

Agenda Report

DATE: MARCH 24, 2003
TO: CITY COUNCIL
FROM: CYNTHIA J. KURTZ, CITY MANAGER
SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
CITY SET-ASIDE RECOMMENDATIONS (2003-2004 PROGRAM YEAR)

RECOMMENDATION:

It is recommended that City Council approve the allocation of \$851,100 in 2003-2004 Community Development Block Grant (CDBG) Program funds for three eligible City administered non-public service projects; \$859,559 for Section 108 Loan Repayment and CDBG Program Administration for a total CDBG City Set-Aside of \$1,710,659.

BACKGROUND:

On January 25, 1999 City Council approved modifications to the Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG) and Human Services Endowment Fund (HSEF) proposal review and allocation process. One of the approved modifications provided for 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 three proposed non-public service projects to be administered by the respective City Departments.

Therefore, the following five eligible non-public service projects are herewith recommended to receive 2003-2004 CDBG City Set-Aside funds:

PROJECTS	RECOMMENDATIONS
(1) Employment Hall	\$60,000
(2) Code Enforcement Task Force	\$261,000
(3) Maintenance Assistance Services to Homeowners (MASH) Program	\$530,100
(4) Section 108 Loan Repayment	\$373,515
(5) CDBG Program Administration	\$486,044
TOTAL	\$1,710,659

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 2003-04 CDBG PY. Exhibit "A" provides information regarding the recommended funding for proposed projects, prior year funding, and includes a brief project description.

Based on the approval of the recommended CDBG City Set-Aside (\$1,710,659); funds in the amount of \$1,161,662 remain available for recommended funding allocations to both eligible non-public and public/human service projects by the Northwest (\$742,778) and Human Services Commissions (\$418,884), respectively.

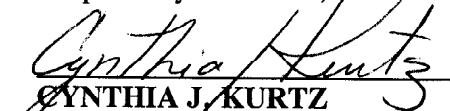
CHILDREN, YOUTH AND FAMILY IMPACT:

It is anticipated that the approval of the above mentioned recommendation would provide economic development, housing rehabilitation, code enforcement activities, etc., that will benefit local 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 provision of the aforementioned housing rehabilitation, economic development, code enforcement activities, etc., it is anticipated that the City's sales and property tax bases will be increased.

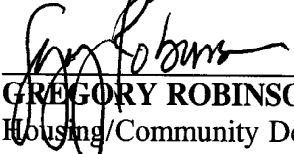
Respectfully submitted,


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