



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 04/09/2024

**REQUESTER:** Lisa D. Krieg

**PRESENTER:** Lisa D. Krieg, CDBG Grants Manager

**ITEM TITLE:** CONDUCTING A PUBLIC HEARING FOR CONSIDERATION OF ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF SUBSTANTIAL AMENDMENT NO. TWO TO THE FYE20 COMMUNITY DEVELOPMENT BLOCK GRANT ACTION PLAN AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The Fifth Year Action Plan for the 45th Year Community Development Block Grant (CDBG) Program and the 2019 HOME Partnership Program (City of Norman FY 2019-2020) were approved by the Norman City Council on May 14, 2019 and the U.S. Department of Housing and Urban Development (HUD) on June 30, 2019. All activities included in the proposed use of funds referenced the Five-Year Consolidated Plan Objectives and expected performance outcomes, and totaled \$850,844. Amendment One was approved in 2021 to include the allocation of CARES Act funding from the CDBG CV1 and CDBG CV3 awards with no impact on the Entitlement CDBG funding or the approved Entitlement Fifth Year Action Plan.

Included within the Fifth Year Action Plan was funding for neighborhood improvements to Original Townsite Neighborhood in the amount of \$389,000. This Substantial Amendment does not change the funding amount; only the eligible areas to include First Courthouse and Old Silk Stocking Neighborhoods in addition to Original Townsite Neighborhood. Currently the remaining funding for this activity is approximately \$230,000.

### **DISCUSSION:**

To assist in addressing the needs of specific neighborhoods within the Target Area, a substantial amendment is now prepared to expand existing CDBG funding for locations not specific to the activity geography as defined within the Fifth Year Action Plan. The activity was initially specific to the Original Townsite Neighborhood and with this Substantial Amendment will expand to include First Courthouse and Old Silk Stocking Neighborhoods.

The CDBG Program is transitioning into a "Strong Neighborhoods Initiative" Program and include the three neighborhoods identified above. There is no change in funding, only in the targeted eligible areas. As stated, the currently available funding for this activity is approximately

\$230,000.

The CDBG Program uses the guidance of a Citizen Participation Plan (CPP) in addressing the development of each Consolidated Plan and Action Plan as well as any changes that need to be made after approval. The CPP is approved by the CDBG Policy Committee, the City Council, and HUD as part of the Consolidated Planning Process.

In regards to substantial amendments to the Consolidated Plan or Annual Action Plan, per the regulations, the grantee shall identify the criteria it will use for determining what constitutes a substantial amendment. The City of Norman identifies a substantial amendment as the following:

1. An increase to the funding level of a previously approved activity or program by 50 percent or more;
2. A change in the purpose, scope, location or beneficiaries of an activity to the extent that it would be considered a new activity, at the discretion of the City of Norman; or
3. A change in the types of beneficiaries proposed to be served by the activity (ex. from homeless to youth), when more than 50 percent of the original beneficiary types will be changed.

This request qualifies for a Substantial Amendment of requirement 2 due to the change in location (Expansion of designated area to include two additional neighborhoods).

In addition to this request being reviewed by staff, it was also reviewed by Monica Fiordeleis, HUD Representative for compliance. This request was reviewed and approved by the CDBG Policy Committee on February 7, 2024. An additional, formal review by HUD will be made upon submittal of the Substantial Amendment.

**RECOMMENDATION:**

Staff has reviewed the proposed change and recommends approval of Substantial Amendment Number Two to the Fifth Year Action Plan (FYE20). No change in funding amount.