Council Communication

Department: Community Development	Resolution No.: 20 -	City Council: July 13, 2020

Subject/Title

2019 Amendment #2 to the Annual Plan for Community Development Block (CDBG) funds.

Background/Discussion

Background

The City of Council Bluffs is an entitlement community under the Community Development Block Grant (CDBG) program, which results in annual funding from the U.S. Department of Housing and Urban Development (HUD). In order to receive these funds, the City is required to submit to HUD an Annual Plan, which was already submitted and approved by Council. In May 2020, the City of Council Bluffs received addition funding due to coronavirus (COVID-19) as part of its entitlement grant; therefore, this amendment to the Annual Plan is required. The City also received unofficial notification from Iowa Economic Development Authority (IEDA) that it will receive $561,789 from their second CDBG-CV allocation.

The Annual Plan details the City's objectives, revenues, expenditures and other actions. This document is prepared by the Community Development Department with input from the Community Development Advisory Committee (CDAC). In FY2019, the City received approximately $967,131 in CDBG funding. Eligible projects had to meet the following national objectives: benefit to persons of low-to-moderate income, elimination of slum and blight and urgent need. In addition to the 2019 Annual funding, the City of Council Bluffs received $580,840 in CDBG-COVID-19 (CV) assistance to provide immediate funding to prevent, prepare for and respond to the COVID-19. These funds were also allocated to the City through HUD CDBG entitlement designation. The total CDBG program budget is $1,547,971 and includes the following sources of revenue:

2019 Annual CDBG Grant	967,131
CDBG-CV Grant	580,840
Total	**$1,547,971**

On June 8, 2020, City Council approved Amendment #1 to the 2019 Consolidated and Action Plan to include the following projects for CDBG-CV funding:

1. Food security
2. Direct Financial Assistance
3. Business Assistance

Discussion

In June, the City received unofficial notice it would receive an additional $561,789 from the State of Iowa Economic Development Authority (IEDA) to assist with COVID-19 relief. Additionally, the Blink Consortium requested CDBG-CV funds be allocated to extend the community-wide Wi-Fi network to the neighborhoods that serve Rue and Longfellow Elementary Schools. These schools serve predominantly low-to-moderate income households that may not be able to afford traditional broadband service. Should schools be required to provide virtual learning, the Blink network will ensure households that cannot afford traditional broadband service are able to continue to participate in distance learning.

The Community Development Department and Community Development Advisory Committee (CDAC) are now recommending the allocation of $275,000 CDBG-CV funds be allocated to the Blink Extension with the remaining $600,000 provided by the Blink Consortium. The additional funds from IEDA will limit the impact on other COVID-19 programs from this reallocation. A listing of the programs and projects for the 2019 Action Plan is outlined in "Attachment A."

2019 Annual CDBG Grant	967,131
CDBG-CV Grant	580,840
IEDA CDBG-CV Grant	561,789
Total	**2,109,942**

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Staff Recommendation
The Community Development Department recommends that City Council adopt a resolution approving the use of the CDBG-CV funds as outlined in the attached budgets; direct the Mayor to submit the 2019 Amendment #2 to the Annual Plan to the City of Omaha and to HUD; and direct the Mayor to execute contracts with HUD for the use of the CDBG-CV funds.
Community Development Advisory Committee
On July 6, 2020, CDAC met to review the CDBG-CV funds and recommend their approval. CDAC recommends the following for approval: 1. Allocating CDBG-CV funds to activities as outlined in "Attachment A." Motion carried by unanimous voice vote of those present. VOTE: AYE: Schlott, Rowe, Mathews, Adkins, Heininger; NAY – None; ABSTAIN –None; ABSENT – None.