



Legislation Text

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**File #:** 21-437, **Version:** 1

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**Meeting Date:** July 27, 2021

**To:** Members of the Housing & Redevelopment Authority

**From:** Melissa Hanson, Housing Coordinator

Community Development Block Grant (CDBG) 2<sup>nd</sup> Quarter 2021 Report, 4<sup>th</sup> Quarter Report for fiscal year (FY) 2020-2021, April-May-June

**Action Requested:**

HRA to review the CDBG 2<sup>nd</sup> Quarter Report, 4<sup>th</sup> Quarter Report for FY 2020-2021

**Summary Report:**

The HRA is eligible to receive approximately \$65,312 in additional CDBG funds for FY 2021 from Housing and Urban Development (HUD) through the Dakota County Community Development Agency (CDA). In their annual application for CDBG funds, the City requests funds for the next fiscal year (FY). The funds requested are designated for eligible programs such as down payment assistance and residential rehabilitation. The annual application includes the amount or portion of the total allocation to be devoted to each existing or new program. The application is approved by the CDA and funds are typically made available between July and October.

The total amount of CDBG funds currently available to the City of Northfield is \$156,984.13 (not factoring in recent deposits made by HRA to CDA).

Funds that are not utilized within 4 FY are subject to recapture by the Department of Housing and Urban Development (HUD). Funds that are not utilized within 3 FY are subject to recapture and redistribution by the CDA. Due to unexpected program income, The City of Northfield has been granted an exception to spend down FY17 \$21,453 by December 31, 2021 to avoid recapture and redistribution.

**Alternative Options:**

N/A

**Financial Impacts:**

N/A

**Tentative Timelines:**

N/A