

CITY OF CHARLOTTESVILLE, VIRGINIA
CITY COUNCIL AGENDA



Agenda Date:	August 16, 2021
Action Required:	Resolutions
Presenter:	Erin Atak, Grants Coordinator
Staff Contacts:	Erin Atak, Grants Coordinator
Title:	FY2020-2021 Community Development Block Grant and HOME Investment Partnerships Program Minor Action Plan Budget Amendment

Background:

This agenda item includes project reprogramming recommendations, and minor action plan approval for the Community Development Block Grant (CDBG) and HOME Investment Partnership Program (HOME) funds to be received by the City of Charlottesville from the U.S. Department of Housing and Urban Development (HUD).

On May 4, 2020 and January 19, 2021, the City Council approved award of \$14,997.71 in CDBG funds to Community Investment Collaborative (CIC) for Entrepreneur Workshop and Financial Management technical assistance program, and \$47,076.73 in HOME funds to Habitat for Humanity of Greater Charlottesville for Down Payment Assistance, with spending effective July 1, 2020. All funds were required to meet a 100% spend rate by June 30, 2021.

As of June 30, 2021, CIC completed 100% of the CDBG program agreement with an extra \$12.71 CDBG balance remaining in their account, and Habitat reported and invoiced at a 53.57% spent rate, leaving an unexpended balance of \$21,384.80 HOME funds.

On January 14, 2021, the City of Charlottesville was found to be noncompliant, for the second consecutive year, with the HUD timely expenditure requirements. HUD has noted that the City of Charlottesville's lack of timely performance as a deficiency. All contract extensions for the CDBG and HOME program have been suspended.

Discussion:

City staff has identified an immediate program for funding to solve the City's timeliness concerns. CIC has completed 100% of their 2020-2021 Entrepreneur Workshop and Financial Management technical assistance program and has a surplus of \$12.71 in their CDBG account. These funds can be reprogrammed back into the 2020-2021 Ridge Street Priority Neighborhood Taskforce Traffic Signage activity that is currently underway.

Additionally, The City has unexpended 2020 HOME funds totaling \$21,384.80 from the delayed Habitat Down Payment Assistance activity. After consulting with HUD on July 16, 2021, and per the HOME Cooperation Agreement between HUD, the City of Charlottesville, and the Thomas Jefferson Planning District Commission; all unexpended funds will be returned to the Consortium due to untimely performance. Funds will be used for shovel-ready housing related activities per the HOME grant requirements and will be committed based on a priority system as written within the regional agreement.

Community Engagement:

The CIC and Habitat approval was part of the Action Plan that was advertised for a thirty-day comment period (March 26th – April 26th 2020) before being sent to HUD for approval. The Action Plan was also sent to Charlottesville Neighborhood community members and Housing Directors Council for public comment. Comments received were incorporated into the Action Plan. HUD approved the Action Plan on August 14, 2020.

If council approves the request, then an approval will be submitted to HUD as a minor Action Plan Amendment for the 2020-2021 fiscal year. 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.

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 the resolution to amend the CDBG and HOME budget to remain in compliance with HUD grant requirements and the Cooperation Agreement for the TJPDC under the HOME Investment Partnership Program.

Alternatives:

No alternatives are proposed.

Attachments:

Resolution to Amend CDBG Reprogramming
Resolution to Amend HOME Reprogramming
Resolution for FY 2020-2021 Minor Action Plan Amendment

RESOLUTION
AMENDMENT TO COMMUNITY DEVELOPMENT BLOCK GRANT ACCOUNT
Reprogramming of Funds for FY 2020-2021

WHEREAS, Council has previously approved the appropriation of certain sums of federal grant receipts to specific accounts in the Community Development Block Grant (CDBG) funds; and

WHEREAS, pursuant to section 3 of CDBG Sub-recipient Agreements, all funds not expended by the Subrecipient by June 30, 2021 shall be reprogrammed; therefore,

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that appropriations made to the following expenditure accounts in the CDBG (218) fund are hereby reduced or increased by the respective amounts shown, and the balance accumulated in the Fund as a result of these adjustments is hereby reappropriated to the respective accounts shown as follows:

Fund	Account Code	Purpose	Proposed Revised Reduction	Proposed Revised Addition	Proposed Revised Appropriation
218	1900362	Community Investment Collaborative	\$12.71		
218	1900361	Ridge Street Priority Neighborhood Taskforce		\$12.71	\$85,843.66
		TOTALS:	\$12.71	\$12.71	\$85,843.66

Approved by Council
August 16, 2021

Kyna Thomas, CMC
Clerk of Council

RESOLUTION
AMENDMENT TO HOME INVESTMENT PARTNERSHIPS PROGRAM
Reprogramming of Funds for FY2020-2021

WHEREAS, Council has previously approved the appropriation of certain sums of federal grant receipts to specific accounts in the HOME Investment Partnership Program funds; and

WHEREAS, pursuant to section III sub-item B of HOME Sub-recipient Agreements all invoices for the project must be submitted for reimbursement by June 30, 2021; and

WHEREAS, pursuant to section 2 of the Cooperation Agreement for the TJPDC under the HOME Investment Partnership Program, funds not committed will be made available to Subrecipients under the Consortium Agreement; therefore

BE IT RESOLVED by the Council of the City of Charlottesville, Virginia that appropriations made to the following expenditure accounts in the HOME (210) fund are hereby reduced or increased by the respective amounts shown, and the balance accumulated in the Fund as a result of these adjustments is hereby reappropriated to the respective accounts shown as follows:

Fund	Account Code	Purpose	Proposed Revised Reduction	Proposed Revised Addition	Proposed Revised Appropriation
210	1900366	Habitat for Humanity of Greater Charlottesville	\$21,384.80		
		TOTALS:	\$21,384.80		

Approved by Council
August 16, 2021

Kyna Thomas, CMC
Clerk of Council

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 reprogrammed CDBG and HOME and budget will be reflected into the 2020-2021 Annual Action Plan.

Approved by Council
August 16, 2021

Kyna Thomas, CMC
Clerk of Council