



Arapahoe County

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Board Summary Report

File #: 21-087

Agenda Date: 1/26/2021

Agenda #:

To: Board of County Commissioners

Through: Katherine Smith, Director, Community Resources

Prepared By:

Linda Haley, Housing and Community Development Services Division Manager

Presenter: Linda Haley, Housing and Community Development Services Division Manager, Community Resources

Subject:

1:00 PM *Allocation of Community Development Block Grant - COVID 19 (CDBG-CV) and HOME Investment Partnership Funds (HOME)

Purpose and Request:

The purpose of this Board Summary Report is to review the funding recommendations for Community Development Block Grant - COVID-19 (CDBG-CV) funds, as well as Home Investment Partnerships Program (HOME) funds and to seek direction from the Board of County Commissioners (BOCC) regarding the plan to utilize these funds and to submit amendments to the 2019 and 2020 Annual Action Plan to the U.S. Department of Housing and Urban Development (HUD) for review and approval.

Background and Discussion: Following the passage of the CARES Act, Arapahoe County and the City of Centennial will receive a second additional allocation of CDBG funds (CDBG-CV) to assist with preventing, preparing for, and responding to coronavirus/COVID-19. The first round of CDBG-CV funding was reviewed with the BOCC at the April 20, 2020 study session and approved at the May 5, 2020 public hearing. Combined, Arapahoe County and City of Centennial will receive an additional \$1,252,343 in CDBG-CV funds from the CARES Act. Of the total, Arapahoe County will receive \$933,467 and the City of Centennial will receive \$318,876. Under normal circumstances and program requirements, only 15% of CDBG funds can be awarded to public services each grant year. However, given the circumstances and urgent needs, HUD has waived the 15% cap on public services for the supplemental CDBG-CV funds. This waiver provides additional program flexibility for funding a wider range of activities to respond to COVID-19 needs. Based on the entitlement allocations, Arapahoe County has up to \$746,773.60 and the City of Centennial has up

to \$261,478.32 to award to eligible projects, including public services beyond the typical 15% cap. These figures are based on the standard deduction for program administration costs of 20% for Arapahoe County and 18% for City of Centennial.

In order to access these funds and award grants to community service providers as expeditiously as possible, HCDS is seeking direction from the BOCC to include the plans for CDBG-CV funds in a substantial amendment to our 2019 Annual Action Plan as we did with the previous round of funds. HCDS staff is recommending the following allocations for Arapahoe County's second award of CDBG-CV funds.

Family Promise of Greater Denver (FPGD) currently operates a tenant based rental assistance (TBRA) program that provides families with rental assistance, while providing wrap around services to help the family become self-sufficient. This program is currently supported by Arapahoe County with HOME and CDBG funds.

Several months ago it became apparent that school districts are facing an increased struggle due to Covid-19, to solve the issues of their new and chronically homeless families. HCDS staff has been working with the school districts on the western side of the county and with Family Promise to develop a Tenant Based Rental Assistance program that would be specifically targeted to homeless families within these school districts. To support this program FPGD has requested \$75,000 in CDBG-CV funds for a new full-time staff person to administer this program. They have also requested \$239,000 in HOME Funds to provide the direct rental assistance to families. The new staff person would continue working with our community partners to make the appropriate connections with school districts and families in need, and provide wrap around services to help families transition to self-sufficiency.

For the remainder of our funding allocation we are recommending allocating the funding into "buckets" as we did with round one of the funding. These "buckets" will allow staff the latitude to fund community needs that fall within these "buckets."

\$346,773.60 - Housing Assistance

To include, but not limited to Emergency Rent/Mortgage/Utility Assistance/Hotel vouchers Administered in-house by HCDS staff in conjunction with also providing additional rental assistance through the Community Services Block Grant (CSBG) program.

\$100,000 - Food Assistance

Support to local non-profits addressing the needs of residents through food banks and meals on wheels programs. Initial recommendation is to support 3-5 organizations to reach different vulnerable populations.

\$200,000 - Capacity Building

Financial support to assist local non-profits with efforts to build organizational capacity, e.g. hiring and training new staff, to better prepare for, and respond to COVID-19 challenges and community needs.

\$100,000 - Youth Services

Activities that support Arapahoe County youths negatively impacted by COVID-19, with an emphasis on households at, or below 50% adjusted median income (AMI), up to 80% AMI. Projects to include, but not limited to increasing access to the internet, tutoring, and mentoring services.

\$186,693.40 - Program Administration

A portion of the administration funds may be used to support additional grant funded positions to assist with administering CDBG-CV funds, including a focus on the in-house Emergency Housing Assistance.

The City of Centennial is a separate entitlement community, which is administered by Arapahoe County HCDS staff. The City of Centennial's City Council will approve the CDBG-CV funding allocations in the near future, but the recommendations presented below are consistent with Centennial staff's initial plans. Once finalized by Centennial City Council, HCDS staff will schedule a drop-in session with the BOCC to review their plans and ensure consistency with these tentative plans.

HCDS staff is recommending the following funding allocations for City of Centennial's CDBG-CV funds, including the request for staff flexibility to adjust these recommendations based on final City of Centennial Council approval and consistency with program requirements and eligibility:

\$150,000 - Housing Assistance

To include, but not limited to Emergency Rent/Mortgage/Utility Assistance for Centennial residents. Administered in-house by HCDS staff in partnership with City of Centennial staff.

\$50,000 - Food Assistance

Support to local non-profits addressing the needs of Centennial residents through food banks and meals on wheels programs. \$61,478.32 - Capacity Building and Health Care

Financial support to assist local non-profits with efforts to build organizational capacity, e.g. hiring and training new staff, to better prepare for, and respond to COVID-19 challenges and community needs. Support to health care agencies to address the growing demand and need for health care coverage information, enrollment and services. \$57,397.68

- Program Administration General program administration for Centennial CDBG-CV. A portion of the administration funds may be used to support additional grant funded positions to assist with administering CDBG-CV funds, including a focus on the in-house Emergency Housing Assistance.

Fiscal Impact: The CARES Act CDBG-CV funds, as well as HOME funds are allocated by the U.S. Department of Housing and Urban Development. Therefore, the allocation and use of these funds will not impact Arapahoe County general funds.

Alternatives: The BOCC may recommend an alternative distribution of funds.

Alignment with Strategic Plan:

- ☒ Be fiscally sustainable
- ☒ Provide essential and mandated service
- ☒ Be community focused

Staff Recommendation: HCDS staff recommends the HOME and CDBG-CV funding allocations presented and discussed above.

Concurrence: N/A