

City Council – Action Request Form

Date: August 2, 2017

To: The City Manager

From: Patrice Toney, Budget and Evaluation Director

Council Action Requested:

Consideration of Amendments to the FY 2017-18 Budget Ordinances for the City of Winston-Salem, North Carolina – Federal Housing Funds.

Summary of Information:

The proposed amendments to the FY 2017-18 budget ordinances authorize adjustments for the following purposes.

Appropriation of Grants and Other Revenues Received

- The allocations for federal fiscal year 2017 from the Department of Housing and Urban Development (HUD) have been finalized. The proposed amendment makes adjustments to budgets for the Emergency Solutions Grant (\$2,390), a 1.3% increase from the current year; Community Development Block Grant (CDBG) (-22,730), a 1.1% decrease; and HOME Investment Partnership funds (-\$14,690), a 1.6% decrease.

Committee	<u>Finance 8/14/17</u>	Action	<u>Approval</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks:

Deobligation of HOME Investment Partnership Funds

- As a result of the City not meeting the June 30, 2016 deadline to expend HOME Investment Partnership funds, HUD is deobligating the expenditure shortfall from the federal fiscal year 2016 grant. Under the HOME program, there is a five year expenditure deadline for these funds. The five-year HOME expenditure deadline for the 2011 HOME grant was June 30, 2016. Reasons for missing the deadline include unforeseen delays by the contractor (Ridgewood project), slow spending on rehabilitation cases (due to reductions in contractors and staff turnover), and not enough eligible and feasible projects that meet the required program guidelines and deadlines. The proposed amendment includes a deobligation of \$273,980 in HOME funds, to be effective September 1, 2017.