

SUBSTANTIAL AMENDMENT 2017-02

Community Development Block Grant - \$1,054,879

30-DAY PUBLIC COMMENT PERIOD

May 12, 2017 through June 12, 2017

PUBLIC COMMENTS

No public comments were received via telephone, e-mail, mail or fax.

SUBSTANTIAL AMENDMENT 2017-02

Community Development Block Grant - \$1,054,879

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION

June 14, 2017 PUBLIC HEARING 5:00 PM

PUBLIC COMMENTS

1. **Diane Smith, H.E.A.T.:** Ms. Smith indicated her confusion and stated that she knows there are several amendments being publicized. She requested clarification related to 2017-02, if it was an ongoing amendment or if it was separate, and whether or not HEATS letter related to the prior Substantial Amendment #1 was received.

[**City Response:** Staff confirmed that Substantial Amendment 2017-02 was a stand along amendment to the 2016-2017 Annual Action Plan. The previous Substantial Amendment, 2017-01, was related to the HOME program, not CDBG. A HEAT letter was not received for Substantial Amendment 2017-01 HOME CHDO program related to the B/Amador project. However, verbal public comments from Diane Smith, Matthew Grundy, and Brunette Harris were recorded at the HCDC meeting held August 10, 2016 and included in Substantial Amendment 2017-01]

2. **Brunette Harris, H.E.A.T.:** Ms. Harris relayed her confusion and spoke about the need to have the HCDC read HUD federal guidelines indicating that there is a requirement to have community meetings prior to coming up with an amendment. She reiterated that she would have to continue doing this and asked when the HCDC would have community meetings, and when they would begin to hold the city accountable. Ms. Harris went on to object, stating that if they are out of order, and it doesn't make any sense. Again she objected and asked when the HCDC would do what it is supposed to do and come to the community.

[**City Response:** The City followed HUD regulations related to reprogramming through a Substantial Amendment Process and steps required through the City's Citizen Participation Plan. The City also implemented additional outreach over and above those required.]

HOUSING AND COMMUNITY DEVELOPMENT COMMISSION
June 14, 2017 PUBLIC HEARING 5:00 PM

PUBLIC COMMENTS (Continued)

3. George Hostetter: Mr. Hostetter stated that he was also confused and didn't find that the substantial amendment document included sufficient context for members of the public to easily understand the proposal. He went on to explain that he had difficulty tracking down the different community centers until he was able to speak to the right individual at the Highway Center CDC about a cancelled project. He went on to detail that he eventually learned that the agency declined their award due to the impact that prevailing wage would have had, but Mr. Hostetter questioned why that wasn't an issue identified earlier in the process prior to them receiving the award. He also stated his confusion about the loan repayment and requested clarification on how the City did not know 9 months ago that there would be a loan payment due in August if it was an annual repayment.

[City Response: The Highway City project was cancelled due to the applicant declining award of CDBG funds prior to entering into a subrecipient agreement. The applicant went through the CDBG application process in response to a Notice of Funding Availability, which outlined all of requirements and regulations. After completing additional due diligence the agency declined the award due to the impact that prevailing wage requirements would have made on the overall project, in which CDBG funds represented a small portion. The City confirmed that staff was aware of the annual loan repayment which is traditionally included in the appropriate year's Annual Action Plan. Given the delay in announcement of the 2017-2018 federal allocation, the City has instead recommended the repayment be included in Substantial Amendment 2017-02, in order to complete the payment and reimbursement of the payment scheduled on August 1, 2017.