

TOWNSHIP OF LOWER MERION

**GRANTS AND COMMUNITY
DEVELOPMENT COMMITTEE**

**Wednesday, April 10, 2019
6:00 PM (Approximately)**

Chairperson: Tiffany O'Neill
Vice Chairperson: Anna Durbin, Anthony C. Stevenson

AGENDA

- 1. SECOND PUBLIC HEARING ON CDBG 2019-2020 ACTION PLAN BUDGET**



AGENDA ITEM INFORMATION

ITEM: SECOND PUBLIC HEARING ON CDBG 2019-2020 ACTION PLAN BUDGET

The Committee will hold a second public hearing to obtain the views of citizens and local organizations on the Township's housing and community development needs and recommendations for activities to fund in the 2019-2020 Fund Year 45 CDBG Budget. After closing the public hearing, staff will seek input from the Committee whether to make any amendments to the proposed budget.

PUBLIC COMMENT

ATTACHMENTS:

Description	Type
<input type="checkbox"/> ISSUE BRIEFING	Issue Briefing
<input type="checkbox"/> EXECUTIVE SUMMARY	Backup Material
<input type="checkbox"/> CDBG FUNDING BUDGET - PROPOSED	Backup Material

TOWNSHIP OF LOWER MERION

Grants and Community Development Committee

Issue Briefing

Topic: **Citizens Participation on Housing and Community Development Needs in Township For Fiscal Year 2019-2020 Annual Action Plan CDBG Recommended Funded Activities**

Prepared By: **Emily Crane, Community Development Technician**

Date: **April 5, 2019**

- I. **Action To Be Considered By The Board:****

This is a public hearing and no action is required at this time. A second public hearing to obtain community’s comments on the proposed Community Development Block Grant (CDBG) Annual Action Plan for 2019-2020 is required to comply with HUD regulations. Although no formal action is required at this time, staff is seeking input from the Board about any potential changes to the budget. This will provide staff with time to make the changes prior to the adoption of the Action Plan in May.

- II. **Why This Issue Requires Board Consideration:****

Federal regulations require the Township to hold two public hearings to obtain public comment on the proposed Annual Action Plan. The Board of Commissioners are required to adopt a Resolution in May and submit the application to HUD for funding allocation by May 15.

- III. **Current Policy Or Practice (If Applicable):****

The Board is required to comply with HUD regulations with the Citizens Participation Plan to obtain the Township’s funding allocation for 2019-2020.

- IV. **Other Relevant Background Information:****

Activities considered for funding are required to meet one of three national objectives and eligibility requirements in order to be funded through HUD’s CDBG program. The plans have been available for public review for the minimum 30 day period beginning April 1. The grant funds for the 2019-2020 budget year are estimated at \$967,408. The amount is estimated because HUD has not yet announced allocation amounts for the upcoming program year.

The spreadsheet attached to this Issue Briefing includes the staff recommended draft CDBG budget funding. This spreadsheet provides the different categories of funding with the totals on the last page.

HUD regulations allow the use of previous year program income to increase total funding during the following year. The regulations also allow increased spending on the categories that are capped. Spending on Public Services is normally capped at 15% of the yearly funding allocation. However, the Township is permitted to increase Public Service spending in a given year to include 15% of the program income from the previous year. The draft budget includes a recommended increase in funding to all of the Public Service Agencies in the upcoming year as result of this program income.

If the additional funding recommended for Public Service agencies is approved by the Board of Commissioners, staff will be informing all of the Public Service agencies that this is contingent on Program Income, and they cannot count on this increased funding in future years. Alternatively, the Board of Commissioners could allocate the Program Income to any other eligible activity.

If the Grants Committee proposes any changes to the draft budget it is strongly recommended that they be made prior to the close of the April 10 meeting to provide staff enough time to prepare the final budget package for approval by the Board of Commissioners on May 8 and submission to HUD by the May 15 deadline.

- V. **Impact On Township Finances:** The Federal CDBG funds assist the Township to meet the public service needs, physical improvements and economic development for the community and reduces the need to impose higher local taxes to provide these services.

- VI. **Staff Recommendation:** Staff recommends the Board take no action in April but provide staff with direction for any budget amendments to be included in the proposed budget. The Board will be required to adopt the CDBG Action Plan budget as proposed at the May 8 special Board of Commissioners meeting.



[Fifth Program Year](#)
[FY 2019 Action Plan](#)
[Five-Year Consolidated Plan Period July 1, 2015 – June 30, 2019](#)
[Narrative Responses](#)

EXECUTIVE SUMMARY

The Township of Lower Merion has prepared this FY 2019 Annual Action Plan after soliciting comments from local citizens and agencies regarding community needs.

In developing this Annual Action Plan for FY 2019, Lower Merion examined the priorities it had listed in the current Five-Year Consolidated Plan (FY 2015-2019), including priority needs for housing, public facilities, infrastructure and public services. At the public hearings, the Township again reviewed these needs and the priorities to determine what, if any, revisions were needed in the 2019 Annual Action Plan. The initial hearing was held at 6:15 PM on February 13, 2019 at the Commissioner’s Board Room in the Lower Merion Administrative Building. On March 31, 2019, the Township advertised for a public hearing on the draft Annual Action Plan to be held on April 10, 2019. The draft Plan was available for public review from April 1, 2019 through May 1, 2019.

As has been normal practice, the Township accepted applications for proposed activities to be funded with the 2019 CDBG Entitlement funds from non-profit organizations, non-profit affordable housing developers and Township Departments. Announcement of application availability was published in *The Main Line Times* January 6, 2019 and January 22, 2019 and on the Township website, www.lowermerion.org. Applications were made available to interested organizations starting January 7, 2019. The deadline for application submission was February 15, 2019. The budget proposed in the Action Plan was a result of an application review process by the Community Development staff and a review by the Township Manager and Board of Commissioners. Final revisions to the Plan will be completed after the public comment period. At the May 8, 2019 meeting of the Lower Merion Board of Commissioners, the Plan will be approved, by Resolution, by the Board prior to submission to the US Department of Housing & Urban Development on May 15, 2019.

Fourth Annual Action Plan

Lower Merion Township for FY 2019, the Fifth-Year Action Plan under the 2015-2019 Five-Year Consolidated Plan, has prepared a budget for the spending of an estimated \$1,045,971. This figure represents the Township’s estimated CDBG Entitlement funds of \$967,408 and \$78,563 in FY 2018 Program Income. The overall plan for FY2019 provides funds for housing rehabilitation, public services, public facilities, economic development and general administration. Programs and projects continue to focus on the low/mod income areas shown in the maps in the Action Plan in an effort to meet the goals of both HUD and the community to enhance and improve the lives of the residents of those areas. The Township’s goals and priorities were spelled out in detail in the Five-Year Consolidated Plan.

The general goals around which the Plan was written include:

- provision of decent, affordable housing
- provision of a suitable living environment
- expansion of economic opportunities

In order to address the housing needs noted in the Consolidated Plan, the Township of Lower Merion has allocated CDBG funds to continue its homeowner rehabilitation program. The housing rehabilitation program will assist lower-income homeowners to upgrade their properties and protect the existing housing stock. Lower Merion will continue to provide forgivable loans of up to \$25,000 with supplemental deferred loans to eligible homeowners for improvements. Lower Merion has funded the Township wide housing rehabilitation program since the inception of the CDBG program. In the FY 2019 budget, \$290,000 in CDBG funds are designated for the housing rehabilitation program, which includes funds for lead paint abatement, and funds for temporary relocation costs while abatement is being completed. In addition, \$100,000 is included for the Home Purchase Program and \$185,000 has been budgeted for improvements to the Ardmore House, a senior living facility.

The Five-Year Consolidated Plan also presented the non-housing priority needs of the Township of Lower Merion. FY 2019 CDBG funds have likewise been budgeted to address these non-housing priority needs as well.

The non-housing portion of the Plan provides \$127,000 for youth and recreation services at the Ardmore Avenue Community Center and \$32,100 for senior services such as ElderNet’s Care Management Coordinator and Escort Driver program, and instructional programs for seniors at the Center for Positive Aging in Lower Merion (PALM), the Senior/Disabled Mini-Bus Service and the New Horizons Senior Center. Domestic violence services are funded at \$3,000. Funding for the Township’s Recreation Special Populations Coordinator and Youth Summer Camp were previously merged into the Ardmore Avenue Community Center activity, these activities have continued with funding from the Township’s Recreation Department budget. Additionally, \$39,921 was budgeted for improvements to the Ardmore Avenue Community Center, the Palm senior center and Resources for Human Development’s Center for Creative Works.

The 2019 Action Plan will also provide \$70,000 for ADA Accessibility and Public Facility improvements and \$15,000 to assist business owners with installation of accessible ramps. An additional \$30,000 was budgeted for Economic Development: \$10,000 for the Commercial Facade Loan Program, and \$20,000 for the Ardmore Initiative’s Business Assistance Job Creation program. The Year 2019 Action Plan also includes \$7,500 for Fair Housing activities, such as workshops and compliance training, \$140,000 for Program Administration/Planning and \$11,000 for Lower Merion Affordable Housing for administration and to develop affordable housing sites. All funds are targeted specifically to low / mod income areas or clientele.

Year 2019 Action Plan, by Category

Category	2019 CDBG
Youth and Recreation Services	\$127,000
Senior Services	\$32,100
Domestic Violence Services	\$3,000
Owner-Occupied Housing Rehabilitation	\$275,000
Owner- Occupied Housing Rehabilitation Delivery Costs	\$15,000
Infrastructure & Public Facilities, including ADA improvements	\$106,650
Affordable Housing Development - Administration	\$11,000
Affordable Housing Development- Special needs rehab	\$198,721
Affordable Housing – Home Purchase Program	\$100,000
Economic Development – Ardmore Initiative	\$20,000
Economic Development - Commercial Façade Loan Program	\$10,000
Fair Housing	\$7,500
Administration / Planning	\$140,000
Total	\$1,045,971

APPLICATION REQUESTS FOR CDBG FUNDING THROUGH LMT
FUND YEAR 45 (2019-2020)

ACTIVITY for Program Year 45 (2019-2020) Final Budget	AGENCY	COMMENTS	LAST YEAR'S REQUESTED FUNDING	LAST YEAR'S FUNDED AMOUNT	REQUESTED AMOUNT	RECOMMENDED FUNDING
<u>ADMINISTRATION</u>						
CDBG Administration	LMT	Salaries, expenses, professional services, advertising (increased funding for 5 year Con Plan)	130,000	130,000	140,000	140,000
Non-Profit to support affordable housing in the Township-Admin	Lower Merion Affordable Housing Corp	Staffing expenses financial audit	10,000	8,000	11,000	11,000
Fair Housing Rights Assistance for Lower Merion	Housing Equality Center of PA	Seminars, workshops, complaints, housing outreach-agency in Montco	7,500	7,500	7,500	7,500
ADMINISTRATION TOTAL		20% Admin CAP per HUD \$193,481			\$158,500	\$158,500

APPLICATION REQUESTS FOR CDBG FUNDING THROUGH LMT
FUND YEAR 45 (2019-2020)

ACTIVITY for Program Year 45 (2019-2020) Budget	AGENCY	COMMENTS	LAST YEAR'S REQUESTED FUNDING	LAST YEAR'S FUNDED AMOUNT	REQUESTED AMOUNT	RECOMMENDED FUNDING
<u>PUBLIC SERVICES</u>						
Ardmore Avenue Community Center - partially fund staff salaries	Parks & Recreation	Adult and Youth group activities in low to moderate income area	411,438	133,500	446,055	127,000
Mini Bus Program-partial funding for driver's salary	Parks & Recreation	Mini Bus Program-provides transportation for senior citizens, youth and adults with mental and physical challenges to various cultural, social and recreational trips	20,272	8,500	22,922	8,100
Escort Driver - partially funds driver service	ElderNet	When volunteers are not available to help the elderly	3,360	1,700	2,713	1,300
Care Management & Clerical Assistance-fund partial salary	ElderNet	Social worker works with elderly & disabled residents	68,477	8,500	72,227	8,100
Senior Center in Ardmore -funds partial pay for program services	PALM-Positive Aging in Lower Merion	Instructional programs-seniors	24,000	8,500	12,000	8,100
Domestic Violence Satellite Office in Bryn Mawr partial rent payment	Women's Center of Montgomery County	Presumed benefit abused victims	5,000	3,400	3,500	3,000
New Horizons Senior Center-fund partial salary Program Coordinator	New Horizons Senior Center	Presumed benefit seniors	16,380	6,800	7,410	6,500
PUBLIC SERVICES TOTAL		15% Public Service CAP per HUD \$163,111	<i>Cap includes 15% of program income funds from 2018</i>		\$566,827	162,100

APPLICATION REQUESTS FOR CDBG FUNDING THROUGH LMT
FUND YEAR 45 (2019-2020)

ACTIVITY for Program Year 45 (2018-2020) Budget	AGENCY	COMMENTS	LAST YEAR'S REQUESTED FUNDING	LAST YEAR'S FUNDED AMOUNT	REQUESTED AMOUNT	RECOMMENDED FUNDING
<u>PUBLIC WORKS</u>						
Accessibility: Curb Cuts includes engineering , construction and PENNDOT reviews	Public Works	\$164,000 remaining from previous fund years	297,000	120,000	215,000	70,000
ADA Ramps for Businesses	LMT	New Program	0	0	15,000	15,000
<u>ECONOMIC DEVELOPMENT</u>						
Commercial Façade Program-Funds to pay interest portion of commercial loan for owners and/or tenants	Economic Development	1 project a year	20,000	10,000	10,000	10,000
Ardmore Initiative-Program for rehab or business assistance to area for-profit retail or restaurants-creates jobs for low to moderate income people is a requirement for funding	Economic Development	1 project a year	50,000	20000	25,000	20,000
PUBLIC WORKS & ECONOMIC DEVELOPMENT TOTAL					\$265,000	\$115,000

APPLICATION REQUESTS FOR CDBG FUNDING THROUGH LMT
FUND YEAR 45 (2019-2020)

ACTIVITY for Program Year 45 (2019-2020) Budget	AGENCY	COMMENTS	LAST YEAR'S REQUESTED FUNDING	LAST YEAR'S FUNDED AMOUNT	REQUESTED AMOUNT	RECOMMENDED FUNDING
<u>REHABILITATION</u>	Public Facilities Improvement					
Ardmore Avenue Community Center and PALM Senior Center -replace awning 212-6005-0048-0045	Facilities Maintenance Division	Awning where center participants enter building in need of replacement	0	0	8,500	8,500
Ardmore Avenue Community Center Cover Insulation in gym area 218-6005-0048-0045	Facilities Maintenance Division	Walls in gym have exposed insulation	0	0	13,150	13,150
Ardmore Housing for the Elderly - replace existing emergency generator	Grosse & Quade Management Co.	Year 44 request was for generator and elevator upgrade, but funds were insufficient for actual received bids	135,000	135,000	205,000	180,000
Center for Creative Works - RHD Replace broken /worn floor in the Cafeteria and Adult Training Facility 211-6005-xxxx-0045	Resources for Human Development		0	0	18,721	18,721
REHABILITATION TOTAL					\$245,371	\$220,371

APPLICATION REQUESTS FOR CDBG FUNDING THROUGH LMT
FUND YEAR 45 (2019-2020)

ACTIVITY for Program Year 45 (2019-2020) Budget	AGENCY	COMMENTS	LAST YEAR'S REQUESTED FUNDING	LAST YEAR'S FUNDED AMOUNT	REQUESTED AMOUNT	RECOMMENDED FUNDING
<u>HOUSING</u>						
Res.Rehab Program Soft Costs	LMT	Pays for salary, risk assessor, relo, lead and roof inspections	15,000	15,000	15,000	15,000
Residential Rehab Program	LMT	Hard construction costs includes lead paint hazards	330,000	330,000	275,000	275,000
Housing Development- Home Purchase Program	LMT/LMAH	Funds to Purchase-Renovate-Sell a home to low to moderate income families	100,000	100,000	100,000	100,000
HOUSING TOTAL						
					\$390,000	\$390,000
TOTAL REQUESTS FOR FUNDING						
					\$1,625,698	\$1,045,971
<p><i>The Township's estimated CDBG allocation for Fund Year 45 is \$967,408. Previous year's fund allocation was \$987,152. The proposed budget is \$1,045,971 which is \$78,563 higher than the grant funding for the next fiscal year. The additional \$78,563 will be transferred from FY 2018 program income.</i></p>						
15% Public Services		HUD imposed funding cap- \$163,111	<small>Cap includes 15% of program income funds from 2018</small>			
20% Administration		HUD imposed funding cap- \$193,481				