

HOW TO USE THE
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PACKET ARCHIVE

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| <p>Municipal Building 625 52nd Street – Room 202 Kenosha, WI 53140</p> | <p><i>Community Development Block Grant Committee Agenda</i></p> | <p>Tuesday, June 28, 2011 6:00 p.m.</p> |
| <p><i>Aldermen David Bogdala, Jesse Downing, Daniel Prozanski, and Theodore Ruffalo Ron Frederick, Art Landry, and Anderson Lattimore</i></p> | | |

Call to Order and Roll Call

Approval of Minutes from December 16, 2010

1. Election of Chairperson and Vice Chairperson of Community Development Block Grant Committee
2. 2012 Community Development Block Grant Fund Allocation Plan. PUBLIC HEARING
3. 2012 CDBG Calendar

Public Comments

Committee Comments

Staff Comments

Adjournment

**Community Development Block Grant Committee
Minutes
Thursday, December 16, 2010**

MEMBERS PRESENT: Alderman David Bogdala, Alderman Jesse Downing, Alderman Daniel Prozanski, Alderman Theodore Ruffalo, Anderson Lattimore, and Ronald Frederick

MEMBERS EXCUSED: Arthur Landry

STAFF PRESENT: Jeff Labahn, Ed Antaramian and Anthony Geliche

The meeting was called to order by Alderman Bogdala at 5:02 p.m. and roll call was taken. Alderman Bogdala stated quorum was present. Alderman Bogdala noted that Alderman Prozanski would be a little late for the meeting and Arthur Landry is unable to be present due to illness.

Approval of Minutes from the December 7, 2010 and December 8, 2010 Meetings

A motion was made by Mr. Frederick and seconded by Alderman Ruffalo to approve the minutes as presented. The motion passed unanimously (5 ayes; 0 noes).

1. Project Funding under the 2011 Community Development Block Grant Program

Tony Geliche, Community Development Specialist, said Ed Antaramian, City Attorney, is present and has provided information regarding Conflict of Interest. Mr. Antaramian said the question presented to him for clarification was: "If an organization applies for a CDBG grant within one (1) of the specified categories, may a committee member who is also a member of the Board of Directors of that organization vote on other grant requests within that category?" Mr. Antaramian said his answer is not based on the information provided in his memo dated December 16, 2010. He is available for questions.

Alderman Prozanski arrived.

Alderman Bogdala said the memo provided a straight forward answer to their question.

Public Service

Based on the determination provided by the City Attorney's office, Alderman Bogdala, Alderman Downing, Alderman Prozanski, and Alderman Ruffalo acted on this category. Mr. Geliche said in the past, the committee has made motions to approve organizations for requested amounts and then a motion was entertained to approve the entire category.

A motion was made by Alderman Ruffalo and seconded by Alderman Downing to allocate \$5,000 each to Kenosha Area Family & Aging Service, Inc. for Volunteer Transportation Service; Oasis Youth Center for Expansion of Youth Services; and Kenosha Literacy Council, Inc. for Effective and Efficient Adult Literacy Programming. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Downing and seconded by Alderman Ruffalo to allocate \$20,000 to Women and Children's Horizons for Legal Advocacy Program – Legal Coordinator. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Downing and seconded by Alderman Prozanski to allocate \$10,000 to HOPE Council, Inc. for Offender to Opportunity: Workforce Readiness Program. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Ruffalo and seconded by Alderman Downing to allocate \$50,000 to the Kenosha YMCA for Frank Neighborhood Project. The motion passed (3 ayes; 1 no). Alderman Prozanski voted against.

A motion was made by Alderman Ruffalo and seconded by Alderman Downing to allocate \$20,000 to the Shalom Center for their Emergency Family Shelter. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Ruffalo and seconded by Alderman Downing to allocate \$5,000 to Urban League for Reducing Employment Barriers for the Homeless and Ex-Offenders. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Prozanski and seconded by Alderman Ruffalo to allocate \$30,000 to ELCA Urban Outreach Center for Helping Residents become Self-Sufficient. The motion passed (3 ayes; 1 no). Alderman Downing voted against.

A motion was made by Alderman Ruffalo to not allocate funding to Kenosha Community Sailing Center. The motion failed due to lack of a second.

A motion was made by Alderman Ruffalo and seconded by Alderman Downing to allocate \$4,000 to Kenosha Community Sailing Center \$4,000 for their Sailing Program. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Prozanski and seconded by Alderman Downing to allocate \$15,000 to the Boys and Girls Club for Summer Youth Employment Program. The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Ruffalo to allocate \$2,000 to Lemon Street Gallery and ArtSpace, Inc. The motion failed due to lack of a second.

A motion was made by Alderman Prozanski and seconded by Alderman Downing to allocate \$2,726 to the Spanish Center for Community Outreach Interpretations and Translations Services and \$2,726 to New Song Ministries, Inc. for Circles of Support – Returning Citizens (Re-Entry Services Program). The motion passed unanimously (4 ayes; 0 noes).

A motion was made by Alderman Ruffalo and seconded by Alderman Downing to approve the Public Service category as recommended. The motion passed unanimously (4 ayes; 0 noes).

Housing, Neighborhood Improvement/Economic Development

A motion was made by Alderman Downing and seconded by Alderman Ruffalo to allocate \$9,000 to Urban League of Racine and Kenosha, Inc. for Facility Improvement – New Roof. The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Mr. Lattimore and seconded by Alderman Ruffalo to allocate \$60,000 to Carpenter's Home Improvement, Inc. (CHIP) for Carpentry Career & Technical Education Program.

Alderman Ruffalo asked for information on the intended use of the funds as he had missed the presentation. Bill Greathouse, 7952 75th Court, Kenosha and Greg Wright, 313 West Geneva Street, Delavan, were in attendance. Mr. Greathouse said the funds would be used to pay the salary of the onsite instructor. Alderman Ruffalo asked what kind of work the instructor does. The instructor is a journeyman carpenter who works with high school students to build houses. So, the funding will help construct homes through the HOME Program, asked Alderman Prozanski. Mr. Geliche said CHIP is a CHDO for the City, and they receive approximately \$85,000 from HUD for the CHDO. Currently, CHIP builds houses. Discussions have been held to change the direction to rehabilitation of properties. CHIP can rehab houses, but not if there is lead on the property. If the lead is removed from the property, then CHIP could rehab the property. Alderman Prozanski asked if the City decided not to build homes, can CHIP do whatever we ask them to do. Mr. Geliche said yes, they are flexible. Alderman Prozanski stated CHIP only receives \$60,000, where will the other \$60,000 come from. Mr. Greathouse said KUSD is thinking of canceling the program in summer due to cost. We brought in representatives from KUSD, the Union, and the City of Kenosha to see what can be done to save the program. One (1) possible cost saving measure on the table is to not pay the students to participate in the program. CHIP brings in \$85,000 to the City through HUD for being a CHDO. We have one (1) year to find a funding solution. KUSD is looking to cut their costs. If CDBG allocates \$60,000 to the program and the program is discontinued, what happens to the funding? Mr. Geliche said the funds to back to CDBG and are reallocated. Alderman Prozanski clarified that CHIP will work with the City to perform the work requested by the City. Mr. Geliche said they would work with the City to meet our needs. Alderman Bogdala said the CDBG Committee discusses the funding, but the Common Council has the final decision. Administration is also aware of the situation.

The motion passes unanimously (6 ayes; 0 noes).

A motion was made by Mr. Frederick and seconded by Mr. Lattimore to allocate \$35,000 to Kenosha Human Development Services, Inc. (KHDS) for Tuck-point/Paint – Community Services Building.

Mr. Frederick said the request is obvious that if funds are awarded, they will be used to help maintain an attractive appearance. The recommended amount is close to the requested amount because we need to support the viability for as many applications as possible. Voting to fund a project for \$2,000 hardly takes care of the administration of the funds. Alderman Bogdala agreed with Mr. Frederick, but as you near the end of the funding amount, it is difficult to not allot small amounts to projects to provide funds to as many agencies as possible. Would it be better to recommend the full amount for this project? Alderman Prozanski asked if a representative was present from KHDS. Your proposal is for \$41,123. Is that the amount of your estimate? Byron Wright said the estimates received ranged from \$208,200 to \$64,255. The requested \$41,123 is a portion of the lowest of the three (3) estimates. Mr. Geliche said the estimates are for the Committee's reference only. When it is time to actually do the work, KHDS will have to have the project rebid.

The motion passes unanimously (6 ayes; 0 noes).

A motion was made by Alderman Prozanski and seconded by Alderman Ruffalo to allocate \$401,084 to the City of Kenosha – Public Works for Street Improvements.

Alderman Downing said the funds should be used to help the targeted areas that are in dire need of assistance. Alderman Bogdala asked Ron Bursek, Director of Public Works, if he knows which streets are in need of repair and if he will be working closely with CDBG staff to assure the work is completed. Mr. Bursek said yes, he has identified the streets in need of repair and will work closely with CDBG staff to assure the work is done.

The motion passed (5 ayes; 1 no). Alderman Downing voted against.

A motion was made by Alderman Ruffalo to allocate \$150,000 to WI Women's Business Initiative Corporation (WWBIC) for Micro-Enterprise Technical Assistance/Loans. Alderman Bogdala passed the gavel and seconded the motion.

Alderman Prozanski asked if it is necessary to allocate the requested amount to WWBIC for the services they provide. He suggested funding WWBIC at the average amount of \$103,000. Alderman Ruffalo said the service provided by WWBIC is exactly what is needed to create jobs. The requested amount of \$150,000 might not even be adequate funding. A downtown business closed last week which is a loss of eight (8) jobs. WWBIC creates jobs. What good are the other services if we don't have jobs. Alderman Bogdala said it was his intention to fund WWBIC at the highest dollar amount. WWBIC is one of the few organizations that has the ability to create jobs. WWBIC helps the private sector with a little bit of help from the City of Kenosha. I wish we could do more. They could make a big impact. We need to fund WWBIC at their requested amount or as close as possible. WWBIC is the only true organization that can have an impact on job creation. Job creation is what they do. I hope funding can be approved at \$150,000. Alderman Bogdala indicated the Committee is aware of where the remaining \$100,000 needs to be allocated. Alderman Prozanski said he is not sure if everyone is in agreement on where the remaining \$100,000 should be allocated. There are many on the Committee with their own thoughts. Alderman Prozanski suggested funding WWBIC at two-thirds of the requested amount to allow funding for other worthy agencies.

The motion failed (3 ayes; 3 noes). Alderman Downing, Alderman Prozanski and Mr. Lattimore voted against.

A motion was made by Alderman Prozanski and seconded by Alderman Ruffalo to allocate \$125,000 to WWBIC for Micro-Enterprise Technical Assistance/Loans.

Alderman Ruffalo said WWBIC is the only organization that is providing an opportunity for jobs. Unemployment is rising. The funding amount should be much higher. Alderman Ruffalo said he is saddened that the Committee doesn't want to fund WWBIC at the full amount.

The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Mr. Frederick and seconded by Alderman Downing to allocate the remaining funds to the Kenosha Community Health Center, Inc. (KCHC) to be divided between the two (2) projects – \$62,937 for Second Floor Dental Expansion Project and \$62,938 for Boys and Girls Club Medical Clinic with Behavioral Health Expansion.

Mr. Frederick said both projects will create jobs and KCHC serves the most needy and vulnerable population. Alderman Prozanski said in reference to the motion, the average for behavioral health is \$91,667 and the average for dental is \$51,667. I agree that both programs are deserving and can't argue as to which service is needed more. Behavioral health has been neglected for a long time. Alderman Prozanski said he would be in support of allocating funds more in line with the averages. KCHC requested \$150,000 for expansion of the behavioral health expansion at the Boys and Girls Club. What are your alternative funding sources? David Hughes, KCHC, said

they have \$3.1 million in federal funding with a \$565,000 shortfall. KCHC has a cash reserve and would borrow funds. KCHC will borrow \$3 million for the dental facility. The two (2) facilities will create 66 jobs. Alderman Prozanski asked if Kenosha County provided any funding since the organization is a Social Services organization. Mr. Hughes said no, the organization is part of a federal mandate to provide medical, dental and behavioral assistance. We would be interested in applying though. Mr. Frederick said as a point of clarification, Kenosha County does not supply building funds, but once the construction is completed, there is nothing prohibiting them from providing care through Medicaid and for the uninsured population. Mr. Hughes said we would do a project if KCHC has to provide all the funds for the center. The center provides services to many uninsured patients. The more money the center has to put into the building, the fewer uninsured patients we will be able to help.

The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Alderman Prozanski and seconded by Mr. Lattimore to approve the entire Housing, Neighborhood Improvement/Economic Development category as recommended. The motion passes unanimously (6 ayes; 0 noes).

Planning/Management

A motion was made by Alderman Prozanski and seconded by Mr. Lattimore to allocate \$232,602 to the City of Kenosha for Program Administration/Comprehensive Planning.

Mr. Frederick said the motion rejects the United Way request for funds to conduct a study on fund raising. Hopefully, the City can fund the study through some other means. Alderman Bogdala said he is in support of the motion and would not support any other means to support the United Way request. City administration, police, fire, streets, etc. are essential services and the funding comes from the taxpayers of Kenosha. If other pockets of money were not needed, then they would need to be returned to the taxpayers of Kenosha. Mr. Frederick said the taxpayers benefit from a strong and vibrant United Way. A moderate donation will directly benefit the citizens. Mr. Frederick said he hopes United Way's request will be seriously considered by the Common Council. Alderman Bogdala reminded the Committee that Kenosha County agreed to contribute \$4,260 to the study, but Kenosha County also benefits from KCHC and they do not contribute to the health center.

The motion passed (5 ayes; 1 no). Mr. Frederick voted against.

A motion was made by Mr. Lattimore and seconded by Alderman Prozanski to approve the Planning/Management category as recommended. The motion passed unanimously (6 ayes; 0 noes).

A motion was made by Alderman Prozanski and seconded by Alderman Downing to approve and accept the entire 2011 CDBG Program. The motion passed unanimously (6 ayes; 0 noes).

Public Comments

Public comments opened, no public comments, public comments closed.

Committee Comments

Mr. Lattimore thanked staff for their great attention to detail and follow-up during this application process. Mr. Frederick concurred. Alderman Bogdala thanked the organizations and staff for all their time and input into this process. He said he appreciated the hard work that goes

into this process. The goals set by this Committee were to affect youth, the downtown as a targeted area, create jobs and fund projects at or near the requested amount. Alderman Bogdala said he felt they accomplished what they set out to do. Alderman Bogdala thanked the organizations for completing the requests and being a part of this process. The project funding will be forwarded to the Plan Commission, Finance Committee and Common Council for approval.

Staff Comments

Mr. Geliche said the public notice will be published next week. The title will be "2011 Consolidated Plan – Annual Plan." The CDBG Program will be on the February 10, 2011 Plan Commission agenda. Both the CDBG and HOME Programs will be on the February 21, 2011 Finance Committee and Common Council agendas. We will submit the recommendations to HUD in mid-March.

Mr. Geliche said next year's process will be started and completed earlier in the year. HUD gave us a filing extension this year, but has already stated the deadline for 2011 is November 15th. We will try to complete the CDBG process by August 31st prior to the budget process.

A motion to adjourn was made by Alderman Ruffalo and seconded by Alderman Downing. The motion passed unanimously (6 ayes; 0 noes).

The meeting adjourned at 5:55 pm.

Certification that the minutes have been approved by the Community Development Block Grant Committee.

Jeffrey B. Labahn, Secretary

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| Community Development Division 625 52 nd Street Kenosha, WI 53140 262.653.4030 | Community Development Block Grant Committee FACT SHEET | June 28, 2011 | Item 1 |
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Election of Chairperson and Vice Chairperson of Community Development Block Grant Committee

ANALYSIS:

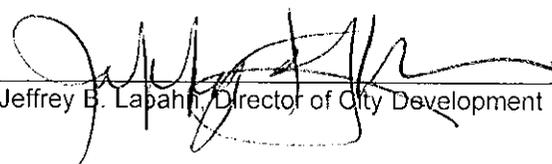
- The Code of General Ordinances, Section 1.06 X.5., referencing "City Boards and Commissions, Community Development Block Grant Committee, Officers", states:
 - *The Committee shall elect a chairperson and vice chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year.*
- Section 1.06 X.5 is attached for your reference.

RECOMMENDATION:

To elect a Chairperson and Vice-Chairperson.



Tony Geliche, Community Development Specialist
/u2/acct/cp/ckays/1CDBG/2012PY/June28 Mtg/fact-election.odt



Jeffrey B. Labahn, Director of City Development

CODE OF GENERAL ORDINANCES, 2011 - KENOSHA, WISCONSIN

7. Duties. The Commission shall:

a. Annually solicit, review and recommend to the Common Council projects to be funded with Federal HOME Program grant funds.

b. Develop a program description for Common Council approval to be submitted to the U.S. Department of Housing and Urban Development.

c. Meet periodically to review program activities and results.

8. Appropriation and Allotment of Funds to the Commission. The Common Council may, from time to time, allocate such funds as said Council deems necessary and appropriate for the use of the Commission in the performance of duties herein relevant. Out-of-City trips must be approved, in writing, in advance, by the Mayor, and all expenses and receipts furnished, when available.

V. Board of Review.

1. Title. There is hereby created a "Board of Review" in accordance with Section 70.46, Wisconsin Statutes.

2. Purpose. The purpose of the Board of Review shall be to conduct proceedings and act in accordance with Section 70.47, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

3. Members. There shall be five (5) members appointed by the Mayor and confirmed by the Common Council. The membership shall consist of citizens who are residents of the City, and may include public officers and employees who are residents of the City of Kenosha, except that the Assessor and employees of the Assessment Department may not be members. Members shall serve without salary.

4. Term. The term of members shall be five (5) years, which shall be staggered by creating initial terms for a period of one (1), two (2), three (3), four (4) and five (5) years, respectively.

5. Officers. The Board shall elect a chairperson and a vice-chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year. The Mayor may appoint a City employee to act as Secretary for the Commission at no additional compensation to be paid to said employee, other than compensatory time off, if applicable, unless such compensation is authorized in advance by the Common Council.

6. By-Laws. The Board may, from time to time, adopt bylaws and rules of procedure fixing the time and place of meeting, prescribing the manner of

keeping records, and treating other matters.

7. Duties. The Board shall have the duties specified in Section 70.47, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

W. Board of Assessors.

1. Title. There is hereby created a "Board of Assessors" in accordance with Section 70.075, Wisconsin Statutes.

2. Purpose. The purpose of the Board of Assessors shall be to conduct proceedings and act in accordance with Section 70.075, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

3. Members. There shall be five (5) members appointed by the City Assessor and confirmed by the Common Council. The membership shall consist of the City Assessor and such assistant assessors, appraisers and other expert technical personnel as the City Assessor may appoint.

4. Term. The term of members shall be indefinite, subject to termination without cause by the City Assessor.

5. Officers. The City Assessor shall be the chairperson and shall appoint a vice chairperson from among its members. The City Assessor may appoint a member or an employee of the Assessment Department to act as Secretary for the Board.

6. By-Laws. The Board may, from time to time, adopt bylaws and rules of procedure fixing the time and place of meetings, prescribing the manner of keeping records, and treating other matters.

7. Duties. The Board shall have the duties specified in Section 70.075, Wisconsin Statutes, and such other provisions of Chapter 70, Wisconsin Statutes, as may be applicable.

X. Community Development Block Grant Committee.

1. Title. There is hereby created the "Community Development Block Grant Committee".

2. Purpose. The purpose of the Community Development Block Grant Committee shall be to make recommendations respecting the expenditure of Community Development Block Grant funds.

3. Members. There shall be seven (7) members; three (3) members of the Finance

CODE OF GENERAL ORDINANCES, 2011 - KENOSHA, WISCONSIN

Committee of the Common Council; three (3) members of the City Plan Commission; and one (1) citizen of the City. All members shall be appointed by the Mayor and confirmed by the Common Council.

4. Term. The term of members shall be: from the Finance Committee, for the duration of their two (2) year term of office as alderperson; from the City Plan Commission, for the balance of their appointed term; for the citizen member, three (3) years. Any member from the Finance Committee or City Plan Commission who shall for any reason cease to hold such position shall cease to be a member of the Committee. There shall be no limit on the number of consecutive terms of members.

5. Officers. The Committee shall elect a chairperson and vice chairperson from among its members at its initial meeting and annually at its first meeting of each calendar year. The Director of City Development shall appoint an employee of the Department of City Development to act as Secretary for the Committee at no additional compensation to be paid to said employee, other than compensatory time off, if applicable, unless such compensation is authorized in advance by the Common Council.

6. By-Laws. The Committee may, from time to time, adopt by-laws and rules of procedure fixing the time and place of meeting, prescribing the manner of keeping records, and treating other matters.

7. Duties. The Committee shall have the following duties:

a. Solicit comments from the public pertaining to the housing and community development needs of the City.

b. Recommend to the City Plan Commission and Finance Committee a five (5) year Consolidated Plan.

c. Recommend to the City Plan Commission and Finance Committee an annual Fund Allocation Plan.

d. Solicit proposals for the use of Community Development Block Grant Funds, annually.

e. Recommend to the City Plan Commission and Finance Committee expenditure of the Community Development Block Grant Funds.

f. Provide recommendations on the reprogramming of unexpended Community Development Block Grant Funds, as needed.

Y. Aldermanic Notice

Whenever a City Board or Commission, or personnel authorized by the Board or Commission, has scheduled a public meeting, which is not a regularly scheduled meeting of the Board or

Commission, separate aldermanic written notice shall be given by the Board or Commission to each alderperson at least 72 hours prior to the commencement of such meeting unless for good cause such notice is impossible or impractical, in which case shorter notice may be given, but in no case may the notice be provided less than two (2) hours in advance of the meeting. The written notice shall be on paper and in electronic mail (e-mail) format. The affected alderperson(s) shall be required to give approval for their district. Receipt shall be presumed upon delivery to the aldermanic mailbox located within City Hall and upon sending an electronic message to the alderperson's City issued e-mail account. The notice shall announce the time, place and subject matter of the meeting. "Public Meeting" means the convening of members of a City Board or Commission for the purpose of meeting with the public to discuss a topic which is subject to the responsibility, authority, or duties delegated to the Board or Commission.

1.065 KENOSHA AREA BUSINESS ALLIANCE, INC.

A. Recognition And Purpose. The Kenosha Area Business Alliance, Inc. (formerly Kenosha Area Development Corporation) is recognized as a without stock and not-for-profit Wisconsin Corporation created for the purpose to engage in any lawful activities authorized by Chapter 181 of the Wisconsin Statutes; to further economic development within the community of Kenosha, Wisconsin; to promote and assist the growth and development of businesses, specifically including small businesses in the community, to promote and provide for additional and maximum employment to aid the community by increasing business volume, by attracting industry to the community, and by encouraging the development of, and retention of, industry in the community and to lessen the burdens of government, and to act in the public interest.

B. Appropriation And Allotment Of Funds To Corporation. The Mayor is authorized to make an allocation in the Mayor's proposed yearly budget of funds for use of the Kenosha Area Business Alliance, Inc. in the proper performance of its activities, and may make further allocations for the use of the Corporation as requested and required by the Corporation, for any additional or special function which is deemed necessary or proper.

1.067 SISTER CITIES ASSOCIATION OF KENOSHA, WISCONSIN, INC.

A. Recognition And Purpose. The Sister Cities Association of Kenosha, Wisconsin, Inc. is recognized as a without stock and not-for-profit

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| Community Development Division 625 52 nd Street Kenosha, WI 53140 262.653.4030 | Community Development Block Grant Committee FACT SHEET | June 28, 2011 | Item 2 |
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2012 Community Development Block Grant Fund Allocation Plan. PUBLIC HEARING

ANALYSIS:

- The Community Development Block Grant (CDBG) Committee is responsible for developing and preparing the Allocation Plan for the 2012 CDBG Program. A copy of the 2011 Plan is attached.
 - The plan must then be approved by the City Plan Commission and Finance Committee with final approval by the Common Council.
 - The new plan should consider the following:
 - A project funded with CDBG funds must fit into one of three (3) Federally identified categories:
 - Low and moderate income benefit
 - Elimination of slums and blight
 - Urgent need (emergency situation-disaster)
- 70% of the funds expended during the 2011-2013 program years must benefit low to moderate income persons.*
- Funding Categories:
 - Below are the categories and percentages that were used during the 1999-2001, 2002-2004, 2005-2007, 2008, 2009, 2010 and 2011 program years:

| Program Category | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|------------------------------------|--------|--------|--------|--------|-----------------|----------|-----------|-----------|-----------|-----------|-----------|-----------|------|
| Public Service | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% | 15% |
| Planning & Management | 12.85% | 12.85% | 12.85% | 12.85% | 20% | 20% | 20% | 20% | 20% | 20% | 20% | 20% | 20% |
| Housing & Neighborhood Improvement | 49.04% | 39.75% | 40.90% | 43.76% | 35.25% - 40.25% | 33.99% | 42% - 55% | 47% - 57% | 62% - 65% | 62% - 65% | 62% - 65% | 53% - 63% | 65% |
| Economic Development | 23.11% | 73% | 6% | 3.64% | 5% | 0% - 15% | 7% - 20% | 5% - 15% | 0% - 3% | 0% - 3% | 0% - 3% | 0% - 12% | |
| Mall Removal | | | | | | | | | | | | | |
| Uptown Streetscape | | 25.40% | 25.25% | 24.75% | 24.75% | 16.01% | | | | | | | |
| UW Extension NSRA Implementation | | | | | | | 3% | 3% | | | | | |

- Funding Level Limitations:
 - There are two (2) regulatory limitations on the level of funding.
 - First - Planning, Management and General Administration costs cannot exceed 20% of the total funds expended.
 - Second - only 15% of the total funds can be used for public service projects.

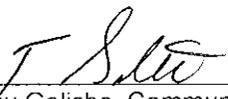
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2012 Community Development Block Grant Fund Allocation Plan. PUBLIC HEARING

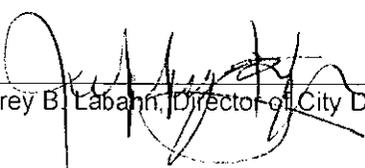
- Planning/Administration
 - These funds are used to administer the CDBG Program and for comprehensive planning activities which include:
 - Comprehensive Plans
 - Individual Project Plans
 - Community Development Plans
 - Capital Improvement Programs
 - Small Area and Neighborhood Plans
 - Analysis of impediments to fair housing choice
 - Environmental and Historic Preservation studies
 - Functional Plans (*housing, land use, energy conservation or economic development*)
 - Reduction/Increase in Funding
 - Direction needs to be provided on what happens if the City receives additional funding as well as if there is a reduction in funding.
 - Reprogramming of Funds
 - Direction needs to be provided on how funds designated to be re-programmed will be re-allocated.

RECOMMENDATION:

For Committee review and recommendation.



 Tony Geliche, Community Development Specialist
/u2/acct/cp/ckays/1CDBG/2012PY/June28 Mtg/fact-allocationplan.odt



 Jeffrey B. Labahn, Director of City Development

**Community Development Block Grant
Fund Allocation Plan
2011**

I. INTRODUCTION

The Community Development Block Grant's primary objective is the development of viable communities by creating suitable living environments, maintaining and creating decent housing, and creating and maintaining job opportunities for low and moderate income persons.

Communities which are eligible for Community Development Block Grant (CDBG) funds, otherwise known as "entitlement cities," must develop an Allocation Plan stating community goals and objectives on how CDBG funds should be used and spent.

The Fund Allocation Plan has been prepared by the CDBG Committee on Community Development Block Grants to provide a basis for funding decision for Program Year 2011.

The committee was established in order to:

1. Develop an Allocation Plan
2. Reexamine the process for allocating CDBG funds
3. Become actively involved in the awarding of CDBG applications by conducting interviews of all potential applicants, and making recommendations to the Finance Committee and City Plan Commission on which projects should be funded.

The Fund Allocation Plan establishes program categories, funding percentages, and the basis for allocating dollar amounts.

II. FUNDING CATEGORIES

There are three (3) local funding categories: Public Service, Housing, Neighborhood Improvement/ Economic Development and Planning/Management. Proposals must fall within one (1) of the three (3) mentioned categories and will be evaluated on that basis. Projects will be competing for the funds allocated to the respective category. The types of projects that will be considered under each category are as follows:

PUBLIC SERVICE

- Project/Program Delivery Costs
- Equipment to Support Program Services

HOUSING, NEIGHBORHOOD IMPROVEMENT / ECONOMIC DEVELOPMENT

- Housing Rehabilitation
- Code Enforcement Programs
- New Housing Construction
- Historic Preservation
- Neighborhood Projects
- Public Improvements
- Facility Improvements
- Revolving Loan Fund
- Revolving Business Loan programs

- Job Creation for Low/Moderate Income Benefit
- Commercial Revitalization

PLANNING / MANAGEMENT

- CDBG Implementation
- Comprehensive Planning
- Studies and Long Range Planning

The programs listed above must meet one of the following National Objectives:

- benefiting low and moderate income persons,
- addressing slums or blight,
- meeting a particular urgent community development need.

The programs must also comply with all Department of Housing and Urban Development guidelines and regulations stipulated in 24 CFR Part 570 of the Housing and Community Development Act of 1987.

III. EVALUATION CRITERIA

The following criteria will be used to evaluate proposals. Proposals should address the criteria in order to be considered for funding.

PUBLIC SERVICE PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as a Public Service Project, the proposal must be contained in one of the following:

- Consolidated Plan
- Agency Plan
- Local Neighborhood Strategies

Benefit

To be considered for funding as a Public Service Project, the proposal must demonstrate that:

- 51% of the persons directly benefiting are from low-to-moderate income households, or
- 51% of the persons residing in the area being served are low-to-moderate income

Project Type

To be considered for funding as a Public Service Project, the proposal must demonstrate that:

- the project is a new project, or
- the project is a quantifiable increase in a service already being provided

Leveraging

To be considered for funding as a Public Service Project, the proposal must demonstrate

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Measurable Outcomes

Proposals shall list the measurable qualitative outcome that will result from the use of funds.

HOUSING PROJECTS

Proposals must be either a Single Family Project or a Multi-Family Project.

Single Family Project

To be considered for funding as a Single Family Project, the proposal must be one of the following:

- acquisition/rehabilitation
- demolition
- new construction

Multi-Family Project

To be considered for funding as a Multi-Family Project, the proposal must be one of the following:

- acquisition/rehabilitation of two or more unit dwellings
- need to be structures that were built as multi-family dwellings
- construction of two or more adjoining units, but not more than 8 units

Proposals must also address the following:

Plan Consistency

To be considered for funding as a Housing Project, the proposal must be contained in one of the following:

- Consolidated Plan
- Neighborhood Plan
- Area Plan
- Agency Plan
- Local Neighborhood Strategies

Benefit

To be considered for funding as a Housing Project, the proposal must benefit:

- 100% low-to-moderate income households for single family projects
- 51% low-to-moderate income households for multi-family projects

Leveraging

To be considered for funding as a Housing Project, the proposal must demonstrate:

- leveraging of funds (private, bank, HOME, HRCI, etc.)
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Location

To be considered for funding as a Housing Project, the proposal must be located within the City's Reinvestment Neighborhood.

Emphasis will be placed on proposals that address activities in local Neighborhood Strategies.

PUBLIC IMPROVEMENT PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as a Public Improvement Project, the proposal must be contained in one of the following:

- Consolidated Plan
- Neighborhood Plan
- Area Plan
- Local Neighborhood Strategies

Benefit

To be considered for funding as a Public Improvement Project, the proposal must benefit:

- 51% low-to-moderate income households, or
- eliminate slums or blight

Leveraging

To be considered for funding as a Public Improvement Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Location

To be considered for funding as a Public Improvement Project, the proposal must be located within the City's reinvestment Neighborhood.

Emphasis will be placed on proposals that address activities in local Neighborhood Strategies.

FACILITY PROJECTS

Funds received (over \$1,000) for the improvement or construction of facilities shall be secured by a property title lien until the property is sold or leased to a for-profit entity or a non-CDBG eligible not-for-profit entity.

Proposals must address the following:

Plan Consistency

To be considered for funding as a Facility Project, the proposal must be contained in one of the following:

- Consolidated Plan
- Neighborhood Plan
- Area Plan
- Agency Plan
- Local Neighborhood Strategies

Benefit

To be considered for funding as a Facility Project:

- the Agency must serve 51% low-to-moderate income persons, or
- the Project must eliminate slums or blight

Leveraging

To be considered for funding as a Facility Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Need

To be considered for funding as a Facility Project, the proposal must demonstrate the following:

- the Project will enhance the services provided by the applicant
- effect or relationship of the project to programming
- the Project is necessary to address conditions detrimental to public health and safety

Location

Emphasis will be placed on proposals that address activities in local Neighborhood Strategies.

ECONOMIC DEVELOPMENT PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as an Economic Development Project, the proposal must be contained in one of the following:

- Consolidated Plan
- Neighborhood Plan
- Area Plan
- Agency Plan
- Local Neighborhood Strategies

Benefit

To be considered for funding as an Economic Development Project, the proposal must benefit:

- 51% low-to-moderate income persons through job creation or retention activities, or
- eliminate slums or blight

Leveraging

To be considered for funding as an Economic Development Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Need

To be considered for funding as an Economic Development Project, the proposal must demonstrate the following:

- the Project will enhance the area in which the Project is located
- the Project is necessary to address conditions detrimental to public health and safety

Measurable Outcomes

Proposals shall list the measurable qualitative outcomes that will result from the use of funds.

PLANNING / MANAGEMENT PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as a Planning/Management Project, the proposal must be contained in one of the following:

- Consolidated Plan
- Neighborhood Plan
- Area Plan
- Agency Plan

Benefit

To be considered for funding as a Planning/Management Project, the proposal must demonstrate the impact the project will have on the community.

Leveraging

To be considered for funding as a Planning/Management Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Need

To be considered for funding as a Planning/Management Project, the proposal must demonstrate the following:

- the Project will enhance the area in which the Project is located
- the Project will enhance or relate to the Agency's long term programming

IV. FUNDING ALLOCATION FOR 2011 (based on a \$1,163,093 allocation)

The categorical percentages established for the CDBG Program during 2011 are listed below:

| <u>Program Category</u> | <u>Percentage of Total Program</u> |
|--|---|
| Public Service | 15% |
| Planning/Management | 20% |
| Housing, Neighborhood Improvement/Economic Development | 65% |

If there is a reduction in CDBG funds received for the year 2011, reductions will be made across the board. If there is an increase in CDBG funds received for the year 2011, these funds will be allocated based on applications on file.

Priority

Priority will be given to proposals that address the following:

- Youth and/or job creation
- Downtown as an Area
- Emergency Services (food, shelter)
- Public Safety for low-to-moderate income neighborhoods (as defined by census tract and block groups)

(While priority will be given to the above, proposals that do not address these priorities will still be accepted.)

V. REPROGRAMMING OF FUNDS

All funds available for reprogramming during the 2011 program year are designated to be reprogrammed by the CDBG Committee using the percentages listed in Section IV utilizing an RFP process as determined by the CDBG Committee.

VI. TIMELINESS

All projects funded must be initiated within 12 months of receipt of funds. Agencies requesting extensions shall demonstrate an urgent or critical reason for the extension. Extensions shall not exceed six months.

VII. FUNDING REQUESTS

Requests for funding will be allowed once per year during the acceptance of applications. The CDBG Committee will not entertain any special requests, whether they are an emergency or not, at any other time throughout the year. Multi-year funding requests may be considered.

VIII. INELIGIBLE ACTIVITIES

- Government buildings, except to remove architectural barriers
- General government expenses, except administration of CDBG program/comprehensive planning
- Political activities
- Income payments
- Motor vehicles

IX. LIENS

Liens will be placed on real property that is improved with the use of CDBG funds. Such liens shall remain until the property is sold by the agency receiving the CDBG funds.

/u2/acct/ep/ckays/1CDBG/2011PY/2011 AllocationPlan.odt

2012 CDBG Program Calendar

Date

Activity

| | |
|--|--|
| Tuesday, June 28, 2011 | Public Hearing/CDBG Committee Allocation Plan |
| Thursday, July 7, 2011 | City Plan Commission Review of Allocation Plan |
| Monday, July 18, 2011 | Finance Committee Review of Allocation Plan |
| Monday, July 18, 2011 | Council Approval of Allocation Plan |
| Tuesday, July 19 – Friday August 12, 2011; 10:00AM | Application Period |
| Week of August 22, 2011 | Interview Dates |
| Wednesday, September 14, 2011 | CDBG Committee Allocation |
| Thursday, October 20, 2011 | City Plan Commission Approval |
| Monday, November 7, 2011 | Finance Committee Approval |
| Monday, November 7, 2011 | Common Council Adoption |
| Tuesday, November 15, 2011 | Must be submitted to HUD by this date |

June

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- Holiday
- CDBG Committee Meeting Date
- CDBG to City Plan, Finance, Council
- Application Period