



## Commission Meeting

Meeting Date: August 18, 2026

### HCD\_ Reprogramming of CDBG Funding

---

**Department:** HCD

**Presenter:** Charles Jackson, HCD Interim Director

**Caption:** The Housing and Community Development Department proposes reprogramming Community Development Block Grant (CDBG) funds totaling \$1,565,762.09 from Public Facilities Rehabilitation (ex. youth center) and Acquisition Rehabilitation (ex. HCD Rental Units) activities to eligible existing (1) Homeowner Rehabilitation and (2) Infrastructure ADA Improvement activities. These newer activities will better address current community needs and ensure the best use of HUD funding.

Approval is effective after the required 30-day comment period. HCD also requests approval to reallocate funding between projects listed in this request.

**Background:** The Public Facilities Rehabilitation and Acquisition Rehabilitation activity was originally approved and funded to provide assistance to low- to moderate-income persons with the intent to rent houses (that HCD owned in its rental inventory and youth activity center). Due to HUD's timeliness expenditure requirements, HCD has identified a proposal to repurpose funding.

HCD proposes reallocating the remaining CDBG funds from the Public Facilities Rehabilitation and Acquisition Rehabilitation activity as follows:

- **Existing Housing Rehabilitation Activity (ex. Senior Citizens) (\$680,476.22):** Funding will support the rehabilitation of owner-occupied and/or eligible residential properties to improve safe, decent, and affordable housing for low- and moderate-income households. The activity will preserve the City's existing housing stock, address health and safety deficiencies, and improve housing conditions for income-qualified residents.
- **Infrastructure Armstrong Galleria/ADA Accessibility Improvements Project (ex. Persons with Disabilities) (\$885,285.87):** Funding will support eligible public infrastructure improvements that address critical community needs in low- and moderate-income areas. Improvements may include ADA parking, ADA signage, ADA access routes, sidewalks or other deficiencies designed to enhance neighborhood safety, accessibility, dignity and quality of life.

**Analysis:**

The proposed reallocation reflects HCD's commitment to directing CDBG resources toward activities with the greatest community impact and the capacity for timely implementation.

The proposed activities are eligible uses of CDBG funds under Title I of the Housing and Community Development Act of 1974, as amended, and will continue to meet applicable HUD national objectives. Reprogramming these funds will also support compliance with HUD expenditure and timeliness requirements while advancing the goals and priorities identified in the Consolidated Plan and Annual Action Plan.

**Financial Impact:**

There is no impact on the General Fund. The proposed action reallocates existing Community Development Block Grant (CDBG) funds previously appropriated for the Public Facilities Rehabilitation and Acquisition Rehabilitation activity to the Housing Rehabilitation activity and an eligible Infrastructure Improvements project. No additional local funds are required. The total CDBG allocation remains unchanged; only the use of the existing federal funds is being amended.

**Alternatives:**

Failure to approve the reallocation of the funds may affect the City's ability to meet HUD timeliness and expenditure requirements, potentially placing future CDBG funding at risk and reducing the overall effectiveness of the City's Community Development Block Grant program.

**Recommendation:**

Motion to approve HCD's approval of the proposed reprogramming of CDBG funds from the Public Facilities Rehabilitation and Acquisition Rehabilitation activity to the Housing Rehabilitation activity and the Infrastructure Improvements project. This reallocation will maximize the effective use of available federal resources, respond to current community development priorities, and ensure continued compliance with HUD regulations and CDBG program requirements.

**Funds are available in the following accounts:**

221073210- CDBG Rehab Grant Projects  
and 221073211- CDBG Grant Projects

**REVIEWED AND**  
**APPROVED BY:**