



**TO: LINDA GORTON, MAYOR
URBAN COUNTY COUNCIL**

**FROM: THERESA REYNOLDS, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: APRIL 12, 2024

SUBJECT: Submission of 2024 Consolidated Plan, including Community Development Block Grant Program, HOME Investment Partnerships Program, and Emergency Solutions Grants Program

Request: Council authorization to submit the 2024 Consolidated Plan, accepting awards of federal funds for Community Development Block Grant Program in the amount of \$2,340,927, HOME Investment Partnerships Program in the amount of \$1,449,360, and Emergency Solutions Grants Program in the amount of \$204,653, from the U.S. Department of Housing and Urban Development for FY 2025, and to authorize execution of agreements with subrecipients in accordance with approved plan subject to final Federal allocation amounts for Fiscal Year 2025. Matching funds in the amount of \$359,611 are included in the FY25 Mayor's Proposed Budget.

Purpose of Request: The U.S. Department of Housing and Urban Development (HUD) requires a consolidated application for jurisdictions receiving funds through HUD's Community Planning and Development programs. The purpose of the Consolidated Plan is to serve as the planning document for the Lexington-Fayette Urban County Government's participation in these programs. The overall goal of the programs is to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities for low and moderate-income persons. The proposed 2024 Consolidated Plan consists of a one-year action plan providing for the expenditure of Community Development Block Grant (CDBG) funds, HOME Investment Partnerships funds, and Emergency Solutions Grants (ESG) funds for Fiscal Year 2025 (the period of July 1, 2024 through June 30, 2025) to address some of the identified needs.

Federal regulations require that an active citizens' participation process be used to identify needs and to recommend the allocation of these federal resources. Two required public hearings have been conducted to solicit citizen comment on the housing and non-housing needs of the low-income population and on the budgeting of these federal funds to address identified needs. Applications for ESG, HOME, and CDBG funds were accepted through a uniform application process. Applications were available through the LFUCG web page for the convenience of agencies having an interest in Consolidated Plan funding. The applications received were reviewed by the staff of the Division of Grants and Special Programs. Their recommendations for funding were reviewed by staff of the Chief Administrative Officer. The proposed plan was made available for public comment as provided by the approved Citizens Participation Plan on April 15, 2024. The 30-day comment period will expire on May 15, 2024.



What is the cost in this budget year and future budget years? The Action Plan describes how funds available through the three program areas will be allocated and spent during Fiscal Year 2025. Matching funds in the amount of \$359,611 are included in the FY25 Mayor’s Proposed Budget. Future budget years are dependent upon federal allocations of these funds, which has not yet been finalized.

PROGRAM	FEDERAL AMOUNT	LOCAL GENERAL FUND MATCH—FY 2024	IN-KIND MATCH FROM SUBRECIPIENTS	PROGRAM INCOME	TOTAL
CDBG	\$2,340,927	\$0	\$0	\$175,000	\$2,515,927
HOME	\$1,449,360	\$300,000	\$0	\$100,000	\$1,849,360
ESG	\$204,653	\$59,611	\$145,042	\$0	\$409,306
TOTALS	\$3,994,940	\$359,611	\$145,042	\$275,000	\$4,774,593

These funds will be expended on public improvements, housing rehabilitation, public services, a first-time homebuyer program, development of homeownership units for low-income households, development of rental units for low-income populations, operational support for emergency housing, and planning and administration activities. A list of recommended projects is attached to the Legistar file.

Are the funds budgeted? Budget amendments are in process for Fiscal Year 2025.

File Number: 0422-24

Director/Commissioner: Reynolds/Lanter