

Request for Board Action Details

File #: 2020-511

Type: Administrative Item **Status:** Passed

In control: Housing and Redevelopment Authority

On agenda: 12/1/2020 **Final action:** 12/1/2020

Title: Amendment to the 2019 Action Plan for Community Development Block Grant Funds

Sponsors: Community & Economic Development

Indexes:

Code sections:

Attachments: 1. Resolution

Date	Ver.	Action By	Action	Result
12/1/2020	1	Housing and Redevelopment Authority	approved	Pass

Sponsor: Community & Economic Development

Title

Amendment to the 2019 Action Plan for Community Development Block Grant Funds

Recommendation

Authorize the County Manager to submit a Plan Amendment to the 2019 Action Plan to the U.S. Department of Housing and Urban Development that allocates an additional \$1,044,909 in supplemental Community Development Block Grant funds provided by the CARES Act, and to accept the amount of \$1,044,909 once funds become available, for a cumulative total of \$1,729,813.

Background

Funds are provided to Ramsey County under the Community Development Block Grant Program (CDBG) to support the development of viable communities, principally for persons of low and moderate income through the provision of decent housing; a suitable living environment; and expanded economic opportunities. The amendment proposes to accept the supplemental CDBG funds which will be provided through the Coronavirus Aid, Relief and Economic Security Act (CARES Act), which makes available \$5 billion nationally in supplemental CDBG funding for grants to prevent, prepare for, and respond to coronavirus (CDBG-CV grants). Funds are allocated to jurisdictions based on the current CDBG formula.

These funds are limited for use in suburban Ramsey County. The City of Saint Paul received a separate entitlement of approximately \$6M in CDBG-CV funds. It is anticipated CDBG-CV funds will be used for small business assistance and housing support for low- and moderate-income households.

The U.S. Department of Housing and Urban Development (HUD) regulations for CDBG funds require an amendment from the Housing and Redevelopment Authority whenever a project is undertaken which was not specifically identified, including an address, in a previously approved action plan.

County Goals (Check those advanced by Action)☒ Well-being☒ Prosperity☐ Opportunity☐ Accountability

Racial Equity Impact

Despite leading a significant portion of the nation's businesses, minority-owned firms are still having a much harder time accessing small business loans than their white counterparts. Minority-owned firms are much less likely to be approved for small business loans than white-owned firms. Renters in suburban Ramsey County are more likely to be low-income persons of color. Providing assistance to small business and renters during this challenging time will have a positive impact on racial equity in delivery of these services.

Community Participation Level and Impact

Goals and objectives for the Community Development Block Grant and HOME funds are set during the consolidated planning process, following the outreach and participation strategies required by that plan. Notice of Funds Available are issued annually, and suburban municipalities work together to set priorities. A notice regarding the potential funding was published for public comment in official paper of the County on October 28, 2020. No comments have been received to-date.

☒ Inform ☒ Consult ☐ Involve ☐ Collaborate ☐ Empower

Fiscal Impact

CDBG-CV funds totaling \$1,729,813 are available through the CARES Act. There is a commitment requirement that 80% of the funds must be committed within 3 years.

County Manager Comments

HRA approval is required to accept the \$1,044,909 supplemental funds allocated through the CARES Act. For more information on Community and Economic Development, please see

<https://www.ramseycounty.us/your-government/departments/economic-growth-and-community-investment/community-economic-development>.

Last Previous Action

On May 12, 2020, the Housing and Redevelopment Authority approved an amendment for \$685,000 in CDBG-CV (Resolution H2020-009).

Attachments

1.None