

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	January 18, 2022
Action Required:	Resolution
Presenter:	Alex Ikefuna, Interim Director
Staff Contacts:	Sam Sanders, Deputy City Manager Alex Ikefuna, Interim Director Erin Atak, Grants Coordinator
Title:	FY2018-2019 CDBG Substantial Action Plan Amendment

Background:

This agenda item includes a substantial action plan amendment, a public hearing, and corrected budget for the Community Development Block Grant (CDBG), received from the U.S. Department of Housing and Urban Development (HUD).

On January 14, 2021, the City of Charlottesville was found to be noncompliant, for the second consecutive year, with the CDBG timely expenditure requirements. HUD has noted that the City of Charlottesville's lack of timely performance as a deficiency. On December 23, 2021, it was calculated that the City had an adjusted line of credit balance of 2.16 times the annual grant; an adjusted balance of 1.50 is needed to be in compliance. The City is subject to HUD's timeliness sanctions policy. HUD will conduct its final timeliness test on the City of Charlottesville on May 2, 2022.

Discussion:

City staff is currently identifying immediate programs for funding to solve the City's timeliness concerns by May 2, 2021. The City has unexpended 2018 CDBG dollars totaling \$140,585.49 and upcoming unexpended 2022 CDBG dollars totaling \$244,950.82; for a grand total of \$385,536.31 from the delayed Belmont Neighborhood Franklin Street Sidewalk activity. These funds can be reprogrammed back into the CDBG program budget to fund activities that are ready, as well as address the City Council CDBG priorities and HUD CDBG National Objectives. Future funding sources can later repay the Belmont Franklin Street Sidewalk construction activity.

To meet timeliness deadlines by May 2, 2022, reprogrammed funds must be spent down within the next four-month period. City Staff is coordinating with City departments on eligible activities and will return to City Council for final project approval.

Community Engagement:

Members of the public were given the opportunity to voice their opinions during the HUD-mandated 30-day public comment period held December 12, 2021 through January 12, 2022.

Alignment with City Council's Vision and Strategic Plan:

Approval of this agenda item aligns directly with Council's vision for Charlottesville to have **Economic Sustainability, A Center for Lifelong Learning, Quality Housing Opportunities for All, and A Connected Community**. It contributes to variety of Strategic Plan Goals and Objectives including: Goal 1: Inclusive, Self-sufficient Community; Goal 3: Beautiful Environment; Goal 4: Strong, Diversified Economy; and Goal 5: Responsive Organization.

Budgetary Impact:

There will be no impact to the City of Charlottesville budget.

Recommendation:

Staff recommends approval of the CDBG budgets, as well as approval of the FY 2018-2019 substantial Action Plan Amendment of the 2018-2022 Consolidated Plan.

Alternatives: No alternatives are proposed.

Attachments:

- A. Resolution: Substantial Action Plan Amendment

RESOLUTION
Approving the FY 2018-2019 Community Development Block Grant
Substantial Action Plan Amendment
of the 2018-2022 Consolidated Plan

BE IT RESOLVED that the Charlottesville City Council hereby approves the FY 2018 – 2019 Substantial Action Plan Amendment of the 2018-2022 Consolidated Plan. The reprogrammed 2018 CDBG budget will be added into the 2018-2019 Annual Action Plan to meet HUD spending deadlines under 24 CFR 570.902(a). No changes to the HOME budget will be made at this time.

Approved by Council
January 18, 2022

Kyna Thomas, CMC
Clerk of Council