

# Agenda Report

**DATE:** MARCH 11, 2002  
**TO:** CITY COUNCIL  
**FROM:** CYNTHIA J. KURTZ, CITY MANAGER  
**SUBJECT:** COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM  
CITY SET-ASIDE PROJECTS (2002-2003 PROGRAM YEAR)

## RECOMMENDATION:

It is recommended that City Council approve the allocation of \$1,055,580 in 2002-2003 Community Development Block Grant (CDBG) Program funds for five eligible City administered non-public service projects; \$844,960 for Section 108 Loan Repayment and CDBG Program Administration for a total CDBG City Set-Aside of \$1,900,540.

## 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-Aside of \$1,900,540 for five projects and \$844,960 for CDBG Program Administration and the Section 108 Loan Repayment.

The following seven eligible non-public service projects are herewith recommended to receive 2002-2003 CDBG City Set-Aside funds:

PROJECTS	RECOMMENDATIONS
Employment Hall	\$60,000
Flooring/Window Replacement (JRC)	\$60,000
Information Services (Library)	\$145,000
Code Enforcement Task Force	\$260,480
Maintenance Assistance Services to Homeowners (MASH) Program	\$530,100
Section 108 Loan Repayment	\$389,080
CDBG Program Administration	\$455,880
<b>TOTAL</b>	<b>\$1,900,540</b>

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 2002 - 03 CDBG PY. Exhibit "A" provides information regarding the recommended funding for proposed projects; 2001-02 PY prior year funding; and includes a brief project description.

Funding for the five recommended City projects is \$1,055,580. Additionally, funds have been set-aside for the Section 108 Loan Repayment (\$389,080) and CDBG Program Administration (\$455,880) for a total CDBG City Set-A-Side of \$1,900,540. As a result, \$1,267,027 remains available for allocation to other eligible non-public and public/human service projects and will be recommended for allocation by the Northwest and Human Service Commissions, respectively.

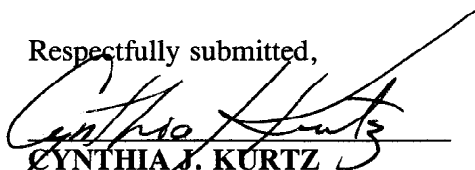
**CHILDREN AND FAMILY IMPACT:**

It is anticipated that the approval of the above mentioned recommendation would provide economic development, housing rehabilitation and capital improvements 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 completion of the aforementioned housing rehabilitation, 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


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