

COUNCIL ACTION FORM

SUBJECT: REQUEST OF A TIMELINE EXTENSION FOR THE PREPARATION OF THE 2020-21 PROPOSED COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)/HOME PROGRAM ANNUAL ACTION PLAN.

BACKGROUND:

At the February 25th City Council meeting, the City Council directed staff to proceed with preparing the Draft 2020-2021 CDBG/HOME Annual Action Plan and set May 12, 2020 as the date for the public hearing to submit the Action Plan to HUD on or by May 17, 2020.

However, in order to address some more urgent CDBG project timeframes for the 2019-20 program year (i.e. 321 State Avenue Subdivision, and Shared Use Bike Path Projects) staff proposes to shift the drafting of the 2020-21 CDBG/HOME Action Plan to later in May/June. This will require continuing the public hearing date of May 12th to a date uncertain later this summer.

Additionally, staff would like to be proactive and request an extension to submit the Annual Action Plan to HUD to the maximum allowable time of on or by August 16, 2020.

As a reminder, for the 2020-21 program year, HUD has notified the City that it will receive **\$602,642 in CDBG funds** (which is a \$21,435 increase from 2019) and **\$468,771 in HOME funds** (which is a \$13,197 decrease from 2019). The Plan will incorporate the following proposed Action Plan Projects and Budget:

**2020-21 Proposed CDBG/HOME Annual Action Plan
Projects and Budget**

Programs	Budget
Public Infrastructure Program for a Share Use Bike Path/Acquisition (Franklin Park to State Avenue)	\$425,000
Acquisition/Reuse Program for Affordable Housing	\$167,148
Homebuyer Assistance Program	\$300,813
Public Infrastructure Improvements Program for State Avenue NRSA (including Engineering costs+ GO Bond)	\$739,153
HOME Homeownership Construction Program for 321 State Avenue	\$1,252,115
General Administration for CDBG & HOME	CDBG: \$120,528 HOME: \$170,074
Total	\$3,174,831
PROPOSED 2020-21 Action Plan Revenue Budget:	
2020-21 CDBG Allocation	\$602,642
2019-20 CDBG Program Rollover	\$600,000
2020-21 CDBG Anticipated Program Income	\$300,000
Non-CDBG Revenue-GO Bonds	\$250,000
2020-21 HOME Allocation	\$468,771
19-20 HOME Anticipated Program Rollover	\$953,418
Grand Total CDBG & HOME	\$3,174,831

City Council should note that the anticipated revenue for the CDBG program rollover and the anticipated program income are estimates being projected by staff.

ALTERNATIVES:

1. The City Council can 1) approve the timeline extension for the preparation of the 2020-21 proposed Community Development Block Grant (CDBG)/HOME Program Annual Action Plan, thereby continuing the May 12, 2020 public hearing notice to a date uncertain and 2) direct staff to request an extension from HUD to submit the 2020-21 Action Plan to on or by August 16, 2020, as outlined above.
2. The City Council can 1) approve the timeline extension for the preparation of the 2020-21 proposed Community Development Block Grant (CDBG)/HOME Program Annual Action Plan, thereby continuing the May 12, 2020 public hearing notice to a date uncertain and 2) direct staff to request an extension from HUD to submit the 2020-21 Action Plan to on or by August 16, 2020, **with modifications.**
3. The City Council can refer this item back to staff with further direction.

CITY MANAGER'S RECOMMENDED ACTION:

Adjusting the timeframe for completing the proposed 2020-21 CDBG/HOME Annual Action Plan will allow staff to complete necessary environmental review and administrative requirements to keep both the 321 State Avenue Housing Subdivision and the Shared Use Path project moving forward. The proposed delay will not affect implementation of these two priority projects for the upcoming year.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative #1 1) approving the timeline extension for the preparation of the 2020-21 proposed Community Development Block Grant (CDBG)/HOME Program Annual Action Plan by continuing the May 12, 2020 public hearing notice to a date uncertain and 2) directing staff to request an extension from HUD to submit the 2020-21 Action Plan to on or by August 16, 2020, as outlined above.