

DISCUSSION/DIRECTION

CDBG ENTITLEMENT STATUS


SEPTEMBER 1, 2020




CDBG ENTITLEMENT STATUS

ELIGIBLE PROJECTS


CDBG funds must be used for activities that meet one of the following criteria:



Benefit low and moderate income persons



Prevent or eliminate slums or blight



Address community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available

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ELIGIBLE PROJECTS

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Public services, within certain limits
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

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EXAMPLE PROJECTS

- Housing rehabilitation and sewer line replacements (Centennial)
- Street and sidewalk accessibility improvements (Centennial)
- Energy efficiency grants (Englewood)
- Establishing a high school mentoring program to empower students from low-income communities to graduate high school (Arapahoe County)
- Low-income, senior, and special needs housing plus homebuyer assistance (Fort Collins)
- Park/playground improvements (Lakewood)

PARTICIPATING CITIES/COUNTIES

- | | | | |
|-------------------|--------------------|--------------------|---------------|
| • Adams County | • Centennial | • Grand Junction | • Pueblo |
| • Arapahoe County | • Colorado Springs | • Greeley | • Thornton |
| • Arvada | • Commerce City | • Jefferson County | • Westminster |
| • Aurora | • Denver | • Lakewood | |
| • Boulder | • El Paso County | • Longmont | |
| • Broomfield | • Fort Collins | • Loveland | |

Douglas County, Castle Pines,
Parker & Lone Tree to
participate in 2021

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CASTLE ROCK – CDBG BRIEF HISTORY

- Castle Rock, in partnership with Douglas County, used CDBG funding in 2011 for alleyway and downtown accessibility improvements
- Castle Rock deferred its entitlement status for CDBG funding in 2015, 2017 and 2019
- Douglas County ended its entitlement status in 2016
- In May 2020, Town Council decided to not join with Douglas County in the CDBG program, directed staff to monitor the Affirmatively Furthering Fair Housing (AFFH) ruling and bring the discussion back for future action
- Past decisions to defer entitlement status have been primarily based on concerns with requirements with AFFH stipulations – specific concerns were loss of zoning/planning control

TOWN ELIGIBILITY

The Town was notified on April 1st of its eligibility to receive CDBG funds for FY2021 – must respond by **September 15th**

FINANCIAL IMPACT

FY2020 estimated allocation: \$222,000 – it is reasonable to assume a similar amount for FY2021

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AFFIRMATIVELY FURTHERING FAIR HOUSING

- Efforts to define “affirmatively furthering fair housing” (AFFH) began in 1994
- Guidance was provided in 1996 to explain AFFH
- The 2015 AFFH Rule included language that allowed the federal government engagement in local land use matters
- Effective September 8, 2020:
 - Removal of existing 1994 and 2015 AFFH rules
 - New rule entitled “Preserving Community and Neighborhood Choice” in place

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AFFH RULE CHANGE – FEDERAL REGISTER STATEMENTS

- *This approach to the definition of ‘affirmatively further fair housing’ **preserves flexibility for jurisdictions** to take action based on the needs, interests, and means of the local community, and **respects the proper role and expertise of state and local authorities.***
- *The rule repeals the 2015 AFH and 1994 AI [Analysis of Impediments] requirements where they appear in regulation. Thus, it returns to the original understanding of what the statutory AFFH certification was prior to the 1994 regulation: **A general commitment that grantees will use the funds to take active steps to promote fair housing.** Thus, grantee AFFH certifications will be deemed sufficient provided they took any action during the relevant period rationally related to promoting fair housing, such as helping eliminate housing discrimination.*

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ADDITIONAL CONSIDERATIONS

- If Town Council defers entitlement status, Castle Rock residents will not be eligible to benefit from the County CDBG program – for example, if a local non-profit receives CDBG funding from Douglas County, any Castle Rock resident will be refused access the program/funding
- After accepting entitlement status, the Town would be able to withdraw from the program if staff or Town Council determine the process to be out of alignment with Town priorities

RECOMMENDATION & NEXT STEPS

- Staff recommends acceptance of CDBG entitlement status for 2021
- Development of a Consolidated Plan for use of CDBG funding must be complete by August 16, 2021 – this plan is developed with citizen participation and includes:
 - Housing and homeless needs assessment
 - Housing market analysis
 - Strategic Plan
 - Action Plan
 - Certifications
- Staff would engage a qualified consultant to guide plan development – associated costs can be offset by the grant award



QUESTIONS?



PROPOSED MOTION

“I MOVE TO ACCEPT CDBG ENTITLEMENT STATUS FOR THE TOWN OF CASTLE ROCK AND DIRECT STAFF TO PROCEED WITH THE DEVELOPMENT OF THE CONSOLIDATED PLAN.”