



Program Alternatives for CDBG-DR Rental Rehabilitation and CDBG-DR Reimbursement



CDBG-Disaster Recovery Rental Rehabilitation

- September 6, 2016 –Program approved with Action Plan
\$659,000
- To provide repairs to 1-4 unit rental properties
- Landlord must then rent for 5 years at affordable rents, to people with incomes less than 80% area median
- Marketed March and September 2017, May and August 2018, and January 2019
- No applicants



Implementation Obstacles

- Original program was only in floodplain: could expand to whole city
 - Only for repairs still not completed; not a reimbursement program
 - Owner must prove damage is from 2015 floods
-
- *Some properties may be repaired by the new CDBG Entitlement Rental Rehabilitation program for landlords whose income is less than 80% area median*



CDBG-Disaster Recovery Reimbursement

- June 4, 2019 –Reimbursement Program added to Action Plan
\$1 million
- Reimbursement for repairs up to \$50,000
- Repairs must have been made before October 2016
 - HUD might extend to October 2018
- HUD requirements make this infeasible



Implementation Obstacles

- Income must currently be less than 80% area median income
- Must have met all CDBG requirements
- Must prove date of repair prior to October 2016
- Must be able to demonstrate that repair was needed



CDBG-DR Spending Deadline

August 2024



Infrastructure Benefits

- Two projects need additional funds: Midtown and Blanco Gardens
- Additional funding would provide reduced risk of flooding
- Projects are fully designed
- Engineers will prioritize what is constructed



Staff Recommendation

Provide staff direction to bring forward an amendment of the CDBG-Disaster Recovery Action Plan to cancel the Reimbursement and Rental Rehabilitation projects and move the funding to infrastructure projects