



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

Community Development

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TO: Legal and Finance Committee

FROM: Trish Anderson *TA*
Community Development

RE: Proposed Community Development Block Grant Funding Allocations
Fiscal Year 2003

DATE: February 7, 2003

Attached for your review is a spread sheet showing the requests for Community Development Block Grant funding and the Subsidy Committee's recommendation for allocation of Block Grant funds among these requests. The list of projects and the funding amount recommended are part of the Annual Action Plan and the Consolidated Plan which will be placed on public display the beginning of March. After the 30 day display period, City Council will have a second opportunity to review the projects when the Council votes on the Consolidated Plan in May. The Consolidated Plan will then be submitted to the Department of Housing and Urban Development.

The City's estimated allocation of funds from the Department of Housing and Urban Development for fiscal year 2003 is \$614,000 which is a 7.8% decrease from last year's allocation. Allocation awards are based upon a formula using 2000 Census data and a ranking among other metropolitan entitlement communities. The funding requests for fiscal year 2003 year total \$1,635,737. Staff notes that federal regulations allow the City to use up to 15% of their entitlement public service activities (\$92,100), although the City can spend less than this amount. Administration costs for the Community Development Block Grant program may not exceed 20% of the entitlement grant (\$122,800).

The Subsidy Committee made the funding decisions based upon the benefit to low and moderate income persons in the community, the Department of Housing and Urban Development eligibility criteria, the project feasibility, the need for an activity in the community, and the ease to which the project may be completed in a shortened program year. The City's program year in which these funds have to be expended will be nine months this year due the delayed submittal of the Consolidated Plan. If the City fails to meet Department of Housing and Urban Development expenditure guidelines, then future Community Development Block Grant funding may be reduced.

Staff Recommendation: Approve for public display and comment the proposed projects and funding levels for fiscal year 2003 Community Development Block Grant.



**Subsidy Committee Recommendations
Community Development Block Grant Requests
Fiscal Year 2003
February 7, 2003**

<u>Applicant</u>	<u>Project Type</u>	<u>Funding FY 2002</u>	<u>Funds Requested</u>	<u>Funds Recommended</u>
Housing Activities				
Teton Coalition (formerly RC Housing Coalition)	Purchase of 2 lots for sale to low income families		\$66,000	\$35,000
Habitat for Humanity	Purchase of lots and installation necessary infrastructure	\$30,000	\$90,000	\$35,000
Western Resources dis-Abled Independence	Modify residences to make them handicap accessible for disabled individuals		\$40,000	
Housing Rehab Program	Provide grants and loans for housing rehabilitation for low/mod families City administered program.	\$75,000	\$70,000	\$70,000
Public Infrastructure and Facilities				
Gandolf Group	Infrastructure grant to support construction of 72 low income rental units. TIF funds also requested		\$500,000	\$246,500
Cornerstone Mission	Replacement of air conditioning unit in dormitories	\$100,000	\$12,600	\$12,600
City of Rapid City - Parks Div.	Horace Mann Park Improvements including swimming pool conversion to multi-purpose area		\$150,000	
Rushmore Little League	Steele Street Park Improvements irrigation, landscaping, parking lot		\$70,000	
Black Hills Pony League	Horace Mann Field Improvements consession bldg., bleachers, irrigation, etc.		\$260,000	not eligible for CDBG funding

		<u>Funding FY 2002</u>	<u>Funds Requested</u>	<u>Funds Recommended</u>
Economic Development				
West River Foundation/ RC Economic Development Partnership	Construction of Business Incubator Rushmore Industrial Park (additional request for \$200,000 in FY 2004)		\$200,000	
Public Services				
Youth & Family Services	Provide counseling to low income citizens	\$10,000	\$12,000	\$8,000
Western SD Community Action	Fund Homeless Prevention Coordinator		\$26,000	\$12,000
Big Brothers/Big Sisters	Mother Mentor Counseling Match teen moms with adult mentors	\$3,000	\$5,000	\$2,400
Dakota Plains Legal Services (formerly BH Legal Services)	Provide legal services for low income persons	\$20,000	\$20,000	\$16,000
Salvation Army	Provide first month & past due rent pay utility bills to either house homeless or prevent homelessness	\$30,000	\$50,000	\$30,000
Senior Companions	Provide in-home assistance to senior citizens to delay/prevent nursing home placement.	\$2,500	\$2,500	\$2,500
Working Against Violence	Provide counseling assistance to victims of domestic violence	\$7,000	\$8,000	\$7,000
CASA	Provide legal advocacy for children	\$10,000	\$34,000	\$8,800
Friendship House	Provide halfway house services for recovering drug addicts and alcoholics		\$12,750	\$5,400
North Dakota Fair Housing	Facilitate workshops in Rapid City to promote fair housing		\$6,887	
Recommended Funding Public Service				\$92,100
Total Project Funding Recommended				\$491,200
TOTAL FUNDS REQUESTED			\$1,635,737	
TOTAL CDBG FUNDS AVAILABLE		\$ 614,000		
less 20% administration		\$ 122,800		
CDBG AVAILABLE FOR PROJECTS			\$491,200	