

April 19, 2021
202101478

To: Members of the Budget & Finance Committee

From: Paula Boggs Muething, City Manager

Subject: **Emergency Ordinance – Community Development Block Grant (CDBG) Grant 2021 Annual Action Plan**

Attached is an Emergency Ordinance captioned:

AUTHORIZING the acceptance and appropriation of a grant of \$11,603,976 from the U.S. Department of Housing and Urban Development (“HUD”) to various Community Development Block Grant Fund 304 project accounts in accordance with Section 1 of the attached Appropriation Schedule; **ANNOUNCING** the City’s intention to use said funds for various projects and operating allocations for the Community Development Block Grant Program for Calendar Year 2021 and filing of the 2021 Annual Action Plan according to Section 1 of the attached Appropriation Schedule; **AUTHORIZING** the return to source of \$54,952.99 from various existing Community Development Block Grant Fund 304 project accounts for the purpose of correcting a HUD Entitlement Grant calculation error and to reflect the reprioritization of certain projects in accordance with Section 2 of the attached Appropriation Schedule; and **AUTHORIZING** the appropriation of the sum of \$404,058.10 from the unappropriated surplus of the Community Development Block Grant Fund 304 to various Community Development Block Grant Fund 304 project accounts for the purpose of reprioritizing certain projects and providing funding for the continuation of vital programs in accordance with Section 3 of the attached Appropriation Schedule.

The Community Development Block Grant Program (CDBG) provides annual grants to local communities to address a wide range of unique community development needs. The Department of Housing and Urban Development (HUD) announced the allocation for the CDBG program per Catalog of Federal Domestic Assistance (CFDA) No. 14.218 via Award B-21-MC-39-0003 on February 25, 2021.

As part of the 2021 CDBG Action Plan submission process, the City solicited input from the Community Development Advisory Board (CDAB). The Board held a meeting on March 15, 2021 to prioritize and rank programs. This Emergency Ordinance represents the CDBG budget for Calendar Year 2021, including the input provided by the CDAB. The Emergency Ordinance is comprised of three main components: 1) Department of Housing and Urban Development (HUD) allocation, 2) program income, and 3) sunset of prior year resources.

HUD Allocation – Approval of this Emergency Ordinance will authorize the acceptance and appropriation of a grant of \$11,603,976.00 from the U.S. Department of Housing and

Urban Development (“HUD”) to various Community Development Block Grant Fund 304 project accounts in accordance with Section 1 of the attached Appropriation Schedule. Additionally, this Emergency Ordinance will announce the City’s intention to use said funds for various projects and operating allocations for the Community Development Block Grant Program for Calendar Year 2021 and filing of the 2021 Annual Action Plan according to Section 1 of the attached Appropriation Schedule

Sunset/Prior Resources – Approval of this Emergency Ordinance will authorize the return to source of \$54,952.99 from various existing Community Development Block Grant Fund 304 project accounts for the purpose of correcting a HUD Entitlement Grant calculation error and to reflect the reprioritization of certain projects in accordance with Section 2 of the attached Appropriation Schedule. The U.S. Department of Housing and Urban Development reported a calculation error for the 2020 CDBG Entitlement Grant that will result in the decrease of \$1,350.00 from existing 2020 CDBG project accounts, which is included in Section 2 of the attached Appropriation Schedule. The remaining \$53,602.99 will be reallocated to existing CDBG project accounts in Section 3 of the attached Appropriation Schedule.

Program Income – Program income in the amount of \$350,455.11 must now be appropriated to existing 2020 CDBG project accounts. Program income in the amount of \$350,455.11 and the sunset amount of \$53,602.99 noted above are combined in Section 3 of the attached Appropriation Schedule. Approval of this Emergency Ordinance will authorize the appropriation of the sum of \$404,058.10 from the unappropriated surplus of the Community Development Block Grant Fund 304 to various Community Development Block Grant Fund 304 project accounts for the purpose of reprioritizing certain projects and providing funding for the continuation of vital programs in accordance with Section 3 of the attached Appropriation Schedule.

This Emergency Ordinance is in accordance with the “Live” strategy to “Support and stabilize our neighborhoods” as described on page 160, and the “Compete” initiative area to “Be the pivotal economic force in the region” as described on page 101 of Plan Cincinnati (2012).

The reason for the emergency is the immediate need to provide funding for the continuation of vital City programs and to comply with the HUD 2021 Annual Action Plan sixty-day submission deadline.

The Administration recommends passage of this Emergency Ordinance.

cc: Christopher A. Bigham, Assistant City Manager
Karen Alder, Finance Director

Attachment

