

DRAFT
April 23, 2009

Substantial Amendment to the Consolidated Plan

**HOMELESS PREVENTION AND RAPID RE-HOUSING PROGRAM (HPRP)
COMMUNITY DEVELOPMENT BLOCK GRANT – RECOVERY PROGRAM
SUBSTANTIAL AMENDMENT TO
THE CONOLIDATED PLAN/ACTION PLAN 2008
SCRANTON, PENNSYLVANIA
JANUARY 1, 2008 – DECEMBER 31, 2008**

Web Address where this amendment is posted:
www.scrantonpa.gov/oecd.html

Contact: Linda B. Aebli, Executive Director
Office of Economic and Community Development
538 Spruce Street, Suite 812
Scranton, Pennsylvania 18503
Telephone: 570/348-4216
Fax: 570/348-4123
Email: Laebli@scrantonpa.gov

ATTEND THE PUBLIC HEARING
For Review and Comment on this Substantial Amendment

**April 29, 2009
4:00 P.M.
City Hall
Council Chambers
340 North Washington Avenue
Scranton, Pennsylvania 18503**

Background

Scranton, Pennsylvania is eligible to receive \$916,485 in Community Development Block Grant-Recovery (CDBG-R) funding from the United States Department of Housing and Urban Development (HUD) through the American Recovery and Reinvestment Act of 2009 (ARRA or "the Recovery Act"). The administering office for these funds is Scranton's Office of Economic and Community Development. The office contact is Linda B. Aebli, Executive Director, as noted above.

This funding, referred to as "CDBG-R" is separate from the regular, annual CDBG funds that Scranton receives every year. Scranton received \$3,362,611.00 in CDBG funds in 2008 (January 1, 2008 – December 31, 2008) and has not yet received notice from HUD concerning CDBG funding for 2009 but anticipates the same or a slightly increased level of funding.

Scranton is required to amend its existing Consolidated Plan to include the CDBG-R funds. The Consolidated Plan/Action Plan 2008 provides specific information about projects that are currently being funded as CDBG eligible activities, and it is expected that similar activities will be eligible for CDBG-R funding.

The CDBG program enables local governments to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income. The full range of CDBG eligible activities and projects will be considered for CDBG-R funds based on further guidance as provided by HUD; however, the Recovery Act directs that priority be given to projects that can award contracts based on bids within 120 days from the date the funds are made available.

HUD is expected to issue a "CDBG-R Notice" to provide additional guidelines and requirements for the use of CDBG-R funding. This Notice has not yet been issued; however, it is anticipated to be issued in the near future, and the content of this substantial amendment may change as a result.

Scranton is also receiving \$1,401,867 in Homeless Prevention and Rapid Re-Housing Program (HPRP) funds under the Recovery Act. In order to ease the administrative burden associated with preparation and submission of a substantial amendment to the Consolidated Plan, HUD is allowing Scranton to consolidate the two amendment processes and to submit the CDBG-R substantial amendment simultaneously with the HPRP substantial amendment by the HPRP submission deadline of May 18, 2009. As noted above, the public is invited to a Public Hearing on Wednesday, April 29, 2009 to review and comment on this substantial amendment.

Citizen Participation and Public Comment

Scranton is following its Citizen Participation Plan to ensure the opportunity for public review and comment on this substantial amendment to the Consolidated Plan/Action Plan for January 1, 2008 – December 31, 2008. A newspaper advertisement has been published in the Scranton Times/Tribune, a newspaper of general circulation on Wednesday, April 22, 2009 inviting the public to review and comment on the draft substantial amendment and participates in a Public Hearing on Wednesday, April 29, 2009.

The substantial amendment is posted on www.scrantonpa.gov/oecd.html and is also available in alternative formats by calling 570/348-4216.

Comments on the draft substantial amendment is open for a 12-day period until Monday, May 11, 2009 and all comments will be considered. A summary of the public comments regarding this substantial amendment will be provided to HUD, including a summary of any comments or views not accepted and the reasons for non-acceptance.

CDBG-R Funding

Priority Areas – In accordance with federal guidelines and requirements for the use of CDBG-R funding, Scranton through the Office of Economic and Community Development (OECD) will give priority to eligible activities that can be implemented within 120 days from the date the funds are made available. These projects will be given priority so that OECD can expend funds quickly in accordance with CDBG-R guidance.

Eligible Activities

CDBG-R money will be used to fund projects in conjunction with other public and private funding. Specific activities will be determined as eligible based on guidance to be provided by HUD in the "CDBG-R Notice". Efforts will focus on job creation and infrastructure activities for funding that support broad neighborhood improvement strategies. The tentative projects that are to be funded are:

• Paving of city streets in low to moderate income areas	\$300,000.00
• Economic Development Projects – Job Creation	\$400,000.00
• Crisp Avenue Bridge	\$150,000.00
• Program Administration	<u>\$ 66,485.00</u>
	\$916,485.00

Scranton's Office of Economic and Community Development plans to oversee and monitor the administration and use of CDBG-R in accordance with practices currently in place and approved by HUD for use in the CDBG program. These include, among others, affirmatively furthering fair housing, conducting required environmental reviews, complying with financial management requirements and complying with all applicable Federal Labor Standards. In addition, OECD will follow local requirements as well as its own standard operating procedures. These include monitoring and record keeping in compliance with all federal requirements.

Homeless Prevention and Rapid Re-Housing Program (HPRP)

Scranton partnered with the Lackawanna County Continuum of Care as part of the Continuum of Care strategic planning to address and prevent homelessness. Agencies include Catholic Social Services, Catherine McAuley Center, Community Intervention Center, St. Joseph's Center, United Neighborhood Centers and the Women's Resource Center. The following are tentative activities to be funded by HPRP in the amount of \$1,401,867.00.

Financial Assistance	Homeless Prevention	Rapid Re-Housing	Total		Finan	Relocation	Admin	Total
McAuley		\$144,000		Mcauley	\$144,000	\$90,000	\$6,141	\$240,141
CIC	\$69,000			CIC	\$69,000	\$141,000	\$5,541	\$215,541
St. Joe's		\$120,000		St. Joe's	\$120,000	\$60,000	\$4,791	\$184,791
CSS	\$102,217			CSS	\$102,217	\$107,783	\$5,541	\$215,541
WRC	\$104,760			WRC	\$104,760	\$105,240	\$5,541	\$215,541
UNC	\$127,086			UNC	\$127,086	\$160,689	\$7,491	\$295,266
TOTAL	\$403,063	\$264,000	\$667,063					
				City of Scr			\$35,046	\$35,046
Housing Relocation	Homeless Prevention	Rapid Re-Housing	Total					\$1,401,867
McAuley		\$90,000						
CIC	\$141,000							
St. Joe's		\$60,000						
CSS	\$107,783							
WRC	\$105,240							
UNC	\$160,689							
TOTAL	\$514,712	\$150,000	\$664,712					
SubTotal	\$917,775	\$414,000	\$1,331,775					
Admin for Programs								
McAuley		\$6,141						
CIC	\$5,541							
St. Joe's		\$4,791						
CSS	\$5,541							
WRC	\$5,541							
UNC	\$7,491							
TOTAL for programs	\$24,114	\$10,932	\$35,046					
City of Scranton Admin			\$35,046					
			\$1,401,867					