

AGENDA ITEM SUMMARY

City Council



STAFF

Adam Molzer, Human Services Program Manager

SUBJECT

Public Hearing and Resolution 2024-077 Approving the Programs and Projects that will Receive Funds from the Federal Community Development Block Grant Program, the HOME Investment Partnerships Program, the City’s Affordable Housing Fund, and the City’s Human Services Program.

EXECUTIVE SUMMARY

The purpose of this item is to approve funding recommendations of the 2024 Spring Cycle of the Competitive Process. This Resolution will complete the 2024 Spring Cycle of the Competitive Process for allocating \$3,772,510 in City financial resources to affordable housing and public facility projects, human service programs, and administration of the programs.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

BACKGROUND / DISCUSSION

This Resolution establishes which programs and projects will receive funding with the Federal Community Development Block Grant (CDBG), HOME, Affordable Housing Fund (AHF) and Human Services Program (HSP) funds for the 2024 program year. CDBG and HOME are federal dollars allocated through HUD. AHF and HSP funds are allocated from the General Fund (GF) and the General Fund 0.25% Other Community Priorities (OCP). In 2024, the total dollar amount available and being allocated to fulfill the FY2024 project requests, as well as the planning and administration needs, is \$3,772,510. The following table shows available dollars in each funding category:

FY2024 FUNDING CATEGORIES

Funding Source	Amount
FY2024 Housing	\$2,370,715
FY2024 Human Service	\$920,287
FY2024 CDBG Public Service	\$181,684
FY2024 Planning and Administration	\$299,824
Total	\$3,772,510

Federal funds available for allocation total \$2,271,176. These funds are sourced from eight categories designated by HUD, including: FY2024 Entitlement Grants (CDBG and HOME - new funding), FY2023 and FY2022 Unanticipated Program Revenue (CDBG and HOME - new funding), and Prior Year Funds (CDBG and HOME - re-appropriated).

Unanticipated Revenue Funds include repayments from loans issued for rehabilitation, homebuyer assistance, acquisition and development. Fifteen percent (15%) of CDBG funds received in the current program year (FY2023) can be allocated towards public services. The remaining CDBG and HOME Unanticipated Revenue is available for allocation to housing activities.

Prior Year Funds (CDBG FY2023, HOME FY2022) represent previously appropriated funds that were unexpended and available for re-allocation in the housing category only.

Total federal contribution to the Housing category is \$1,807,705.

The maximum limit allowed by HUD regulations in the Public Service category for the CDBG Entitlement grant and current year CDBG Program Income is 15%.

Total federal contribution to the Public Service category is \$181,684: \$166,189 from the FY2024 CDBG Entitlement grant and \$15,495 from CDBG FY2023 Unanticipated Program Income.

HUD regulations allow a maximum of 20% of the CDBG Entitlement grant (\$221,586) to be used for CDBG planning and program administration costs.

HUD regulations allow a maximum of 10% of HOME Entitlement grant (\$60,201) to be used for HOME planning and program administration.

Total federal contribution to the Planning and Program Administration category is \$281,787.

The following table provides a summary of 2024 federal funding sources for Housing, Public Service and Planning/Program Administration:

FEDERAL FUNDS

Funding Source	Total Funds	Housing	Public Service	Planning / Admin
FY2024 CDBG Entitlement Grant	\$ 1,107,934	\$ 720,159	\$ 166,189	\$ 221,586
FY2023 Unanticipated Revenue CDBG	\$ 103,301	\$ 87,806	\$ 15,495	
FY2022 Unanticipated Revenue CDBG	\$ 358	\$ 358		
Prior Year CDBG Funds (previously appropriated and available)	\$ 293,711	\$ 293,711		
FY2024 HOME Entitlement Grant	\$ 602,015	\$ 541,814		\$ 60,201
FY2023 Unanticipated Revenue HOME	\$ 35,709	\$ 35,709		

FY2022 Unanticipated Revenue HOME	\$ 47,979	\$ 47,979		
Prior Year HOME Funds FY2022 (previously appropriated and available)	\$ 80,169	\$ 80,169		
TOTAL Federal Funds	\$ 2,271,176	\$ 1,807,705	\$ 181,684	\$ 281,787

The City’s contribution to the Housing category is \$563,010.

The City’s contribution to the Human Service category is \$920,287 (\$918,282 new allocation for FY24, \$2,005 reappropriated from prior year).

A portion of City funds assigned to the Human Services Program is used for planning and program administration costs (\$18,037).

The following table provides a summary of 2024 City Funding for Housing and Human Service, including differentiation between General Fund (GF) and the General Fund 0.25% Other Community Priorities (OCP) sources for each:

CITY FUNDS

Funding Source	Total Funds	Housing	Human Service	Planning / Admin
Human Services Program (GF)	\$ 537,982		\$ 519,945	\$ 18,037
Affordable Housing Fund (GF)	\$ 345,091	\$ 345,091		
General Fund OCP	\$ 616,256	\$ 217,919	\$ 398,337	
Prior Year Human Services Program Funds (previously appropriated and available)	\$ 2,005		\$ 2,005	
TOTAL City Funds	\$ 1,501,334	\$ 563,010	\$ 920,287	\$ 18,037

COMBINED FUNDING TOTALS

	Total Funds	Housing	Human Service & Public Service	Planning / Admin
	\$ 3,772,510	\$ 2,370,715	\$ 1,101,971	\$299,824

The City received 58 housing, human service and public service applications totaling \$7,021,284. In the housing category, eight proposals were received totaling \$4,810,000. The available funding in the Housing category equals \$2,370,715, and therefore the amount requested from Housing applicants is \$2,439,285 greater than the funding available. In the Human Service category, 46 applications were received totaling \$2,029,600. The total unfunded amount of Human Service requests is \$1,109,313. The CDBG Public Service funds offer the 4 grant recipients multi-year funding support and FY24 was a renewal cycle, which delivers \$181,684 to those programs. The following table summarizes the amount of funding requests compared to the amount of funding available for each of the categories:

FY2024 FUNDING REQUESTS BY CATEGORY

Category	Number of Applications	Available Funding	Requested Funding	Available Request Difference
Administration – CDBG	*	\$ 221,586	\$ 221,586	\$ 0
Administration – HOME	*	\$ 60,201	\$ 60,201	\$ 0
Administration – Human Services	*	\$ 18,037	\$ 18,037	\$ 0
Housing	8	\$ 2,370,715	\$ 4,810,000	- \$ 2,439,285
Human Service	46	\$ 920,287	\$ 2,029,600	- \$ 1,109,313
Public Service	4	\$ 181,684	\$ 181,684	\$ 0
Totals	58	\$ 5,596,742	\$ 5,041,721	+ \$ 555,021

CITY FINANCIAL IMPACTS

The CDBG and HOME programs provide federal funds from HUD to the City of Fort Collins which can be allocated to housing and community development related programs and projects and administration of the funds, thereby, reducing the demand on the City's General Fund budget to address such needs. In FY2024, the total amount of federal funds available for allocation is \$2,271,176 and the City's contribution is \$1,501,334. These dollars allow applicants to leverage other funding sources to provide needed services in our community.

Through the provision of affordable housing, more of Fort Collins' workforce can reside within the community. This means there is an available labor pool within the city, which is a positive benefit to economic sustainability.

Human Service and Public Service programs contribute to economic sustainability and homelessness prevention by providing such programs as education, childcare, counseling, and rent assistance, so workers can maintain their employment and housing.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Human Services and Housing Funding Board recommends adoption of their affordable housing, CDBG public service and human service funding recommendations made on April 30, 2024, and May 1, 2024. The Board read all project applications, viewed presentations by each housing applicant, and asked clarifying questions. Additionally, in the Housing category, they reviewed the priority rankings of the Affordable Housing Board, the goals of the Affordable Housing Strategic Plan and the priorities of the HUD required Five-Year Consolidated Plan.

In the Human Service categories, they considered the performance of current grantees, the priority areas of the Social Sustainability Strategic Plan, community needs and the program's potential to address community needs. Each Board member then completed a scorecard to reflect their evaluations of the Human Service proposals relative to a series of weighted criteria. The proposals were then placed in descending ranked order based on the average scores of the participating Board members who submitted scores. The Board proceeded to deliberate funding recommendations following a rules-based protocol that they had predetermined.

In the CDBG Public Service category, they considered the performance of current grantees, the goals of the HUD required Five-Year Consolidated Plan, and the program's potential to address the HUD goals.

The Board was presented with the percentage of CDBG Public Service funding assigned in FY2022 to each program. The City's FY2024 CDBG Entitlement Grant award amount was not published by HUD at the time of deliberations, and therefore the Board did not have the equivalent dollar amount calculations. The Board voted to adopt the recommended funding formula without any changes to the funding distribution.

The evaluation process for the Housing, Human Service and CDBG Public Service categories addresses deeply rooted community needs that pre-date the COVID-19 pandemic and have continued beyond the public health emergency passing. COVID-19 was not a leading determinant in the funding recommendations. Many applicants were supported in 2020-2024 with federal CARES-CVRF and American Rescue Plan Act (ARPA) grants administered by the Social Sustainability Department.

The Human Services and Housing Funding Board members are subject to certain rules of ethical conduct established by the City Charter and Code, including refraining from voting on or attempting to influence any decision in which they have a financial or personal conflict of interest. Board members have been presented with information detailing the City Charter and Code provisions regarding conflict of interest and the disclosure process.

The following tables present the project-specific allocations recommended by the Board to Council within the housing, CDBG public service and human service categories, as well as the accompanying planning and administrative costs:

PLANNING AND ADMINISTRATION CATEGORY

Applicant Project/Program	Funding Request	Recommended Funding	Unfunded Balance	Percent of Request Funded
City of Fort Collins: CDBG Planning/Administration	\$ 221,586	\$ 221,586	\$ 0	100%
City of Fort Collins: HOME Planning/Administration	\$ 60,201	\$ 60,201	\$ 0	100%
City of Fort Collins: Human Services Program Planning/Administration	\$ 18,037	\$ 18,037	\$ 0	100%
Planning/Administration Total	\$ 299,824	\$ 299,824	\$ 0	100%

HOUSING CATEGORY

In the Housing category, the Human Services and Housing Funding Board determined six of the eight housing proposals were projects that would benefit from receiving funding, with each of those six proposals recommended for full funding. The two proposals that were not recommended were not placed in ranked order for funding consideration. Those recommendations and the board's ranked order prioritization are listed in the table below:

Applicant Project/Program	Funding Request	HS&HF Board's Prioritized Ranking	Recommended Funding	Unfunded Balance	Percent of Request Funded
CARE Housing: Greenbriar-Windtrail Rehab	\$ 1,000,000	# 4	\$ 520,715	\$ 479,285	52%
City of Fort Collins Forestry Division: Homeowner Hazard Tree Removal Assistance Program	\$ 100,000	# 5	\$ 0	\$ 100,000	0%
Fort Collins Habitat for Humanity: Harmony Cottages	\$ 200,000	# 3	\$ 200,000	\$ 0	100%
Housing Catalyst: Remington Parking Lot	\$ 750,000	# 6	\$ 0	\$750,000	0%
Housing Catalyst: Village on Eastbrook	\$ 1,500,000	# 1	\$1,500,000	\$ 0	100%
L'Arche Fort Collins: L'Arche Homes at Heartside Hill	\$ 300,000	Not Advanced For Ranking	\$ 0	\$ 300,000	0%
Loveland Housing Development Corp: Larimer Home Improvement Program	\$ 150,000	# 2	\$ 150,000	\$ 0	100%
The Szanton Company: 302 Conifer	\$810,000	Not Advanced For Ranking	\$ 0	\$ 810,000	0%
Housing Total	\$ 4,810,000		\$ 2,370,715	\$ 2,439,285	

There are no unallocated funds remaining after all applications received full or partial funding recommendations.

CDBG PUBLIC SERVICE CATEGORY

In the CDBG Public Service category, 4 eligible programs are recommended to receive a proportional share of the CDBG Public Service funds. These programs were selected by the HSHF Board in 2022 and are considered for renewal annually until the City's current HUD Consolidated Plan expires in September 2025. The FY24 recommendations were recognized as a renewal cycle. All recommendations are listed in the table below:

Applicant Project/Program	Funding Renewal	HS&HF Board's Recommended Funding	Unfunded Balance	Percent of CDBG Public Service Funds
Catholic Charities: Samaritan House Shelter	\$ 56,322	\$ 56,322	\$ 0	31%

Crossroads Safehouse: Domestic Violence Emergency Shelter Advocacy	\$47,238	\$47,238	\$ 0	26%
Family Housing Network: Shelter Program	\$19,985	\$19,985	\$ 0	11%
Neighbor to Neighbor: Housing Solutions – Direct Rental Assistance	\$ 58,139	\$ 58,139	\$ 0	32%
Public Service Total	\$ 181,684	\$ 181,684	\$ 0	

HUMAN SERVICE CATEGORY

In the Human Service category, 46 proposals were received and 39 are being recommended for funding, ranging from 23% to 100% of requests. Seven proposals are not being recommended for funding. The total unfunded amount of requests is \$1,109,313. All recommendations are listed in the table below:

Applicant Project/Program	Funding Request	HS&HF Board's Recommended Funding	Unfunded Balance	Percent of Request Funded
A Little Help: A Little Help for Older Adults in Fort Collins	\$45,000	\$20,000	\$25,000	44%
Alianza NORCO: Navigation Programming for Immigrants by Immigrants	\$75,000	\$32,000	\$43,000	43%
Boys & Girls Clubs of Larimer County: Boys & Girls Clubs - Fort Collins	\$50,000	\$25,000	\$25,000	50%
CASA of Larimer County: Court Appointed Special Advocates	\$52,500	\$30,000	\$22,500	57%
CASA of Larimer County: Family Connections	\$75,500	\$30,000	\$45,500	40%
Catholic Charities: Senior Support Services	\$60,000	\$27,000	\$33,000	45%
Children's Speech and Reading Center: Scholarships, Screens & Early Literacy	\$20,000	\$15,000	\$5,000	75%
ChildSafe Colorado: Child Abuse Treatment Program	\$83,000	\$35,000	\$48,000	42%
Colorado Health Network: CHN Connection Point - Integrative Care & Supportive Services	\$40,500	\$0	\$40,500	0%
Crossroads Safehouse: Bilingual & Bicultural Victim Advocacy	\$40,000	\$28,000	\$12,000	70%
Disabled Resource Services: Disability Services for Independence	\$40,000	\$20,000	\$20,000	50%
Elderhaus Adult Day Program: Direct Care for Fort Collins Residents Living with Disabilities	\$66,000	\$27,000	\$39,000	41%
Ensign Skills Center: Low Vision Rehabilitation Care and Support Program	\$25,000	\$15,000	\$10,000	60%

Family Housing Network: Sherwood House - Bridge Housing	\$25,000	\$16,000	\$9,000	64%
Feeding Our Community Ourselves: Meal Exchange Program	\$15,000	\$0	\$15,000	0%
Food Bank for Larimer County: Fort Collins Kids Café	\$40,000	\$22,000	\$18,000	55%
Fort Collins Rescue Mission: Nutritious Meal Program	\$50,000	\$0	\$50,000	0%
Homeward Alliance: Family Services	\$45,000	\$30,000	\$15,000	67%
Homeward Alliance: Murphy Center	\$45,000	\$30,000	\$15,000	67%
ISAAC of Northern Colorado: Housing in the Gaps: Safety Net for Unhoused Immigrant & Refugee Families	\$40,000	\$20,000	\$20,000	50%
L'Arche Fort Collins: I/DD Emergency Services Identification	\$35,000	\$0	\$35,000	0%
Larimer County Partners: Youth Mentoring and Prevention	\$28,300	\$15,000	\$13,300	53%
Lutheran Campus Ministry at CSU: Student Housing Security Initiative	\$45,000	\$0	\$45,000	0%
McBackpack: Working to Alleviate Food Insecurity in Fort Collins	\$20,000	\$15,000	\$5,000	75%
Meals on Wheels for Fort Collins: Meal Delivery Program	\$50,000	\$25,000	\$25,000	50%
Neighbor to Neighbor: N2N Rent Assistance Coordination	\$70,000	\$32,500	\$37,500	46%
Outreach Fort Collins: Street-Based Homelessness Services Program Support	\$90,000	\$39,000	\$51,000	43%
Poudre River Public Library District: Social Service Interventions for Unhoused Library Customers	\$15,000	\$15,000	\$0	100%
Project Self-Sufficiency: Career Pathways for Low-Income Single Parents	\$45,000	\$22,000	\$23,000	49%
Respite Care: Career Pathways for Low-Income Single Parents	\$40,000	\$19,000	\$21,000	48%
Sexual Assault Victim Advocate Center: Sexual Assault Intervention & Prevention Services	\$43,000	\$21,500	\$21,500	50%
Teaching Tree Early Childhood Learning Center: Childcare Scholarships for Low Income Families	\$85,000	\$40,000	\$45,000	47%
The Crawford Child Advocacy Center: Fighting Child Sexual Abuse & Maltreatment	\$29,700	\$15,000	\$14,700	51%
The Family Center/La Familia: Childcare Scholarships & Family Support Services	\$75,000	\$41,287	\$33,713	55%
The Lotus Effect: Fit to Fight	\$32,000	\$0	\$32,000	0%
The Matthews House: Family to Family Program at the Community Life Center	\$26,000	\$15,000	\$11,000	58%

The Matthews House: Youth & Young Adults Transitioning to Independence	\$52,000	\$30,000	\$22,000	58%
The Quarter Project: GEMS - Girls in Engineering, Math & Science	\$28,200	\$15,000	\$13,200	53%
The Salvation Army: Rent and Utilities Program	\$35,000	\$18,000	\$17,000	51%
The Vegetable Connection: Feeding the Families	\$15,000	\$0	\$15,000	0%
Turning Point Center for Youth & Family Development: Connections Program	\$65,900	\$15,000	\$50,900	23%
United Way of Larimer County: Larimer Child Care Fund	\$25,000	\$15,000	\$10,000	60%
United Way of Weld County: Coordinated Assessment and Housing Placement System	\$40,000	\$30,000	\$10,000	75%
Vindeket Foods: Vindeket Market	\$30,000	\$16,000	\$14,000	53%
Volunteers of America: Handyperson Program	\$22,000	\$16,000	\$6,000	73%
Volunteers of America: Home Delivered Meals Program	\$55,000	\$28,000	\$27,000	51%
Human Service Total	\$ 2,029,600	\$ 920,287	\$ 1,109,313	45%

FUNDING RECOMMENDATIONS BY CATEGORY

A summary of the funding recommendations by category is presented in the following table:

Category	Recommended Funding	% of Total
Planning and Administration	\$ 299,824	8%
Housing	\$ 2,370,715	63%
Public Service	\$ 181,684	5%
Human Service	\$ 920,287	24%
Total	\$ 3,772,510	100%

The justifications for the Human Services and Housing Funding Board’s recommendations can be found in the approved minutes of the April 30, 2024 meeting and draft minutes of the May 1, 2024, meeting.

PUBLIC OUTREACH

A meeting that combined the Human Services and Housing Funding Board and the Affordable Housing Board was held on March 27, 2024, to discuss the merits of the housing proposals, without any funding discussion. Housing applicants also had the opportunity to create video presentations that were viewed by members of both boards in advance. Housing applicants were provided the opportunity to respond to questions directly from board members at their joint meeting. The Affordable Housing Board met on April 4, 2024, and created their own project ranking list, which was then made available to the Human Services and Housing Funding Board as a resource to consider during funding deliberations. The Human Services and Housing Funding Board met on April 3, 2024, to discuss the merits of the human services proposals and identify follow-up questions for the applicants, without any funding discussion. The Human Services and Housing Funding Board held a meeting on April 30, 2024, to deliberate the housing proposals and CDBG public service proposals, and again on May 1, 2024, to deliberate the human service proposals, and make funding recommendations. All meetings were open to the public and added to the City calendar.

The City of Fort Collins Citizen Participation Plan for HUD funds requires a Public Hearing to review the Competitive Process, funding sources, applications and funding requests for all projects. Announcements were published in the Coloradoan newspaper, posted on the Social Sustainability website and the Events Calendar, and emailed to community organizations. The Public Hearing occurred on March 26, 2024.

The City of Fort Collins Citizen Participation Plan for HUD funds also requires a 30-day public comment period on the proposed allocation of CDBG and HOME funds prior to Council's final decision. Staff placed an ad in the Coloradoan newspaper on May 14, 2024, presenting the list of recommended funding for programs/projects and indicated the public comment period would start on May 15, 2024, and end on June 18, 2024. The Council meeting on June 18, 2024, will serve as a Public Hearing and comments will be recorded and reported to HUD in August. The public notice of funding recommendations was placed on the Social Sustainability Department's website. It was also distributed to applicants and entities serving a majority of clients in legally protected classes-including those in a racial/ethnic minority, those with a disability, or female heads of households-or serving those community members who might otherwise have barriers to public participation in the City's civic engagement processes. To date, the public comments received have largely been statements of gratitude from the applying agencies.

ATTACHMENTS

1. Resolution for Consideration
2. Summary of Organizations Requesting Funding and Recommendations
3. Affordable Housing Board Priority Rankings
4. Funds Distributed Based on Human Services Priorities
5. Scorecard Rankings
6. Human Services and Housing Funding Board Minutes, April 30, 2024
7. Human Services and Housing Funding Board Minutes DRAFT, May 1, 2024