



Legislation Text

File #: Res 2017-53, **Version:** 1

RESOLUTION APPROVING 2016 ANNUAL ACTION PLAN AS AMENDED

Summary and Background Information :

In 2016, the City became an Entitlement Community and now directly receives funding from the Community Development Block Grant (CDBG). As required by HUD, the city works through its Citizen Participation Plan to determine how the funds will be spent. The final document produced with this procedure is called the Annual Action Plan (AAP). Each year's AAP serves as part of the City's application for the following years' CDBG funding. After reviewing the City's 2016 AAP and discussions with HUD, the CDBG Office discovered the Quebec Street Sidewalk, south of E. 88th Avenue to the Truck Stop, is not eligible for funding by CDBG. This sidewalk is needed for several reasons; however because of its commercial neighbors, it does not meet the HUD funding criteria of "primarily serving residential communities".

The City may keep the \$100,000 in funding by reallocating the funds to the 2016 AAP's Sidewalk Construction - Core City Project. The neighborhood sidewalks properly utilize the funding in accordance to HUD guidelines. However, spending the \$279,072 within the 2016 AAP program year requires an additional amendment to the 2016 AAP. Sidewalk repairs need to be added to provide flexibility for the Public Works Department to perform the additional sidewalk improvements within the Core City. The new title would be Sidewalk Construction *and Repairs* - Core City.

Reallocating the \$100,000 requires a formal amendment to the 2016 APP. According to the City's Citizen Participation Plan and HUD regulations at 24 CFR Part 91.505, a Substantial Amendment is required:

"... whenever there is a change in the allocation priorities or method of distributing funds presented in the plan; a change in the use of funds to an activity not described in the Annual Action Plan; or a change in the purpose, scope, location, or beneficiaries of an activity".
(page 7)

and "An increase in the CDBG funds allocated to an existing activity in an amount greater than \$50,000 over the current funded amount" (page 8)

Changing the project location and the large funding amount triggers a Substantial Amendment to the AAP. This requires a 30-day Comment Period and an adoption by the City Council. (page 8)

At the Council's June 20, 2017 Study Session a presentation was made regarding the needed amendments to the 2016 AAP.

Staff Responsible (Department Head):

Chris Cramer - Director of Community Development

Staff Member Presenting :

Cheryl Steinberg - CDBG Coordinator

Financial Impact :

No Financial Impact

Funding Source :

HUD's Community Development Block Grant

Staff Recommendation :

Staff recommends the adoption of the amendments to the 2016 Annual Action Plan.

Suggested Motion :

I move to approve Resolution 2017-53