

PLANNING AND ECONOMIC DEVELOPMENT COMMITTEE

12-0072R

RESOLUTION APPROVING THE 2012 ANNUAL ACTION PLAN PORTION OF THE 2010-2014 CONSOLIDATED PLAN AND AUTHORIZING A REQUEST FOR HUD FEDERAL COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG), HOME PROGRAM AND EMERGENCY SOLUTIONS GRANT PROGRAM (ESGP) FUNDS.

CITY PROPOSAL:

WHEREAS, Regulation 24 CFR Part 91 issued by the U.S. department of housing and urban development (HUD) requires the city to submit and receive HUD approval of an annual action plan as part of a HUD-approved five-year consolidated plan for the city of Duluth; and

WHEREAS, Title 1 of the Housing and Community Development Act of 1974, as amended, establishes a community development block grant (CDBG) program for the purpose of developing viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities and preventing and/or eliminating conditions of slum and blight, principally for persons of low and moderate income; and

WHEREAS, the City of Duluth desires to continue to carry out HUD-funded programs;

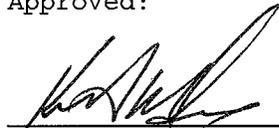
NOW, THEREFORE, BE IT RESOLVED, that the FY 2012 action plan portion of the FY 2010-2014 city of Duluth consolidated plan for housing and community development required by HUD federal legislation is hereby adopted and approved.

BE IT FURTHER RESOLVED, that the City of Duluth hereby makes a finding that expenditures as set forth in Resolution 12-0075R are necessary and appropriate and, further, that said expenditures for the CDBG program will serve to assist low- and moderate-income individuals/families (no less than 70 percent as described in federal regulations) and/or serve to prevent or eliminate conditions of slum or blight in the community.

BE IT FURTHER RESOLVED, that the city of Duluth hereby makes a finding that expenditures as set forth in resolutions 12-0074R and 12-0073R are necessary and appropriate and, further, that said expenditures for the HOME and ESG programs will serve to assist low- and moderate-income people.

BE IT FURTHER RESOLVED, that the city of Duluth and its officials are authorized and directed to assume full responsibility for assuring that its community development program is carried out in full compliance with the provisions of the acts implementing the programs and all regulations of HUD issued pursuant thereto and authorizing appropriate city officials to execute any documents with HUD to implement the program. This authorization shall also apply to existing programs with the city and HUD under the HUD CDBG, HOME and emergency shelter grant programs.

Approved:



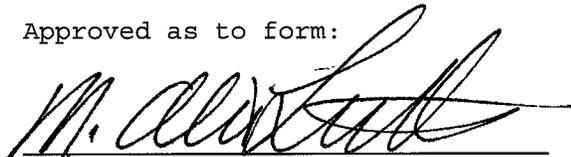
Department Director

Approved for presentation to council:



Chief Administrative Officer

Approved as to form:



Attorney

Approved:



Auditor

CD KH:bel 02/02/2012

STATEMENT OF PURPOSE: This resolution reflects comments from organizations and citizens as related to funding for three HUD-funded programs: the community development block grant (CDBG) program, the HOME program, and the emergency shelter grant program (ESGP). In addition to citizens, the neighborhood forums and the community development committee (CD committee) each played a role in the recommendations contained in the resolution. There was also a 30-day public comment period from November 1, 2011, to December 2, 2011, on the draft 2012 annual action plan portion of the 2010-2014 consolidated plan, which includes recommended funding for the 2011 CDBG, HOME and ESG programs. The CD committee held a public hearing on December 6 to hear comments on the funding recommendations and this hearing was continued on January 31st. The final recommendations were approved on January 31, 2012, with the concurrence of the CD manager. The resolution, in addition to authorizing application for grant funds and administration of same when received, also takes the following actions:

- (a) Approves 2012 annual action plan portion of the 2010-2014

- consolidated plan under HUD regulations;
- (b) Allocates funds to the projects as listed for the 2012 CDBG program;
 - (c) Allocates funds for the 2012 HOME and ESG Programs; and
 - (d) Authorizes execution of documents with HUD.

Source of funds:

\$2,138,165	in new 2012 CDBG funds
519,569	in new 2012 HOME funds
<u>124,465</u>	in new 2012 ESG funds
\$2,782,199	

\$ 343,659 Reprogrammed CDBG funds from Resolution 11-0679R

\$3,125,858 2012 community development program total