

Agenda Report

DATE: FEBRUARY 26, 2001

TO: CITY COUNCIL

FROM: CYNTHIA J. KURTZ, CITY MANAGER

SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY SET-A-SIDE PROJECTS (2001-2002 PROGRAM YEAR)

RECOMMENDATION:

It is recommended that City Council approve the allocation of \$803,731 in 2001-2002 Community Development Block Grant (CDBG) Program funds for five eligible City administered non-public service projects; \$789,329 for Section 108 Loan Repayment and CDBG Program Administration for a total CDBG City Set-A-Side of \$1,593,060.

BACKGROUND:

On January 25, 1999 the City Council approved modifications to the Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Human Services Endowment Fund (HSEF) proposal review process. One of the approved modifications provided for the City Council to annually set aside CDBG funds in an appropriate amount to fund eligible City projects recommended by the City Manager. In accordance with that action, it is recommended that the City Council approve CDBG funding for administration of the CDBG Program, the Section 108 Loan Repayment and the following five proposed non-public service projects to be administered by the respective City Departments. This allocation represents a total CDBG City Set-A-Side of \$803,731 for five projects and \$789,329 for CDBG Program Administration and the Section 108 Loan Repayment.

The following seven eligible non-public service projects are herewith recommended to receive 2001-2002 CDBG City Set-A-Side funds:

PROJECTS	RECOMMENDATIONS
Employment Hall	\$60,000
Stranrol System 5	\$15,631
Code Enforcement Task Force	\$227,000
Maintenance Assistance Services to Homeowners (MASH) Program	\$374,000
WIC Renovation	\$127,100
Section 108 Loan Repayment	\$389,329
CDBG Program Administration	\$400,000
TOTAL	\$1,593,060

All proposed projects meet the local and U. S. Department of Housing and Urban Development (HUD) defined threshold requirements and are in accordance with the established funding priorities as set forth and approved by City Council for the 2001 - 02 CDBG PY. Exhibit "A" provides information regarding the proposed projects, 2000-01 PY prior funding, recommended funding and a brief project description.

Funding for the five recommended City projects (\$803,731) is approximately 30% of the total 2001-02 CDBG Program funds of \$2,609,439. In addition, funds have been set aside for the Section 108 Loan Repayment (\$389,329) and CDBG Program Administration (\$400,000) for a total CDBG City Set-A-Side of \$1,593,060. As a result, approximately \$1,016,379 remains available for allocation to other eligible non-public and public/human service projects as recommended by the Northwest and Human Service Commissions, respectively.

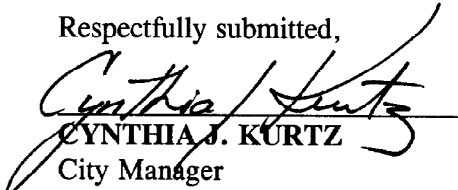
CHILDREN AND FAMILY IMPACT:

It is anticipated that the approval of the above mentioned recommendation will provide economic development, housing rehabilitation, health and recreational activities to children and families. These services will contribute to a positive impact on the quality of life for the affected households and/or individuals.


FISCAL IMPACT:

The funds referenced in this report are federal dollars. With respect to the completion of the aforementioned housing, economic development and capital improvement projects, it is anticipated that the City's sales and property tax bases will be increased.


Respectfully submitted,


CYNTHIA J. KURTZ
City Manager

Prepared by:


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Program Coordinator III

Approved by:


RICHARD J. BRUCKNER
Director, Housing and Development Department