

MICHAEL P. VICTORINO  
MAYOR

JOSEPH PONTANILLA  
PROGRAM MANAGER



200 South High Street  
Wailuku, Maui, Hawaii USA 96793-2155  
Telephone (808) 270-7213  
Fax (808) 270-7159  
E-mail: cdbg@mauicounty.gov

**OFFICE OF THE MAYOR**  
COUNTY OF MAUI  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

September 26, 2019

Honorable Michael P. Victorino  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

For Transmittal to:

Honorable Riki Hokama  
Chair, Healthy Families  
and Communities Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

  
\_\_\_\_\_  
Mayor

  
\_\_\_\_\_  
Date

Dear Chair Hokama:

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (HFC-26)**

The CDBG Program Manager is in receipt of correspondence from the County Council Healthy Families and Communities Committee Chairman and wishes to provide the following responses to the above Subject:

1. As it relates to a revised listing of all CDBG projects effective August 21, 2019. The following are the current projects funded by the CDBG Program:

PY 2017 – Hale Mahaolu Ewalu Senior Center – 90 % completed.  
Hale Makua Kahului Generator Upgrade – 95% completed  
KHAKO Renewal Project Phase II – 98% completed

PY 2018 – Molokai Landfill Trailer Mounted Diesel Tank – Equipment on-island.  
Hana Landfill Bulldozer – RFP in progress  
Molokai Landfill Wheel Loader - Equipment on-island  
ARC Residential Grp. Home Safety Improvement – In progress  
Hale Makua Kahului Fire Alarm System Upgrade – In progress  
Hale Makua Wailuku Alarm System Upgrade – In progress  
Hale Makua Wailuku Rehabilitation – In progress

PY 2019 - Hale Mahaolu Lahaina Surf Preservation  
Rehabilitation - SRA being processed  
Hale Makua Kahului Boiler – SRA being processed  
KHAKO Homeless Resource Center, Inc. – SRA being processed  
J. Walter Cameron Center – SRA being processed  
Big Brothers Big Sisters Hawaii, Inc. – SRA being processed

2. For Fiscal Year 2019-2020, include program administration costs and how the Department arrived at the new amount (for example, were projects removed, dropped, adjusted, or moved to a lower or higher priority status?)

On April 15, 2019 the U.S. Department of Housing and Urban Development allocated \$1,830,988 to Maui County CDBG for Program Year 2019. In February, 2019 CDBG presented to the council it's proposed budget for Program Year 2019. In preparing the CDBG budget we utilized the previous year (PY 2018) allocation of \$1,900,669 as instructed by HUD. As you can see there is a difference of -\$69,681.

The following adjustments were done after consulting with HUD to balance the CDBG's budget and later, submitted to the U.S. Department of Housing and Urban Development Integrated Disbursement and Accounting System (IDIS).

- The CDBG Program administration allocation is based on 20% of the County's allocation of funds for the program. The approved allocation for PY 2019 by HUD is \$1,830,988 (20 % of \$1,830,988 = \$366,198. This is the revised administration allocation). PY 2019 we estimated the allocation for administration at \$380,134. We reduced CDBG allocation for PY 2019 by \$13,936.
- No projects were removed or dropped for PY 2019.
- The following projects were either moved to project selected for funding or project to be placed on the alternate list:
  - a) After consulting with HUD and Hale Makua Executive Director regarding the Wailuku Roof Resurfacing and Recoating Project (\$204,500) and the Hale Makua Kahului Boiler Project (\$250,00) it was determined that these projects are both public service activity (24 CFR 570.201[e]). The cap for public service activity is 15% of the County's allocation, \$274,648. It was agreed that the Hale Makua Kahului Boiler Project (\$250,000) will be funded and the Hale Makua Wailuku Roof Resurfacing and Recoating Project will be placed on the alternate list.
  - b) J. Walter Cameron Center which was partially funded (\$150,252) and on the alternate list for (\$47,748) will be fully funded for \$198,000.
  - c) Big Brothers Big Sisters Hawaii, Inc. which was on the alternate list (\$150,000) will be partially funded (\$101,007) to replace the roof, repaint the exterior of the building and replace the air condition unit with an energy efficient unit. BBBS will be the first alternate should additional funds becomes available (\$48,993).

3. Provide a 'status' section for each of the projects.

The Timeliness Report is generated by the Integrated Disbursement and Accounting System (IDIS) controlled by federal government. We will provide annually a status report on all projects funded by CDBG.

4. Explain any carryover balances remaining from previous years. How are those funds used, and what are the federal rules associated with these carryover funds?

Any carryover balances, if available, from previous years are re-programmed to grantees requesting additional funding to complete a project. We have inquired in December, 2016 to HUD, regarding CDBG Funds Available to the Grantee for Five Years, enclosed is the response received from HUD.

5. Define and explain acronyms and terminology for a lay audience.

CDBG – Community Development Block Grant  
IDIS – Integrated Disbursement and Accounting System  
Prog Inc – Program Income  
CFR – Code of Federal Regulations  
IFAS – Integrated Financial Accounting System  
SRA – Sub-Recipient Agreement

Should you have any questions, please feel free to contact me at (808)270-7216.

Sincerely,



JOSEPH PONTANILLA  
CDBG Program Manager

xc: Deidre Tegarden, Chief of Staff

**Dayna Baz - CDBG Funds Available to the Grantee for Five Years**

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**From:** "Borja, Rebecca C" <Rebecca.C.Borja@hud.gov>  
**To:** Dayna Baz <Dayna.Baz@co.maui.hi.us>  
**Date:** 12/13/2016 4:24 PM  
**Subject:** CDBG Funds Available to the Grantee for Five Years  
**Attachments:** Defense Auth Notice - 1998.pdf

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Attached is a copy of the HUD notice on deadlines limited the availability of CDBG funds for obligation and expenditure. Under a provision of the National Defense Authorization Act for FY 1991 (NDAA), the availability of CDBG funds for expenditure were limited. NDAA provides that HUD has three years to obligate CDBG funds and grantees have an additional five years to expend them, after which the funds cease to be available because the grant is cancelled.

The attached notice was published in the Federal Register on October 2, 1998 and provides a detailed description of the statutory underpinning of this requirement. It also identifies the application of the NDAA to other CPD programs as they existed at that time. While the notice has not been updated since 1998, the substance of the requirement has not changed.

The County's PY 2013 CDBG funds program year start date was 7/1/2013. The County has until June 30, 2018 to expend its PY 2013 CDBG funds.

**IMPORTANT:** The County is still subject to the CDBG timeliness test, which is a separate standard of performance. The County still needs to ensure that it has no more than 1.5 times its most recent allocation of CDBG funds in its line of credit. As you know, if the County's expenditure ratio exceeds 1.50 on the official timeliness test date, May 2<sup>nd</sup> for the County of Maui, the County will have 12 months to their next 60-day test on May 2 the following year to reach the timeliness standard. A subsequent failure to meet the standard when the 60-day test is conducted on May 2 may result in a reduction of next year's grant by 100 percent of the amount in excess of the timeliness standard.

***Rebecca C. Borja***

Senior Community Planning and Development Representative  
Office of Community Planning and Development  
U.S. Department of Housing and Urban Development  
Honolulu Field Office  
1132 Bishop Street, Suite 1400  
Honolulu, HI 96813  
Tel: [808-457-4673](tel:808-457-4673)  
Fax: [808-457-4694](tel:808-457-4694)  
E-mail: [Rebecca.C.Borja@hud.gov](mailto:Rebecca.C.Borja@hud.gov)  
Web: [www.hud.gov/offices/cpd](http://www.hud.gov/offices/cpd)

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Housing Authority-City of Casper, 1607 CY Avenue, Suite 301, Casper, WY 82604, \$600,000,

[FR Doc. 98-26388 Filed 10-1-98; 8:45 am]  
BILLING CODE 4210-29-P

## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-4161-N-01]

### Deadlines Limiting the Availability of Community Development Block Grant and Certain Other Program Funds for Obligation and Expenditure

**AGENCY:** Office of Community Planning and Development, HUD.

**ACTION:** Notice.

**SUMMARY:** This notice advises grantees on the effect of the appropriation accounting provisions in 31 U.S.C. 1551-1557 (the Act), as added by the National Defense Authorization Act for Fiscal Year 1991, on Community Development Block Grant funds, including all programs funded under that account and related accounts. These statutory provisions control the availability of certain appropriations for expenditure.

**FOR FURTHER INFORMATION CONTACT:** Jan C. Opper, Senior Program Officer, Office of Block Grant Assistance, Room 7286, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, DC 20410-7000, telephone number (202) 708-3587, extension 4538; or Laura M. Marin, Director, Budget Division, Office of Technical Assistance and Management, Room 7236, at the same address, telephone number (202) 708-2182, extension 4432. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at (800) 877-8339. FAX inquiries may be sent to Mr. Opper at (202) 401-2044, or to Ms. Marin at (202) 708-4275. (Except for the "800" number, these telephone numbers are not toll-free.)

#### SUPPLEMENTARY INFORMATION:

##### Background

The appropriation accounting provisions in 31 U.S.C. 1551-1557 (the Act), as added by section 1405 of the National Defense Authorization Act for Fiscal Year 1991 (Pub. L. 101-510, approved November 5, 1990; 104 Stat. 1485, 1675) limit the availability of certain appropriations for expenditure. The Act requires the withdrawal from recipients' lines of credit funds that recipients have not expended 5 years after the expiration of the period of their availability for expenditure.

### Limits on Availability of Funds Appropriated for a Finite Period of Time

This notice sets forth the effect of the Act on appropriations that are available for obligation by the Federal Government for a finite period of time, such as most appropriations for Community Development Block Grant (CDBG) funds and all other programs that are appropriated under the CDBG and Urban Development Action Grant (UDAG) accounts. The Act states:

(a) On September 30th of the 5th fiscal year after the period of availability for obligation of a fixed appropriation account ends, the account shall be closed and any remaining balance (whether obligated or unobligated) in the account shall be canceled and thereafter shall not be available for obligation or expenditure for any purpose. (31 U.S.C. 1552).

There is an exception for certain CDBG and UDAG funds. In this regard, an administrative provision in title II, chapter XI of the Dire Emergency Supplemental Appropriations Act of 1991 (Pub. L. 102-27, approved April 10, 1991; 105 Stat. 130, 151) exempted from operation of the provisions in 31 U.S.C. 1551-1557 all HUD funds appropriated under the category "Community development grants" and "Urban development action grants" for fiscal years prior to 1991 that were obligated as of March 5, 1991.

Accordingly, all CDBG and UDAG funds available for obligation for a *finite* period of time and that were not obligated on or before March 5, 1991, must be obligated and expended within a maximum of 8 years of the initial appropriation—3 fiscal years of availability for HUD to obligate funds and 5 additional fiscal years for the grantee to expend funds. The total 8-year period of time that a grantee has before funds are withdrawn starts at the beginning of the source year for the appropriation. This is not affected by the fact that funds may actually be obligated by HUD to a recipient at any time within the 3 fiscal years of availability for obligation. Thus, the time period that a grantee has between the date of HUD's obligation of funds, and the date after which funds are withdrawn from its line of credit under the cited provisions of title 31 of the U.S. Code, will likely be less than the full 8 years, and could be as short as 5 years. The Federal fiscal year ends on September 30. After the 8-year period, all remaining funds from affected appropriations accounts will be canceled and withdrawn from HUD, and HUD will likewise cancel those amounts in the grantee's line of credit. As an example, any source year 1991 funds

not expended by September 30, 1998 will cease to be available on October 1, 1998, and will be withdrawn from the grantee's line of credit.

Any programs for which HUD is funded under the appropriations law headings "Community Development Grants," "Community Development Block Grants Fund," or "Urban Development Action Grants," except as noted above, are subject to this provision. Examples of these appropriations headings are to be found in title II of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. L. 104-134, approved April 26, 1996; 110 Stat. 1321, 1321-272) ("Community Development Grants"); in the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1997 (Pub. L. 104-204, approved September 26, 1996; 110 Stat. 2874, 2887) ("Community Development Block Grants Fund"); and in the Department of Housing and Urban Development-Independent Agencies Appropriations Act, 1986 (Pub. L. 99-160, approved November 25, 1985; 99 Stat. 909, 913) ("Urban Development Action Grants").

In addition to the Entitlement Communities, States, and Small Cities programs, a number of other programs have been funded under the CDBG appropriations account in recent years. The attached table lists those other programs funded under the CDBG appropriations account since 1991. In addition, most but not all of the CDBG disaster recovery assistance provided through supplemental appropriations is covered by the limitations of the Act. Certain CDBG supplemental appropriations for disaster recovery may be available until expended—an *indefinite* period of time. They would therefore be excluded from the limitations of this provision. If you are unsure whether your grant is subject to the Act, you should contact HUD for clarification. (This list may not be fully inclusive.)

This notice does not relax the CDBG rules regarding timely expenditure of funds at 24 CFR 570.902 for entitlement communities, nor the rules regarding timely distribution of funds at § 570.494 for States. In fact, grantees' compliance with these rules by carrying out programs and expending funds in a timely manner will avoid the loss of unexpended funds that are the focus of the limitations in the provisions of title 31 of the U.S. Code.

Dated: August 3, 1998.

Saul N. Ramirez, Jr.,  
Assistant Secretary for Community Planning and Development.

OTHER PROGRAMS FUNDED WITH CDBG APPROPRIATIONS ACCOUNT SINCE 1991

	1991	1992	1993	1994	1995	1996	1997	1998
Special Purpose Grants (section 107):								
Insular Areas .....	X	X	X	X	X	X	X	X
Technical Assistance .....	X		X	X	X		X	X
Work Study .....	X	X	X	X	X	X	X	X
Historically Black Colleges and Universities (HBCU) .....	X	X	X	X	X	X	X	X
"Los Angeles, CA" .....			X					
"Bridgeport, CT" .....			X					
Community Outreach Management Information System .....				X	X	X	X	X
National Center for the Revitalization of Cities .....								X
Joint Community Development .....				X	X			
Community Adjustment Planning .....				X	X			
Native Americans .....	X	X	X	X	X	X	X	X
Neighborhood Development .....	X	X	X	X	X			
Early Childhood Development .....	X	X	X	X	X			
Integrated Data Base .....		X	X					
Housing Assistance Council .....						X	X	X
National American Indian Housing Council .....						X	X	X
Supportive Services Grants:								
Economic Development & Supp. Services .....						X	X	X
Family Self Sufficiency .....						X		
Bridges to Work .....						X		
Service Coordinators .....						X	X	X
Tenant Opportunity .....							X	X
Moving to Work .....							X	X
Congregate Services .....								X
Housing Counseling .....						X		
Tenant Opportunity .....						X		
Youthbuild .....						X	X	X
Economic Development Initiative (EDI) .....						X		X
Homeownership Zones (EDI) .....						X		
Lead Hazard Control .....							X	X
Law Enforcement Agencies Reimbursement .....							X	
Habitat/Self-Help Homeownership .....								X
Capacity Building (NCDI) .....								X
Rural Economic and Housing Development .....								X
Neighborhood Initiative Demonstration .....								X

[FR Doc. 98-26494 Filed 10-1-98; 8:45 am]  
BILLING CODE 4210-29-P

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

[Docket No. FR-4341-N-29]

**Federal Property Suitable as Facilities To Assist the Homeless**

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice.

**SUMMARY:** This Notice identifies unutilized, underutilized, excess, and surplus Federal property reviewed by HUD for suitability for possible use to assist the homeless.

**FOR FURTHER INFORMATION CONTACT:** Mark Johnston, room 7256, Department of Housing and Urban Development,