

MEMORANDUM

To: Honorable Mayor, City Council and City Manager

From: Joan Davenport, Community Development Director
Archie Matthews, Office of Neighborhood Development Services Manager
Sara Watkins, Senior Assistant City Attorney

Date: January 5, 2021 City Council Meeting

Subject: Follow-up Report on Program and Schedule for Second Round of Community Development Block Grant (CDBG-CV) Funds

Background on CDBG-CV Funds

As an "Entitlement Community", the City of Yakima has been fortunate to receive two allocations of CARES Act Community Development Block Grant - COVID (CDBG-CV) funds. Unlike other CARES Act funds, these supplemental funds must comply with National Objectives and Eligible Activities guidelines required for all CDBG funds. In addition to the restriction that funded actions must be targeted to prevent, prepare for, or respond to coronavirus impacts, in most cases, direct recipient tracking is required to ensure eligible distribution.

CDBG-CV (1)

The first allocation of CDBG-CV Funds of \$602,216 was awarded to the City of Yakima on April 2, 2020. The City Council authorized the first award of CDBG-CV (1) funding to YCDA to support small businesses (5 or fewer employees) who could document negative economic impacts due to the pandemic. YCDA had a program in place as a result of a previous Yakima County CARES Act grant. YCDA was able to distribute in the City of Yakima, \$215,193 out of the \$481,773 that was authorized. The remaining funds of \$266,576 can be re-allocated with the CDBG-CV (2) funds.

CDBG-CV (2)

On September 11, 2020, the City of Yakima was notified of additional CDBG-CV funds allocated of \$618,993. At the December 8, 2020 City Council meeting, staff was given direction regarding the intent to allocate the CDBG-CV (2) funds, and Council requested this follow-up report. The first priority project authorized by City Council was to improve the air flow and air quality at the Henry Beauchamp Community Center and the Washington Fruit Community Center. Both city-owned buildings are over 40 years old (HBCC built in 1972 and WFCC in 1975). The HVAC systems need to be upgraded to provide improved circulation. Public Works estimates the improvements will be \$130,000 at each community center for a total estimated cost of \$260,000. These systems have been evaluated by a qualified HVAC professional and Public Works provided a preliminary cost estimate in the December 8, 2020 Council package.

The remaining CDBG-CV (2) funds of \$235,195 was directed to be allocated to food distribution and elderly transportation programs. As noted above, the remaining CDBG-CV (1) funds of \$266,576 can be re-allocated as well to this purpose, bringing our available total to \$501,773 of CDBG-CV funds.

People for People Meals on Wheels Program

ONDS staff contacted People for People regarding the Meals on Wheels program and the People for People Transportation Services program. People for People agency representatives stated that the biggest need they have is support of the Meals on Wheels program which includes transporting seniors to the meal sites and delivery of meals to homes. Other transportation services of the frail and elderly provided by the agency have actually declined with the pandemic. The services related to Meals on Wheels has increased. People for People projects a need for additional funding in 2021 of the Meals on Wheels program to meet the increased demand.

The Meals on Wheels program receives food from Northwest Harvest. Support of the Meals on Wheels program will directly assist Northwest Harvest in the distribution of food, the tracking of recipients and a broader connection to the community. Northwest Harvest stated that they did not have the agency capacity to track individual demographics of the clientele.

People for People has an excellent history of record keeping and client tracking. They serve qualified senior citizens, as defined by HUD standards, so CDBG-CV funds can be reliably distributed to an agency that can support the CDBG regulation and accounting requirements associated with these funds. The Meals on Wheels program is a food delivery program; however, it also has a transportation component as they transport some seniors to the meal pick up locations.

Support of Food Banks

Direct funding of food banks is problematic with CDBG-CV funds. Food recipients would need to provide information about income and residency. Only residents of the City of Yakima and from low to moderate income census block groups are eligible for direct assistance. This paperwork reporting requirement is intrusive and burdensome to the food bank and the clients. For these reasons, staff recommends the City support food delivery with this allocation.

Staff Recommendation and Schedule

Staff recommends the City of Yakima authorize up to \$501,773 of CDBG-CV funds to support the Meals on Wheels program at People for People. If this report is accepted by City Council on January 5, 2021, ONDS will initiate the "Substantial Amendment to the 2020-2024 Consolidated Plan" outlining these additional programs with CDBG-CV funds. The Amendment process takes about 30 days, so the Amended 2020-2024 would be presented to City Council in late February or early March of 2021.

The City of Yakima has a policy that administrative funds should be collected, as allowed, on all grants. The CDBG-CV funds allow the City of Yakima to draw up to 20% of the grant to cover the cost of program administration. The City of Yakima will utilize this allowable grant expenditure for the CDBG-CV programs described in this memo.

Suggested Council Action: Accept Report