


MEMORANDUM

TO: CITY COUNCIL MEMBERS
MAYOR MUNSON

FROM: BONNIE HUGHES 
COMMUNITY DEVELOPMENT DIRECTOR

SUBJECT: AMENDED CDBG FINAL STATEMENT

DATE: AUGUST 8, 2002

The Subsidy Committee recommends that the City amend the Community Development Block Grant Final Statement of Activities to provide increased funding for the purpose of providing additional buildable lots for affordable housing for homeownership.

The additional funding is from unprogrammed CDBG funds available on the City's letter of credit balance with HUD. Additionally, the Subsidy committee recommends decreasing the Rehabilitation line item by \$25,000 and adding to the Rapid City Community Development Corporation. This additional funding will allow the RCCDC the opportunity to acquire an additional nine (9) lots on which to either stick build affordable housing or provide Governor's Houses for eligible applicants.

Several months ago, I spoke with the Salvation Army about the need for additional funding in light of the Federal Beef fire. The Salvation Army has been providing services to persons who were employed by Federal Beef, and the resources are very low. I visited with Mayor Munson and other subsidy committee members about providing an additional \$10,000 to the Salvation Army for

services to low income residents. Included in this amendment is allocating an additional \$10,000 to the Salvation Army and deducting that amount from the administration line item. I can reduce the administration line item since I have had the Administrative Assistance position vacant since March 22.

I request Council approval on Amendment #1 to the FY 2002 CDBG Final Statement of Activities and Projected Use of Funds.

Amendment #1 to Final Statement of Activities & Projected Use of Funds

2002 Community Development Block Grant (CDBG) Program

Proposed Project/Services	Funding Requested	Funding Recommended	
PUBLIC SERVICES			
Big Brothers/Big Sisters	6,000	3,000	
Black Hills Legal Services	20,000	20,000	
City/County Alcohol and Drug	12,882	-	
Court Appointed Special Advocate (CASA) Program	31,000	10,000	
Rural America Initiative - Mentoring Program	5,000	5,000	
The Salvation Army	65,000	30,000	*Add \$10,000 for increased services due to Fed Beef fire.
Senior Companions of S.D.	2,500	2,500	
Soaring Eagle Treatment	27,600	-	
Sun Catcher Therapeutic Riding Academy	9,000	-	
Working Against Violence, Inc.	7,000	7,000	
Youth & Family Services (YFS) - Counseling	10,000	10,000	
Subtotal	195,982	87,500	
IMPROVEMENTS - COMMUNITY FACILITIES			
Cornerstone Rescue Mission	186,691	100,000	
RC Arts Council/Dahl Arts Center	122,772	-	
Working Against Violence, Inc.	100,000	100,000	
Youth & Family Services (YFS) - New Kitchen	120,000	-	
Subtotal	529,463	200,000	
HOUSING			
Rapid City Community Development Corporation	100,000	245,000	*Additional \$125,000 for land purchase for affordable housing

BH Area Habitat for Humanity	120,000	30,000	
Owner Occupied Home Rehabilitation	100,000	75,000	
Subtotal	320,000	350,000	
ADMINISTRATION			
RC Community Development Department	119,622	109,622	
Subtotal	119,622	109,622	
TOTAL REQUESTED FUNDS:	1,165,067	747,122	

FUNDING SOURCE	Amount		Comments
Carryover/Program Income		81,122	Added \$ 66,695 in unprogrammed fund
FY2002 Entitlement		666,000	
Total Funds		747,122	

These proposed projects are directly related to the City's adopted strategic objectives approved in our Consolidated Plan Submission. These strategies are:

- 1) Expand homeownership opportunities for low income persons.
- 2) Provide rehabilitation of existing owner/occupied dwelling units;
- 3) Increase the supply of decent affordable housing by providing financial assistance to developers;
- 4) Increase the capacity of non profit organizations to serve low income residents by providing for the expansion of existing public facilities;
- 5) Assist direct service providing organizations with the financial resources to increase the services currently provided.
- 6) Upgrade the public infrastructure to preserve quality of life in our community.

The FY2002 projects provide the financial assistance to accomplish the strategies outlined. The funding provided through the City's CDBG program helps continue vital services to low income residents; provides an opportunity to become a homeowner; assists with rehabilitation of a low income persons home; and assists with upgrading public facilities that provide services to the homeless and the low income residents in our community.