

**RESOLUTION NO. 2017-058**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HESPERIA, CALIFORNIA, APPROVING THE AMENDMENT TO THE FY 2017-18 GENERAL FUND AND CDBG BUDGETS TO REIMBURSE THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) 2012-2013 MICROENTERPRISE**

**WHEREAS**, the City Council adopted and approved the Fiscal Year 2017-18 budget via Resolution No. 2017-027 on June 20, 2017; and

**WHEREAS**, the United States Department of Housing and Urban Development (HUD) requires the City to adopt and implement a Five-Year Consolidated Plan for the expenditure of the City's annual allocation of Community Development Block Grant (CDBG) funds in support of projects and activities predominantly benefitting low- and moderate-income residents; and

**WHEREAS**, the Consolidated Plan contains certain goals and accomplishments to be met during the five-year consolidated planning period through the expenditure of CDBG funds and other identified funding sources; and

**WHEREAS**, the Consolidated Plan is carried out through Annual Action Plans which provide a concise summary of the actions, activities, and the resources that will be used each year to address the priority needs and specific goals identified by the Consolidated Plan; and

**WHEREAS**, HUD has the authority to perform periodic onsite monitorings of the City's CDBG programs and activities; and

**WHEREAS**, the City received a five-day (5-day) onsite monitoring visit from HUD which commenced on April 10, 2017; and

**WHEREAS**, the City received a formal monitoring letter on June 7, 2017 reporting a total of four (4) findings and one (1) concern; and

**WHEREAS**, the City was informed that one (1) activity from HUD's onsite monitoring visit did not meet a national objective and would result in the repayment of funds to the City's line of credit with HUD in the amount of \$119,227; and

**WHEREAS**, the City has approved the cancellation of the 2012-2013 Microenterprise activity; and

**WHEREAS**, the City has approved the repayment of \$119,227 into the City's line of credit with HUD; and

**WHEREAS**, the City has approved the reprogramming of \$119,227 into the City's 2017-18 Street Improvement Project; and

**WHEREAS**, the approved Fiscal Year 2017-18 Budget requires an amendment to reimburse \$119,227 from the City's General Fund Budget to HUD/CDBG for the disallowed costs, with an additional amendment needed for \$119,227 to utilize the funds for the FY 2017-18 CDBG Street Improvement Project.

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HESPERIA AS FOLLOWS:**

- Section 1. The recitals above are true and correct and are adopted as findings.
- Section 2. The City Council approves an Amendment of \$119,227 to the FY 2017-18 General Fund Budget within account 100-19-220-0000-7749.
- Section 3. The City Council approves an amendment of \$119,227 to the City's FY 2017-18 Community Development Block Grant (CDBG) Budget within expenditure account 251-29-700-7142-8000.
- Section 4. The City Manager and/or Economic Development Manager are hereby authorized to execute and transmit all necessary documents required to complete the reimbursement of \$119,227 and the reprogramming of funds into the City's 2017-18 Street Improvement Project.
- Section 5. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

**ADOPTED AND APPROVED** this 19<sup>th</sup> day of December 2017.

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Russ Blewett, Mayor

ATTEST:

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Melinda Sayre, City Clerk