



**TO: JIM GRAY, MAYOR
URBAN COUNTY COUNCIL**

**FROM: CHARLIE LANTER, DIRECTOR
DIVISION OF GRANTS AND SPECIAL PROGRAMS**

DATE: MAY 19, 2017

**SUBJECT: Amendment to 2016 Consolidated Plans—
PUBLIC HEARING ON JUNE 15, 2017**

Request: Council authorization to amend the 2016 Consolidated Plan and Annual Action Plan to account for \$2,139,000 of CDBG Program Income generated through the sale of the Senior Citizen Property and to create several new projects to be carried out over the next fiscal year.

Purpose of Request: Communities that receive entitlement funds from the CDBG program are required to use their funds in a timely manner. The entitlement program rule for timeliness is that that grantee cannot have more than 1.5 times their annual allocation remaining in their line of credit at the U.S. Treasury. The significant increase of \$2,139,000 in CDBG Program Income requires LFUCG to create a plan for a quick expenditure of funds or risk having to return the money to HUD (per 24 CFR 570-902).

The Division of Grants and Special Programs met with the CAO and other key staff members to discuss projects that could quickly expend these dollars by May of 2018 while meeting federal requirements. The following projects are proposed to be funded with the program income:

- **Hope Center Operations – \$250,000**
The Hope Center has requested funding for the operation of the Hope Center Emergency Shelter located on Loudon Avenue. The shelter operates 24 hours a day, 365 days a year. On average, the Shelter provides 6,000 nights of lodging and 12,000 meals per month. The annual operating budget for the Hope Center Emergency Shelter is \$1,180,000. They currently have a gap in funding due to funding cuts across the city, state and federal funding streams. This funding will cover expenses such as 24-hour supervision, utilities for the shelter, food for client meals, etc.
- **LFUCG Parks Improvements – \$1,162,500**
There are many recreational improvements that are needed to the Lexington parks, many which are those located in census tracts where there are a large number of low-income persons residing. This money provides a unique opportunity for LFUCG to make several much needed improvements. Additionally, the Division of Parks and Recreation is confident in their ability to carry-out these projects quickly and efficiently. See attached list for a description of each proposed improvement.
- **Family Care Center Courtyard Project - \$160,000**
The Family Care Center provides services to Lexington families with young children. Services provided to families include early child care, a high school program for teen



mothers, intensive case management, HANDS home visitation and an on-site pediatric health clinic operated by the University of Kentucky. The purpose of the Family Care Center Courtyard Project is to repair and transform an existing enclosed courtyard area into an amphitheater, offering an outdoor classroom and performance area for children and families. Centrally located within the Family Care Center, the space, once restored, will become wheelchair accessible and usable to parents and children enrolled in one or more of the center's five programs.

- **AVOL Rehabilitation Project - \$100,000**
AVOL provides housing and supportive services to over 400 low-income men and women living with HIV/AIDS in over 70 counties in central and eastern Kentucky. AVOL operates two housing facilities: Solomon House, a long-term permanent community residence for people with AIDS, and Rainbow Apartments, a small complex of furnished units for people living with HIV/AIDS, who are transitioning from homelessness to permanent housing. AVOL currently leases both buildings from LFUCG. The grantee has not made any major repairs to the properties since they were purchased (1992 and 1996), and AVOL has requested funding so that they can make necessary and critical repairs to the buildings such as the replacement of sewer lines and interior pipes, drains and other fixtures, painting, floor replacement, and replacement of exterior bricks that are crumbling.
- **Leestown VA Housing Project - \$466,500**
Leestown VA Housing will involve the construction of 58 multifamily units of permanent, affordable rental housing on Leestown Road. These units are targeted toward low-income at-risk veterans and their families. The developer is AU Associates with experience in affordable housing.

In accordance with federal regulations found at 24 CFR Part 91.505 and the amended Citizen Participation Plan approved by Council on September 29, 2016 (Resolution 584-2016), the creation of these new projects requires a substantial amendment to the 2016 Consolidated Plan and Annual Action Plan. Because it is a substantial amendment, citizens must be given an opportunity to comment on the proposed activities. Therefore, a public hearing will be held in conjunction with the regularly scheduled Council Meeting on June 15, 2017 at 6:00 pm.

Cost in this Budget year and future budget years: \$2,139,000 will be budgeted for the various projects listed above.

Are the funds budgeted? BA 8514 is in process.

File Number: 0606-17

Director/Commissioner: Lanter/Hamilton



Charlie Lanter, Director

