

January 24, 2024

WHEREAS, on August 18, 1993, the City Council authorized establishing specific timeframes for the obligation and expenditure of Community Development Block Grant (CDBG) Funds by Resolution No. 93-3001; and

WHEREAS, on March 28, 2007, the City Council authorized enhancing the City's existing expenditure policy with additional benchmarks by Resolution No. 07-0992; and

WHEREAS, at the discretion of the City Council, the timeframes may be extended for obligating and expending CDBG funded activities; and

WHEREAS, on April 12, 2023, the City Council authorized final adoption of the 2022 CDBG Disaster Recovery (DR) from the U.S. Department of Housing and Urban Development (HUD) by Resolution No. 23-0521; and

WHEREAS, on June 14, 2023, the City Council authorized final adoption of the FY 2023-24 HUD Consolidated Plan Budget by Resolution No. 23-0765; and

WHEREAS, the Community Development Commission (CDC) Financial Monitoring/Performance Standards Committee met on December 19, 2023, to review and make recommendations to the City Manager's proposed extensions and reprogramming of CDBG and CDBG-COVID Funds; and

WHEREAS, on January 4, 2024, upon recommendation by the CDC Financial Monitoring/Performance Standards Committee, the CDC reviewed and approved proposed extensions and reprogramming of CDBG Funds in 3 projects recommended for extension for a total of \$503,479 and unspent funds remaining in 8 projects recommended for reprogramming as a source of funds in the FY 2024-25 CDBG budget for a total of \$569,286; proposed reprogramming of unspent CDBG CARES Act Relief (CDBG-COVID) Funds in the amount of \$2,023,222 for the Emergency Rental Assistance Program; and

WHEREAS, on January 22, 2024, the Government Performance and Financial Management Committee was briefed on the need to maintain ongoing compliance with HUD's timely expenditure policy and proposed Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2023-24 Action Plan; and

WHEREAS, a summary of the proposed Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2023-24 Action Plan will be published in the Dallas Morning News on or about February 7, 2024 to provide an opportunity to submit written comments through February 28, 2024; and

WHEREAS, Federal regulations require that a public hearing be held on the proposed Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2023-24 Action Plan; and

January 24, 2024

WHEREAS, holding a public hearing on February 28, 2024, will satisfy the requirements set forth in HUD regulations and the City's Citizen Participation Plan.

Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That the City Council authorizes an extension through September 30, 2024 for Community Development Block Grant (CDBG) Funds in the amount of \$503,480 in CDBG funded projects that have not met the City's twelve-month obligation or twenty-four-month expenditure requirement, per **Attachment A**.

SECTION 2. That reprogrammed funds from prior year unspent CDBG funds be budgeted in conjunction with the FY 2024-25 CDBG Budget.

SECTION 3. That a new Fund CDD2 be established to separate the CDBG Disaster Relief (CDBG-DR) Grant Funds previously received to comply with HUD rules, and appropriations from existing Fund CDD1 in the amount of \$15,967,000 be transferred to the new fund, per **Attachment C**.

SECTION 4. That the City Council authorizes the release of funds from their originally budgeted purposes for Reprogramming Budget No. 1 (Substantial Amendment No. 2) to the FY 2023-24 Action Plan to use unspent CDBG CARES Act Relief (CDBG-COVID) Funds in the amount of \$2,023,222 for the Emergency Rental Assistance Program and \$1,500 cap be removed to use Fair Market Rates and align with other HUD programs that provide similar assistance, per **Attachment B**.

SECTION 5. That preliminary FY 2023-24 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 2) be approved, as follows:

CDBG-COVID - Source of Funds:

Reprogramming Budget No. 1 (Substantial Amendment No. 2)

- Unspent Prior Year CDBG COVID Funds - \$2,023,222

CDBG-COVID - Use of Funds:

- Emergency Rental Assistance Program - \$2,023,222

SECTION 6. That a public hearing be held on February 28, 2024, before City Council to receive comments on the FY 2023-24 Action Plan Reprogramming Budget No. 1 (Substantial Amendment No. 2).

SECTION 7. That this resolution shall take effect immediately from and after its passage in accordance with the provisions of the Charter of the City of Dallas, and it is accordingly so resolved.