



Department of Community Development
City of Jonesboro

SUBJECT: CDBG Amendment

REQUESTED ACTION: Amendment Approval

Council Communication

Date Submitted:	June 29, 2007
Submitted By:	GAYLE VICKERS – 933-4635
Presented to Finance Committee:	Special meeting to be scheduled
Approved By:	Citizen's Advisory, Mayor
Background:	Currently, the projects herein identified are particularly affected by timeliness concerns. Based on the technical advice received by HUD stating that it would be in our best interest to reallocate unspent funds to areas that could be expended during this fiscal year, the Citizen Advisory Committee is making the attached requests to reallocate the unspent fund balances.
Synopsis:	Request to close the projects that cannot feasibly be completed in this fiscal year. Reallocate funds to two projects that can be completed and will directly assist in fulfilling the HUD timeliness deadline of November 1, 2007.
Staff Request and/or Recommendation:	Amendment Approval
Fiscal Impact:	None
Community Impact:	Both projects directly impact the immediate residents and each community as a whole. The sewer project is located on Patrick Street. The Greenway project is located by Allen Park/Nettleton Schools. Both projects are located in LMI designated areas and will improve/enhance the neighborhoods, and likely increase property values.
Attachments:	Resolution/Explanation/Amendment

COMMUNITY DEVELOPMENT BLOCK GRANT AMENDMENT

Amendment to 2005 & 2006 Programs

Deletions		Description	HUD
2005	46000.00	Demolition	60
	64236.36	Homeowner Assistance	66
2006	5000.00	Homeowner Assistance	70
	25500.00	Demolition	74
	20000.00	Code Enforcement	75
	31013.75	Administration	79
Total	191750.11		
Additions			TO
	86750.11	Sewer Project - Patrick*	63
	105000.00	Greenway Project*	NEW
Total	191750.11		
Difference	0.00		

*Note if there is an overage on this project - the overage will be added to the 2007 CDBG Contingency line item.

Amendment Details – June 2007

Due to the changes in our Community Development and Code Enforcement Departments, 2005 and 2006 demolitions were minimal. While we have adequate funds left to meet our goals for this project year, the following funds must be transferred to another line item in order to be expended expeditiously and will close these projects:

Delete \$46,000 from Demolition, 2005 Project 60
 Delete \$25,500 from Demolition, 2006 Project 74
 Delete \$20,000 from Code Enforcement, 2006 Project 75.

Delete \$64,236.36 from Homeowner Assistance, 2005 Project Number 66. This project was not executed in 2005, these funds were designated for 2005 expenditure and must be transferred to another line item in order to expend the funds expeditiously. This will close the project

Delete \$5,000.00 from Homeowner Assistance, 2006 Project Number 70. This project required new program and procedures to be developed, which are now in place, however these funds were designated for 2006 expenditure and must be transferred to another line item in order to expend the funds expeditiously.

Delete 31,013.75 from Administration, 2006 Project 79. We have closed the 2006 year administrative line item and we need to decrease the administration line item, close it out, and transfer this amount to another line item.

Total Deletions \$191,750.11

Add \$86,750.11 to Sewer Improvements, 2005 Project #63. We have recently completed Phase I of this project. Both Phases were originally estimated in 2004 and Phase II did not include the engineering fees. Due to increases in cost of product, and a slight change in the scope of work to complete and serve the entire basin, the new estimate includes these factors. The additional funding noted will allow us to complete this project this year. We are currently acquiring the easements to do so.

Add \$105,000 to the Greenway Project creating a New Project in our specified area and providing the City, school, Allen Park and its surrounding neighborhood with the enhancements already supported by the City Council. This project can be completed in this calendar year.

Total Additions: \$191,750.11

RESOLUTION NO. _____

RESOLUTION APPROVING AMENDMENT TO THE 2005 AND 2006 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAMS, JONESBORO, ARKANSAS

WHEREAS, The City of Jonesboro is desirous of amending certain budget items and projects in it's 2005 and 2006 Community Development Block Grant Programs of which the funds are 100% Federal Grant Funds; and

WHEREAS, in order to revise CDBG programs as required by our Citizen Participation Plan and HUD Regulations, the City is required to amend the CDBG program whenever the City decides not to carry out an activity described, to carry out an activity not previously described, or to substantially change the purpose, scope, location or beneficiaries of an activity. Substantial changes are defined as those modifications involving amounts greater than 10 percent of the current year federal allocation. Approval of said changes are to be approved by the Citizen Advisory Committee, the Mayor and City Council, and then submit said changes to the Department of Housing & Urban Development for their approval; and

WHEREAS, The CDBG Citizen Advisory Committee approved the following changes as set out in this Amendment which is attached; and therefore, recommend the approval of said Amendment to the Mayor and City Council;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF JONESBORO, ARKANSAS to revise the 2005 and 2006 CDBG Budgets and Projects as set out as an attachment in Amendment on this date.

BE IT FURTHER RESOLVED THAT the Mayor and the Community Development Grants Coordinator submit the necessary changes and documentation for approval of this Amendment to the Department of Housing & Urban Development, Little Rock, Arkansas Area Office and receive their approval prior to implementing the proposed changes.