



*Reid Montgomery  
Director  
Community and Economic  
Development Department*

## Memorandum

To: Alderman Joe Sosnowski, Chairman of the Planning and Development Committee

FROM: Vicki Manson, Development Programs Manager

DATE: May 29, 2009

RE: Community Development Recovery Program

On May 5, 2009, the City of Rockford was notified of the availability of \$562,555 through the special formula based allocation of Community Development Block Grant program funds commonly known as CDBG Recovery (CDBG-R). In order to access these funds, a substantial amendment to our consolidated plan and the 2008 annual action plan is required. It must be submitted to the Department of Housing and Urban Development by June 5, 2009.

Activities conducted under this program must be eligible under the CDBG program but there are also some statutory issues affecting program design and implementation. For one, HUD shortened the minimum time for citizen comments to 7 calendar days and required the substantial amendment materials to be posted on the grantee's official website. Our 7 day comment period expires tomorrow, June 2<sup>nd</sup>. To date, we have not received any written comments. But, as a result of communications with the Human Services and the FEMA Board, one "alternate" activity was removed from the "draft" amendment.

Another requirement which is a change from the CDBG program is that we must give priority to projects that can award contracts based on bids within 120 calendar days from the date the funds are made available. Therefore, it was important to identify activities that could be quickly implemented. The Recovery Act itself also requires certain deadlines for the expenditure of funds.

Attached, please find the CDBG-R Substantial Amendment and Activity Data Spreadsheet for your review prior to the committee meeting. Because this is due to HUD on or before June 5<sup>th</sup>, a suspension of the rules is necessary.

Thank you for your positive consideration of this amendment. Please contact me at 967-6759 if you have any questions.