

**AMERICAN RECOVERY & REINVESTMENT ACT OF 2009  
U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT  
SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR 2004-2009 CONSOLIDATED  
PLAN AND THE FISCAL YEAR 2008-2009 ACTION PLAN**

Community Development Block Grants (CDBG-R)

NHCD organized a panel of senior interdepartmental representatives to rank the projects/programs submitted for CDBG-R award. Given the high precedent set by these funds nationally, the City will face heightened oversight and monitoring from the Federal government, the public and media. Staff also considered the capacity of potential project partners, leveraging for the project/program, and set minimum award at \$250,000 in order to minimize City administrative burdens and to maximize impact. Local criteria for award fall into three major categories: (1) sustainable, well-financed, established efforts; (2) yield significant results for the community; and (3) tangible results for the residents, especially low to moderate-income populations and neighborhoods. CDBG-R guidelines issued May 5<sup>th</sup> set clear overall priorities to “maximize job creation and economic benefit;” specific direction includes:

- 70 percent of the funding is to benefit low to moderate-income residents
- creating/preserving jobs and promoting economic recovery;
- assisting those most impacted by the recession;
- providing investment to promote economic efficiency;
- transportation, environmental protection or other infrastructure that provides long-term economic benefits;
- energy efficiency/independence;
- minimizing/avoiding reductions in essential services;
- efforts begin swiftly (“shovel ready”); and
- “discrete, stand-alone activities.”

In addition, the federal guidelines include a “Buy America” clause that requires all iron, steel, and manufactured goods used in projects funded by CDBG-Recovery be produced in the United States. This will impact all projects proposed to some degree; staff will work with the successful candidates to ensure compliance. Using the Federal and local criteria, staff recommends awarding the \$2.0 million in CDBG-R funds, as follows:

- \$500,000 for Lifeworks’ East Austin Youth and Family Resource Center to purchase land to construct a green-building Resource Center at to expand critical workforce, education and mental health services to low-income populations. Significant leverage is included with corporate, public and nonprofit partners, including Capital Idea, Central Texas Literacy Coalition, Austin Community College and Casey Family Programs. The project has secured the majority of funding, and meets job creation and long-term economic development needs.
- \$500,000 for PeopleFund’s Center for Economic Opportunity will be LEED Silver certified and provide comprehensive services for local businesses and homebuyers as well as affordable office space for local businesses. Key criteria met are job creation/preservation, long-term economic development, and sustainable operations as most project financing has been secured.
- \$550,000 for African-American Cultural and Heritage Facility, located at 912 East 11st Street in the historic Hamilton-Dietrich House, will house ProArts Collective, a Visitors Bureau, and the Capital City Chamber of Commerce. Providing arts and assistance for small businesses while educating visitors on the cultural richness of the area is a community and

Council priority project, with \$1.5 million included in the 2006 Bond election. Key criteria met are job creation/preservation and long-term economic development.

- \$250,000 to fund critical sidewalks in central East Austin. Many of the “Top 25” sidewalks on Public Works’ list developed with community input are in historically disadvantaged neighborhoods of central East Austin. This funding will allow new sidewalks in key areas to be completed. Sidewalks are an essential component of public transit, which is used primarily by low to moderate-income Austin residents and also will enhance the lifestyles of thousands of residents and visitors and business environment while ensuring the safety of pedestrians and people with disabilities.
- \$200,000 for administration of CDBR-R.

#### Homeless Prevention & Rapid Re-housing Program (HPRP)

HPRP has three primary goals:

**Prevention:** Prevent people from becoming homeless whenever possible

**Diversion:** Intervene when people enter shelters and divert them into housing

**Rapid Re-Housing:** Move people who become homeless into permanent housing as quickly as possible

The City of Austin’s goal is to expend 100% of the \$3.1 million within 2 years, ahead of the Federal schedule, in the following areas:

- **\$480,000 for HPRP Specialists**  
To identify, assess and qualify potential clients and to expand outreach to key eligible populations
- **\$240,000 for Housing Locators/Inspectors**  
To identify and inspect available housing; negotiate with landlords; liaison between landlords and potential eligible tenants; and follow-up point of contact for landlords and tenants
- **\$120,000 for Mediation/Legal Services**  
To expand current tenant/landlord mediation services and to provide services to all HPRP clients
- **\$1,970,000 for Rent & Utilities and Other Direct Financial Assistance**  
To provide short or medium term rent assistance to prevent homelessness or to re-house homeless household; replacement of identification, moving expenses, credit reports/credit repair, immediate legal assistance
- **\$102,000 for Homeless Management Information System**
- **\$153,000 for Administration**

These services will be provided by agencies currently under contract with the City and/or new agencies that respond to RFPs. This effort must be completed by September, in order to be obligated by September 30<sup>th</sup>.

The Substantial Amendment is due to HUD on May 18<sup>th</sup>. All interested parties are invited to make comments:

- **Thursday, May 14, 2009** before the Austin City Council at Austin City Hall, City Council Chambers, 301 W. Second St.

The public may also review the substantial amendment from May 9 through 15, 2009 at:

1. Austin Central Public Library, 800 Guadalupe (Central)
2. East Austin Neighborhood Center, 211 Comal (East)
3. Housing Authority of the City of Austin, 1124 S IH 35 (Housing Authority)
4. Rosewood-Zaragosa Neighborhood Center, 2800 Webberville Road (East)
5. St. John's Neighborhood Center, 7500 Blessing (North East)
6. South Austin Neighborhood Center, 2508 Durwood (South)
7. Pleasant Hill Library Branch, 211 East William Cannon (South)
8. Austin Resource Center for the Homeless, 500 East 7<sup>th</sup> Street (Central)
9. AIDS Services of Austin, 7215 Cameron Road (North)
10. Neighborhood Housing and Community Development Department, 1000 East 11<sup>th</sup> Street, Suite 200 (East)

The public is encouraged to submit written comment, including name, address, and phone number to:

Neighborhood Housing and Community Development Department

Attn: Kate Moore

PO Box 1088

Austin, Texas 78767


Email: [kate.moore@ci.austin.tx.us](mailto:kate.moore@ci.austin.tx.us)

All comments must be received at the NHCD office by 4:45 p.m. on May 15, 2009.

For more information concerning the substantial amendment and public hearing, NHCD staff may be reached at 974-3100 (voice) or 974-3102 (TDD) Monday through Friday 7:45 a.m. to 4:45 p.m. or visit [www.cityofaustin.org/housing](http://www.cityofaustin.org/housing).

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*The City of Austin is committed to compliance with the Americans with Disabilities Act. Reasonable modifications and equal access to communications will be provided upon request.*

 For assistance please call 974-2210 OR 974-2445 TDD.