



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Grants Management Division

m e m o r a n d u m

TO: Laurel Lunt Prussing, Mayor, City of Urbana

FROM: Elizabeth H. Tyler, FAICP, Community Development Director

DATE: October 24, 2013

SUBJECT: AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE FY 2013-2014 (CDBG and HOME Funds – Grant Increase)

Description

Included on the agenda of the October 28, 2013 Urbana City Council is an Ordinance to revise the Annual Budget Ordinance for FY 2013-2014 for the Community Development Block Grant (CDBG) Program and the HOME Investment Partnerships Program (HOME).

Background

Council approved estimated program budgets for the CDBG and HOME programs on April 15, 2013 via Resolution No. 2013-04-017R, A Resolution Approving the City of Urbana and Urbana HOME Consortium Annual Action Plan for Fiscal Year 2013-2014. At that time, the estimated grant amounts provided in the Annual Action Plan (AAP) were based on preliminary entitlement numbers provided by the Deputy Secretary for the Department of Housing and Urban Development (HUD).

In June, 2013, staff received correspondence from HUD regarding the final allocations for FY2013-2014. Allocations for each program varied more significantly than originally estimated. These numbers were not provided in time to be reflected in the final Annual Budget presented to Council on June 17, 2013 and approved via Ordinance No. 2013-06-052, An Ordinance Approving the Annual Budget, which incorporated the earlier estimates provided by HUD. HUD Rep Amy Hudson notified staff on June 13, 2013 to amend the SF-424 (Application for Federal Assistance) to reflect the most recent FY1314 Allocations. Staff submitted the form on June 17, 2013 to HUD, and no further action was required by HUD.

The proposed amendment will update the CDBG and HOME budgets in the City's Annual Budget for Fiscal Year (FY) 2013-2014 to reflect the actual allocations. HUD increased the CDBG grant from the original budget allocation of \$362,644 to a final allocation of \$373,708, representing an \$11,064 program increase. The amendment also includes an update to the HOME Budget, decreasing the grant allocation from \$769,083 to \$693,396, a reduction of \$75,687. The original budget allocation and the carryover funds balance have been reconciled for accuracy.

Reconciliation of the amounts at this time is necessary for reporting due to HUD by the end of the month. The City Comptroller has recommended that this reconciliation would be best completed legislatively, rather than administratively, as it has been done in the past.

Options

1. Approve the Ordinance Revising the Annual Budget Ordinance FY 2013-2014 (CDBG and HOME Funds – Grant Increase)
2. Approve the Ordinance Revising the Annual Budget Ordinance FY 2013-2014 (CDBG and HOME Funds – Grant Increase), with changes.
3. Do not approve the Ordinance.

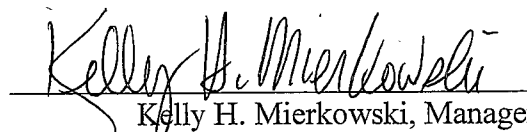
Fiscal Impacts

The proposed changes reflect a total \$11,064 increase to the CDBG budget, as well as a \$75,687 reduction to the Urbana HOME Consortium budget. HUD does not provide for an appeal process concerning final entitlement grant amounts. These changes reflect the actual grant allocations allotted to the City for implementing the City's CDBG and HOME programs.

Recommendations

Staff recommends that Council approve the proposed ordinance, as it will give staff the authority to expend grant funds in the amount provided for Fiscal Year 2013-2014.

Memorandum Prepared By:



Kelly H. Mierkowski, Manager
Grants Management Division

Attachments:

- (1) AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE FY 2013-2014 (CDBG and HOME Funds – Grant Increase)

ORDINANCE NUMBER 2013-10-100

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE FY 2013-2014
(CDBG and HOME Funds - Grant Increase)**

WHEREAS, the Annual Budget Ordinance of and for the City of Urbana, Champaign County, Illinois, for the fiscal year beginning July 1, 2013, and ending June 30, 2014, (the "Annual Budget Ordinance") has been duly adopted according to sections 8-2-9.1 et seq. of the Illinois Municipal Code (the "Municipal Code") and Division 2, entitled "Budget", of Article VI, entitled "Finances and Purchases", of Chapter 2, entitled "Administration", of the Code of Ordinances, City of Urbana, Illinois (the "City Code"); and

WHEREAS, the City Council of the said City of Urbana finds it necessary to revise said Annual Budget Ordinance by deleting, adding to, changing or creating sub-classes within object classes and object classes themselves; and

WHEREAS, funds are available to effectuate the purpose of such revision; and

WHEREAS, such revision is not one that may be made by the Budget Director under the authority so delegated to the Budget Director pursuant to section 8-2-9.6 of the Municipal Code and section 2-133 of the City Code.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. That the Annual Budget be and the same is hereby revised to provide as follows:

FUND: Community Development Block Grant (CDBG)

REVENUES:

INCREASE REVENUE: Federal CDBG Grant \$11,064

EXPENDITURES:

DECREASE ADMINISTRATION: \$ 3,811

DECREASE HOUSING: \$15,184

INCREASE PUBLIC SERVICES: \$ 6,000

INCREASE TRANSITIONAL HOUSING: \$ 1,931

FUND: HOME Investment Partnerships Grant (HOME)

REVENUES:

DECREASE REVENUE: Federal HOME Grant \$ 75,687

EXPENDITURES:

DECREASE COMMUNITY HOUSING DEV.: \$ 8,808

DECREASE CITY OF CHAMPAIGN: \$ 37,362

INCREASE CHAMPAIGN COUNTY: \$ 24,950

DECREASE CITY OF URBANA: \$ 54,467

Section 2. This Ordinance shall be effective immediately upon passage and approval and shall not be published.

Section 3. This Ordinance is hereby passed by the affirmative vote of two-thirds of the members of the corporate

authorities then holding office, the "ayes" and "nays" being called at a regular meeting of said Council.

PASSED by the City Council this _____ day of _____,
_____.

AYES:
NAYS:
ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED by the Mayor this _____ day of _____,
_____.

Laurel Lunt Prussing, Mayor