



# THE PRINCE GEORGE'S COUNTY GOVERNMENT

## Office of Audits and Investigations


November 3, 2021

### MEMORANDUM

TO: Robert J. Williams, Jr.  
Council Administrator

William M. Hunt  
Deputy Council Administrator

THRU: Josh Hamlin   
Senior Legislative Budget and Policy Analyst

FROM: Warren E. Burris, Sr.   
Senior Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement  
CR-103-2021 FY 2022 Annual Action Plan Reallocation (DR-1)

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**CR-103-2021** (*proposed by:* Council Chair Hawkins by Request of the County Executive)

Assigned to Committee of the Whole (COW)

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A RESOLUTION CONCERNING THE FISCAL YEAR (“FY”) 2022 ANNUAL ACTION PLAN FOR HOUSING AND COMMUNITY DEVELOPMENT for the purpose of amending the Prince George’s County Fiscal Year (“FY”) 2022 Annual Action Plan for Housing and Community Development in order to allow for change in the use of Community Development Block Grant (“CDBG”) Program Funds, in the amount of Two Hundred Fifty Thousand, Two Hundred Eighty-eight dollars (\$250,288) from existing activities to other existing activities; by adding eligible CDBG Program activities not originally funded or described in the FY 2022 Annual Action Plan, and by changing the description of CDBG Program activities originally described in the FY 2022 Annual Action Plan.

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### **Fiscal Summary**

#### **Direct Impact:**

Expenditures: None, as funds are being reprogrammed from FY2020 Annual Action Plan

Revenues: None

#### **Indirect Impact:**

Likely Positive

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#### **Legislative Summary:**

CR-103-2021, proposed by the County Executive and sponsored by Councilmembers Hawkins, Taveras, Davis, Turner, Harrison, Franklin, Glaros, Dernoga and Ivey was introduced on September 28, 2021 and referred to the Committee of the Whole. The Public Hearing was held on October 26, 2021. CR-103-2021 seeks to reallocate \$250,288 of FY 2022 CDBG Program Funds to support other eligible program activities not originally described in the Annual Action Plan.

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#### **Current Law/Background:**

The Community Development Block Grant (CDBG) program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended 42 U.S.C. 5301 et seq. The Community Development Block Grant (CDBG) Program provides annual grants on a formula basis to states, cities, and counties to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The program was designed to reinforce several important values and principles of community development:

- CDBG's flexibility empowers people and communities to design and implement strategies tailored to their own needs and priorities.
- CDBG's emphasis on consolidated planning expands and strengthens partnerships among all levels of government and the private sector in enhancing community development.
- CDBG's technical assistance activities and set-aside for grantees builds the capacity of these partners.<sup>1</sup>

This fiscal year, via CR-028-2021, the County approved its forty-seventh (47<sup>th</sup>) year of entitlement funds for the Community Development Block Grant (CDBG) program in the estimated amount of \$5,161,761; and \$344,311 in CDBG Program Income.<sup>2</sup>

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<sup>1</sup> [https://www.hud.gov/program\\_offices/comm\\_planning/cdbg](https://www.hud.gov/program_offices/comm_planning/cdbg)

<sup>2</sup> CR-028-2021, Page 2

In accordance with 24 CFR § 91.505, and pursuant to Prince George's County Code Section 15A-107, when amending its approved Consolidated Plan, CR-024-2019, DHCD must complete a Substantial Amendment that has to be approved by HUD. The jurisdiction shall amend its approved plan whenever it makes one of the following decisions:

- To make a change in its allocation priorities or a change in the method of distribution of funds;
- The addition of an eligible activity not originally funded or described in the Annual Action Plan; or
- A change in the location, description, regulatory reference, national objective citation, and status of an eligible activity originally described in the Annual Action Plan; or
- A change in the use of CDBG, HOME, Program Income, or ESG funds, exceeding \$250,000 from one existing activity to another existing eligible activity in any category within applicable program.

Therefore, the FY 2022 Annual Action Plan of the five-year Consolidated Plan must be amended to include proposed activities for the CDBG funds received by DHCD that were not previously discussed or described in the Annual Action Plan.

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**Resource Personnel:**

DHCD Staff  
Council Administration

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**Discussion/Policy Analysis:**

The source of the reprogrammed activity funding is found in CR-103-2021, Attachment A. The \$250,288 reprogrammed funds come from the NSP Program Income and is being re-programmed to: Housing Initiative Partnership (HIP) (\$210,426); and Mount Rainier Micro-Enterprise Assistance Program (\$39,862). HIP will use CDBG funds for construction costs related to the redevelopment at 7013 Kent Town Road and the rehabilitation of 7609 Oxman Road in Landover, MD. Mount Rainier will use CDBG funds to assist small businesses and entrepreneurs in the municipality.

Attachment B provides the change in scope of a project on the Town of Riverdale Maryland, where \$150,000 is allocated in the FY 2022 Annual Action Plan. The existing budgeted activity is to use CDBG funds to provide new overlay curbs, sidewalks, and accessibility ramps at the 5700 block to 6100 block of Taylor Road and the 4700 block of Oglethorpe Street. The new proposed use of funds will use CDBG funds to install new lighting between the 5400 and 4200 blocks of 54<sup>th</sup> Avenue and 6200 block of 54<sup>th</sup> Place. The change in scope is still applicable and appropriate use of eligible funding activity.

- *Potential Benefits of Adopting CR-103-2021*

Adoption of CR-103-2021 would reallocate program funds to address community services by providing assistance and resources needed to address community concerns.

- *Potential Costs of adopting CR-103-2021*

Adoption of CR-103-2021 would represent no costs as the funds are being reprogrammed from FY 2022 Annual Action Plan (CR-028-2021).

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### **Fiscal Impact:**

#### *Direct Impact*

Adoption of CR-103-2021 will have no direct fiscal impact as the funds are being reprogrammed from FY 2022 Annual Action Plan (CR-022-2021).

#### *Indirect Impact*

Adoption of CR-103-2021 may have a positive indirect fiscal impact through community resources and services to residents and small businesses.

#### *Appropriated in the Current Fiscal Year Budget*

N/A

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### **Effective Date of Proposed Legislation:**

The Resolution shall become effective as of the date of its adoption.

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If you require additional information, or have questions about this fiscal impact statement, please reach me via phone or email.