Legislation Details (With Text)

File #:	21-1115	**Name:**	
Type:	Written Report	**Status:**	Agenda Ready
File created:	5/17/2021	**In control:**	City Council Legislative Meeting
On agenda:	5/25/2021	**Final action:**	
Title:	Consideration of the City's Draft FY 2022 to FY 2026 Five-Year Consolidated Plan for Housing and Community Development and Draft One Year Action Plan to Enable HUD FY 2022 Funding.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. 21-1115_Resident Summary		

Date	Ver.	Action By	Action	Result

City of Alexandria, Virginia

MEMORANDUM

DATE: MAY 19, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

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

DOCKET TITLE:
Consideration of the City's Draft FY 2022 to FY 2026 Five-Year Consolidated Plan for Housing and Community Development and Draft One Year Action Plan to Enable HUD FY 2022 Funding.

ISSUE: City's Draft FY 2022 to FY 2026 Five-Year Consolidated Plan for Housing and Community Development and Draft One Year Action Plan, including an Application for FY 2022 Federal Funds.

RECOMMENDATION: That City Council:

(1) Approve the City's Draft FY 2022 to FY 2026 Five-Year Consolidated Plan for Housing and Community Development Draft FY 2022 Action Plan for Housing and Community Development; and

(2) Authorize the City Manager to make any necessary adjustments to the Consolidated Plan and FY 2022 Action Plan and grant application to reflect changes to grant figures received from the U.S.

powered by Legistar™

Department of Housing and Urban Development (HUD); and execute all necessary documents.

DISCUSSION: The City of Alexandria's Draft Consolidated Plan for Housing and Community Development has been prepared in accordance with regulations set forth by HUD. These regulations require that participants in certain HUD programs including, but not limited to, the Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) programs, develop and submit a five-year strategic plan for housing and community development. A Draft Summary of the Plan is provided as Attachment 1.

The Draft Consolidated Plan is a comprehensive five-year planning document that examines the City's overall needs for affordable housing, shelters/services for the homeless, housing for persons with special needs, and community and economic development. The Plan defines the City's strategy for addressing these needs for City FY 2022 to FY 2026 and includes a One-Year Action Plan with specific objectives to be undertaken or accomplished during City FY 2022. A draft budget of planned expenditures to meet identified objectives is included. The Draft Plan is consistent with ongoing program activities as well as core services included in the City Manager's Proposed FY 2022 Budget.

BACKGROUND: The Office of Housing has prepared the Draft Consolidated Plan in consultation with the Department of Community and Human Services, the City Finance Department, the Planning and Zoning Department, the Alexandria Redevelopment and Housing Authority (ARHA), as well as other agencies and nonprofit organizations that provide a range of services for the benefit of very low, low, and moderate income persons. HUD provided the underlying data from sources such as the American Community Survey, the Comprehensive Housing Affordability Strategy, and Longitudinal Employer-Household Dynamics Data. These data may vary slightly from demographic information the City tracks. A regional analysis of impediments is ongoing, and data from that assessment will inform the City's ongoing work and outreach strategies.

The Consolidated Plan and Action Plan will be posted online as part of HUD's efforts to better monitor and track local use of federal funds to meet national objectives. A number of City plans such as the Housing Master Plan, the ARHA Strategic Plan, the Age Friendly Plan for a Livable Community, the Strategic Plan to Prevent and End Homelessness, and The Children and Youth Master Plan) provide an excellent roadmap of the activities, services and resources the City will dedicate to meet various objectives of interest to HUD.

The One-Year Action Plan contains the City's applications for $955,545 in CDBG funds and $546,436 in HOME Program funds. The majority of HOME funds ($506,264) are proposed for the use of the Housing Opportunities Fund program to support development of affordable sales and rental housing, and the majority of CDBG funds ($754,130) are proposed for the use of the Home Rehabilitation Loan Program which provides no -interest, deferred payment loans to low-and moderate-income homeowners for home rehabilitation activities that help them maintain, and remain, affordably, in their homes. CDBG funds are also proposed for the use of the Rental Accessibility Modification Program ($57,500) to provide accessibility modifications to privately owned rental properties for disabled renter households with incomes at or below HUD's moderate-income limits; for the Transitional Assistance Program ($50,000) to provide security deposits and rental assistance to households experiencing, or at-risk of, homelessness; for the City's Winter Shelter program ($20,000) to provide seasonal shelter for persons experiencing homelessness; and for Fair Housing Testing, ($22,605), a federally-mandated program to determine the presence of discriminatory practices in the local housing market.

The Draft Consolidated Plan includes information about the City's intention to apply to HUD for federal Section 108 loan funding. The City is eligible to receive up to $5,865,035 (five times its CDBG annual allocation) to create a stand-by loan program to supplement existing Housing Opportunity funding for housing development projects. Projects to be funded with this loan product would be vetted with the community and City Council and evaluated by HUD for feasibility, financial sustainability, including ability to repay loans. A

powered by Legistar™

separate docket item will be presented to City Council when the Section 108 Loan application is drafted to be submitted in the coming months. HUD requires that loan funds provided under this program include a City pledge to use current and future CDBG allocations to repay the loan if project proceeds are not sufficient to meet this obligation.

As required by HUD, the City is providing a 30-day period to receive public comments on the Draft Plan which ended on May 24. During this period comments were received seeking the development of additional affordable housing and affordable housing plus care options for seniors, including assisted living. It is noted that the City is committed to, and advocates for, increasing senior housing plus care options, including in its recently revised housing contribution policies (December 2020) however, the format of the federal online reports does not accommodate reporting and tracking of such specific activities. Rather, activities to be supported with CDBG Program funds have been developed to meet the national objective of benefiting low- and moderate-income persons. Activities to be supported with HOME Program funds have been developed to be consistent with the HOME Program objective of expanding the supply of decent, safe, sanitary, and affordable housing, and continue the City's efforts to provide affordable housing opportunities for low- and moderate-income residents, which may include seniors. Similarly, CDBG Program activities will continue the City's ongoing efforts to provide housing rehabilitation assistance to income-eligible homeowners; transitional housing aid and winter emergency shelter to homeless families, as well as to identify and eliminate illegal housing discrimination and otherwise address the housing needs of its low- and moderate-income residents, which may include seniors.

In developing the City's FY 2022 Proposed Budget for the Office of Housing, emphasis was placed on allocating funds for affordable rental housing development. In FY 2022, it is projected that the City will be able to fund with new and carryover city funds, which will leverage federal, state, other local and private monies, several hundred units of rental development with an emphasis on available funding prioritizing projects in the Arlandria area. The City also proposes to fund a new homeownership project on Seminary Road, which will also leverage federal, state, other local and private resources. For most programs, Office of Housing program activity levels were maintained at levels similar to FY 2021.

The Draft Summary was distributed to interested parties via email on April 23, 2021. This document is a concise summary of the objectives and outcomes in the FY 2022 Draft Action Plan. Both the Draft Summary and the Draft FY 2022 Action Plan are posted on the City's website at www.alexandriava.gov/Housing <http://www.alexandriava.gov/Housing>, and hard copies are distributed upon request. Public hearings were held at the May 6 meeting of the Alexandria Housing Affordability Advisory Committee and at City Council's May 15 meeting. The final FY 2022 Action Plan, including any additional public comments and responses, and any technical/budget corrections will be submitted to HUD via its online portal following City Council's approval.

FISCAL IMPACT: Upon HUD approval of the Action Plan, HUD will appropriate an estimated $1,501,981 in federal funding to the City for FY 2022, including $955,545 in CDBG funds and $546,436 in HOME Program funds. The FY 2022 budget that City Council adopted on May 5 is consistent with the Draft FY 2022 Action Plan.

ATTACHMENT: Summary of the Draft FY 2022-2026 Five-Year Consolidated Plan and Draft FY 2022 Action Plan

STAFF:
Emily A. Baker, Deputy City Manager
Helen McIlvaine, Director, Office of Housing

Eric Keeler, Deputy Director, Office of Housing
Brandi Collins, Housing Program Manager, Office of Housing
Kim Cadena, Housing Analyst, Office of Housing