

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 19th day of December 2017.

Russ Blewett, Mayor

ATTEST:

Melinda Sayre, City Clerk