



## Legislation Text

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**File #:** 61295, **Version:** 1

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The proposed Substantial Amendment to the City of Madison's FY19 Annual Action Plan is the result of HUD awarding the City an additional \$1,160,897 in supplemental Community Development Block Grant (CDBG-CV) funds and an additional \$2,890,929 in supplemental Emergency Solutions Grant (ESG-CV) funds through the 2020 CARES Act.

This resolution proposes to amend CDD's adopted 2020 Operating Budget, as follows, to recognize receipt of these additional grant revenues and their commensurate expenditures:

- CDBG Revenue: (\$1,160,897)
- CDBG Salaries/Benefits: \$232,100
- CDBG Purchased Services: \$928,797
  
- HESG Revenue: (\$2,890,929)
- HESG Salaries/Benefits: \$289,000
- HESG Purchased Services: \$2,601,929

Approving a Substantial Amendment to the City's FY19 Annual Action Plan to include supplemental CDBG-CV and ESG-CV grant funds awarded to the City of Madison by HUD as part of the 2020 CARES Act; amending the adopted 2020 Operating Budget of the Community Development Division to recognize the additional grant revenue and commensurate expenditures; and authorizing the CD Division to issue one or more RFPs to allocate the funds.

Background:

In March 2020, Congress passed and the President signed the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), which provides critical supplemental funding to communities in their local response efforts to the COVID-19 pandemic. Acceptance of the CARES Act funds that are allocated via HUD's Office of Community Planning and Development (CPD) requires a HUD Grantee to submit a Substantial Amendment to its FY19 Annual Action Plan.

The City of Madison has been awarded \$1,160,897 in supplemental Community Development Block Grant (CDBG-CV) funds and \$2,890,929 in supplemental Emergency Solutions Grant (ESG-CV) funds through the CARES Act, to help prevent, prepare for and respond to coronavirus. These funds can be used to support local Action Plan objectives that include Housing Assistance, Small Business (Micro-Enterprise) Development, and public services at Neighborhood Centers, as well as administration costs associated with the management of funded contracts. Specific allocation decisions will be determined by CDD via one or more Request for Proposal (RFP) processes, to be conducted over the next few months.

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 Community Development Division developed the City's 2019 Action Plan consistent with the City's adopted 2015-2019 Consolidated Plan which was approved by HUD on July 31, 2019; and,

WHEREAS, the City of Madison will receive \$1,160,897 in supplemental Community Development

Block Grant (CDBG-CV) funds and \$2,890,929 in supplemental Emergency Solutions Grant (ESG-CV) funds through the CARES Act and must amend the HUD approved 2019 Action Plan to secure funds; and,

NOW, THEREFORE, BE IT RESOLVED, that the Common Council hereby approves the Substantial Amendment to the City's FY19 Annual Action Plan to recognize the addition of HUD-administered 2020 CARES Act funds, and authorizes the Mayor and City Clerk to execute appropriate grant agreements with HUD to accept these additional funds; and,

BE IT FURTHER RESOLVED, that the adopted 2020 Operating Budget of the Community Development Division is hereby amended to recognize the additional CARES Act grant revenue and commensurate expenditures as described herein; and,

BE IT STILL FURTHER RESOLVED, that the Community Development Division is authorized to conduct one or more Request for Proposal (RFP) processes to allocate the CARES Act funds; and,

BE IT FINALLY RESOLVED, that the Mayor and City Clerk are hereby authorized to sign agreements with the final slate of CARES Act subrecipients for the activities and in the allocation amounts that will be determined via CDD's aforementioned RFP process(es).