R-21- 96

RESOLUTION NO. _____

A RESOLUTION AMENDING THE 2019 ANNUAL ACTION PLAN OF THE CITY OF NORTH LITTLE ROCK IN REGARD TO THE INCLUSION OF THE COMMUNITY DEVELOPMENT BLOCK GRANT-CORONAVIRUS (CDBG-CV) PROGRAM ALLOCATION AND PROJECTS.

WHEREAS, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, authorized two special allocations (Round One allocation of $406,388.00 and Round Three allocation of $383,436.00) of CDBG-CV funds to the City of North Little Rock ("the City") through the Department of Housing and Urban Development (HUD), to be used to prevent, prepare for, and respond to the Coronavirus; and

WHEREAS, the FY2019 Annual Action Plan has been approved by HUD; but the FY2021 Annual Action Plan and the 2021-2025 Five Year Consolidated Plan approved by Resolution 21-10029 on April 12, 2021 are currently under review by HUD. Upon approval by HUD the 2021-2025 Five Year Consolidated Plan will be amended to reflect said changes; and

WHEREAS, the CARES Act authorized HUD to grant certain waivers and alternative requirements when necessary to expedite and facilitate the use of CDGB-CV funds, including the option to amend a grantee's HUD-approved Action Plans; and

WHEREAS, the City has previously amended its 2016-2020 Consolidated Plan and 2019 Annual Action Plan to include its CDBG-CV supplemental allocation of $406,388.00, its CDBG-CV Economic Development project; and related activities;

WHEREAS, the City is now amending again the 2019 Annual Action Plan to reallocate the remaining balance of the Round One allocation in the amount of $302,000.00, and to add the Third Round allocation in the amount of $383,436.00; and

WHEREAS, both CDBG-CV supplemental allocations will be used to reconstruct, rehabilitate, or replace HVAC systems and install air purification systems in selected public facilities to prevent, prepare for, and respond to the Coronavirus; and

WHEREAS, a legal advertisement of notice of a public hearing to be held on July 26, 2021 at 6:00 p.m. has been placed in the paper.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the 2019 Annual Action Plan is substantially amended as outlined in Exhibit A attached hereto and incorporated herein by reference.

SECTION 2: That the remaining balance of the first round of the special allocation from the CARES Act in the amount of $302,000.00 from the Economic Development project is reallocated.

SECTION 3: That the third round of the special allocation from the CARES Act in the amount of $383,436.00 will be added to the 2019 Annual Action Plan (as outlined in Exhibit A), and the 2021-2025 Five Year Consolidated Plan will be amended to reflect said changes upon approval by HUD.

SECTION 3: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

Mayor Terry C. Hartwick

SPONSORS:

Terry C. Hartwick by AF

Mayor Terry C. Hartwick

ATTEST:

Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields, City Attorney

FORMATTED BY THE OFFICE OF THE CITY ATTORNEY

FILED 10:52 A.M. _____ P.M.

By Amy Fields AA

DATE 7/20/21

Diane Whitbey, City Clerk and Collector
North Little Rock, Arkansas

RECEIVED BY _____

EXHIBIT
A

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

Minor Amendment: 9/ 9/19, City Council approved reallocation 2019 CDBG funds. Amended AP sections: AP-20, AP-35, and AP-38, reflect following amended funding amounts:

- *2019 Administration-CDBG project budget $101,055 amended to $89,055, reduction $12,000.*
- *2019 CareLink Meals on Wheels Program budget $30,000 amended to $36,000, increase $6,000.*
- *2019 NLR Boys/Girls Club Great Futures Program project budget $25,000 amended to $31,000 increase $6,000.*

Substantial Amendment: 7/26/21 - Amended AP sections: AP-20, AP-35, and AP-38, reflect following amended funding amounts:

- *Round One total allocation CARES Act ($406,388). $302,000 remaining - CDBG-CV Econ Development Activity - Round One CARES Act funding reallocated - Public Facility HVAC upgrades/COVID filtration activity.*
- *Add Round Three allocation CARES Act ($383,436). Allocated to Public Facility HVAC upgrades/COVID filtration activity.*
- *CARES Act funding used to prevent, prepare for & respond - both backward-looking & forward-looking risk & vulnerabilities of coronavirus for Public Services*

Eligible local governments may receive annual grants for community development & affordable housing through application to HUD. Available grants include CDBG/HOME grant. CDBG Entitlement Program provides annual grants on formula basis to entitled cities/counties to develop urban communities by providing suitable living environment/decent housing, & by expanding economic opportunities, for LMI persons. HOME program provides formula grants & is largest Federal block grant to state/local governments designed to create affordable housing for low income households. Cities may address community needs w/ eligible grant activities. HUD requires grantees to prepare/submit Consolidated Plan. NLR's 5 Year Consolidated Plan FY2016 – FY2020 was developed in accordance w/ federal regulatory requirements 24 CFR Part 91.

OMB Control No: 2506-0117 (exp. 09/30/2021)

Consolidated Plan outlines levels of need in areas of community development, affordable housing, special needs, & homelessness. Information gathered through a number of approaches: public outreach, consultations w/ local agencies, review of demographic/economic data provided by HUD, & an analysis of market conditions.

Consolidated planning process serves as framework for community-wide dialogue to identify community development/housing priorities that align & focus funding from grant programs. Funding recommendations for activities operated w/ grants - evaluated based on ability to help City meet goals outlined in Plan.

For each of the 5 years covered by the Consolidated Plan, NLR is required to prepare an Annual Action Plan. FY2019 represents year four of Consolidated Plan. FY2019 Annual Action Plan serves as application to HUD for CDBG/HOME funding, & details activities funded & other actions that will be taken to meet objectives of Consolidated Plan.

Needs related to non-housing community development, housing, special needs, & homelessness were identified. Goals, objectives, & outcomes developed to address issues. Limited allocations preclude funding projects for all identified needs. For objectives listed but not funded through Plan, City can provide support through coordination of efforts w/ partner agencies.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

Goal: Public Improvements/Infrastructure/Facilities

Objective: Foster suitable living environments/address non-housing community development needs.

- Sustain/revitalize LMI neighborhoods w/ infrastructure improvements - streets, drainage, & sidewalks.
- Improve public facilities enhance neighborhoods serving LMI populations, - homeless, special needs, youth, and elderly.
- Support City's Fit 2 Live initiative create environments - empower communities to adopt healthy life choices, - community gardens.

Goal: Affordable Housing/Rehabilitation/Development

Objective: Increase availability of decent affordable housing for low income persons.

- Increase availability - housing options for low income residents through development - affordable housing by a CHDO & through efforts & activities of City's NSP2 Consortium members.
- Support alternative housing rehabilitation assistance efforts such - faith-based initiatives, volunteer programs, & self-help/neighborhood group empowerment programs.
- Support NLRHA efforts to maintain & modernize public housing & scattered site unit stock, identify housing opportunities, & maintain, expand and/or update Housing Choice Voucher programs, Homeownership, Family Self-Sufficiency (FSS), Resident Advisory Boards (RABs), Section 18 & Rental Assistance Demonstration (RAD) programs, job & learning center programs, & other initiatives.
- Support private & nonprofit developers in identifying opportunities to utilize Low Income Housing Tax Credits (LIHTC), New Market Tax Credits & Opportunity Zone incentives for construction of assisted rental housing & other new developments.
- Facilitate access to lenders/programs offering subsidy, down payment/closing cost assistance to homebuyers & rehabilitation loans to homeowners.
- Support Continuum of Care (CoC) efforts, including increase in inventory of permanent and/or transitional housing units/shelter & housing related services for homeless, $ permanent supportive housing for special needs populations.

Goal: Public Services

Objective: Stabilize living environments/improve well-being of the economically disadvantaged.

- Provide availability/accessibility of public services geared toward the benefit of at-risk youth, seniors, special needs, homeless & other LMI populations.
- Support collaboration w/ service providers & CoC members.
- Support nonprofit efforts to expand funding sources through certificates of consistency w/ Con Plan.
- Support economic development, job development, & workforce training efforts.

Administer, plan, & monitor CDBG/HOME programs ensure anticipated outcomes & regulatory compliance. Assess & support needs including fair housing, removal of barriers to affordable housing, removal of lead-based paint hazards, an anti-poverty strategy, & identification of resources addressing financial & digital literacy

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City of North Little Rock has implemented several successful programs in the past with CDBG and HOME funding. Neighborhoods in low to moderate income areas of the City have been preserved through infrastructure projects such as sidewalk, street and drainage improvements. The number of new homes available in the affordable housing market in North Little Rock has increased through the efforts of the City's Community Housing Development Organization (CHDO). Homelessness issues, special needs, care of the elderly, and youth and neighborhood services have been addressed and provided through partnerships with nonprofit agencies and various public service and public facility projects.

At the end of each fiscal year, the City must prepare a Consolidated Annual Performance and Evaluation Report (CAPER) to provide information to its citizens and HUD detailing the accomplishments for that year. This report allows HUD, City officials and the public the opportunity to evaluate the City's performance and assess whether the activities undertaken during that fiscal year helped to meet the City's five-year goals. The City of North Little Rock began receiving Community Development Block Grant (CDBG) funds in 1975, and Home Investment Partnership (HOME) funds in 1992. HUD has consistently determined that the City has met its performance objectives and goals, and that the City has the capacity to continue effective administration of its grant programs.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

As per the Citizen Participation Process and in preparation of the FY2019 Annual Action Plan, City staff held public hearings in several accessible locations in low and moderate income areas in order to receive input from citizens and to inform them of the availability of Community Development Block Grant and HOME Investment Partnership funding and programs. Technical assistance to groups seeking funding was provided upon request at public hearings, at the CDA office, and by phone. Citizens were notified of hearings through a local newspaper display advertisement and through a posting on the City website. In an effort to reach more North Little Rock residents, notices were posted on various City neighborhood organization Facebook pages. Nonprofits who serve low and moderate income persons, neighborhood and community leaders, and other interested parties were notified of meetings by direct mailouts. Notice of the public hearings was listed as a communication on the City Council agenda. The notice offered special accommodations at the public meetings upon request from hearing impaired or non-English speaking residents, and persons with disabilities.

Notice of a 30 day public comment period on the final draft of the FY2019 Annual Action Plan was published in the newspaper and posted on the City website. Copies of the Action Plan were made available for public review at City Hall and at the Community Development Agency, as well as on the City website. The notice also announced a public hearing to be held in conjunction with a City Council

meeting addressing adoption of these items prior to submission to HUD. Approval requires a majority vote of the City Council.

The consultation process included extensive outreach to elected and appointed officials, key City staff, and numerous agencies and organizations as detailed in section PR-10.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

During the public hearings, oral comments were received regarding issues related to flooding and street and drainage improvement needs; the need for development of new affordable housing to revitalize areas by encouraging homeownership and filling vacant lots; a need for neighborhood clean-up, especially rental units that are not kept up; interest in the CHDO program including zero interest financing for eligible homebuyers; a need for economical loan programs by banks for homeowner rehabilitation projects; and a need for homeownership classes for renters and financial and digital literacy and fair housing training for homebuyers and youth.

6. Summary of comments or views not accepted and the reasons for not accepting them

There were no comments received during the comment period.

7. Summary

The City of North Little Rock recognizes and values the opportunities that the Community Development Block Grant (CDBG) and HOME Investments Partnerships (HOME) programs provide to enhance the quality of life for its low and moderate income residents. The City strives to maintain its history of administering successful and effective programs and continues to encourage broad community involvement in the process.