



# Community Development Department

Tom Dolan  
Mayor

Scott J. Bond  
Chief Administrative Officer

James L. Sorensen  
Director

## MEMORANDUM

July 5, 2017

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**To:** City Council  
**From:** Community Development Department  
**Subject:** Fiscal Year 2017-2018 CDBG Revised Budget and Annual Action Plan

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**HEARING NOTICE:** *This item has been noticed in the newspaper.*

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### BACKGROUND

The City was anticipating receiving an estimated \$350,000 from the Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program for fiscal year 2017-2018. Due to the uncertainty of the Federal allocation announcement and the timing of the City's budgeting process, Staff and the CDBG Committee went ahead with recommendations based on the estimated allocation of new funds from HUD. On April 25, 2017, the City Council reviewed and approved the anticipated budget with an authorization to allow Staff to make any adjustments within 5% of the actual allocation amount.

The final allocation amounts were released on June 9, 2017 and we will receive more than staff had conservatively anticipated. Sandy City will receive \$382,364 in new funds, which is beyond the 5% given to staff discretion. Therefore, this item is being brought back through the review process, including a 15-day public comment period and a public hearing before the City Council.

### ANALYSIS

Before you is the revised recommended budget as presented by Sandy City's Community Development Block Grant Committee. This budget includes both the new allocation and \$16,023.49 in un-programmed funds (completed or terminated projects) for a total of \$398,387.49 in budgeted funds. Based on that proposed budget, staff has prepared a revised draft of the Annual Action Plan for FY 17-18 that indicates how these funds will be spent and how it will help us accomplish the goals of our community. The Annual Action Plan typically needs to be turned into HUD by May 15 of every year. Because of

the delays in receiving our allocation amount, this has been extended 60-days from the funding announcement, which means it must be turned into HUD by August 8, 2017.

The intent of the CDBG funding is to provide assistance in the development of viable communities through housing and economic opportunities to promote suitable living environments for low to moderate-income level households. This is done in a variety of ways, including housing and rehabilitation, counseling services, providing public service facilities, and shelters for those experiencing the tragedy of homelessness.

The proposed plan (see attached) provides a needs assessment and outlines several goals that will aid the City in meeting those needs over the next year. For FY 2017-2018, the CDBG Citizen Committee has met over the past several months and discussed the applications that were submitted (full copies of all applications have been made available to the City Council office). Those applications were reviewed and scored based on a uniform assessment of several criteria that was established by the CDBG Citizen Committee (see the attached application questions and scoring criteria). Their recommendations for funding are included in the Annual Action Plan and are based on the needs outlined in the Consolidated Plan. They have also allocated these funds based on where they felt the money would be best spent and have the most positive impact for the community. Their analysis also considered past funding and past performance for those organizations and programs that have previously been funded with CDBG monies. The CDBG Citizen Committee has reviewed and recommended approval of the document.

Staff has reviewed their recommendations and found them to be favorable and consistent with those in past years. It is a difficult task with the limited funding available, particularly since the City is restricted to spending only 15% of the grant on public services. HUD also requires that no more than 20% of the grant be spent on administration. A single page summary of the proposed budget is attached as an exhibit.

#### **STAFF RECOMMENDATION**

This item requires two motions:

1. Staff recommends that the proposed Community Development Block Grant (CDBG) Budget and Annual Action Plan for FY 2017-2018 be **approved as presented.**
2. Staff also recommends that the City Council authorize Mayor Tom Dolan, serving as Chief Executive Officer of Sandy City, to sign and submit to the U.S. Department of Housing and Urban Development, Sandy City's Annual Action Plan for fiscal year 2017-2018.

Planner:



Mike Wilcox  
Long Range Planning Manager  
CDBG Program Administrator