

CITY OF CHARLOTTESVILLE, VIRGINIA  
CITY COUNCIL AGENDA



Agenda Date:	February 16, 2021
Action Required:	Resolution: Minor Amendment 2020-2021 Action Plan
Presenter:	Erin Atak, Grants Coordinator
Staff Contacts:	Erin Atak, Grants Coordinator
<b>Title:</b>	<b>CDBG 2020-2021 AHIP Contingency Plan</b>

**Background:**

This agenda item includes a resolution for the FY2020-2021 minor action plan amendment Community Development Block Grant (CDBG) funds to be received by the City of Charlottesville from the U.S. Department of Housing and Urban Development (HUD).

In Fall 2019, the City of Charlottesville advertised a Request for Proposals (RFP) based on the priorities set by Council on September 16, 2019. The priorities were for affordable housing (priority for persons who are 0-50 percent AMI, including but not limited to low income housing redevelopment), support for the homelessness and those at risk of homelessness, workforce development (including but not limited to efforts to bolster section 3 training opportunities and partnerships with the City's GO programs, support for programs that aid in self-sufficiency, including but not limited to quality childcare), microenterprise assistance, and mental health and substance abuse services.

In February and March 2020, the CDBG/HOME Task Force reviewed and recommended housing and public service projects for funding and the Strategic Action Team reviewed and recommended economic development projects for funding. On May 4<sup>th</sup>, 2020, City Council reviewed and approved the CDBG and HOME budget for the 2020-2021 HUD Annual Action plan submittal.

**Discussion:**

CDBG FY2020-2021 Albemarle Home Improvement Program (AHIP) proposes to enact the contingency plan to spend their remaining balance of CDBG funding on one substantial rehabilitation project. Due to client concerns from COVID, and hesitancy requiring Deed of Trusts, the program experienced setbacks affecting program timeliness. The contingency plan will assist AHIP and the City meet HUD CDBG timeliness deadlines.

All CDBG applicants are required to provide reasonable assurances regarding the achievement of objectives in three categories: 1) Effectiveness and efficiency of operations; 2) Reliability of reporting for internal and external use; and 3) Compliance with applicable laws and regulations. All non-federal entities must submit internal controls documents to comply with federal statutes, regulations, and the terms and conditions of the CDBG federal award. Internal controls are a process effected by an entity's oversight body, management, and other personnel that provides

reasonable assurance that the objectives of an entity will be achieved. These objectives and risks can be classified by operations, reporting, and compliance. To assist with CDBG timeliness requirements, HUD 24 CFR 570.902(a), CDBG subrecipients may request to enact the contingency plan from the submitted internal controls checklist.

**Community Engagement:**

In accordance with the CDBG/HOME Citizen Participation Plan, staff reviewed the AHIP Contingency Plan during the RFP process and discussed with AHIP staff on CDBG Timeliness. A minor Action Plan Amendment will be submitted for the 2020-2021 fiscal year. The minor Action Plan Amendment was advertised for five days under the covid-19 public notice waiver between February 1-5, 2021. The full action plan can be viewed on the City Website through the following [link](#). Minor Action Plan Amendments do not require a public hearing.

The Action Plan was advertised for a thirty-day comment period (March 26<sup>th</sup> – April 26<sup>th</sup> 2020) before being sent to HUD for approval. The Action Plan was sent to Charlottesville Neighborhood community members for comment. The Housing Directors Council had an opportunity to make comments on the Action Plan virtually during the thirty-day comment period. Comments received from Housing Directors were incorporated into the Action Plan. HUD approved the Action Plan on August 14, 2020.

**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:**

None

**Recommendation:**

Staff recommends approval of AHIP’s CDBG FY2020-2021 change of scope of work to assist with CDBG program compliance, HUD 24 CFR 570.902(a).

**Alternatives:**

No alternatives are proposed.

**Attachments:**

Resolution for Minor 2020-2021 Action Plan Amendment

**RESOLUTION**  
**Approval of FY 2020-2021 Minor Annual Action Plan Amendment**

**BE IT RESOLVED**, that the Charlottesville City Council hereby approves the FY 2020 - 2021 Minor Action Plan Amendment of the 2018-2022 Consolidated Plan. The contingency plan for Albemarle Home Improvement Program (AHIP) will assist the City and the subrecipient meet CDBG timeliness goals. The remaining 2020-2021 CDBG AHIP balance is to be spent on one home rehabilitation project.