



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

PLANNING DEPARTMENT

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MEMORANDUM

TO: Legal and Finance Committee

FROM: Barbara Garcia, Community Development Specialist

DATE: February 17, 2004

RE: Preliminary Approval of the Proposed CDBG Funding Allocations for FY 2004

Staff is seeking preliminary approval of the Fiscal Year 2004 Community Development Block Grant recommended allocations.

Attached for your review is a spreadsheet showing the requests for Community Development Block Grant (CDBG) funding and the Subsidy Committee's recommendation for funding allocation. The estimated award of funds from HUD for FY 2004 is \$614,000 which includes all project activities and program administration. Funding requests for FY 2004 total \$ 944,407.62. Staff notes that federal regulations allow the City to use up to 15% of their entitlement for public service activities (\$92,100). The City can approve less than this amount or may choose not to fund public service activities. Administration costs for the CDBG program may not exceed 20% of the entitlement grant (\$122,800).

The funding recommendations were made by the Subsidy Committee based upon Department of Housing and Urban Development eligibility requirements, the benefit to low and moderate income persons in the community, the project feasibility and cost effectiveness, compliance with the needs and priorities of the community, as identified in the Rapid City Five Year Consolidated Plan, and the applicant's demonstrated ability to complete the project in the program year.

The activities to be funded will be included in the Annual Action Plan. After preliminary Council approval of the proposed activities, a draft of the Annual Action Plan will be put on public display for a 30 day comment period. A Public Hearing will also be held during the 30 day comment period. Following that, approval by the City Council of the Annual Action Plan will be required.

Staff Recommendation: Preliminary approval of the Subsidy Committee's recommendations for CDBG funding for FY 2004.



EQUAL OPPORTUNITY EMPLOYER