

Department of City Development

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February 13, 2014

Mayor John Dickert
Members of the Common Council
c/o Janice Johnson-Martin, City Clerk

Subject: Request for approval of a revision to the 2014 Annual Housing and
Community Development Action Plan.

Dear Mayor Dickert and Honorable Aldermen:

On December 17, 2013, the Common Council approved awards of CDBG and ESG funds for 2014. However, on December 13, 2013, we learned via Department of Housing and Urban Development (HUD) Notice CPD-13-010 that HUD, essentially, was suspending its process for providing formula-based CDBG and ESG funds until Congress approved appropriations for the CDBG and ESG programs and HUD is able to calculate the actual amounts the eligible jurisdictions will receive. In the past, the award process would move forward based on estimated amounts.

HUD directed that the city withdraw its 2014 Annual Plan and revise it to explicitly address the possibility that the funding received may vary from the expected amount. HUD suggested language to be used in the revision. Staff has prepared a revision which was advertised in a public notice published on January 21, 2014 (copy attached).

The revision requires approval by the Community Development Committee and the Common Council. Please refer this item to the Community Development Committee for its review and recommendation.

Sincerely,



Brian F. O'Connell
Director of City Development

Attachment

C: File

BFO:BFO:bfo

1st Pub. Jan. 21, 11

PUBLIC NOTICE

PROPOSED REVISION TO 2014 ANNUAL HOUSING AND COMMUNITY DEVELOPMENT
ACTION PLAN OF THE CITY OF RACINE

The City of Racine, Wisconsin, operates its community development program on a calendar year basis. In anticipation of the 2014 program year, the Common Council approved the 2014 Annual Action Plan on November 5, 2013 and approved the allocation of 2014 Community Development Block Grant funds and Emergency Solutions Grant funds on December 17, 2013. However, as of January 1, 2014, the United States Congress had not yet appropriated funds to the Department of Housing and Urban Development (HUD) for the 2014 program.

On December 13, 2013, HUD provided guidance to grantee communities on how to address the uncertainty due to not knowing the specific amount of funding they will receive. HUD directed grantees to include contingency provision language in the Annual Action Plan to explain how the grantee will adjust its proposed plan to match its actual grant, once actual amounts become known.

The City of Racine now proposes to revise its 2014 Annual Action Plan to include the following contingency provision language:

“If the total grant received by the City of Racine is less than the funds allocated to activities, then each activity’s budget will be reduced in the same proportion as the percentage difference between the estimated total grant and the actual total grant. If the total grant received by the City of Racine is more than the funds allocated to activities, then the budget of any activity that received an allocation less than the amount requested by the applicant, due to the estimated lack of funds, will be increased in the same proportion as the percentage difference between the estimated total grant and the actual total grant, up to the amount of the applicant’s original request.”

All other limitations on the allocation and use of HUD grant funds remain unchanged.

Interested parties are invited to submit written comments regarding this proposed revision of the 2014 Annual Action Plan. Comments should be addressed to the Director of City Development, City Hall Room 102, 730 Washington Avenue, Racine, WI 53403 or sent via e-mail to brian.oconnell@cityofracine.org. Comments received before 4:55 p.m., Friday, February 21, 2014 will be considered prior to finalizing the revision and transmitting it to HUD.

By Brian F. O’Connell, Director of City Development