



City of Gilroy Housing Division



Memorandum

Date: March 9, 2022

To: Housing and Neighborhood Revitalization Committee (HNRC)

From: Crystal Zamora, Program Administrator

Subject: FY 2022-2023 & FY 2023-2024 Community Development Block Grant (CDBG) and Housing Trust Fund (HTF) Grant Funding Recommendations

BACKGROUND

Attached are recommended funding options for fiscal years 2022-2023 & 2023-2024 Community Development Block Grant (CDBG) and Housing Trust Fund (HTF) Public Services grant funds. As mentioned at the last HNRC meeting, Bay Area Community Health is only being considered for funding in fiscal year 2022-2023. Staff consolidated committee recommendations and are presenting two alternatives for funding recommendations.

Option A proposes to utilize the average of the committee member's funding recommendations for ALL grant requests. The amount recommended for each grant request was adjusted slightly to account for the minimum grant amount of \$7,500 for each applicant. This method accounts for nearly all the CDBG funds available (\$308) and would leave a gap of \$11,329 in HTF funding that staff would propose is evenly distributed across all HTF applicants being awarded.

Pros of this approach include providing some funding for all applicants.

Cons of this approach include significantly reduced funding amounts from that requested and the possibility that the funding is not enough for the organization to provide the services as described.

Option B proposes to fully fund the top six (of the 12 received for public services) grant proposals based on the committee member's average ranking of all proposals. The total grant amount available allows close to full funding (as requested by the agencies) of the top six ranked grant proposals. This method accounts for all available CDBG funds and would leave a gap of \$5,048 in HTF funding.

Pros of this approach include providing almost full funding for the organizations that received the highest average ranking by all committee members.

Cons of this approach is that several organizations will not receive funding from the City of Gilroy.

Please note that these are suggested funding options based on an average of committee rankings and recommended funding amounts that staff received. The committee may choose variations of the above or derive a different recommendation.

The CDBG allocation is still an estimate at this point as we have not been notified by HUD what the City's "official" allocation will be. We are using these estimates based on last year's funding. We will adjust these figures accordingly should the amount be increased or reduced by HUD.

Based on committee member recommendations for Non-Public Service Projects, staff suggests funding Rebuilding Together Silicon Valley/Rebuilding Home Repair, Rehabilitation and Accessibility Modification Program for \$140,000 which is comparable to years past.

The remaining funds would be used for the following City internal project: Public Works ADA Sidewalk and Curb Ramp Project. Funding would be for \$165,500 and would go towards the design and construction of these improvements throughout the City designated Neighborhood Revitalization Strategy Area (NRSA).

Attached are the specific funding recommendations for **Options A and B**, funding recommendations for non-public service CDBG funds, as well as a summary of all committee members' proposal rankings and funding recommendations.

ANALYSIS

N/A

NEXT STEPS

Staff will be available for questions. Members will discuss options and vote on FY 2022-2023 & FY 2023 - 2024 CDBG and HTF grant funding allocation recommendations to be presented to City Council.