation that the Home Rehabilitation Loan Program use Mathematical 80% of area median income (AMI) as the income cap for this program. HUD had previously required the use of national median income at the 80% level for this program, referred to as HUD 80%. However, HUD has recently provided guidance that high cost areas, like Alexandria, with unusually high housing cost-to-income relationships should use a higher *area* median income that is based on incomes in the local region when establishing low income eligibility for programs. HUD refers to this as Mathematical 80%, and it is the same as the AMI calculations used for City affordable housing programs. A table showing the differences between “HUD 80%” and “Mathematical 80%” income levels is included in Attachment 3.

The draft plan is the second Action Plan prepared for the FY 2016 - FY 2020 Consolidated Plan period, and is consistent with ongoing program activities as well as core services included in the City Manager’s Proposed FY 2017 Budget.

BACKGROUND: The Office of Housing prepares the information included in the Action Plans in consultation with other City departments and social services groups, such as the Department of Community and Human Services, the Alexandria Redevelopment and Housing Authority (ARHA), the City of Alexandria Partnership to Prevent and End Homelessness, and numerous area agencies and nonprofit organizations that provide services for very low, low and moderate income persons.

The Citizen Summary has been prepared to provide highlights of planned federally funded program activities and investments, as well as to demonstrate the City’s anticipated initiatives to leverage local, state, federal and private resources to support programs that serve and empower the very low, low, and moderate income targeted populations in the Alexandria community, as reported in the FY 2016 - FY 2020 Consolidated Plan that was submitted online to HUD in May 2015.

A number of Plans adopted by City Council (e.g., Housing Master Plan, ARHA Strategic Plan, The Alexandria of Our Future: A Livable Community for All Ages Strategic Plan on Aging, Child and Youth Master Plan), provide excellent roadmaps of the activities, services and resources the City expects to dedicate for various objectives of interest to HUD. Throughout these Plans the need for the preservation and addition of affordable housing has been highlighted as a high priority so the continued focus of CDBG and HOME funds on projects that are housing related is the focus of the FY 2017 Action Plan.

As required by HUD, the Draft FY 2017 Action Plan was released on April 1 for a 30-day public comment period, which will end on May 1. The Draft Action Plan also contains the City’s applications for \$805,792 in CDBG funds and \$395,514 in HOME funds. The majority of CDBG funds (\$503,187) are proposed for the use

of the Home Rehabilitation Loan Program and the majority of HOME funds (\$374,164) are proposed for the use of the Housing Opportunities Fund program. The remaining use of the CDBG and HOME funds is described on page 9 of the Citizen Summary.

Release of Alexandria's Draft Plans are announced by notices placed in various media. The Draft Citizen Summary of the Action Plan was distributed to a host of interested parties on April 1 via email and USPS. This document is a concise summary of the objectives and anticipated outcomes in the Draft FY 2017 Action Plan for Housing and Community Development. Both the Draft Citizen Summary and the complete Draft Action Plan are posted on the City's website at alexandriava.gov/Housing, and hard copies are being distributed, upon request, by the Office of Housing. Comments from the public will be solicited at two public hearings: one to be held as part of the Alexandria Housing Affordability Advisory Committee's April 7 meeting, and another proposed to be held as part of City Council's public hearing on April 16. Comments may also be submitted directly, or online, to the Office of Housing. After the close of the public comment period on May 1, this proposed Action Plan will be docketed for City Council's action on May 10, and then filed with HUD on or before May 15.

FISCAL IMPACT: Upon its approval of the FY 2017 Action Plan for Housing and Community Development, HUD will appropriate a total of \$1,201,309 in new federal funding to the City for FY 2017, including \$805,792 in CDBG funds and \$395,517 in HOME Program funds. The proposed uses are consistent with the City Manager's FY 2017 proposed budget. Since the budget was released in February, the City has received actual allocations from HUD for HOME and CDBG which increased by \$38,226 and \$65,686, respectively. The additional CDBG funds are proposed to be added to the HRLP and the HOME funds to the Housing Opportunities Fund. If Council makes changes to the Housing elements of the FY 2017 proposed budget when it is approved, the Draft FY 2017 Action Plan can be amended at Council's May 10 Legislative Meeting.

ATTACHMENTS:

Attachment 1: Citizen Summary of the Draft FY 2017 Action Plan for Housing and Community Development

Attachment 2: Link to the full Draft FY 2017 Action Plan:

[https://www.alexandriava.gov/uploadedFiles/housing/info/Draft%20FY17%20Action%](https://www.alexandriava.gov/uploadedFiles/housing/info/Draft%20FY17%20Action%20Plan.pdf)

Attachment 3: Table showing "HUD 80" and "Mathematical 80" income levels

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