

**Meeting Agenda
State College Borough
CDBG/Citizens Advisory Committee (CAC)
January 8, 2019
Room 241 / Noon**

I. Call to Order

II. Roll Call

Jay Meashey, Chairman
Selden Smith, Vice-Chairman
Alexis Burke
David Gaines
Rebecca Misangyi
Jason Olcese
Marcia Patterson

III. Election of Officers

The CAC generally reorganizes at the beginning of the calendar year. Election of a chair and a vice-chair should be conducted.

Action Needed: Elect officers

IV. Approval of Minutes – December 4, 2018

V. Chair Report

VI. Public Hour - Hearing of Citizens

VII. 2019 Schedule of Federal Grant Program Activities

During 2019, a total of three federal grant planning documents and one performance review document must be completed. These include:

- 2018 Consolidated Annual Performance Evaluation Report
- 2020 – 2024 Consolidated Plan
- 2020 Annual Action Plan
- 2020 - 2024 Fair Housing Analysis Update

The performance report is due to HUD prior to March 31st; while the other three planning documents will be completed by November 15th of 2019. A tentative schedule for this process is attached.

Attached: Tentative schedule for process of plan and report development/distribution.

Action Needed: Members receive and review process schedule. No formal action needed.

VIII. State College Borough Policies and Procedures Manual to be Updated in 2019

During 2019, staff anticipates updating the State College Borough Policies and Procedures Manual for compliance with CDBG and HOME Programs regulations. Each update will be brought to the CAC for review.

Action Needed: Members receive and review policy areas to be reviewed. No formal action needed.

IX. 2019 Conflict of Interest Policy

On April 18, 2005, Borough Council adopted a “Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs”. Elected and appointed officials are to receive a copy of the policy at a regular meeting of their respective council, authority, board of commission. A copy of the policy is attached for review.

Attached: Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs.

Action Needed: Members receive policy. No action needed.

X. Upcoming Meeting

Tuesday, February 5, 2019 at Noon

XI. Adjournment

**Meeting Minutes
State College Borough
CDBG/Citizen's Advisory Committee
December 4, 2018**

The State College Borough Community Development Block Grant/Citizen's Advisory Committee (CDBG/CAC) meeting was called to order by Chairman Meashey, on Tuesday, December 4, 2018 at 12:03 p.m. in the Municipal Building, 243 South Allen Street.

Members Present

Jay Meashey, Chairman; Selden Smith, Vice-Chairman; Rebecca Misangyi; and Marcia Patterson

Others Present

Maureen Safko, Senior Planner; Elizabeth Eirmann, Planner-Housing Specialist; and Denise L. Rhoads, Administrative Assistant

Approval of Minutes

A motion was made by Ms. Patterson and seconded by Mr. Smith to approve the September 4, 2018 minutes as submitted. The vote was unanimously in favor.

Chair Report

Chairman Meashey noted he would be moving out of the area soon and would need to resign from serving on the CDBG/Citizen'.

Public Hour

There were no members of the public in attendance and no discussion of items not on the agenda.

Substantial Amendments to State College Borough's 2015-2019 Consolidated Plan and Annual Action Plans for FY 2015 and FY 2018

Ms. Safko stated staff was seeking a recommendation from the Committee to Council for the approval of the proposed amendments to the 2015-2019 Consolidated Plan, and to the Fiscal Year 2015 and 2018 Annual Action Plans to purchase a rental unit at 230-234 Logan Avenue. Her brief presentation included:

- She noted that the Temporary Housing Foundation, Inc. (THF) - Rental Acquisition/ Rehabilitation Project at 230-234 Logan Avenue was funded with FY 2018 funds and needed additional funding of up to an estimated \$80,000 for lead based paint, energy efficiency improvements and rehabilitation.
- In addition to requesting additional CDBG funds, THF recently submitted an application to the PA Housing Finance Agency for PA Housing Affordability and Rehabilitation Enhancement (PHARE) funds to assist with additional, high impact, energy efficient upgrades to the apartment building.

- Ms. Safko stated that FY 2015 and 2018 CDBG funds were available to allocate to the rental acquisition/rehabilitation project. Some of these funds were not previously awarded to an activity. Others remained from a completed activity.
- Specifically, additional FY 2015 funding came from: 1) \$19,153.49 previously drawn in error for administrative expenses which the Borough returned to Housing and Urban Development (HUD), and HUD then made available to the Borough to allocate to a specific activity, 2) \$13,537.58 originated from program income, project funds, or contingency funds. The total of 2015 funding proposed to be amended was \$32,691.07.
- A balance of \$15,556.19 remained from the completed FY 2018 CDBG curb ramp project on Calder Way. The project was completed by Borough staff at a significant savings.
- Program income received in 2018 from CDBG funded housing projects resulted in an additional \$45,179.92 in funds to be allocated to CDBG eligible activities. Grantees are permitted to retain up to 20% of these funds for administrative expenses. The substantial amendment would allocate the program income as follows:

\$31,752.74	THF Rental Acquisition/Rehabilitation
4,391.20	First-Time Home Buyer Program (Borough Low)
<u>9,035.98</u>	Administration (20% limit)
\$45,179.92	Total
- Ms. Safko noted the proposed amendment would be of benefit in three ways:
 - It would allocate all the funds which had not been previously allocated to an activity and provide an avenue for their prompt expenditure in the second quarter of 2019 (with the exception of approximately \$13,000 remaining in a Contingency line item in FY 2017).
 - The amendment would satisfy the needs of a long-term partner in affordable housing, while not impeding any other activity.
 - It would invest CDBG funds wisely in rehabilitating a rental property to reduce long-term operating costs for the owner, THF, with the added benefit of keeping rents more affordable for tenants since less rent income would be needed if the building was well-maintained and energy efficient.
- The amendment process required a public notice be published and posted on December 28, 2018, followed by a 30-day comment period to close on February 1, 2019, and by a public hearing on February 4, 2019 at 7:00 p.m.

CAC's comments included:

- Mr. Smith asked if there was any downside to the proposal. Ms. Safko stated she could not foresee any negative consequences associated with the proposal.

A motion to recommend the approval of the proposed amendment to Council was made by Mr. Smith and seconded by Ms. Misangyi. The vote passed unanimously.

Review of Historic Distribution of CDBG Funding

Ms. Safko's PowerPoint presentation included:

- A comprehensive review of CDBG funding distribution by project type from 1998 – 2018.
- Funds were divided between: 1) infrastructure at 48%, 2) housing at 21%, 3) human services at 13%, and 4) administration at 18%.
- Homebuyer and Rental Development received the majority of housing related funding because acquisition of property is much costlier than rehabilitation of existing owner-occupied housing.
- Owner-Occupied Rehabilitation received 3% of funding, and elderly and special housing needs received 4%.

Discussed Distribution of Funds to Human Service Agencies:

- Since 2008 there was a policy switch to fund the same five agencies, (Burrowes St. Youth Haven, House of Care, Housing Transitions, Inc., Independent Living, and Women's Resource Center) every year based on a formula that remains consistent each year. Ms. Safko noted it was important to use this formula due to a CDBG regulation that Program funds be used for a new or significantly increased level of service, or in a way that CDBG funds do not supplant other funds. She noted that all of the CDBG funded agencies provide housing services.
- Ms. Eirmann reported that human service agencies competed for funding prior to 2008 and that funded agencies were not necessarily housing related. She also noted that the Borough had been monitored by HUD since 2008 and expressed no concerns with the human service funding process.

CAC's comments included:

- Ms. Misangyi asked if an agency asked for more funding, could the Borough honor the request. Ms. Safko stated it would have to go through a process to determine if it was feasible.
- Ms. Patterson asked what happened to the funds if an agency ceased to operate. Ms. Safko stated those funds would be allocated elsewhere most likely through a request and ranking process.

Next discussed: Housing Budget Detail

- First-Time Home Buyer (FTHB) funds had been used for the Borough Low FTHB Acquisition/Rehabilitation Program totaling \$1,129,276.00.
- Owner Occupied Rehabilitation was funded with \$550,153 in CDBG between 2001 and 2018.
- Affordable Rental Development funds were used for three apartment buildings since 2001 totaling \$1,146,563.00.
- Special Needs Housing funds were used for five housing facilities since 2001 totaling \$575,339.00.

CAC's comments included:

- Mr. Meashey asked if a request for reconstruction had to be in a low-moderate financial area. Ms. Safko stated it would and outlined the various ways that an area of benefit could be identified for different types of streets.

Next discussed: Street Light Expenditures

- 11 streets were funded since 2000 totaling \$2,402,153. Ms. Safko noted this long-term effort would be complete within the next few years.

Next discussed: Stormwater and Accessibility Expenditures

- Funded three stormwater projects between 1998 and 2001.
- Funded seven accessibility projects since 1998.
- Ms. Safko stated that CDBG funds can be used for all types of accessibility improvements including those outlined in the Borough's Section 504 Plan, which identifies accessibility improvements needed in Borough owned facilities.

Ms. Safko stated, in 2019, the Borough would be required to prepare a 5-year plan and would look in depth at community needs. She noted, last year, she found meeting with the neighborhood associations helpful to understanding community needs. She would like to conduct similar outreach and would be open to other suggestions from members.

CAC's comments included:

- Ms. Misangyi suggested holding two neighborhood meetings, one at noon, and one sometime in the evening.
- Mr. Meashey suggested including the historic distribution of CDBG funds information in our new member packets with a glossary with acronym explanations. He noted CAC had two vacancies, and with his leaving there would be a third.

Upcoming Meeting

Tuesday, January 8, 2019 at Noon

Adjournment

With no further business to discuss, the meeting was adjourned at 12:57 p.m. by Ms. Misangyi and seconded by Ms. Patterson.

Respectfully submitted,

Denise L. Rhoads,
Administrative Assistant

TENTATIVE SCHEDULE: 2018 CAPER, 2020-2024 Consolidated Plan & 2020 Annual Action Plan & 2020-2024 Fair Housing Analysis Update				
Data:	Data Type	Current Version	Update Expected	Version(s) to be Used
	5-year ACS estimates:	2012-2016	Dec-18	2011-2015 & 2013-2017
	CHAS data:	2011-2015	May-19	2011-2015
Dates	Planning Activities			
10/11/2018	Determine structure/data to be gathered/any additional citizen participation for CP & FHAU			
12/2018 - 2/2019	Close out activities/clean up IDIS/complete any needed amendments in preparation for CAPER			
12/18-3/19	Update data in CP & FHAU / Conduct consultations			
1/15/2019	Request CAPER info from subrecipients / Begin regular meetings for CAPER			
2/18/2019	Ad for CAC public hearing & CAPER public review period			
	Email notifications			
2/29/19	CAPER draft ready for CAC review			
3/1-3/31	Hold 2 public meetings to identify community needs for CP/highlight eligible activities/fair housing			
	Planning Commission / neighborhood association – March 28 th 7pm			
	Human Services – fair housing impediments – After March 5 th CAC noon meeting			
3/5/2019	CAC public hearing on program performance / review CAPER			
3/11-26/19	CAPER public review period			
3/27-29/19	Submit CAPER			
4/15/2019	Draft FHAU (not including recommendations) available for staff review			
4/22/2019	Publish Ad for CAC public hearing			
	Email notifications			
5/1/2019	Draft CP Needs Assessment & Market Analysis sections to staff			
5/3/2019	Draft info for formal community needs public hearing			
5/7/2019	CAC public hearing on housing and community development needs and proposed strategies and actions for affirmatively furthering fair housing			
5/15/2019	Staff comments due on CP & FHAU			
5/15-24/19	Staff develops recommendations for the FHAU and CP programs/projects/activities			
5/27-31/19	Review CP programs/projects/activities & FHAU recommendations with Borough Manager			
6/7/2019	Present FHAU to: PA Human Rel. Comm. Advisory Comm & Centre Co Aff. Housing Coalition			
6/10/2019	Full drafts of FHAU & CP available for final staff comments			
6/17/2019	Final comments on CP & FHAU due			
7/2/2019	CAC receives FHAU & CP			
8/6/2019	CAC considers and takes action on FHAU & CP			
9/2/2019	Publish ad for public review period and Council public hearing FHAU & CP			
	Email notifications			
	Send copies to CCPCDO & CRPC & CRPA (CP for 60-day MPO review)			
	Council receives FHAU & CP			
9/4-10/4/19	Public review period – FHAU & CP			
10/14/2019	Council holds public hearing(s) for FHAU & CP			
10/21/2019	Council takes action			
11/15/2019	Submit FHAU with CP to HUD (send paper copies with the original SF424s)			

Borough of State College MEMORANDUM

to: All Borough Employees
from: Ed LeClear, Director of Planning and Community Development
re: Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs
date: November 15, 2018

A Conflict of Interest Policy and Code of Conduct with Regard to HUD Programs was adopted by the State College Borough Council in 2005 and updated by Borough Council as recently as 2017. This attached policy will be distributed to Borough employees annually.

Please review the policy.

If you have questions or comments, please contact me at 234-7109.

BOROUGH OF STATE COLLEGE

Conflict of Interest Policy and Code of Conduct With Regard to HUD Programs

SECTION 1 NON-PROCUREMENT CONFLICTS OF INTEREST

A. COVERED INDIVIDUALS:

Any employee, agent, officer, elected official, appointed official or consultant of the Borough of State College (Participating Jurisdiction) or; any member of an employee's, agent's, officer's, elected official's or appointed official's immediate family; an employee's, agent's, officer's, elected official's or appointed official's partner; or an organization that employs or is about to employ any of the above.

CONFLICTS PROHIBITED:

No person(s) described in Paragraph 1 of section 1 who exercises or has exercised any functions or responsibilities with respect to activities assisted with HOME Investment Partnerships Program (HOME) or Community Development Block Grant (CDBG) or other U.S. Department of Housing and Urban Development (HUD) funds, or who is in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a real or apparent financial interest or financial benefit from a HOME, CDBG, or other HUD-assisted activity, or has a real or apparent financial interest in any contract, subcontract, or agreement with respect to HOME, CDBG, or other HUD-assisted activity, or the proceeds from such activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. Immediate family ties include (whether by blood, marriage or adoption) the spouse, parent (including a stepparent), child (including stepchild), brother, sister (including a stepbrother or stepsister), grandparent, grandchild and in-laws of a covered person. Occupancy of a HOME-assisted unit by a covered person constitutes a financial interest.

EXCEPTIONS:

Threshold Requirements – Upon the written request of the participating jurisdiction, the U.S. Housing and Urban Development (HUD) or its successor, may grant an exception to the provisions of the CONFLICTS PROHIBITED of section 1 on a case-by-case basis when it determines that the exception will serve to further the purpose of the HOME, CDBG or other HUD program and the effective and efficient administration of the Borough's program or project. An exception may be considered only after the participating jurisdiction has provided the following:

1. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure* of the conflict and a description of how the public disclosure was made; and
2. An opinion from the Borough's attorney that the interest for which the exception is sought would not violate state or local laws.

*The requirements for public disclosure include publication in a local newspaper or disclosure during an advertised public hearing.

Factors to be considered for Exceptions – In determining whether to grant a requested exception after the participating jurisdiction has satisfactorily met the requirements of paragraphs a. and b. above, HUD, or its successors, will consider the cumulative affect of the following factors, where applicable:

1. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
2. Whether the person affected is a member of a group or class of low-income persons intended to be the beneficiary of the assisted activity, and the exception will permit such person(s) to receive generally the same interests or benefits as are being made available or provided to the group or class;
3. Whether the affected person(s) has withdrawn from his/her functions or responsibilities or the decision-making process with respect to the specific assisted activity in question;
4. Whether the interest or benefit was present before the affected person was in a position as described in the COVERED PERSONS Paragraph of this section
5. Whether undue hardship will result either to the participating jurisdiction or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
6. Any other relevant considerations.

B. OWNERS AND DEVELOPERS:

Any owner, developer or sponsor of a project assisted with HOME, CDBG or other HUD funds (or officer, employee, agent, elected or appointed official or consultant of the owner, developer or sponsor or immediate family member of an officer, employee, agent, elected or appointed official, or consultant of the owner, developer or sponsor) whether private, for-profit or non-profit (including a community development organization (CHDO) when acting as an owner, developer or sponsor)

CONFLICTS PROHIBITED:

No person(s) described in Paragraph 2.A of section 2 may occupy, or appear to occupy, a HOME, CDBG or other HUD-assisted affordable housing unit in a project during the required period of affordability specified in §92.252(e) or §92.254(a)(4). This provision does not apply to an individual who receives HOME, CDBG or other HUD funds to acquire or rehabilitate his or her principal residence or to an employee or agent to the owner or developer of a rental housing project who occupies a housing unit as the project manager or maintenance worker.

EXCEPTIONS:

Upon written request of a housing owner or developer, the Borough may grant an exception to the provisions of the above paragraph of this section on a case by case basis when it determines that the exception will serve to further the purposes of the HOME, CDBG or other HUD program and the effective and efficient administration of the owner's or developer's HOME, CDBG or other HUD-assisted project. In determining whether to grant a requested exception, the Borough shall consider the following factors:

1. Whether the person receiving the benefit is a member of a group or class of low-income persons intended to be the beneficiaries of the assisted housing, and the

- exception will permit such person to receive generally the same interest or benefits as are being made available or provided to the group or class:
2. Whether the person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted housing in question;
 3. Whether the tenant protection requirements of Sec. 92.253 are being observed;
 4. Whether the affirmative marketing requirements of Sec. 92.351 are being observed and followed; and
 5. Any other factor relevant to the Borough's determination, including the timing of the requested exception.

SECTION 2 PROCUREMENT CONFLICT OF INTEREST

COVERED INDIVIDUALS:

Any employee, officer, or agent of the Borough of State College (Participating Jurisdiction).

CONFLICTS PROHIBITED:

The CDBG, HOME and other HUD Programs follow the procurement policy of the Borough of State College located in the Borough of State College Code of Ordinances, Chapter 1, Part N. If any provisions of 2 CFR 200.318, 24 CFR 570.611, and 24 CFR 92.356 are not included or conflict with the Borough's Procurement Policy, the provisions of 2 CFR 200.318, 24 CFR 570.611, and 24 CFR 92.356 shall supersede the Borough's Procurement Policy.

No Covered Individuals in section 2 may participate in the selection, award or administration of a contract supported by HOME, CDBG or other HUD Program if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when any of the following parties has a financial or other interest in the firm selected for award:

- employee, agents, or officer of the Borough of State College;
- any member of an employee's, agent's or officer's immediate family;
- an employee's, agent's or officer's partner; or
- an organization that employs or is about to employ any of the above

No employee, officer, or agent of the Borough or subrecipient may solicit or accept gratuities, favors or anything of monetary value from contractors, potential contractors or parties to subagreements.

EXCEPTIONS:

There are no exceptions for real or apparent procurement conflicts of interest.

A request for a regulatory waiver can be submitted pursuant to 24 C.F.R. § 5.110

Upon determination of good cause, the Secretary may, subject to statutory limitations, waive any provision of this title and delegate this authority in accordance with section 106 of the Department of Housing and Urban Development Reform Act of 1989 (42 U.S.C. 3535(q)).

SECTION 3 CODE OF CONDUCT:

Persons covered in section 2, paragraph 1, are expressly forbidden from soliciting or accepting money, gifts, gratuities, services, favors, or anything of monetary value (excepting unsolicited calendars, pens, or other items of nominal value used as an advertising medium) from any person, company, firm, or corporation to which any purchase order or contract is, or might, be awarded or from a party to any potential subcontract.

The Borough shall also take disciplinary action in accordance with the Borough Personnel Rules and Regulations against any covered persons in section 2 paragraph 1 who violate this conflict of interest policy.

Employees will receive a copy of the conflict of interest policy on an annual basis as a mailer included in a paycheck. Elected and appointed officials will receive a copy of the policy at a regular meeting of their respective council, authority, board or commission. Distribution of the policy will be noted in the minutes of the meeting. Members who are absent will receive a copy by mail. Consultants and agents will be provided a copy of the policy as part of their contracts.

SECTION 4 SUB-RECIPIENTS:

Applicable Conflict of Interest and Procurement Policies for the Borough's subrecipients are covered under CFR 200.318, 24 CFR 570.611 and 24 CFR 92.356. Each subrecipient has developed its own Conflict of Interest Policy and Procurement Policy in accordance with the applicable regulations.

Authorized Official: Ed LeClear, Director of Planning and Community Development
243 S. Allen Street
State College, PA 16801
814-234-7109

Summary of Revisions:

Adopted by the State College Borough Council on April 18, 2005.

Revised by staff on April 30, 2015.

Revised policy adopted by the State College Borough Council on November 6, 2017.

Borough of State College
MEMORANDUM

to: All Borough Employees

from: Ed LeClear, Director of Planning and Community Development

re: Drug-Free Workplace Requirements for the Community Development Block Grant and HOME Programs

date: November 15, 2018

The State College Borough Community Development Department is mandated by the Department of Housing and Urban Development to notify all employees who are engaged in the performance of the Community Development Block Grant program and the HOME program of the status of drugs in the workplace.

It is unlawful to manufacture, distribute, dispense, possess or use a controlled substance in the workplace. Any employee who does manufacture, distribute, dispense, possess or use a controlled substance in the workplace shall be prosecuted under all applicable State and Federal laws, and shall face appropriate personnel action, up to and including termination; or the employee shall participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement or other appropriate agency.

Employees must notify the Borough in writing of their conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction. The State College Community Development Department is required to notify HUD, within ten calendar days after receiving notice from an employee or otherwise receiving actual notice of a conviction.

State College Borough has in place an Employee Assistance Plan designed to deal with drug and alcohol problems in the employee population. The telephone number for the Employee Assistance Plan is 1-800-252-4555; the website is www.theEAP.com.

If you have any questions or comments, please contact me at 234-7109.