

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: September 1, 2009 [X] Consent [] Regular

Department: Housing and Community Development

Submitted By: Housing and Community Development

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: A Budget Amendment of \$1,846,758 in the Community Development Block Grant Recovery (CDBG-R) Program Fund to recognize the revenues from the U.S. Department of Housing and Urban Development (HUD) (No. B-09-UY-12-0004) and appropriate the award.

Summary: Palm Beach County was notified in March 2009 of its eligibility to receive \$1,846,758 under the Community Development Block Grant Recovery (CDBG-R) Program. On June 2, 2009, the Board of County Commissioners (BCC) approved the 11th Amendment to the FY 2008-09 Action Plan constituting the County's CDBG-R application to the U.S. Department of Housing and Urban Development (HUD). BCC Resolution No. R2009-0901 granted the authority for the County Administrator to sign all documents related to application for and implementation of the CDBG-R program. On July 21, 2009, HUD executed the CDBG-R Agreement, and on July 27, 2009, the County Administrator signed the Agreement which provides \$1,846,758 in grant funding for activities assisting in the economic revitalization and growth of communities in Palm Beach County. **These are Federal Funds that require no local match. Countywide (TKF)**

Background and Justification: The American Recovery and Reinvestment Act of 2009 (ARRA) signed by the President of the United States on February 17, 2009 was intended to provide a stimulus to the U.S. economy in the wake of the current economic downturn. A component of the ARRA is the Community Development Block Grant-Recovery (CDBG-R) Program which appropriated \$1 billion to assist in the economic revitalization and growth of communities. The CDBG-R regulations mandate that 70% of the funds must be used to benefit low and- moderate income persons and must address the Recovery Act by serving one or more of the areas: **A)** preserving and creating jobs and promoting economic recovery; **B)** assisting those most impacted by the recession; **C)** providing investment needed to increase economic efficiency; **D)** investing in transportation, environmental protection, or other infrastructure; **E)** minimizing or avoiding reductions in essential services; or **F)** fostering energy independence. According to HUD, the County must meet the requirements of Section 1602 of the Recovery Act, which states that for infrastructure investment, recipients shall give preference to activities that can be started and completed expeditiously, including a goal of using at least 50 percent of the funds for activities that can be initiated not later than 120 days after the date of the enactment of this Act. Recipients shall also use grant funds in a manner that maximizes job creation and economic benefit. Activities funded through the Agreement meet these criteria, and have been approved by HUD.

Attachments:

- A. Grant Agreement for the Community Development Block Grant Recovery (CDBG-R) Program (Contract No.B09-UY-12-0004)
- B. Budget Amendment

Recommended By: Edward R. Perry
Department Director

8/21/09
Date

Approved By: [Signature]
Assistant County Administrator

8/28/09
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

<u>Fiscal Years:</u>	2009	2010	2011	2012	2013
Capital Expenditures:	_____	_____	_____	_____	_____
Operating Costs:	\$1,846,758	_____	_____	_____	_____
External Revenues:	(\$1,846,758)	_____	_____	_____	_____
Program Income (County):	_____	_____	_____	_____	_____
In-Kind Match (County):	_____	_____	_____	_____	_____
NET FISCAL IMPACT:	0	_____	_____	_____	_____
 # OF ADDITIONAL FTE POSITIONS (Cumulative):	 N/A	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No X

Budget Account: Fund 1111 Agency 143 Org. 1425 Object various Program Code/Period various/GY08

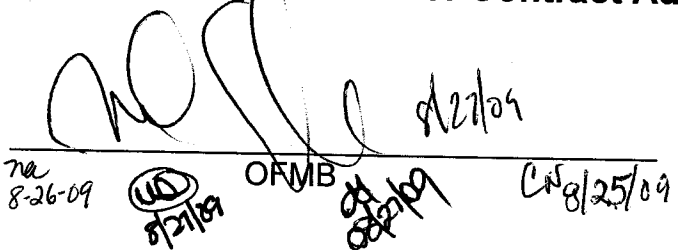
B. Recommended Sources of Funds/Summary of Fiscal Impact: Approval of this agenda item will appropriate \$1,846,758 for the Community Development Block Grant—Recovery (CDBG-R) Program.

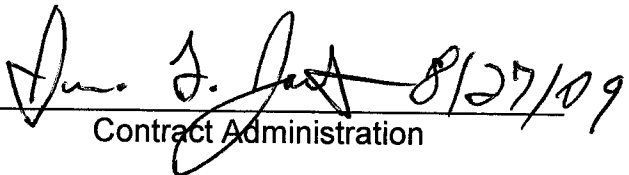
C. Departmental Fiscal Review:


 Fiscal Manager I

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Administration Comments:


 na 8-26-09
 (US) 8/27/09
 OFMB 8/27/09
 CW 8/25/09


 Contract Administration

B. Legal Sufficiency:


 Senior Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment.

s:\2008_09\CDBG-RVAIS File and Recieve.docx



U.S. Department of Housing and Urban Development

Atlanta Region, Miami Field Office
Brickell Plaza Federal Building
909 SE First Avenue, Rm. 500
Miami, FL 33131-3042

1001 23 2009

July 17, 2009

Honorable John F. Koons
Chairperson Palm Beach County
Board of County Commissioners
301 North Olive Avenue, 12th Floor Suite 1201
West Palm Beach, FL 33401

Dear Mayor Ortis:

The American Recovery and Reinvestment Act of 2009 (Recovery Act), signed into law on February 17, 2009, appropriated \$1 billion in CDBG funds to states and local governments to carry out, on an expedited basis, eligible activities under the CDBG program. The Recovery Act is an unprecedented effort to jumpstart the American economy, save and create millions of jobs, and address long-neglected challenges so our country can thrive in the 21st century. The CDBG program is a key component in states and local efforts to stabilize neighborhoods and create jobs.

The Department is pleased to announce that the Substantial Amendment to your jurisdiction's Fiscal Year 2008 Action Plan has been approved. Palm Beach County has been authorized to receive \$1,846,758 in Community Development Block Grant Recovery (CDBG-R) Program funding. Please note that all CDBG-R funds must be spent no later than September 30, 2012. Please be advised that HUD establishes a cut-off date for submission of draw requests several days before the end of a fiscal year because of systems and disbursing related issues. You will be notified of the expenditure cut-off date for the CDBG-R grant funds in 2012.

Enclosed are three copies of the Grant Agreement (including the Funding Approval (Form HUD-7082) and Special Conditions) between the U. S. Department of Housing and Urban Development (HUD) and Palm Beach County for the CDBG-R Program.

In order to establish a Line of Credit for your CDBG-R grant, it will be necessary to execute and return two copies of the Grant Agreement, retaining one copy for your files. Failure to execute and return the grant agreements within 30 days of the transmittal date may be deemed to constitute rejection of the grant and cause for HUD to determine that the funds are available for reallocation to other grantees.

If there is a need to delete or add individuals authorized to access the Integrated Disbursement and Information System (IDIS), an IDIS Security Access Authorization Form (February 1999) must be prepared, notarized, and returned to this office with the Grant Agreement. Forms are enclosed. Program progress must be recorded in IDIS on a regular basis. HUD will use this system to obtain beneficiary data and monitor your jurisdiction's program implementation and performance.

HUD's mission is to increase homeownership, support community development and increase access to affordable housing free from discrimination

www.hud.gov

espanol.hud.gov

If there is need to establish or change the depository account to which these grant funds are to be wired, a Direct Deposit Sign-Up Form (SF-1199A) must be completed by you and your financial institution and mailed to this office.

Grantees are reminded that the Recovery Act was enacted to provide an immediate stimulus to the economy. The quarterly reporting requirements discussed below are one manifestation of the need for all grantees to demonstrate how CDBG-R funds are being put to immediate use, to stimulate the economy as well as to produce long-term improvements. Another reason that Recovery Act funds have been provided to states and local governments is the recognition that states and local governments are suffering from serious budgetary constraints as a result of simultaneous revenue shortfalls and increased demand for services. The current practice by many grantees - to meet immediate cash needs by paying outstanding obligations for CDBG activities with local funds, and then to obtain reimbursement from their Line of Credit on a semi-annual or yearly basis - works against governments' fiscal constraints as well as the transparency provisions of the Recovery Act. HUD strongly encourages grantees to examine their current funds drawdown practices for HUD formula grant funding, and to make adjustments as necessary to ensure that CDBG-R funds are drawn down on a regular basis. HUD expects that grantees will draw down CDBG-R funds on at least a quarterly basis, assuming the existence of actual cash needs for CDBG-R activities, and consistent with federal financial management regulations.

Certain activities are subject to the provisions of 24 CFR Part 58, Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities. Funds for such activities may not be obligated or expended unless the release of funds has been approved in writing by HUD. A request for the release of funds must be accompanied by an environmental certification. Appropriate forms are enclosed.

The Recovery Act requires that all State and local governments receiving Recovery Act funds report on the status of the environmental compliance reviews for all of their Recovery Act funded activities. HUD grantees are required to go to: http://portal.hud.gov/app_ramps/ and complete the information for all Recovery Act funded activities. Information should be entered when an activity's environmental compliance review is started and when it is completed. This reporting requirement will continue throughout the implementation period of the activity.

You are also reminded that the Recovery Act requires timely and accurate reporting of the CDBG-R grant in IDIS. Section 1512 of the Recovery Act requires that no later than 10 days after the end of each calendar quarter, each grantee is required to comply with quarterly reporting requirements regarding: (1) the total amount of recovery funds received; (2) the amount of recovery funds received that were expended or obligated to project activities; and (3) a detailed list of all projects or activities for which recovery funds were expended or obligated, including the name of the project or activity; a description of the project or activity; an evaluation of the completion status of the project or activity; an estimate of the number of jobs created and number of jobs retained by the project or activity; and for infrastructure investments made, the purpose, total cost and rationale of the agency for funding infrastructure investment with funds made available under the Recovery Act and name of person to contact at the jurisdiction, if there are concerns with the infrastructure

At this time, HUD intends that grantees will enter this data into IDIS so that HUD can automatically generate the quarterly reports. However, the Office of Management and Budget has not finalized the government-wide reporting requirements for Recovery Act funds, and may not do so until mid-August. HUD will provide guidance on specific reporting requirements at a later date. The necessary changes to IDIS to accommodate CDBG-R reporting requirements have not been fully implemented yet. In the meantime, please make sure you are collecting all necessary data, both from grantee sources and from all subrecipients and contractors, as it may be necessary for you to backfill this data into IDIS at a later date once system changes have been made.

Section 1605 of the Recovery Act requires grantees to comply with provisions of the Buy American Act for all CDBG-R assisted public buildings and public works. HUD is in the process of developing further implementation guidance for grantees regarding compliance with this provision and the process for requesting a waiver of these provisions.

Section 1604 of the Recovery Act contained language that significantly expanded the applicability of Davis-Bacon Act labor standards provisions to CDBG-R funded construction work. Please be advised that Section 1205 of the Supplemental Appropriations Act signed by President Obama on June 24, 2009, repealed the applicability of Section 1604 of the Recovery Act CDBG-R activities. All CDBG-R funded construction activities are now subject to the same labor standard provisions that apply to regular (annual formula) CDBG funding, pursuant to Section 110 of the Housing and Community Development Act of 1974, as amended.

Please return two copies of the executed grant agreement to this office at the following address:

U.S. Department of Housing and Urban Development
Miami Field Office
Community Planning and Development Division
909 SE 1st Ave., Room 500
Miami, FL 33131-3042

If you have any questions or require any assistance, please contact La Vora Bussey, Community Planning and Development Representative, at (305) 520-5007. We look forward to working with you and your staff throughout the coming year.

Sincerely,



Armando Fana
Field Office Director

Enclosures

Funding Approval/Agreement

Title I of the Housing and Community Development Act (Public Law 930383)

U.S. Department of Housing and Urban Development
Office of Community Planning and Development
Community Development Block Grant Program

HI-00515R of 20515R

1. Name of Grantee (as shown in item 5 of Standard Form 424) Palm Beach County	3. Grantee's 9-digit Tax ID Number 596000785	4. Date use of funds may begin (mm/dd/yyyy) 06/04/2009
2. Grantee's Complete Address (as shown in item 5 of Standard Form 424) 301 North Olive Avenue, 12th Floor, Suite 1201 West Palm Beach, FL 33401 CDBG-R Appropriation Code - 869/00161 DUNS # - 078470481	5a. Project/Grant No. 1 B-09-UY-12-0004	6a. Amount Approved \$1,846,758
	5b. Project/Grant No. 2	6b. Amount Approved
	5c. Project/Grant No. 3	6c. Amount Approved

Grant Agreement: This Grant Agreement between the Department of Housing and Urban Development (HUD) and the above named Grantee is made pursuant to the authority of Title I of the Housing and Community Development Act of 1974, as amended, (42 USC 5301 et seq.). The Grantee's submissions for Title I assistance, the HUD regulations at 24 CFR Part 570 (as now in effect and as may be amended from time to time), and this Funding Approval, including any special conditions, constitute part of the Agreement. Subject to the provisions of this Grant Agreement, HUD will make the funding assistance specified here available to the Grantee upon execution of the Agreement by the parties. The funding assistance specified in the Funding Approval may be used to pay costs incurred after the date specified in item 4 above provided the activities to which such costs are related are carried out in compliance with all applicable requirements. Pre-agreement costs may not be paid with funding assistance specified here unless they are authorized in HUD regulations or approved by waiver and listed in the special conditions to the Funding Approval. The Grantee agrees to assume all of the responsibilities for environmental review, decision making, and actions, as specified and required in regulations issued by the Secretary pursuant to Section 104(g) of Title I and published in 24 CFR Part 58. The Grantee further acknowledges its responsibility for adherence to the Agreement by sub-recipient entities to which it makes funding assistance hereunder available.

U.S. Department of Housing and Urban Development (By Name)

MARIA R. ORTIZ
Title
CPD DIRECTOR - MIAMI F.O.
Signature *[Handwritten Signature]*
Date (mm/dd/yyyy) **07/21/09**

Grantee Name
Robert Weisman
Title
County Administrator

Signature *[Handwritten Signature]*
Date (mm/dd/yyyy) **07/20/2009**

7. Category of Title I Assistance for this Funding Action (check only one) <input checked="" type="checkbox"/> a. Entitlement, Sec 106(b) <input type="checkbox"/> b. State-Administered, Sec 106(d)(1) <input type="checkbox"/> c. HUD-Administered Small Cities, Sec 106(d)(2)(B) <input type="checkbox"/> d. Indian CDBG Programs, Sec 106(a)(1) <input type="checkbox"/> e. Surplus Urban Renewal Funds, Sec 112(b) <input type="checkbox"/> f. Special Purpose Grants, Sec 107 <input type="checkbox"/> g. Loan Guarantee, Sec 108	8. Special Conditions (check one) <input type="checkbox"/> None <input checked="" type="checkbox"/> Attached	9a. Date HUD Received Submission (mm/dd/yyyy) 06/04/2009 9b. Date Grantee Notified (mm/dd/yyyy) 06/17/2009 9c. Date of Start of Program Year (mm/dd/yyyy)	10. check one <input checked="" type="checkbox"/> a. Orig. Funding Approval <input type="checkbox"/> b. Amendment Amendment Number
11. Amount of Community Development Block Grant		FY (yyyy) 2009	FY (yyyy)
a. Funds Reserved for this Grantee		\$1,846,758	
b. Funds now being Approved		\$1,846,758	
c. Reservation to be Cancelled (11a minus 11b)		0	

12a. Amount of Loan Guarantee Commitment now being Approved
Not Applicable

12b. Name and complete Address of Public Agency
Not Applicable

Loan Guarantee Acceptance Provisions for Designated Agencies:
The public agency hereby accepts the Grant Agreement executed by the Department Housing and Urban Development on the above date with respect to the above grant number(s) as Grantee designated to receive loan guarantee assistance, and agrees to comply with the terms and conditions of the Agreement, applicable regulations, and other requirements of HUD now or hereafter in effect, pertaining to the assistance provided it.

12c. Name of Authorized Official for Designated Public Agency
Not Applicable

Title
Signature
Date (mm/dd/yyyy)

HUD Accounting use Only

Batch	TAC	Program	Y	A	Reg	Area	Document No.	Project Number	Category	Amount	Effective Date (mm/dd/yyyy)	F
	153											
	176											
			Y									
			Y									

Date Entered PAS (mm/dd/yyyy)	Date Entered LOCCS (mm/dd/yyyy)	Batch Number	Transaction Code	Entered By	Verified By
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**SPECIAL CONDITIONS TO THE GRANT AGREEMENT FOR
COMMUNITY DEVELOPMENT BLOCK GRANT RECOVERY (CDBG-R) FUNDS
AUTHORIZED AND APPROPRIATED
UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009
(PUBLIC LAW 111-5, FEBRUARY 17, 2009)**

CDBG-R GRANTEE: Palm Beach County
CDBG-R GRANT NUMBER: B-09-UY-12-0004
CDBG-R GRANT AMOUNT: \$1,846,758
CDBG-R APPROVAL DATE: July 17, 2009

Special Conditions:

The terms of the Grant Agreement include the following special conditions:

1. The Grant Agreement between the U.S. Department of Housing and Urban Development (HUD) and the above named Grantee, is made pursuant to the authority of Title XII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-5) (the Recovery Act). The Grantee acknowledges that the CDBG-R grant is one-time funding.
2. The Grant Agreement is governed by and the Grantee shall comply with the requirements of the Recovery Act; the Notice of Program Requirements for Community Development Block Grant Program Funding Under the American Recovery and Reinvestment Act of 2009, 74 Fed. Reg. 21816 (May 11, 2009) available at <http://www.hud.gov/recovery/cdbblock.cfm> (as now in effect and as may be amended from time to time) (the Notice); Title I of the Housing and Community Development Act of 1974, as amended (42 USC 5301 et seq.) (as modified by the Notice); and, the HUD regulations at 24 CFR part 570 (as now in effect and as may be amended from time to time) as modified by the Notice (the Regulations). The Grantee's submissions, the Notice, the Funding Approval/Agreement (form HUD-7082) and the special conditions described herein are incorporated by reference and constitute part of the Grant Agreement. Submissions include the CDBG-R action plan substantial amendment, including the certifications and assurances and any information or documentation required to meet any grant award conditions. In the event of conflict between a provision of the Grantee's submissions and any other provision of this Grant Agreement document, the latter shall control.
3. The Grantee shall comply with government-wide guidance and standard award terms established by the Office of Management and Budget (OMB) concerning the implementation of the Recovery Act, including *Requirements for Implementing Sections 1512, 1605, and 1606 of the American Recovery and Reinvestment Act of 2009 for Financial Assistance Awards*, 74 Fed. Reg. 18449 (April 23, 2009) (to be codified at 2 CFR Part 176) (as now in effect and as may be amended from time to time). Notwithstanding the foregoing, the

Grantee shall comply with Section 110 of the CDBG Statute concerning the Davis-Bacon Act. The Grantee shall comply with reporting requirements established by HUD and OMB (including all revisions to such reporting requirements), as well as Sections 1511, 1515, and 1553 of the Recovery Act (including implementing guidance).

4. The Grantee shall at all times maintain an up-to-date copy of its Grantee Submission, including all amendments approved by HUD, on its Internet website as required by the Notice. The Grantee shall maintain information on all drawdowns, deposits, and expenditures of grant funds and program income under this Grant Agreement and any other records required by applicable law, in its files, and shall make such information available for audit or inspection by duly authorized representatives of HUD, HUD's Office of the Inspector General, the Recovery Act Transparency Board, or the Comptroller General of the United States.
5. In addition to other lawful remedies, HUD reserves the right to restrict access to grantees' CDBG-R funds for delinquent, incomplete, or inaccurate reporting. This includes the right to suspend access to the Integrated Disbursement and Information System (IDIS) should the Grantee fail to comply with quarterly CDBG-R reporting requirements.
6. The Grantee may take advantage of the pre-award costs provisions at 24 CFR 570.200(h) to incur pre-award costs associated with the development of the substantial amendment to the action plan beginning May 5, 2009. The Grantee may also incur costs prior to the grant award for specific activities as of the date the CDBG-R action plan substantial amendment was submitted to HUD.
7. The Grantee is advised that providing false, fictitious or misleading information with respect to CDBG-R funds may result in criminal, civil or administrative prosecution under 18 U.S.C. § 1001, 18 U.S.C. § 1343, 31 U.S.C. § 3729, 31 U.S.C. § 3801 or another applicable statute. The Grantee shall promptly refer to HUD's Office of the Inspector General any credible evidence that a principal, employee, agent, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving CDBG-R funds.
8. In any contract involving the use of CDBG-R funds, the Grantee shall include, and require its subrecipients and contractors to include, a project sign provision consistent with criteria established by the Secretary.
9. The Grantee shall have until September 30, 2012, to expend the entire CDBG-R Grant Amount. CDBG-R funds not expended by September 30, 2012, will be recaptured by HUD.
10. The Grantee shall extend all applicable terms and conditions of this grant award to subrecipients and contractors, including obtaining a DUNS number (or updating the existing DUNS record), and registering with the Central Contractor Registration (CCR).
11. The Grant Agreement may be amended in writing by HUD. In considering proposed amendments to this Grant Agreement, HUD shall review, among other things, whether the amendment is otherwise consistent with the Recovery Act, the Housing and Community Development Act, the Notice and the Regulations.

BOARD OF COUNTY COMMISSIONERS
PALM BEACH COUNTY, FLORIDA
BUDGET AMENDMENT

FUND 1111 - CDBG - RECOVERY PROGRAM

Use this form to provide budget for items not anticipated in the budget.

ACCOUNT NUMBER	ACCOUNT NAME	ORIGINAL BUDGET	CURRENT BUDGET	INCREASE	DECREASE	ADJUSTED BUDGET	EXPENDED/ ENCUMBERED	REMAINING BALANCE
REVENUE								
143-1424-3154	Community Development Block Grant	0	0	1,846,758	0	1,846,758		
	TOTAL REVENUE	0	0	1,846,758	0	1,846,758		
EXPENDITURES								
143-1425-1201	Salarie & Wages (Regular)	0	0	93,587	0	93,587		
143-1425-2101	Fica - Taxes	0	0	5,802	0	5,802		
143-1425-2105	Fica Meidcare	0	0	1,357	0	1,357		
143-1425-2201	Retirement Contributions - FRS	0	0	10,154	0	10,154		
143-1425-2301	Insurance - Life & Health	0	0	18,192	0	18,192		
143-1425-3124	Lega Services - County Attorney	0	0	2,000	0	2,000		
143-1425-3401	Other Contractual Services	0	0	2,000	0	2,000		
143-1425-4001	Travel and Per Diem	0	0	5,000	0	5,000		
143-1425-4101	Communication Service	0	0	2,000	0	2,000		
143-1425-4205	Postage	0	0	2,000	0	2,000		
143-1425-4406	Rent - Office Equipment	0	0	4,000	0	4,000		
143-1425-4701	Printing and Binding	0	0	3,000	0	3,000		
143-1425-4703	Graphic Charges	0	0	2,000	0	2,000		
143-1425-4941	Registration Fees	0	0	1,000	0	1,000		
143-1425-4946	Advertising/Legal	0	0	3,000	0	3,000		
143-1425-4979	Indirect Cost	0	0	20,000	0	20,000		
143-1425-5101	Office Supplies	0	0	3,000	0	3,000		
143-1425-5111	Furniture/Equipmnet	0	0	3,584	0	3,584		
143-1425-5121	DP Software/Accessories	0	0	3,000	0	3,000		
143-1425-8101	Contributions - Other Govt Agencies	0	0	1,384,000	0	1,384,000		
143-1425-8201	Contributions - Non Govt Agencies	0	0	275,000	0	275,000		
	TOTAL EXPENDITURES	0	0	1,843,676	0	1,843,676		

Housing and Community Development
INITIATING DEPARTMENT/DIVISION
Administration/Budget Department Approval
OFMB Department - Posted

Signatures
Edward R. Long
Date
8/21/09

By Board of County Commissioners
At Meeting of :
September 1, 2009
Deputy Clerk to the
Board of County Commissioners