

AGENDA ITEM SUMMARY

July 7, 2015

City Council

STAFF

Sharon Thomas, CDBG/HOME Program Administrator

SUBJECT

Items Relating to the Appropriation of Federal Funds in the Community Development Block Grant (CDBG) and Home Investment Partnerships (HOME) Program Funds.

EXECUTIVE SUMMARY

- A. First Reading of Ordinance No. 072, 2015, Appropriating Unanticipated Revenue in the Community Development Block Grant Fund.
- B. First Reading of Ordinance No. 073, 2015, Appropriating Unanticipated Revenue in the HOME Investments Partnerships Fund.

The purpose of this item is to appropriate the 2015 CDBG and HOME grant funds and CDBG and HOME program income.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinances on First Reading.

BACKGROUND / DISCUSSION

These Ordinances appropriate the 2015 CDBG Entitlement funds of \$951,389 and HOME Participating Jurisdiction funds of \$519,485 allocated for affordable housing, public service and planning and administration. They also appropriate program income funds received for CDBG programs FY2014 (\$82,803) and FY2013 (\$68,091) and program income received for the HOME programs FY2014 (\$261,570). A total of \$1,470,874 of FY2015 funds and \$412,464 of program income will be appropriated.

Allocation to programs and projects and program administration was approved by Council on May 19, 2015. The CDBG and HOME fiscal year for 2015 begins October 1, 2015. Program income includes repayments from loans issued for housing rehabilitation, homebuyer assistance, affordable housing acquisition and development.

CITY FINANCIAL IMPACTS

The CDBG and HOME programs provide federal funds from HUD to the City of Fort Collins for allocation to housing and community development related programs and projects and administration of the funds. Funding allocated to these programs and projects is often used as match money to create new affordable housing units or for the rehabilitation of current housing projects. New construction or the rehabilitation of buildings provides jobs for the duration of the projects.

Through the provision of affordable housing, more of Fort Collins' work force can reside within the community. This means there is an available labor pool within the city, which is a positive benefit to economic sustainability.

BOARD / COMMISSION RECOMMENDATION

On April 19, 2015, the CDBG made recommendations for allocating funds to affordable housing and human service applicants and recommended approval of the appropriations.

PUBLIC OUTREACH

HUD regulations require a 30-day public comment period on the proposed allocation of CDBG and HOME funds. Staff placed an ad in the *Coloradoan* on April 19, 2015 presenting the list of recommended funding for programs/projects and indicated the public comment period would start on April 20, 2015, and end on May 19, 2015. The public notice of funding recommendations was placed on the Social Sustainability Department's website. It was also distributed to 12 entities serving a majority of clients in legally protected classes-including those in a racial/ethnic minority, those with a disability, or female heads of households-or serving those community members who might otherwise have barriers to public participation in the City's civic engagement processes. An opportunity for public comments was provided in connection with the adoption of Resolution 2015-056, approving the CDBG and HOME allocations, on May 19, 2015.

ORDINANCE NO. 072, 2015
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE
COMMUNITY DEVELOPMENT BLOCK GRANT FUND

WHEREAS, the City will receive in federal fiscal year 2015-2016 unanticipated revenue in the form of federal Community Development Block Grant (“CDBG”) funds totaling \$951,389; and

WHEREAS, the City has received unanticipated CDBG Program income in the amount of \$150,894; and

WHEREAS, on May 19, 2015, the City Council adopted Resolution 2015-056, approving the CDBG Commission’s recommendation as to which programs and projects should receive CDBG funds in the 2015 funding cycle; and

WHEREAS, Article V, Section 9, of the City Charter permits City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, Article V, Section 11, of the City Charter provides that federal grant appropriations shall not lapse if unexpended at the end of the budget year until the expiration of the federal grant; and

WHEREAS, City staff has determined that the appropriation of all unanticipated CDBG grant and program revenue as described herein will not result in total appropriations in excess of the current estimate of actual and anticipated revenues for fiscal year 2015.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That there is hereby appropriated for expenditure from unanticipated revenue in the federal fiscal year 2015-2016 into the Community Development Block Grant Fund, the sum of NINE HUNDRED FIFTY-ONE THOUSAND THREE HUNDRED EIGHTY-NINE DOLLARS (\$951,389), upon receipt thereof for federal fiscal year 2015-2016 Community Development Block Grant projects.

Section 2. That there is hereby appropriated for expenditure from unanticipated program income revenue, upon receipt thereof into the Community Development Block Grant Fund, the sum of ONE HUNDRED FIFTY THOUSAND EIGHT HUNDRED NINETY-FOUR DOLLARS (\$150,894), for approved Community Development Block Grant projects.

Introduced, considered favorably on first reading, and ordered published this 7th day of July, A.D. 2015, and to be presented for final passage on the 21st day of July, A.D. 2015.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 21st day of July, A.D. 2015.

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 073, 2015
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE
HOME INVESTMENT PARTNERSHIPS FUND

WHEREAS, the Home Investment Partnership Program (the “HOME Program”) was authorized by the National Affordable Housing Act of 1990 to provide funds in the form of Participating Jurisdiction Grants for a variety of housing-related activities which would increase the supply of decent, safe, and affordable housing; and

WHEREAS, on March 1, 1994, the City Council adopted Resolution 1994-092 authorizing the Mayor to submit to the Department of Housing and Urban Development (“HUD”) a notification of intent to participate in the HOME Program; and

WHEREAS, on May 26, 1994, HUD designated the City as a Participating Jurisdiction in the HOME Program, allowing the City to receive an allocation of HOME Program funds as long as Congress re-authorizes and continues to fund the program; and

WHEREAS, the City has been notified by HUD that the City’s HOME Participating Jurisdiction Grant for the federal fiscal year 2015-2016 is \$519,485; and

WHEREAS, the City also received unanticipated HOME Program income in the amount of \$261,570; and

WHEREAS, on May 19, 2015, the City Council adopted Resolution 2015-056, approving the CDBG Commission’s recommendation as to which programs and projects should receive HOME funds in the 2015 funding cycle; and

WHEREAS, Article V, Section 9, of the City Charter permits the City Council to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, do not exceed the then current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, City staff has determined that the appropriation of the HOME Program funds as described herein will not cause the total amount appropriated in the HOME Program Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during the 2015 fiscal year; and

WHEREAS, Article V, Section 11, of the City Charter provides that federal grant appropriations shall not lapse if unexpended at the end of the fiscal year until the expiration of the federal grant.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That there is hereby appropriated for expenditure from unanticipated revenue in the federal fiscal year 2015-2016 in the HOME Program Fund the sum of FIVE HUNDRED NINETEEN THOUSAND FOUR HUNDRED EIGHTY-FIVE DOLLARS (\$519,485), upon receipt from federal fiscal year 2015-2016 HOME Participating Jurisdiction Grant Funds.

Section 2. That there is hereby appropriated for expenditure from unanticipated program income revenue, upon receipt thereof, in the HOME Program Fund the sum of TWO HUNDRED SIXTY-ONE THOUSAND FIVE HUNDRED SEVENTY DOLLARS (\$261,570), for approved HOME Program projects.

Introduced, considered favorably on first reading, and ordered published this 7th day of July, A.D. 2015, and to be presented for final passage on the 21st day of July, A.D. 2015.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 21st day of July, A.D. 2015.

Mayor

ATTEST:

City Clerk