From: <u>Johnson, Leticia M</u>

To: <u>Cupertino City Manager's Office; Hung Wei; Pamela Wu; Alec Vybiral</u>

Cc: Toal, Stanley W; Clarke, Adriane J; Walkup, Alice
Subject: Voluntary Grant Reduction - Cupertino, CA - CDBG

Date: Friday, March 8, 2024 10:54:00 AM **Attachments:** 2023 Cupertino VGR Letter 9.29.22.pdf

2-22-22 Toal Cupertino FY2021 CDBG Environmental Monitor Letter and Report.pdf

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Hello,

Our office has received information and guidance related to the city's voluntary grant reduction (VGR) request that was put on hold last year. I am reaching out to confirm the city would still like to move forward with its VGR request for a future CDBG grant in response to the corrective actions detailed in the attached environmental monitoring report.

HUD is in the process of finalizing new VGR SOPs. Once approved, it will enable our division to once again process these grant reductions.

In advance of this approval and the need to move quickly once FY24 appropriations are available, please confirm the following:

- 1. Is \$176,201 the correct amount of the Voluntary Grant Reduction requested by the City of Cupertino?
- 2. Does the city of Cupertino want the same amount reduced from its FY24 CDBG allocation that it had originally planned to have reduced in either FY22 or FY23, a one-time reduction (VGR) to one future CDBG allocation.

I will let you know of further guidance that will likely be issued, on any revised correspondence that may be needed from the city to reflect FY24 reductions and to also be compliant with HUD's new SOP, once approved.

If you can respond **ASAP** on these two items for now, that would help facilitate processing the VGRs in FY24 and getting FY24 allocations announced asap.

Thank you for your patience! HUD values our partnership with the city.

Leticia Johnson

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