



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY



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Redevelopment Agency and
City Council of the
City of Sacramento
Sacramento, CA

Honorable Members in Session:

SUBJECT: Community Development Block Grant (CDBG) Amendment Policy

SUMMARY

The attached resolution approves an amendment policy for the Community Development Block Grant (CDBG) Program.

BACKGROUND

The primary purpose of this amendment policy (Attachment A) is to clarify and streamline the processing of amendments to the CDBG Program. The main reasons which necessitate this are: 1) a need to conform to the requirements of the interim HUD regulations regarding amendments; 2) a need to have better control of program changes particularly in light of decreased CDBG funding and greater demands on the program; and 3) an attempt to streamline the process and reduce the paperwork involved in amending the CDBG Program.

The policy defines a substantial amendment as cited in the HUD regulations; outlines the procedures for initiating and processing amendments; sets forth a schedule for submitting the amendments through the review process; indicates when it is appropriate to utilize contingency funds for amendments; and details the citizen participation and submission of amendments to HUD as required by federal regulations. The policy also includes in-house procedures for initiation, processing, and follow-up of the amendment.

APPROVED
BY THE CITY COUNCIL

APR 23 1985

OFFICE OF THE
CITY CLERK

APPROVED

APR 23 1985

SACRAMENTO REDEVELOPMENT AGENCY
CITY OF SACRAMENTO

4-23-85

11 Districts

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FINANCIAL DATA

No financial impacts.

ENVIRONMENTAL REVIEW

This policy would be exempt from environmental review. However, included within the policy are procedures for ensuring that environmental review is accomplished on every amendment to the CDBG Program.

POLICY IMPLICATIONS

Adoption of the attached amendment policy will give further guidance to staff on processing changes in the CDBG Program.

VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of April 15, 1985, the Sacramento Housing and Redevelopment Commission adopted a motion recommending adoption of the attached resolution. The votes were as follows:

AYES: Amundson, Lopez, Moose, Pettit, Sanchez, Angelides
Walton

NOES: None

ABSENT: Luttrell, Ose, Teramoto, Wooley

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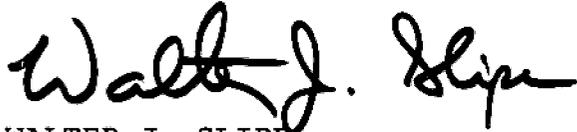
RECOMMENDATION

The staff recommends adoption of the attached resolution which approves the Amendment Policy for the CDBG Program.

Respectfully submitted,


WILLIAM H. EDGAR
EXECUTIVE DIRECTOR

TRANSMITTAL TO COUNCIL


WALTER J. SLIPE
City Manager

Contact Person: Linda Almeida

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RESOLUTION NO. 85-032

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO
ON DATE OF

April 23, 1985

COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) AMENDMENT POLICY

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY
OF THE CITY OF SACRAMENTO:

Section 1: The Community Development Block
Grant (CDBG) Amendment Policy is hereby approved.

CHAIR

ATTEST:

SECRETARY

z



RESOLUTION NO. 85-316

ADOPTED BY THE SACRAMENTO CITY COUNCIL ON DATE OF

April 23, 1985

COMMUNITY DEVELOPMENT BLOCK GRANT
(CDBG) AMENDMENT POLICY

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF
SACRAMENTO:

Section 1: The Community Development Block Grant
(CDBG) Amendment Policy is hereby approved.

MAYOR

ATTEST:

CITY CLERK

APPROVED
APR 23 1985
BY THE CITY COUNCIL
OFFICE OF THE
CITY CLERK

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**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
AMENDMENT POLICY**

The following policy governs program amendments under the CDBG Program by setting forth guidelines and procedures for handling amendments, including reallocation of contingency funds.

I. Definition

An amendment to the CDBG program is basically "any change in the program, either financial or programmatic, which was not indicated in the final statement (application)".

A "substantial" amendment to the final statement would occur when any of the following is being proposed:

1. Amending the amount allocated for an activity by more than 25%, plus or minus, from that shown in final statement; or
2. Changing the location of an activity from that described in the final statement; or
3. Carrying out an activity not described in the final statement; or
4. Cancelling an activity described in the final statement.

II. General Guidelines for Amendments

A. Initiation and Schedule for Amendments

Amendments will generally be taken before the governing boards on a quarterly basis. This will streamline the process by reducing the number of staff reports, public notices, and other paperwork which is generated by amendments. Exception to the quarterly schedule will be for items which pose a health or safety hazard. Such items will be dealt with on an "as soon as possible" basis.

All proposed amendments should be discussed with the Chief of CDBG. A form should then be completed which will allow CDBG staff to complete environmental review and determination of benefit requirements per HUD regulations (see Attachment A).

B. Use of Contingency Funds for Amendments

As a general rule, contingency funds are not utilized for completely new, large-scale projects. These funds are primarily utilized to cover high bids on existing projects. Due to very limited CDBG funds, the contingency balances tend to be somewhat low. If an already committed project comes in with a bid over the allocated amount, and there are no contingency funds available, other projects/programs must be cancelled. In order to avoid this, low priority will be placed on new projects. If new projects must be funded, the Chief of CDBG may deem it necessary to postpone such action until later in the year following critical bid dates of already-funded projects.

C. Citizen Participation

The proposed CDBG regulations require that, for any substantial amendment, citizens be provided with reasonable notice of and an opportunity to comment on the proposed amendment. Any comments received are to be considered in the final recommendation to amend the program.

In order to comply with this requirement, a public notice should be published at least seven (7) days prior to SHRC review of the proposed amendment (see format - Attachment B). This will allow for consideration of citizen input and will allow for modification of the amendment prior to final adoption by the Board of Supervisors or City Council.

D. Submission to HUD

Following approval by the governing boards, if the amendment is a substantial change, a modified final statement must be submitted to HUD. This should contain a description of the adopted changes, Standard Form 424, and the certifications covering 24 CFR 570.303(d) (1) and (2), (e), (h), (j), and (k) (include (i) if applicable). (See sample - Attachment C).

E. Final Resolution

If the amendment was "financial" (involved a budget increase, transfer of funds, etc.) a certified resolution must be submitted to the CDBG Coordinator, as designated by the Chief, to be reported to the Finance Department. This will ensure that Finance will execute the forthcoming contract (and honor claims, etc.).

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III. Procedure

The procedure for initiating an amendment will be as follows:

1. Discuss proposed amendment with CDBG Chief.
2. Complete form attached as Exhibit A and submit to CDBG Chief for review and tentative scheduling; coordinate who will complete the staff report.
3. Staff report will be completed and sent through review process. (NOTE: If staff report is completed by staff outside of CDBG, this report must be submitted to CDBG Chief for review).
4. If the amendment is a substantial change, a public notice must be prepared and published at least seven (7) days prior to SHRC review of the proposed amendment (See Attachment B).
5. If the amendment is a substantial change, a modified statement must be submitted to HUD (See Attachment C).
6. If the amendment involved a financial change, a certified resolution must be submitted to appropriate CDBG staff person.
7. Any applicable contracts, MOA's etc, should be processed.

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COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

PROJECT DESCRIPTION

City

(Check One)

County

I. PROJECT TITLE:

II. RECOMMENDED FUNDING AMOUNT:

III. PROJECT DESCRIPTION AND LOCATION (Be Specific):

IV. TIMEFRAME FOR PROJECT AND ENVIRONMENTAL REVIEW

V. PRIOR ENVIRONMENTAL DOCUMENTATION:

VI. CONTACT PERSONS:

VII. MAP:

VIII. DETERMINATION OF CDBG ELIGIBILITY (CDBG STAFF MAY ASSIST WITH THIS):

IX. DETERMINATION OF BENEFIT (INCLUDE DATE IF APPROPRIATE):

X. JUSTIFICATION:

a. WHY IS AN AMENDMENT NECESSARY FOR THIS PROJECT?

b. HOW DOES THE PROJECT RELATE TO LOCAL POLICY?

c. WHAT OTHER FUNDING SOURCES ARE AVAILABLE AND WHY/OR WHY NOT WERE THESE OTHER FUNDS UTILIZED.

XI. IMPLEMENTATION PLAN:

a. LEAD AGENCY:

b. OTHER AGENCIES TO BE INVOLVED (SUBCONTRACTS):

c. TIMEFRAME FOR COMPLETION:

XII. BUDGET:

(BREAK OUT BY MAJOR COST CATEGORIES)

RETURN COMPLETED FORM TO CDBG CHIEF.

(INTERNAL INSTRUCTIONS: PAGE 1 TO CDBG STAFF PERSON IN CHARGE OF ENVIRONMENTAL REVIEW MONITORING FOR SUBMISSION TO ENVIRONMENTAL COORDINATOR.

PAGE 2 FOR FILING IN DETERMINATION OF BENEFIT FILE.)

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**PUBLIC NOTICE
PROPOSED AMENDMENT TO CDBG PROGRAM**

The Sacramento Housing and Redevelopment Agency will be holding a public meeting before the Housing and Redevelopment Commission to present the following proposed amendment to the _____ (County, City) of Sacramento's Community Development Block Grant Program:

-BRIEF DESCRIPTION OF AMENDMENT-

The meeting will be held on the following date, time, and location:

- DAY , DATE , YEAR , at TIME; LOCATION/ADDRESS -

There will be opportunity to comment on the proposed amendment at the meeting, or citizens may address comments to: Trish Davey, Chief; CDBG Program; 630 I Street; Sacramento, CA 95814. All comments received will be considered prior to review by the

(Board of Supervisors or City Council)

All proposed and adopted program amendments are available at the following location: CDBG Program Office, Sacramento Housing and Redevelopment Agency - 2nd floor; 630 I Street; Sacramento, California (phone: 440-1322).

- (Paper)
- (Date to run)
- (Request 2 proofs of publication)

(AMENDED)
MODIFIED FINAL STATEMENT

I. The approved amendment meets national and local community development objectives.

II. The Projected Use of Funds for _____ - _____ of Sacramento
(YEAR) (CITY, COUNTY)
is amended as follows: (may be attached)

III. Description of Amended Activity

(Attach Standard Form 424 and Certifications)

CERTIFICATIONS

The grantee certifies that this amendment has been completed and will be administered in accordance with 24 CFR 570.303 (d) (1) and (2), (e), (h), (j) and (k) as follows:

- . (d) The grantee will further fair housing, and the grant and amendment will be conducted and administered in compliance with:
 - (1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352; 42 U.S.C. 200d et seq.); and
 - (2) Title VIII of the Civil Rights Act of 1968 (Pub L. 90-284; 42 U.S.C. 3601 et seq.);
- . (e) It has amended its final statement of projected use of funds so as to give maximum feasible priority to activities which benefit low and moderate income families or aid in the prevention or elimination of slums or blight. (Amendments may include activities which the grantee certifies pursuant to Section 570.301(c) are designed to meet other community development needs having a particular urgency.
- . (h) It will comply with the requirements of 24 CFR 570.200(c) (2) with regard to the use of special assessments to recover the capital costs of activities assisted in whole or in part with CDBG funds.
- . (j) It is following a current housing assistance plan which has been approved by HUD pursuant to Section 570.306.
- . (k) It will comply with the other provisions of the Act and with other applicable laws.