

CITY COUNCIL AGENDA TOPIC

Ordinance 1) adopting recommendations for the use of 2024 Community Development Block Grant funds as transmitted by the Human Services Commission; 2) authorizing the City Manager or his designee to submit a proposal to the United States Department of Housing and Urban Development (HUD) for the 2024 CDBG Program; 3) authorizing the City Manager or his designee to accept a grant award contract with HUD; 4) and authorizing the City Manager or his designee to enter into agreements with grant subrecipients and contractors.

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Parks & Community Services

EXECUTIVE SUMMARY**ACTION**

This Ordinance adopts the Human Services Commission's 2024 Community Development Block Grant funding recommendations as transmitted by the Human Services Commission. Approval authorizes the City Manager or his designee to submit the proposal to HUD for the 2024 CDBG program, to accept the grant award from HUD, and to enter into agreements with grant subrecipients and contracts.

RECOMMENDATION

Move to adopt Ordinance No. 6757

BACKGROUND/ANALYSIS

The annual amount of Community Development Block Grant (CDBG) funding received by the City is based on a formula calculated by HUD. Bellevue's exact CDBG entitlement amount for 2024 will not be known until after the 2024 federal budget has been adopted. The annual CDBG budget also includes loan paybacks, known as program income from the Major Home Repair program. This year it also includes unspent prior year funds. The estimated CDBG budget for 2024 is as follows:

2024 Estimated CDBG Entitlement:	\$850,000
Prior Year Unspent Funds:	\$299,000
2024 Estimated Program Income:	<u>\$150,000</u>
Total Estimated 2024 Funds:	\$1,299,000

The Commission's 2024 CDBG funding recommendations are found in Attachment A. The CDBG Contingency Plan (Attachment B) outlines how the funding will be allocated if the actual CDBG budget is higher or lower than the estimated amount.

CDBG funds may be awarded to local agencies engaging in activities that are eligible under national objectives defined in federal regulations. For the City of Bellevue, funded activities must meet the national objective to benefit low- and moderate-income persons. Such activities have included:

- Acquisition of real property
- Rehabilitation/repair of single-family homes
- Microenterprise business assistance
- Public services programs
- Planning and administration of the CDBG program

CDBG funding has guidelines that outline the eligible percentage of spending under each category based on program year entitlement amount and prior year program income for public service funding. The capped amounts are as following:

- 20% for planning and administration funding
- 15% for public service funding
- Anything remaining for other eligible activities

The commission recommends funding for planning and administration, which allows staff to administer CDBG funding, monitor programs and activities, and produce our human services needs update and strategic plan. In 2024, staff will also be working to complete the CDBG 5-year Consolidated Plan.

The Commission recommends funding Porchlight (formerly Congregations for the Homeless) with the public services funding. Public services dollars are determined within the biennial human services grant process. These funds were allocated in the 2023 application process and proposed to continue in 2024. This provider qualifies under federal guidelines as a provider of services to those experiencing homelessness.

The Commission recommends funding three microenterprise business assistance programs, which fall under other eligible activities, to align with the Council's identified priorities at the May 1, 2023, meeting, which include building capacity and supporting the growth of innovative approaches to growing childcare programs in the city. In addition, these programs also align with the priority to invest funding for "upstream" services that can prevent residents from experiencing a crisis.

The Microenterprise business assistance programs include the following:

- 4 Tomorrow specializes in serving the Latinx community along with the rest of the community. They are currently receiving 2023 CDBG funding for this program and have successfully reached their goals and outcomes.
- Centro Cultural Mexicano also specializes in serving the Latinx community along with the rest of the community. They are applying for the first time for CDBG Microenterprise funding but have successfully managed general funding and other federal funding, including CDBG COVID and ARPA.
- WeeCare has experience providing support services to low- and moderate-income home daycare business owners. Services for the in-home daycare providers include developing a work plan and offering ongoing support to accomplish business goals, such as increasing capacity and revenue numbers for the year; matching with families and enrolling children into programs with availability; tuition collection; guidance on licensing regulations and expansion; staff recruitment; and creating a personal website. Low- and moderate- income families who are enrolled with participating in-home daycares receive services including being paired with a care manager to answer any questions and guide the matching and enrolling process, as well as

access to a mobile app with an array of resources for parents. Although this is the first time Wee Care is applying for CDBG funding from Bellevue, they have successfully administered CDBG funding from multiple jurisdictions in other regions.

The commission recommends funding for three home repair programs, providing services at varying levels of complexity.

- Bellevue’s Major Home Repair program partners with King County Housing Authority to provide critical health and safety home repairs for Bellevue residents. These projects typically include larger projects, such as replacing roofs, gutters and failing heat systems.
- Habitat for Humanity acts as a general contractor and has staff that can perform moderate home repairs, such as exterior siding repairs or repairing worn stairs and handrails.
- Sound Generation’s Minor Home Repair provides services that are not able to be provided by external contractors but are a significant need for a portion of our population, such as fixing a plumbing leak, replacing a broken toilet, and installing smoke and carbon monoxide detectors.

POLICY & FISCAL IMPACTS

Policy Impact

The Human Services Commission was established by Ordinance No. 6240. This Ordinance directs the Commission to provide recommendations to the City Council on all human services funding requests.

HS-11. Encourage culturally competent service delivery that respects the dignity of individuals and families, and fosters self-determination and self-sufficiency.

HS-17: Encourage services that support Bellevue’s workforce in maintaining or advancing their employment opportunities.

HS-18. Support an intentional local community response to homelessness with housing and supportive services provided to families, youth and single adults.

Fiscal Impact

This Ordinance accepts a grant from HUD and authorizes the expenditure of an estimated \$1,299,000 to implement the 2024 CDBG recommendations as submitted by the Bellevue Human Services Commission. Funding for these expenditures is provided by an estimated \$850,000 from HUD’s 2024 Estimated CDBG Entitlement, \$299,000 from prior year unspent funds, and \$150,000 of 2024 estimated program income.

OPTIONS

1. Adopt the Ordinance 1) adopting recommendations for the use of 2024 Community Development Block Grant funds as transmitted by the Human Services Commission; 2) authorizing the City Manager or his designee to submit a proposal to the United States Department of Housing and Urban Development (HUD) for the 2024 CDBG Program; 3) authorizing the City Manager or his designee to accept a grant award contract with HUD; 4) and authorizing the City Manager or his designee to enter into agreements with grant subrecipients and contractors.
2. Do not adopt the Ordinance and provide alternative direction to staff.

ATTACHMENTS

- A. 2024 CDBG Funding Recommendations
- B. 2024 CDBG Contingency Plan
Proposed Ordinance No. 6757

AVAILABLE IN COUNCIL LIBRARY

N/A