



# CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

## GROWTH MANAGEMENT

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### MEMORANDUM

TO: Legal & Finance Committee

FROM: Barbara Garcia, Community Development Specialist

DATE: 04/07/04

RE: Community Development Block Grant FY 2004 Annual Action Plan  
Final Review and Approval

Staff is seeking Council final approval of the FY 2004 Community Development Block Grant Annual Action Plan. Attached please find a copy of the recommended funding allocations and FY 2004 Annual Action plan that was approved by the Council on March 1, 2004. Also attached is the transcript of the comments received at the Public Meeting held on 3/31/04 and a summarization of the other comments received during the thirty day comment period. Documentation is also attached regarding the 12<sup>th</sup> Street Sewer Project for your review.

We received three requests from homeowners for reconsideration and funding of the application for the 12<sup>th</sup> Street Sewer Line Project. City Engineering submitted an application for a CDBG grant for \$32,223.23 to construct an 8" sanitary sewer main, a 4" sanitary sewer service lines and to remove and replace street pavement as necessary for seven homes: 3 homes are on 12<sup>th</sup> Street, 2 homes are on Clark Street and 2 homes are on Fairview. This application was denied by the Subsidy Committee because it did not meet HUD's national requirement of serving low income people. The homes are not located in a low income census tract and no documentation was presented to show that the occupants are low to moderate income households. HUD requires that at least 51% of the households must be low to moderate income. By definition, they must be below 80% of the HUD median income for the area, for household size. Some of the tenants and owners have brought in their income information, but at this staff has not received proof of at least 51% of the households being low income. Without additional documentation showing more low income households, the project does not meet HUD guidelines.

**Staff recommendation is to accept and approve the FY2004 CDBG Annual Action Plan as approved by Council on March 1, 2004. (See Attached).**



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