

MEMORANDUM

TO: BOARD OF CITY COMMISSIONERS

FROM: NICOLE CRUTCHFIELD, PLANNING DIRECTOR 
KRISTI SYLSKAR, HUD GRANT ADMINISTRATOR

DATE: MAY 21, 2026

RE: PUBLIC HEARING FOR HUD COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) / HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME) 2026 ACTION PLAN, AND PROPOSED AMENDMENTS TO 2025 ACTION PLAN & CITIZEN PARTICIPATION PLAN

Planning & Development Department staff has prepared the 2026 Action Plan for the use of U.S. Department of Housing and Urban Development (HUD) funds. A total of \$1,343,686.76 is anticipated to be available for the 2026 Community Development budget. In addition, at this time, staff is also proposing amendments to the City's 2025 Action Plan and the required Citizen Participation Plan.

At the May 26th City Commission meeting, an overview of the proposed 2026 Community Development Block Grant (CDBG) and HOME projects, and the amendments to the 2025 Action Plan and Citizen Participation Plan, will be presented and a public hearing is scheduled to be held at this meeting.

Details of the proposed 2026 Action Plan funding sources and projects, along with proposed amendments to the 2025 Action Plan and Citizen Participation Plan, are outlined in the public notice published in *The Forum* newspaper on May 6, 2026 (attached). A process timeline, including the 30-day public comment period, May 7 – June 5, 2026, is outlined in the public notice. Once approved locally, the 2026 Action Plan, 2025 Action Plan amendments, and Citizen Participation Plan amendments, along with a summary of all comments received, will be submitted to HUD for federal approval.

The 2026 Action Plan has been drafted in compliance with federal regulations. The draft plan and amendments are available on the City website at www.FargoND.gov/plansandstudies (posted May 6, 2026). No action is intended for the May 26, 2026 City Commission meeting. Staff will confirm public input received during the public hearing and through the open comment period as we seek action at the June 8, 2026 City Commission meeting.

Recommended Motion: No action is required at this time; public hearing only. Final consideration of the 2026 Action Plan, and proposed amendments to the 2025 Action Plan and Citizen Participation Plan, is scheduled for June 8, 2026.

EXHIBIT
(for reference only)

Public Notice
City of Fargo
Notice of Public Hearing & 30-Day Public Comment Period
Community Development Block Grant (CDBG) & HOME Investment Partnerships (HOME) Programs
2026 HUD Action Plan & Budget
Amendments to 2025 Action Plan and Citizen Participation Plan

The City of Fargo announces the opening of the 30-day public comment period for Fargo's 2026 Action Plan, which allocates the City's annual federal funds received from the United States Department of Housing and Urban Development (HUD). The 30-day public comment period will also include amendments to Fargo's 2025 Action Plan and Citizen Participation Plan. The public comment period begins on May 7, 2026 and includes a public hearing on Tuesday, May 26, 2026 during the regular Fargo City Commission meeting. All items will be given final consideration at the June 8, 2026 City Commission meeting. Comments on these draft plans should be provided during the public comment period (May 7 through June 5, 2026). Each item is summarized in this notice.

2026 HUD ACTION PLAN

The City of Fargo has prepared a draft version of the 2026 HUD Action Plan for Housing and Community Development for the Community Development Block Grant (CDBG) and HOME Programs. The Action Plan provides a summary of actions, activities, and specific federal and non-federal resources that will be used during the year to address priority needs and goals identified in the 2025-2029 Consolidated Plan and plans for allocating the U.S. Department of Housing and Urban Development Office of Community Planning and Development (CPD) formula block grant programs: Community Development Block Grant and HOME Investment Partnerships Program. The priorities established within the 2026 Action Plan resulted from community meetings and citizen participation in the development of the 5-Year Consolidated Plan, including a public input meeting held on April 29, 2026. The City of Fargo's 5-Year goals include affordable housing, ending and preventing homelessness, and public infrastructure-public facility improvements. The 2026 Action Plan describes how funds from these HUD programs will be distributed during the 2026 program year, which begins on May 1, 2026. Funds are expected to be made available to the City by the end of 2026.

AVAILABLE RESOURCES FOR PROGRAM YEAR 2026

Community Development Block Grant (CDBG):

• \$828,465.00	2026 Community Development Block Grant (CDBG) allocation from HUD
• \$ 6,922.54	Available for Reallocation at Prior Year-End (unused 2025 contingency dollars)
\$835,387.54	Total CDBG

HOME Investment Partnerships Program (HOME):

• \$447,443.90	2026 HOME PJ allocation from HUD
• \$ 5,015.32	Available for Reallocation at Prior Year-End (unused 2025 contingency dollars)
• \$ 55,840.00	2025 HOME PJ Program Income/Recaptured Funds (actual)
\$508,299.22	Total HOME

Total = \$1,343,686.76 CDBG & HOME

PROPOSED ACTIVITIES FOR 2026

Planning, Administration & Fair Housing

1. CDBG Planning and Administration - \$115,000 in CDBG funds. Planning, implementation, reporting, and monitoring of CDBG resources. Prior year admin dollars may be used for startup planning and administration costs in future years. *National Objective: Not applicable for administration. Eligibility & Regulation Citation: 21A General Program Administration, 24 CFR Part 570.206(a).*

2. HOME Planning and Administration - \$42,000 in HOME funds. Planning, implementation, reporting, and monitoring of HOME resources. Prior year admin dollars may be used for startup planning and administration costs in future years. *National Objective: Not applicable for administration.*
3. Fair Housing Services - \$45,000 in CDBG funds. Support of fair housing services in Fargo, which may include fair housing education, outreach, test coordination, and technical assistance as part of the requirement to affirmatively further fair housing under the Fair Housing Act (42 U.S.C. 3601-20). *Eligibility & Regulation Citation: 21D Fair Housing Activities (subject to 20% Admin. Cap), 24 CFR Part 570.206(c).*

Capital/Neighborhood Improvements

1. Public Infrastructure Improvements - \$550,000 in CDBG funds. CDBG funds will be used for improvements to existing public infrastructure located within low-to-moderate income area neighborhoods. This project will address hazardous/deteriorated conditions and make preventative improvements in support of neighborhood safety and improved livability. The proposed service area of this project, subject to completion of environmental review requirements, includes the blocks between 7 Avenue North to 12 Avenue North and 25 Street North to 29 Street North (located in the Madison/Unicorn Park neighborhood) in Fargo. *National Objective, Eligibility, & Regulation Citation: Low-Mod Area (LMA) Benefit [24 CFR Part 570.208(a)(1)]; 03* Public Facilities and Improvements matrix codes: 03I Flood Drainage Improvements, 03J Water/Sewer Improvements, 03K Street Improvements, 03L Sidewalks, 03N Tree Planting, 03Z Other Public Improvements, 24 CFR Part 570.201(c).*

Public Service

1. Public Service Homeless Outreach - \$120,000 in CDBG funds. Provide operational support for homeless and housing-related outreach services, focused in the downtown and adjacent neighborhoods of Fargo, for people who are at-risk of homelessness, recently homeless, or who are currently homeless. *National Objective, Eligibility, & Regulation Citation: Low-Mod Clientele (LMC) Benefit [24 CFR Part 570.208(a)(2)], 03T Operating Costs of Homeless/Aids Patient Programs, 24 CFR Part 570.201(e).*

Affordable Housing

1. Tenant Based Rental Assistance - \$390,000 in HOME funds. Assist eligible households with their rental housing expenses. *HOME Eligible Activity under 24 CFR Part 92.205(a)(1).*
2. CHDO Set-Aside Placeholder - \$70,000 in HOME funds. In accordance with HOME Program regulations, fifteen percent (15%) of the annual HOME allocation must be set aside for an eligible housing activity, to be undertaken by a Community Housing Development Organization (CHDO). At this time, no CHDO projects have been identified. *HOME Eligible Activity under 24 CFR 92.205(a)(1).*

Contingency Funds

1. Contingency - Funds held in contingency for issues that may arise during the program year – \$5,387.54 CDBG funds and \$6,299.22 HOME funds.

CONTINGENCY PROVISIONS/POTENTIAL ADJUSTMENTS TO 2026 ACTIVITIES & BUDGET

- Budget adjustments transferring amounts from one eligible activity to another that are considered substantial amendments.
- Unanticipated program income may result in a substantial amendment to amend activities and budgets.
- Unused funds will be reallocated in an amendment or the following year's action plan, either of which may require a 30-day public comment period.

PROPOSED AMENDMENTS TO 2025 HUD ACTION PLAN

1. Project Sites/Service Area Identified for Public Infrastructure Improvements Project (CDBG) - the proposed service area, subject to completion of environmental review requirements, for the public infrastructure

improvements project has been identified. The proposed service area of this project includes the blocks between 7 Avenue North to 12 Avenue North and 25 Street North to 29 Street North (located in the Madison/Unicorn Park neighborhood) in Fargo. *National Objective, Eligibility, & Regulation Citation: Low-Mod Area (LMA) Benefit [24 CFR Part 570.208(a)(1)]; 03* Public Facilities and Improvements matrix codes: 03I Flood Drainage Improvements, 03J Water/Sewer Improvements, 03K Street Improvements, 03L Sidewalks, 03N Tree Planting, 03Z Other Public Improvements, 24 CFR Part 570.201(c).*

PROPOSED AMENDMENTS TO CITIZEN PARTICIPATION PLAN

1. HUD requires its Grantees to periodically update and adopt the jurisdiction's Citizen Participation Plan, which sets forth the City's policies and procedures for citizen participation related to its HUD HOME & CDBG programs. A draft copy of the amended plan may be reviewed at www.FargoND.gov or by request through the Planning & Development Department.

COMMENTS, ACCESSIBILITY, & SCHEDULE

Comments and suggestions from the public are encouraged through a public comment period and/or at the public hearing. Comments (including written comments) must be received by 11:59 p.m. Central Daylight Time (CDT) on June 5, 2026. Contact information and schedule are provided below:

30-DAY PUBLIC COMMENT PERIOD: May 7 through June 5, 2026

PUBLIC HEARING: Tuesday, May 26, 2026- 5:05 pm
Fargo City Commission Chambers
225 4th Street North, Fargo, ND 58102

CITY COMMISSION VOTE: Monday, June 8, 2026 – 5:00 pm

CONTACT INFORMATION: City of Fargo
Planning and Development Department
Attn: HUD Grant Administrator
225 4th Street North, Fargo ND 58102
701.241.1474
Planning@FargoND.gov

DRAFT PLAN AVAILABLE AT: www.fargond.gov/plansandstudies
OR request through Planning & Development Department

Accessibility – Fargo City Hall is serviced by public transit, fully accessible and can accommodate persons with disabilities. Alternative formats of this information (e.g., Braille, American Sign Language, etc.) or reasonable accommodations for persons with hearing/vision impairments and/or other disabilities will be made upon request. Contact City of Fargo's Section 504/ADA Coordinator Bekki Majerus at 701.298.6966 to arrange for services (a 48 hour notice may be needed). To access TTY/ND Relay service dial 800.366.6888 or 711.

Limited English – Reasonable steps will be taken to provide persons with limited English proficiency (LEP) meaningful access, including the availability of interpretation and translation services. Contact the City of Fargo Planning and Development Department at 701.241.1474 or Planning@FargoND.gov if services are needed.

Non-Discrimination Notice – In accordance with Federal regulations and City of Fargo policies, services are provided without regard to race, color, religion, sex, disability, familial status, national origin, age, marital status, veteran status, sexual orientation, gender identity, public assistance, domestic violence, lawful activity, or condition protected by applicable federal and state laws. The City is an equal employment/equal housing opportunity agency.