

City Council Agenda Items  
and  
Contracts, Leases or Agreements

September 3, 2013  
City Council Meeting Date  
Agenda Items Only

Yolanda Fields                      Community Services                      Development Services  
Submitted By                      Division                      Department

Action Required:

Approval of budget adjustment to recognize grant revenue increase of \$46,209 to the 2013 Community Development Block Grant.

|                             |                                  |  |
|-----------------------------|----------------------------------|--|
| <u>Cost of this request</u> | <u>Category / Project Budget</u> | <u>Program Category / Project Name</u> |
| <u>2180.0918.4320.00</u>    |                                  |  |
| <u>Account Number</u>       | <u>Funds Used to Date</u>        | <u>Program / Project Category Name</u> |
|                             |                                  |  |
| <u>Project Number</u>       | <u>Remaining Balance</u>         | <u>CDBG</u>                            |
|                             |                                  | <u>Fund Name</u>                       |

Budgeted Item

Budget Adjustment Attached

[Signature]                      9/15/2013                      Previous Ordinance or Resolution # \_\_\_\_\_  
Department Director                      Date

[Signature]                      8-16-13                      Original Contract Date: \_\_\_\_\_  
City Attorney                      Date                      Original Contract Number: \_\_\_\_\_

Paul A. Bush                      8-20-2013                      Date  
Finance and Internal Services Director

Received in City Clerk's Office  
 Kim J.

[Signature]                      8-21-13                      Date  
Chief of Staff

Received in Mayor's Office  



[Signature]                      8/21/13                      Date  
Mayor

Comments: Staff recommends approval of the budget adjustment.

## CITY COUNCIL AGENDA MEMO

**To:** Mayor and Council

**Thru:** Jeremy Pate, Director of Development Services

**From:** Yolanda Fields, CS Director 

**Date:** August 14, 2013

**Subject:** 2013 Community Development Block Grant (CDBG) Increase

### PROPOSAL:

Fayetteville has been a Community Development Block Grant (CDBG) Entitlement city since 1975. Funding is based on a formula allocation that takes into account such factors as population, percent of low/moderate income persons, and the number of housing units. This process sets aside CDBG funds for the City of Fayetteville each year that the Community Services Division submits an annual "Action Plan" outlining the proposed use for the funds to the U.S. Department of Housing & Urban Development (HUD). If the Action Plan meets HUD requirements, an agreement is received. This agreement must be executed, returned to the HUD field office in Little Rock and then sent to Washington D.C. for the release of funds.

Grant amounts vary each year dependent upon funding levels authorized by Congress through the annual federal budget process. The estimated award for the 2013 budget was \$540,787. The actual grant amount is \$586,996; an increase of \$46,209. The increase will be added to the Housing Program and Redevelopment Program as noted in the grant funding detail below:

### **Grant Funding Detail:**

|                                 |                  |                               |
|---------------------------------|------------------|-------------------------------|
| Administration                  | \$107,245        |                               |
| <b>Housing Rehabilitation</b>   | <b>\$348,910</b> | <b>(increase of \$43,209)</b> |
| <b>Redevelopment</b>            | <b>\$ 44,043</b> | <b>(increase of \$ 3,000)</b> |
| Big Brothers Big Sisters of NWA | \$ 5,000         |                               |
| CASA of NWA                     | \$ 10,000        |                               |
| LifeSource International        | \$ 20,000        |                               |
| Peace at Home Family Shelter    | \$ 10,000        |                               |
| Salvation Army                  | \$ 5,000         |                               |
| Transportation                  | \$ 6,000         |                               |
| LifeSource International        | \$ 27,000        |                               |
| YRCC                            | \$ 3,798         |                               |
|                                 | <b>\$586,996</b> | <b>(increase of \$46,209)</b> |

### RECOMMENDATION:

Staff recommends approval of the budget adjustment to recognize the grant revenue increase of \$46,209 to the 2013 Community Development Block Grant.

### BUDGET IMPACT:

Increase to CDBG Grant Revenue of \$46,209.

**RESOLUTION NO. \_\_\_\_\_**

A RESOLUTION APPROVING A BUDGET ADJUSTMENT IN THE TOTAL AMOUNT OF \$46,209.00 RECOGNIZING A 2013 COMMUNITY DEVELOPMENT BLOCK GRANT REVENUE INCREASE

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FAYETTEVILLE, ARKANSAS:**

Section 1: That the City Council of the City of Fayetteville, Arkansas hereby approves a budget adjustment, a copy of which is attached as Exhibit "A", in the total amount of \$46,209.00 recognizing a 2013 Community Development Block Grant revenue increase.

**PASSED and APPROVED** this 3<sup>rd</sup> day of September, 2013.

APPROVED:

ATTEST:

By: \_\_\_\_\_  
**LIONELD JORDAN**, Mayor

By: \_\_\_\_\_  
**SONDRA E. SMITH**, City Clerk/Treasurer

**City of Fayetteville, Arkansas  
Budget Adjustment Form**

|                            |  |                                  |                          |
|----------------------------|--|----------------------------------|--------------------------|
| <b>Budget Year</b><br>2013 | Division: Community Services<br>Department: Development Services | <b>Request Date</b><br>8/14/2013 | <b>Adjustment Number</b> |
|----------------------------|--|----------------------------------|--------------------------|

**BUDGET ADJUSTMENT DESCRIPTION / JUSTIFICATION**

Community Development budget needs to be adjusted to reflect the actual 2013 grant amount. Increase Housing Contract Services by \$33,209. Increase Housing Contract Services Minor Rehab by \$10,000. Increase Redevelopment Travel & Training by \$3,000. Increase Grant Funding Revenue by \$46,209.

|                     |           |
|---------------------|-----------|
| <i>[Signature]</i>  | 8/14/13   |
| Division Head       | Date      |
| <i>[Signature]</i>  | 8/20/13   |
| Budget Director     | Date      |
| <i>[Signature]</i>  | 8-20-2013 |
| Department Director | Date      |
| <i>[Signature]</i>  | 8-20-2013 |
| Finance Director    | Date      |
| <i>[Signature]</i>  | 8-21-13   |
| Chief of Staff      | Date      |
| <i>[Signature]</i>  | 8/21/13   |
| Mayor               | Date      |

Prepared By: Kelly Colebar kcolebar.

Reference: \_\_\_\_\_

**Budget & Research Use Only**

Type:    A        B        C        D        E        P

General Ledger Date \_\_\_\_\_

Posted to General Ledger \_\_\_\_\_

Checked / Verified \_\_\_\_\_

|  |         |      |
|--|---------|------|
|  | Initial | Date |
|  |         |      |

**TOTAL BUDGET ADJUSTMENT**                  46,209                  46,209

| Account Name              | Account Number    |    | Increase / (Decrease) |         | Project.Sub Number |
|---------------------------|-------------------|----|-----------------------|---------|--------------------|
|                           |                   |    | Expense               | Revenue |                    |
| Contract services         | 2180.4940.5315.00 | B> | 33,209                | -       | .                  |
| Contract Serv Minor Rehab | 2180.4940.5315.05 | B> | 10,000                |         | .                  |
| Travel & training         | 2180.4945.5304.00 | B> | 3,000                 |         | .                  |
| Grant funding CDBG        | 2180.0918.4320.00 | RE |                       | 46,209  | .                  |
|                           |                   |    |                       |         | .                  |
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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
Little Rock Field Office, Region VI  
Office of the Field Office Director  
425 West Capitol Avenue, Suite 1000  
Little Rock, AR 72201  
Phone (501) 918-5700 - Fax (501) 324-6142  
[www.hud.gov](http://www.hud.gov) [espanol.hud.gov](http://espanol.hud.gov)

August 1, 2013

Honorable Lioneld Jordan  
Mayor, City of Fayetteville  
113 West Mountain Street  
Fayetteville, AR 72701

Dear Mayor Jordan:

I am pleased to inform you of your community's Fiscal Year (FY) 2013 allocations for the Office of Community Planning and Development's (CPD) formula programs, which provide funding for housing, community and economic development activities, and assistance for low- and moderate-income persons and special populations across the country. The Program Year for these funds began on January 1, 2013. Your community's FY 2013 available amounts are:

|  |           |
|--|-----------|
| Community Development Block Grant (CDBG) | \$586,996 |
|--|-----------|

HUD noted that the Consolidated Plan/Annual Action Plan submitted for the use of these funds, provided a planning estimate of \$540,787 for CDBG. Since the planning estimate is less than the actual funding amounts, please make the necessary corrections in your proposed budget and activities to reflect the actual funding received. Also, if you have not already done so, please provide this office with a copy of your revised budget within 15 days of the date of this letter. Please note that those changes that are considered substantial, or are for new activities, or those that are completely deleted, will require an amendment to your Consolidated Plan or Action Plan.

Enclosed are three copies of the Grant Agreement and Funding Approval form that have been executed by this office. This document constitutes the contract between the U. S. Department of Housing and Urban Development (HUD) and the City of Fayetteville for the CDBG program. Please sign all copies. After execution, please return two copies to this office as soon as possible. The fourth copy should be retained in the City's files.

You are reminded that certain activities are subject to the provisions of 24 CFR Part 58 (Environmental Review Procedures for the Community Development Block Grant Program). Funds for such activities may not be obligated or expended unless HUD has approved a release of funds in writing. A request for release of funds must be accompanied by an environmental certification.

The special condition in your Grant Agreement and Funding Approval concerning the review procedures under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs and HUD's implementing regulations at 24 CFR Part 52, restricts the obligation or expenditure of funds for the planning or construction of water or sewer facilities until the completion of the review process and receipt of written notification of release of funds from HUD. Since you have not submitted your Consolidated Action Plan (CP) for review under E.O. 12372, we assume you do not propose to use funds for activities subject to review. However, the condition requires that in the event you amend or otherwise revise your CP to use funds for the planning or construction of water or sewer facilities, you must receive written release of funds from HUD before obligating or expending funds for such activities.

In addition to the conditions contained on form HUD 7082, the grantee shall comply with requirements established by the Office of Management and Budget (OMB) concerning Dun and Bradstreet Data Universal Numbering System (DUNS), the Central Contractor Registration (CCR) database, and the Federal Funding Accountability and Transparency Act, including Appendix A to Part 25 of the *Financial Assistance Use of Universal Identifier and Central Contractor Registration*, 75 Fed. Reg. 55671 (Sep. 14, 2010) (to be codified at 2 CFR part 25) and Appendix A to Part 170 of the *Requirements for Federal Funding and Accountability and Transparency Act Implementation*, 75 Fed. Reg. 55663 (Sept. 14, 2010) (to be codified at 2 CFR part 170).


The FY 2013 Budget may have significantly reduced funding for the CDBG programs compared to the FY 2012 levels. Grantees that have already submitted their annual Action Plan based on an anticipated amount higher than the FY 2012 allocations for these programs must revise their Action Plan consistent with the allocation and applicable amendment requirements. Your local CPD field office is available to provide additional information regarding amendment requirements.

CPD has moved rapidly to implement the OneCPD technical assistance process. Under OneCPD, technical assistance adopts a place-based strategy with the goal of improving the ability of grantees to understand their local market conditions, set goals, and design and effectively carry out their housing and community development programs. This is particularly important as many local governments continue to struggle with budgetary pressures resulting from the economic downturn.

HUD again urges grantees to consider the needs of returning veterans and their families in the design and administration of these formula programs. Our fellow Americans have served our nation on the battlefields of Iraq and Afghanistan and seemingly countless other places around the globe. Many veterans are returning to our communities with wounds and injuries that may make it difficult for them to find housing or support themselves and/or their families. I ask that you consider their sacrifice and ensure that these men and women receive every appropriate consideration in the use of these funds at the local level.

CPD looks forward to working with you in a true partnership to successfully meet the challenges we face in FY 2013. On behalf of the Department, I wish the City of Fayetteville much success in the use of these resources to implement the City's community development initiatives. If you have questions, or if we may be of assistance to the City in the implementation of its CDBG programs, please contact me on (501) 918-5700, or Lisa Spigner, Community Planning and Development Representative, on (501) 918-5734.

Sincerely,

A handwritten signature in cursive script that reads "David Blick".

David Blick  
Acting Field Office Director

Enclosures

cc:

Ms. Yolanda Fields

