

MEMORANDUM

TO: Roger L. Stancil, Town Manager

FROM: J.B. Culpepper, Planning Director
Loryn Clark, Housing and Neighborhood Services Manager

SUBJECT: Recommended Plan for Use of Community Development Block Grant Funds
Made Available Through the American Recovery and Reinvestment Act (ARRA)
of 2009

DATE: May 18, 2009

PURPOSE

The purpose of this memorandum is to recommend the adoption of a plan for use of Community Development Block Grant funds made available through the American Recovery and Reinvestment Act (ARRA) of 2009 that have been awarded to the Town by the U.S. Department of Housing and Urban Development (HUD).

Adoption of the attached resolution would approve activities for use of \$156,110 of ARRA funds. Enactment of the attached ordinance would establish a Project Ordinance for this grant.

BACKGROUND

- We have received notification from HUD that we have been awarded \$156,110 of Community Development Block Grant funds under the ARRA. Therefore, we have developed a proposed plan based on this grant amount.
- The proposed plan includes projects that would occur at the Town's public housing communities.
- The deadline for submitting the plan for the Community Development Program under the ARRA to the U.S. Department of Housing and Urban Development is June 5, 2009.

DISCUSSION

We have developed a proposed plan for Community Development funds available under the ARRA in the amount of \$156,110, based on notification we received from HUD. We propose the following activities for use of these funds:

1. Repair of decks at Trinity Court public housing community - \$70,000

The Housing Department and Public Works staffs have determined that the decks attached to the units at the Trinity Court public housing community are in need of repair. The Public Works Department consulted with an Engineer and has received and reviewed the proposed design to correct the problems. Work would include installation of new steel columns, modified footers and engineered connectors. We recommend that funds be used for this purpose to improve and help maintain the Town's affordable housing stock.

2. Exterior painting at public housing communities - \$66,110

We have identified two public housing communities in need of exterior painting. We recommend that the Town work with an outside contractor to perform this work rather than Housing maintenance staff since they are time-consuming and challenging projects because of the building height.

3. Retrofit of public housing units with high-efficiency toilets - \$20,000

We recommend that funds be used to install high-efficiency toilets for forty-two (42) public housing units Town-wide. The cost would include purchasing the toilets and the installation. In some cases, the Town pays for the water service on behalf of the tenant. In these cases, we recommend monitoring the water consumption over time to determine the amount of savings to the Town, and that we periodically report this information to the Council. Funding this project would be consistent with a recommendation provided to the Council at its May 4 meeting by representatives of the Mayor's Youth for a Sustainable Future initiative.

PROCESS

The guidelines for use of these funds require a public comment period of seven calendar days prior to submission of the plan. We propose that the comment period begin on May 19 and end on May 25, 2009. Comments received during the comment period would be included in the Town's submission to HUD. The guidelines also require information about the proposed use of funds to be posted on the Town's website.

Implementation of this Plan requires an amendment to the Town's 2008 Annual Update to the 2005-2010 Consolidated Plan. Each year, the Town and Orange County submit a joint Annual Update to the Consolidated Plan that includes a Community Development plan that is approved by the Council, and a HOME Program plan that is approved by all of the jurisdictions that participate in the Orange County Consortium (Chapel Hill, Orange County, Carrboro and Hillsborough). Approval of the amendment to use ARRA funds requires authorization to amend the Annual Update by all of the participating governments. As with the Community Development Plan that is included in each Annual Update, the partner governments would have to authorize amending the Annual Update, but they would not approve the activities for use of the ARRA funds.

RECOMMENDATION

We recommend that the Council adopt the attached resolution and enact the attached ordinance approving an amendment to the 2008-2009 Annual Update to the Consolidated Plan to allocate \$156,110 of Community Development Block Grant funds under the American Recovery and Reinvestment Act (ARRA) of 2009 awarded to the Town.

ATTACHMENT

1. March 6, 2009 Letter from the U. S. Department of Housing and Urban Development.