

AGENDA



Thursday, July 24, 2008

**Neighborhood Housing and Community Development
RECOMMENDATION FOR COUNCIL ACTION****Item No. 42**

Subject: Approve a resolution adopting the City's (1) Action Plan for Fiscal Year 2008-2009, related to allocation of the U.S. Department of Housing and Urban Development (HUD) grant funds, and (2) Community Development Fiscal Year 2008-2009 Program required by Texas Local Government Code Chapter 373, including proposed funding allocations for Fiscal Year 2008-2009.

Amount and Source of Funding: No unanticipated fiscal impact.

Fiscal Note: A fiscal note is not required.

For More Information: Margaret Shaw, Director, Neighborhood Housing and Community Development, 974-3184

Boards and Commission Action: The Community Development Commission conducted a needs assessment public hearing was conducted on March 31, 2008, and a public hearing on the Draft Action Plan on June 26, 2008. The Community Development Commission recommended to approve the Draft Action Plan with amendments.

Prior Council Action: A needs assessment public hearing was conducted on March 20, 2008; a public hearing on the Draft Action Plan was conducted on June 5, 2008.

This action approves a resolution adopting the City's (1) Action Plan for Fiscal Year 2008-2009, related to allocation of the U.S. Department of Housing and Urban Development (HUD) grant funds, and (2) Community Development Fiscal Year 2008-2009 Program required by Texas Local Government Code Chapter 373, including proposed funding allocations for Fiscal Year 2008-2009.

In Fiscal Year 2008-2009, the City of Austin will receive approximately \$12 million through four HUD programs: Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). In order to receive these grants from HUD, the City must submit annually an Action Plan that describes community needs, resources, priorities, and proposed activities with regard to housing, community development, economic development, and public services.

Neighborhood Housing and Community Development (NHCD) prepares the Action Plan in accordance with the City's Citizen Participation Plan that was adopted in compliance with federal regulations and Chapter 373 of the Texas Local Government Code. Pursuant to the Participation Plan, NHCD seeks input from citizens during two public hearings on needs assessment and two on the draft Action Plan. The needs assessment public hearings were before Council on March 20, 2008, and the Community Development Commission (CDC) on March 31, 2008. NHCD prepares the draft Action Plan after gathering this community input and statistical data. The draft Action Plan was then available for public comment for 30 days, June 2, 2008 through July 2, 2008, during which two public hearings were conducted. The public hearing before Council was on June 5, 2008, and the public hearing before the CDC and was June 26, 2008.

In addition, to comply with an African American Quality of Life (AAQL) recommendation, an Economic Development Stakeholder's meeting was held on April 16, 2008 to receive comments from the small business community.

The CDC also had the opportunity to make recommendations to Council before Council's final action date. On July 8, 2008 the CDC voted to recommend approval of the Draft Fiscal Year 2008-09 Action Plan with staff changes presented to them. They also recommended additional changes outlined in the attached resolution, including increased funding for the Architectural Barrier Removal program, and \$200,000 in revenue from 40% of property tax proceeds be taken from the SMART Housing CIP fund and placed in the Housing Trust Fund (HTF). They requested that Council add an additional \$800,000 for a total contribution to the HTF of \$1M. Finally, the City must submit its Council-approved Fiscal Year 2008-2009 Action Plan to HUD by August 15, 2008.