
SALT LAKE CITY COUNCIL STAFF REPORT

DATE: March 23, 2006

SUBJECT: CDBG/ESG/HOME/HOPWA/ADDI Briefing

AFFECTED COUNCIL DISTRICTS: Citywide

STAFF REPORT BY: Jennifer Bruno, Budget & Policy Analyst

ADMINISTRATIVE DEPT. AND CONTACT PERSON: Housing and Neighborhood Development
LuAnn Clark

On Tuesday, March 14, 2006, the Mayor presented his recommended budgets for the use of the 2006-2007 Federally allocated Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG), HOME Investment Partnerships Program (HOME), Housing Opportunities for People with AIDS (HOPWA), and American Dream Down payment Initiative (ADDI) monies. During his presentation, Council Members received a booklet that showed each project that applied for funding, the funding request, the funding level recommended by the Community Development Advisory Committee (CDAC) or Housing Trust Fund Board, and the Mayor's recommended funding level. Council Members also received comprehensive descriptions for each project.

Salt Lake City's funding level for fiscal year July 1, 2006 to June 30, 2007 represents a 9.5 percent reduction (\$442,284) from the current fiscal year, following a 5 percent reduction the previous fiscal year. The federal government is continuing discussions that include additional cuts for the CDBG funding. Council Members have spoken with members of Utah's Congressional delegation, and have been assured that every effort will be made not to continue cutting this program.

On March 21, 2005, the Council held a public hearing on the Mayor's Recommended CDBG, ESG, HOME, ADDI and HOPWA budgets. Briefings with the Council on the Mayor's Recommended CDBG, ESG, HOME, HOPWA, and ADDI budgets are tentatively scheduled for March 23, March 30, and April 4,. The Council may wish to consider approving the budgets, with any desired revisions, on April 18, as the Administration will need to prepare a final document to submit to HUD.

OPTIONS

The Council may wish to identify its funding priorities and make tentative adjustments to the Mayor's recommendation if the Council's priorities are different than those recommended by the Mayor. The Council received recommendations from the Mayor, and will hold a public hearing to receive public input. All correspondence and comments that the Council Office received have been forwarded to Council Members for review.

POLICY CONSIDERATIONS

The City Council has the following policies with respect to the CDBG, ESG, HOME, and HOPWA programs. The Council may wish to reevaluate its policies to reaffirm or revise them.

1. The Council will not consider awarding CDBG, ESG, HOME or HOPWA funding to any organization unless an application for funding was received. This allows the City to meet federal requirements that all programs/projects funded are the subject of a public participation process.
2. Due to limitations of future CDBG funds by the federal government, it is the intent of the City Council that administrative and operational support not be increased for existing programs and not be provided to new programs absent extenuating circumstances.
3. It is the intent of the City Council to only consider CDBG-eligible projects and programs located within the City's jurisdictional limits for funding.

During prior-year briefings on the Council's CDBG, ESG, HOME and HOPWA policies, Council Members raised several policy issues.

1. Council Members had expressed a concern that CDBG projects are funded for design, but never get funded for construction. Aside from the two street design requests (neither of which were recommended to be funded), and the public services category, all of the CDBG funding request are for "bricks and mortar" construction/renovation projects.
2. Council Members expressed an interest in knowing what percentage of the recommended budget was allocated to administration or operating costs, versus one-time "bricks and mortar" or capital projects. By CDBG statute, no more than 15% of the grant allocated to Salt Lake City, can go towards the "Public Service" category (for salaries and administration activities).
3. Council Members indicated a desire to know which projects submitted by City departments were also on the City's inventory of capital needs. Historically, when CIP projects fall in CDBG-eligible areas, City departments have applied for CDBG funding. If funding was not awarded, those projects then competed for funding within the annual CIP budget. There are multiple instances of projects that have been generally identified in the newly-adopted CIP 10 Year plan. These are identified in the analysis section below.
4. Council Members raised some questions about CDBG allocations being used to fund projects submitted by City departments rather than from community or neighborhood groups. There is no requirement or restriction from HUD regarding the allocation of CDBG dollars to projects initiated by the administering agency. CDBG funding could be considered a way to augment the City's dwindling resources in order to accomplish community goals and objectives. The Council may wish to revisit the practice of funding City-initiated projects if this practice is of concern to Council Members.
5. Council Members asked whether the Council could commit multi-year funding in order to finance large projects. While a current Council cannot legally bind a future Council by appropriating future CDBG allocations (and because annual CDBG allocations are dependent on the Federal budget), the Council has some tools with which to plan for the financing of major projects. First, the Council can indicate its intent, which is not binding, to fund a project over a period of years. The Council did this in 1998 and 1999 with the construction of the Central City Senior Center, funding half of the project in 1998 and half of

the project in 1999. The City simply “holds” the first allocation until the entire budget is appropriated for construction. Second, the Council can utilize Section 108 loans to fund large CDBG-eligible projects. A Section 108 loan is similar to Motor Fuel Excise Tax (MFET) bonding, in that it borrows against future CDBG allocations, like the City has borrowed against future Class C allocations. The City must be able to prove that the City could finance the project and pay back the loan in the event that future CDBG funding became limited.

The Council and Administration utilized this funding mechanism in 1989 in order to purchase a property (the Canterbury Apartments) for the non-profit arm of the Salt Lake City Housing Authority, as they were at risk of defaulting on some bonds, which they used to purchase some rental properties. The purchase of the building was deemed to be in keeping with the community development and housing objectives of the CDBG program. In this instance, the City borrowed against a portion of 5 years of future CDBG funding, purchased the Canterbury and financed repairs at the Ben Albert Apartments. The rents from the Canterbury and CDBG funds were used to pay off the Section 108 loan. The properties have now been deeded by the City to the Housing Authority, who will begin (in 2006) to pay the City back, over a period of 10 years, for a portion of the original loan.

The City made this policy decision for two purposes: 1) to contribute to community housing development; and 2) to solidify the CDC’s bond situation, since to default would have reflected negatively on the City’s bonding ability.

ANALYSIS

The following information is a brief summary of the proposed 32nd Year CDBG, ESG, HOME, and HOPWA budgets. The summary includes an analysis of the recommended budgets and indicates where the proposed budgets differ from previous budgets or may not be consistent with previous policy directives adopted by the Council. Council staff has attached the 32nd Year CDBG, ESG, HOME, and HOPWA recommendations that were provided during the Mayor’s address, as well as a comprehensive description of each project that applied for funding.

Community Development Block Grant Program –

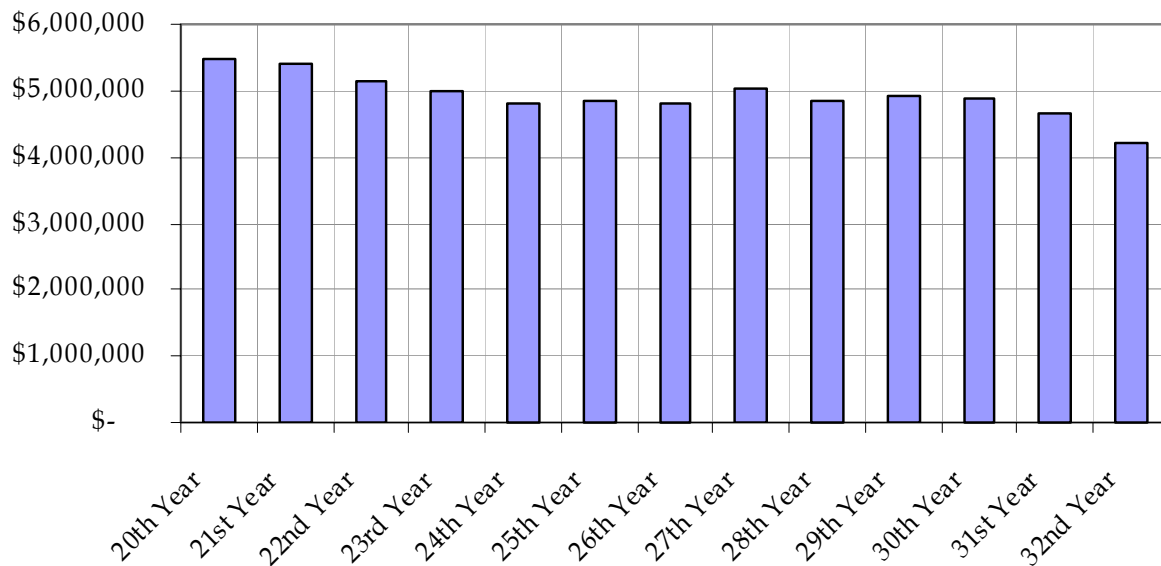
The Administration received applications for \$10,833,563 in 32nd Year CDBG funding (down from \$11,307,796 in the 31st year). HUD awarded Salt Lake City \$4,207,623 in 32nd Year CDBG funding, a decrease of \$442,284 (9.5 percent) from the last fiscal year. The Administration is proposing to augment HUD’s award with \$523,361 in funding reallocated from prior years for a total budget of \$5,028,045. The difference between funding requested and funding that can be allocated in this funding cycle is \$6.1 million (down from a \$6.3 million shortfall in the 31st year).

The total funding awarded and allocated over the past ten years is as follows:

- 32nd Year (06-07) \$4,207,623 (+ \$523,361 reallocated from contingency = \$4,730,984)
- 31st Year (05-06) \$4,649,907 (+ \$378,138 reallocated from contingency = \$5,028,045)
- 30th Year (04-05) \$4,891,000 (+ \$400,000 reallocated from contingency = \$5,291,000)

- 29th Year (03-04) \$4,937,000 (+ \$198,465 reallocated from contingency = \$5,135,465)
- 28th Year (02-03) \$4,854,000 (+ \$163,800 reallocated from contingency = \$5,017,800)
- 27th Year (01-02) \$5,031,000 (+ \$300,000 reallocated from contingency = \$5,331,000)
- 26th Year (00-01) \$4,791,000 (+ \$249,279 reallocated from contingency = \$5,040,279)
- 25th Year (99-00) \$4,840,000 (+ \$150,000 reallocated from contingency = \$4,990,000)
- 24th Year (98-99) \$4,810,000
- 23rd Year (97-98) \$4,999,000 (+ \$220,000 reallocated from contingency = \$5,219,000)
- 22nd Year (96-97) \$5,145,000

CDBG Historic Funding Levels



The CDBG budget is divided into the major categories. A comparison of overall proposed funding for each category is as follows:

Category	31st Year Adopted (2004-05)	32nd Year Applications (2005-06)	32nd Year CDAC* Recommended	32nd Year Mayor Recommended
Housing	\$1,346,000	\$1,520,000	\$1,275,000	\$1,275,000
Street Design	56,000	118,000	-0-	-0-
Street Construction	676,558	2,432,979	732,679	747,679
Sidewalks	300,000	500,000	300,000	300,000
Parks	441,000	2,274,700	927,600	691,600
Public Services	697,486	1,239,974	588,000	631,100
Building Improvements	577,280	1,588,297	124,905	296,415
Street Lights	190,000	200,000	-0-	-0-
Planning	-0-	150,492	42,100	42,100
General Administration	10,000	23,400	5,000	1,284
City Administration	702,721	702,721	702,721	702,721
Percent for Art	6,000	3,000	3,000	5,000
Contingency	25,000	80,000	29,979	38,085
TOTAL	\$5,028,045	\$10,833,563	\$4,730,984	\$4,730,984

*Community Development Advisory Committee

The overall Mayor's recommended 32nd Year CDBG Budget reflects the \$442,284 decrease in HUD's award compared to last year. The Mayor is recommending that funding for all categories decrease to accommodate this cut, with the exception of General Administration funding, which will stay the same, and Street Construction, Parks, Planning, and Contingency, which will increase. The following synopsis details the major changes between the 31st Year Adopted and 32nd Year Recommended CDBG budget by funding category.

Housing

The City received seven applications for 32nd Year CDBG Housing funding in the amount of \$1,520,000. The Mayor and CDAC did not differ in any other recommended funding amounts.

All of the organizations that received CDBG Housing category funding in the 31st Year and requested funding in the 32nd Year are recommended for funding in the 32nd Year. There is one new applicant, Angela's Corner Project by the Multi-Ethnic Development Corporation, which did not receive a funding recommendation by either CDAC or the Administration.

Street Design

Two applications were received for street design projects for a total amount of \$118,000. Neither CDAC nor the Administration recommended any funding for street design proposals.

Street Construction

The City received six applications totaling \$2,432,979 for this category, which funds street improvements in CDBG-eligible areas. The Mayor agreed with CDAC's recommendations in all cases, with the exception of the Poplar Grove Blvd. Beautification project (900 West to Redwood Road). The Mayor recommended funding this \$970,300 request in the amount of \$15,000. The recently adopted 10 Year CIP plan contemplates an estimated \$2,000,000 per year for local street reconstruction – for non-specified local streets. Engineering submits funding requests for both CIP and CDBG processes in order of need.

Sidewalks

The recently adopted CIP 10 Year Plan includes \$900,000 per year in sidewalk replacement (to be matched with \$700,000 per year in Special Improvement District funds). The application for CDBG-funded sidewalk replacement this year was for \$300,000, and both CDAC and the Mayor recommended funding in the full amount. Neither CDAC nor the Mayor recommended funding the other CDBG Sidewalk application – the Fourth Avenue stairs – for \$200,000.

Parks

There are eleven requests for park category funding. The total request is \$2.3 million. CDAC is recommending \$927,600 and the Mayor is recommending \$691,600. CDAC recommends funding the following projects that the Mayor recommended no funding for – The Poplar Grove Park Pavilion Roof reconstruction and the 1700 South Jordan River Park Parking Lot. The Mayor recommended funding the \$4,000 request for landscaping on 900 South between 750 and 800 West (as an “entryway” to the Poplar Grove Community), while CDAC did not.

Public Services

The Administration received applications for \$1,239,974 this fiscal year from thirty-two organizations. According to HUD guidelines, the maximum amount that can be spent per year on public services expenses is 15% of the total award, plus program income. The recommended budget of \$631,100 is \$43 over the allowable cap of 15% of the 32nd Year award plus program income. The Council will not be able to fund over this 15% cap.

The “Public Services” category includes requests from agencies and organizations for operational or administrative support for programs that provide community services. While federal Community Development Block Grant regulations allow a certain amount of funds to be spent for the expansion and improvement of community services, the original intent of the program was to revitalize neighborhoods. Past Councils have maintained a policy not to increase administrative or operational funding for existing programs or to grant operational funding for new programs absent extenuating circumstances. This decision has been in consideration of the program's original intent and in light of limited CDBG funding from the federal government.

In a few instances, the Mayor and CDAC have recommended that agencies receive increased operational and administrative funding, and have indicated that these recommendations were based on extenuating circumstances. The Council may wish to note that cost of living or inflationary increases have not been considered into CDBG funding allocations within recent years. The Council may also wish to note that some of the funding requests within this category

are for equipment and supplies, which could be considered more of a capital item than administrative or operating item (machines, vehicles, computers, printers, etc).

The Council may wish to note that with the exception of the Asian Association of Utha, Bad Dog Rediscovered America, Community Services Council, Computers for Kids, Guadalupe Center Voluntary Improvement Program, Multi-Cultural Legal Center, Spy Hop Productions, UT Health and Human Rights Project, and Valley Mental Health, all of the CDAC and Mayor's recommendations (other than exact funding levels) are consistent. Most of the Mayor's funding recommendations differ with CDAC's with regard to new organizations to the CDBG process. The following are new groups that the Mayor has recommended funding, though they have not been funded by CDBG in previous years: Asian Association of Utah, Bad Dog Rediscovered America, Big Brothers Big Sisters of Utah School-based mentoring, Catholic Community Services Marillac House and St. Mary's Home for Men, Community Services Council 211 Info Bank, Computers for Kids, Guadalupe Center Voluntary Improvement Program, Multi-Cultural Legal Center, Spy Hop Productions, UT Health and Human Rights Project, and the YWCA Teen Home.

Public Services Building Improvements

The Administration received twenty four applications for Public Services Building Improvements totaling \$1,588,297 from twenty separate organizations. CDAC has recommended funding \$124,905 of these requests. The Mayor has recommended funding \$296,415 of these requests.

The Council may wish to note that with the exception of Asian Association, Project Reality, Salvation Army, and the Volunteers of America Adult Detox Center, all of the CDAC and Mayor's recommendations (other than exact funding levels) are consistent.

Street Lights

One application for \$200,000 were submitted for CDBG funding within this category, from the Liberty Wells Community Council for installation of security lighting for the Liberty Wells community. The Council may wish to note that this amount would not be sufficient to fund the entirety of lighting for the entire community. Both the Mayor and CDAC recommended to not fund this project.

Last year the Council decided to hold off on any further CDBG lighting funding until a city-wide Streelighting Policy is adopted, providing the Administration and the Council guidelines by which to judge and compare neighborhood requests for streetlighting. The policy would also lay out a standard procedure for financing the streetlighting construction and ongoing costs (neighborhood share of the costs vs. city share of the costs). It is Council staff's understanding that the Administration is currently working on this policy.

Planning

Four applications for a total of \$150,492 were submitted for CDBG funding consideration within this category. Three of the applications involve survey, classification, and planning of historic resources within the City (specifically the Avenues and Liberty Wells, as well as a city-wide historic preservation plan). The only application that both the Mayor and CDAC recommended however, was the housing condition survey, to better understand the condition of the housing stock. This survey is undertaken once every 10 years. The next one is due in 2007.

Percent for Art

The percent for art budget recommended by CDAC for the CDBG program is proposed to remain at the historical constant level of \$3,000. The Mayor recommends funding an additional \$2,000 for a total of \$5,000.

Administration (General/City)

This year there was one application for General Administration funding. Both the Mayor and CDAC recommended funding for SLC Hand – the mayor in the amount of \$1,284 and CDAC in the amount of \$5,000. The request was for \$23,400 for providing grants to eligible community councils for community outreach.

For City Administration requests, both CDAC and the Mayor have recommended the full requested amount of \$702,721.

Contingency

The 31st Year contingency budget is proposed to be \$80,000. Both the Mayor and CDAC have recommended reducing this proposed amount. The Council approved \$80,000 in 30th Year contingency, but approved \$25,000 in the 31st year contingency, upon assurances from the Administration that this would not in any way put the overall program at risk. The Mayor is proposing to fund this in the amount of \$38,805.

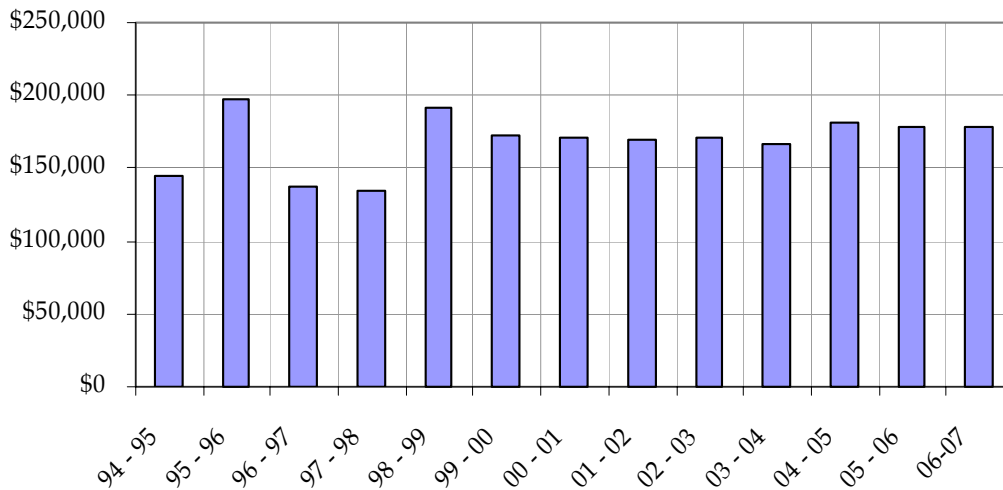
Emergency Shelter Grant Program (ESG) -

This program is designed to improve the quality of existing emergency homeless shelters, make available additional emergency shelters, meet the costs of shelter operation and provide certain essential social services to the homeless.

The Administration received applications for \$198,000 in ESG funding. The City will receive \$178,855 from the Federal Department of Housing and Urban Development this year. There is \$4,064 available for reallocation, resulting in total funds available of \$182,919. Total funding for past eleven years is as follows:

- 31st Year (05-06) \$178,884
- 30th Year (04-05) \$180,593
- 29th Year (03-04) \$166,000
- 28th Year (02-03) \$171,000
- 27th Year (01-02) \$169,000
- 26th Year (00-01) \$171,000
- 25th Year (99-00) \$172,000
- 24th Year (98-99) \$191,000
- 23rd Year (97-98) \$134,000
- 22nd Year (96-97) \$137,000
- 21st Year (95-96) \$197,000
- 20th Year (94-95) \$145,000

ESG Funding Levels



A limited number of agencies in Salt Lake City operate programs that are eligible for ESG funding. A total of nine applications were received. Both CDAC and the Mayor recommended funding for all applicants. The Mayor recommended less funding than CDAC for the following applicants – Marillac House, St. Mary’s Home for Men, and Odyssey House; and more funding than CDAC for the YWCA’s Residential Self-Sufficiency Program. All other programs had equal recommendations. The Administration and staff can brief the Council on the programs and the intended uses of the funds, during the work session.

Home Investment Partnerships Program (HOME) –

The purpose of the HOME program is to provide funding for the expansion of decent, safe, sanitary and affordable housing for very low-income people. Total HOME funding over the past eleven years is as follows:

- Year 05-06 \$1,373,848 (+\$14,015 in reallocated = \$1,387,863)
- Year 04-05 \$1,455,036
- Year 03-04 \$1,453,020
- Year 02-03 \$1,354,000
- Year 01-02 \$1,350,000
- Year 00-01 \$1,215,000
- Year 99-00 \$1,209,000 (+ \$151,800 reallocated from contingency = \$1,360,800)
- Year 98-99 \$1,122,000
- Year 97-98 \$1,046,000
- Year 96-97 \$1,071,000
- Year 95-96 \$1,048,000
- Year 94-95 \$ 974,000

The City received HOME applications totaling \$1,915,964 from eight agencies. The City will receive \$1,292,136 from HUD this year in HOME funds, to combine with \$370,000 in reallocated funds, for a total funding amount available of \$1,662,136 (a \$274,273 increase from last year’s funding cycle). The Administration and staff can brief the Council on the programs and the intended uses of the funds, during the work session.

Housing Opportunities for Persons with AIDS (HOPWA) -

The purpose of the HOPWA program is to provide housing assistance and supportive services for low-income persons with HIV/AIDS and their families. The HOPWA Grant program provides assistance through formula allocations to eligible States and metropolitan areas. The Salt Lake City/Ogden Metropolitan Statistical Area (MSA) has qualified to receive funding from year 2005-2006 due to the number of HIV/AIDS cases in the MSA, with two counties added this year, Tooele and Summit. The grant amount this year is \$353,000 combined with an additional \$2,554 in available funds, for a total of \$355,554. The grant amount last year was \$354,000, combined with \$68,688 in available funds, for a total of \$422,688. This year's grant amount represents a \$67,000 decrease.

The City participates on a Statewide HIV/AIDS Housing Steering Committee to ensure all applications are consistent with the needs identified in the strategy for the MSA. The Steering Committee updated the State HIV/AIDS housing Plan in June 2001, with revisions planned for this year. The City has also met with all entities within the MSA to coordinate their recommendations and determine the services needed in their areas, as well as how best to perform community outreach.

There were ten requests for \$445,927 in funding. The Administration and staff can brief the Council on the programs and the intended uses of the funds, during the work session.

American Dream Downpayment Initiative (ADDI) -

The American Dream Downpayment Initiative (ADDI) was a new federal program in 2004. ADDI aims to increase the homeownership rate, especially among lower income and minority households, and to revitalize and stabilize communities.

The total grant allocation for this program for FY 06-07 is \$27,341 (a \$27,451 decrease from last year's allocation). There were three applications for this program, totaling \$140,000. The Housing Trust Fund and the Mayor both recommended to fund three of the four. The program not funded was the Salt Lake Community Development Corporation.

➤ BACKGROUND

The annual appropriations of CDBG, ESG, HOME, HOPWA, and now ADDI are distributed to Salt Lake City by the U.S. Department of Housing and Urban Development (HUD). In 1995, Salt Lake City submitted a five-year consolidated plan for the CDBG, ESG and HOME programs, which defined how Salt Lake City planned to use its housing and community development resources to meet policy objectives. Each year thereafter, the Mayor proposed a one-year action plan, or budget for these programs, and reported on the past year's accomplishments in a Consolidated Annual Performance and Evaluation Report (CAPER). The City Council then made the changes deemed necessary and finalized the one-year action plan for submission to the U.S. Department of Housing and Urban Development (HUD).

In FY2000-2001, and again in FY 2005-2006, a new five-year consolidated plan was prepared by the City and adopted by the Council for submission to HUD, in addition to the one-year budget for each program. The Consolidated Plan is available for review by Council Members.

cc: Cindy Gust-Jenson, Rocky Fluhart, Louis Zunguze, Luann Clark, Greg Johnson, Sherri Collins, Lehua Weaver, Sylvia Jones, Gary Mumford, Steve Fawcett and Gordon Hoskins

File Location: Budget/07 Budget/CDBG - 07 - staffreport

A. LOUIS ZUNGUZE
DIRECTOR

BRENT B. WILDE
DEPUTY DIRECTOR

SALT LAKE CITY CORPORATION
DEPT. OF COMMUNITY DEVELOPMENT
OFFICE OF THE DIRECTOR

ROSS C. "ROCKY" ANDERSON
MAYOR

COUNCIL TRANSMITTAL

TO: Rocky Fluhart, Chief Administrative Officer **DATE:** March 3, 2006

FROM: Louis Zunguze, Community Development Director

SUBJECT: Appropriation Resolution adopting the One-year Action Plan for 32nd Year Community Development Block Grant Funding, HOME Investment Partnerships Program Funding, American Dream Downpayment Initiative Funding, Emergency Shelter Grant Funding, and Housing Opportunities for Persons with AIDS Funding for Fiscal Year 2006-07 and Approving Interlocal Cooperation Agreement between Salt Lake City and the U.S. Department of Housing and Urban Development (HUD)

STAFF CONTACT: LuAnn Clark, Director, Housing and Neighborhood Development Division, 535-6136, or luann.clark@slcgov.com

ACTION REQUIRED: City Council adoption of the One-year Action Plan as outlined in the Resolution for CDBG, HOME, ADDI, ESG, and HOPWA funds

DOCUMENT TYPE: Resolution

BUDGET IMPACT: \$6,058,955 in grants funds from the U.S. Department of Housing and Urban Development for 2006-07 and \$899,979.31 in carry-forward funds recaptured from unspent prior year projects and allocated in 2006-07, totaling \$6,958,934.31

DISCUSSION:

Salt Lake City is a participating jurisdiction that receives Community Development Block Grant funds (CDBG), HOME Investment Partnerships funds (HOME), American Dream Downpayment Initiative funds (ADDI), Emergency Shelter Grant funds (ESG) and Housing Opportunities for Persons with AIDS funds (HOWPA) from the U.S. Department of Housing and Urban Development. The federal government budget for 2005-06 was adopted in January 2006, and the City received notification of our grant amounts in January, which will be allocated for 2006-07. The following table shows the amount of each grant allocated, along with prior year funds recaptured for use in this fiscal year.

Grant	2006-07 Allocation	Amount Recaptured	Total
CDBG	\$4,207,623.00	\$523,361.00	\$4,730,984.00
HOME	\$1,292,136.00	\$370,000.00	\$1,662,136.00
ADDI	\$27,341.00	\$0.00	\$27,341.00
ESG	\$178,855.00	\$4,064.29	\$182,919.29
HOPWA	\$353,000.00	\$2,554.02	\$355,554.02
TOTAL	\$6,058,955.00	\$899,979.31	\$6,958,934.31

The CDBG allocation for 2006-07 was 9.5% less than the previous year, which was also down 5% from the year before. The President's budget for 2006-07 calls for additional cuts in CDBG funds, with some estimates that Salt Lake City will lose an additional \$1 million or a 24% cut.

The appropriate advisory committee or board has reviewed the applications for each grant and provided funding recommendations. The Mayor has reviewed these requests and has provided his funding recommendations.

A copy of the One-year Action plan for all grants will also be attached after the City Council has made final funding decisions.

A tentative schedule has been suggested that sets March 14 as the date the Mayor will present his funding recommendations to the City Council and March 21 as the public hearing date. A copy of the Mayor's funding recommendations, as well as the appropriate board's recommendation, will be provided at the time of the Mayor's presentation at the March 14, 2006, meeting of the City Council.

PUBLIC PROCESS:

The Council is required to hold a Public Hearing to hear from the public and applicants regarding recommendations for funding; this is scheduled for March 21, 2006. The Council will then meet in a future meeting to adopt the resolution with the Council's final funding decisions. This schedule will help meet our federal deadlines of May 15, 2006.

RELEVANT ORDINANCES:

None

Attachment A
Resolution Adopting One-Year Action Plan

RESOLUTION NO. ____ OF 2006

APPROPRIATION RESOLUTION ADOPTING THE ONE-YEAR ACTION PLAN FOR
32ND YEAR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING,
HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDING,
AMERICAN DREAM DOWNPAYMENT INITIATIVE FUNDING,
EMERGENCY SHELTER GRANT FUNDING, AND
HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS FUNDING
(FISCAL YEAR 2006-07)
AND APPROVING INTERLOCAL COOPERATION AGREEMENT
BETWEEN SALT LAKE CITY AND
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WHEREAS, Salt Lake City is entitled under 24 Code of Federal Regulations (CFR), Part 91, et al., to receive Community Development Block Grant (CDBG) funds in the amount of \$4,207,623, HOME Investment Partnerships Program (HOME) funds in the amount of \$1,292,136, American Dream Downpayment Initiative (ADDI) funds in the amount of \$27,341, Emergency Shelter Grant (ESG) funds in the amount of \$178,855, and Housing Opportunities for Persons with AIDS (HOPWA) funds in the amount of \$353,000 from the U.S. Department of Housing and Urban Development (HUD) for program year 2006-07; and

WHEREAS, Salt Lake City will also reprogram: \$523,361 recaptured from prior year CDBG allocations; \$4,064.29 from prior year ESG allocations; \$370,000 from prior year HOME allocations; and \$2,554.02 from prior year HOPWA allocations; and

WHEREAS, it is in the best interests of the people of Salt Lake City that the City file an application with HUD for said funds in accordance with 24 CFR Part 91; and

WHEREAS, the public notices, hearings, and other pre-submission requirements as set forth in 24 CFR Part 91 have been accomplished by the City, including but not limited to the following: A public hearing held March 21, 2006 to consider a proposed list of CDBG, HOME, ESG, and HOPWA projects to be funded and to obtain the views of citizens regarding the City's One-year Action Plan; and

WHEREAS, the City Council does now meet this _____, 2006 to adopt the City's 2006 One-year Action Plan for CDBG, HOME, ADDI, ESG, and HOPWA funds;

NOW, THEREFORE, be it resolved by the City Council of Salt Lake City, Utah, as follows:

1. That Salt Lake City hereby adopts its Final One-Year Action Plan for CDBG, HOME, ADDI, ESG, and HOPWA funds as set forth in Exhibit "A" attached hereto and made a part hereof by this reference.

2. That the Mayor, as the official representative of Salt Lake City, is hereby authorized to submit the City's Final One-Year Action Plan for CDBG, HOME, ADDI, ESG, and HOPWA funds together with such additional information and certifications as may be required under 24 CFR Part 91 to the U.S. Department of Housing and Urban Development.

3. That the Mayor, as the official representative of Salt Lake City, or his designee, is hereby authorized to sign and execute the HUD Grant Agreement and any and all subsequent agreements between the City and other public entities resulting from and consistent with the HUD Grant Agreement, subject to final approval as to form by the City Attorney.

Passed by the City Council of Salt Lake City, Utah, this _____, 2006.

SALT LAKE CITY COUNCIL

By _____
CHAIR

ATTEST:

CHIEF DEPUTY CITY RECORDER

APPROVED AS TO FORM
Salt Lake City Attorney's Office
Date 3/1/2006
By TV Spendlove

EXHIBIT "A"

Exhibit "A" — Funding Recommendations. Exhibit "A" will be the One-Year Action Plan adopted by the City Council on _____, 2006 and provided to the Council on March 14, 2006 when the Mayor makes his funding recommendations.