



CITY OF RAPID CITY

RAPID CITY, SOUTH DAKOTA 57701-2724

COMMUNITY DEVELOPMENT DIVISION

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MEMORANDUM

TO: Legal & Finance Committee

FROM: Barbara Garcia, Community Development Specialist

DATE: August 16, 2006

RE: Council Approval and Authorization for the Mayor and Financial Officer to Sign an Amendment to the FY 2005 Community Development Block Grant Annual Action Plan and Contract Between the City Of Rapid City and Black Hills Area Habitat for Humanity to Extend the Grant Period for Expenditure of Funds and Revise the Description of Work

Black Hills Area Habitat for Humanity was allocated \$84,000 from the FY 2005 Community Development Block Grant with funds to be used to "purchase four lots or properties, provide public infrastructure, site development, surveys, an annual audit or program delivery costs, for the development of new homes for low income households". The program was to expend the funds during the fiscal year that ran from April 1, 2005 to March 31, 2006. As of March 31, 2006 Black Hills Area Habitat for Humanity had not drawn down any of their FY 2005 funds. In June of 2006 they drew down \$68,351.27 of their allotted funds.

Staff notified Black Hills Area Habitat for Humanity that their funds needed to be drawn down by the end of August to avoid having the funds recaptured by the City. Scott Engmann, the Executive Director, stated that finding additional affordable lots to purchase has been very difficult, however if the funds could be used for renovation, they could use the remaining funds prior to the end of this fiscal year, which ends in March, 2007.

Black Hills Area Habitat for Humanity is requesting a revision to their Community Development Block Grant contract to allow an extension of the completion date from March 31, 2006 to March 31, 2007. They also request a revision to the Description of Work to include renovation of properties that have fallen into disrepair for sale to low income households.



EQUAL OPPORTUNITY EMPLOYER

An amendment that affects an activity by 25% or more also requires an amendment to the FY 2005 Annual Action Plan and a thirty day public comment period prior to final action by the City Council. The requested amendment does not meet the 25% criteria and will not require compliance with the 30 day comment period.

Staff Recommendation: Council approval and authorization for an amendment to the FY 2005 Annual Action Plan and the Community Development Block Grant contract between the City of Rapid City and Black Hills Area Habitat for Humanity to extend the grant period for expenditure of funds to March 31, 2007, and revise the Description of Work to include renovation costs of properties that have fallen into disrepair for sale to low income households.