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DIRECTOR


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SALT LAKE CITY CORPORATION
DEPT. OF COMMUNITY DEVELOPMENT
OFFICE OF THE DIRECTOR

ROSS C. "ROCKY" ANDERSON
MAYOR

CITY COUNCIL TRANSMITTAL

TO: Lyn Creswell, Chief Administrative Officer  **DATE:** February 2, 2007

FROM: Louis Zunguze, Community Development Director 

SUBJECT: Appropriation Resolution adopting the One-year Action Plan for 33rd Year Community Development Block Grant (CDBG) Funding, HOME Investment Partnerships Program Funding, American Dream Downpayment Initiative (ADDI) Funding, Emergency Shelter Grant (ESG) Funding, and Housing Opportunities for Persons with AIDS (HOPWA) Funding for Fiscal Year 2007-08 and Approving Interlocal Cooperation Agreement between Salt Lake City and the U.S. Department of Housing and Urban Development (HUD)

STAFF CONTACTS: LuAnn Clark, Director, Housing and Neighborhood Development Division, 535-6136, or luann.clark@slcgov.com

ACTION REQUIRED: That the City Council:

1. Schedule Mayor Anderson's funding recommendation presentation for March 13, 2007;
2. Schedule the required public hearing for March 20, 2007; and
3. Adopt the One-year Action Plan as outlined in the attached resolution for CDBG, HOME, ADDI, ESG, and HOPWA funds

DOCUMENT TYPE: Resolution

BUDGET IMPACT: Grants funds from the U.S. Department of Housing and Urban Development for 2007-08.

DISCUSSION:

Issue Origin: Salt Lake City is a direct entitlement community that receives Community Development Block Grant funds (CDBG), HOME Investment Partnerships funds (HOME), American Dream Downpayment Initiative funds (ADDI), Emergency Shelter Grant funds (ESG), and Housing Opportunities for Persons with AIDS funds (HOWPA) from the U.S. Department of Housing and Urban Development (HUD).

Analysis: Each year in January, the City usually receives allocation amounts for all grants from HUD. However, this year the federal government has not adopted a final budget for fiscal year 2007. Congress has approved a continuing resolution that maintains funding at the fiscal year

2006 level or the House of Representatives-passed budget for fiscal year 2007, whichever is lower, that expires on February 15, 2007. The new Appropriations Committee chairmen, Senator Robert Byrd (D-WV) and Representative David Obey (D-WI) have decided that they will operate under fiscal year 2006 budget numbers and will adopt a permanent continuing resolution for fiscal year 2007 rather than try to adopt a new budget. HUD will not send the City allocation amounts until the permanent continuing resolution is adopted for fiscal year 2007. After the resolution is adopted, it will take HUD several weeks to send the allocation amounts.

Due to the unusual circumstances surrounding the federal budget process, the accompanying draft resolution is being submitted without the appropriate dollar amounts included for the fiscal year 2007. As soon as the City receives the allocation amounts, a new resolution will be prepared and submitted to the City Council for review and consideration. The City Attorney's Office has reviewed the attached draft resolution and, once final funding information has been received, will review and approve the final resolution before it is transmitted for Council review. A copy of the One-year Action plan for all grants will also be attached to the resolution after the City Council has made final funding decisions.

The draft resolution does include the dollar amounts for funds that have been recaptured and are available for reallocation. Those amounts are as follows:

- CDBG – \$518,468
- HOME – \$361,596
- HOPWA – \$31,632.29

The Community Development Capital Improvement Board and the Housing Trust Fund Board are reviewing funding applications and will be making funding recommendations. The Boards will be using an estimated amount of funding for each grant. The Housing and Neighborhood Development Staff has talked to staff from the Denver Regional Office of HUD and with legislative staff of the National Association of Housing and Redevelopment Officers to determine those estimated amounts. Each of the Boards will also include recommendations on projects that should receive more or less funding if the final allocation amounts are different than our estimates. The staff has estimated a 5% cut for CDBG, a 3% cut for the HOME program, and no change for the other four grants. The advisory boards' recommendations will then be forwarded to the Mayor for his review and consideration.

Recommendation:

The Administration is recommending that the City Council set March 13, 2007, as the date the Mayor will present his funding recommendations to the City Council and March 20, 2007, as the public hearing date. A copy of the Mayor's funding recommendations, as well as the appropriate board's recommendation, will be provided at the time of the Mayor's presentation.

PUBLIC PROCESS:

The Council will hold a Public Hearing on March 20, 2007, to hear from the public and applicants regarding recommendations for funding. The Council will then meet at a future meeting to adopt the resolution with the Council's final funding decisions. This schedule will help meet our federal deadlines of May 15, 2007.

An Open House was held on January 29, 2007, allowing the public an opportunity to review and give input on the projects the City may fund with the federal dollars.

RELEVANT ORDINANCES:

None

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Attachment A – Draft Resolution Adopting One-Year Action Plan for Federal HUD Funds

Attachment A
Resolution
adopting Annual
Action Plan

RESOLUTION NO. ____ OF 2007

APPROPRIATION RESOLUTION ADOPTING THE ONE-YEAR ACTION PLAN FOR
33rd YEAR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING,
HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING,
AMERICAN DREAM DOWNPAYMENT INITIATIVE FUNDING,
EMERGENCY SHELTER GRANT FUNDING, AND
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS FUNDING
(FISCAL YEAR 2007-08)
AND APPROVING INTERLOCAL COOPERATION AGREEMENT
BETWEEN SALT LAKE CITY AND
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, Salt Lake City (City) is entitled under 24 Code of Federal Regulations (CFR), Part 91, et al., to receive Community Development Block Grant (CDBG) funds in the amount of \$_____, HOME Investment Partnerships Program (HOME) funds in the amount of \$_____, American Dream Downpayment Initiative (ADDI) funds in the amount of \$_____, Emergency Shelter Grant (ESG) funds in the amount of \$_____, and Housing Opportunities for Persons with AIDS (HOPWA) funds in the amount of \$_____ from the U.S. Department of Housing and Urban Development (HUD) for program year 2007-08; and

WHEREAS, the City will also reprogram these funds: \$518,468 recaptured from prior year CDBG allocations; \$361,596 from prior year HOME allocations; and \$31,632.29 from prior year HOPWA allocations; and

WHEREAS, it is in the best interests of the people of Salt Lake City that the City file an application with HUD for said funds in accordance with 24 CFR Part 91; and

WHEREAS, the public notices, hearings, and other pre-submission requirements as set forth in 24 CFR Part 91 have been accomplished by the City, including but not limited to the following: A public hearing held March 20, 2007 to consider a proposed list of CDBG, HOME, ADDI, ESG and HOPWA projects to be funded and to obtain the views of citizens regarding the City's One-year Action Plan; and

WHEREAS, the City Council does now meet this _____, 2007 to adopt the City's 2007 One-year Action Plan for CDBG, HOME, ADDI, ESG, and HOPWA funds;

NOW, THEREFORE, be it resolved by the City Council of Salt Lake City, Utah, as follows:

1. That the City hereby adopts its One-Year Action Plan for CDBG, HOME, ADDI, ESG, and HOPWA funds as set forth in Exhibit "A" attached hereto and made a part hereof by this reference.

2. That the Mayor, as the official representative of the City, is hereby authorized to submit the City's One-Year Action Plan for CDBG, HOME, ADDI, ESG, and HOPWA funds together with such additional information and certifications as may be required under 24 CFR Part 91 to the U.S. Department of Housing and Urban Development.

3. That the Mayor, as the official representative of Salt Lake City, or his designee, is hereby authorized to sign and execute the HUD Grant Agreement and any and all subsequent agreements between the City and other public entities resulting from and consistent with the HUD Grant Agreement, subject to final approval as to form by the City Attorney.

Passed by the City Council of Salt Lake City, Utah, this _____, 2007.

SALT LAKE CITY COUNCIL

By _____
CHAIR

ATTEST:

CHIEF DEPUTY CITY RECORDER

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date _____
By _____

EXHIBIT "A"

Exhibit "A" — Funding Recommendations. Exhibit "A" will be the One-Year Action Plan adopted by the City Council on _____, 2007 and provided to the Council on March 13, 2007 when the Mayor makes his funding recommendation.

HOUSING & NEIGHBORHOOD DEVELOPMENT DIVISION TRANSMITTAL SUBMISSION FORM

Transmittal Title: Adoption of One Year Action Plan

RECEIVED

Date Submitted to CD: January 25, 2007

JAN 25 2007

(Transmittals must be submitted by no later than 12:00 p.m. on the due date.)

Scheduled for Council?

- ☒ Yes Date: Transmittal proposes setting March 13 for the Mayor's presentation to the City Council and March 20 for the Public Hearing
- ☐ No

Director's Signature: Luan Clark

Comments/Special Instructions: