Summary of Substantial Amendment

The City of Cleveland is applying for a Substantial Amendments to the 2014 Consolidated Plan Annual Action Plan as required by the US Department of Housing and Urban Development (HUD) outlined in 24 CFR Part 91. Per HUD regulations and City policy, any increase of a proposed budget for an activity listed in the plan is increase by more than 100%, and/or the City proposes to plan/carry-out a new activity not described in the plan, and/or the City proposes not to carry-out an activity described in the Consolidated plan, the applicable change must be made only after a substantial amendment is approved by HUD.

The proposed changes to the 2014 Annual Action Plan are related to HOME Investment Partnership funded programs. The proposed substantial amendment will reprogram Pre-2015 HOME funds. The proposed changes do not change or affect any goals outlined in the 2011-2016 Consolidated Plan, as each effected program will be able to meet the demand for those programs from either FY2015 HOME funds or supplemental CDBG funding allocated to those programs.

Reprogramming of Pre-2015 HOME Funds Table

Program	Amount to Reduce	Amount to Add
Senior Housing Assistance Program (SHAP)	$ (619,000)	$ -
Housing Trust Fund (HTF)	$ -	$ 619,000
TOTAL:	**$ (619,000)**	**$ 619,000**

Rationale for Substantial Amendment

24 CFR §92.500 requires that the participating jurisdiction (The City of Cleveland) must commit their HOME allocation within 24 months of HUD's notification that they have executed the HOME Investment Partnership Grant Agreement. HUD also introduced a change to the "First In – First Out" accounting principal to Grant Based Accounting.

The introduction of Grant based accounting requires the participating jurisdiction to commit all Pre-2015 HOME funds from FY2014 and prior year grant awards for the FY2014 commitment deadline. While HOME funds were budgeted to SHAP in FY2014, the program design of SHAP is better tailored to continued use of CDBG funds and, consequently, the funds have not been expended for SHAP. SHAP will continue as a CDBG-funded program. Pre-2015 HOME balance of the programs will be reallocated toward the Housing Trust Fund which has a pipeline of projects which would encumber the amount transferred from those programs.

The SHAP program is also supplemented with grant funds from the Community Development Block Grant (CDBG). The City does not foresee that during FY2015 or FY2016 program years, that eligible applicants would be denied participation in the program due to lack of funding.

If Pre-2015 HOME funds are not committed by the July 31, 2016 deadline, 24 CFR §92.500 allows HUD to reduce or recapture HOME funds in the amount of the funds that are not committed prior to the deadline.

Citizen Participation and Public Comment

The citizen participation and public comment process includes providing public notice that will be published in a newspaper(s) of general circulation identifying all activities, the type of change and budget impacted by the substantial amendment. The City's Citizen Participation plan requires a minimum of thirty days from the publication date for citizen review, questions and/or comments. All written and verbal comments will be reviewed and considered prior to the obligation or decertification of funds for any proposed substantial activity change. All comments will be responded to, in writing, within fifteen (15) working days of their receipt.

Post Public Comment Period

The Proposed Substantial Amendment will be submitted to HUD after the public comment period. Additionally, concurrent with the public-comment period, legislation will be considered by Cleveland City Council to authorize the proposed changes.

Citizens' inquiries and comments should be submitted no later than 4:00pm, May 09, 2016, and may be directed to:

City of Cleveland
Department of Community Development
Contact: Joy Anderson, Acting Commissioner
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Cleveland, Ohio 44114
216-664-2055
janderson2@city.cleveland.oh.us