

 <p style="text-align: center;"><b>Council Communication</b> Office of the City Manager</p>	<b>Date:</b>	July 11, 2011
	<b>Agenda Item No.</b>	21
	<b>Roll Call No.</b>	<u>11-1199</u>
	<b>Communication No.</b>	<u>11-468</u>
	<b>Submitted by:</b>	<b>Phillip Delafield, Community Development Director</b>

**AGENDA HEADING:**

Set public hearing for the proposed amendments to the Second (2011) Year Action Plan of the 2010-2014 U.S. Department of Housing and Urban Development (HUD) Consolidated Plan.

**SYNOPSIS:**

These actions set the date of a public hearing to amend the Second (2011) Year Action Plan of the 2010-2014 HUD Consolidated Plan, and to reprogram HUD entitlement grant funding to balance the 2011 Action Year allocations as a result of reduced federal funding, and to amend Roll Call 10-2079 that approved the 2011 Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) Programs.

**FISCAL IMPACT:**

Amount: The final 2011 Consolidated Plan allocation is 16% less (\$926,493) than the City’s estimate.

Funding Source: U.S. Department of Housing and Urban Development Programs

**ADDITIONAL INFORMATION:**

Because of the differences in the federal fiscal year and the City’s program year for the HUD Consolidated Plan programs, we are required to start the process for development and approval of the plan in August, well before the federal budget is usually adopted. This year the budget and allocations were not approved until 10 months later in June, 2011.

The final federal allocations were well below what was expected 10 months ago. Consequently, it will be necessary to make substantial amendments to the 2011 Consolidated Plan and in accordance with our citizen participation plan. This requires the City to provide citizens with reasonable notice and opportunity to comment on substantial amendments for a period of not less than 30 days before the amendments are adopted, and to consider any comments or views of citizens received in writing or orally at public hearings.

The City Manager is recommending that the shortfall be balanced by reprogramming unspent funds (\$47,885.27) from the Neighborhood Based Service Delivery (NBSD) program, funding the Neighborhood Infrastructure Rehabilitation Program (\$290,146) from City resources, reducing the SCRUB program by \$35,000, the NCS – Housing Opportunities program by \$154,216.67, Neighborhood

Site Offices by \$50,000, Economic Development by \$100,000 and using unspent CDBG Administration funds (\$52,697.50), along with other unspent funds from various programs (\$5,242.56).

These recommendations were presented to the Neighborhood Revitalization Board at their meeting on July 6, 2011, and the Board approved a motion to recommend that the City Council adopt the City Manager’s recommendations. The City Council will be asked to approve the amendments at the Public Hearing scheduled for August 29, 2011.

**PREVIOUS COUNCIL ACTION(S):**

Date: November 22, 2010

Roll Call Number: 10 - 1958

Action: On Proposed Second (2011) Year Action Plan of the 2010—2014 US Department of Housing and Urban Development (HUD) Consolidated Plan. (Council Communication No. 10-708) **Moved by Coleman to adopt. Motion Carried 6-1. Pass: Moore.**

**BOARD/COMMISSION ACTION(S):**

Neighborhood Revitalization Board

Date: October 6, 2010

Action: Approved the 2011 HUD Consolidated Plan funding recommendations and forwarded them to the City Council.

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

Conduct a Public Hearing on Amendments to the 2011 HUD Consolidated Plan

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**2011 PROJECTED/ACTUAL CONSOLIDATED PLAN FUNDING AND UNSPENT PREVIOUS YEAR’S FUNDS**

	<u>CDBG</u>	<u>HOME</u>	<u>ESG</u>
2011 Projected	\$4,638,276	\$1,082,485	\$187,214
2011 Actual	3,843,860	949,706	187,916

Reprogrammed (2010)	166,616		
Reprogrammed (2011)	685,188		
Admin. Projected	(878,000)	(108,248)	(9,361)
Admin. Actual	(768,772)	(94,970.60)	(9,395.80)
Council Approved			
Allocations as of			
12/21/10	\$3,926,892*	974,237	177,853
Actual	\$3,926,892	854,735.40	178,520.20
Difference	0	(-119,501.60)	+667.20*

2010/2011 Reprogramming/Carryover Funds Available	CDBG	HOME	ESG
Admin. (2010)	(\$52,697.50)		
NBSD (2010)	(\$47,885.27)		
DART (2010)	(\$4,547.50)		
PCHT Fund-Homeless Coordinator (2010)	(\$27.86)		
<b>Total from 2010 to reprogram:</b>	<b>(\$105,158.13)</b>		
NIRP (2011)	(\$290,146)		
Neighborhood Site Offices (2011)	(\$50,000)		
Economic Development OED and NCR (2011)	(\$50,000)		
Scrub (2011)	(\$35,000)		
NCS – Housing Opportunities (2011)	(\$154,216.67)		
Home Connection (2011) replaced with ESG	(\$667.20)		
<b>Total Reduction for 2011:</b>	<b>(\$580,029.87)</b>		
<b>Carryover to 2011</b>			
Demolition (Carryover)	(\$72,837.72)		
CISS Transit (Carryover)	(\$1,155.00)		
CISS Community Kitchen (Carryover)	(\$535.00)		
<b>Total:</b>	<b>(74,527.72)</b>		
<b>Total Balance for Reprogramming</b>	<b>\$759,715.72</b>		

Does not include 2010 projected admin of (\$878,000), but includes \$166,616 and \$685,188. ESG remaining balance used to replace the CDBG shortfall on the Home Connection.