



Legislation Text

File #: 82249, **Version:** 1

Fiscal Note

The proposed resolution seeks Council approval for the City of Madison to submit its 2024 Annual Action Plan (AAP) to HUD. The AAP outlines the City's planned activities funded through federal formula grants for the 2024 calendar year.

The specific federal funding sources outlined in the AAP total \$3,749,998 and include estimates of up to \$2,177,251 in Community Development Block Grant (CDBG) funds, up to \$1,407,602 in HOME Investment Partnerships Program (HOME) funds, and up to \$165,145 in HEARTH/Emergency Solutions Grant (HESG) funds, and are supplemented by program income as well as other State and local funding sources, including Future Madison private funds, ESG/HPP/HAP ("EHH") grant funds, and Housing Cost Reduction Initiative (HCRI) grant funds.

The Community Development Division's 2024 Adopted Operating Budget includes these funding source estimates in the Community Development Grants fund, primarily as intergovernmental revenue (\$6,047,684), and authorizes the expenditure of these funds, primarily in Purchased Services. No additional City appropriation is required. However, an amendment to CDD's 2024 Adopted Operating Budget may be required later, should the City's actual FY24 formula grant allocations, once they have been determined and announced by HUD, prove to be greater than the estimated grant figures used in the City's draft 2024 AAP.

Title

Adopting the City of Madison's required 2024 Annual Action Plan (AAP) and approving submission of the Plan to the U.S. Department of Housing and Urban Development (HUD).

Body

Background

The U.S. Department of Housing and Urban Development (HUD), as a condition of awarding federal funding to the City of Madison through the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME) and HEARTH/Emergency Solutions Grant (HESG) Programs, requires the City to submit an Annual Action Plan (AAP) describing how the City will use those funds. The AAP must also describe how supplemental funds from State and local sources will be used to further the same or similar goals and objectives. The goals and objectives upon which the AAP is developed are anchored in HUD priorities established for these program funds, including housing, economic development and neighborhood revitalization, and are more specifically articulated within the City's HUD-approved 2020-2024 Consolidated Plan. Each expenditure of these funds is subject to approval by the City's CDBG Committee and the Common Council. The City of Madison's Community Development Division administers the funds.

As of the drafting of this Resolution, Congress has not yet passed budget appropriations bills for the federal government's FY24 fiscal year, and consequently, HUD has not yet announced Grantees' final FY24 formula grant allocation figures. An amendment to CDD's 2024 Adopted Operating Budget may be required later, should the City's actual FY24 formula grant awards, once they have been determined and announced by HUD, prove to be greater than the estimated grant figures used in the draft form of the City's 2024 AAP. The City's actual HUD FY24 formula grant allocation figures will be appropriately reflected in the final form of its 2024 AAP, when the Plan is subsequently submitted to HUD for review and approval.

Action

WHEREAS, the U.S. Department of Housing and Urban Development (HUD) requires that each Entitlement community Grantee submit an Action Plan annually to receive federal funds; and,

WHEREAS, the City of Madison receives funding from HUD and is obligated to adhere to established rules and regulations regarding its use; and,

WHEREAS, the CDBG Committee held public hearings on April 20, 2023, and March 7, 2024, to seek public input and advice from community organizations, service providers and other stakeholders with respect to the use of federal funds; and,

WHEREAS, the Community Development Division developed the City's 2024 Annual Action Plan (AAP) consistent with the City's adopted 2020-2024 Consolidated Plan; and,

WHEREAS, the Community Development Division is charged with carrying out the goals and objectives in the Plan to include housing, economic development, and neighborhood revitalization activities;

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby adopts and authorizes the submission to HUD of the 2024 AAP in its final form, and authorizes the Mayor and City Clerk to sign any agreements necessary to accept the allocation of 2024 federal funds up to the estimated figures cited herein, and enter into any requisite agreements needed to implement the AAP's articulated goals and objectives.