



CITY OF RAPID CITY
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MEMORANDUM

TO: Legal and Finance Committee

FROM: Barbara Garcia, Community Development Specialist

DATE: September 16, 2004

RE: **Preliminary Approval of the Proposed Funding Allocations for
FY 2004 Mid Year Reallocation of Community Development Block
Grant Funds**

Staff is seeking preliminary approval of the recommended Fiscal Year 2004 Mid-Year Reallocation of Community Development Block Grant funds from 2001, 2002 and 2003.

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 FY 2001, 2002 and 2003 program income and remaining grant funds is \$38,385.69, which includes all project activities. Funding requests for this reallocation of funds total \$138,564. Staff notes that federal regulations allow the City to use up to 15% of their entitlement for public service activities (\$5,757.85). The City can approve less than this amount or may choose not to fund public service activities.

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 amendment to 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 amendment to the Annual Action Plan will be required.

Staff Recommendation: Preliminary approval of the Subsidy Committee's recommendations for the mid-year reallocation of Community Development Block Grant funding for FY 2004.



EQUAL OPPORTUNITY EMPLOYER