



Community Development Committee

Business Item

Item: 2009-93

Meeting date: March 16, 2009

ADVISORY INFORMATION	
Date:	March 9, 2009
Subject:	Board Resolution 2009 ____ Family Affordable Housing Program American Recovery and Reinvestment Act Funding
District(s), Member(s):	All
Policy/Legal Reference:	MN Statute 473.13 – Council Budget Requirements
Staff Prepared/Presented:	Beth Reetz, Director, Housing & Livable Communities
Division/Department:	Community Development

Proposed Action:

1. That the Metropolitan Council approve the receipt and expenditure of \$212,000 in American Recovery and Reinvestment Act (ARRA) Funding from the U.S. Department of Housing and Urban Development (HUD) for the public housing units that comprise the Council’s Family Affordable Housing Program (FAHP).
2. That the Metropolitan Council authorize the Chair to execute the attached HUD Board Resolution Form.

Background

The U.S. Department of Housing and Urban Development (HUD), through the American Recovery and Reinvestment Act (ARRA), is awarding the Metropolitan Council Housing and Redevelopment Authority (Metro HRA) \$212,000 in capital funding. Nearly three billion dollars in Capital Funds are being awarded to public housing authorities across the Country through a formula based on the number and age of units in each program’s portfolio. The funds are expected to result in jobs for thousands of construction workers working to modernize tens of thousands of public housing units.

The AARA requires the funds be used for capital and management activities for: 1) projects that can award contracts within 120 days of the funds availability, 2) capital projects already underway or included in the agency’s 5-year plan, and 3) rehabilitation of vacant rental units. The funds are to be used to increase energy efficiency and lower the long term costs of operating the FAHP units. The funds may not be used to fund operations nor to supplant expenditures from other federal or local sources of funds.

The FAHP does not have any vacant units requiring rehabilitation or capital projects already underway. Therefore the funds will be used to accomplish previously identified improvements needed in which contracts can be awarded within 120 days. The improvements will include roof, window, siding and concrete replacements, gutter installation and deck repairs. .

In order to comply with the congressional deadline, HUD must distribute the funds by March 19, 2009. HUD requires housing agencies to submit a Board Resolution authorizing receipt and expenditure of the funds prior to fund distribution.

A budget amendment to reflect the receipt and expenditure of the funds will be included in the first or second quarter amendment to the Council’s 2009 Consolidated Budget.

Rationale

The ARRA funds will assist with expediting needed repairs and improvements on FAHP units that would otherwise have been delayed.

Funding

The funding provided by the ARRA is a one-time Capital Fund award that must be fully obligated within one year and fully expended within three years.

Known Support / Opposition

There is no identified opposition to this request.

METROPOLITAN COUNCIL
390 Robert Street North, St. Paul, Minnesota 55101
651/602/1000 TDD 651/602-0904

RESOLUTION NO. 2009-XX

**RESOLUTION APPROVING THE RECEIPT AND EXPENDITURE OF CAPITAL FUNDS
AWARDED UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT THROUGH THE
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

WHEREAS:

1. The Metropolitan Council Housing and Redevelopment Authority (Metro HRA), MN163, was awarded \$212,000 in capital funding through the American Recovery and Reinvestment Act (ARRA); and
2. The Department of Housing and Urban Development requires a resolution number as part of the Capital Fund award process.

I certify on behalf of the Metro HRA that:

1. The funds will be used in accordance with all statutory and regulatory requirements and in accordance with the provisions of the ARRA.

NOW, THEREFORE, BE IT RESOLVED BY THE METROPOLITAN COUNCIL

That the receipt and expenditure of the above referenced capital fund is hereby approved.

Adopted this 25th day of March 2009.

Peter Bell , Chair

Pat Curtiss, Recording Secretary