



Council Agenda Summary

March 21, 2023

Key Staff Contact: Benjamin Snow, Economic Health & Housing Director

Title:

Public hearing for consideration of changes to approved 2023 CDBG and HOME budgets for U.S. Department of Housing and Urban Development Annual Action Plan

Summary:

The 2023 budgets for the Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) grant were recommended in August 2022 by the GURA Board and approved in October 2022 by City Council. Since that time, loan payoffs were received for an old project (Meeker Commons) in both the CDBG and HOME programs.

Two CDBG promissory notes were paid off CDBG totaling \$550,000 and loan payments from La Casa Rosa (\$11,313.99) and Lincoln Square Apartments (\$36,935.18) were received late in December. Additionally, current CDBG activities have come in farther under budget than expected, and thus available grant funds will be substantially higher than projected.

One HOME promissory note was paid off with \$203,000 received; a loan payment for Stagecoach Gardens (\$15,107.78) was also received.

There are two regulatory issues with these payoffs that affect the 2023 budgets:

- The payoffs are program income and count when calculating the 1.5x timeliness marker for CDBG.
- Program income is to be spent before grant funds in both programs.

When the CDBG budget was approved in October 2022, it was with the understanding that if the approved budget was larger or smaller than projected, the infrastructure activity would absorb the change; however, the new projected budget is large enough to need to return through the citizen participation process. Both budgets are still subject to change, as final fund balances (available cash) and available grant funds will not be approved by Finance until sometime in April. It is not expected that there will be large changes, and any further changes are expected to be so minimal as to not require a return through the citizen participation process. Staff proposes that the infrastructure activity continue to absorb any increase/decrease. It will continue to be a project in the Maplewood neighborhood and (as funds are available) in the Wilshire neighborhood. Appropriations for the budget changes have been submitted.

The HOME program income program income would be put to a multi-family rental project that is as yet unidentified.

Fiscal Impact:

Does this item create a fiscal impact on the City of Greeley?	Yes
---	-----

If yes, what is the initial, or, onetime impact?	See attached spreadsheet with budgets
What is the source of revenue within the fund?	U. S. Dept. of Housing & Urban Development
Is there grant funding for this item?	Yes, this is a HUD grant
If yes, does this grant require a match?	No
Is this grant onetime or ongoing?	One-Time
Additional Comments:	CDBG and HOME are annual entitlement grants available to the City.

Legal Issues:

None

Other Issues and Considerations:

None

Strategic Focus Area:



Housing for All



Infrastructure and Mobility

Decision Options:

- 1) Approve the 2023 CDBG and HOME budget changes as presented, with the Public Works 2023 infrastructure activity receiving additional CDBG funds and a TBD rental housing project to receive additional HOME funds. Any further budget changes to the CDBG program will occur within that CDBG activity; or
- 2) Request changes to the proposed budgets and associated activities (and 2023 Action Plan), and then adopt with changes; or
- 3) Continue consideration of the items to the next regular Council meeting, understanding the HUD deadline by which the 2023 Action Plan must be submitted is April 15, 2023.

Council's Recommended Action:

A motion to accept the proposed changes to the 2023 CDBG and HOME budgets and Annual Action Plan for 2023, as presented, with changes occurring within the activity noted for each grant program.

Attachments:

GURA Board Resolution

Approved 2023 HOME Budgets vs Proposed Budgets

Approved 2023 CDBG Budgets vs Proposed Budgets