



City of Grand Forks
Staff Report
Committee of the Whole – November 25, 2019
City Council – December 2, 2019 and January 6, 2020

APPROVED & ACCEPTED
by City Council

12/02/2019

Candice Sjlem
Candice Sjlem
Acting City Auditor

APPROVED & ACCEPTED
by City Council

01/06/2020

Maureen Storstad
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City Auditor

Agenda Item: Amendment to 2019 CDBG Annual Action Plan

Submitted by: Meredith Richards, Community Development Director

Staff Recommended Action: 1) Review and comment on proposed amendment; 2) hold a public hearing on January 6, 2020, to approve the proposed amendment and associated budget amendments.

Committee Recommended Action:

11/25/19-Moved to City Council with the recommendation to approve. Motion carried unanimously.

Council Action: 12/02/2019 - Approved unanimously on consent agenda. Public hearing set for 01/06/2020
01/06/2020 - Motion by Weber, second by Dachtler to approve. Motion carried unanimously.

BACKGROUND:

On January 21, 2019, City Council approved the 2019 CDBG annual action plan, which included \$147,000 (plus up to an additional \$43,000 if funds became available) to Red River Valley Community Action (RRVCA) for the HomeCents housing rehab program. HomeCents is a 0-2% interest revolving loan program available to low-to-moderate income homeowners.

RRVCA also owns and operates the Ernie J. Norman Center as part of its emergency services programming. This shelter provides temporary housing and case management for women and children who are homeless. During the heavy rains last month, the shelter received extensive basement water damage. RRVCA has asked to divert \$20,000 from their 2019 HomeCents allocation program and instead use it to install sump pumps, drain tile, and replace sheetrock and floor coverings at the Ernie Norman shelter. This would add a new activity to the 2019 annual action plan, which requires an amendment.

ANALYSIS AND FINDINGS OF FACT:

- City Council approved up to \$190,000 in 2019 CDBG funding to Red River Valley Community Action for the HomeCents housing rehab program.
- RRVCA has asked to use a portion of those funds to rehab the Ernie J. Norman Center, a shelter for homeless women and children, due to basement damage caused by recent heavy rainfall.
- The rehab of the Ernie J. Norman Center is an eligible use of CDBG funds under 24 CFR 570.208(a)(2) and 24 CFR 570.201(c).
- The process to amend the annual action plan requires a public notice and a public hearing following a 30-day comment period.