



City of Auburn, Maine  
Economic & Community Development  
Michael Chammings, Director  
60 Court Street | Auburn, Maine 04210  
[www.auburnmaine.gov](http://www.auburnmaine.gov) | 207.333.6601

## CAC Meeting – January 30, 2019

### Agenda

1. Review November 14<sup>th</sup> meeting draft minutes
2. Discuss "Timeliness" Issue
  - a. Senior Center Proposal
3. Annual Action Plan timeline
4. Other Discussion
5. Schedule next meeting
6. Adjournment

**MEETING RECORD**  
**Citizen Advisory Committee**  
**Meeting**  
**November 14, 2018**

**CAC in Attendance:** Holly Lasagna, Belinda Gerry, Joe Gray, Tim Griffin, Doris Russell, Rick Whiting, Diane Whiting and Larry Pelletier

**CAC Absent:** Lance Gagne

**Staff:** Zachary Lenhert and Alison Pepin

**Welcome:**

Committee Chair, Holly Lasagna welcomed everyone to today's meeting.

**CAC September 17, 2018 Meeting Minutes:**

**Motion** made by Rick Whiting to approve the September 17, 2018 CAC Meeting Minutes, **seconded** by Doris Russell.

**Vote:** 5-0-2 Lance Gagne Absent and Diane Whiting not present during vote

**2019-2020 Action Plan Schedule:**

A brief overview of the Action Plan Schedule was given. Zachary Lenhert, CDBG Manager will consult with Jayne Jochum to ensure the Sub-Recipient Training and Request for Proposals is scheduled appropriately.

**Discuss presentation to City Council on November 19:**

Committee Chair, Holly Lasagna gave a brief overview of the Citizen's Advisory Committee Presentation that will be given to the City Council on November 19, 2018. A handout of the presentation was provided to committee members for their review. If they have any comments or suggested changes, they should submit them to Zachary Lenhert, CDBG Manager by Friday.

**Other Business:**

Committee Chair, Holly Lasagna Yvette talked about the recruitment of committee members and how to get more citizen participation. There was discussion on the current membership and the lack of representation in some of the required categories. Zachary Lenhert, CDBG Manager will update the current Citizen Advisory Committee volunteer form and forward to Committee Chair, Holly Lasagna for assistance with recruitment.

**Comments:**

Committee Member Joe Gray recommended a training to encompass the Consolidated Plan, Action Plan and timeline of activities. Zachary Lenhert, CDBG Manager will start working on a Gantt chart to list activities displayed on a timeline.

**Adjournment**

Respectfully submitted,



Alison F. Pepin  
Community Development

## FAQS ON ENTITLEMENT CDBG TIMELINESS

### 1. What is timeliness?

“Timely performance” means compliance with the requirement that a CDBG Entitlement grantee, or Hawaii nonentitlement county grantee, must carry out its program in a timely manner, as measured by the rate of expenditure of funds from the grantee’s Line of Credit. A CDBG Entitlement grantee, in accordance with the CDBG regulations at 24 CFR 570.902, must have a balance no greater than one and one-half (1.5) times its annual grant remaining in the line-of-credit, 60 days prior to the end of the program year. HUD has a longstanding policy of reducing the future year’s grant of a grantee that continues to be untimely.

### 2. Why is it so important for a CDBG grantee to ensure that its balance in its line of credit does not exceed 1.5 times its most recent allocation, when the measurement is taken?

Section 104(e) of the Housing and Community Development Act of 1974, as amended, requires HUD to determine annually whether each CDBG entitlement grantee is carrying out its activities “in a timely manner.” In addition to meeting the legal requirements, CDBG funds must be spent on time to achieve the objectives of the program. CDBG funds are used to meet the economic, infrastructure and social needs of under-served, distressed neighborhoods and therefore Congress wants to make sure that funds are being spent on a regular basis to meet those needs. Congress is not receptive to increasing CDBG program funding if CDBG grantees cannot promptly spend the money they already have.

### 3. Why does HUD measure timely expenditure performance 60 days before the end of a grantee’s program year, instead of on the last day of the program year?

HUD measures a CDBG grantee’s timely expenditure performance 60 days before the end of a grantee’s program year so that if it is necessary to impose a corrective action, the grantee will likely be informed of the sanction amount prior to the start of the grantee’s subsequent program year, and the grant agreement can be issued for the reduced amount.

### 4. Is program income included in the timeliness test?

Yes. The timeliness test, which is taken 60 days before the grantee’s program year end date, includes available grant balances undisbursed by LOCCS and CDBG program income the grantee has on hand. This includes the program income that a grantee may have on hand in a revolving loan fund, referenced as “RL” funds in IDIS.

### 5. Will a grantee automatically be sanctioned for being untimely?

The first year that a CDBG grantee is untimely, the HUD Field Office will send the grantee a finding letter and the grantee will have to respond with a workout plan showing how it intends to get back into compliance before the next measurement date: i.e., how it

will speed up its overall expenditure rate, how it will spend down the backlog of funds, and how it will fix the problems that caused the untimely expenditure performance.

The second year that an entitlement grantee is untimely, HUD has the authority to reduce the next year's grant by the dollar amount by which the grantee missed the 1.50 ratio. Before making any decision, HUD Headquarters will invite the grantee to participate in an informal consultation, pursuant to 24 CFR 570.911 in the CDBG regulations.

**6. What are some ways that a CDBG grantee can avoid timeliness problems?**

- a. Select activities in the Action Plan that are ready to go and include a list of back-up activities that could be funded in case the originally selected activities encounter delays.
- b. Reprogram funds, in the above example, and include the original activity in a later year's Action Plan once it is ready to proceed. Consider if any changes are needed to your citizen participation plan to facilitate fund reprogramming.
- c. Consider making fewer, larger awards to subrecipients, and consider experience and/or past performance when choosing subrecipients, to ensure that funds are being expended in a timely manner.
- d. Consider breaking large infrastructure/construction projects into phases spread across several years' Action Plans. For example, fund the architectural/engineering work in year one, fund the water and sewer line replacements in year two, and fund the street and sidewalk reconstruction in year three.
- e. Make use of the regulatory authority to incur-pre-award costs (24 CFR 570.200(h)), where appropriate and permitted by state/local law.
- f. Set performance deadlines in subrecipient agreements and contracts and enforce them. If necessary, reprogram funds from a slow-moving activity to a ready-to-go, faster-moving activity so that there is less of a time lag for expenditures.
- g. Develop a schedule for each CDBG funded activity that includes a timeline for estimated draws.

**7. What can a CDBG grantee do if it knows in advance that it is going to be untimely?**

A CDBG grantee may contact its CPD representative at its local HUD field office and request technical assistance. HUD staff may assist the grantee remotely or onsite to guide the grantee on how best to manage its CDBG program.



City of Auburn, Maine  
Economic & Community Development  
Michael Chammings, Director  
60 Court Street | Auburn, Maine 04210  
www.auburnmaine.gov | 207.333.6601

## 2019-2020 ANNUAL ACTION PLAN SCHEDULE

<b><u>ACTIVITY</u></b>	<b><u>DATE</u></b>
CDBG Subrecipient Training	TBD
Citizen Action Committee Meeting	November 14, 2018
Council Meeting – Update on Citizen’s Advisory Committee	November 19, 2018
Sub-Recipient Training	December 4, 2018
Issue Request for Proposals	TBD (Mid December)
Review Proposals - Staff	TBD (Mid-Late January)
CAC Meetings – Subcommittee Scoring Public Services	TBD (February)
CAC Meetings – Full Committee	TBD (February)
Budget Review with City Manager	TBD (Early March)
Workshop with City Council	March 18, 2019
Public Notice – Action Plan Available	March 18, 2019
Comment Period Begins	April 18, 2019
Comment Period Ends	
Public Hearing with City Council	April 1, 2019
Adoption by City Council	May 6, 2019
Submission Deadline to HUD	TBD (Mid May)

	2014		2015		2016		2017		2018		2019		2020		2021		2022		2023		2024			
	FY2014	FY2014	FY2015	FY2015	FY2016	FY2016	FY2017	FY2017	FY2018	FY2018	FY2019	FY2019	FY2020	FY2020	FY2021	FY2021	FY2022	FY2022	FY2023	FY2023	FY2024	FY2024		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<b>2015-2019 5-Year Consolidated Plan</b>	P	P	P	P	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I	I
2015 Action Plan																								
2016 Action Plan																								
2017 Action Plan																								
2018 Action Plan																								
2019 Action Plan																								
<b>2020-2024 5-Year Consolidated Plan</b>																								
2020 Action Plan																								
2021 Action Plan																								
2022 Action Plan																								
2023 Action Plan																								
2024 Action Plan																								

P - Planning Activities  
 I - Implementation  
 R - Reporting