

AGENDA REPORT

DATE June 21, 2005

ITEM Change in use of 2005/2006 HOME Funding

INITIATED BY Community Development Staff

ACTION REQUESTED Approve Funding Amendment

PREPARED & PRESENTED BY Katrina Stark, CDBG/HOME Administrator

REVIEWED & APPROVED BY Mike Rattray, Community Development Director

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RECOMMENDATION:

Staff recommends the City Commission approve the change in use of \$100,000 of unprogrammed HOME Investment Partnership Program (HOME) funds to assist in replacing the windows and window panels at Eagles Manor, Phase II.

MOTION:

I move to approve the change in use of 2005/2006 HOME unprogrammed funds allocating \$100,000 to Eagles Manor in Phase II, a non-profit elderly housing project operating under a HUD rent covenant with rents affordable to low/moderate income residents.

SYNOPSIS:

The HOME funding portion of the 2005/2006 Consolidated Annual Plan is being amended to accommodate the use of unprogrammed funds in the amount of \$100,000. These unprogrammed funds are comprised of HOME funds from the current and previous years' grant awards that have not been allocated to projects. Eagle Properties of Great Falls had submitted a HOME project application requesting \$350,000 to complete Phase II of the window replacement project. However, due to the number of grants requested versus what the City was allotted, all projects had adjusted, decreased, funding. Eagle Properties received \$85,000.

BACKGROUND:

With this amendment, the City of Great Falls will utilize a total \$185,000 of HOME funds (allocation and unprogrammed funds) to assist in replacing the windows and window panels at Eagles Manor with high performance energy efficient windows and weather resistant, insulated panels. Eagles Manor, located at 1501 9th Street South, is a 141-unit rental complex providing housing for elderly citizens, a high percentage of which have very low to moderate incomes. The Eagles Manor, which offers independent living with meal service, was built in 1964 as a HUD 202-Elderly project and has operated continuously for 40 years. The Eagles Manor is a non-profit housing complex operating under HUD rent covenant to insure rents are affordable to low/moderate income elderly.

When a substantial change in the use of HOME funding is requested, the U.S. Department of Housing & Urban Development requires that an amendment to the Consolidated Plan, describing the change in use of the funds, be advertised and reviewed by the citizens of Great Falls for 30 days. The 30-day

citizen comment and review period for this change in use of funds was April 24, 2005 through May 24, 2005. No comments regarding this change were received. A request for the change in use of funds, along with City Commission approval and any comments received are sent to HUD for their approval.