



Agenda Item Summary

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Agenda Item Title

A Resolution Approving an Amendment to the Program Year (PY) 2022 Community Development Block Grant (CDBG) Funds Action Plan

Overview

The Village of Oak Park (the "Village") is amending its Program Year (PY) 2022 Action Plan, following HUD's substantial amendment requirements and the Village's Citizen Participation Plan to increase funding to PY 2022 projects. The Village's Community Development Block Grant (CDBG) allocation for PY 2022 will now be a total of \$2,850,773.70.

Recommendation

Adopt the Resolution.

Background

As an Entitlement Community, the Village of Oak Park receives an annual CDBG grant allocation from the U.S. Department of Housing and Urban Development (HUD) and uses the funds for a variety of locally-determined projects. Mostly due to the COVID-19 Pandemic, there has been a delay in expending the PY 2018-2021 allocated funds. When HUD allocates funds in a federal fiscal year, the participating entitlement community is expected to fully expend the allocation each fiscal year.

To prevent funds from expiring and being returned to HUD the Village of Oak Park will amend the PY 2022 Annual Action Plan and move the unexpended funds from PY 2018-2021 to PY2022. The amendment would include the following reallocation of funds: PY2018 \$3,373.50, PY2019 \$128,503.89, PY2020 \$350,586.90, and PY2021 \$89,666.50 for a total of \$572,130.79. The original PY22 allocation from HUD was \$1,553,643.00, staff allocated \$725,000 from PY2020 unused funds to total \$2,278,643 for PY22. The recommended reallocated funds from 2018-2021 combined with the original PY22 allocation of \$2,278,643 will total \$2,850,773.70 for PY2022.

The PY2022 budget originally allocated \$225,000 to support the purchase and construction of a community restroom to be placed in the downtown Oak Park public parking Lot #10. Due to this proposed project bid being over budget, staff has discussed pausing this project until 2024 when the parking lot #10 reconstruction project will occur in order to combine the two projects and potentially achieve construction saving costs. A budget for the proposed community restroom will be included in the PY2023/Fiscal Year 2024 budget.

Due to this pause in proposed expenditure for the community restroom, staff is recommending using \$200,000 towards the purchase of an ambulance for the Oak Park Fire Department. Staff is recommending the remaining unallocated \$25,000 be used towards an already approved PY22 CDBG infrastructure project for alleys. An additional \$9,285 in unallocated PY20 funds to cover the balance of the alley project. The two combined allocations from PY20 and PY22 will total \$34,285 for a total of \$434,285 for the alley project to be completed by the Public Works Department in PY22. This recommendation is due to a timeliness performance that is conducted annually by HUD. A CDBG Entitlement grantee must have a balance no greater than one and one-half (1.5) times its annual grant remaining in the Line of Credit, 60 days prior to the end of the program year. HUD has a longstanding policy of reducing the next year's grant allocation of a grantee that continues to be untimely. By allocating these funds to an approved project activity, plus using returned funds from previous years, this expenditure will help ensure we meet our timeliness on August 2, 2023.

Fiscal Impact

Fiscal Year 2023 General Revenue expenses will be reduced by \$200,000. A CDBG budget amendment to carry forward funds and reallocate for Fiscal Year 2023 perspective projects will be completed once approved.

DEI Impact

Community Development Block Grant (CDBG) program requires that each activity funded, except for administration, meet one of three national objectives. The three national objectives area: 1) benefit to low-and moderate-income (LMI) persons; 2) Aid in the prevention or elimination of slums or blight; and 3) Meet a need having a particular urgency. An activity that does not meet a national objective is not compliant with CDBG requirements.

Oak Park CDBG program focuses on the first national objective which benefits low-and moderate-income persons. This objective includes the following eligible activities: Area benefit activities (LMA), Limited Clientele Activities (LMC), Housing Activities (LMH), and Job Creation and Retention Activities (LMJ).

Alternatives

None.

Previous Board Action

On August 1, 2022, the Village Board approved Resolution 22-143 to submit the Program Year 2022 Annual Action Plan to the U.S. Department of Housing and Urban Development.

Citizen Advisory Commission Action

N/A

Anticipated Future Actions/Commitments

After the Board approves the Resolution for the Agreement, the Village will advertise the amendment for a substantial amendment 30-day public comment period. The public can review the amendments and provide comments until April 25, 2023. There will be a public hearing on April 25, 2023. After the public hearing, the amendment will be submitted to HUD as final.

Intergovernmental Cooperation Opportunities

As a member of the Cook County HOME Consortium, the Village will amend the Annual Action Plan in Partnership with Cook County.