

May 27, 2009

Mrs. Mary Wilson, Director
U. S. Department of Housing & Urban Development
Office of Community Planning & Development Division
John J. Duncan Federal Building
710 Locust Street, Suite 300
Knoxville, Tennessee 37902-2526

Dear Mrs. Wilson:

Clarksville is eligible to receive \$215,046 from HUD under the CDBG-R program, which is authorized by the American Recovery and Reinvestment Act of 2009. In order for the City to receive these funds, the City is required to submit a Substantial Amendment to Clarksville's 2008-2009 Action Plan for HUD's approval by the submission deadline of June 5, 2009. Please find enclosed the following required documents for your review.

1. Checklist
2. SF-424 Application Form
3. Substantial Amendment
4. CDBG-R Certifications
5. CDBG-R Excel Spreadsheet that has also been emailed to HUD at CDBG-R@hud.gov.

The Substantial Amendment and Spreadsheet have been posted on the City's website per HUD instructions.

The proposed activities public facilities and infrastructure improvements are eligible under CFR 570.201(c). The funding will be used to create a bypass by realigning a dead end street located within Census tract 1009, a CDBG target neighborhood. The bypass will reduce the traffic flow and congestion of a largely residential low-moderate income neighborhood and promote positive environmental influences including noise and pollution emissions along the previous route located in the New Providence CDBG target neighborhood. The City will leverage \$303,714 in other costs. It is anticipated approximately sixteen (16) jobs will result from this funding and leverage. The City will also utilize \$ 32,256 to support direct public services for the purpose of foreclosure prevention activities in accordance with CFR 5701.201(e). Up to three consecutive months of mortgage payments for income-eligible households will be provided to homeowners facing foreclosure due to an unexpected loss of household income. The City currently allocates the maximum allowable under the CDBG program for public services. The city will spend \$ 21,504 which is the maximum allowable under the CDBG-R administrative cap for grant management and monitoring.

Should this application not be accepted by HUD, the City will have until July 20 to reapply with a new project.

Please direct your questions to Tammy Kilgore, Program Assistant at 931-648-6133.

Sincerely,

Rita Arancibia, Director

Enclosures