



PUBLIC HEARING FOR SUBSTANTIAL
AMENDMENT TO ANNUAL ACTION
PLANS PY2018, 2020, 2021 & 2022

PH-23-034

May 2, 2023

Background

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- Consider a Substantial Amendment to Annual Action Plans for Program Years 2018, 2020, 2021, and 2022.
 - A substantial amendment occurs when there is a change in the purpose, scope, location, or beneficiaries of an activity/project.
 - CDBG grant funds remain from previously eligible projects that were completed without utilizing the entire amount allocated; additionally program income was received and projects re-prioritized to comply with funding deadlines.
 - Reprogramming is necessary to maintain compliance with HUD and CDBG expenditure regulations.

Background

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- CDAC met April 6, 2023 to discuss a substantial amendment, reprogramming of excess CDBG funds, and timely expenditure of CDBG.
- In accordance with HUD and the Citizen Participation Plan the amendment must take place to use the excess CDBG funds.
- Reprogramming CDBG funds now, instead of October 2023, allow for use in construction & related costs associated with the senior center expansion and community center improvements, and assist the City to achieve timely performance with regulatory expenditure requirements of CDBG funds.

Findings

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- ❑ To maintain compliance with HUD CDBG regulations for expenditure, and enable the city to move forward with the senior center, the reprogramming of completed and re-prioritized CDBG funded projects are as follows:
 - ❑ Program Income PY2018 \$817.82
 - ❑ AA Lane Park Improvements PY2020 \$159,323.03
 - ❑ Conder Park Improvements PY2020 \$146,873.47
 - ❑ Conder Park (CT 225.01) Housing Rehab PY2020 \$50,000.00
 - ❑ CDBG Admin PY2021 \$28,942.06
 - ❑ Greater Killeen Free Clinic PY2021 \$2,206.96
 - ❑ Housing Rehabilitation Admin PY2021 \$1,930.39
 - ❑ Stewart Park Splash Pad PY2022 \$400,000.00
 - ❑ Unity Visitation Center PY2022 \$5,000.00
 - ❑ **Total amount CDBG funds to reprogram \$795,093.73**

Alternatives

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- ❑ 1. Do Not hold a public hearing or consider the substantial amendment to Annual Action Plan 2018, 2020, 2021, and 2022 to provide funding to move forward with the senior center and community center improvements.
- ❑ 2. Hold a public hearing to consider a substantial amendment to the Annual Action Plans for Program Years/Fiscal Years 2018/2019, 2020/2021, 2021/2022 and 2022/2023 to provide funding for the senior center and community center improvements.

Recommendation

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- Staff is recommending Alternative #2 – Hold a public hearing on May 9, 2023 and consider an ordinance, on a substantial amendment to Annual Action Plans 2018, 2020, 2021, and 2022.
- ▣ Alternative 2 will accomplish two objectives – timely expenditure of the CDBG funds and move forward with the long-awaited senior center and improvements to the Rosa Herford Community Center.