

CITY OF AUSTIN SUBSTANTIAL AMENDMENT TO THE FISCAL YEAR 2004-09 CONSOLIDATED PLAN AND FISCAL YEAR 2008-09 ANNUAL ACTION PLAN

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM SUMMARY

The American Recovery and Reinvestment Act (ARRA)

The American Recovery and Reinvestment Act (ARRA) was signed into law on Feb. 17, 2009, by President Barack Obama. It is intended to jumpstart the economy as the nation tries to recover from a global economic downturn. Funding is allocated from the Federal government to states, cities, non-profits and other agencies and organizations.

City of Austin Allocation for Community Development Block Grant (CDBG) Program

As part of ARRA, the U.S. Department of Housing and Urban Development allocated \$2,003,003 to the City of Austin for its Community Development Block Grant program. The federal CDBG program provides communities with resources to address a wide range of unique community development needs by enabling 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 City of Austin currently utilizes CDBG funds to administer affordable housing programs for low-income residents, programs for eligible small business owners, commercial revitalization efforts, and public services. Through a public input process, the City of Austin has established program objectives and criteria for its federal stimulus program and a process in which potential, eligible projects will be evaluated. **CDBG funds received through the American Recovery and Reinvestment Act (ARRA) of 2009 will be allocated in compliance with program guidelines released through the U.S. Department of Housing and Urban Development (HUD).**

City of Austin Program Objectives for CDBG Funding through ARRA:

- Develop a federal stimulus program to ensure Austin benefits from this opportunity.
- Seek upfront advice and input from community stakeholders in the decision process.
- Implement funding with full transparency and achievement of stated outcomes and benefits.

City of Austin Program Criteria for CDBG Funding through ARRA:

- Meets federal requirements
- Creates jobs that pay a living wage (\$11/hour as approved by the Austin City Council)
- Projects should be shovel-ready
- Fast turn-around times—projects should be of relatively short duration
- Well-defined and measurable benefits
- Creates a lasting impact for the Austin community
- Improves the quality of life for Austin residents
- Contributes to the environmental sustainability of the community
- Financially sustainable after the expiration of stimulus funds
- Leverages existing resources and programs
- Provides linkages with other stimulus opportunities
- Improves the competitive position of the City and region
- Benefits low to moderate income persons
- Benefits underserved neighborhoods and populations

Public Input

The public may submit suggestions regarding the Substantial Amendment to the Consolidated Plan from April 20, 2009, to May 1, 2009, at Kate.Moore@ci.austin.tx.us. The City will utilize these suggestions to help identify community needs and allocate funding accordingly.