



# MEMORANDUM

Council Agenda  
Item No. XI. P  
3/12/2024

## The City of OKLAHOMA CITY

TO: Mayor and City Council

FROM: Craig Freeman, City Manager

1. Public hearing regarding a Resolution approving a Substantial Amendment to the Fiscal Year 2023-24 Fourth Action Year Plan for submission to the U.S. Department of Housing and Urban Development.
2. Resolution approving a Substantial Amendment to the Fiscal Year 2023-24 Fourth Action Year Plan, for submission to the U.S. Department of Housing and Urban Development, authorizing reallocation of \$50,000 from the Community Development Block Grant Home Exterior Maintenance Program, Program Delivery line item to the Oklahoma City Housing Authority Inspection Program; reallocation of \$120,000 from the HOME Investment Partnerships Program Uncommitted Funds Available for Solicitation line item, within the Affordable Housing Development Program budget; and authorizing the Mayor to execute all documents associated with the proposed amendments; including but not limited to amended contracts with Subrecipients and Down Payment Assistance providers.

### **Background:**

The Consolidated Plan and Annual Action Year Plan establish the priorities and programs for use of federal grant funds specific to local community planning and development efforts. Following annual adoption of the Plan, any significant changes require a Substantial Amendment and a public hearing. Establishment of a new program and/or an allocation or reallocation of funding requiring an adjustment greater than 25% of the original program budget are considered significant changes. A portion of the annual Community Development Block Grant (CDBG) funding remains available in the Program Delivery line item for the Home Exterior Maintenance Program (HEMP). To date, funding requests under the Oklahoma City Housing Authority (OCHA) Inspection Program have substantially exceeded expectations for the current program year. To ensure ongoing services provided under this program, additional funding is needed. The proposed reallocation of \$50,000 from Program Delivery to the OCHA Inspection Program should enable the OCHA budget to meet current year projections, with negligible impact to the Program Delivery budget. The City is ultimately reimbursed by OCHA for the expenses incurred; these funds return to CDBG as program income.

Requests for subsidy from the HOME Down Payment Assistance Program (DPA) have exceeded expectations for the program year. The uncommitted funds line item was reduced by \$120,000 from \$3,316,959.33 to \$3,196,959.33 in January 2024 via a Minor Amendment, to support the increased demand for assistance. That amendment increased the original DPA budget of \$484,713.27 by \$120,000 to \$604,713.27. Today's proposed action provides an additional

\$120,000 to meet projected program demand through August 30, 2024. The total budget for the DPA program will be \$724,713.27, and the uncommitted funds line item will be reduced proportionately to \$3,076,959.33.

On January 30, 2024, the Citizen's Committee for Community Development (CCCD) discussed these proposed changes to the 2023 Fourth Action Year Plan, and recommended approval of the proposed changes to City Council.

**Previous Action:**

Resolution approving the FY 2023-2024 Fourth Action Year Plan, approved by Council May 9, 2023 (Item IX.W.1&2.)

**Source of Funds:**

GRANTS MANAGEMENT-DEPT OF HSG & URB DEVEL-RSTR-CDBG ENTITLEMENT-B-23-MC-40-0003 (019-6140-2408000-G80428)

GRANTS MANAGEMENT-DEPT OF HSG & URB DEVEL-RSTR-HOME-M-23-MC-40-0203 (019-6140-2408030-G80429)

**Review:**

Planning

**Recommendation:** Resolution be adopted.