

City of Bromley

Community Development Block Grant COVID-19 Utility Assistance Program

FY – 2021

April 7, 2021

5:45 P.M.

City Building

PUBLIC HEARING MINUTES

Mayor Denham called the CDBG COVID-19 public hearing to order at 5:45 p.m. and stated that the purpose of the hearing was to gain the community's views on the proper use of CDBG funds and whether the proposed utility relief project complied with those views. The mayor then turned the meeting over to Dominique DeLucia with the NKADD.

Dominique began by giving a general overview of the CDBG program. The following information was presented to the public. For FY – 2020:

- There is \$ 25,603,595 available statewide this fiscal year for all CDBG activities,
- Activities for which funds may be used include; Housing, Economic Development, Public facilities, Public Services, Community Projects and Emergency Relief. (Dominique explained the proposed COVID -19 Utility Bill Relief program funding in the amount of \$ 38,000,000 is in addition to the annual CDBG program.)
- Dominique next stated that the city proposes to apply for \$75,000 in CDBG funds to provide utility bill relief for residents which are delinquent on their utility bills. Dominique next stated that no relocation would occur as a result of the project.

The mayor next invited Dominique to give an overview of the proposed project. Dominique provided the attached handout which includes a budget, project narrative and the CDBG guidelines.

Dominique stated the following:

PROJECT OVERVIEW:

Applicant seeks \$ 75,000 in CDBG funds to provide relief for city residents which have become unable to pay their utility bills due to adverse economic circumstances brought on by the 2020 pandemic.

Project will be conducted in partnership with Northern Kentucky Community Action Commission (NKCAC). Residents who are delinquent on their utility bills due to the Coronavirus pandemic, can apply for relief (maximum \$250 per month for 6 consecutive months), and payments will be made to the respective utilities on their behalf. Utility systems to be covered by this program include: Duke Energy, Northern Kentucky Water District and Sanitation District #1. Many residents have fallen behind on their utility bills due to economic impacts of the coronavirus pandemic. Impacts include the loss of employment, illness due to Covid-19 and the need to assist family members, especially the elderly, who are struggling to stay healthy and who are not able to leave their homes.

This program will provide relief to those residents, as well as alleviate financial strain to utilities due to these increased delinquencies.

PROJECT NEED:

Pandemic impacts Low and Moderate Income LMI communities disproportionately due to their decreased ability to absorb job losses and subsequent losses in income. Lack of income leads to challenges in paying utility bills as well as caring for family members also impacted by the pandemic. The City of Bromley is 58.86 percent LMI. Proposed project will provide relief to these communities and serves as a funding bridge until pandemic subsidies and the area's economy rebounds.

Currently, it is estimated by utility providers that there is over \$75,000 in delinquent utility bills for households in the City of Bromley. These households are delinquent on one or more utility bills for one or more months. With the initial funding request of \$75,000, it is estimated that 50 households would be assisted, should they apply for the maximum \$250/month for 6 consecutive months.

PROJECT ACTIVITIES:

Project requests funding in the amount of \$75,000 to provide relief to area residents impacted by the pandemic. If funding request is approved, funds will flow to county and then be transferred to NKCAC where they will be distributed to utility providers on behalf of individual residents of Bromley based on the resident's current utility bill delinquencies and their ability to pay future utility bills as determined by financial need. NKCAC will serve as primary conduit for the dissemination of CDBG funding. Grantee is only pass through for funding.

ENVIRONMENTAL REVIEW:

Project is financial in nature. The environment will not be impacted.

NECESSARY AND REASONABLE EXPENDITURE OF CDBG FUNDS:

- **Necessary Use of CDBG Funds:** CDBG funding is necessary to project success. No other funding source is available to provide relief to area LMI residents adversely impacted by the pandemic or to local governments struggling to maintain utility services with reduced revenue due to inconsistency of utility receipts.
- **Other Project Alternatives:** No alternatives to proposed project are readily available to assist area residents and utility providers. Lack of project funding will lead area residents, many of whom are several months behind on utility bill payments, to struggle financially to catch up with payments or have service discontinued for nonpayment.
- **Impact of CDBG Dollars:** All CDBG dollars will go directly to Cost Summary Item 13, Other- COVID -19 Utility Bill Relief, plus five percent for administrative fees and three percent for NKCAC. These dollars will be used to pay utility providers directly for utility delinquencies of area residents, many of whom are LMI.

PROJECT EFFECTIVENESS:

- **Elimination of Utility Bill Delinquencies:** Project will provide relief to area residents, many of whom are LMI, struggling to pay utility bills due to the adverse economic effects of the pandemic.
- **Provide Security for Utility Budgets:** Project will assist utility companies and municipalities which provide utility service to recoup delinquencies, thus providing more security and consistency for their budgets.
- **Quick Drawdown Rate:** CDBG will draw down quickly. Project scope entails Pendleton County receiving CDBG funding and then sending those funds directly to NKCAC for distribution to utilities on behalf of area residents which are delinquent on utility bills.
- **Operational Integrity:** Area Development Districts will assist local governments to prepare CDBG grants for submission to DLG. NKCAC, like all CACs across the state, has experience in distributing funding to residents which are delinquent on their utility bills, having already provided this service in one or more funding cycles this past year.
- **Long Term Economic Viability:** Many area residents are behind on utility bill payments due to the adverse effects the pandemic has placed on the economy. Proposed project will address these needs directly and provide relief to area residents, many of whom are LMI, and local governments struggling to provide services with reduced revenues.

Mayor Denham asked what the best way is to let residents know that these funds are available.

Seeing no further discussion, the Mayor adjourned the public hearing at 6:08 p.m.

Respectfully submitted,

Dominique DeLucia, Public Administration Specialist
Northern Kentucky Area Development District

C: Files