



City of Harrisonburg, Virginia

Office of the City Manager

409 South Main Street
Harrisonburg, VA 22802
(540) 432-7701 / FAX (540) 432-7778

Eric Campbell
City Manager

TO: Eric Campbell, City Manager
FROM: Kristin McCombe
DATE: 03/15/2018
RE: Public Hearing for CDBG 2018 Action Plan

Summary:

The City of Harrisonburg has prepared its Annual Action Plan for HUD FY 2018. The City will apply for FY 2018 Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). This is the second of two Public Hearings for this document.

Background:

This process is required every year for CDBG compliance.

Key Issues:

As an entitlement community, the City of Harrisonburg, VA receives funding through the Community Development Block Grant Program (CDBG). The purpose of the Public Hearing is to once again solicit citizen participation in the process. Citizen participation and comments on the Annual Action Plan will assist the city in the finalization of these required documents. The Consolidated Plan serves as the planning document for addressing overall community development and housing needs that will utilize the estimated \$505,968 annual entitlement of CDBG funding available to the city to meet those needs. Projects selected to receive funding will be included in the annual Action Plan.

The CDBG selection Committee met on March 1, 2018. The attached document summarizes funding recommendations for the 2018 Action Plan. These numbers are based on an estimated funding allocation of \$505,968. Additionally, staff has decided to roll \$379.46 in previously unspent CDBG funding into the "pot" for this year. This brings the estimated amount of CDBG funding to be allocated to a total of \$506,347.46. We have not yet heard word from HUD regarding the City's allocation amount for the 2018-2019 year. Therefore, contingency plans are in place. The selection committee has decided to recommend that funding to Community Services be kept at 15% of the total grant allocation.

Should the city receive a higher allocation than expected, funding to Friendship Industries will increase up to no more than a total of \$14,186. If more funding remains to reach the 15% cap, it will be granted to the Salvation Army. All other necessary increases in funding will be made to the Westover Pool Resurfacing and Upgrades project.

Should the city receive a lower allocation than expected, the Friendship Industries allocation will be reduced to the extent needed for Public Services to comply with the 15% cap. Should the remaining amount for the Salvation Army become so low that the Salvation Army chooses not to accept the funding, the balance will be awarded to the Westover Pool Resurfacing and Upgrades project. General



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Administration funding will also decrease to keep it within the 20% cap. All other necessary decreases in funding will be made to the Westover Pool Resurfacing and Upgrades project.

Environmental Impact:

None anticipated at this time

Fiscal Impact:

This is a requirement to receive CDBG grant funding from HUD.

Prior Actions:

Alternatives: (a) Hold Public Hearing; or
(b) Do not hold Public Hearing

Community Engagement:

The first Public hearing on this issue was held on January 9, 2018.

CDBG staff held a training meeting on January 18, 2018 and participated in numerous meetings with interested organizations.

The City will consider comments on the proposed plan prior to consideration for adoption by Harrisonburg City Council on May 8, 2018. The City plans to submit Annual Action Plan to HUD on or before May 15, 2017. The submission date may be pushed back depending on when HUD announces 2018 CDBG allocations.

Recommendation:

Staff recommends that council hold a public hearing and open the thirty-day public comment period.

Attachments:

- Notice of Public Hearing
- Recommended Funding
- Tentative Schedule

Review:

The initiating Department Director will place in Legistar, in sequence of transmittal, the names of each department that must initial their review in order for this item to be placed on the City Council agenda. The completion of review only addresses the readiness of the issue for Council consideration. This does not address the recommendation for approval or denial of the issue.

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