



Legislation Text

File #: HRA M2019-002, **Version:** 1

DATE: January 10, 2019

TO: Members of the Housing & Redevelopment Authority

FROM: Janine Atchison, Housing Coordinator

Community Development Block Grant Unused Funds

SUMMARY AND ACTION REQUESTED:

The Housing & Redevelopment Authority (HRA) to review and approve Community Development Block Grant (CDBG) activity amendment to the Dakota County Community Development Agency (CDA) for 2016 unused funds.

BACKGROUND:

In 2016 the HRA received CDBG Residential Rehab Program and Rental Rehab-Historic District Program funding through the CDA. A total amount of \$28,595.68 has not been utilized and is subject to recapture.

Although most of the Residential Rehab Program funds were used, \$2,277.77 of the allocation remains unspent and is subject to recapture. There is an unused balance of \$26,317.91 for the Rental Rehab-Historic District Program, which is also subject to recapture.

In 2018, the HRA was awarded \$77,942 in CDBG funds for the rehabilitation of Northern Oaks Townhomes. Three Rivers Community Action Agency (TRCA) owns the Northern Oaks Townhomes, which provides affordable housing to people at or below 60% of the area median income.

The HRA could request an activity amendment to move the unspent 2016 funds (\$28,595.88) to the Northern Oaks Project. The additional funding would allow TRCA to include concrete and asphalt replacement/repair to be added to the scope of work. TRCA has not yet begun the bid process on their project and would eligible to receive these additional funds.

ANALYSIS:

Maintaining existing affordable housing is in line with the Northfield Strategic Plan and the HRA goals. Transferring the funds subject to recapture to Northern Oaks Rehabilitation Program would allow these funds to remain in Northfield to be used to the betterment of affordable Northfield housing.

The Northern Oaks Project Rehabilitation Project is scheduled to be completed in 2019, enabling the 2016 funds to be used before recapture. The HRA does not have another eligible CDBG program that would utilize the funds before the recapture date.

RECOMMENDATION:

Staff recommends the HRA make application to the CDA to amend the activity for 2016 CDBG Funds totaling \$28,595.88 from the Residential Rehabilitation and Rental Rehabilitation-Downtown District Programs to the Northern Oaks Rehabilitation Program.