



**Meeting Agenda - Final-revised**  
**Community & Economic Development Committee**

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Wednesday, October 14, 2020

4:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order
2. Roll call of membership
3. Approval of minutes from previous meeting

[20-1293](#) CEDC Minutes from 9-23-20

**Attachments:** [CEDC Minutes 9-23-20.pdf](#)

**4. Public Hearings/Apearances**

[20-1312](#) Presentation by Carrie Poser, Wisconsin Balance of State Continuum of Care Director, on the Homelessness Concern in the Fox Cities and Discussion to Follow

**Attachments:** [Memo to CEDC on Homelessness Concern 10-14-20.pdf](#)

[2020 Activities Impacting Homelessness.pdf](#)

[CEDC Memo from Library Needs Assessment Social Worker October 2020.pc](#)

[APL Needs Assessment- Needs Assessment Report- 5-8-20 final.pdf](#)

[2020 Homelessness in Parks.pdf](#)

[Chronic Homeless and Transient Issues\\_Police Dept.pdf](#)

[Ending Homelessness 2020 - Fox Cities CEDC 2.0.pdf](#)

[20-1294](#) Substantial Amendment to the Community Development Block Grant (CDBG) 2020 Annual Action Plan (AAP) awarding an additional \$348,255 of CDBG Coronavirus Aid, Relief, and Economic Security (CARES) Act funding to community partner organizations (Associated with Action Item #20-1295)

**Attachments:** [AAP Substantial Amendment - Notice of Public Hearing 9-30-20.pdf](#)

**5. Action Items**

- [20-1295](#) Request to approve Substantial Amendment to the Community Development Block Grant (CDBG) 2020 Annual Action Plan (AAP) awarding an additional \$348,255 of CDBG Coronavirus Aid, Relief, and Economic Security (CARES) Act funding to community partner organizations as specified in the attached documents

**Attachments:** [2020 AAP Substantial Amendment Memo to CEDC 10-14-20.pdf](#)  
[CARES Act CDBG Award Letter 4-2-20.pdf](#)  
[CDBG CV Simple Summary.pdf](#)  
[CDBG CV Award Recommendations PS & NPS.pdf](#)  
[2020 AAP Substantial Amendment Draft 04-16-2020.pdf](#)  
[Salvation Army Fox Cities Stmt to CEDC 10-6-20.pdf](#)

- [20-1296](#) Request to approve Substantial Amendments to the Community Development Block Grant (CDBG) Citizen Participation Plan (CPP) and the CDBG Policy as specified in the attached documents

**Attachments:** [CPP Substantial Amendment Memo to CEDC 10-14-20.pdf](#)  
[CPP Amendment - Public Comment Period Notice 10-2-20.pdf](#)  
[Citizen Participation Plan -w markup Draft 10-14-20.pdf](#)  
[CDBG Policy -w markup Draft 10-14-20.pdf](#)  
[Proposed Citizen Participation Plan -no markup 10-14-20.pdf](#)  
[Proposed CDBG Policy -no markup 10-14-20.pdf](#)  
[CDBG-CV Federal Register.pdf](#)

## 6. Information Items

- [20-1297](#) 2021 Community & Economic Development Department Budget

**Attachments:** [Budget Overview Letter from Mayor.pdf](#)  
[2021 Comm & Econ Dev Budget.pdf](#)  
[2021 Housing & Comm Dev Grants Budget.pdf](#)  
[2021 Ind Park Land & Comm Dev Capital Projects Fund.pdf](#)  
[2021 Tax Incremental Financing Districts Budget.pdf](#)  
[2021 CIP - Southpoint Commerce Park Budget.pdf](#)

## 7. Adjournment

*Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.*

*Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.*

*Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.*





# City of Appleton

100 North Appleton Street  
Appleton, WI 54911-4799  
www.appleton.org

## Meeting Minutes - Final Community & Economic Development Committee

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Wednesday, September 23, 2020

4:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order

**Meeting called to order at 4:30 p.m.**

2. Roll call of membership

**Present:** 5 - Coenen, Reed, Firkus, Otis and Thao

*Others present:*

*Jayne Sellen, Fox Cities Regional Partnership*

*Becky Bartoszek, Fox Cities Regional Partnership*

3. Approval of minutes from previous meeting

[20-1209](#)

CEDC Minutes from 9-9-20

**Attachments:** [CEDC Minutes 9-9-20.pdf](#)

**Reed moved, seconded by Otis, that the Minutes be approved. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao

4. Public Hearings/Appearances

[20-1210](#)

Presentation by Jayme Sellen and Becky Bartoszek of the Fox Cities Regional Partnership reporting accomplishments from last year and priorities for the upcoming year

**Attachments:** [Memo to CEDC on FCRP Collaboration and Historical Funding 9-23-20.pdf](#)  
[Letter to CEDC from FCRP.pdf](#)  
[FCRP Strategic Plan 2020-2023.pdf](#)  
[FCRP Strategic Plan Timeline 2020-2023.pdf](#)  
[FCRP Expansion Attraction Retention Outcomes 2013-2020.pdf](#)  
[FCRP PowerPoint Presentation.pdf](#)

**This Appearance was presented.**

## 5. Action Items

[20-1211](#)

Request to approve revisions to the City of Appleton Subordination Policy for the Homeowner Rehabilitation Loan Program as set forth in the attached document

**Attachments:** [Revised Subordination Policy Memo 9-23-20.pdf](#)  
[Subordination Policy 2020.pdf](#)

**Reed moved, seconded by Otis, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao

[20-1212](#)

Request by Sara Nack to appeal her subordination request denial

**Attachments:** [Subordination Appeal Nack Memo 9-23-20.pdf](#)  
[Subordination Appeal Request from Sara Nack.pdf](#)

**Otis moved, seconded by Reed, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao

## 6. Information Items

## 7. Adjournment

**Reed moved, seconded by Otis, that the meeting be adjourned at 4:58 p.m. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Coenen, Reed, Firkus, Otis and Thao



*"...meeting community needs...enhancing quality of life."*

# MEMORANDUM

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TO: Community and Economic Development Committee (CEDC)

FROM: Karen Harkness, Director of Community & Economic Development

DATE: October 14, 2020

RE: Homelessness Concern in Appleton

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People experiencing homelessness in Appleton are already at heightened risk for COVID-19 at the same time that resources and capacity are reduced due to the health, economic, and social crisis. Considering higher unemployment, a decrease of open public spaces, a diminished capacity to supportive services, and a lack of access to mental health, we quickly understand how homelessness is a growing concern for our nation and community.

The City of Appleton, in collaboration with many of our community partner organizations, began tracking the homelessness trends prior to the pandemic. Since the pandemic, the City, in collaboration with many stakeholders, has created processes, programs, and additional resources to do more to provide people experiencing homelessness with shelter and safety. The attached document provides a detailed list of these efforts since February of this year.

The City of Appleton added the position of a Coordinated Entry Specialist in April 2020. This position works with organizations supporting this vulnerable population to implement a robust coordinated entry process. Coordinated Entry means the individual or family in need of housing services can get access to resources regardless of which agency they start (no wrong door policy) through a formalized assessment and evaluation process. The coordinated entry process prioritizes individuals and families based on needs and allows all of the housing agencies that are part of coordinated entry system to serve the highest priority needs as housing program openings become available. This process is an approach to coordination and management of a crisis response system's resources that allows users to make consistent decisions from available information efficiently and effectively connecting people to housing and service interventions that will rapidly end their homelessness.

The Community and Economic Development Department is in the process of solidifying an initiative in partnership with the Appleton Police Department, the Clarion Inn Appleton, and LEAVEN for a Motel Voucher Program. Funding was secured, Council approved the program, and the City is seeking hotel/motel partners to work with us.

The Motel Voucher Program will be used as a last resort to keep homeless individuals in a safe and secure location overnight. Wrap-around care, addressing their individual situation, will be provided with the goal of stabilizing their housing, which will then allow other issues and concerns to be addressed.

City of Appleton staff, in collaboration with Pillars, applied for and was awarded a \$325,000 Emergency Solution Grants COVID-19 (ESG-CV) grant to target activities related to street outreach, prevention, and diversion of homelessness due to COVID-19. Additionally, the City received a Community Development Block Grant (CDBG) -CV funding of \$348,255 targeted toward community development activities due to COVID-19. The award of those funds are at CEDC tonight. In May, unused CDBG funds in the amount of \$84,780 were reallocated to LEAVEN, Pillars and Salvation Army to bolster their prevention, diversion, and emergency assistance programs. Additional funding from the Federal and State government is expected.

One immediate need we have is for property owners willing to work with local nonprofit agencies to rent affordable units to those experiencing homelessness. Anyone interested in learning more, please call our Community and Economic Development Department at 920-832-6408.

## 2020 Activities Impacting Homelessness

### February

- CEDD staff acknowledged issues surrounding the Coordinated Entry role (as it was housed within Pillars) and recognized the necessity to bring this role under the City umbrella;
- CEDD staff received approval from other funded partners to take Coordinated Entry in-house;
- CEDD staff received approval to take over the CE-SSO grant that supports the Coordinated Entry role in the Fox Cities:
- The Coordinated Entry job description was created
- CEDD staff and APD initiated collaboration meetings (to occur once a month) to discuss issues, concerns, and progress being made surrounding the area's homeless population;
- CEDD staff actively became involved in the Washington Square meetings;
- CEDD staff initiated the implementation of a Motel Voucher Program in partnership with APD;

### March

- Wisconsin Balance of State Continuum of Care Director presented to City staff on the successes, struggles, gaps, and trends in the Fox Cities
- CEDD staff submitted an application- in partnership with the Boys & Girls Club of Appleton- for a Youth Development Grant, that would specifically target activities for youth (up to 24) experiencing homelessness;

### April

- City Council approved the creation of the Coordinated Entry position under the CEDD umbrella;
- Staff temporarily hired an individual to fill this role until a full-time employee was hired;
- Wisconsin Balance of State Continuum of Care transferred the CE-SSO grant (previously awarded to Pillars) to the City of Appleton, with a remaining balance of \$28,000 to be spent by 06/30/2020;
- APD signed an MOU with CEDD staff to engage homeless individuals in the community, complete pre-screen forms, and communicate with the Coordinated Entry Specialist role;
- CEDD staff submitted an application- in collaboration with Pillars- for ESG-CV funding, that would specifically target activities related to street outreach, prevention, and diversion of homelessness due to COVID-19.
- City of Appleton received a Community Development Block Grant- CV1 grant (\$348,255) to be targeted toward community development activities due to COVID-19;

## May

- Additional CDBG funds were allocated to LEAVEN, Pillars, and Salvation Army to bolster their prevention, diversion, and emergency assistance programs;
- City of Appleton was awarded \$325,000 in ESG-CV1 funding (but not officially awarded until HUD issues regulations which has not yet occurred)
- Full-time Coordinated Entry Specialist was hired- temporary outside staff agreed to continue assistance and training for new employee;
- CEDD staff initiated an MOU (ongoing) with a local hotel to administer the Motel Voucher Program;
- MOU with LEAVEN was implemented to provide funding for the Motel Voucher Program until 06/30/2020 (to be reimbursed through CDBG);
- CEDD staff, APD, and Pillars staff scheduled bi-weekly meetings to discuss changes to Street Outreach activities, Coordinated Entry workflow, and future needs;
- CEDD staff submitted an application- in collaboration with APD, Harbor House DV Shelter, Salvation Army Housing, Pillars, and ADVOCAP- for an Emergency Homeless & Housing grant, to be targeted toward housing, emergency shelter, prevention, street outreach;
- Formally awarded two Housing Assistance Payment grants- collaboratively with ADVOCAP and Pillars- for a total amount of \$36,770, beginning 7/1/2020;

## June

- MOU with Boys & Girls Club established an MOU with CEDD staff to engage homeless individuals in the community, complete pre-screen forms, and communicate with the Coordinated Entry Specialist role;
- MOU with Appleton Area School District established an MOU with CEDD staff to engage homeless individuals in the community, complete pre-screen forms, and communicate with the Coordinated Entry Specialist role;
- CEDD staff joined Crisis Advisory Committee;
- CEDD staff met with APD to discuss Street Outreach alternatives;
- Motel Voucher formally provides services to first two households to bridge gap to permanent housing solution (both successful; successful is defined as moving on to a permanent housing solution, which can be subsidized by a rental assistance program);
- FTE Coordinated Entry Specialist completes all necessary licensing to operate local coordinated entry system;
- Coordinated process with Harbor House to utilize non-HMIS Prioritization List, as well as required documentation.
- Coordinated entry Specialist joined state-wide meetings;
- Formally awarded 2020 CE-SSO grant, intended for internal staff case management and outreach efforts, in the amount of \$32,177;
- Community Development Specialist engaged in weekly office hour meetings with the State of Wisconsin



## July

- Coordinated Entry Policies & Procedures generated and adopted;
- Motel Voucher Program Procedures Manual generated and adopted;
- Coordinated bi-annual Point in Time Count for the Fox Cities, with COVID safety precautions;
- APD referral process to Coordinated Entry formalized;
- Established data quality and documentation protocol;
- Coordinated Entry Specialist purged Prioritization Lists after significant quality data clean-up;
- Motel Voucher formally provides services to one household to bridge gap to permanent housing solution (unsuccessful; unsuccessful is defined as leaving the motel voucher program without obtaining a permanent housing solution. Examples would include: entering an emergency shelter, moving back onto the streets, or dropping out of the program without known whereabouts);
- Temporary Coordinated Entry Specialist concluded role with City;
- Emergency Homeless & Housing grant- a collaboration with APD, Harbor House DV Shelter, Salvation Army Housing, Pillars, and ADVOCAP- was formally awarded in the amount of \$202,430, beginning 7/1/2020;
- Hosted brainstorming session with COC-funded agencies to ensure timely spend down of \$331,471 no later than 09/30/2020;
- Secured continued progression on Single Room Occupancy (SRO) project, originally funded to Pillars through 2019 CDBG

## August

- Multi-departmental discussion with Pillars regarding continuous homeless concerns and issues in the community;
- Engaged ADVOCAP about expanding services to City jurisdiction, including affordable housing;
- Streamlined Coordinated Entry referral process with Boys & Girls Club and Appleton Area School District;
- Formalized Motel Voucher process with referring agencies;
- Motel Voucher formally provides services to two households to bridge gap to permanent housing solution (both successful);
- Formally awarded ESG-CV1 funding in the amount of \$325,000 from the State of Wisconsin- collaborative grant with Pillars;

## September

- Offered Coordinated Entry training and support provided to HMIS-participating homeless agencies;
- Engaged SOAR Fox Cities on local Coordinated Entry process;
- Motel Voucher formally provides services to three households to bridge gap to permanent housing solution (two =successful; one = unsuccessful);

- Obtained Coordinated Service Agreement from Salvation Army Fox Cities, which increases support offered by the Coordinated Entry Specialist by granting access to their program data;
- Formally awarded CDBG-CV3 in the amount of \$343,268;
- Notified of available funding opportunity through State of WI CDBG-CV2, in the amount of \$154,000;
- Disbursed CDBG-CV1 Community Partner applications for eligible COVID-related projects, due no later than September 18;
- Disbursed 2021 CDBG Community Partner applications for eligible projects, due no later than September 30;

### **October**

- Established an MOU with Clarion Inn Appleton to serve as primary hotel for Motel Voucher Program;
- Formally allocated and disbursed CDBG-CV1 Community Partner awards for eligible COVID-related projects;

### **Upcoming**

- Continue discussions regarding Street Outreach/Case Management role under City of Appleton umbrella;
- Research housing navigation role;
- Continued Motel Voucher technical assistance provided to community agencies to educate and clarify the referral process and program guidelines;
- MOU's with: Appleton Library, Transit, ThedaCare, Outagamie County Mental Health; Outagamie County Jail;
- Continue using CDBG funding to acquire/rehab residential units and convert to affordable rental housing;
- Discuss acquiring alternative/overflow non-congregate shelter;
- Establish Coordinated Service Agreement with Pillars and ADVOCAP;
- 2021 CDBG Community Partner allocations
- Expand Street Outreach efforts to include Boys & Girls Club, who will serve households with youth up to the age of 25;



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**APPLETON PUBLIC LIBRARY**  
225 North Oneida Street  
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(920) 832-6170 | FAX: (920) 832-6182

**TO: Members of the Community and Economic Development Committee**

**FROM: Colleen Rortvedt, Library Director**

**DATE: October 7, 2020**

**RE: Library Needs Assessment – Social Worker**

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A public library serves as an essential component of the civic and educational foundation of a community. For some a library is a place to simply get books, attend programs or access the internet. For others it is a lifeline, serving as a place where people turn for help during life transitions and where people in need of resources come for assistance.

With the exception of our current restrictive service model that has been caused by the pandemic, during normal times a public library serves as a welcoming public space with computers, free internet access, shelter, restrooms and other resources. Public libraries across the country have found themselves front and center in the service of patrons experiencing poverty, homelessness, chronic physical and mental health problems, trafficking and addiction. Many of our most vulnerable patrons are impacted by a combination of limitations including cultural and language barriers, illiteracy, illness, social isolation, hunger, other financial limitations, discrimination, homelessness or housing instability.

These needs are often beyond the training, education and scope of what the library has traditionally offered. Some of these needs cause safety issues for staff and other patrons and must be handled skillfully. Over the past decade, libraries of all sizes across the country have been increasingly adding social workers or various types of community resource specialists to the library as a method to respond to the patrons needs that they are experiencing in the library.

In 2019-2020 the Appleton Public Library (APL) worked with Dr. Beth Wahler from the Indiana University on a needs assessment evaluating the potential for adding a social worker in the library. Dr. Wahler is one of the leading researchers in this area in the country and has done this work for other libraries. In addition, she has a Ph D. student making this the focus of her dissertation and Indiana University is the first university that will offer a dual degree Master's in Social Work (MSW)/Master's in Library Science.

Our needs assessment had several components and included a patron survey. This survey was sent to library patrons or offered in-house where an MSW student in social work from UW Oshkosh encouraged and helped individuals complete the survey. We asked patrons to identify their housing status and were able to separate responses based on housing status. One of the questions we asked patrons were about their top unmet needs.

Those who reported being in situations with no stable housing reported the following top needs:

- 1) mental health (46.2%)

- 2) financial (42.9%)
- 3) housing (40.8%)
- 4) employment (34.7%)
- 5) social connections (32.7%)
- 6) a place to keep warm or cool (28.6%)

We began a MSW student field placement this winter but needed to suspend this placement when the pandemic required us to temporarily close the library. We continue to keep in touch with the UW Oshkosh School of Social Work and plan to return to this conversation when we are able to return to providing more services inside the library facility.

I have included the full needs assessment and am happy to discuss this with anyone interested.

**A Needs Assessment of APL Patrons: Final Report**

**Submitted to:  
Appleton Public Library**

**Submitted on 5-8-20 by:  
Beth Wahler, PhD  
Associate Professor  
bwahler@iu.edu**

**Indiana University School of Social Work**

**Executive Summary**

Dr. Beth Wahler, Associate Professor at Indiana University School of Social Work, was hired to conduct a needs assessment of the Appleton Public Library (APL). This needs assessment focused on the “psychosocial” needs of patrons, including mental health, substance abuse, homelessness, and poverty. The first phase of the needs assessment was an online staff survey, completed in September and October 2019, which inquired about staff opinions of patrons’ most significant psychosocial needs, their perceptions of the library’s role in meeting those needs, and ideas they had for better addressing patrons’ needs.

There were 55 usable staff survey responses. Results included:

- Staff identified mental health, substance abuse, housing, employment, and behavior problems as the highest areas of unmet needs for APL patrons.
- To assist patrons with these issues, staff identified several strategies as being part of the responsibility of the library. On a scale of 1-5 (1 = none at all, 5 = a great deal), staff thought the library was responsible for providing information about poverty-related community agencies (M = 4.04), mental health problems (M = 3.67), substance abuse problems (M = 3.57), and medical problems (M = 3.54). They also thought the library was responsible for providing referrals to community resources (M = 3.83). Providing workshops on community resources (M = 3.70), how to access public benefits (M = 3.38), budgeting/finance (M = 3.15), and mental health problems (M = 3.04) were also perceived to be largely within the scope of the library’s responsibility.
- Staff identified a lack of training and education in these areas as a barrier to effectively serving patrons with psychosocial needs, and the majority felt that these

services could be more effectively provided by forming additional partnerships with external community agencies, or hiring a social service professional to work in the library. They also requested training from social service professionals on how to serve patrons and refer them to appropriate community agencies.

- Staff suggested additional ways to meet patrons' psychosocial needs, such as having walk-throughs or scheduled appointments by service providers to check on or otherwise serve patrons experiencing homelessness or other psychosocial problems, maintaining an updated list of community agencies, and having someone on-site to provide assistance to patrons with services or public benefits.

The second phase of the needs assessment was a patron survey about unmet needs and how the library could help, conducted in February and March 2020. There were 655 usable patron responses, and the top six unmet needs were having more fun and safe activities, making social connections, mental health needs, financial needs, dental problems, and help using a computer. Patrons also had suggestions for ways the library could better meet their needs, which are presented in the full report. Comparisons in responses are made to explore differences between patrons based on their housing status.

Recommendations are made for how APL can improve services for patrons with psychosocial needs and better support staff with serving these patrons, including continuing to have a social work practicum student on-site to help meet patron needs, providing staff training, and increasing collaborations with community partners to meet specific patron and staff needs.

## Evaluation Report

### Background Information

Colleen Rortvedt, APL Director, requested a needs assessment of the Appleton Public Library due to growing concerns about patrons experiencing homelessness or other psychosocial needs (mental health, substance abuse, poverty, etc.) frequenting the library and also increasing safety concerns in the community immediately surrounding the library. As APL administrators and staff have been exploring options for ensuring safety of patrons and staff visiting the library, Ms. Rortvedt expressed that she wants to compassionately respond to the needs rather than only respond from a safety and security standpoint. Ms. Rortvedt said she was exploring a potential partnership with a local school of social work (University of Wisconsin- Oshkosh) for placing practicum students in the library, but wanted to be sure she understood the needs that students would address. Thus, Dr. Beth Wahler and Ms. Rortvedt entered into an agreement for a needs assessment.

This needs assessment sought to answer five primary questions:

1. What do APL staff perceive to be the most significant psychosocial needs of patrons?
2. What do APL staff perceive to be the role of the library regarding meeting psychosocial needs of patrons?
3. How well is APL meeting patrons' psychosocial needs?
4. What do APL patrons perceive to be their most significant needs? Do these needs differ based on patrons' housing status?
5. What steps could APL take to better address these needs?



The needs assessment was conducted in two phases: 1) a survey of all APL staff asking about their perceptions of patrons' needs (to answer #1-3 and partially answer #5), and 2) a survey of APL patrons asking about their needs (to answer #4 and partially answer #5).

## **Staff Survey Methods**

To answer the above questions, Dr. Wahler and Ms. Rortvedt designed a survey for staff, based on a previous needs assessment survey Dr. Wahler conducted with a different library system. Ms. Rortvedt sent the email to all APL staff on September 26, 2019 and sent two reminder emails on October 7 and 14, 2019. Approximately 93 people received the email invitation for the survey. The survey was closed on October 18, 2019 with 55 usable survey responses (a 59% response rate). In addition, Dr. Wahler met with APL staff on November 13, 2019 and discussed the preliminary results with them.

## **Patron Survey Methods**

Similar to the staff survey, Dr. Wahler and Ms. Rortvedt reviewed a survey used for a previous library needs assessment and made some minor edits to it for use with APL patrons. Changes consisted of adding the names of Wisconsin area programs and public benefits. The survey was available for patrons to complete between February 10 and March 2, 2020 using a number of formats. The Qualtrics electronic link and survey invitation were emailed to the APL email list on February 10<sup>th</sup>. APL information technology staff created a link to the survey that opened on all library computers, including reference computers and ones used for internet access by patrons, and the invitation to participate popped up on all computer screens between February 10<sup>th</sup> and March 2<sup>nd</sup>. Paper copies of the survey were also available throughout the library during this timeframe, and the social work practicum student or other volunteers invited patrons to complete the survey and

assisted with the completion of the survey if patrons needed help. Paper surveys were put in a collection box after completion, and data were then entered from these surveys by an APL staff person.

## **Patron Survey Demographics**

In total, there were 655 useable responses to the patron survey. Participant demographics are in Table 1. Over two-thirds of the sample were women (n = 454, 63.9%), 186 participants were men (28.4%), four identified as genderqueer/nonbinary (.6%), and 10 participants preferred not to answer (1.5%). Most of the participants identified as White (n = 526, 80.3%), followed by Black (n = 13, 2.0%), Hispanic/Latino (n = 11, 1.7%), Asian (n = 7, 1.1%), Multiracial (n = 7, 1.1%), and Native American (n = 6, 1.0%). Eighty-five patrons did not answer this question. The average age of participants was 51.77, and ranged from 11-93. Most reported English as their primary language (n=641, 97.9%), but eight patrons reported Spanish (n = 1.2%), 1 Hmong (.2%), and 4 another language (.6%) as their primary language. The majority of participants reported owning a home (n = 466, 71.1%), 136 reported renting an apartment or house (20.8%), and 49 had no permanent home (7.5%).

**Table 1. Demographic information of library patron respondents (n = 655)**

<b>Demographic Category</b>		<b>n (%)</b>	<b>Average</b>
<b>Race</b>	White	526 (80.3%)	
	Black	13 (2.0%)	
	Hispanic/Latino	11 (1.7%)	
	Asian	7 (1.1%)	
	Multiracial	7 (1.1%)	
	Native American	6 (1.0%)	
	Did not respond	85 (13.0%)	
<b>Age</b>			51.77
<b>Gender</b>	Female	454 (63.9%)	
	Male	186 (28.4%)	
	Other	4 (0.6%)	
	Did not respond	11 (1.7%)	
<b>Housing Status</b>	Own a home	466 (71.1%)	
	Rent a home/apt	136 (20.8%)	
	No permanent address	49 (7.5%)	
	Did not respond	4 (0.6%)	
<b>Primary Language</b>	English	641 (97.9%)	
	Spanish	8 (1.2%)	
	Hmong	1 (0.2%)	
	Other	4 (0.6%)	
	Did not respond	1 (0.2%)	

## Results

### Question #1 What do APL staff perceive to be the most significant psychosocial needs of patrons?

To answer the first question, APL staff were asked a number of questions about the needs of their patrons. First, they were provided a list of potential areas of need and asked to check all that apply for their perceptions of the largest unmet need(s) of APL patrons. Staff indicated that the six highest unmet patron needs are mental health (n = 49, 89%), substance abuse (n = 38, 69%), housing (n = 34, 62%), employment (n = 30, 55%), and behavior problems (n = 28, 51%). The full results for this question are included in Table 2.

**Table 2. Largest unmet needs of patrons**

Identified Need	Frequency/Percentage
Mental health	49 (89.1%)
Substance abuse	38 (69.1%)
Housing	34 (61.8%)
Employment	30 (54.5%)
Behavior problems (manners)	28 (50.9%)
Financial	25 (45.5%)
Hygiene	23 (41.8%)
Medical/Health-related	22 (40.0%)
Relationship/Interpersonal issues	16 (29.1%)
Social connection/isolation	15 (27.3%)
Parenting/Child-related	14 (25.5%)
Transportation	12 (21.8%)
Education or literacy	11 (20.0%)
Food/nutrition	11 (20.0%)
Immigration/ESL	8 (14.5%)
Technology (access to or education about)	7 (12.7%)
Safe activities for teens	7 (12.7%)
Physical (related to disability or physical ability)	6 (10.9%)
Clothing	3 (5.5%)
Entertainment	1 (1.8%)

## Question #2 What do APL staff perceive to be the role of the library regarding meeting psychosocial needs of patrons?

To address Question #2, participants were asked a series of questions about their perceptions of the library's responsibility to provide information, offer services, offer programming, or allow activities on-site to address patrons' psychosocial needs. They were asked to rate each item on a scale of 1-5, with 1 meaning that public libraries had no responsibility for that particular item and 5 meaning the library had a great deal of responsibility for that particular item.

Table 3 below summarizes participants' responses about the library's responsibility to provide *information* about poverty-related community agencies, medical problems, mental health problems, and substance abuse problems. Participants thought the library had the most responsibility to provide information about poverty-related community agencies ( $M = 4.04$ ,  $SD = 1.02$ ).

**Table 3. Staff opinions of responsibility of library to provide information**

<b>Question: In your opinion, how much responsibility do public libraries have to provide the following types of information:</b>	<b>Mean (Standard Deviation)</b>
	1=None at all
	2= A little
	3 = A moderate amount
	4 = A lot
5 = A great deal	
Information about poverty-related community agencies (food banks, housing shelters, low-cost medical providers, etc.)	4.04 (1.02)
Information about mental health problems (depression, anxiety, etc.)	3.67 (1.05)
Information about substance abuse problems	3.57 (1.01)
Information about medical problems (diabetes, heart disease, etc.)	3.54 (1.12)

Next, participants were asked about the responsibility of the library to offer *services* for patrons experiencing psychosocial needs, including assistance applying for public benefits, free food, hygiene items, or winter items for people experiencing poverty and/or homelessness, and referrals to community resources (see Table 4). These scores were understandably much lower than the above question about information. Participants thought the library had the most responsibility to provide referrals to community resources (M = 3.83, SD = 1.10) and the least responsibility to provide hygiene items (M = 1.83, SD = .92).

**Table 4. Staff opinions of responsibility of library to offer services**

Question: In your opinion, how much responsibility do libraries have to offer the following services:	Mean (Standard Deviation)
	1=None at all 2= A little 3 = A moderate amount 4 = A lot 5 = A great deal
Referrals to community resources (such as those for mental health, substance abuse, or health problems)	3.83 (1.10)
Assistance applying for public benefits (food stamps, health insurance, or social security)	2.67 (1.11)
Free food for people who are experiencing homelessness or poverty	1.93 (.96)
Winter items for people who are experiencing homelessness or poverty (coats, gloves, hats, etc.)	1.93 (.98)
Hygiene items for people who are experiencing homelessness or poverty	1.83 (.92)

Participants were then asked to rate the overall responsibility of the library to provide specific types of *programming*, including workshops on common medical problems, mental health problems, substance abuse problems, community resources, budgeting/finance, or how to access community resources (see Table 5). Participants were also asked whether libraries should offer support groups on the premises. Survey respondents thought the library had the most responsibility to provide workshops on community resources (M = 3.70, SD = 1.14), followed by workshops on how to access public benefits (M = 3.38, SD = 1.22), and budgeting/finance (M = 3.15, SD = 1.11).

Participants thought the library had the lowest responsibility for providing workshops on common medical problems (M = 2.77, SD = 1.06).

**Table 5. Staff opinions of responsibility of library to provide programming**

<b>Question: In your opinion, how much responsibility do public libraries have to provide the following types of programming:</b>	<b>Mean (Standard Deviation)</b>
	1=None at all 2= A little 3 = A moderate amount 4 = A lot 5 = A great deal
Workshops on community resources	3.70 (1.14)
Workshops on how to access public benefits	3.38 (1.22)
Workshops on budgeting or finances	3.15 (1.11)
Workshops on mental health problems	3.04 (1.13)
Workshops on substance abuse problems	2.94 (1.14)
Support groups	2.94 (1.22)
Workshops on common medical problems	2.77 (1.06)

Last, participants were asked to rate the responsibility of the library to allow specific *activities* to take place on the premises (see Table 6). Activities were included such as allowing community agencies to use library facilities to meet with patrons or conduct outreach activities, allowing people experiencing homelessness to come inside to stay warm/cool in the winter/summer, allowing people experiencing homelessness to use the restroom facilities for washing/hygiene, or allowing people experiencing homelessness to nap in the library during the day. Participants thought the library had the most responsibility to allow poverty or homelessness related agencies to come in the library for outreach services with their clients (M = 4.00, SD = 1.04) and the least responsibility to allow patrons experiencing homelessness to nap in a chair in the library (M = 1.80, SD = 1.01).



**Table 6. Staff opinions of responsibility of library to allow activities**

<b>Question: In your opinion, how much responsibility do libraries have to allow the following</b>	<b>Mean (Standard Deviation)</b> 1=None at all 2= A little 3 = A moderate amount 4 = A lot 5 = A great deal
Poverty or homelessness-related agencies to come in the library for outreach services to their clients	4.00 (1.04)
People who are experiencing homelessness to use the library to stay warm in the winter or cool in the summer	3.98 (1.03)
Community agencies to use library facilities for pre-scheduled meetings with their clients	3.86 (1.14)
People who are experiencing homelessness to use the library bathrooms for washing/hygiene	2.33 (1.25)
People who are experiencing homelessness to nap (in a chair) in the library	1.80 (1.01)

After answering the questions about the library’s responsibility to provide services beyond traditional information needs, participants were asked whether these services should be provided by trained library staff, social services professional(s) hired by the library, or partnerships with external community agencies (Table 7). They were also given an option to select none of the above, to indicate that these services or programs should not be provided in a public library. Participants could select as many as applied. The majority of participants thought the library should develop more partnerships with external agencies to provide these services (n = 48, 87.3%), followed by three-quarters (n = 42, 76.4%) who thought the library should hire its own social service professionals. Approximately one-third (n = 19, 34.5%) thought trained librarians or other library staff

could provide these services. A small number (n = 4, 7.3%) responded that they did not think it was the role of the library to provide these services at all.

**Table 7. Staff opinions of who should provide non-traditional services**

<b>Provider</b>	<b>Frequency/Percentage</b>
Partnerships with external community agencies	48 (87.3%)
Social service professional(s) hired by the library	42 (76.4%)
Trained librarians or other library staff	19 (34.5%)
None of the above – These services or programs should not be provided in or by a public library	4 (7.3%)

Question #3 How well is APL meeting patrons’ psychosocial needs?

Participants were asked how well they think APL is doing to meet the needs of patrons experiencing poverty and/or homelessness. Responses ranged from 1-5, with 1 meaning not well at all and 5 meaning extremely well. The average response was 2.75 (SD = .76). See Table 8 for the full range of responses.

**Table 8. Staff opinions of how well APL is meeting patrons’ psychosocial needs**

<b>Response</b>	<b>Frequency/Percentage</b>
Not well at all	3 (5.5%)
Slightly well	13 (23.6%)
Moderately well	31 (56.4%)
Very well	4 (7.3%)
Extremely well	1 (1.8%)

**Question #4 What do APL patrons perceive to be their most significant needs? Do these needs differ based on housing status?**

Patrons were presented a list of potential unmet needs they might have and given the instructions to “Think only about the areas in which you are not receiving any help or not receiving enough help. Mark as many as apply.” The top six unmet needs reported by patrons were fun and safe activities (n=105, 16.0%), social connections (n=91, 13.9%), mental health (n=67, 10.2%), financial (n=66, 10.1%), dental (n=53, 8.1%) and help using a computer (n=50, 7.6%).

**Table 9. Unmet needs of patrons (n = 655)**

<b>Identified Need</b>	<b>Frequency/Percentage</b>
Fun and safe activities	105 (16.0%)
Social connections (lonely, need to make friends, etc.)	91 (13.9%)
Mental health	67 (10.2%)
Financial	66 (10.1%)
Dental	53 (8.1%)
Help using a computer	50 (7.6%)
Job-related Training	49 (7.0%)
Education	46 (7.1%)
Health insurance	46 (7.1%)
Employment	45 (6.9%)
A place to store items while visiting the library	45 (6.9%)
Computer and/or internet access	44 (6.7%)
Parenting skills	43 (6.6%)
Transportation	36 (5.5%)
Legal	30 (4.6%)
Clothing	28 (4.3%)
Housing (no permanent housing or in unsafe housing)	27 (4.1%)
Help with a disability	27 (4.1%)
A place to keep warm or cool	26 (4.0%)
Utilities (unable to pay for utility bills)	21 (3.2%)
Not enough food	19 (2.9%)
Childcare	18 (2.7%)
Help applying for food stamps, social security, or other benefits	18 (2.7%)
Personal hygiene (a place to shower, soap/shampoo, etc.)	17 (2.6%)
Reading/literacy	12 (1.8%)
Substance use	7 (1.1%)
English as a second language	4 (.6%)
Immigration-related needs	2 (.3%)

Patrons were presented with a list of seven topic specific workshops and asked “If the library were to host free workshops on the following topics, how interested would you be?” Participants rated the workshops on a scale from 1 to 5 with 1 being “None” and 5 being “A great deal.” (See Table 10). Patrons reported that they were most interested in workshops about substance abuse problems (M =4.30, SD = 1.03) and least interested in workshops about community resources (M = 3.18, SD = 1.34).

**Table 10. Patron interest in workshop topics**

Topic	Average Interest Level (SD) 0 = No interest 5 = A great deal
Substance abuse problems	4.30 (1.03)
How to access public benefits	3.91 (1.35)
Common medical problems	3.79 (1.19)
Support groups	3.73 (1.30)
Budgeting/finance	3.71 (1.34)
Mental health problems	3.56 (1.33)
Community resources	3.18 (1.34)

Finally, participants were asked to “Please make any suggestions for ideas you have about how Appleton Public Library (APL) can better meet your needs or the needs of other people visiting this branch.” This was an open-ended question and participants were able to fill in the blank with their responses. Three hundred and sixty (360) patrons did not write in any response to this question, and 67 others specifically wrote in that they thought the library was great as is. Themes were identified in the 228 write-in suggestions, and the number of responses corresponding with each theme are presented in Table 11.

**Table 11. Themes from patron suggestions for improvement (n = 655)**

<b>Improvement Needed</b>	<b>Frequency/Percentage</b>
More workshops/programming/events	53 (8.1%)
Too many homeless patrons or people who are “frightening”	32 (4.9%)
Parking should be free	27 (4.1%)
APL should add more resources for patrons w/psychosocial needs	21 (3.2%)
APL shouldn’t be concerned with psychosocial needs	20 (3.1%)
The library shouldn’t move	19 (2.9%)
The library should move to a new location	17 (2.6%)
More activities for kids/teens needed	17 (2.6%)
More digital/audio resources needed	15 (2.3%)
APL needs longer/different hours	9 (1.4%)
APL needs more computers or electronic games	6 (.9%)
A café should be added	4 (.6%)
Specialized services should be added for patrons with disabilities	3 (.5%)
Patrons should be able to check out household items	2 (.3%)

Some of the themes are self-explanatory, so examples illustrating those themes are not included here. However, examples of patrons’ specific suggestions (in their own words) are included for themes that needed additional explanation.

**More Workshops/Programming/Events**

Fifty-three patrons had many suggestions for specific workshops, programming, or events that should be added. Many patrons suggested more than one idea for a new program or event they would like to see at APL. For example:

- activities that somehow bring together groups that are not presently interacting (i.e. Different races, different socio-economic classes, etc)
- art lectures, author's book signing, musical recitals (high school students especially), local electoral candidate meet and greet
- board game nights and a community led monthly book recommendation source by genre or age

- continued increase in a variety of programs on diversity and showcasing the countries and cultures of Appleton and the world. Programs on plugging into social justice and community service work. Programs connecting neighbors (social and for people of all ages).
- free movies shown
- computer lab with classes for word, excel, powerpoint, etc.
- grant writing classes, how to start a non-profit, coding classes
- scheduled time for people learning languages to get together to practice conversations
- having a tax expert on hand during tax time would be helpful
- Hmong and Spanish language classes
- public speaking events by invited experts or authors or lawmakers
- classes on how to use kindle, mac skills, or smart phones
- I'd like to learn about protecting the environment
- family planning
- new mom's group
- vegan/vegetarian food discussion and cooking classes

## **APL Should Add More Resources for Patrons with Psychosocial Needs**

Twenty-one patrons commented about wanting to see APL have more services or resources for patrons who had psychosocial needs. Ideas included:

- mental health support and substance abuse support

- men being stalked group
- help with housing
- help with finding a part-time income to care for my family while on disability
- teen resources for mental health and wellbeing
- suicide prevention workshop
- community-based meetings to tackle homelessness, unemployment, and substance abuse in our community
- Resources for veterans
- Support groups
- Counseling programs

## **APL Shouldn't Be Concerned with Psychosocial Needs**

Capturing the complexity of trying to meet the needs of the public, 20 patrons specifically commented that APL should not be asking about psychosocial needs or trying to meet these community needs. Comments included:

- All the "unmet needs" identified in this survey (ie. childcare, dental, food, personal hygiene, etc.) belong under the heading of "Community Resources" and should not be considered by the library as something "they" should be providing to the public. Information about the Community Resources that are presently available is what the library needs focus on, which could be met by a workshop, if need be.
- The library shouldn't be a halfway house for addicts and homeless.



- I don't want it to become another shelter. If those needs have to be addressed they should not be through the library.
- I think we need other places for the homeless...don't know where, but I question that the library is the home for the homeless.
- A library should focus on its core business of providing media to the public.
- I go to the library to just get books. Is it appropriate for a library to be hosting events better offered by a social worker or someone trained in those issues? I am uncomfortable with the library as a hub for social services. It's a library! with librarians! I want to hear more reading options,etc. I also visit the library less due to safety concerns and the number of homeless in the parking lot.
- Libraries should concentrate on library materials services, not social service programs, which need a different type of facility.

## **More Activities for Kids/Teens Needed**

Seventeen patrons commented about wanting more activities for kids or teens. Many of these comments were nonspecific, such as “activities for kids” or “continued programs for kids” but some were more specific, including:

- Edutainment opportunities for kids that help inspire learning or spark curiosity
- Coding classes for kids
- More homeschool programs
- More K-12 programs during the day/afternoon.
- High school programs to increase civics knowledge and involvement

- More diverse and varied children's books
- We love makerspace. More children's programs after school.

## **Specialized Services Should Be Added for Patrons with Disabilities**

Only three patrons wrote-in a response related to disability services. Their specific comments were that they would like to see:

- a drive-through for disabled people to pick up and drop off books at a window
- a place in the children's area for adults with cognitive disabilities, or a special card allowing them to be in that area (currently, this patron indicated that their adult child is not allowed to be in this area and that the parent would need to accompany this adult child if allowed to visit the area with books that are cognitively appropriate)
- social events for people with mild intellectual disabilities to prevent social isolation

Because APL was particularly interested in how well they were serving their most vulnerable patron groups and because the survey went to a broad sample of APL patrons, responses were examined by housing subgroup to see if there were differences in patron needs. Comparisons were made between individuals who reported owning a home, renting a home, or having no stable housing. The demographic makeup of each group is included in Table 11 below. The biggest differences between groups were in age and gender. Patrons who did not have stable housing were the youngest group (34.56 versus 49.71 for patrons in rental housing and 54.21 for patrons who owned a home), and more likely to be male (49.0% versus 32.4% of the rental housing group and 25.1% of the home owner group).

**Table 12. Demographic makeup of patrons based on housing status**

		<b>No stable housing (n = 49)</b>	<b>Rental housing (n = 136)</b>	<b>Own a home (n = 466)</b>	<b>All</b>
		n (%) or average	n (%) or average	n (%) or average	n (%) or average
<b>Race</b>	White	41 (83.7%)	98 (72.1%)	387 (83.0%)	526 (80.3%)
	Black	4 (8.2%)	6 (4.4%)	2 (0.4%)	13 (2.0%)
	Hispanic/Latino	1 (2.0%)	6 (4.4%)	4 (0.9%)	11 (1.7%)
	Asian	1 (2.0%)	1 (0.7%)	5 (1.1%)	7 (1.1%)
	Multiracial	0 (0.0%)	3 (2.2%)	4 (0.9%)	7 (1.1%)
	Native American	1 (2.0%)	2 (1.5%)	3 (0.6%)	6 (1.0%)
	Did not respond	1 (2.0%)	20 (14.7%)	61 (13.1%)	85 (13.0%)
<b>Age</b>		34.56	49.71	54.21	51.77
<b>Gender</b>	Female	25 (51.0%)	89 (65.4%)	339 (72.7%)	454 (69.6%)
	Male	24 (49.0%)	44 (32.4%)	117 (25.1%)	186 (28.4%)
	Other	0 (0.0%)	2 (1.5%)	2 (0.4%)	4 (0.6%)
	Did not respond	0 (0.0%)	1 (0.2%)	8 (1.7%)	9 (1.4%)
<b>Primary Language</b>	English	49 (100.0%)	131 (96.3%)	458 (98.3%)	641 (97.9%)
	Spanish	0 (0.0%)	3 (2.2%)	5 (1.1%)	8 (1.2%)
	Hmong	0 (0.0%)	0 (0.0%)	1 (0.2%)	1 (0.2%)
	Other	0 (0.0%)	2 (1.5%)	2 (0.4%)	4 (0.6%)
	Did not respond	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (0.2%)

Next, patron unmet needs were examined based on housing status. The top six needs for the entire sample of participants were:

- 1) fun and safe activities (16.0%)
- 2) social connections (13.9%)
- 3) mental health (10.2%)
- 4) financial (10.1%)
- 5) dental (8.1%)
- 6) help using a computer (7.6%)

However, many of the top six needs of the group with no stable housing were different, and the percentages of participants in these groups with these needs were much higher:

- 1) mental health (46.2%)
- 2) financial (42.9%)
- 3) housing (40.8%)
- 4) employment (34.7%)
- 5) social connections (32.7%)
- 6) a place to keep warm or cool (28.6%)

**Table 13. Unmet needs of patrons by housing status**

Identified Need	No stable housing (n = 49)	Rental housing (n = 136)	Own a home (n = 466)	All
	Frequency/ Percentage	Frequency/ Percentage	Frequency/ Percentage	Frequency/ Percentage
Fun and safe activities	13 (26.5%)	20 (14.7%)	72 (15.5%)	105 (16.0%)
Social connections (lonely, need to make friends, etc.)	16 (32.7%)	22 (16.2%)	53 (11.4%)	91 (13.9%)
Mental health	18 (46.2%)	19 (14.0%)	30 (6.4%)	67 (10.2%)
Financial	21 (42.9%)	25 (18.4%)	19 (4.1%)	66 (10.1%)
Dental	13 (26.5%)	26 (19.1%)	14 (3.0%)	53 (8.1%)
Help using a computer	4 (8.2%)	12 (8.8%)	34 (7.3%)	50 (7.6%)
Job-related Training	12 (24.5%)	21 (15.4%)	14 (3.0%)	49 (7.0%)
Education	7 (14.3%)	10 (7.4%)	29 (6.2%)	46 (7.1%)
Health insurance	8 (16.3%)	15 (11.0%)	23 (4.9%)	46 (7.1%)
Employment	17 (34.7%)	19 (14.0%)	7 (1.5%)	45 (6.9%)
A place to store items while visiting the library	9 (18.4%)	16 (11.8%)	20 (4.3%)	45 (6.9%)
Computer and/or internet access	12 (24.5%)	11 (8.1%)	21 (4.5%)	44 (6.7%)
Parenting skills	5 (10.2%)	11 (8.1%)	27 (5.8%)	43 (6.6%)
Transportation	14 (28.6%)	18 (13.2%)	4 (0.9%)	36 (5.5%)
Legal	9 (18.4%)	7 (5.1%)	14 (3.0%)	30 (4.6%)
Clothing	13 (26.5%)	12 (8.8%)	3 (0.6%)	28 (4.3%)
Housing (no permanent housing or in unsafe housing)	20 (40.8%)	7 (5.1%)	0 (0.0%)	27 (4.1%)
Help with a disability	13 (26.5%)	10 (7.4%)	4 (0.9%)	27 (4.1%)
A place to keep warm or cool	14 (28.6%)	9 (6.6%)	3 (0.6%)	26 (4.0%)
Utilities (unable to pay for utility bills)	9 (18.4%)	10 (7.4%)	2 (0.4%)	21 (3.2%)
Not enough food	4 (8.2%)	11 (8.1%)	4 (0.9%)	19 (2.9%)
Childcare	4 (8.2%)	4 (2.9%)	10 (2.1%)	18 (2.7%)
Help applying for food stamps, social security, or other benefits	8 (16.3%)	5 (3.7%)	5 (1.1%)	18 (2.7%)
Personal hygiene (a place to shower, soap/shampoo, etc.)	6 (12.2%)	9 (6.6%)	2 (0.4%)	17 (2.6%)
Reading/literacy	1 (2.0%)	3 (2.2%)	8 (1.7%)	12 (1.8%)
Substance use	3 (6.1%)	3 (2.2%)	1 (0.2%)	7 (1.1%)
English as a second language	0 (0.0%)	1 (0.7%)	3 (0.6%)	4 (0.6%)
Immigration-related needs	0 (0.0%)	1 (0.7%)	1 (0.2%)	2 (0.3%)

Although the needs were higher, workshop interest was lower for the group of patrons without stable housing when compared to both other housing groups. Patrons who were homeowners had the highest interest in workshops on all topics, followed by patrons who rented their housing. For the group of patrons without stable housing, they were most interested in workshops on substance abuse problems and common medical problems.

**Table 14. Patron interest in workshop topics by housing status**

Topic	Average Interest Level (SD)			
	0 = No interest 5 = A great deal			
	No stable housing (n = 49)	Rental housing (n = 136)	Own a home (n = 466)	All
Substance abuse problems	3.60 (1.38)	4.26 (1.14)	4.38 (.94)	4.30 (1.03)
How to access public benefits	2.70 (1.44)	3.53 (1.55)	4.15 (1.18)	3.91 (1.35)
Common medical problems	3.20 (1.29)	3.65 (1.34)	3.88 (1.12)	3.79 (1.19)
Support groups	2.74 (1.39)	3.28 (1.51)	3.96 (1.15)	3.73 (1.30)
Budgeting/finance	2.65 (1.37)	3.40 (1.49)	3.90 (1.22)	3.71 (1.34)
Mental health problems	2.56 (1.44)	3.43 (1.42)	3.69 (1.24)	3.56 (1.33)
Community resources	2.49 (1.41)	2.90 (1.42)	3.32 (1.28)	3.18 (1.34)

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The majority of the suggestions for improvement came from patrons who were homeowners. As housing stability decreased, overall suggestions for improvement also declined. The one exception to this was the suggestion that APL should add more resources for patrons with psychosocial needs, which was reported by 14.3% of patrons with no stable housing.

**Table 15. Themes from patron suggestions for improvement by housing status**

Improvement Needed	No stable housing (n = 49)	Rental housing (n = 136)	Own a home (n = 466)	All
	Frequency/ Percentage	Frequency/ Percentage	Frequency/ Percentage	Frequency/ Percentage
More workshops/programming/events	3 (6.1%)	8 (5.9%)	42 (9.0%)	53 (8.1%)
Too many homeless patrons or people who are “frightening”	2 (4.1%)	3 (2.2%)	27 (5.8%)	32 (4.9%)
Parking should be free	0 (0.0%)	6 (4.4%)	21 (4.5%)	27 (4.1%)
APL should add more resources for patrons w/psychosocial needs	7 (14.3%)	5 (3.7%)	8 (1.7%)	21 (3.2%)
APL shouldn’t be concerned with psychosocial needs	0 (0.0%)	0 (0.0%)	20 (4.3%)	20 (3.1%)
The library shouldn’t move	0 (0.0%)	1 (0.7%)	18 (3.9%)	19 (2.9%)
The library should move to a new location	1 (2.0%)	1 (0.7%)	15 (3.2%)	17 (2.6%)
More activities for kids/teens needed	0 (0.0%)	1 (0.7%)	16 (3.4%)	17 (2.6%)
More digital/audio resources needed	0 (0.0%)	2 (1.5%)	13 (2.8%)	15 (2.3%)
APL needs longer/different hours	1 (2.0%)	1 (0.7%)	6 (1.3%)	9 (1.4%)
APL needs more computers or electronic games	1 (2.0%)	1 (0.7%)	4 (0.9%)	6 (.9%)
A café should be added	1 (2.0%)	0 (0.0%)	3 (0.6%)	4 (.6%)
Specialized services should be added for patrons with disabilities	0 (0.0%)	0 (0.0%)	3 (0.6%)	3 (.5%)
Patrons should be able to check out household items	0 (0.0%)	0 (0.0%)	2 (0.4%)	2 (.3%)

**Question #5 What steps could APL take to better address these needs?**

Participants were asked what services APL could offer to be more helpful to people experiencing poverty and/or homelessness. They were given a list of responses and could choose as many as applied (see Table 16). They could also write in additional suggestions they had for improving services for these populations. Three participants wrote in responses, including one person who suggested making referrals to substance abuse treatment, one who suggested following up with people who regularly show up in crisis or seem to have difficulty navigating community programs, and one person who expressed concern that library staff don't have expertise to be doing these types of activities.

**Table 16. Additional services to be more helpful for people experiencing poverty and/or homelessness**

<b>Response</b>	<b>Frequency/Percentage</b>
Walk-throughs by service providers to check on patrons experiencing homelessness	46 (83.6%)
List of community agencies and contact information	44 (80.0%)
Designated days/times for homeless service providers to meet with patrons experiencing homelessness	42 (76.4%)
Assistance signing up for housing programs	35 (63.6%)
Assistance signing up for public benefits like BadgerCare, TANF (“Wisconsin Works”), or FoodShare benefits (“food stamps”)	34 (61.8%)
Hygiene items	23 (41.8%)
Children and family meal programs	22 (40.0%)
Warm items such as blankets, hats, gloves, or coats	19 (34.5%)
Snacks/food	18 (32.7%)



Participants were then asked a similar question about what additional services APL could provide that would better help individuals experiencing mental health, substance abuse, or medical problems/needs. Answers from the provided list are included in Table 17. In addition to the suggestions mentioned in the table, participants had the option of writing in responses but did not do so for this question.

**Table 17. Additional services to be more helpful for people experiencing mental health, substance abuse, or medical problems**

Response	Frequency/Percentage
List of community agencies and contact information	46 (83.6%)
Designated days and times for select service providers to meet with patrons experiencing these issues	42 (76.4%)
Workshops by service providers	41 (74.5%)
Private room for patrons to discuss personal issues	36 (65.5%)
Assistance signing up for health insurance/BadgerCare	36 (65.5%)
Assistance signing up for SSI/SSDI (“disability”)	33 (60.0%)

Participants were asked an open-ended questions about policy changes APL could make to better support patrons with psychosocial needs. They wrote in responses, which included the following:

- Allow people to bring in and/or store duffle bags or other bags
- Have regular access to a social worker or community resource person
- Have better organized information on hand or a designated point of contact to provide patrons with psychosocial needs. Designated staff could be allowed to spend more time with people in need.

- Try to raise the tolerance level of other patrons who are not experiencing these issues
- Provide bus vouchers to help patrons get to community providers if providers can't come to the library
- Clarify expectations of library staff regarding helping patrons with psychosocial needs because there is sometimes confusion about the policies that should be followed
- Provide parenting workshops and consider incentivizing participants with tangibles such as diapers or bus passes
- Provide resources such as grocery coupons, food, or warm clothing to patrons in need
- Provide designated areas for sleeping or hygiene

As part of the survey, staff were asked whether they would be willing to attend trainings on specific topics related to patrons' psychosocial needs, including trainings on poverty, homelessness, mental health issues, substance abuse, health problems, or other topics. These results are presented below in Table 18. In addition to these topics, two participants wrote in responses and requested training on adverse childhood experiences/trauma, immigrants/ESL issues, and community resources.

**Table 18. Willingness to attend specific trainings**

<b>Training Topic</b>	<b>Frequency/Percentage</b>
Mental health issues	38 (69.1%)
Substance abuse	36 (65.5%)
Health problems	21 (38.2%)
Homelessness	21 (38.2%)
Poverty	19 (34.5%)

Staff were also asked whether there was anything else that would help them better assist patrons with psychosocial needs. Responses were open-ended and included:

- An easily-accessed handout or checklist of community resources. One participant specifically commented that this should be accessible to patrons without them needing to request it, to protect their anonymity.
- Specially trained staff, increased community partner presence, an on-call professional for crisis situations (as opposed to calling 911), or hiring an on-site social service professional
- Information about how to approach people to talk to them about difficult subjects such as hygiene
- Additional training on community resources and ways to connect patrons with those resources
- Clear communication about expectations and policies
- Communication between the library and local government officials to help address the root causes of poverty and psychosocial problems in the Appleton community

## **Conclusions, Recommendations, and Next Steps**

This report summarizes the results of the staff and patron surveys conducted for this needs assessment of APL. The results of this needs assessment provide a snapshot in time of what patrons' needs may have been in early 2020; because of the timing of these surveys and the subsequent COVID-19 public health crisis, patrons' needs could be different if a survey was completed again in the near future. The current economic difficulties caused by COVID-19 are expected to greatly exacerbate financial difficulties, housing instability, unemployment rates, mental health problems, and other psychosocial needs so it is expected that psychosocial needs will only continue to rise. Even patrons who may have been in stable housing at the time of this survey may find themselves in different circumstances moving forward depending on the length of the public health and economic crises caused by COVID-19.

The results of these surveys capture the complexity of the issues faced by APL, given that the staff are often faced with patrons who have serious psychosocial needs (mental health, substance abuse problems, homelessness, poverty, among other issues) and some patrons expressed safety concerns and fear of people who are homeless or otherwise "frightening." Library staff are tasked with the difficult job of trying to address all patrons' needs while also ensuring that the library stays a safe and secure space for everyone. Multiple staff expressed concern that APL is doing the best they can with limited resources and that library staff do not have the training to deal with the serious and complex issues with which they are often faced. Overall, staff felt that APL was doing moderately well at meeting patrons' complex and varied psychosocial needs.

Further complicating matters, responses on this survey also captured the conflicting perspectives of different library staff and patrons about the library's role. For example, while the majority of the staff reported a desire to address patrons' psychosocial needs better in the library setting, there were others who felt that these types of efforts were not appropriate for a library. Additionally, although there were 21 patrons who thought APL should try to increase services for psychosocial needs, 20 patrons said that was not the role of the library. These conflicting opinions were observable throughout the data, and present additional difficulty for APL attempting to create a unified and systematic response to the problems faced at this time.

Participants from both patron and staff groups made suggestions for improvement. Notably, APL is already doing some of the things that were suggested, which could be a reflection of the timing of the surveys or could also mean that more communication needs to occur about strategies APL has already implemented to meet patron needs.

Based on the data presented in this report, it is recommended that APL consider the following suggestions:

1. Continue partnering with UW Oshkosh to regularly have a social work practicum student placed at APL, if possible. Students can help with addressing patron psychosocial needs on an individual or group basis, can help with staff training and support, and can also conduct ongoing data collection to document patron needs, information about interventions provided, and observed outcomes that could assist APL with identifying additional patron needs and potentially justifying funding for a contract or permanent social service professional to serve the library.

2. Equip all staff with readily available community referral information. Participants requested updated information about resources; the most frequently updated online website of local resources is maintained by United Way Fox Cities at <https://www.unitedwayfoxcities.org/our-work/united-way-2-1-1/>. Because many organizations change frequently, it is easier to use this existing resource rather than try to duplicate it and create one just for APL. APL should ensure that all staff know about this resource and how to use it. In addition, a handout of the most commonly used community resources could be created by a social work practicum student and updated regularly. This handout could be given to staff to distribute as needed when patrons request referral information.
3. Have an identified information area for patrons to easily access information on community agencies (food banks, housing shelters, low-cost medical providers, substance abuse treatment, affordable housing, etc.) and brochures or pamphlets about psychosocial problems and needs. To maintain patron anonymity, this information could be placed in the hallway by the main floor bathrooms so individuals could browse the info and take what is needed without needing to ask anyone. APL may already be aware of these resources, but many federal institutes offer free informational pamphlets that could be ordered and placed in these information areas. For example, the National Institute on Mental Health offers free pamphlets and booklets on many mental health disorders, and many are available in Spanish and English (see <https://www.nimh.nih.gov/health/publications/index.shtml>). Their information booklets, brochures, and fact sheets cover topics such as anxiety disorders, autism

spectrum disorders, depression, eating disorders, post-traumatic stress disorder, and schizophrenia, among others. They also have resources that pertain to all age groups. Similarly, the National Institute on Drug Abuse offers free resources pertaining to substance use and abuse, with many available in English and Spanish (see <https://drugpubs.drugabuse.gov>). The Centers for Disease Control and Prevention offer many free materials on child development and parenting (see <https://www.cdc.gov/ncbddd/childdevelopment/freematerials.html>). In addition, the handout of common local community resources mentioned in #3 above could be kept in this area for patrons to pick up without needing to ask anyone.

4. Ensure already existing information resources on medical problems, mental health problems, and substance abuse problems can be easily identified and accessible by patrons for check out.
5. APL already prioritizes community partnerships and even currently employs Adriana McCleer in the position of Community Partnerships Supervisor. During the meeting with APL at the beginning of the needs assessment process, numerous community partners met with me to discuss their ongoing collaborations with APL and APL's involvement in the community. This is quite positive, and bodes well for APL's ongoing ability to mobilize resources to meet patron needs as best as possible. However, this could be something with which a social work student or contracted social worker might be able to assist in the future. At the time of this needs assessment and thanks to staff's ongoing efforts to partner with community organizations, APL already had many community partners coming to share information about their services at a table in the front of the library. Although this

may continue to be the case due to resource limitations of nonprofit organizations, it is recommended that APL consider creating a more consistent schedule of organizations using their space to present info about their resources so patrons can depend on specific types of resources coming regularly or having resources presented on specific days of the week. This may be an area in which a social work practicum student could greatly assist, although this certainly depends largely on the resources of the community partners.

6. Form additional partnerships or make requests of existing community partners to provide trainings on poverty, homelessness, mental health, substance abuse, and health problems to staff. A live training on any of these topics could be recorded and distributed as a webinar to increase accessibility. The majority of survey participants requested information specifically on mental health issues and substance abuse problems, and a smaller but still substantial group requested training on health problems, homelessness, and poverty. Staff requested training on how to approach patrons to talk to them about difficult situations and how to de-escalate situations when patrons become upset. Staff also requested training on community resources and ways to better connect patrons with those resources. Social work practicum students may be able to assist with conducting some of these trainings or helping to recruit community partners to provide these trainings for staff.
7. Form additional partnerships or make requests of existing community partners to provide workshops on poverty, homelessness, mental health, substance abuse, and health problems to patrons. The most highly desired workshop topic for patrons



was on substance abuse, but patrons also reported relatively high demand for workshops on accessing public benefits, common medical problems, budgeting/finance, mental health, and community resources. Although APL is already providing some support groups, patrons also requested more on-site support groups but did not give examples of specific groups that were desired.

8. Ensure adequate security coverage of library parking areas and facilities, but also ensure that security personnel are trained in de-escalation tactics, crisis intervention, and Mental Health First Aid. Mental Health First Aid helps security personnel know how to respond effectively to mental health or substance use-related crises, recognize risk factors and warning signs, encourage individuals to seek appropriate professional help, encourage self-help and other support strategies, and reduce the possibility that the mental health crisis will escalate. Mental Health First Aid is also available for staff and is not limited to security personnel. In the absence of social work students or social workers on site, Mental Health First Aid training can be a way to empower all staff to address crises when necessary, and in an effective way. It has also been found to increase the mental wellness of people trained in it, which could be helpful given the amount of stress public library staff are under due to the needs of their patrons and the unpredictable nature of the work. More information about Mental Health First Aid and local trainings on the topic can be found at <https://www.mentalhealthfirstaid.org/take-a-course/find-a-course/>.
9. Consider creating an ongoing task force to monitor patron needs and help to suggest and develop new partnerships with community agencies as patron needs change.

10. Read *The Whole Person Librarianship: A Social Work Approach to Patron Services*, by Sara Zettervall and Mary Nienow (2019). Co-written by a librarian and a social worker, the book has many suggestions for assisting library patrons with psychosocial needs, partnering with social work students, and considering hiring an on-staff social worker. The book and its sister website (<https://wholepersonlibrarianship.com/book/resources/>) contain resources for libraries' use. This book might be helpful for many of the library staff members to read, as well as social work practicum students assigned to APL.



*"...meeting community needs...enhancing quality of life."*

**PARKS, RECREATION & FACILITIES  
MANAGEMENT**

**Dean R. Gazza, Director**

1819 East Witzke Boulevard  
Appleton, Wisconsin 54911-8401  
(920) 832-5572 FAX (920) 993-3103  
Email - [dean.gazza@appleton.org](mailto:dean.gazza@appleton.org)

TO: Community and Economic Development Committee  
FROM: Dean R. Gazza  
DATE: 10/13/2020  
RE: Homelessness in City of Appleton Parks

Homelessness in parks increased as COVID-19 placed additional challenges on our population during 2020. Many public and private facilities were closed in which the homeless population would visit during the day including the Library and Transit Center. As a result, the park pavilions and restrooms became popular places. The park locations, primarily in the downtown area, experienced increased police call and required significantly more clean-up.

Here are some actions that we have taken to help mitigate the issues in the parks.

1. Turned off outlets in problem areas to deter homeless from congregating around pavilions. This included Jones Park, City Park, Jaycee Park, Linwood Park and Houdini Plaza.
2. Kept all restrooms open in the park pavilions to maintain sanitary conditions in other areas of the parks and City. With many places closed, public restrooms were limited.
3. Closed the Jones Pavilion as it became extremely challenging to keep clean as a result of vandalism.
4. Installed dividers and/or purchased benches with dividers to deter sleeping.
5. Requested that the Police Department have CSO's patrol various parks to help deter outstanding issues.

Overall, our parks experienced increased usage by the homeless population since COVID. We realize that this is a challenging issue. It is important to note that many within this population are respectful and utilize the facilities in a responsible manner. The parks are a resource for everyone in the community and when used responsibly we welcome their usage.

Please contact me at 832-5572 or at [dean.gazza@appleton.org](mailto:dean.gazza@appleton.org) with any questions.



“Excellence in Police Service”

**POLICE DEPARTMENT**  
222 South Walnut St., Appleton, WI 54911-5899  
(920) 832-5500

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Date: October 9, 2020  
To: Director Karen Harkness  
Re: Homelessness and Transient Challenges

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Director Harkness,

The Police Department continues to work on the transient and homeless issue in our community. Our contacts with these individuals are daily and frequent. We have some individuals who are chronic offenders and excessively consume our services. Almost on a daily basis we deal with the same individuals repeatedly causing disturbances or creating calls for service for our officers. This is a community issue and we have been discussing them for many years with our local providers with varying levels of success and failure.

The Police Department has been very progressive and innovative in addressing this issue.

- We have created the **Behavioral Health Officer** position to identify and work with those individuals with mental health and/or substance abuse issues, which are some of the core issues and root causes for this problem.
- We have created the **LEAAP program** to assist those with heroin and opioid addictions, and we have done street outreach through our Community Liaison Officers.
- We have created a “no-serve” list and a chronic offenders list to try and prevent businesses from serving these individuals, and when they do commit offenses we try and get them under supervision by referrals to circuit court.
- We do **street outreach** in the area of the transit center/library, parks, and day resource center.
- We are going to work more with their street outreach workers, continue to focus on chronic offenders, be aggressive in our enforcement tactics, use CPTED, and continue to engage the courts and other service providers in holding offenders accountable.
- We have done over **30 Coordinated Entry** forms doing our “street outreach”, trying to get individuals into the service system to get them the resources they need.
- Community Liaison Officer Greg Ryan and Behavioral Health Officer Sgt. Enriquez have started attending weekly meeting with Pillars to discuss the issues occurring and do case manager work on the individuals we are dealing with.
- We are partners in the Motel Voucher program.
- We have made recommendations to the Library staff for security improvements inside the building and assist their staff with training their security personnel on responding to these individuals and when to involve law enforcement.
- For the last two summers we have had to assign staff, full time, to address problems in the parks and around the Transit Center and Library. These tie up police resources during our busy month that we can't use to address the major issues our community wants us to address like drug abuse and traffic complaints.

Core Values of the Appleton Police Department: “Compassion, Integrity, Courage”



“Excellence in Police Service”

**POLICE DEPARTMENT**  
222 South Walnut St., Appleton, WI 54911-5899  
(920) 832-5500

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We knew COVID would impact the number of homeless individuals on our streets and our interactions with them. But what we have experienced the past several months in our parks, parking ramps, and other public areas is unprecedented and much of the behavior has been extremely disturbing and unacceptable.

- We have had to go back to having staff physically clear out and close multiple park pavilions in the downtown area because of people sleeping, damaging, and involved in criminal activity at night in the parks.
- We have staff doing Community Prevention walks in the parks on every shift because of repeated calls for service and complaints from neighborhoods.
  - In the last 24 hours we have responded to or created 169 calls for service. We are tracking the “Crime Prevention” calls in the parks, officers walking through the parks to make sure they are clean and safe and engaging with citizens. Of the 169 calls, 44 of them have been in the Parks – that is 26% of our 169 calls.
  - Since this initiative we have seen a significant decrease in actual crimes and disturbances in the parks, as those causing the problems have moved to other areas. Unfortunately many of the problems have moved into our parking ramps as we have seen an uptick in activity in the ramps.

We will continue our programs and will ensure we practice compassionate accountability; treating everyone with respect and understanding while making sure they are not being enabled to stay in this lifestyle.

Chief Todd Thomas

# ENDING HOMELESSNESS IN THE FOX CITIES

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Carrie Poser

CoC Director, WI Balance of State CoC

October 2020

# Purpose



- The mission of the WI Balance of State CoC is to end homelessness by supporting local coalitions throughout Wisconsin.
  - The Balance of State is comprised of 21 coalitions or members. The Fox Cities coalition is a member.
- “Ending Homelessness” means every community will have a systematic response in place that ensures homelessness is prevented whenever possible, or if it can’t be prevented, **it is a rare, brief, and non-recurring experience.**
  - **Quickly identify** and engage people at risk of and experiencing homelessness.
  - Intervene to **prevent** the loss of housing and divert people from entering the homelessness services system.
  - When homelessness does occur, provide **immediate access** to shelter and crisis services, without barriers to entry, while permanent stable housing and appropriate supports are being secured, and quickly connect people to housing assistance and services—**tailored** to their unique needs and strengths—to help them achieve and maintain stable housing.

# Data Driven Decision Making



- **Point-in-Time**
  - Provides a snapshot of a community, 4<sup>th</sup> Wednesday in January & July
  - Includes emergency shelter, motel voucher programs, transitional housing, and unsheltered people
  - Includes those projects that use the HMIS (Homeless Management Information System) database & those that do not including domestic violence providers
  - Only data point that combines unsheltered, providers that use the database and those that do not.
- **In Flow**
  - Shelter Demographics – who is entering the emergency shelter system (reported in HMIS)
  - Who is the typical client within the Fox Cities coalition?
- **Total Clients Served**
  - How many people were served by projects using HMIS in a 12 month period?
  - What percentage of people were in households with or without children, have a disability, chronic homeless, veterans, and fleeing domestic violence?
- **Coordinated Entry**
  - Provides real time data on who is identified as homeless & prioritized for assistance
  - No wrong door, access to anyone seeking housing assistance, does not require shelter first
- **System Performance**
  - Provides data on how a system is operating
  - Uses multiple angles to view the system

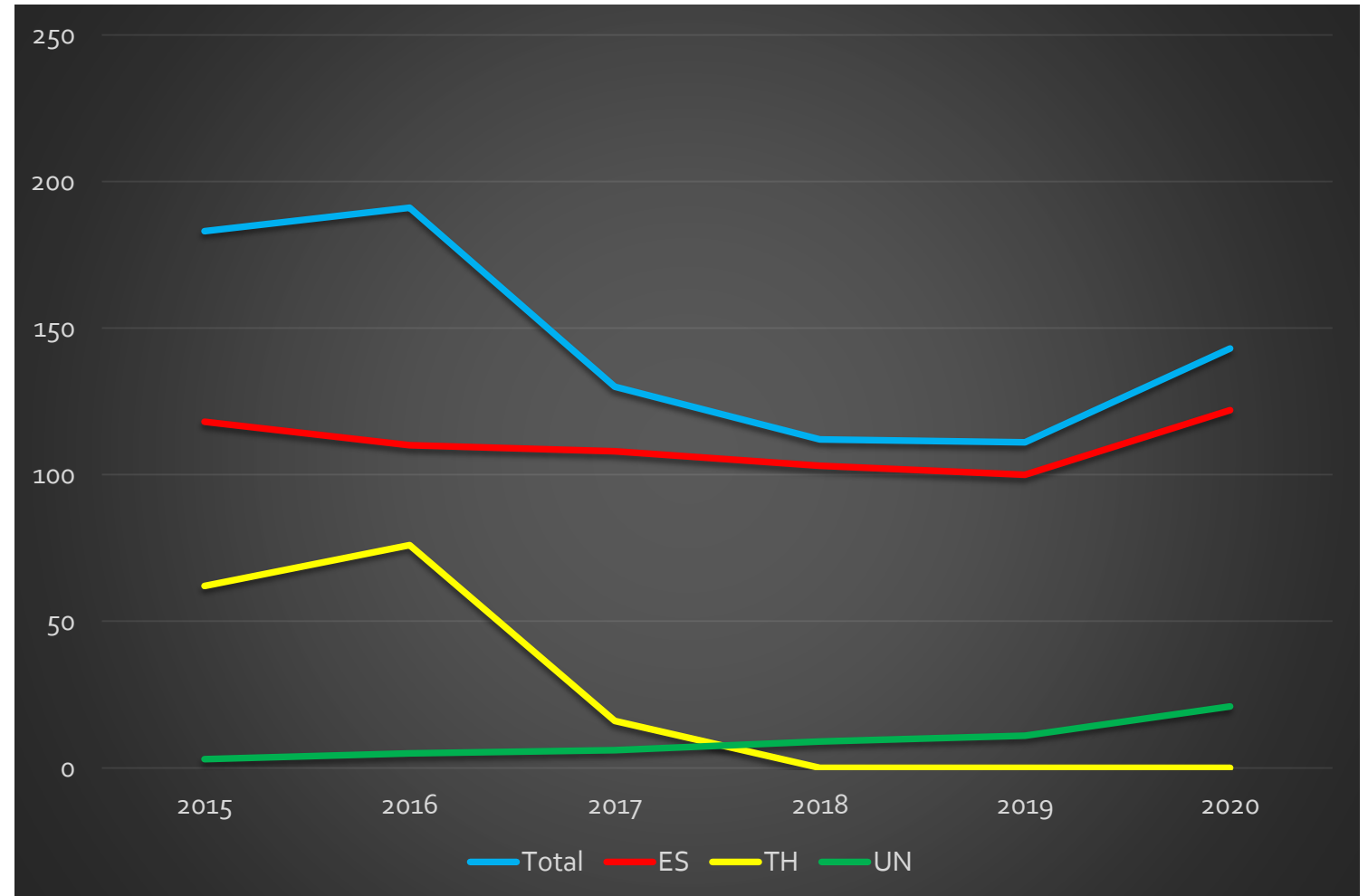


# Point-in-Time: Households without Children



	January 2019	January 2020
Total Households	111	143
Unsheltered (people)	13	21
Veterans (people)	14	8
Chronic (HH)	25	37
Youth (people)	10	13

2016	2017	2018	2019	2020
81%	74%	90%	83%	86%



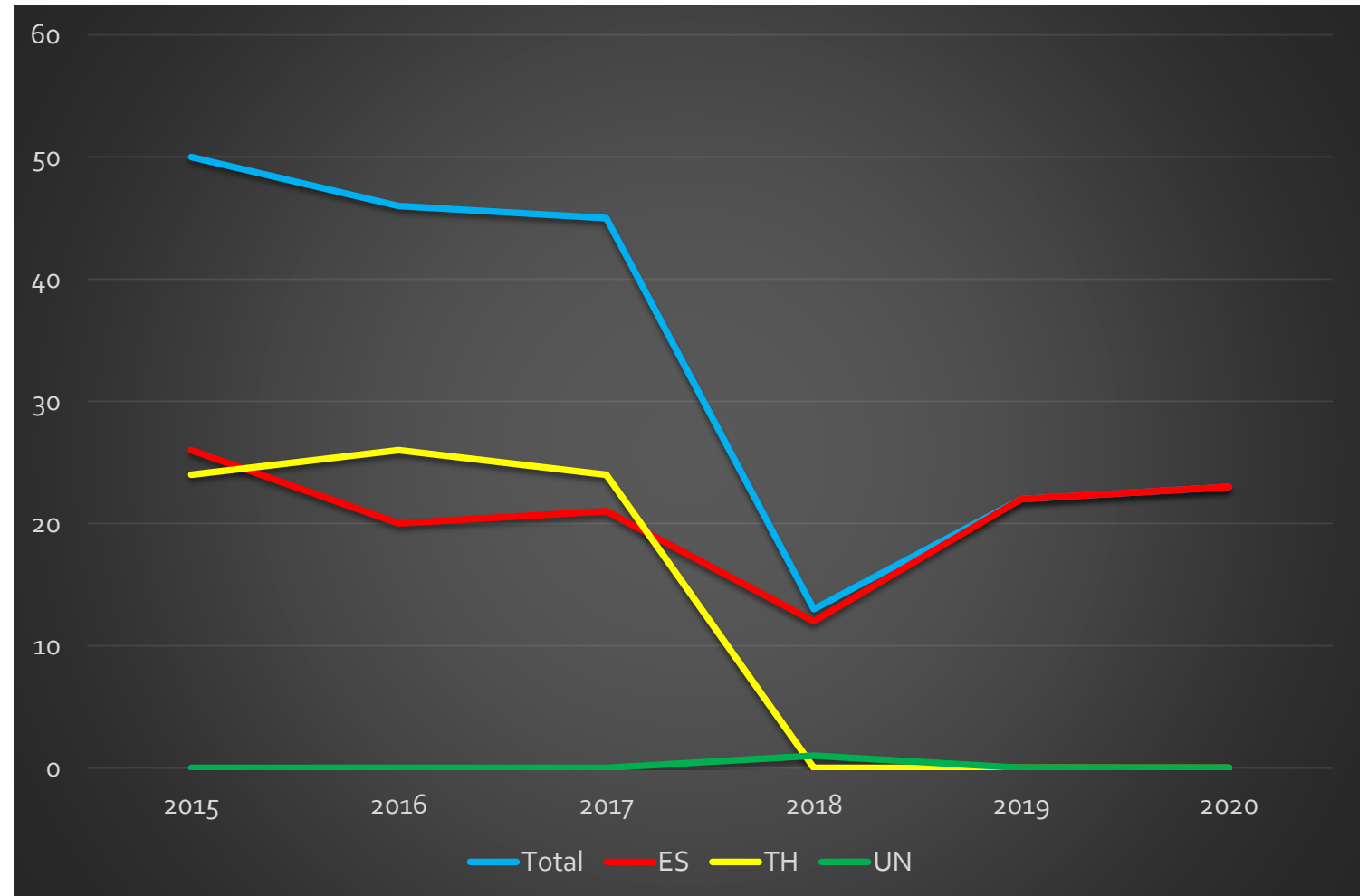
Definition: Household with no members under the age of 18

# Households with Children



	January 2019	January 2020
Total Households	22	23
Unsheltered (people)	0	0
Veterans (people)	0	0
Chronic (HH)	1	4
Youth (people)	5	5

2016	2017	2018	2019	2020
19%	26%	10%	17%	14%



Definition: Household with at least 1 child under the age of 18 and 1 person over the age of 18

# In Flow: Shelter Demographics

HMIS data  
9/1/19 – 8/31/20



	Total Clients	Clients in HH without kids	Clients in HH with kids	Vets	Clients with disabilities	Under 18 yrs old	65 or older
<b>Fox Cities</b>	<b>812</b>	<b>580</b>	<b>232</b>	<b>36</b>	<b>395</b>	<b>144</b>	<b>17</b>
Brown	1,773	1,003	770	69	477	884	42
Waukesha	761	551	210	27	126	439	26
Winnebago	450	371	79	27	50	173	14
Dairyland (Eau Claire)	652	422	230	32	375	128	15

Compared to 18-19 data:

Decrease 13.8%

Decrease 5.4%

Decrease 21.3%

Increase 18.11%

Decrease 8.4%

## Typical client in Fox Cities coalition:

41 year old  
White  
non-Veteran  
Household without children

Male  
non-Hispanic/non-Latino  
**without a disability**

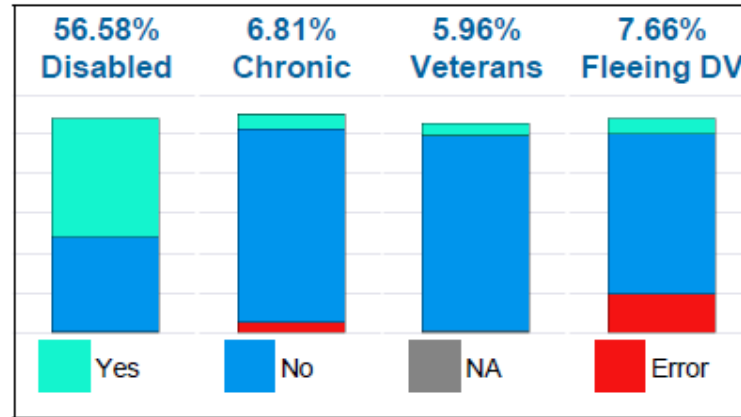
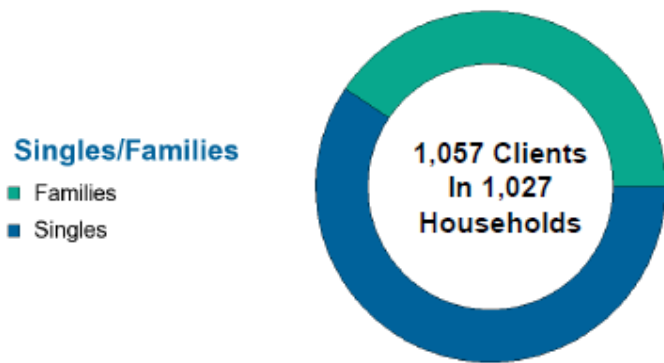
## Typical clients in other coalitions:

White, Male, non-Hispanic/non-Latino, Not in HH with Children, non-Veteran

- Brown = 38 years old, with disabilities
- Waukesha = 41 years old, with disabilities
- Winnebago = 44 years old, without disabilities
- Dairyland = 40 years old, with a disabilities

## Total Clients Served in HMIS (10/1/2018 – 9/30/2019)

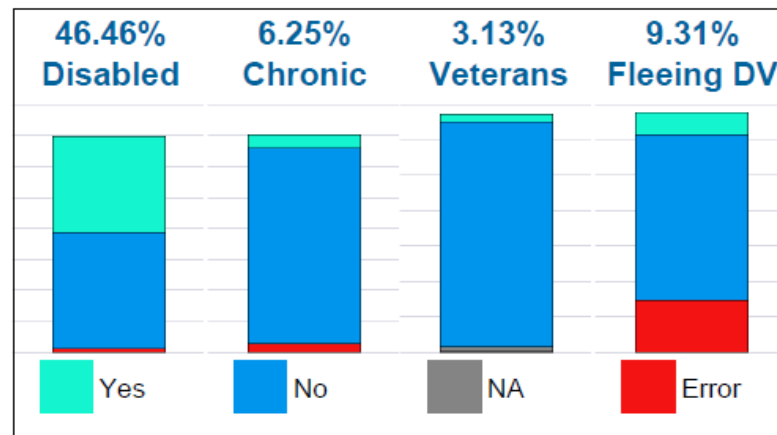
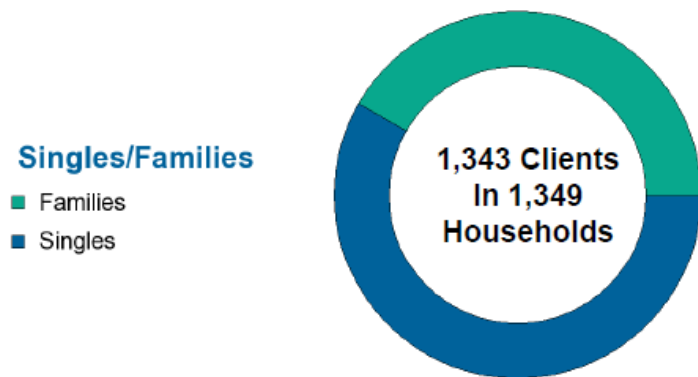
### BOS - Fox Cities CoC



31% increase in total HH served

Decrease % of Disabled  
 Similar % of Chronic  
 Decrease % of Veterans  
 Increase % of Fleeing DV

## Total Clients Served in HMIS (9/1/2019 – 8/31/2020)



# Fox Cities Coordinated Entry



3/9/2020

10/4/2020

HH without Children	PL
Currently waiting	129 people
Chronic Homeless	23 people
Veterans	9 people
Youth 18-24	9 people
Average length of time on list	140 days
Longest length of time on list	661 days

HH without Children	PL
Currently waiting	106 people
Chronic Homeless	32 people
Veterans	2 people
Youth 18-24	5 people
Average length of time on list	108.5 days
Longest length of time on list	692 days

HH with Children	PL
Currently waiting	18 HH
Chronic Homeless	4 HH
Veterans	0 HH
Average length of time on list	95 days
Longest length of time on list	411 days

HH with Children	PL
Currently waiting	24 HH
Chronic Homeless	3 HH
Veterans	0 HH
Average length of time on list	68.4 days
Longest length of time on list	178 days

## Household Without Children

Accepted	165	14.82%
Accepted on Wait List	4	0.36%
Canceled/Declined For Unknown Reason	16	1.44%
Canceled/Declined Other Reasons	53	4.76%
On List	101	9.07%
Self-Resolved	510	45.82%
Unable to Contact Client	459	41.24%
<b>TOTAL</b>	<b>1113</b>	<b>76.55%</b>

Outcome/Reason	Total Clients:	% of All Clients
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## Household With Children

Accepted	124	34.25%
Canceled/Declined For Unknown Reason	4	1.10%
Canceled/Declined Other Reasons	30	8.29%
On List	24	6.63%
Self-Resolved	127	35.08%
Unable to Contact Client	74	20.44%
<b>TOTAL</b>	<b>362</b>	<b>24.90%</b>

# Fox Cities Coalition - Need

HMIS Prioritization List as of 10/4/2020



Household without Children	#	VISPDAT	Average Time on List	# Youth	# fleeing DV	# Veterans
Chronic with disability (more than 12 months homeless)	32	<4 = 2 4-8 = 15 9+ = 15	5.7 months	1	2	1
Non-Chronic with disability & more than 12 months homeless	4	<4 = 0 4-8 = 1 9+ = 3	4.7 months	0	0	0
Non-Chronic with disability & less than 12 months homeless <u>or</u>	29	<4 = 4 4-8 = 15 9+ = 27	2.0 months	1	2	1
Non-Chronic without a disability & more than 12 months homeless	11	<4 = 1 4-8 = 10 9+ = 0	4.2 months	0	0	0
Non-Chronic without a disability	23	<4 = 4 4-8 = 16 9+ = 3	2.1 months	3	2	0
<b>Total (includes 7 errors)</b>	<b>106</b>			<b>5</b>	<b>6</b>	<b>2</b>

## Since March 2020

Increase CH: 23 to 32

Decrease 2<sup>nd</sup> priority: 13 to 4

Decrease: 48 to 29

Decrease: 12 to 11

Decrease: 26 to 23

Decrease errors: 46 to 7

Decrease total: 122 to 106

Decrease youth: 8 to 5

Increase DV: 2 to 6

Decrease Vets: 8 to 2

- 90% of referrals came from 3 agencies
  - Pillars, TSA, ADVOCAP
- 10% of referrals came from other agencies

# Fox Cities Coalition - Need

HMIS Prioritization List as of 10/4/2020



Household with Children	#	VISPDAT	Average Time on List	# Youth	# fleeing DV	# Veterans
Chronic with disability <b>(more than 12 months homeless)</b>	3	<4 = 0 4-8 = 1 9+ = 2	2.7 months	0	1	0
Non-Chronic with disability & <b>more than 12 months homeless</b>	1	<4 = 0 4-8 = 0 9+ = 1	2.7 months	0	0	0
Non-Chronic with disability & less than 12 months homeless <u>or</u>	11	<4 = 1 4-8 = 4 9+ = 6	2.4 months	1	3	0
Non-Chronic without a disability & <b>more than 12 months homeless</b>	2	<4 = 0 4-8 = 0 9+ = 2	3 months	0	1	0
Non-Chronic without a disability	7	<4 = 1 4-8 = 4 9+ = 2	1.7 months	1	0	0
<b>Total (includes 0 errors)</b>	<b>24</b>			<b>2</b>	<b>5</b>	<b>0</b>

Since March 2020

Decrease CH: 4 to 3

Increase 2<sup>nd</sup> priority: 0 to 1

Increase: 2 to 11

No Change: 2

Decrease: 8 to 7

Decrease errors: 19 to 0

Increase total: 16 to 24

Increase youth: 1 to 2

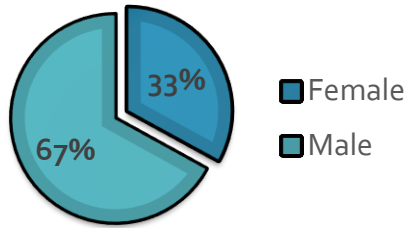
Increase DV: 3 to 5

No Change Vets: 0

- 62.5% of referrals came from 2 agencies
  - ADVOCAP , Pillars, and TSA
- 37.5% of referrals came from other agencies

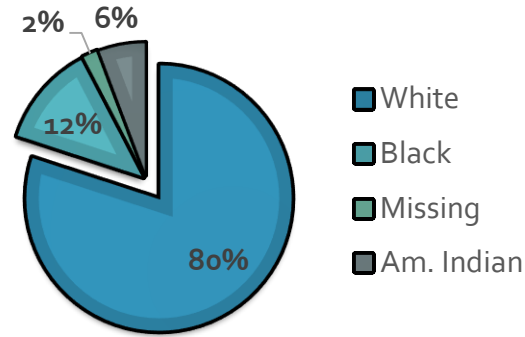
Households without Children

Gender



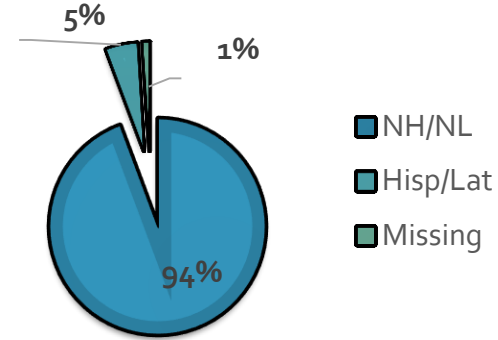
Since March 2020  
 Male: decrease 77 to 67%  
 Female: increase 23 to 33%

Race



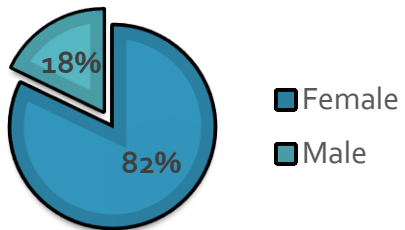
Since March 2020  
 White: increase 74 to 80%  
 Black: decrease 19 to 12%

Ethnicity



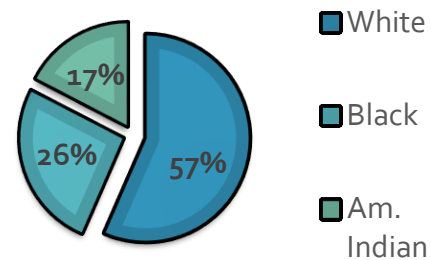
Since March 2020  
 No significant change

Gender



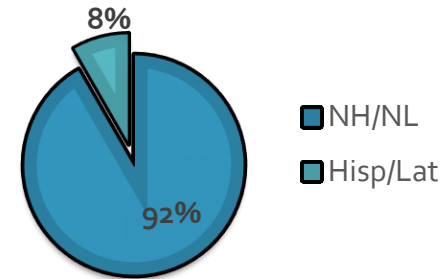
Since March 2020  
 Male: decrease 28 to 18%  
 Female: increase 72 to 82%

Race



Since March 2020  
 White: decrease 82 to 57%  
 Black: increase 18 to 26%

Ethnicity



Since March 2020  
 Non Hispanic: increase 89 to 92%  
 Hispanic: increase 0 to 8%

Households with Children



# What does all this mean?

## Realistic look at need in Fox Cities Coalition:

- Increase permanent support housing (PSH) units and/or enhance moving up strategies to free up units

• HH w/out children ( $32 + 4 = 36$ )      HH w/children ( $3 + 1 = 4$ )      **Total = 40 units**

- Increase rapid re-housing units with intensive case management (similar to PSH level if needed)

• HH w/out children ( $29 + 11 = 40$ )      HH w/children ( $11 + 2 = 13$ )      **Total = 53 units**

- Focus other rapid re-housing units on lower barrier (less than 12 mo of homeless, no disability)

• HH w/out children (23)      HH w/children (7)      **Total = 30 units**

	Youth	Fleeing DV	Veterans
PSH level	$1 + 0 = 1$	$2 + 1 = 3$	$1 + 0 = 1$
RRH ICM	$1 + 1 = 2$	$2 + 4 = 6$	$1 + 0 = 1$
RRH	$3 + 1 = 4$	$2 + 0 = 2$	$0 + 0 = 0$

In March 2020, need:

PSH = 40

RRH ICM = 64

RRH = 34

# System Performance Measure #1: Length of Time Homeless



How long do people stay in emergency shelter?

Average days (start, exit, bed nights)	2019 - 2020	2018- 2019	2017- 2018
Emergency Shelter	74	64	56.14

Days in Shelter	2018-2019	2019-2020
a. 1 to 7 days	175	122
b. 8 to 14 days	54	61
c. 15 to 21 days	66	58
d. 22 to 30 days	81	65
e. 31 to 60 days	205	150
f. 61 to 90 days	116	98
g. 91 to 180 days	171	160
h. 181 to 365 days	55	70
i. 365+	9	7

## From the HEARTH Preamble

“...to establish a Federal goal of ensuring that individuals and families who become homeless return to permanent housing within 30 days.” HEARTH Act Purpose – Sec. 1002 (b)

## System Performance Measure #2: Reoccurrence (successful exit)



Coalition	Total Number of People who exited to permanent housing destination	Number Returning in Less than 6 months	Number Returning in 6-12 months	Number Returning in 2 years
Fox Cities	455	66 (14.5%)	29 (6.4%)	120 (26.4%)

2018 – 2019: 29.1%  
2017 – 2018: 32.6%

Housing Programs	Exits	Return in Less than 6 months	Return in 6-12 months	Number Returning in 2 years
Emergency Shelter	347	63 (18.2%)	21 (6.1%)	106 (30.1%)
Transitional Housing	59	0 (0%)	7 (11.9%)	7 (11.9%)
Permanent Housing (Permanent Supportive Housing & Rapid Re-housing)	44	2 (4.6%)	0 (0%)	4 (9.09%)

Coalition	Exits to PH with Return in 2 years
Brown	41.16%
Kenosha	15.84%
Waukesha	39.96%

### Fox Cities 17-19

ES = 32.93%  
TH = 23.08%  
All PH = 8.57%

9/1/2018 – 8/31/2020

## Reoccurrence (after any exit)



Coalition	All Exits and Return in 2 years	10/1/2015 – 9/30/2017	10/1/2017 – 9/30/2019
Fox Cities	55.3%	38.75%	53%

Housing Programs	All Exits	Return	% of Returns	10/1/2015 – 9/30/2017	10/1/2017 – 9/30/2019
Prevention	1767	215	12%	4%	8.4%
Rapid Rehousing	233	76	33%	14%	18.75%
Permanent Supportive Housing	57	22	39%	29%	23%
Emergency Shelter	5281	3836	73%	67%	67.9%
Other (diversion, CM, PATH, SOAR, VORP)	1180	716	61%	53%	43%
Transitional Housing	101	39	39%	24.5%	n/a

# Reoccurrence: Experiencing Homelessness Again within 2 years



## Successful Exit

- 75% from all projects (total) do not reoccur
- 70% from emergency shelter do not reoccur
- 91% from permanent housing projects do not reoccur

Successful exits means that the person exited to a permanent housing destination. This could be a family or friend, own apartment, or housing subsidy.

## All Exits

- 45% from all projects (total) do not reoccur
- 27% from emergency shelter do not reoccur
- 67% from rapid rehousing do not reoccur
- 61% from permanent supportive housing do not reoccur

# System Performance Measure #1: First Time Homeless



Entering Emergency Shelter or Transitional Housing without prior enrollment in HMIS database in the 2 years prior.

2019-2020	2018-2019	2017-2018
71%	66%	62%

How does outreach need to change when 71% of the people accessing services are new?

2018-2019

Brown	Kenosha	Waukesha
72.7%	84%	71.4%

Said another way, 29% of the people entering shelter have been homeless before (recently). 71% have not.

2019 -2020

Brown	Kenosha	Waukesha
65.9%	82%	65.8%

## System Performance Measure #7: Exits to Successful Destinations



	2019-2020	2018-2019	2017-2018
Emergency Shelter Transitional Housing Rapid Re-Housing	30.16%	29.5%	38.2%
Permanent Supportive Housing	88.64%	97.6%	90.9%

2018-2019	Brown	Kenosha	Waukesha
Emergency Shelter Transitional Housing Rapid Re-Housing	51.6%	47.2%	29%
Permanent Supportive Housing	94.9%	100%	100%

2019-2020	Brown	Kenosha	Waukesha
Emergency Shelter Transitional Housing Rapid Re-Housing	39.19%	47.8%	27.74%
Permanent Supportive Housing	98.24%	96.43%	90.32%

# Final Thoughts



- Homelessness is a complex problem.
- The response to homelessness is complicated.
- But the solution or cure is simple.

## HOUSING

Carrie Poser  
CoC Director  
Wisconsin Balance of State CoC  
[carrie.poser@wibos.org](mailto:carrie.poser@wibos.org)

PO Box 272, Eau Claire, WI 54702  
Phone: 715-598-3301

Website: [www.wiboscoc.org](http://www.wiboscoc.org)



**City of Appleton**  
**Community Development Block Grant Program (CDBG)**  
**Notice of Substantial Amendment to the**  
**2020 Annual Action Plan**

A public hearing will be held at a regularly scheduled Community and Economic Development Committee meeting on Wednesday, October 14<sup>th</sup>, 2020, beginning at 4:30 p.m. in Council Chambers on the Sixth Floor of Appleton City Hall, 100 N. Appleton Street, Appleton, WI. The primary function of this hearing is to obtain citizen views on the proposed 2020 Annual Action Plan substantial amendment, awarding an additional \$348,255 of CDBG CARES Act funding to community partner organizations.

The CDBG-CV funding has been allocated to activities that prevent, prepare for, or respond to COVID-19. For more information on Appleton's CDBG Program, please visit the website: <https://www.appleton.org/government/community-and-economic-development/grants-administration>, or for questions about project/program eligibility, contact Nikki Gerhard at 920-832-6469 or email at: [nikki.gerhard@appleton.org](mailto:nikki.gerhard@appleton.org).

Run: September 30, 2020



# MEMORANDUM

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“...meeting community needs...enhancing quality of life.”

TO: Community and Economic Development Committee  
FROM: Nikki Gerhard, Community Development Specialist  
DATE: October 14, 2020  
RE: 2020 Community Development Block Grant CARES Act Funding (CDBG-CV)

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In the last few months, the COVID-19 outbreak has caused unprecedented unemployment and put thousands of households at risk of being unable to afford housing and other basic needs. It is important that multiple systems are given the resources to work together to address the needs in our community. The City of Appleton was awarded a special allocation of \$348,255 in Community Development Block Grant funding to be used to prevent, prepare for, and respond to COVID-19. This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to respond to the growing effects of the public health crisis. The CARES Act adds additional flexibility for these funds in these unprecedented times, including:

- The public comment period is reduced to not less than five days;
- The City may use virtual public hearings when necessary for public health reasons;
- The public services cap is suspended; and
- Costs may be reimbursed for eligible activities incurred for pandemic response regardless of the date.

In addition, Secretary John Gibbs has granted waivers and alternative requirements in connection with the use of these funds that can be utilized when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to COVID-19. Staff intends to take full advantage of several of these waivers, including reducing the public comment period, suspending the public services cap, and modifying the CDBG allocation process to ensure the funding organizations have the resources to fully meet current needs. Specifically, the application process will be streamlined, and the traditional review process will not be followed.

City staff has been working closely with philanthropic entities and community partners to understand the needs of our community during this pandemic. The ongoing COVID-19 pandemic poses a clear risk to people experiencing homelessness, the precariously housed, and service provider organizations. Access to stable housing helps eliminate many of the barriers to gaining and maintaining health and safety. However, these organizations do not have the resources to fully meet current needs.

To address instability in our community as a result of the COVID-19 health emergency, staff makes the following recommendations [with the support of the philanthropic entities and community partners], as they manage the short and long-term needs as a result of this public health crisis. These recommendations will be considered by CEDC on October 14<sup>th</sup> and Common Council on October 21<sup>st</sup>, and will be incorporated into the CDBG 2020 Annual Action Plan as a substantial amendment.

**1. Building for Kids Children’s Museum: Museums in Motion (\$34,923)**

Museums in Motion: Responsive Community Engagement Toolkits is a collaborative project that responds to the COVID-19 pandemic by addressing the educational and social needs of economically disadvantaged K-12 students in the community. Through partnerships with local libraries and schools, non-virtual toolkits that support engagement and learning for approximately 1,200 individuals will be created and deployed.

**2. Fox Valley Lutheran Homes: Combating Social Isolation for Older Adults (\$24,946)**

This program provides WiFi access and devices to older adult tenants as they continue to isolate due to COVID-19. This program will enhance the mental and physical well-being of 46 tenants and allow them to keep their minds active by connecting with resources online and through technology.

**3. Greater Fox Cities Habitat for Humanity: Homeownership Program (\$78,386)**

Habitat for Humanity is one of the largest providers of affordable housing in the Fox Cities. This program will acquire two additional houses for rehabilitation and sell the affordable unit to qualified families.

**4. LEAVEN, Inc: Emergency Assistance Program (\$50,000)**

Through no fault of their own, members of our community have lost jobs or are working reduced hours, leaving them unable to pay their rent, mortgage, utilities and other basic needs. There is a broader economic spectrum of people and a wider variance of financial need since COVID. This program is preventing the economically disadvantaged and vulnerable households from slipping into greater poverty and homelessness. These funds will be used to provide rental assistance to 100 households.

**5. Apricity, Inc: The Mooring Programs (\$10,000)**

The Mooring Programs would utilize funding to purchase technology as a response to the COVID-19 pandemic. The purchase of these items would ensure continued services to approximately 225 individuals.

**6. Pillars, Inc: Adult Shelter Bunk Beds (\$30,000)**

Because of the pandemic, the Adult Shelter had to reduce its maximum capacity from 55 clients to 40 in order to create social distancing. By installing 25 bunk beds (50 beds), this would allow the shelter to increase back to original capacity and continue serving individuals experiencing literal homelessness and still allow for proper social distancing.

**7. Pillars, Inc.: Adult Shelter Case Manager (\$50,000)**

Incorporation of an additional case manager at the Adult Shelter and Resource Center will enable quicker identification of permanent housing alternatives for clients likely to have the longest shelter stays. This ultimately increases available bed-nights and the capacity to house more unsheltered individuals as the pandemic continues.

**8. Salvation Army of the Fox Cities: Housing Retention Program (\$30,000)**

The Housing Retention Program provides rental assistance for households on the cusp of losing their housing due to nonpayment of rent, thereby preventing homelessness in our community. With the addition of these funds, the program will be able to serve an additional 40 individuals.

**9. WWBIC: Business Owner Program (\$40,000)**

This program will provide assistance to microenterprises and small businesses, while specifically focusing on and tracking outcomes related to job creation and retention and providing hope and opportunity for restoration and resiliency during COVID-19. These funds will help approximately 4 business owners pivot and prepare for recovery and rebound.

The following attachments are provided for additional information for this action item.

**Attached Documents:**

- 1.) April 2, 2020 CARES Act CDBG award letter
- 2.) CDBG-CV Subrecipient Simple Summary
- 3.) 2020PY Annual Action Plan Substantial Amendment request

If you have any questions, please contact me at 832-6469 or [nikki.gerhard@appleton.org](mailto:nikki.gerhard@appleton.org). Thank you!



ASSISTANT SECRETARY FOR  
COMMUNITY PLANNING AND DEVELOPMENT

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-7000

April 2, 2020

The Honorable Timothy Hanna  
Mayor of Appleton  
100 N Appleton Street  
City Hall  
Appleton, WI 54911-4799

Dear Mayor Hanna:

I am pleased to inform you of a special allocation to your jurisdiction of Community Development Block Grant funds to be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, which was signed by President Trump on March 27, 2020, to respond to the growing effects of this historic public health crisis.

The CARES Act made available \$5 billion in Community Development Block Grant Coronavirus (CDBG-CV) funds. Of this amount, the Department is immediately allocating \$2 billion based on the fiscal year 2020 CDBG formula. The remaining \$3 billion shall be allocated based on needs using best available data, in the following tranches: \$1 billion shall be allocated to States and insular areas within 45 days of enactment of the Cares Act, and \$2 billion shall be distributed to states and local governments at the discretion of the Secretary. Up to \$10 million will be set aside for technical assistance. Given the immediate needs faced by our communities, the Department has announced the first allocation of funds. Your jurisdiction's allocation is \$348,255.

The CARES Act adds additional flexibility for both the CDBG-CV grant and, in some cases, for the annual FY2020 CDBG grants in these unprecedented times. The public comment period is reduced to not less than 5 days, grantees may use virtual public hearings when necessary for public health reasons, the public services cap is suspended during the emergency, and States and local governments may reimburse costs of eligible activities incurred for pandemic response regardless of the date.

In addition, the CARES Act authorizes the Secretary to grant waivers and alternative requirements of statutes and regulations the Secretary administers in connection with the use of CDBG-CV funds and fiscal year 2019 and 2020 CDBG funds (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment). Waivers and alternative requirements can be granted when necessary to expedite and facilitate the use of funds to prevent, prepare for, and respond to coronavirus.

The Department is developing a notice that will further describes the CARES Act's provisions, a Quick Guide to the CARES Act flexibilities and other provisions, and other resources

to enable swift implementation of CDBG-CV grants. As these become available, they will be posted on HUD's website and distributed to grantees. The Department will also support grantees with technical assistance.

As you develop your plan for the use of these grant funds, we encourage you to consider approaches that prioritize the unique needs of low- and moderate-income persons and the development of partnerships between all levels of government and the private for-profit and non-profit sectors. You should coordinate with state and local health authorities before undertaking any activity to support state or local pandemic response. CDBG-CV grants will be subject to oversight, reporting, and requirements that each grantee have adequate procedures to prevent the duplication of benefits. HUD will provide guidance and technical assistance on DOB and regarding prevention of fraud, waste, and abuse and documenting the impact of this program for beneficiaries.

The Office of Community Planning and Development (CPD) is looking forward to working with you to successfully meet the urgent and complex challenges faced by our communities. If you or any member of your staff has questions, please contact your local CPD Field Office Director or [CPDQuestionsAnswered@hud.gov](mailto:CPDQuestionsAnswered@hud.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "John Gibbs", written in a cursive style.

John Gibbs  
Acting Assistant Secretary  
for Community Planning and Development  
U.S. Department of Housing and Urban Development

## AWARD RECOMMENDATIONS FOR 2020 CDBG-CV FUNDING

Awarded

Non-Public Service	
Habitat for Humanity- Affordable Housing Program	\$ 78,386.00
WWBIC- Business Owner Program	\$ 40,000.00
SUBTOTAL	\$ 118,386.00
Public Service	
Building for Kids- Nonvirtual Toolkit	\$ 34,923.00
Fox Valley Lutheran Homes- Communication Devices	\$ 24,946.00
LEAVEN, Inc- Emergency Financial Assistance	\$ 50,000.00
Mooring Programs- Technology Upgrade	\$ 10,000.00
Pillars Adult & Family Shelter- Bunk Bed Purchase	\$ 30,000.00
Pillars, Inc- Case Manager	\$ 50,000.00
Salvation Army of the Fox Cities- Housing Retention Program	\$ 30,000.00
SUBTOTAL	\$ 229,869.00
<b>TOTAL</b>	<b>\$ 348,255.00</b>

**Community Partner Application AWARD RECOMMENDATIONS  
for the 2020 CDBG-CV Funding**

<b>NON-PUBLIC SERVICE</b>	<b>PROJECT ACTIVITY</b>	<b>PROJECTED OUTPUT</b>	<b>FUNDS WILL BE USED TO...</b>	<b>CDBG REQUESTED AMOUNT</b>	<b>PROPOSED FUNDING ALLOCATION</b>
Habitat for Humanity	housing	2 houses	acquire and rehabilitate two affordable housing units for qualifying homeowners	\$ 98,000.00	\$ 78,386.00
WWBIC	economic development	4 businesses	financial assistance to small business/microenterprises	\$ 100,000.00	\$ 40,000.00
				<b>\$ 198,000.00</b>	<b>\$ 118,386.00</b>
<b>PUBLIC SERVICE</b>	<b>PROJECT ACTIVITY</b>	<b>PROJECTED OUTPUT</b>	<b>FUNDS WILL BE USED TO...</b>	<b>CDBG REQUESTED AMOUNT</b>	<b>PROPOSED FUNDING ALLOCATION</b>
Building for Kids	public service	1,200 LMI individuals	responsive community non-virtual engagement toolkit collaboration for K-12 students and families	\$ 34,923.00	\$ 34,923.00
Compassionate Home Health Care	public service	3,000 individuals	distribution of personal hygiene products, household cleaning supplies, and basic needs	\$ 143,885.00	\$ -
Fox Valley Lutheran Homes	public service	46 LMI individuals	provision of WiFi services and communication devices for elderly residents	\$ 24,946.00	\$ 24,946.00
Hmong American Partnership	public service	515 individuals	operational costs	\$ 6,500.00	\$ -
LEAVEN, Inc.	public service	100 households	emergency financial assistance program	\$ 25,000.00	\$ 50,000.00
Mooring Programs	public service	225 individuals	purchase of laptop computers for Mooring House clients and staff	\$ 22,240.00	\$ 10,000.00
Pillars, Inc.	public service	60 individuals	hiring of an additional shelter case manager	\$ 50,000.00	\$ 50,000.00
Pillars Adult & Family Shelter	public service	550 individuals	purchase and install 25 bunk beds at adult & family emergency shelter to maintain capacity at 55 and to ensure COVID-19 precautions	\$ 30,000.00	\$ 30,000.00
Salvation Army of the Fox Cities	public service	40 individuals	housing retention program	\$ 30,000.00	\$ 30,000.00
St. Vincent de Paul	public service	145 individuals	emergency financial assistance program for basic needs	\$ 30,000.00	\$ -
				<b>\$ 397,494.00</b>	<b>\$ 229,869.00</b>





**SUBSTANTIAL AMENDMENT  
TO THE  
CITY OF APPLETON'S 2020 ANNUAL ACTION PLAN**

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**A. EXECUTIVE SUMMARY**

The U.S. Department of Housing and Urban Development (HUD) requires all entitlement communities receiving Community Development Block Grant (CDBG) funds, such as the City of Appleton, to prepare and submit a Consolidated Plan every five years to establish a unified, strategic vision for economic development, housing and community development actions. The Consolidated Plan encompasses the analysis of local community needs and coordinates appropriate responses to those needs and priorities. The City of Appleton City Council adopted the 2020-2024 Five Year Consolidated Plan (“Consolidated Plan”) on December 18, 2019.

The Consolidated Plan is carried out through Annual Action Plans, which provide a concise summary of the actions, activities, and the specific federal and non-federal resources that will be used each year to address the priority needs and specific goals identified in the Consolidated Plan. The City must submit an Annual Action Plan to HUD by no later than February 15 of each year during the five-year period (unless otherwise specified by HUD). The City of Appleton Council adopted the 2020 Annual Action Plan on March 18, 2020, and it was submitted to HUD on March 19, 2020.

Per the City’s Citizen Participation Plan (CPP), a substantial amendment to a Consolidated Plan and Annual Action Plan is required when a “substantial” change is proposed as it relates to funding priorities, proposed activities, goals and objectives. This substantial amendment to the Annual Action Plan is necessary because the City has identified an existing activity that it wishes to allocate additional funds to.

**B. CITIZEN PARTICIPATION**

A Notice of Public Hearing was published in the Appleton Post Crescent on September 30, 2020, and a 5-day public review period was published on October 2, 2020, informing the public of the proposed Substantial Amendment and inviting comments at the public hearing, during a regularly scheduled Community & Economic Development Committee meeting. The public review period will begin on October 9, 2020 and will end on October 14, 2020 (same day as public hearing). Citizens are able to review copies of the Substantial Amendment at the City’s CDBG website and the Customer Service desk on the first floor of City Hall.

**C. CHANGES TO THE 2020 ANNUAL ACTION PLAN**

The City is proposing to allocate \$348,255 to various activities in the community. The following table outlines the proposed activities described in this Substantial Amendment:

**Table 1: Proposed Activity Budget**

Agency/Program	CDBG-CV Allocation
Building for Kids Children’s Museum- Museums in Motion	\$34,923
Fox Valley Lutheran Homes- Combating Social Isolation for Older Adults During COVID-19	\$24,946

Greater Fox Cities Habitat for Humanity- Homeownership Program	\$78,386
LEAVEN, Inc.- Emergency Assistance Program	\$50,000
Apricity, Inc.- The Mooring Programs	\$10,000
Pillars, Inc.- Adult Shelter Bunk Beds	\$30,000
Pillars, Inc.- Adult Shelter Case Manager	\$50,000
Salvation Army of the Fox Cities- Housing Retention Program	\$30,000
WWBIC- Business Owner Program	\$40,000
<b>TOTAL</b>	<b>\$348,255</b>

**D. 2020 PROPOSED ACTIVITY DETAIL**

The following narrative provides activity descriptions, national objectives, and other required information for the proposed activity.

**Building for Kids Children’s Museum: Museums in Motion (\$34,923)**

Museums in Motion: Responsive Community Engagement Toolkits is a collaborative project that responds to the COVID-19 pandemic by addressing the educational and social needs of economically disadvantaged K-12 students in the community. Through partnerships with local libraries and schools, non-virtual toolkits that support engagement and learning for approximately 1,200 individuals will be created and deployed.

**Fox Valley Lutheran Homes: Combating Social Isolation for Older Adults (\$24,946)**

This program provides WiFi access and devices to older adult tenants as they continue to isolate due to COVID-19. This program will enhance the mental and physical well-being of 46 tenants and allow them to keep their minds active by connecting with resources online and through technology.

**Greater Fox Cities Habitat for Humanity: Homeownership Program (\$78,386)**

Habitat for Humanity is one of the largest providers of affordable housing in the Fox Cities. This program will acquire two additional houses for rehabilitation and sell the affordable unit to qualified families.

**LEAVEN, Inc: Emergency Assistance Program (\$50,000)**

Through no fault of their own, members of our community have lost jobs or are working reduced hours, leaving them unable to pay their rent, mortgage, utilities and other basic needs. There is a broader economic spectrum of people and a wider variance of financial need since COVID. This program is preventing the economically disadvantaged and vulnerable households from slipping into greater poverty and homelessness. These funds will be used to provide rental assistance to 100 households.

**Apricity, Inc: The Mooring Programs (\$10,000)**

The Mooring Programs would utilize funding to technology as a response to the COVID-19 pandemic. The purchase of these items would ensure continued services to approximately 225 individuals.

**Pillars, Inc: Adult Shelter Bunk Beds (\$30,000)**

Because of the pandemic, the Adult Shelter had to reduce its maximum capacity from 55 clients to 40 in order to create social distancing. By installing 25 bunk beds (50 beds), this would allow the shelter to increase back to original capacity and continue serving individuals experiencing literal homelessness, while still maintaining adequate social distancing.

**Pillars, Inc.: Adult Shelter Case Manager (\$50,000)**

Incorporation of an additional case manager at the Adult Shelter and Resource Center will enable quicker identification of permanent housing alternatives for clients likely to have the longest shelter stays. This ultimately increases available bed-nights and the capacity to house more unsheltered individuals as the pandemic continues.

**Salvation Army of the Fox Cities: Housing Retention Program (\$30,000)**

The Housing Retention Program provides rental assistance for households on the cusp of losing their housing due to nonpayment of rent, thereby preventing homelessness in our community. With the addition of these funds, the program will be able to serve an additional 40 individuals.

**WWBIC: Business Owner Program (\$40,000)**

This program will provide assistance to microenterprises and small businesses, while specifically focusing on and tracking outcomes related to job creation and retention and providing hope and opportunity for restoration and resiliency during COVID-19. These funds will help approximately 4 business owners pivot and prepare for recovery and rebound.

**E. PUBLIC COMMENTS**

All public comments received during the 5-day public review period or at the public hearing will be incorporated into the overall Substantial Amendment submitted to HUD.

Brian Peddle  
General

Commissioner Brad Bailey  
Territorial Commander

Major Steven J. Merritt  
Divisional Commander

Majors J. David and Shanda Minks  
Corps Officers



DOING THE  
MOST GOOD™

Founded in 1865 by William and Catherine Booth

Fox Cities Corps

P.O. Box 1605

Appleton, WI 54912-1605

920.734.3324

Fax 920.734.4798

October 6, 2020

Dear CEDC members,

The Salvation Army Fox Cities is grateful for the potential opportunity to receive a portion of the CDBG-CV funds to support City of Appleton residents impacted by this pandemic. The funds, if received, would be used for rental assistance.

Coupled with our case managers support, this combination of resources will help keep families needing longer term assistance (3 months +) in their existing housing. Helping people remain in their housing eliminates the impact of homelessness and accelerates their ability to regain financial stability and independence.

Therefore, we encourage the CEDC committee members to support the funding recommendations made by the City of Appleton staff. Thank you!

Sincerely,

Patrick Leigl, CSW  
Social Services Director  
Salvation Army Fox Cities

*"Have you remembered The Salvation Army in your will?"*

*Donations by phone 1.800.SALARMY or internet [www.safoxcities.org](http://www.safoxcities.org)*



# MEMORANDUM

---

“...meeting community needs...enhancing quality of life.”

TO: Community and Economic Development Committee  
FROM: Nikki Gerhard, Community Development Specialist  
DATE: October 14, 2020  
RE: Citizen Participation Plan Amendment & CDBG Policy Amendment

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A requirement of the Community Development Block Grant (CDBG) Program is the adoption of a Citizen Participation Plan (CPP). The Plan provides citizens with information and knowledge of opportunities to become involved with and comment upon Appleton’s CDBG Program.

In response to the COVID-19 pandemic, HUD has granted waivers and alternative requirements in connection with the use of CDBG funds. As a result, the Citizen Participation Plan has been amended to expedite and facilitate the use of funds to prevent, prepare for, and respond to COVID-19.

The amendments to the Citizen Participation Plan and the CDBG Policy incorporate the following changes, as they relate to CDBG funding:

- The public comment period is reduced to not less than five days;
- The City of Appleton may use virtual public hearings when necessary for public health reasons.

To make reading the draft and comparing it to the current plan easier, the current plan with markup and the draft without markup have been attached, along with the HUD memorandum detailing the incorporation of these amendments into the CPP.

A 5-day public comment period, as required under the current Citizen Participation Plan, was held October 9 through October 14. No comments were received.

If you have any questions, please contact me at 832-6469 or [nikki.gerhard@appleton.org](mailto:nikki.gerhard@appleton.org). Thank you!

**Attached Documents:**

1. Current CPP and CDBG Policy with markup
2. Draft CPP and CDBG Policy without markup
3. CDBG-CV Federal Register, dated August 7, 2020

**Notice to the Public  
Concerning the City of Appleton  
Community Development Block Grant Program  
Citizen Participation Plan  
&  
Community Development Block Grant Program  
Policies**

As a participant in the U.S. Department of Housing and Urban Development's Community Development Block Grant Program, the City is required to adopt a Citizen Participation Plan (CPP). The purpose of the CPP is to provide for and encourage citizen participation in the development of any consolidated plan, any substantial amendment to the consolidated plan, and the performance report.

When substantial amendments to the CPP are proposed, the City is required to hold a public comment period. The general public has a period of 5 days – October 9 to October 14, 2020 – to offer comments on the proposed amendments. Written comments may be submitted via email to [nikki.gerhard@appleton.org](mailto:nikki.gerhard@appleton.org) or via U.S. Mail to: City of Appleton; Community and Economic Development Department; 100 North Appleton Street; Appleton, WI 54911. A summary of all comments received in writing during this period will be attached to the CPP substantial amendment when presented to Common Council for approval.

A copy of the CPP with the proposed amendments is available on the CDBG website at: <https://www.appleton.org/government/community-and-economic-development/grants-administration/news-announcements-6880> starting October 9, 2020.

Run: October 2, 2020



**City of Appleton  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**



**Citizen Participation Plan**

Amended 3/20/2013, 10/7/2015, ~~per 10/14/2020~~

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**I. PURPOSE**

As a requirement of the U.S. Department of Housing and Urban Development’s Community Development Block Grant (CDBG) Program, the City of Appleton has developed and adopted this Citizen Participation Plan (CPP) relating to the CDBG Program in compliance with section 104(a)(3) of the Housing and Community Development Act of 1974 and Title 24 of the Code of Federal Regulations, Subtitle A, Part 91. It will be revised periodically as required to fulfill related Federal, State, and/or local funding requirements. The CPP provides for and encourages citizen participation in the development of any Consolidated Plan, any substantial amendment to the Consolidated Plan and the annual performance report.

**II. PUBLIC HEARINGS/COMMENT PERIOD**

Two public hearings will be held each year to provide opportunities for public participation at different stages of the CDBG program year. The hearings will be held in conjunction with regular meetings of the Community and Economic Development Committee (CEDC). Specifically, these hearings include:

- (1) The *Community Development Needs Hearing* corresponds with the CDBG subrecipient application timeframe. Citizens are asked to identify housing and community development needs.
- (2) The *Consolidated Annual Performance & Evaluation Report (CAPER) Hearing* corresponds with the publication of the CDBG CAPER draft, which summarizes the activities undertaken during the previous program year. Citizens are asked to view the CAPER draft on the City of Appleton CDBG web page or view a paper copy at City Hall in the Community and Economic Development Department (100 N. Appleton Street) before providing comments at this hearing.

A 15-day minimum public comment period will be held to receive comments on the CAPER draft before it is submitted to HUD. All comments or views of citizens received in writing or at public hearings shall be considered in the preparation of the CAPER. A summary of these comments or views shall be attached to the CAPER for submittal to HUD.

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Per direction from HUD, provided to CDBG grant recipients on March 16, 2020, during their “National Briefing on Community Development Block Grant Support for Infectious Disease Response” – the City of Appleton will consider undertaking “virtual” public hearings (alone, or in concert with an in-person hearing) allowing questions in real time, with answers coming directly from the elected representatives to all “attendees” during times of emergencies, such as the coronavirus or COVID-19 pandemic. The City of Appleton will select a virtual hearing method or platform that will provide for accessibility for persons with disabilities and LEP to participate. The City of Appleton will document these efforts and provide descriptions to HUD in the subject documents. The Citizen Participation Plan was amended to include these new outreach procedures, recommended by HUD.

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**III. CONSOLIDATED PLAN PUBLIC HEARING/COMMENT PERIOD**

Citizens are encouraged to participate in both a formal public hearing before the CEDC and 30 day public comment period that occur as part of the development, and before the adoption, of each five year consolidated plan for CDBG funding, in addition to other opportunities for public participation related to identifying long-term housing and community development-related strategies. Information made available will include the amount of assistance the City expects to receive, the range of activities that may be undertaken and the estimated amount that will benefit persons of low- and moderate-income. The five year consolidated plan draft will be available for review on the City of Appleton CDBG web page and at City Hall in the Community and Economic Development Department (100 N. Appleton Street). A summary describing the contents and purpose of the consolidated plan along with a list of where the consolidated plan draft may be viewed will be published to allow for reasonable opportunity to examine the contents of the proposed plan. All comments or views of citizens received in writing or at public hearings shall be considered in the preparation of the final consolidated plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefor, shall be attached to the final consolidated plan.



## City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM



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### IV. SUBSTANTIAL AMENDMENTS

A public comment period will be held when substantial amendments to the five year consolidated plan, Citizen Participation Plan or changes in use or distribution of CDBG funds are proposed/requested. Substantial amendments may include those involving:

- (1). plans to utilize funds for a priority need or goal not specified in the current consolidated plan
- (2). plans to change the use of a subrecipient's ~~entire allocation greater than 20 percent to include activities and/or projects that are not~~ included in the subrecipient's current agreement; i.e. change in eligible activity, purpose, scope, location or beneficiary
- (3). plans to change the method of distribution of funds to subrecipients

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A 30 day public comment period, unless otherwise specified under the pertinent Federal regulation or applicable waivers to prevent the spread of infectious disease and mitigate economic impacts caused by infectious disease, will be provided before any substantial amendment to the Consolidated Plan, Citizen Participation Plan or change in use or distribution of CDBG funds is approved by CEDC and Council or implemented. Notice of the public comment period will be published in the local newspaper (the *Appleton Post Crescent*), on the City of Appleton CDBG web page and posted in a public area at City Hall two weeks prior to the start of the comment period. All comments or views of citizens received in writing shall be considered in the preparation of the substantial amendments to the Consolidated Plan, Citizen Participation Plan or change in use or distribution of CDBG funds. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefor, shall be attached to the substantial amendment to the Consolidated Plan, Citizen Participation Plan or change in use or distribution of CDBG funds.

### V. PUBLICIZING OPPORTUNITIES FOR CITIZEN PARTICIPATION

Notices announcing public hearings and comment periods are published both on the City of Appleton CDBG web page and in the local newspaper (the *Appleton Post Crescent*), and are posted in a public area in City Hall approximately two weeks in advance of the hearing or start of the comment period. Meeting schedules are printed and posted in a public area at City Hall weekly.

### VI. ACCESSIBILITY

All Appleton residents, especially persons of low- and moderate-income, residents of low- and moderate-income neighborhoods, persons with disabilities, persons with limited English-speaking ability and persons of racial minority, are encouraged to contribute input regarding CDBG-funded activities. No person shall be excluded from participation in the City of Appleton CDBG programs on the grounds of race, color, national origin, gender, sexual orientation, gender identity, gender expression, age, religious creed or disability. To encourage equal access in participation for persons with disabilities, all CDBG-related hearings and meetings are held at accessible sites. Furthermore, materials will be provided in accessible formats – including translation into other languages if necessary – at City Hall in the Community and Economic Development Department and on the City of Appleton CDBG web page. A translator may be requested if a significant number of non-English speaking residents are expected to participate. In addition, if a citizen is unable to attend a public hearing due to scheduling conflicts, the citizen will be asked to provide a written comment that will then be shared with the CEDC and Common Council. The adopted Consolidated Plan, Citizen Participation Plan, substantial amendments and final approved CAPER, will be available on the City of Appleton CDBG web page at all times and the public will have access to a printed copy at City Hall in the Community and Economic Development Department. Reasonable and timely access to information and records relating to the consolidated plan and use of assistance under the CDBG Program during the preceding five years will be provided to citizens, public agencies and other interested parties.

### VII. OBJECTIONS TO CDBG DOCUMENTS

Citizens may provide critical input regarding the City of Appleton's CAPER, five-year Consolidated Plan, proposed substantial amendments at any time. Critical input must include identification of unmet requirements and relevant supporting data and will be considered on the following grounds:





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- (1) Stated needs and objectives are inconsistent with available and reliable data
- (2) Stated projects are inappropriate for meeting needs and approved objectives
- (3) Consolidated plan elements do not comply with federal regulations for the CDBG Program

This critical input must be submitted in written form to: CDBG Program, C/O Community and Economic Development Department, 100 N. Appleton Street, Appleton, WI 54911. Upon receipt, the Community and Economic Development Department will present the letter stating critical input to the CEDC and the Common Council. All said written forms of critical input shall receive a written response within 15 days after the Common Council meeting at which the matter was considered.

**VIII. TECHNICAL ASSISTANCE**

Where appropriate, City staff shall provide technical assistance to organizations that serve low- and moderate-income persons in developing their CDBG subrecipient applications. Furthermore, all citizens and/or local agency representatives are encouraged to contact City CDBG staff with questions about both program guidelines and general community development needs in the City of Appleton.

**IX. ANTI-DISPLACEMENT**

Due to the potential liability for long-term assistance and burdens placed on affected tenants, the City of Appleton will generally avoid funding CDBG projects that involve permanent residential or business displacement. In cases where displacement is absolutely necessary, relocation benefits will be paid in accord with the Uniform Relocation Act, other applicable federal regulations, and Chapter 32 of the Wisconsin State Statutes.

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City of Appleton  
COMMUNITY DEVELOPMENT BLOCK GRANT



Community Development Block Grant (CDBG) Policy

Adopted 9/8/2008

Amended 5/24/2010, 10/3/2012, 12/19/2012, 7/15/2015, ~~xx/xx/10/21/2020~~

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I. PURPOSE

To outline the following aspects of the local Community Development Block Grant (CDBG) Program: a) elements to which the City of Appleton must adhere in order to comply with federal regulations; b) locally-established guidelines; and c) priorities for subrecipient and City Program activity.

II. POLICY

The federal CDBG program was established with the passage of the Housing and Community Development Act of 1974. CDBG funds are distributed to eligible governmental units in two forms:

- (1). Entitlement grants directly to cities and counties, and;
- (2). State grants, which involve annual competitions for non-entitlement communities.

Since 1975, the City of Appleton has received CDBG funds as an entitlement community. The amount of CDBG funds received each year varies based on the appropriation approved by the U.S. Congress and the number of governmental units eligible to participate. While the federal fiscal year operates from October 1 to September 30, the City selected April 1 to March 31 as its CDBG fiscal year. This selection was made as the federal government generally does not release the aforementioned funds until springtime. Federal oversight lies within the U.S. Department of Housing & Urban Development (HUD).

III. FEDERAL REGULATIONS

*The citation reference from Title 24 Part 570 – Community Development Block Grants can be found in parentheses next to each heading below. Please view that section for more information on the respective item. This Policy will be revised periodically as required to fulfill related Federal, State, and/or local funding requirements.*

A. Federal Eligibility (24 CFR 570.201)

CDBG funds may be used for the following basic eligible activities:

- |                                     |  |
|-------------------------------------|--|
| (1). Acquisition                    | (11). Housing Services                             |
| (2). Disposition                    | (12). Privately-Owned Utilities                    |
| (3). Public Facilities/Improvements | (13). Homeownership Assistance                     |
| (4). Clearance/Remediation          | (14). Economic Development Assistance              |
| (5). Public Services                | (15). Technical Assistance                         |
| (6). Interim Assistance             | (16). Institutions of Higher Education             |
| (7). Payment of Non-Federal Share   | (17). Rehabilitation/Preservation (24 CFR 570.202) |
| (8). Urban Renewal Completion       | (18). Planning (24 CFR 570.205)                    |
| (9). Relocation                     | (19). Administration (24 CFR 570.206)              |
| (10). Loss of Rental Income         |  |

B. Ineligible Activities (24 CFR 570.207)

The following activities may not be assisted with CDBG funds:

- (1). Buildings (or portions thereof) for the General Conduct of Government
- (2). General Government Expenses
- (3). Political Activities



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The following activities are not eligible for CDBG funding, but may be allowed under certain circumstances:

- (1). Purchase of Equipment
- (2). Operating/Maintenance Expenses
- (3). New Housing Construction
- (4). Income Payments

**C. Special Economic Development Projects (24 CFR 570.203)**

CDBG funds may be used for special economic development activities in addition to other activities.

Special economic development activities include:

- (1). Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements
- (2). Assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project
- (3). Economic development services, including, but not limited to, outreach efforts; screening of applicants; reviewing/underwriting applications; preparation of all necessary agreements; management of activities; and the screening, referral, and placement of applicants for employment

**D. National Objectives (24 CFR 570.208)**

In order to qualify for funding, activities must meet one of three CDBG national objectives:

- (1). Low & Moderate Income (LMI) Benefit
  - a. Area Benefit: activities available for the benefit of all the residents in a particular area, where at least 51 percent of those residents are LMI persons.
  - b. Limited Clientele: activities benefiting a specific group (i.e. abused children, elderly persons, battered spouses), at least 51 percent of whom are LMI persons.
  - c. Housing: activities carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by LMI households.
  - d. Job Creation/Retention: activities designed to create or retain permanent jobs where at least 51 percent of the jobs involve the employment of LMI persons.
- (2). Slum & Blight Removal
  - a. Area Basis: activities undertaken to eliminate specific conditions of blight, physical decay, or environmental contamination that are located in a designated area of distress, including acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or rehabilitation. Rehabilitation must eliminate conditions that are detrimental to public health/safety; acquisition and relocation must be precursors to other activities that eliminate blight.
  - b. Spot Basis: activities undertaken to eliminate specific conditions of blight, physical decay, or environmental contamination at specific sites not located in designated blighted areas, including acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or rehabilitation. Rehabilitation must eliminate conditions that are detrimental to public health/safety; acquisition and relocation must be precursors to other activities that eliminate blight.
- (3). Urgent Need
  - a. Activities designed to alleviate existing conditions of recent origin (18 months) that pose serious threats to the health and welfare of the community; this objective may only be used if the community cannot finance necessary activities with other sources.



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**E. Categorical Limits**

- (1). At least 70 percent of CDBG funds utilized during three consecutive program years, as specified by the grantee, must be expended for LMI benefit; the costs of planning and program administration are excluded from this calculation. (24 CFR 570.200(a)(3))
- (2). The amount of CDBG funds obligated for public service activities in each program year may not exceed 15 percent of the total entitlement grant for that program year, plus 15 percent of the program income received during the preceding program year. (24 CFR 570.201(c)(1))
- (3). The amount of CDBG funds obligated for planning and administration activities in each program year may not exceed 20 percent of the total entitlement grant for that program year plus the program income received during that program year. (24 CFR 570.200(g))

**F. Program Income (24 CFR 570.426)**

The City may reuse any revenue generated from projects undertaken with CDBG funding towards other eligible activities within the entitlement community. Furthermore, any program income earned by a subrecipient or City Program may be retained by the subrecipient or City Program provided the income is treated as additional CDBG funds and thus subject to all applicable federal and local requirements.

**G. Fair Housing (24 CFR 570.601)**

The Secretary of HUD requires that:

- (1). Grantees must administer all activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act. (Public Law 90-284)
- (2). Entitlement communities shall conduct an Analysis of Impediments to Fair Housing Choice every five years, take action to overcome the effects of the identified impediments and maintain records reflecting the analysis and related actions taken.

**H. Environmental Review Procedures (24 CFR 570.604)**

The environmental review procedures outlined in 24 CFR part 58 must be completed for each CDBG subrecipient and City Program activity, as applicable.

**I. Faith-Based Activities (24 CFR 570.200)**

Religious or faith-based organizations are eligible to participate in the CDBG program. Local government representatives and CDBG program administrators shall not discriminate against an organization on the basis of its religious affiliation.

**J. Submission Requirements (24 CFR 570.302)**

CDBG entitlement communities must submit the following documents:

- (1). Action Plan → annually
- (2). Consolidated Annual Performance and Evaluation Report (CAPER) → annually
- (3). Consolidated Plan → every three to five years, as chosen by the entitlement community

Creation of these documents must follow HUD requirements for content and citizen participation (see the City of Appleton CDBG Citizen Participation Plan).

**K. Location of Activities (24 CFR 570.309)**

CDBG funds may be awarded to an activity outside the jurisdiction of the entitlement community only if it can be determined that the activity directly benefits the entitlement community's residents. Documentation of these benefits must be provided before CDBG funds are awarded for the activity.



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**L. Conflict of Interest (24 CFR 570.611)**

No persons affiliated with the entitlement community (including subrecipients and City Programs) who exercise or have exercised any responsibilities with respect to CDBG programming, or who are in a position to participate in a decision-making process, may obtain a financial interest or benefit from a CDBG-assisted activity (including subcontracts), either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

**IV. LOCAL PROGRAM GUIDELINES**

**A. Program Oversight**

The Community and Economic Development Committee (CEDC) – composed of five aldermen appointed by the Mayor – serves as the jurisdiction for Common Council oversight of the CDBG Program. Local financial oversight lies with the City of Appleton Finance Department. Local administrative/programmatic oversight lies with the City of Appleton Community and Economic Development Department (CEDD).

**B. Consolidated Plan Submission**

The City of Appleton has elected to submit a Consolidated Plan to HUD every five years. The Citizen Participation Plan provides for and encourages citizens to participate in the development of the Consolidated Plan, which will begin approximately one year before the required submittal date.

**C. Definitions**

- Subrecipient – an entity charged with implementation of one or more activities funded with Appleton CDBG dollars
  - community partner subrecipient – local agencies awarded CDBG-funding to implement an eligible activity via a competitive application process
  - public services subrecipient – local agencies awarded CDBG-funding to implement an eligible public service activity via a competitive application process
- Adjusted award – the amount of CDBG funds available to City Programs and subrecipients after administration, fair housing, and audit allocations are deducted

**D. Local Categorical Limits**

The following limits expand upon federal categorical limits associated with the CDBG program:

- (1). At least 70 percent of CDBG funds utilized over three program years must be expended for LMI benefit; this excludes planning/CDBG administration activities.
- (2). The amount of CDBG funds obligated for public service activities in each program year may not exceed 15 percent of the adjusted award for that year [unless otherwise specified under the pertinent Federal regulation or applicable waivers to prevent the spread of infectious disease and mitigate economic impacts caused by infectious disease.](#)
- (3). The amount of CDBG funds obligated for planning/CDBG administration activities in each program year may not exceed 20 percent of the total entitlement grant for that year.
- (4). Any single award will not be less than \$10,000.

**E. Audit Requirements**

Section 2 Part 200 of the Code of Federal Regulations and the State Single Audit Guidelines require major state programs and federal programs to complete a single audit. The necessary amount for fulfilling these requirements will be identified by the Finance Department and the City's independent auditors. This amount will be deducted from the estimated amount available for the program year and not included in the



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estimates of the adjusted award.

**F. Fair Housing Services**

In keeping with the spirit of federal fair housing requirements, an annual allocation for fair housing services will be approved. This activity will be reported as an administrative expense, which claims no benefit. The City of Appleton will utilize the award to contract with an independent entity qualified to provide residents with a variety of fair housing services. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.

**G. Program Administration**

HUD requires entitlement communities to provide for efficient and adequate administration of CDBG programming. Administration costs may only include: salary/fringe, necessary training/travel, supplies and telephone/postage, in addition to fair housing services and audit costs. The necessary amount for fulfilling this requirement will be identified by the Community and Economic Development and Finance Departments. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.

**H. Annual Allocation of CDBG Funding**

The City of Appleton's Program Year begins April 1 and concludes March 31 of the following year. Each program year, administration, audit and fair housing costs, along with adequate funding for the Homeowner Rehabilitation Loan Program, the Neighborhood Program and Appleton Housing Authority will be subtracted from the annual entitlement award amount to determine the adjusted award. The adjusted award will first be available to City of Appleton Departments/Programs/component units that wish to undertake projects. After the City allocation process is complete, any remaining funds may be allocated to community partner applicants.

**I. City Allocation Process**

Each year adequate funding will be allocated through the City Budget process to the following: Homeowner Rehabilitation Loan Program, Neighborhood Program, Administration Costs and Appleton Housing Authority. Then, other City of Appleton Departments will have the opportunity to submit an application for CDBG funding. The application will include information relating to goals, outputs, budget/financing, detailed activity descriptions, capacity and performance. CEDD staff, per HUD rules and regulations, will perform an administrative review of each plan to ensure that:

1. Proposed activities are included within the listing of eligible activities (24 CFR 570.201)
2. Proposed activities do not fall within a category of explicitly ineligible activities (24 CFR 570.207)
3. Proposed activities will meet one of the national objectives of the program (24 CFR 570.200)
4. Proposed activities will address priority needs as identified in the Consolidated Plan

Upon completion of the administrative review, the plans will be presented to the CEDC. CEDC will also review the submitted plans to ensure the proposed activities meet the four standards listed above and allocate adequate funds for each plan. CEDC's recommendation will then be presented to the Common Council for approval.

**J. Community Partner Subrecipient Allocation Process**

The community partner application process will begin after allocations for City applications have been approved, and end with recommended allocations being announced after Council approval. Applications



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will be made available for approximately one month and should be submitted to the CEDD. All applications must be received by the announced deadline; no exceptions will be made. CEDD staff will perform an administrative review of each proposal, per HUD rules and regulations, to ensure the four standards listed under letter E. above, will be met if proposed activities are funded.

Upon completion of the administrative review, the proposals will be presented to the CDBG Advisory Board which will review and make funding recommendations for each proposal. This Board will consist of the following members:

1. Mayor
2. Common Council President
3. Chairperson of the Community and Economic Development Committee or committee designee
4. Chairperson of the Appleton Redevelopment Authority or committee designee
5. Representative from an Experienced Outside Funding Agency – on a rotating basis (i.e. United Way, Community Foundation, JJ Keller Foundation, U.S. Oil Basic Needs Partnership)
6. Citizen member from the City Plan Commission

CEDD staff will supply the Board with applications and all appropriate guidelines along with a summary of each proposal, and an explanation of the proposal score sheet. Board members are asked to allocate funding among the applicants and return their allocations to CEDD staff who will compile all results and present allocation recommendations at a Board meeting during which allocation amounts will be finalized. In completing their funding recommendation, the Board will utilize an estimated CDBG entitlement award dollar amount, which will be calculated based on past awards and any available information on HUD's future funding strategies. Funding recommendations from this Board will be presented as an Action Item to the CEDC. CEDC's recommendation will then be presented to the Common Council for final approval.

[During efforts to prevent the spread of infectious disease and mitigate economic impacts caused by infectious disease, the community partner subrecipient allocation process will be waived. Final approval of allocations and projects will be presented to Common Council, subsequent to the completion of the required public comment period.](#)

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**K. Estimated vs. Actual Entitlement Award**

If there is a differential between the estimated award and the actual award, the CDBG Advisory Board will be consulted and their recommendations will be presented to CEDC and Council for approval.

**L. Subrecipient Agreement/Letter of Understanding/Training Session**

Community partner subrecipients of CDBG funds must enter into a subrecipient agreement with the City of Appleton. This subrecipient agreement serves as a formal contract addressing the various policies outlined in this document, in addition to contract amount/term, reimbursement requests, accomplishment reporting, monitoring, financial management guidelines, conflict of interest, and additional federal standards, including lead-based paint regulations and the Davis Bacon Act. Furthermore, each City Program receiving CDBG funds must sign a Letter of Understanding (LOU) indicating an understanding of the items above. To ensure all parties understand the requirements of their agreement or LOU, a mandatory training session will be held with new subrecipients before funds are released. Technical assistance from staff will be available to all subrecipients throughout the program year.

**M. Statement of Work**

All subrecipients and City Programs shall submit a concise Statement of Work that illustrates an implementation plan for their CDBG activity. This Statement, which will be attached to the subrecipient



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agreement/LOU includes: national objective claimed, activity descriptions, intended beneficiaries (number and type), detailed budget and location(s) of program-related activity.

**N. Report Submissions**

All subrecipients and City Programs are required to submit a report of their accomplishments with each payment request during the program year when applicable, as well as an Annual Report by April 15th, which is a comprehensive report covering the agreed upon objectives, activities and expenditures for the entire contract period. If said reports are not attached to payment requests when required, payments will be withheld until the report is submitted.

**O. Change of Use**

If a subrecipient or City Program wishes to utilize funds for an activity not identified on their original application, they are required to submit a detailed letter to the CEDD explaining the reasoning for and amount of the proposed change and a public comment period may be held per the Citizen Participation Plan.

**P. Displacement/Relocation**

Due to the potential liability for long-term assistance and burdens placed on affected tenants, the City of Appleton will avoid funding CDBG projects that involve permanent residential displacement or business relocation unless displacement/relocation prove to be the only means available to correct a public health/safety hazard or other critical condition.

**Q. Procurement**

The City of Appleton Procurement Policy applies to all CDBG activities, including both City Programs and subrecipients that involve the purchase of equipment, materials, supplies and/or services. A copy of this policy will be distributed to all subrecipients.

**R. Audits**

All subrecipients are required to submit one copy of their audited financial statement immediately following the end of their fiscal year during which CDBG funds are received, unless an alternate arrangement has been made with the City of Appleton Finance Department. CDBG applications may include audit costs as a reimbursable expense.

**S. Disputes**

Any dispute concerning a question of fact arising under a subrecipient program or City Program shall be resolved by CEDD staff, who shall relay his/her decision in writing to the subrecipient or City Program, in addition to furnishing a copy to the Mayor and the CEDC. The decision of CEDD staff shall be final and conclusive unless the subrecipient or City Program furnishes a written appeal to the CEDC within ten days of the date of receipt of such copy. The decision of the CEDC in such appeals shall be final and conclusive unless appealed to a court of competent jurisdiction within 30 days of receipt of the CEDC's decision.

**T. Unspent Grant Funds**

Any uncommitted CDBG funds remaining at the end of the program year will be reprogrammed for use in the subsequent program year. The subrecipient shall submit a carryover request, including both documentation of plans for expending funds and a timeline for the expenditure, to CEDD staff by April 15. If any unspent grant funds remain after September 30, CEDD staff will meet with the subrecipient to determine if further action needs to be taken to expedite the expenditure of funds.





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**U. Termination**

If the subrecipient or City Program fails to fulfill, in timely and proper manner, its obligations under the Statement of Work, or if they violate any stipulations contained within the subrecipient agreement/LOU, the City has the right to terminate funding of their program. Written notice will be delivered at least 30 days before the termination.

**V. Examination of Records/Monitoring**

The policy of the City of Appleton is to monitor its subrecipients in a manner consistent with the requirements of 24 CFR 570.2, 2 CFR 200.328, and 2 CFR 200.331(d). The subrecipient and City Program shall maintain records (including books, documentation and other evidence) pertaining to the costs of carrying out their activity to the extent of detail that will adequately reflect net costs, direct and indirect labor, materials, equipment, supplies/services, and other expenses. Authorized representatives of the City or HUD shall have access to subrecipient and City Program records at reasonable times of the business day for inspection, audit or reproduction. Subrecipients and City Programs must make these records available throughout the program year and four years after it expires. Furthermore, CEDD staff may schedule monitoring visits with the subrecipient to evaluate the progress/performance of the program and provide technical assistance. The City of Appleton's Grant Administration Procedures manual should be referenced for further guidance on subrecipient tracking and monitoring requirements.

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**W. Financial Management Systems**

Subrecipients and City Programs must employ financial management systems that are capable of generating regular financial status reports indicating the dollar amount allocated (including budget revisions), amount obligated, and amount expended for each activity. The system must permit the comparison of actual expenditures and revenues against budgeted amounts. The City must be able to isolate/trace every CDBG dollar received.

**X. Payment Requests**

Community partner subrecipients and City Programs will submit requests for payment with attached supporting documentation to the CEDD. Payment requests shall be allowed on a reimbursement basis (i.e. only after expenditures have been incurred) and shall be reviewed to ensure the expenditures are in conformity with the use of funds as described in the Statement of Work. If source documentation is deemed inadequate by Staff, all payments will be withheld until all required documents have been submitted. Payment requests received and approved will be processed and a check issued in accordance with the City of Appleton Finance Department weekly pay cycle. All payment requests must contain an original signature.

**Y. Program Income**

Any program income (as defined under applicable federal regulations) gained from any activity of the subrecipient may be retained by the subrecipient or City Program provided the income is treated as additional CDBG funds subject to all applicable requirements governing the use of CDBG funds. Anticipated program income must be documented and described in the subrecipient or City Program proposal/application. Furthermore, any and all program income received must be reported to the City of Appleton's Community and Economic Development and Finance Departments, unless otherwise specified in this contract.

**Z. CDBG Activity Promotion**

All subrecipients and City Programs are required to participate in promotion of the City of Appleton CDBG



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Program. Expectations will be outlined by staff at the beginning of the program year and may include, but are not limited to:

- Inclusion of the Appleton/CDBG logo in materials/at project sites
- Mentorship of a subrecipient new to the CDBG Program
- Participation in a CDBG Open House to showcase grant activities

**V. APPLICATION/PROPOSAL EVALUATION CRITERIA**

**A. General**

In order to receive CDBG funding, subrecipient and City Programs must meet a priority need, as identified in the Five-Year Consolidated Plan. Additional preference, however, will be given to CDBG applicant activities that meet one or more of the following criteria:

- (1). Seek a one-time use of CDBG funding
- (2). Benefit residents of LMI census tracts (population at least 46.7 percent LMI)
- (3). Will result in additional housing units being placed on the tax roll
- (4). Demonstrate secured complementary sources of funding (i.e. leverage) and/or strong efforts to solicit and secure complementary funding.
- (5). Serve special needs populations, including, but not limited to:
  - a. Elderly/frail elderly
  - b. Persons with disabilities (developmental and physical)
  - c. Persons with HIV/AIDS and their families
  - d. Persons seeking solutions to alcohol and drug addiction

**B. Public Services (subject to 15 percent cap)**

Preference will be given to Public Service CDBG applicants whose activities meet one or more of the following criteria:

- (1). Program service costs – one time use
- (2). Administrative expenses – one time use
- (3). Program service costs – continual use
- (4). Administrative expenses – continual use



# City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM



## **Citizen Participation Plan** **Amended 3/20/2013, 10/7/2015, 10/14/2020**

### **I. PURPOSE**

As a requirement of the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) Program, the City of Appleton has developed and adopted this Citizen Participation Plan (CPP) relating to the CDBG Program in compliance with section 104(a)(3) of the Housing and Community Development Act of 1974 and Title 24 of the Code of Federal Regulations, Subtitle A, Part 91. It will be revised periodically as required to fulfill related Federal, State, and/or local funding requirements. The CPP provides for and encourages citizen participation in the development of any Consolidated Plan, any substantial amendment to the Consolidated Plan and the annual performance report.

### **II. PUBLIC HEARINGS/COMMENT PERIOD**

Two public hearings will be held each year to provide opportunities for public participation at different stages of the CDBG program year. The hearings will be held in conjunction with regular meetings of the Community and Economic Development Committee (CEDC). Specifically, these hearings include:

(1) The *Community Development Needs Hearing* corresponds with the CDBG subrecipient application timeframe. Citizens are asked to identify housing and community development needs.

(2) The *Consolidated Annual Performance & Evaluation Report (CAPER) Hearing* corresponds with the publication of the CDBG CAPER draft, which summarizes the activities undertaken during the previous program year. Citizens are asked to view the CAPER draft on the City of Appleton CDBG web page or view a paper copy at City Hall in the Community and Economic Development Department (100 N. Appleton Street) before providing comments at this hearing.

A 15-day minimum public comment period will be held to receive comments on the CAPER draft before it is submitted to HUD. All comments or views of citizens received in writing or at public hearings shall be considered in the preparation of the CAPER. A summary of these comments or views shall be attached to the CAPER for submittal to HUD.

Per direction from HUD, provided to CDBG grant recipients on March 16, 2020, during their "National Briefing on Community Development Block Grant Support for Infectious Disease Response" – the City of Appleton will consider undertaking "virtual" public hearings (alone, or in concert with an in-person hearing) allowing questions in real time, with answers coming directly from the elected representatives to all "attendees" during times of emergencies, such as the coronavirus or COVID-19 pandemic. The City of Appleton will select a virtual hearing method or platform that will provide for accessibility for persons with disabilities and LEP to participate. The City of Appleton will document these efforts and provide descriptions to HUD in the subject documents. The Citizen Participation Plan was amended to include these new outreach procedures, recommended by HUD.

### **III. CONSOLIDATED PLAN PUBLIC HEARING/COMMENT PERIOD**

Citizens are encouraged to participate in both a formal public hearing before the CEDC and 30 day public comment period that occur as part of the development, and before the adoption, of each five year consolidated plan for CDBG funding, in addition to other opportunities for public participation related to identifying long-term housing and community development-related strategies. Information made available will include the amount of assistance the City expects to receive, the range of activities that may be undertaken and the estimated amount that will benefit persons of low- and moderate-income. The five year consolidated plan draft will be available for review on the City of Appleton CDBG web page and at City Hall in the Community and Economic Development Department (100 N. Appleton Street). A summary describing the contents and purpose of the consolidated plan along with a list of where the consolidated plan draft may be viewed will be published to allow for reasonable opportunity to examine the contents of the proposed plan. All comments or views of citizens received in writing or at public hearings shall be considered in the preparation of the final consolidated plan. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefor, shall be attached to the final consolidated plan.



# City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM



## IV. SUBSTANTIAL AMENDMENTS

A public comment period will be held when substantial amendments to the five year consolidated plan, Citizen Participation Plan or changes in use or distribution of CDBG funds are proposed/requested. Substantial amendments may include those involving:

- (1). plans to utilize funds for a priority need or goal not specified in the current consolidated plan
- (2). plans to change the use of a subrecipient's ~~entire~~ allocation greater than 20 percent to include activities and/or projects that are not included in the subrecipient's current agreement; i.e. change in eligible activity, purpose, scope, location or beneficiary
- (3). plans to change the method of distribution of funds to subrecipients

A 30 day public comment period, unless otherwise specified under the pertinent Federal regulation or applicable waivers to prevent the spread of infectious disease and mitigate economic impacts caused by infectious disease, will be provided before any substantial amendment to the Consolidated Plan, Citizen Participation Plan or change in use or distribution of CDBG funds is approved by CEDC and Council or implemented. Notice of the public comment period will be published in the local newspaper (the *Appleton Post Crescent*), on the City of Appleton CDBG web page and posted in a public area at City Hall two weeks prior to the start of the comment period. All comments or views of citizens received in writing shall be considered in the preparation of the substantial amendments to the Consolidated Plan, Citizen Participation Plan or change in use or distribution of CDBG funds. A summary of these comments or views, and a summary of any comments or views not accepted and the reasons therefor, shall be attached to the substantial amendment to the Consolidated Plan, Citizen Participation Plan or change in use or distribution of CDBG funds.

## V. PUBLICIZING OPPORTUNITIES FOR CITIZEN PARTICIPATION

Notices announcing public hearings and comment periods are published both on the City of Appleton CDBG web page and in the local newspaper (the *Appleton Post Crescent*), and are posted in a public area in City Hall approximately two weeks in advance of the hearing or start of the comment period. Meeting schedules are printed and posted in a public area at City Hall weekly.

## VI. ACCESSIBILITY

All Appleton residents, especially persons of low- and moderate-income, residents of low- and moderate-income neighborhoods, persons with disabilities, persons with limited English-speaking ability and persons of racial minority, are encouraged to contribute input regarding CDBG-funded activities. No person shall be excluded from participation in the City of Appleton CDBG programs on the grounds of race, color, national origin, gender, sexual orientation, gender identity, gender expression, age, religious creed or disability. To encourage equal access in participation for persons with disabilities, all CDBG-related hearings and meetings are held at accessible sites. Furthermore, materials will be provided in accessible formats – including translation into other languages if necessary – at City Hall in the Community and Economic Development Department and on the City of Appleton CDBG web page. A translator may be requested if a significant number of non-English speaking residents are expected to participate. In addition, if a citizen is unable to attend a public hearing due to scheduling conflicts, the citizen will be asked to provide a written comment that will then be shared with the CEDC and Common Council. The adopted Consolidated Plan, Citizen Participation Plan, substantial amendments and final approved CAPER, will be available on the City of Appleton CDBG web page at all times and the public will have access to a printed copy at City Hall in the Community and Economic Development Department. Reasonable and timely access to information and records relating to the consolidated plan and use of assistance under the CDBG Program during the preceding five years will be provided to citizens, public agencies and other interested parties.

## VII. OBJECTIONS TO CDBG DOCUMENTS

Citizens may provide critical input regarding the City of Appleton's CAPER, five-year Consolidated Plan, proposed substantial amendments at any time. Critical input must include identification of unmet requirements and relevant supporting data and will be considered on the following grounds:

- (1) Stated needs and objectives are inconsistent with available and reliable data
- (2) Stated projects are inappropriate for meeting needs and approved objectives



## City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

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- (3) Consolidated plan elements do not comply with federal regulations for the CDBG Program

This critical input must be submitted in written form to: CDBG Program, C/O Community and Economic Development Department, 100 N. Appleton Street, Appleton, WI 54911. Upon receipt, the Community and Economic Development Department will present the letter stating critical input to the CEDC and the Common Council. All said written forms of critical input shall receive a written response within 15 days after the Common Council meeting at which the matter was considered.

### **VIII. TECHNICAL ASSISTANCE**

Where appropriate, City staff shall provide technical assistance to organizations that serve low- and moderate-income persons in developing their CDBG subrecipient applications. Furthermore, all citizens and/or local agency representatives are encouraged to contact City CDBG staff with questions about both program guidelines and general community development needs in the City of Appleton.

### **IX. ANTI-DISPLACEMENT**

Due to the potential liability for long-term assistance and burdens placed on affected tenants, the City of Appleton will generally avoid funding CDBG projects that involve permanent residential or business displacement. In cases where displacement is absolutely necessary, relocation benefits will be paid in accord with the Uniform Relocation Act, other applicable federal regulations, and Chapter 32 of the Wisconsin State Statutes.

DRAFT



# City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



## Community Development Block Grant (CDBG) Policy

Adopted 9/8/2008

Amended 5/24/2010, 10/3/2012, 12/19/2012, 7/15/2015, 10/21/2020

### I. PURPOSE

To outline the following aspects of the local Community Development Block Grant (CDBG) Program: a) elements to which the City of Appleton must adhere in order to comply with federal regulations; b) locally-established guidelines; and c) priorities for subrecipient and City Program activity.

### II. POLICY

The federal CDBG program was established with the passage of the Housing and Community Development Act of 1974. CDBG funds are distributed to eligible governmental units in two forms:

- (1). Entitlement grants directly to cities and counties, and;
- (2). State grants, which involve annual competitions for non-entitlement communities.

Since 1975, the City of Appleton has received CDBG funds as an entitlement community. The amount of CDBG funds received each year varies based on the appropriation approved by the U.S. Congress and the number of governmental units eligible to participate. While the federal fiscal year operates from October 1 to September 30, the City selected April 1 to March 31 as its CDBG fiscal year. This selection was made as the federal government generally does not release the aforementioned funds until springtime. Federal oversight lies within the U.S. Department of Housing & Urban Development (HUD).

### III. FEDERAL REGULATIONS

*The citation reference from Title 24 Part 570 – Community Development Block Grants can be found in parentheses next to each heading below. Please view that section for more information on the respective item. This Policy will be revised periodically as required to fulfill related Federal, State, and/or local funding requirements.*

#### A. Federal Eligibility (24 CFR 570.201)

CDBG funds may be used for the following basic eligible activities:

- |                                     |  |
|-------------------------------------|--|
| (1). Acquisition                    | (11). Housing Services                             |
| (2). Disposition                    | (12). Privately-Owned Utilities                    |
| (3). Public Facilities/Improvements | (13). Homeownership Assistance                     |
| (4). Clearance/Remediation          | (14). Economic Development Assistance              |
| (5). Public Services                | (15). Technical Assistance                         |
| (6). Interim Assistance             | (16). Institutions of Higher Education             |
| (7). Payment of Non-Federal Share   | (17). Rehabilitation/Preservation (24 CFR 570.202) |
| (8). Urban Renewal Completion       | (18). Planning (24 CFR 570.205)                    |
| (9). Relocation                     | (19). Administration (24 CFR 570.206)              |
| (10). Loss of Rental Income         |  |

#### B. Ineligible Activities (24 CFR 570.207)

The following activities may not be assisted with CDBG funds:

- (1). Buildings (or portions thereof) for the General Conduct of Government
- (2). General Government Expenses
- (3). Political Activities



## City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



The following activities are not eligible for CDBG funding, but may be allowed under certain circumstances:

- (1). Purchase of Equipment
- (2). Operating/Maintenance Expenses
- (3). New Housing Construction
- (4). Income Payments

### C. Special Economic Development Projects (24 CFR 570.203)

CDBG funds may be used for special economic development activities in addition to other activities. Special economic development activities include:

- (1). Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements
- (2). Assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project
- (3). Economic development services, including, but not limited to, outreach efforts; screening of applicants; reviewing/underwriting applications; preparation of all necessary agreements; management of activities; and the screening, referral, and placement of applicants for employment

### D. National Objectives (24 CFR 570.208)

In order to qualify for funding, activities must meet one of three CDBG national objectives:

- (1). Low & Moderate Income (LMI) Benefit
  - a. Area Benefit: activities available for the benefit of all the residents in a particular area, where at least 51 percent of those residents are LMI persons.
  - b. Limited Clientele: activities benefiting a specific group (i.e. abused children, elderly persons, battered spouses), at least 51 percent of whom are LMI persons.
  - c. Housing: activities carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by LMI households.
  - d. Job Creation/Retention: activities designed to create or retain permanent jobs where at least 51 percent of the jobs involve the employment of LMI persons.
- (2). Slum & Blight Removal
  - a. Area Basis: activities undertaken to eliminate specific conditions of blight, physical decay, or environmental contamination that are located in a designated area of distress, including acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or rehabilitation. Rehabilitation must eliminate conditions that are detrimental to public health/safety; acquisition and relocation must be precursors to other activities that eliminate blight.
  - b. Spot Basis: activities undertaken to eliminate specific conditions of blight, physical decay, or environmental contamination at specific sites not located in designated blighted areas, including acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or rehabilitation. Rehabilitation must eliminate conditions that are detrimental to public health/safety; acquisition and relocation must be precursors to other activities that eliminate blight.
- (3). Urgent Need
  - a. Activities designed to alleviate existing conditions of recent origin (18 months) that pose serious threats to the health and welfare of the community; this objective may only be used if the community cannot finance necessary activities with other sources.



**City of Appleton**  
**COMMUNITY DEVELOPMENT BLOCK GRANT**

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**E. Categorical Limits**

- (1). At least 70 percent of CDBG funds utilized during three consecutive program years, as specified by the grantee, must be expended for LMI benefit; the costs of planning and program administration are excluded from this calculation. (24 CFR 570.200(a)(3))
- (2). The amount of CDBG funds obligated for public service activities in each program year may not exceed 15 percent of the total entitlement grant for that program year, plus 15 percent of the program income received during the preceding program year. (24 CFR 570.201(e)(1))
- (3). The amount of CDBG funds obligated for planning and administration activities in each program year may not exceed 20 percent of the total entitlement grant for that program year plus the program income received during that program year. (24 CFR 570.200(g))

**F. Program Income (24 CFR 570.426)**

The City may reuse any revenue generated from projects undertaken with CDBG funding towards other eligible activities within the entitlement community. Furthermore, any program income earned by a subrecipient or City Program may be retained by the subrecipient or City Program provided the income is treated as additional CDBG funds and thus subject to all applicable federal and local requirements.

**G. Fair Housing (24 CFR 570.601)**

The Secretary of HUD requires that:

- (1). Grantees must administer all activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act. (Public Law 90-284)
- (2). Entitlement communities shall conduct an Analysis of Impediments to Fair Housing Choice every five years, take action to overcome the effects of the identified impediments and maintain records reflecting the analysis and related actions taken.

**H. Environmental Review Procedures (24 CFR 570.604)**

The environmental review procedures outlined in 24 CFR part 58 must be completed for each CDBG subrecipient and City Program activity, as applicable.

**I. Faith-Based Activities (24 CFR 570.200)**

Religious or faith-based organizations are eligible to participate in the CDBG program. Local government representatives and CDBG program administrators shall not discriminate against an organization on the basis of its religious affiliation.

**J. Submission Requirements (24 CFR 570.302)**

CDBG entitlement communities must submit the following documents:

- (1). Action Plan → annually
- (2). Consolidated Annual Performance and Evaluation Report (CAPER) → annually
- (3). Consolidated Plan → every three to five years, as chosen by the entitlement community

Creation of these documents must follow HUD requirements for content and citizen participation (see the City of Appleton CDBG Citizen Participation Plan).

**K. Location of Activities (24 CFR 570.309)**

CDBG funds may be awarded to an activity outside the jurisdiction of the entitlement community only if it can be determined that the activity directly benefits the entitlement community's residents. Documentation of these benefits must be provided before CDBG funds are awarded for the activity.





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### **L. Conflict of Interest (24 CFR 570.611)**

No persons affiliated with the entitlement community (including subrecipients and City Programs) who exercise or have exercised any responsibilities with respect to CDBG programming, or who are in a position to participate in a decision-making process, may obtain a financial interest or benefit from a CDBG-assisted activity (including subcontracts), either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

### **IV. LOCAL PROGRAM GUIDELINES**

#### **A. Program Oversight**

The Community and Economic Development Committee (CEDC) – composed of five aldermen appointed by the Mayor – serves as the jurisdiction for Common Council oversight of the CDBG Program. Local financial oversight lies with the City of Appleton Finance Department. Local administrative/programmatic oversight lies with the City of Appleton Community and Economic Development Department (CEDD).

#### **B. Consolidated Plan Submission**

The City of Appleton has elected to submit a Consolidated Plan to HUD every five years. The Citizen Participation Plan provides for and encourages citizens to participate in the development of the Consolidated Plan, which will begin approximately one year before the required submittal date.

#### **C. Definitions**

- Subrecipient – an entity charged with implementation of one or more activities funded with Appleton CDBG dollars
  - community partner subrecipient – local agencies awarded CDBG-funding to implement an eligible activity via a competitive application process
  - public services subrecipient – local agencies awarded CDBG-funding to implement an eligible public service activity via a competitive application process
- Adjusted award – the amount of CDBG funds available to City Programs and subrecipients after administration, fair housing, and audit allocations are deducted

#### **D. Local Categorical Limits**

The following limits expand upon federal categorical limits associated with the CDBG program:

- (1). At least 70 percent of CDBG funds utilized over three program years must be expended for LMI benefit; this excludes planning/CDBG administration activities.
- (2). The amount of CDBG funds obligated for public service activities in each program year may not exceed 15 percent of the adjusted award for that year unless otherwise specified under the pertinent Federal regulation or applicable waivers to prevent the spread of infectious disease and mitigate economic impacts caused by infectious disease.
- (3). The amount of CDBG funds obligated for planning/CDBG administration activities in each program year may not exceed 20 percent of the total entitlement grant for that year.
- (4). Any single award will not be less than \$10,000.

#### **E. Audit Requirements**

Section 2 Part 200 of the Code of Federal Regulations and the State Single Audit Guidelines require major state programs and federal programs to complete a single audit. The necessary amount for fulfilling these requirements will be identified by the Finance Department and the City's independent auditors. This amount will be deducted from the estimated amount available for the program year and not included in the



## City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



estimates of the adjusted award.

### F. Fair Housing Services

In keeping with the spirit of federal fair housing requirements, an annual allocation for fair housing services will be approved. This activity will be reported as an administrative expense, which claims no benefit. The City of Appleton will utilize the award to contract with an independent entity qualified to provide residents with a variety of fair housing services. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.

### G. Program Administration

HUD requires entitlement communities to provide for efficient and adequate administration of CDBG programming. Administration costs may only include: salary/fringe, necessary training/travel, supplies and telephone/postage, in addition to fair housing services and audit costs. The necessary amount for fulfilling this requirement will be identified by the Community and Economic Development and Finance Departments. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.

### H. Annual Allocation of CDBG Funding

The City of Appleton's Program Year begins April 1 and concludes March 31 of the following year. Each program year, administration, audit and fair housing costs, along with adequate funding for the Homeowner Rehabilitation Loan Program, the Neighborhood Program and Appleton Housing Authority will be subtracted from the annual entitlement award amount to determine the adjusted award. The adjusted award will first be available to City of Appleton Departments/Programs/component units that wish to undertake projects. After the City allocation process is complete, any remaining funds may be allocated to community partner applicants.

### I. City Allocation Process

Each year adequate funding will be allocated through the City Budget process to the following: Homeowner Rehabilitation Loan Program, Neighborhood Program, Administration Costs and Appleton Housing Authority. Then, other City of Appleton Departments will have the opportunity to submit an application for CDBG funding. The application will include information relating to goals, outputs, budget/financing, detailed activity descriptions, capacity and performance. CEDD staff, per HUD rules and regulations, will perform an administrative review of each plan to ensure that:

1. Proposed activities are included within the listing of eligible activities (24 CFR 570.201)
2. Proposed activities do not fall within a category of explicitly ineligible activities (24 CFR 570.207)
3. Proposed activities will meet one of the national objectives of the program (24 CFR 570.200)
4. Proposed activities will address priority needs as identified in the Consolidated Plan

Upon completion of the administrative review, the plans will be presented to the CEDC. CEDC will also review the submitted plans to ensure the proposed activities meet the four standards listed above and allocate adequate funds for each plan. CEDC's recommendation will then be presented to the Common Council for approval.

### J. Community Partner Subrecipient Allocation Process

The community partner application process will begin after allocations for City applications have been approved, and end with recommended allocations being announced after Council approval. Applications



## City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



will be made available for approximately one month and should be submitted to the CEDD. All applications must be received by the announced deadline; no exceptions will be made. CEDD staff will perform an administrative review of each proposal, per HUD rules and regulations, to ensure the four standards listed under letter E. above, will be met if proposed activities are funded.

Upon completion of the administrative review, the proposals will be presented to the CDBG Advisory Board which will review and make funding recommendations for each proposal. This Board will consist of the following members:

1. Mayor
2. Common Council President
3. Chairperson of the Community and Economic Development Committee or committee designee
4. Chairperson of the Appleton Redevelopment Authority or committee designee
5. Representative from an Experienced Outside Funding Agency – on a rotating basis (i.e. United Way, Community Foundation, JJ Keller Foundation, U.S. Oil Basic Needs Partnership)
6. Citizen member from the City Plan Commission

CEDD staff will supply the Board with applications and all appropriate guidelines along with a summary of each proposal, and an explanation of the proposal score sheet. Board members are asked to allocate funding among the applicants and return their allocations to CEDD staff who will compile all results and present allocation recommendations at a Board meeting during which allocation amounts will be finalized. In completing their funding recommendation, the Board will utilize an estimated CDBG entitlement award dollar amount, which will be calculated based on past awards and any available information on HUD's future funding strategies. Funding recommendations from this Board will be presented as an Action Item to the CEDC. CEDC's recommendation will then be presented to the Common Council for final approval.

During efforts to prevent the spread of infectious disease and mitigate economic impacts caused by infectious disease, the community partner subrecipient allocation process will be waived. Final approval of allocations and projects will be presented to Common Council, subsequent to the completion of the required public comment period.

**K. Estimated vs. Actual Entitlement Award**

If there is a differential between the estimated award and the actual award, the CDBG Advisory Board will be consulted and their recommendations will be presented to CEDC and Council for approval.

**L. Subrecipient Agreement/Letter of Understanding/Training Session**

Community partner subrecipients of CDBG funds must enter into a subrecipient agreement with the City of Appleton. This subrecipient agreement serves as a formal contract addressing the various policies outlined in this document, in addition to contract amount/term, reimbursement requests, accomplishment reporting, monitoring, financial management guidelines, conflict of interest, and additional federal standards, including lead-based paint regulations and the Davis Bacon Act. Furthermore, each City Program receiving CDBG funds must sign a Letter of Understanding (LOU) indicating an understanding of the items above. To ensure all parties understand the requirements of their agreement or LOU, a mandatory training session will be held with new subrecipients before funds are released. Technical assistance from staff will be available to all subrecipients throughout the program year.

**M. Statement of Work**



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All subrecipients and City Programs shall submit a concise Statement of Work that illustrates an implementation plan for their CDBG activity. This Statement, which will be attached to the subrecipient agreement/LOU includes: national objective claimed, activity descriptions, intended beneficiaries (number and type), detailed budget and location(s) of program-related activity.

### **N. Report Submissions**

All subrecipients and City Programs are required to submit a report of their accomplishments with each payment request during the program year when applicable, as well as an Annual Report by April 15th, which is a comprehensive report covering the agreed upon objectives, activities and expenditures for the entire contract period. If said reports are not attached to payment requests when required, payments will be withheld until the report is submitted.

### **O. Change of Use**

If a subrecipient or City Program wishes to utilize funds for an activity not identified on their original application, they are required to submit a detailed letter to the CEDD explaining the reasoning for and amount of the proposed change and a public comment period may be held per the Citizen Participation Plan.

### **P. Displacement/Relocation**

Due to the potential liability for long-term assistance and burdens placed on affected tenants, the City of Appleton will avoid funding CDBG projects that involve permanent residential displacement or business relocation unless displacement/relocation prove to be the only means available to correct a public health/safety hazard or other critical condition.

### **Q. Procurement**

The City of Appleton Procurement Policy applies to all CDBG activities, including both City Programs and subrecipients that involve the purchase of equipment, materials, supplies and/or services. A copy of this policy will be distributed to all subrecipients.

### **R. Audits**

All subrecipients are required to submit one copy of their audited financial statement immediately following the end of their fiscal year during which CDBG funds are received, unless an alternate arrangement has been made with the City of Appleton Finance Department. CDBG applications may include audit costs as a reimbursable expense.

### **S. Disputes**

Any dispute concerning a question of fact arising under a subrecipient program or City Program shall be resolved by CEDD staff, who shall relay his/her decision in writing to the subrecipient or City Program, in addition to furnishing a copy to the Mayor and the CEDC. The decision of CEDD staff shall be final and conclusive unless the subrecipient or City Program furnishes a written appeal to the CEDC within ten days of the date of receipt of such copy. The decision of the CEDC in such appeals shall be final and conclusive unless appealed to a court of competent jurisdiction within 30 days of receipt of the CEDC's decision.

### **T. Unspent Grant Funds**

Any uncommitted CDBG funds remaining at the end of the program year will be reprogrammed for use in the subsequent program year. The subrecipient shall submit a carryover request, including both documentation of plans for expending funds and a timeline for the expenditure, to CEDD staff by April 15.



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If any unspent grant funds remain after September 30, CEDD staff will meet with the subrecipient to determine if further action needs to be taken to expedite the expenditure of funds.

### U. **Termination**

If the subrecipient or City Program fails to fulfill, in timely and proper manner, its obligations under the Statement of Work, or if they violate any stipulations contained within the subrecipient agreement/LOU, the City has the right to terminate funding of their program. Written notice will be delivered at least 30 days before the termination.

### V. **Examination of Records/Monitoring**

The policy of the City of Appleton is to monitor its subrecipients in a manner consistent with the requirements of 24 CFR 570.2, 2 CFR 200.328, and 2 CFR 200.331(d). The subrecipient and City Program shall maintain records (including books, documentation and other evidence) pertaining to the costs of carrying out their activity to the extent of detail that will adequately reflect net costs, direct and indirect labor, materials, equipment, supplies/services, and other expenses. Authorized representatives of the City or HUD shall have access to subrecipient and City Program records at reasonable times of the business day for inspection, audit or reproduction. Subrecipients and City Programs must make these records available throughout the program year and four years after it expires. Furthermore, CEDD staff may schedule monitoring visits with the subrecipient to evaluate the progress/performance of the program and provide technical assistance. The City of Appleton's Grant Administration Procedures manual should be referenced for further guidance on subrecipient tracking and monitoring requirements.

### W. **Financial Management Systems**

Subrecipients and City Programs must employ financial management systems that are capable of generating regular financial status reports indicating the dollar amount allocated (including budget revisions), amount obligated, and amount expended for each activity. The system must permit the comparison of actual expenditures and revenues against budgeted amounts. The City must be able to isolate/trace every CDBG dollar received.

### X. **Payment Requests**

Community partner subrecipients and City Programs will submit requests for payment with attached supporting documentation to the CEDD. Payment requests shall be allowed on a reimbursement basis (i.e. only after expenditures have been incurred) and shall be reviewed to ensure the expenditures are in conformity with the use of funds as described in the Statement of Work. If source documentation is deemed inadequate by Staff, all payments will be withheld until all required documents have been submitted. Payment requests received and approved will be processed and a check issued in accordance with the City of Appleton Finance Department weekly pay cycle. All payment requests must contain an original signature.

### Y. **Program Income**

Any program income (as defined under applicable federal regulations) gained from any activity of the subrecipient may be retained by the subrecipient or City Program provided the income is treated as additional CDBG funds subject to all applicable requirements governing the use of CDBG funds. Anticipated program income must be documented and described in the subrecipient or City Program proposal/application. Furthermore, any and all program income received must be reported to the City of Appleton's Community and Economic Development and Finance Departments, unless otherwise specified in this contract.



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**Z. CDBG Activity Promotion**

All subrecipients and City Programs are required to participate in promotion of the City of Appleton CDBG Program. Expectations will be outlined by staff at the beginning of the program year and may include, but are not limited to:

- Inclusion of the Appleton/CDBG logo in materials/at project sites
- Mentorship of a subrecipient new to the CDBG Program
- Participation in a CDBG Open House to showcase grant activities

**V. APPLICATION/PROPOSAL EVALUATION CRITERIA**

**A. General**

In order to receive CDBG funding, subrecipient and City Programs must meet a priority need, as identified in the Five-Year Consolidated Plan. Additional preference, however, will be given to CDBG applicant activities that meet one or more of the following criteria:

- (1). Seek a one-time use of CDBG funding
- (2). Benefit residents of LMI census tracts (population at least 46.7 percent LMI)
- (3). Will result in additional housing units being placed on the tax roll
- (4). Demonstrate secured complementary sources of funding (i.e. leverage) and/or strong efforts to solicit and secure complementary funding.
- (5). Serve special needs populations, including, but not limited to:
  - a. Elderly/frail elderly
  - b. Persons with disabilities (developmental and physical)
  - c. Persons with HIV/AIDS and their families
  - d. Persons seeking solutions to alcohol and drug addiction

**B. Public Services (subject to 15 percent cap)**

Preference will be given to Public Service CDBG applicants whose activities meet one or more of the following criteria:

- (1). Program service costs – one time use
- (2). Administrative expenses – one time use
- (3). Program service costs – continual use
- (4). Administrative expenses – continual use

**THIS NOTICE IS PENDING PUBLICATION IN THE FEDERAL REGISTER.**

**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

**[Docket No. FR-6218-N-01]**

**Notice of Program Rules, Waivers, and Alternative Requirements  
Under the CARES Act for Community Development Block Grant Program Coronavirus  
Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and  
for Other Formula Programs**

**AGENCY:** Office of the Assistant Secretary for Community Planning and Development, HUD.

**ACTION:** Notice.

**SUMMARY:** This notice describes the program rules, statutory and regulatory waivers, and alternative requirements applicable to supplemental Community Development Block Grant (CDBG) funds made available to prevent, prepare for, and respond to coronavirus (CDBG-CV funds) and to annual formula CDBG grants awarded in fiscal years 2019 and 2020. Except as otherwise described in this notice and the CARES Act, the statutory and regulatory provisions governing the CDBG program apply to CDBG-CV and CDBG grants. This notice also describes conforming waivers and alternative requirements for other formula programs included in the consolidated planning regulations in 24 CFR part 91.

**EFFECTIVE DATE:** This notice is effective when signed.

**FOR FURTHER INFORMATION CONTACT:** Jessie Handforth Kome, Director, Office of Block Grant Assistance, Office of Community Planning and Development, Department of Housing and Urban Development, 451 7th Street SW, Room 7282, Washington, DC 20410, telephone number 202-708-3587. Persons with hearing or speech impairments may access this number via TTY by calling the Federal Relay Service at 800-877-8339. Facsimile inquiries may be sent to Ms. Kome at 202-708-0033. Except for the “800” number, these telephone numbers are not toll-free. Questions regarding the CDBG-CV program may be submitted to

[CPDQuestionsAnswered@hud.gov](mailto:CPDQuestionsAnswered@hud.gov). Interested parties may also visit HUD’s website at [https://www.hud.gov/program\\_offices/comm\\_planning](https://www.hud.gov/program_offices/comm_planning) for updated information and resources.

## **SUPPLEMENTARY INFORMATION:**

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## *I. Overview and Background*

On January 21, 2020, the Centers for Disease Control and Prevention (CDC) confirmed the first case in the United States of a coronavirus known by several names, including novel coronavirus, and SARS-CoV-2, and which causes the disease commonly referred to as COVID-19. On March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security Act (Public Law 116-136) (CARES Act). The CARES Act makes available \$5 billion in CDBG coronavirus response (CDBG-CV) funds to prevent, prepare for, and respond to coronavirus. In the CARES Act and this notice, the term “coronavirus” means SARS-CoV-2 or another coronavirus with pandemic potential.

The nation faces significant public health and economic challenges related to this respiratory disease. To address these challenges, CDBG-CV and CDBG grants are a flexible source of funding that can be used to pay costs that are not covered by other sources of assistance, particularly to benefit persons of low and moderate income.

This notice is broken into sections. Section II provides a general overview of the CDBG-CV and CDBG program flexibilities provided by the CARES Act. Section III describes the allocations, grant procedures, program flexibilities, waivers, and alternative requirements applicable to CDBG-CV grants. Section IV describes the program flexibilities, waivers, and alternative requirements that apply to fiscal years 2019 and 2020 CDBG grants used to prevent, prepare for, and respond to coronavirus or that affect other aspects of program administration. Other sections contain administrative information related to this notice.

## *II. Summary of Special Authorities Under the CARES Act*

The CARES Act modifies some CDBG program rules and authorizes the Secretary of HUD to grant waivers and alternative requirements. Accordingly, this notice describes how

requirements of the CDBG program are modified for CDBG-CV grants, fiscal year 2020 CDBG grants under the Department of Housing and Urban Development Appropriations Act, 2020 (Public Law 116-94), and fiscal year 2019 CDBG grants under the Department of Housing and Urban Development Appropriations Act, 2019 (Public Law 116-6). For ease of reference, citations in this notice include parentheticals indicating whether a CDBG program statute or regulation applies to entitlement grants, state grants, insular area grants, or grants to nonentitlement counties in Hawaii. Where citations do not include Hawaii counties or insular areas, the additional citation is not necessary because the cited entitlement CDBG regulation applies to insular areas and Hawaii counties in addition to entitlement grantees.

#### *II.A. Program Modifications in the CARES Act*

The Community Development Fund heading in title XII of Division B of the CARES Act modifies some CDBG program requirements to provide immediate support for coronavirus efforts. The modifications are described in more detail in Section III, and are the following:

- Permits a public comment period of no less than 5 days when citizen participation is required.
- Permits grantees to develop expedited citizen participation procedures and to hold virtual public hearings when necessary for public health reasons.
- Eliminates the public services cap for coronavirus-related activities.
- Allows states and local governments to reimburse allowable costs of eligible activities regardless of the date the costs were incurred.

#### *II.B. Authority to Grant Waivers and Alternative Requirements*

The CARES Act authorizes the Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation that the Secretary administers in connection with the use

of CDBG-CV grants, fiscal year 2020 CDBG grants, and fiscal year 2019 CDBG grants to prevent, prepare for, and respond to coronavirus or that affect other aspects of program administration for the fiscal year 2019 and 2020 CDBG grants, except for requirements related to fair housing, nondiscrimination, labor standards, and the environment, upon a finding by the Secretary that any such waivers or alternative requirements are necessary to expedite or facilitate the use of such amounts to prevent, prepare for, and respond to coronavirus. Additional waiver authority is provided in 24 CFR 5.110 and 91.600. In accordance with these provisions, HUD may waive regulatory provisions (subject to statutory limitations) for good cause.

As required by the CARES Act, the Secretary has considered the waivers and alternative requirements in this notice and finds that there is good cause for each and that each is necessary to expedite or facilitate the use of grant funds to prevent, prepare for, and respond to coronavirus.

### *III. CDBG-CV Grants*

This section describes the CDBG-CV allocations to states and units of general local government (including insular areas), the process to access grant funds, and the rules, waivers, and alternative requirements that apply to CDBG-CV grants.

#### *III.A. Allocations of CDBG-CV Funds*

Of the \$5 billion made available by the CARES Act, HUD will use \$10,000,000 to make technical assistance awards to provide an immediate increase in capacity building and technical assistance to support the use of CDBG-CV grants and CDBG grants to prevent, prepare for, and respond to coronavirus.

The remaining funds will be allocated as described in sections III.A.1. and III.A.2.

### *III.A.1. First Allocation*

The CARES Act requires HUD to allocate up to \$2 billion in CDBG-CV funds using the same formula that it used to allocate fiscal year 2020 CDBG grants pursuant to section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306). HUD made this first CDBG-CV allocation on April 2, 2020, 24 days before the 30-day allocation deadline in the CARES Act, in the amount of \$2 billion. The allocations are available on HUD's website at [https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy20/](https://www.hud.gov/program_offices/comm_planning/budget/fy20/).

### *III.A.2. Additional Allocations*

The CARES Act requires HUD to make a second round of CDBG-CV allocations within 45 days of enactment of the CARES Act. HUD is required to make this allocation in the amount of \$1 billion directly to states and insular areas to prevent, prepare for, and respond to coronavirus within the state or insular area. HUD made this second round of CDBG-CV allocations on May 11, 2020, in the amount of \$1 billion. The allocations and methodology are available on HUD's website at:

[https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy20/](https://www.hud.gov/program_offices/comm_planning/budget/fy20/). The second CDBG-CV allocations were based on factors identified in the CARES Act: public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, economic and housing market disruptions, and other factors, as determined by the Secretary, using best available data.

The CARES Act authorized HUD to allocate the remaining \$2 billion in CDBG-CV funds, minus the \$10 million set aside for technical assistance, on a rolling basis. The CARES Act provides that the remaining \$2 billion shall be distributed directly to states or units of general local government, at the discretion of the Secretary, according to a formula based on factors to be

determined by the Secretary, prioritizing risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruptions resulting from coronavirus. The District of Columbia is defined as a metropolitan city under the Housing and Community Development Act of 1974 and not as a state or insular area. As such, it was not eligible for funding under the Round 2 \$1 billion allocation. To ensure national geographic coverage in Round 2, HUD made an allocation from the third round of funding to the District of Columbia simultaneously with the second round because the District met the geographic criteria for the third round of allocations and was the only geographic area in the nation that was not covered by the second round of allocations.

HUD will publish additional third round allocations and a description of the allocation formulas on HUD's website at [https://www.hud.gov/program\\_offices/comm\\_planning/budget/fy20/](https://www.hud.gov/program_offices/comm_planning/budget/fy20/) and will provide a link to this site in any press release announcing an allocation.

### *III.A.3. Reallocation.*

Under Section 106 of the Housing and Community Development Act of 1974 (HCD Act) (42 U.S.C. 5306), HUD reallocates annual formula CDBG funds that cannot be distributed to grantees when it allocates the next fiscal year's appropriation of annual formula CDBG funding. Given the immediate need for coronavirus assistance, the Department is specifying the following alternative requirement to sections 106(c) and (d)(3)(C) (42 U.S.C. 5306(c) and 5306(d)(3)(C)), and the reallocation provisions of 24 CFR 570.4(a), 570.420(e), 570.429(d)(2), and 570.442(b), to expedite the use of any funds that may become available for reallocation.

If a jurisdiction receiving an allocation of CDBG-CV funds fails to apply for funding in accordance with the requirements of this notice by August 16, 2021 (the deadline established by

the CARES Act) or HUD is unable to distribute funds to a grantee for another reason, HUD may notify the jurisdiction of the cancellation of all or part of its allocation amount. Funds that are not awarded to jurisdictions under the formulas described in paragraphs III.A.1. and III.A.2. may be reallocated based on factors identified in the CARES Act, as determined by the Secretary. If made, reallocations will be published on HUD's website.

### *III.B. CDBG-CV Grant Rules, Waivers, and Alternative Requirements*

This section describes program flexibilities in the CARES Act and provides waivers and alternative requirements to expedite or facilitate the use of CDBG-CV funds. The rules, waivers, and alternative requirements described in this section only apply to CDBG-CV grants (as specified in this section) and in some cases to fiscal year 2019 and fiscal year 2020 CDBG grants (as specified in section IV) and program income (as specified in sections III.B.5.(f)(iv) and III.B.6.(a)). The CARES Act statutory flexibilities, waivers, and alternative requirements do not apply to other sources of CDBG funds (even if used in conjunction with CDBG-CV funds, fiscal year 2019 CDBG funds, or fiscal year 2020 CDBG funds) except as otherwise described in section IV.B.3.(b).

#### *III.B.1. General Grant Requirements*

CDBG-CV grants are subject to the requirements of the CARES Act, the authorities and conditions imposed on fiscal year 2020 CDBG grants, and the mandatory provisions of this notice and waivers and alternative requirements. Except as otherwise described, grantees must comply with statutory and regulatory provisions governing the CDBG program. These include regulations at: 24 CFR part 570 subpart I (states); 24 CFR part 570 subparts A, C, D, E, F, J, K, and O for CDBG (entitlements, nonentitlement Hawaii counties and insular areas).

To facilitate the use of CDBG-CV funds in accordance with the grant requirements, HUD is imposing an alternative requirement that the definitions of CDBG funds in 24 CFR 570.3 (entitlements) and 24 CFR 570.481(a)(2) (states) include CDBG-CV funds. This alternative requirement applies the requirements in 24 CFR part 570 to the use of CDBG-CV funds, except as modified by rules, waivers, and alternative requirements applicable to CDBG-CV grants.

CDBG-CV grant agreements will impose requirements by incorporating program rules, waivers, and alternative requirements (including those published in memoranda, in this and any future notices).

Grantees should not assume that their normal CDBG funding distribution procedures are adequate to swiftly distribute and use CDBG-CV grants. For example, if a grantee's existing policies mandate lengthy processes to select activities or complete procurements, grantees should try to expedite actions with local waiver authorities or emergency procedures that may be available without state or local rulemaking. In addition, urban counties that normally distribute CDBG funds on a proportional basis among all participating jurisdictions should consider whether their normal procedures would result in funding awards that are too small to be used expeditiously and productively by the participating jurisdictions.

### *III.B.2. Responsible Use of CARES Act Funds*

CDBG-CV funds are subject to additional measures designed to prevent fraud, waste, and abuse. HUD will conduct regular oversight and monitoring activities to determine that use of CDBG-CV funds is consistent with grant requirements and limited to the necessary and reasonable costs of activities to prevent, prepare for, and respond to coronavirus. Measures to increase transparency and accountability include:

- regular reporting on the use of CDBG-CV funds, including reporting that may be required by the CARES Act to conduct audits and reviews of programs, operations, and expenditures relating to funds under the CARES Act and the Coronavirus response (see section III.B.8. for information on reporting requirements); and
- a requirement that grantees prevent the duplication of benefits that is caused when a person, household, business, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance is more than the total need (see section III.B.9. for information on duplication of benefits).

### *III.B.3. Overview of Process to Receive CDBG-CV Grants*

On April 2, 2020, HUD published the first round of CDBG-CV allocations on the hud.gov website and notified jurisdictions of their allocation amounts. On April 9, 2020, John Gibbs, Acting Assistant Secretary for Community Planning and Development, issued a memorandum with the subject, “*CARES Act Flexibilities for CDBG Funds Used to Support Coronavirus Response and plan amendment waiver*” (“April 9 memorandum”), available at <https://www.hud.gov/sites/dfiles/CPD/documents/CARES-Act-Flexibilities-CDBG-Funds-Used-Support-Coronavirus-Response.pdf>. The memorandum advised grantees to amend or prepare consolidated plan submissions for CDBG-CV grants as soon as possible. Grantees may have partially or fully completed the application process before HUD publishes this notice.

The April 9 memorandum also granted waivers to expedite this process of applying for CDBG-CV funds by permitting application for a grantee’s share of the first \$2 billion through a substantial amendment to a grantee’s most recent annual action plan (the most recent year may be the 2019 annual action plan). These waivers and alternative requirements describing the



content of a substantial amendment to add CDBG-CV allocations to the most recent annual action plan are in section III.B.4.(b)(i).

Submitting a substantial amendment may speed access to grant funds because consultation and public hearings are not required (although 24 CFR 570.441(e)(2) requires insular areas to hold a public hearing for amendments, section III.B.4.(a)(iii) waives this requirement for CDBG-CV substantial amendments). However, the April 9 memorandum does not preclude grantees from applying by submitting a FY 2020 Action Plan that includes the CDBG-CV funds. If the grantee chooses to include CDBG-CV grant funds in its annual action plan for FY 2020 funds, the grantee must comply with action plan submission procedures in 24 CFR part 91 (including consultation and a public hearing), as modified by the waiver and alternative requirements in paragraph III.B.4.(a)(iv), which apply the CARES Act citizen participation flexibilities to all consolidated plan formula grant programs.

The following procedures apply regardless of whether the grantee applies for CDBG-CV funds through an action plan or action plan substantial amendment:

- Rather than wait to apply until HUD allocates all available CDBG-CV funds, HUD recommends that grantees apply as soon as possible for CDBG-CV funds that HUD has allocated. Grantees receiving subsequent allocations can make substantial amendments to apply for subsequent allocation amounts after they are announced.
- All grantees may adopt and use expedited procedures to draft, propose, modify, or amend consolidated plans for CDBG-CV and fiscal year 2019 and 2020 CDBG grants as described in section III.B.4. These expedited procedures amend the grantee's citizen participation plan and require it be published for no less than 5 calendar days to solicit

public comment. Expedited procedures may include virtual hearings, as described in section III.B.4.(a)(ii).

- The grantee must publish its application for CDBG-CV funds (whether through a new action plan or action plan substantial amendment) for no less than 5 calendar days to solicit public comment. The comment period can run concurrently with the comment period on changes to add expedited procedures to the citizen participation plan. The grantee must respond to public comments.
- The grantee must submit its application for CDBG-CV funds to HUD for review in accordance with 24 CFR 91.500. To receive a CDBG-CV grant, a grantee must also submit a SF-424, SF-424D and the certifications at 24 CFR 91.225(a) and (b) or 24 CFR 91.325(a) and (b) and 24 CFR 91.425.
- HUD and the grantee will enter a grant agreement and HUD will establish the grantee's line of credit.
- The grantee may draw funds from the line of credit after the Responsible Entity completes applicable environmental review(s) pursuant to 24 CFR part 58 and, as applicable, receives from HUD the Authority to Use Grant Funds (AUGF) form and certification.

#### *III.B.4. Application for Grant Funds and Citizen Participation*

This section III.B.4. describes the CDBG program flexibilities in the CARES Act and additional waivers and alternative requirements that HUD granted to facilitate or expedite the process to amend consolidated plans and apply for CDBG-CV grants.

### *III.B.4.(a) Expedited Citizen Participation and Virtual Hearings*

The CARES Act permits grantees to adopt expedited citizen participation procedures and hold virtual hearings for consolidated plan submissions for CDBG-CV funds and for CDBG grants for fiscal years 2019 and 2020. Section III.B.4.(a)(iii) includes a corollary waiver and alternative requirement to permit states to extend these flexibilities to units of general local government and insular areas. Section III.B.4.(a)(iv) includes a corollary waiver and alternative requirement extending these flexibilities to other consolidated plan formula programs.

***III.B.4.(a)(i) Citizen Participation, Public Notice and Comment Period.*** The CARES Act authorizes a CDBG-CV grantee to adopt and utilize expedited procedures to prepare, propose, modify, or amend its consolidated plan, notwithstanding sections 104(a)(2), (a)(3), and (c) of the HCD Act (42 U.S.C. 5304(a)(2), (a)(3), and (c)) and section 105 of the Cranston-Gonzalez National Affordable Housing Act (NAHA, at 42 U.S.C. 12705). The expedited procedures may permit virtual hearings, as described in section III.B.4.(a)(ii), whenever a public hearing is required by 24 CFR 91.105 (entitlements), 91.115 (states), 570.431 (Hawaii counties), 570.441 (insular areas), or by the grantee's citizen participation plan. Expedited procedures adopted by the grantee shall provide citizens with notice and a reasonable opportunity to comment of no less than 5 days.

Expedited procedures must be published for no less than 5 calendar days to solicit public comment, and once adopted, become part of the grantee's citizen participation plan. The public comment period for incorporating expedited procedures into the citizen participation plan may run concurrently with the public comment period on a proposed CDBG-CV substantial amendment or other proposed consolidated plan submissions for CDBG-CV funds and fiscal

year 2019 and 2020 CDBG grants. Consolidated plan submissions for other programs are addressed in section III.B.4.(a)(iv).

The CARES Act modifies the annual formula CDBG program requirement that a grantee must solicit comments from its citizens for a period of at least 30 days before it submits a substantial amendment or an annual action plan to HUD.

***III.B.4.(a)(ii) Virtual Hearings.*** For as long as national or local health authorities recommend social distancing and limiting public gatherings for public health reasons, the CARES Act authorizes the grantee to hold virtual hearings in lieu of in-person public hearings for CDBG-CV grants and for fiscal year 2019 and 2020 CDBG grants (virtual hearings for other consolidated plan formula programs are addressed in section III.B.4.(a)(iv)). All virtual hearings held under the authority provided by the CARES Act shall provide reasonable notification and access for citizens in accordance with the grantee's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses.

Therefore, grantees may use online platforms to hold virtual hearings that facilitate public access to all questions and responses and provide timely responses from local officials. Additionally, grantees must take appropriate actions to encourage the participation of all residents, including the elderly, minorities, persons with limited English proficiency, as well as persons with disabilities, consistent with the jurisdiction's citizen participation plan.

The CARES Act does not modify nondiscrimination requirements. Consistent with 24 CFR 91.105 (entitlements) and 91.115 (states), and 24 CFR 570.431 (Hawaii counties) and 570.441 (insular areas), a jurisdiction is expected to take whatever actions are appropriate to encourage the participation of all its citizens in virtual and in-person hearings, including

minorities and persons with limited English proficiency, as well as persons with disabilities. Whether hearings are in-person or virtual, grantees must take appropriate steps to ensure effective communication with persons with disabilities consistent with the requirements of accessibility laws, such as Section 504 of the Rehabilitation Act and the Americans with Disabilities Act. The grantee must provide appropriate auxiliary aides and services where necessary to afford individuals with hearing and vision impairments an equal opportunity to access and participate in such hearings. These may include effective methods that make aurally delivered information available to individuals who are deaf or hard of hearing, and visually delivered materials available to individuals who are blind or have low vision. The type of auxiliary aid or service necessary to ensure effective communication will vary in accordance with the method of communication used by the individual; the nature, length, and complexity of the communication involved; and the context in which the communication is taking place. In determining what types of auxiliary aids and services are necessary, a grantee shall give primary consideration to the requests of individuals with disabilities. In order to be effective, auxiliary aids and services should be provided in accessible formats, in a timely manner, and in such a way as to protect the privacy and independence of the individual with a disability. For virtual hearings, such steps should include ensuring that information is provided on an accessible website, that e-mails and other digital notifications are accessible, and that the application or platform used to host the hearing is also accessible. Additional services such as audio description or captioning may also be needed to provide effective communication in a digital context. Helpful guidelines for ensuring the accessibility of web-based and digital materials are available through the World Wide Web Consortium's Web Accessibility Initiative at

<https://www.w3.org/WAI/>. Examples of auxiliary aids and services that may be necessary when conducting hearings online can be found at 28 CFR 35.104.

Grantees must also take reasonable steps to provide meaningful access to persons with limited English proficiency consistent with Title VI of the Civil Rights Act. To ascertain their obligations, grantees should conduct the four-factor analysis set forth in HUD's limited English proficiency guidance found at <https://www.hud.gov/sites/documents/FINALLEP2007.PDF>, which may be covered by grantees' Language Assistance Plan, recognizing that the use of the internet to conduct such a hearing may change the analysis. For virtual or online hearings, such services may also include translation of documents and captioning or interpretation in the appropriate language(s). More information on the four-factor analysis and other requirements can be found at <https://www.hud.gov/sites/documents/FINALLEP2007.PDF>.

***III.B.4.(a)(iii) Modifications to citizen participation requirements for local governments that receive funds from States and for insular areas.*** HUD is clarifying that by authorizing states to adopt expedited citizen participation procedures, the CARES Act authorized expedited procedures and virtual public hearings for citizen participation by units of general local government that receive CDBG-CV funds from a state through a method of distribution. This is because 24 CFR 91.115(e) requires states to include citizen participation requirements for units of general local government in its own citizen participation plan. Expedited procedures must still describe how units of local governments receiving funds from the state will meet the citizen participation requirements in 24 CFR 570.486.

Additionally, HUD is waiving the requirement in 570.441(e)(2) that an insular area must hold a public hearing on a substantial amendment. Instead, HUD is imposing an alternative requirement to permit the insular area to adopt expedited requirements by modifying its citizen

participation plan to replace the hearing if it provides community residents with reasonable notice and an opportunity to comment on substantial amendments to the consolidated plan or annual action plan.

***III.B.4.(a)(iv) Extension of CARES Act Flexibilities to All Consolidated Plan Formula Programs (CDBG, CDBG-CV, HOME, HOPWA, HTF, ESG) and Section 108 Loan Guarantees.*** The CARES Act altered consolidated plan citizen participation requirements for some CDBG-CV grants, fiscal year 2019 and 2020 annual formula CDBG grants, and Emergency Solutions Grant supplemental CARES Act (ESG-CV) grants. It did not modify citizen participation for other annual formula CDBG and ESG grants, Section 108 Loan Guarantees, or for HOME Investment Partnerships (HOME), Housing Trust Fund (HTF), and Housing Opportunities for Persons With AIDS (HOPWA) formula programs before fiscal year 2019.

On April 1, 2020, HUD issued two waivers to modify citizen participation requirements for consolidated plan substantial amendments for CDBG, ESG, HOME, HTF, and HOPWA. The first eliminated the 30-day minimum for the required public comment period for substantial amendments, provided that no less than 5 days are provided for public comments on each substantial amendment concerning the proposed uses of CDBG, HOME, HTF, HOPWA, or ESG funds. The second allowed grantees to determine what constitutes reasonable notice and opportunity to comment, given their circumstances, for the 2020 program year. The waivers were published in a memorandum signed by Acting Assistant Secretary John Gibbs on March 31, 2020. It is available at: <https://www.hud.gov/sites/dfiles/CPD/documents/Availability-of-Waivers-of-CPD-Grant-Program-and-Consolidated-Plan-Requirements-to-Prevent-the-Spread-of-COVID-19-and-Mitigate-Economic-Impacts-Caused-by-COVID-19.pdf>

HUD is now issuing waivers and alternative requirements to expedite procedures to modify citizen participation plans for *all* 2020 fiscal year consolidated plan and annual action plan submissions that pertain to ESG, HOME, HTF, and HOPWA formula programs. The waivers are necessary to effectively implement the CARES Act flexibilities offered to CDBG grantees because planning and annual action plan consolidated plan submissions for CDBG-CV and CDBG grants are inextricably linked with the consolidated plan submissions for ESG, HOME, HTF, and HOPWA.

In 1995, HUD published the consolidated plan regulation at 24 CFR part 91. The consolidated plan replaced the following separate application and planning submissions: the Comprehensive Housing Affordability Strategy (CHAS), enacted by NAHA at 42 U.S.C. 12701, the Community Development Plan requirements, added to the CDBG program by NAHA (42 U.S.C. 5304), the CDBG final statement, the HOME program description, and the ESG and HOPWA applications. In 2015, HUD published an interim rule that added HTF to the consolidated planning regulations. States and units of general local government (including insular areas) that apply for Section 108 loan guarantees pursuant to 24 CFR 570.704 may also be required to include the use of guaranteed loan funds in their consolidated plans.

Grantees that apply for CDBG-CV or CDBG funds as part of their 3-5 year consolidated plan or annual action plan submissions cannot reasonably take advantage of the expedited CARES Act citizen participation requirements unless the other programs included in these submissions are subject to the same expedited requirements. Creating a separate application process for CDBG-CV and CDBG funds would add time and complications that are likely to delay the availability of funds and undermine the purpose of the CARES Act provisions to expedite assistance. Further, separating CDBG planning and applications would thwart several



of the reasons cited for the consolidated planning rule, e.g., providing comprehensive information on the jurisdiction that is easy to understand and reducing paperwork and simplifying the process of requesting and obtaining federal funds available to the jurisdictions (60 FR 1878, published January 5, 1995).

Therefore, HUD is waiving provisions at 24 CFR 91.105(b)(4), (c)(2) and (k), 24 CFR 91.115(b)(4), (c)(2) and (i), 24 CFR 91.401, 24 CFR 570.431, 24 CFR 570.441, and 24 CFR 570.704 to the extent necessary to permit the following alternative requirement: CDBG, HOME, HTF, HOPWA, and ESG grantees may modify their citizen participation plans to adopt expedited procedures that apply when the grantees prepare, propose, modify, or amend any consolidated plan submissions that contain uses of CDBG-CV funds or uses of fiscal year 2019 or 2020 CDBG funds to prevent, prepare for, and respond to coronavirus. The expedited procedures must, at a minimum, provide citizens with notice and a reasonable opportunity to comment of no less than 5 days.

Additionally, HUD is waiving provisions at 24 CFR 91.105(b) and (e), 24 CFR 91.115(b) and (e), 24 CFR 91.401, and 24 CFR 570.431, 570.441, and 570.486(a) to the extent necessary to establish the following alternative requirement. For as long as national or local health authorities recommend social distancing and limiting public gatherings for public health reasons, CDBG, ESG, HOME, HTF, and HOPWA grantees, and units of general local government receiving CDBG funds from state or insular area CDBG grantees, may hold virtual hearings in lieu of in-person public hearings to fulfill public hearing requirements imposed by 42 USC 12707(a)(3) and the regulations at 24 CFR part 91 and 24 CFR part 570, or by the grantee's citizen participation plan.

For each virtual hearing, a grantee shall provide reasonable notification and access for citizens in accordance with the grantee's certifications, timely responses from local officials to all citizen questions and issues, and public access to all questions and responses. Therefore, grantees may use online platforms to hold virtual hearings that provide public access to questions and responses and provide timely responses from local officials. This alternative requirement is only applicable to consolidated planning submissions describing the use of fiscal year 2019 or 2020 annual formula funds for CDBG, ESG, HOME, HTF, and HOPWA, or for CDBG-CV or ESG-CV funds provided under the CARES Act.

HUD cannot modify requirements for CDBG grantees to mirror the elimination of citizen participation for substantial amendments and new consolidated plan submissions for ESG-CV funds because HUD cannot waive the minimum requirements the CARES Act imposed on CDBG grantees. Therefore, this waiver and alternative requirement does not alter or expand the authority for ESG grantees to omit the citizen participation and consultation requirements for consolidated plan submissions that only pertain to ESG CARES Act (ESG-CV) funding.

#### *III.B.4.(b) CDBG-CV Application Content and Submission*

*III.B.4.(b)(i). CDBG-CV Application Content, Submission, Consistency with Other Portions of Consolidated Plan.* In the April 9 memorandum, HUD issued a waiver and alternative requirement that permits a grantee to apply for CDBG-CV funds by submitting a substantial amendment to its most recently approved annual action plan. Grantees may also apply for CDBG-CV funds in a future annual action plan submission.

As part of the application submission, HUD is temporarily waiving the requirements (found at 42 U.S.C. 12706 and 24 CFR 91.325(a)(5) and 91.225(a)(5)) that grantees certify that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are

consistent with the strategic plan portion of the consolidated plan. HUD is imposing a related alternative requirement that allows grantees to submit those certifications when the grantee submits its next full (3-5 year) consolidated plan due after the 2020 program year. Grantees may not have considered the needs associated with CDBG-CV funds when developing their current consolidated plan strategic plan and needs assessment.

In conjunction, HUD is temporarily waiving 42 U.S.C. 5304(e) to the extent that it requires HUD to annually review grantee performance under the consistency criteria. This waiver also only applies until the grantee submits its next full (3-5 year) consolidated plan due after the 2020 program year.

*Applying through a substantial amendment to the most recent action plan.* If the CDBG-CV application is submitted as a substantial amendment to the most recent annual action plan, the substantial amendment must include the CDBG-CV allocation as an available resource for the year. The amendment must include the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus. To permit this expedited application process, in the April 9 memorandum HUD waived statutory provisions at 42 U.S.C. 12705(a)(2) to the extent they require updates to the housing and homeless needs assessment, (24 CFR 91.205 and 91.405), housing market analysis (24 CFR 91.210 and 91.410), and strategic plan (24 CFR 91.215 and 91.415). HUD also waived 24 CFR 91.220 (entitlements) and 91.320 (states), to the extent those regulations limit the action plan to a specific program year, to permit grantees to prepare substantial amendments to their most recent annual action plan (including their 2019 annual action plan).

In the April 9 memorandum, HUD also issued a waiver and alternative requirement to 24 CFR 91.505 to facilitate the use of the CDBG-CV funds to the extent necessary to require

submission of the substantial amendment to HUD for review in accordance with 24 CFR 91.500, and required that, to receive a CDBG-CV grant, a grantee must also submit a SF-424, SF-424D, and the certifications at 24 CFR 91.225(a) and (b) (entitlements) or 24 CFR 91.325(a) and (b) (states).

HUD is now adding to the waivers in the April 9 memorandum as follows. The abbreviated consolidated plan regulations for insular areas at 24 CFR 570.440(i) are waived to the extent necessary to impose the same alternative requirements in the April 9, 2020 waiver, so that if an insular area applies for CDBG-CV funds by submitting a substantial amendment to an abbreviated consolidated plan, the following requirements apply. The substantial amendment must include the CDBG-CV allocation as an available resource for the year. The amendment must include the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus. The grantee must submit the substantial amendment to HUD for review in accordance with 24 CFR 91.500, and to receive a CDBG-CV grant, it must submit a SF-424, SF-424D and the certifications at 24 CFR 570.440(e).

If CDBG-CV funds are included in a substantial amendment to the most recently submitted annual action plan, existing cooperation agreements between a local government and an urban county governing other CDBG funds in the most recently submitted annual action plan (for purposes of either an urban county or a joint program) will automatically cover CDBG-CV funding as well. These cooperation agreements will continue to apply to the use of CDBG-CV funds for the duration of the CDBG-CV grant.

*Applying through a new annual action plan submission.* The action plan submission procedures in 24 CFR part 91 (including consultation and a public hearing) apply to grantees that choose to submit CDBG-CV applications by including CDBG-CV funds in a new annual action

plan submission. Content of action plans is described at 24 CFR 91.220 (entitlements), 91.320 (states), and 24 CFR 570.440 (insular areas).

*Applying for additional CDBG-CV allocations.* The waivers and alternative requirements in the April 9 memorandum apply to all allocations of CDBG-CV funds. HUD encourages grantees to apply for additional allocations of CDBG-CV funds as they are announced by submitting substantial amendments to their most recent annual action plan. Grantees are advised that an application for an additional allocation of CDBG-CV funds should be submitted as a substantial amendment to the annual action plan that describes the first CDBG-CV allocation.

An application submitted as a substantial amendment must include the CDBG-CV allocation as an available resource for the year and include the proposed use of all funds and how the funds will be used to prevent, prepare for, and respond to coronavirus.

HUD strongly encourages grantees to apply for allocations through substantial amendments as they are announced. However, grantees that have not submitted applications for CDBG-CV funds when additional allocations are announced may submit a single application for all allocations as a substantial amendment to the most recent annual action plan, or as part of a new annual action plan.

*III.B.4.(b)(ii). Content of CDBG-CV application for States Acting Directly.* The waiver and alternative requirement in paragraph III.B.6.(b)(i) permit states to carry out activities directly. Therefore, HUD is granting the following waiver and alternative requirement to amend 24 CFR 91.320(d) and 24 CFR 91.320(k)(1)(i) to the extent necessary to require a state to submit a description of a method of distribution and include a list of the use of all funds for activities it will carry out directly, and how the use of the funds will prevent, prepare for, and respond to coronavirus. A state that has already submitted its application for CDBG-CV funds may amend

its annual action plan that describes the use of CDBG-CV funds to modify its description of a method of distribution and include a list of the use of all funds for activities it will carry out directly, and how the use of the funds will prevent, prepare for, and respond to coronavirus.

*III.B.4.(b)(iii). Deadline to Apply for Assistance.* Under the CARES Act, the deadline is August 16, 2021, for grantees to submit their CDBG-CV action plan and the annual Action Plan for fiscal year 2019 and 2020 CDBG funds. This deadline supersedes the August 16, 2020 deadline established by 24 CFR 91.15 in accordance with section 116(b) of the HCD Act.

*III.B.5. Allowable Costs, Eligible Activities and National Objectives*

This section describes modifications to the CDBG program requirements that address allowability of costs that can be charged to CDBG-CV grants.

*III.B.5.(a) Use of Funds for CARES Act Purposes*

The grantee is required to use all CDBG-CV funds for CDBG-eligible activities that are carried out to prevent, prepare for, and respond to coronavirus. CDBG-CV grants cannot be used for any other purpose. This requirement is discussed more fully in section III.B.5.(f), which discusses eligible activities.

Additionally, HUD weighed the purpose of the CARES Act to prevent, prepare for, and respond to coronavirus with the intent of Congress expressed in section 101I of the HCD Act (42 U.S.C. 5301(c) that CDBG funds not be utilized to reduce substantially the amount of local financial support for community development activities below the level of such support prior to the availability of such assistance. Given the extreme and unexpected downturn in local and national economic conditions, local resources are strained. Jurisdictions must provide new and expanded support with fewer resources. Therefore, HUD has concluded that when CDBG

funding is used for purposes of the CARES Act, it is not considered to substantially replace the amount of local financial support previously provided to community development activities.

### *III.B.5.(b) Reimbursements*

The CARES Act provides that CDBG-CV funds may be used to cover or reimburse allowable costs of activities to prevent, prepare for, and respond to coronavirus incurred by a state or locality regardless of the date on which such costs were incurred. This authority is broader than the authority to reimburse costs with other CDBG funds.

The term “locality” is not defined by the CARES Act, the HCD Act, or the CDBG program regulations. For purposes of CDBG-CV grants, a “locality” shall mean units of general local government, as defined in section 102 of the HCD Act.

The CARES Act also requires that all costs reimbursed with CDBG-CV funds be allowable costs, meaning they comply with all grant requirements. Therefore, HUD is adopting the following waivers and alternative requirements to 24 CFR 570.200(h) and 570.489(b) to facilitate the use of CDBG-CV funds to reimburse allowable costs by modifying current regulations that are inconsistent with CARES Act reimbursement authority and imposing safeguards to help ensure the allowability of all costs charged to the CDBG-CV grant:

Grantees shall not reimburse costs incurred before January 21, 2020, without written approval from HUD’s Office of Block Grant Assistance (OBGA), by emailing the contact person listed at the beginning of this notice. HUD is imposing a presumption that costs of activities undertaken before January 21, 2020, the date the CDC confirmed the first case of coronavirus in the United States in the State of Washington,<sup>1</sup> are highly unlikely to be eligible for reimbursement because they likely are not costs to prevent, prepare for, and respond to

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<sup>1</sup>See CDC Press Release at: <https://www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html>

coronavirus. The need to pay for coronavirus-related costs incurred after this date far exceeds the amount of CDBG-CV funds available. HUD cautions that it will only consider granting written approval in extraordinary cases where the clear link to the purposes of the CARES Act is documented by substantial evidence provided to HUD by the grantee. Inquiries related to this requirement can be submitted to the contact identified above for this notice.

HUD is waiving the requirements of 570.200(h) and 570.489(b) to the extent necessary to authorize a grantee to permit reimbursement of pre-application costs of subrecipients, units of general local government, and itself, in addition to pre-agreement and pre-award costs. However, an environmental review must be performed and a release of funds must be obtained in accordance with 24 CFR part 58 prior to committing CDBG-CV funds to reimburse such costs. After the grantee signs a CDBG-CV agreement it may reimburse a unit of general local government or subrecipient for costs incurred before the unit of general local government or subrecipient applies to the grantee for assistance.

For grantees subject to the entitlement CDBG regulation at 24 CFR 570.200(h), the following waivers and alternative requirements apply: in lieu of the effective date described at 570.200(h), the grantee shall use the date in box 4 of form HUD-7082, Funding Approval/Agreement. HUD is waiving the requirement at 570.200(h)(1)(i) and (ii) that the activity for which costs are incurred must be included in a consolidated plan action plan or amended consolidated plan action plan before incurring the costs. Instead, the activity for which costs were incurred must be included in the grantee's CDBG-CV application before CDBG-CV funds are used to reimburse those costs. Or, if the use of CDBG-CV funds for reimbursements is not included in the CDBG-CV application, this use may be included in a subsequent amendment to the annual action plan that describes the use of the CDBG-CV funds (following the grantee's



citizen participation plan procedures for amendments). To facilitate the use of funds provided under a one-time grant rather than an annual appropriation, HUD is waiving the time limitation and the monetary limitation on reimbursements in 570.200(h)(1)(v) and (vi) and related provisions at 570.200(h)(2). HUD is not waiving the requirement at 570.200(h)(1)(iii) to comply with the environmental review procedures stated in 24 CFR Part 58.

All grantees may authorize subrecipients to incur pre-award costs in accordance with pre-agreement cost authority under 24 CFR 570.489(b) (states) and pre-award cost authority under 24 CFR 570.200(h) (entitlements), as modified above. Consistent with the waiver and alternative requirement in paragraph III.B.6.(b)(i) that authorizes states to act directly, the provisions of 24 CFR 570.489(b) are waived to the extent necessary to authorize a state to charge to the grant pre-agreement costs of its subrecipients in addition to the pre-agreement costs of units of general local government, in accordance with procedures established by the state and subject to the requirements that apply to pre-agreement costs of units of general local government in 24 CFR 570.489(b), and the requirements that apply to the use of CDBG-CV funds.

While provisions of 24 CFR 570.489(b) requiring compliance with 24 CFR Part 58 do not apply prior to an application for CDBG-CV funds, a unit of general local government or state must document compliance with the environmental review requirements at 24 CFR Part 58 following the application to the state or unit of general local government for funding and prior to reimbursement of pre-application costs, per 24 CFR 570.200(h)(1)(iii) and 24 CFR 570.489(b). If a grantee cannot meet all requirements at 24 CFR Part 58 and cannot demonstrate there was no environmental harm committed, the pre-application costs cannot be reimbursed with CDBG-CV or other HUD funds.

*III.B.5.(c) Terms and Conditions Made Applicable by the CARES Act*

The CARES Act subjects CDBG-CV funds to the authorities and conditions applicable to annual CDBG grants for fiscal year 2020. Therefore, the following requirements apply to CDBG-CV grants:

*III.B.5.(c)(i). Limitations on Use of Funds for Eminent Domain.* The grantee shall ensure that no CDBG-CV funds are used to support any Federal, state, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use. For the purposes of this requirement, public use shall not be construed to include economic development that primarily benefits private entities. Any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfield as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107-118) shall be considered a public use for purposes of eminent domain.

*III.B.5.(c)(ii). Prohibition on Certain Funds Transfers.* The Grantee or unit of general local government that directly or indirectly receives CDBG-CV funds may not sell, trade, or otherwise transfer all or any such portion of such funds to another such entity in exchange for any other funds, credits or non-Federal considerations, but must use such funds for activities eligible under title I of the HCD Act or permitted by waiver and alternative requirements that apply to the use of CDBG-CV funds.

*III.B.5.(c)(iii). E.O. 12372-Special Contract Condition.* Notwithstanding any other provision governing CDBG-CV funds, no funds may be obligated or expended for the planning or construction of water or sewer facilities until receipt of written notification from HUD of the release of funds on completion of the review procedures required under Executive Order (E.O.) 12372, Intergovernmental Review of Federal Programs, and HUD's implementing regulations at 24 CFR Part 52. The recipient shall also complete the review procedures required under E.O. 12372 and 24 CFR Part 52 and receive written notification from HUD of the release of funds before obligating or expending any funds for any new or revised activity for the planning or construction of water or sewer facilities not previously reviewed under E.O. 12372 and implementing regulations.

*III.B.5.(c)(iv). Mandatory Evaluation of Special Economic Development Activities.* CDBG-CV funds may not be provided to a for-profit entity pursuant to section 105(a)(17) of the Act unless such activity or project has been evaluated and selected in accordance with Appendix A to 24 CFR 570 - "Guidelines and Objectives for Evaluating Project Costs and Financial Requirements." Given the likelihood that CDBG-CV funds will be used to assist businesses needing working capital financing for everyday operations, such as payroll costs, HUD intends to provide advice or technical assistance on the application of the guidelines and objectives set forth in Appendix A to such assistance. HUD will consider providing advice or technical assistance in recognition of the differences in underwriting assistance for the wide range of economic development projects permitted under section 105(a)(17) (as implemented at 24 CFR 570.203(b)).

### *III.B.5.(d) National Objectives*

*III.B.5.(d)(i) Use of Urgent Need National Objective.* HUD has received questions regarding the records necessary to document that a grantee's activities to prevent, prepare for, and respond to coronavirus satisfy the urgent need national objective. To meet the urgent need national objective criteria at 24 CFR 570.208(c) (entitlements) and 570.483(d) (states), a grantee (or in the case of the State CDBG program, a unit of general local government or a state, if the state is carrying out activities directly as authorized by section III.B.6.(b)(i)) must certify that: (1) the activity is designed to alleviate existing conditions; (2) those existing conditions pose a serious and immediate threat to the health or welfare of the community and are of recent origin or recently became urgent; and (3) that the grantee, state, or unit of general local government is unable to finance the activity on its own, and that other sources of funds are not available. The State CDBG regulation at 24 CFR 570.483(d) requires the state's determination of these elements in addition to the unit of general local government's certification.

Entitlement grantees must maintain records required by 24 CFR 570.506(b)(12) to document: (1) the nature and degree of seriousness of the condition requiring assistance and the timing of its development; (2) evidence that the recipient certified that the CDBG activity was designed to address the urgent need; and (3) evidence confirming that other financial resources to alleviate the need were not available. The State CDBG recordkeeping requirements at 24 CFR 570.490 require states and state recipients to maintain records to demonstrate compliance with the urgent need criteria.

The following information provides guidance on how a grantee may satisfy existing recordkeeping requirements for the urgent need national objective criteria in addition to a

grantee's or unit of general local government's certification and a state's determination (or state's certification, if the state is acting directly):

*Criteria 1: Is the activity designed to alleviate existing conditions?* For CDBG-CV grants, the records the grantee maintains to demonstrate that the activity was designed to alleviate existing conditions can be the same records used to show that grant funds were used to prevent, prepare for, and respond to coronavirus, as required by the CARES Act.

*Criteria 2: Does the condition pose a serious and immediate threat to the health or welfare of the community that is of recent origin or that recently became urgent?* In light of the severity of coronavirus and the urgency of the nation in addressing its impacts, pursuant to 24 CFR 570.208(c) (entitlements) or 24 CFR 570.483(d) (states), a grantee may certify that the activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community within 18 months following a date determined by one of the following three methods:

- Referral to a U.S. Department of Health and Human Services issued press release declaring a public health emergency for the entire United States found at <https://www.hhs.gov/about/news/2020/01/31/secretary-azar-declares-public-health-emergency-us-2019-novel-coronavirus.html>. The declaration was retroactive to January 27, 2020;
- Referral to the President's declaration of the ongoing Coronavirus Disease 2019 (COVID-19) pandemic as an emergency of sufficient severity and magnitude to warrant an emergency declaration for all states, tribes, territories, and the District of Columbia pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C.

5121-5207 (the “Stafford Act”). (The President subsequently approved additional major disaster declarations for states); or

- Referral to the effective date of a grantee’s own local or state emergency declaration.

*Criteria 3: Is the grantee or unit of general local government unable to finance the activity on its own, and are other sources of funds are not available to carry out the activity?*

The extreme needs of local governments resulting from coronavirus in the United States outweigh available resources, despite the extraordinary level of assistance provided to states and units of general local government under the CARES Act. Therefore, documentation that the activity will prevent, prepare for, and respond to the coronavirus may be used to demonstrate that a grantee or unit of general local government is unable to finance the activity on its own.

All CDBG-CV grantees are required to establish and maintain adequate procedures to prevent any duplication of benefits for assisted activities (as discussed in section III.B.9. of this notice). To demonstrate that no financial assistance has been received or is available to pay costs charged to a CDBG-CV grant, a grantee may demonstrate that no other funds are available for an activity by maintaining records of compliance with mandatory duplication of benefits requirements described in section III.B.9.

All grantees are reminded to consider how the use of the urgent need national objective will affect their compliance with the CDBG “overall benefit” requirements discussed in paragraph III.B.5.(d)(iv).

*III.B.5.(d)(ii) Modification of Location-Based Presumption of LMI Benefit for Job Creation and Retention National Objective Criteria.* To facilitate the use of funds for economic development, HUD is removing the higher poverty rate required in some cases for central business districts, which is not required by statute. HUD is instituting an alternative

requirement to modify the regulations at 24 CFR 570.208(a)(4)(v) (entitlement) and 24 CFR 570.483(b)(4)(v) (state) by deleting the criteria at 24 CFR 570.208(a)(4)(v)(B) (entitlement) and 24 CFR 570.483(b)(4)(v)(B) (state). Under this alternative requirement, for purposes of the LMI job creation/retention national objective at 24 CFR 570.208(a)(4) and 24 CFR 570.483(b)(4), a census tract qualifies for the presumptions under the criteria established in regulations at 24 CFR 570.208(a)(4)(v) and 24 CFR 570.483(b)(4)(v) if the poverty rate is at least 20 percent and if it evidences pervasive poverty and general distress using the criteria described in 24 CFR 570.208(a)(4)(v)(C) (entitlement) and 24 CFR 570.483(b)(4)(v)(C) (states).

This alternative requirement eliminates a requirement that census tracts that contain at least a portion of a central business district must have a poverty rate of at least 30 percent before residents and businesses in the tract are entitled to a presumption of low- and moderate-income (LMI) benefit. HUD has determined that eliminating the 30 percent requirement for tracts that contain central business districts will standardize the required poverty rate to meet the presumption regardless of where the persons or the business is located, which facilitates the use of grant funds to assist desperate businesses. Central business districts are hubs that contain many coronavirus-affected businesses and facilitating assistance to businesses that seek to retain jobs is consistent with the purposes of the CARES Act. Standardizing the poverty rate for the LMI benefit presumption may help to avoid wholesale collapse of central business districts at a time when many businesses have closed or at risk of closing due to insufficient revenues.

*III.B.5.(d)(iii) LMI Job Creation and Retention Records.* HUD is establishing the following waiver and alternative requirement to facilitate and expedite assistance to coronavirus-affected businesses by streamlining national objective criteria and recordkeeping requirements for activities that benefit LMI persons by retaining or creating jobs. The normal job creation and

retention recordkeeping requirements consider family income when determining whether a beneficiary is a person of low or moderate income, but these requirements are likely to be burdensome during a time when unemployment has surged and family income is more difficult to document. Collection of income information directly from assisted businesses can streamline assistance. Therefore, notwithstanding that the definitions of low-income person and moderate-income person in 24 CFR 570.3 are based on family income, for purposes of meeting the national objective criteria for job creation or retention at 24 CFR 570.208(a)(4) and 24 CFR 570.483(b)(4), HUD is imposing the following waiver and alternative requirement: grantees and employers may consider individuals that apply for or hold jobs to be members of one-person families for activities that prevent, prepare for, and respond to coronavirus. HUD is also modifying related recordkeeping requirements at 24 CFR 570.506(b)(7) (entitlement) and the jointly agreed upon requirements referenced in 24 CFR 570.490 (state) by adding the following additional presumption: the recipient may substitute records showing the type of job and the annual wages or salary of the job in lieu of maintaining records showing the person's family size and income to demonstrate that the person who filled or held/retained the job was a low- or moderate-income person, when required by paragraph 24 CFR 570.506(b)(5)(i)(B), (b)(5)(ii)(C), (b)(6)(iii) or (b)(6)(v) (entitlement) or the requirements referenced in 24 CFR 570.490 (state). HUD will consider the person income-qualified if the annual wages or salary of the job is equal to or less than the Section 8 low-income limit established by HUD for a one-person family. Under this alternative requirement, a grantee will have substantially reduced documentation requirements because they will be working with assisted businesses rather than each person, and potentially their households, who received a job.



*III.B.5.(d)(iv) Overall Benefit to LMI Persons.* HUD is establishing an alternative requirement to modify the calculation of overall LMI benefit, so that compliance with the requirement is separated from the annual formula CDBG program calculation of overall benefit. Overall LMI benefit for CDBG-CV grants will be calculated based on the percentage of the CDBG-CV grant that benefits LMI persons. This alternative requirement is consistent with the idea that one-time, supplemental funding should not skew the calculation of overall benefit for use of annual formula CDBG grants and guaranteed loan funds. This modification expedites and facilitates the use of funds in part by enabling grantees to best plan which activities will benefit LMI persons.

Section 101I of the HCD Act (42 U.S.C. 5301(c)) establishes the primary objective of the HCD Act: the “development of viable urban communities, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.” CDBG-CV grants are subject to the requirement that 70 percent of funds are for activities that benefit LMI persons. The requirements at 42 U.S.C. 5301(c), 42 U.S.C. 5304(b)(3)(A), 24 CFR 570.200(a)(3) (entitlements and nonentitlement counties in Hawaii), 24 CFR 570.420(d)(2)-(3) (insular areas), and 24 CFR 570.484 (states) shall remain in place to the extent that they require the grantee to ensure that 70 percent of its CDBG-CV grant be expended for activities that benefit LMI persons. As an alternative requirement, however, HUD is requiring that grantees must demonstrate compliance with the overall benefit requirement separately for a grantee’s total CDBG-CV grant allocation and not in combination with annual formula CDBG funding or commitments under the Section 108 Loan Guarantee program.

Under this alternative requirement, there is no option for grantees to select the timeframe for compliance. HUD previously instructed grantees to submit certifications required by 24 CFR 91.225 (entitlements) or 24 CFR 91.325 (states). The regulations at 24 CFR 91.225(b)(4)(ii) and 24 CFR 91.325(b)(4)(ii) require grantees to certify that the aggregate use of CDBG funds will comply with the overall benefit requirement during a period specified by the jurisdiction, consisting of one, two, or three specific consecutive program years. Under this alternative requirement, grantees are not required to carry out the grant consistent with the mandatory overall benefit certification because HUD has changed the requirement related to overall benefit.

#### *III.B.5.(e) Public Benefit*

*III.B.5.(e)(i) Elimination of Aggregate Public Benefit Test.* HUD is waiving the standard for aggregate public benefit that applies to economic development activities described in 24 CFR 570.209(b)(1)-(2) (entitlement) and in 24 CFR 570.482(f)(2)-(3) (state). The public benefit standards were designed to require that economic development activities, in the aggregate, provide an appropriate amount of public benefit based on the amount of CDBG funds used. Given the clear benefit derived from addressing economic disruptions due to coronavirus, CDBG-CV grantees can adequately demonstrate public benefit based on the individual public benefit standards, as modified by waivers and alternative requirements in section III.B.5.(e)(ii).

Therefore, to facilitate and expedite the use of CDBG-CV funds for coronavirus-related economic development activities, HUD is waiving the aggregate public benefit standards at 24 CFR 570.209(b)(1)-(2) (entitlement) and 24 CFR 570.482(f)(2)-(3) (state). In granting this waiver, HUD notes that based on the growing number of urgent requests for economic development assistance, particularly from small business, grantees are likely to have difficulty

determining the appropriate amount of CDBG assistance, in the aggregate, for their current and next program years.

*III.B.5.(e)(ii) Modification of Individual Public Benefit Standards.* To facilitate the use of grant funds by providing greater leeway to grantees to identify the most advantageous means of providing economic development assistance, HUD is modifying the individual public benefit standards. HUD is imposing a waiver and alternative requirement to establish an alternative means by which grantees can demonstrate public benefit from the use of CDBG-CV funds for individual special economic development activities.

Certain economic development activities described in 24 CFR 570.209 (entitlement) and in 24 CFR 570.482(f)(1) (state) are subject to individual public benefit standards at 24 CFR 570.209(b)(3) (entitlement) and 24 CFR 570.482(f)(4) (state). Grantees must satisfy these public benefit standards to show that the amount of CDBG funds used for individual economic development activities is appropriate relative to the benefit to the public from those activities.

HUD is waiving the individual standards at 24 CFR 570.209(b)(3) and 24 CFR 570.482(f)(4) and imposing the following alternative requirement. For activities subject to the public benefit standards, grantees must document that: a) the activity will create or retain at least one full-time equivalent, permanent job per \$85,000 of CDBG funds used; b) the activity will provide goods or services to residents of an area such that the number of LMI persons residing in the area served by the assisted businesses amounts to at least one LMI person per \$1,700 of CDBG funds used; or c) the assistance was provided due to business disruption related to coronavirus (in which case, no monetary standard applies because HUD has determined that there is sufficient public benefit derived from the provision of assistance to stabilize or sustain businesses in the grantee's jurisdiction that suffer disruption due to coronavirus, and that

facilitation of business assistance for this purpose may help to avoid complete economic collapse within the grantee's jurisdiction). This alternative requirement does not modify the requirements related to eligible activities and national objectives criteria.

#### *III.B.5.(f) Eligible Activities*

Grantees may use CDBG-CV funds only for those activities carried out to prevent, prepare for, and respond to coronavirus. By law, use of funds for any other purpose is unallowable. To satisfy these purposes, grantees may assist activities that respond to direct effects, such as the need to rehabilitate a building to add isolation rooms for recovering coronavirus patients. A grantee may also undertake activities to address indirect effects of the virus, such as the economic and housing market disruptions caused by social distancing measures and stay at home orders implemented to prevent the spread of coronavirus.

Some activities clearly tie back to the purposes of the CARES Act, such as public services, economic development and microenterprise assistance, public facilities, and the rehabilitation of private buildings to provide housing. However, HUD is not prohibiting grantees from carrying out any particular CDBG eligible activity described in the HCD Act and the part 570 regulations, because other CDBG eligible activities, such as acquisition, can justifiably be used to fulfill the CARES Act purposes depending upon the circumstances.

To remain consistent with the structure of a block grant program and the flexibility of CDBG to provide multiple avenues to achieve the purposes of the CARES Act, HUD is implementing the limitation that funds be used for the coronavirus-related purposes of the CARES Act by requiring grantees to document the use of funds to prevent, prepare for, and respond to coronavirus, rather than by expressly prohibiting grantees from undertaking any of the eligible activities described in the HCD Act. HUD cautions grantees that the recordkeeping

requirements of this notice require clear documentation that all uses of funds satisfy the statutory purposes of the CARES Act.

The current needs to prevent, prepare for, and respond to coronavirus may require use of CDBG-CV funds for uncommon activities. HUD is preparing a series of technical assistance products that describe opportunities to quickly deploy CDBG-CV funds to address immediate needs. As this technical assistance is developed, it will be posted on the CDBG-CV page on the [https://www.hud.gov/program\\_offices/comm\\_planning/cdbg\\_programs\\_covid-19](https://www.hud.gov/program_offices/comm_planning/cdbg_programs_covid-19).

When identifying eligible activities to be carried out with CDBG-CV funds, grantees can reduce the potential for duplication of benefits by designing activities that address needs not covered by other sources of financial assistance. More information on requirements to prevent the duplication of benefits is described in section III.B.9.

*III.B.5.(f)(i) Extension of Emergency Payments.* HUD is providing an alternative requirement to extend the period that grantees can make emergency grant payments on behalf of individuals and families. Normally, CDBG funds may not be used for income payments, which are not included among eligible activities in section 105(a) of the HCD Act for states, and which are expressly prohibited by 24 CFR 570.207(b)(4) in the Entitlement CDBG regulations. The phrase *income payments* means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage) or utilities, but excludes *emergency payments* made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.

Coronavirus has had a massive impact on families' ability to work for pay, make rent or mortgage payments, access or pay for food, clothing, and basic utilities, and access many other essential items and services. To help individuals and families address these challenges, HUD is

waiving section 105(a)(8) of the HCD Act and 24 CFR 570.207(b)(4) only to the extent necessary to establish the following alternative requirement: CDBG-CV funds may be used to provide emergency payments for individuals or families impacted by coronavirus for items such as food, clothing, housing (emergency rental assistance or mortgage assistance) or utilities for up to six consecutive months.

Emergency payments must be made to the provider of such items or services on behalf of an individual or family, and not directly to an individual or family in the form of income payments, debit cards, or similar direct income payments. CDBG-CV grantees must ensure that proper documentation is maintained to ensure that all costs incurred are eligible. Grantees using this alternative requirement must document, in their policies and procedures, how they will determine the amount of assistance to be provided is necessary and reasonable.

*III.B.5.(f)(ii) Opportunity Zones and Related Flexibilities for Economic Development.* To facilitate and expedite the use of grant funds for economic development during this time of extraordinary need, HUD is clarifying the existing requirements and adopting an alternative requirement that expands economic development activities that can be carried out with CDBG-CV funds. HUD is adopting this alternative requirement because the entitlement regulations at 24 CFR 570.203(b) describe some financing mechanisms for economic development, but do not provide an exhaustive list of the forms of support grantees can provide to private, for-profit businesses and to nonprofits for special economic development activities. Many economic development activities are carried out in conjunction with other forms of assistance and Federal tax-based programs that help provide additional sources of financing for economic development, particularly in LMI areas. HUD wants to facilitate the ability for grantees to use CDBG-CV funds to fill financing gaps that cannot be met by other sources and

quickly launch critical economic development projects, particularly in Opportunity Zones and other target areas, without taking the time to seek additional clarification from HUD on activity eligibility for individual projects.

First, this notice clarifies an existing requirement of economic development activities that grantees may carry out pursuant to 24 CFR 570.203(b) (entitlement) or section 105(a)(17) of the HCD Act (state). Grantees may provide assistance to an economic development project through a for-profit entity that passes the funds through a financing mechanism (e.g., Qualified Opportunity Funds and New Markets Tax Credit (NMTC) investment vehicles). The regulations at 24 CFR 570.203(b) already list forms of support by which grantees can provide assistance to private, for-profit businesses where the assistance is appropriate to carry out an economic development project. HUD has previously interpreted this provision to allow for CDBG assistance to NMTC investment vehicles. This clarification makes clear that such assistance through any financing mechanism (which is not limited to NMTC investment vehicles) is eligible under 24 CFR 570.203(b). The regulation also does not apply to states, but states may consider 24 CFR 570.203(b), as clarified by the following alternative requirement, as guidance in the same way that they may consider other Entitlement CDBG regulations.

HUD is not waiving 24 CFR 570.203(b) (entitlement) or section 105(a)(17) (state), and other statutory and regulatory requirements remain in place.

Second, this notice establishes an alternative requirement that expands the authority in section 105(a)(15) of the HCD Act and 24 CFR 570.204 to permit grantees subject to entitlement CDBG regulations to assist nonprofit organizations serving the development needs of their jurisdiction by carrying out community economic development projects through a financing mechanism. The nonprofit may pass assistance through a financing mechanism to another entity

based on the language in section 105(a)(15) of the HCD Act. Grantees subject to entitlement regulations must document that the assisted nonprofit is serving the development needs of the jurisdiction and that the assistance is used for a community economic development project that is necessary to prevent, prepare for, and respond to coronavirus.

*III.B.5.(f)(iii) Public Services Cap.* The CARES Act provides that notwithstanding section 105(a)(8) of the HCD Act (42 U.S.C. 5305(a)(8)), there shall be no per centum limitation for the use of funds for public services activities to prevent, prepare for, and respond to coronavirus. The CARES Act provides this flexibility for all CDBG-CV funds and CDBG funds appropriated in fiscal years 2019 and 2020 to the extent that grantees use these funds to carry out public service activities to prevent, prepare for, and respond to coronavirus.

Following enactment of the CARES Act, the public services cap described in section 105(a)(8) of the HCD Act and 24 CFR 570.201(e) has no effect on CDBG-CV grants. Program income generated by the use of CDBG-CV funds is given special treatment, as discussed in III.B.6.(a). Therefore, notwithstanding the provisions of section 105(a)(8) of the HCD Act, program income is not a consideration for purposes of determining the amount of CDBG-CV funds that can be expended on public services. The calculation of the public services cap for fiscal year 2020 and 2019 annual formula CDBG grants is discussed in section IV.B.4.(a).

*III.B.5.(f)(iv) Other Public Services Considerations.* HUD reminds grantees to comply with other requirements in section 105(a)(8) of the HCD Act, and for grantees subject to entitlement CDBG regulations, 24 CFR 570.201(e). Namely, CDBG-CV funds may only be used for those public service activities that are new or that represent a quantifiable increase above the level of an existing service that has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the state



in which it is located) in the 12 calendar months before the submission of the action plan, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government.

Additionally, grantees are reminded that the purchase of personal property and equipment is generally ineligible. However, the entitlement CDBG regulation at 24 CFR 570.207(b)(1) (which may be used as guidance by state grantees), allows grantees to purchase or to pay depreciation in accordance with 2 CFR part 200, subpart E, for personal property, fixtures, and equipment when necessary when such items constitute all or part of a public service. Examples of use of equipment that constitute all or part of a public service include equipment and supplies owned by the grantee or subrecipient that provides the public service, e.g., ventilators or other medical equipment and supplies that will be used in providing health care at a field clinic, or a vehicle outfitted with medical equipment to provide mobile health care.

*III.B.5.(f)(v). Clarification on Application of Requirements in 2 CFR part 200.* In response to the coronavirus pandemic, the Office of Management and Budget (OMB) released two memoranda that allow Federal agencies to grant exceptions to some requirements under 2 CFR part 200, the *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*. HUD reminds grantees that the flexibilities in these memoranda do not automatically apply to grantees. HUD has not approved class exceptions to 2 CFR part 200 for CDBG-CV grants or CDBG grants, so the requirements in 2 CFR part 200 continue to apply.

The OMB memoranda were for limited purposes and were not intended to cover all grantees and activities. The March 9, 2020 memorandum, M-20-11, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel*

*Coronavirus (COVID-19)* (available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-11.pdf>), allows Federal agencies to grant class exceptions in instances where the agency has determined that the purpose of the Federal awards is to support the continued research and services necessary to carry out the emergency response related to COVID-19. The March 19, 2020 memorandum, M-20-17, *Administrative Relief for Recipients and Applicants of Federal Financial Assistance Directly Impacted by the Novel Coronavirus (COVID-19) due to Loss of Operations* (available at <https://www.whitehouse.gov/wp-content/uploads/2020/03/M-20-17.pdf>) allows HUD to make class exceptions for an expanded scope of recipients affected by the loss of operational capacity and increased costs due to the COVID-19 crisis. OMB indicated that it would reassess the authority granted by these memoranda within 90 days.

### *III.B.6. Other Program Requirements*

#### *III.B.6.(a) Program Income*

To expedite use of grant funds, HUD is clarifying the requirements for CDBG-CV grants on the treatment of program income at 24 CFR 570.504 (entitlement) and 24 CFR 570.489(e)-(f) (state) that is generated by the use of CDBG-CV funds. The receipt and expenditure of program income that is generated by the use of CDBG-CV funds shall be treated as annual formula CDBG program income and recorded as part of the financial transactions of the annual formula CDBG grant program. This clarification will facilitate expenditures of CDBG-CV grant funds for their intended purpose, while continuing to maintain appropriate controls on the use of program income.

#### *III.B.6(a)(i) Use of program income before annual formula CDBG grant funds.*

Any program income generated from the use of CDBG-CV funds will be received in HUD's

Integrated Disbursement and Information System (IDIS) as program income to the annual formula CDBG grant program.

*III.B.6(a)(ii) Inapplicability of float-funded activities.* Based on the treatment of income generated from the use of CDBG-CV funds as annual formula CDBG program income, HUD is waiving 24 CFR 570.301(b) and section 104(h) of the HCD Act for CDBG-CV grants. HUD is imposing the following alternative requirement: grantees shall not use CDBG-CV funds for float-funded activities or guarantees.

*III.B.6(a)(iii) Retention of program income by subrecipients.* A grantee may permit subrecipients (including units of general local government receiving funds from a state) to retain program income from the use of CDBG-CV funds under this paragraph if the amount held does not exceed the subrecipient's projected cash needs for CDBG activities including activities to prevent, prepare for, and respond to coronavirus.

*III.B.6.(b) Rules Applicable to State CDBG-CV Grants*

The paragraphs in this section apply only to State CDBG-CV grantees.

*III.B.6.(b)(i) Direct Action by States.* The waivers and alternative requirements in this section and in sections III.B.6.(b)(ii)-(iv) permit a state grantee to use a portion of its funds to act directly to carry out activities through employees, contractors, and subrecipients in all geographic areas within its jurisdiction, including entitlement areas and tribal populations. HUD is issuing the waivers and alternative requirements in this section based in part on information in requests from states and in part to implement provisions of the CARES Act that permit grant funds allocated to states to be used in entitlement areas.

HUD has determined that this waiver and alternative requirement will facilitate and expedite the use of CDBG-CV funds by supporting states in their roles as significant

coordinators of statewide and regional activities to prevent, prepare for, and respond to coronavirus. Additionally, these waivers and alternative requirements are designed to reduce administrative costs and streamline the delivery of assistance by maintaining a single set of grant requirements for all CDBG-CV allocations.

These waivers and alternative requirements are only available to a state if it complies with the following alternative requirements in this paragraph and in III.B.6.(b)(ii)-(iv):

*Nonentitlement set aside:* A state must set aside a portion of its grant for use by nonentitlement units of general local government. The nonentitlement set aside must be no less than an amount equal to the state's first CDBG-CV allocation and may be from any portion of the state's additional CDBG-CV allocation. This limitation is imposed for consistency with the CDBG-CV formulas, which include a direct allocation to entitlement areas and to states on behalf of nonentitlement areas to prevent, prepare for, and respond to coronavirus. The nonentitlement set aside fulfills the intent reflected by the formula to address needs in urban and rural areas, while giving states the flexibility to determine how to expend each allocation as it is made based on needs within its jurisdiction.

*Inclusion in CDBG-CV Application:* A state's proposal to act directly and to distribute or use CDBG-CV funds in entitlement areas must be published for public comment in its application for CDBG-CV funds or in a subsequent substantial amendment to the annual action plan that includes the CDBG-CV funds.

*Activities carried out in tribal areas:* A state grantee may carry out activities in tribal areas. States carrying out projects in tribal areas through employees, contractors, or subrecipients must obtain the consent of the Indian tribe with jurisdiction over the tribal area.

*Other conforming changes:* Requirements at section 106(d) of the HCD Act (42 U.S.C. 5306(d)) and 24 CFR 570.480(g) are waived to the extent necessary to allow a state to use its CDBG-CV funds for eligible activities that the state carries out directly. The standard at 24 CFR 570.480(c) and the provisions at section 104I(2) of the HCD Act (42 U.S.C. 5304(e)(2)) are modified to also include activities that the state carries out directly. Section 106(d) of the HCD Act is not otherwise waived, except as provided in this notice.

A state may carry out eligible activities directly, consistent with the entitlement program requirement of 24 CFR 570.200(f), through its employees, through procurement contracts, or through assistance provided under agreements with subrecipients. Pursuant to section 102(c) of the HCD Act, one or more public agencies may be designated by the chief executive officer of a state to undertake activities assisted under this chapter. A state is responsible for ensuring that CDBG-CV funds are used in accordance with all program requirements. The use of interagency agreements, subrecipient agreements (including agreements with Indian tribes and designated public agencies, as described in section III.B.6.(b)(ii)) or contracts does not relieve the state of this responsibility. States are responsible for determining the adequacy of performance under subrecipient agreements and procured contracts, and for taking appropriate action when performance problems arise. State grantees continue to be responsible for civil rights, labor standards, and environmental protection requirements, for compliance with all applicable requirements, including conflict of interest provisions in 24 CFR 570.489(g) and (h).

The national objective criteria in 24 CFR 570.483 are modified by the following alternative requirement when states carry out activities directly: the state must fulfill all requirements that 570.483 imposes on units of general local government to demonstrate compliance with national objective criteria.

The recordkeeping requirements at 24 CFR 570.490(b) are waived when states carry out activities directly, and the following alternative requirement shall apply: the state shall establish and maintain such records as may be necessary to facilitate review and audit by HUD of the state's administration of CDBG-CV funds, under 24 CFR 570.493. Consistent with applicable statutes, regulations, waivers and alternative requirements, and other Federal requirements, the content of records maintained by the state shall be sufficient to: (1) enable HUD to make the applicable determinations described at 24 CFR 570.493; (2) make compliance determinations for activities carried out directly; and (3) show how activities funded are consistent with the descriptions of activities proposed for funding in the CDBG-CV application. For fair housing and equal opportunity (FHEO) purposes, as applicable, such records shall include data on the race, ethnicity, and sex of persons who are applicants for, participants in, or beneficiaries of the activity.

The change of use of real property rule at 24 CFR 570.489(j) is modified to include instances when a state carries out activities directly. All references to "unit of general local government" shall be read as "state, unit of general local government (UGLG) or state subrecipient."

To include instances when a state carries out activities directly, 24 CFR 570.492 is waived and the following alternative requirement applies: the state shall make reviews and audits, including on-site reviews of any subrecipients and local governments, as may be necessary or appropriate to meet the requirements of section 104(e)(2) of the HCD Act, as amended. In the case of noncompliance with these requirements, the state shall take such actions as may be appropriate to prevent a continuance of the deficiency, mitigate any adverse effects or

consequences, and prevent a recurrence. The state shall establish remedies for noncompliance by any subrecipients or local governments.

To include instances when a state carries out activities directly in accordance with the waiver in this paragraph, 24 CFR 570.489(g) is modified to revise the requirement that “[t]he state shall establish requirements for procurement policies and procedures for units of general local government” so that it applies to “units of general local government and subrecipients.” To facilitate grant administration by adopting state-wide procurement policies, a state agency designated to oversee the use of all its CDBG-CV funds pursuant to section 102(c) of the HCD Act may impose its procurement requirements on all uses of CDBG-CV funds by the state, including by other state agencies that administer a portion of the CDBG-CV grants, so long as those requirements comply with 24 CFR 570.489(g).

*III.B.6.(b)(ii) Use of Subrecipients by States (Including Nonprofits and Tribes).*

HUD is adopting the following alternative requirement that shall apply when states carry out activities directly: states carrying out activities through subrecipients must comply with 24 CFR 570.489(m) relating to monitoring and management of subrecipients. The definition of subrecipient at 24 CFR 570.500(c) applies when states carry out activities through subrecipients, and the requirements of 24 CFR 570.489(g) (as modified by section III.B.6.(b)(i)) shall apply.

For purposes of this alternative requirement, the definition of subrecipients at 24 CFR 570.500(c) is modified to expressly include Indian tribes. Indian tribes that receive CDBG-CV funding from a state grantee must comply with the Indian Civil Rights Act (Title II of the Civil Rights Act of 1968, 25 U.S.C. 1301 et seq.). This conforming requirement is necessary because the state CDBG regulations do not anticipate states distributing funds through means other than a method of distribution to units of general local government.

*III.B.6.(b)(iii) Activities Carried Out by States in Entitlement Areas.* The provisions of 24 CFR 570.486(c) are waived to the extent that they allow States, either directly or through units of general local government, to use CDBG-CV funding for activities located in entitlement areas without contribution from the entitlement jurisdiction, consistent with the waiver and alternative requirements in sections III.B.6.(b)(i) and (ii). HUD is granting this waiver to facilitate and expedite the use of grant funds for consistency and ease of administration by granting the same geographic flexibilities to all allocations of CDBG-CV funds, since they will be administered under a single grant.

*III.B.6.(b)(iv) Use of the “upper quartile” or “exception criteria” for LMI area benefit activities.* Section 105(c)(2)(A) of the HCD Act authorizes HUD to permit an exception to the LMI area benefit national objective criteria that are normally satisfied when at least 51 percent of the population of an area are persons of low and moderate income. HUD is clarifying how this “exception criteria” applies when State CDBG-CV grantees carry out activities in entitlement jurisdictions as authorized by section III.B.6.(b)(iii). If the area in which the activity is carried out would benefit from the “exception criteria” that permit a grantee to use a percentage less than 51 percent to qualify activities under the LMI area benefit criteria, those exception criteria apply to the use of CDBG-CV funds by a state the same way that they apply to the use of CDBG funds by the entitlement grantee in the same area. CDBG-CV grantees are required to use the most recent data available in implementing the exception criteria. For more information on the data set, please visit <https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-exception-grantees/>.

*III.B.6.(b)(v) Elimination of State Administrative Match.* To expedite the use of CDBG-CV funds, HUD is waiving the requirement for matching state administrative funds,



subject to the requirements of section III.B.6.(b)(vi) below. Requiring states to match administrative funds may considerably slow down the expenditure of CDBG-CV funds in states struggling to accurately project and adjust their budgets given the challenges caused by coronavirus. The requirements at 42 U.S.C. 5306(d)(3)(A) and 24 CFR 570.489(a) are waived to the extent necessary to eliminate the state match requirement for general administrative costs.

*III.B.6.(b)(vi) Cap on State Administrative Costs and Technical Assistance.*

Pursuant to 24 CFR 570.489(a)(3)(iii), a state and its funded units of general local government and subrecipients are, in aggregate, permitted to expend no more than 20 percent of the CDBG-CV grant for planning, management, and administrative costs. Under 42 U.S.C. 5306(d)(5) and (6) and 24 CFR 570.489(a)(1) a state may not directly use more than \$100,000 plus 3 percent of its annual grant for administrative and technical assistance costs combined. HUD is waiving 42 U.S.C. 5306(d)(5) and (6) and 24 CFR 570.489(a)(1) and establishing an alternative requirement that a state may use up to 7 percent of its CDBG-CV grant combined for general administration and technical assistance costs; of that 7 percent, a state may use up to 5 percent of CDBG-CV funds for general administration costs and up to 2 percent of the grant for technical assistance activities. The remainder of the amount may be used by units of general local government for administrative and technical assistance costs, provided that a state and its funded units of general local government and subrecipients expend no more than 20 percent of the CDBG-CV grant for planning, management, and administrative costs. A grantee must meet this alternative requirement over the life of its grant, as amended to incorporate additional allocations of CDBG-CV funds.

CDBG-CV grant funds shall not be used to pay planning and program administrative costs allocable to another grant under the CDBG annual formula program; however, CDBG-CV

funds may be used to pay costs that benefit both the CDBG-CV grant and another CDBG award and can be distributed between the grants in proportions that may be reasonably approximated.

*III.B.6.(b)(vii) Procurement.* Except as described in section III.B.6. to accommodate states acting directly, this notice does not modify procurement requirements at 24 CFR 570.489(g) for state grantees. As discussed above, the local procurement policies and procedures that apply to the use of annual formula CDBG grant funds may not be nimble enough to accommodate this urgent need to quickly procure goods and services necessary to carry out eligible activities. HUD recommends that CDBG-CV grantees review their existing procurement policies to explore the potential use of state or local waiver authority and emergency procedures that may expedite procurement processes.

Additionally, if the grantee plans to use CDBG-CV grants to carry out eligible activities that satisfy non-Federal cost share requirements under section 105(a)(9) of the HCD Act, the grantee should consider modifying procurement policies to authorize grantees to use procurement policies and procedures of the agencies paying the Federal cost share of the activity, to the extent that those policies and procedures are consistent with the procurement requirements on the use of CDBG-CV funds. Modifying procurement policies to allow the use of procurement requirements imposed by other Federal grants is easier for state grantees, but entitlement grantees that anticipate use of a substantial amount of CDBG-CV funds to satisfy non-Federal cost share may also be able to adopt a similar provision where the other Federal granting agency imposes the procurement requirements in 2 CFR part 200.

*III.B.6.(c) Rules for Entitlements, Insular Areas, and Nonentitlement Hawaii Counties*

*III.B.6.(c)(i). Administrative and Planning Cost Caps.* To expedite the use of grant funds, HUD is waiving requirements of 24 CFR 570.200(g) that are inconsistent with the

treatment of program income in section III.B.6.(a) and the treatment of CDBG-CV funds as a standalone grant. The following alternative requirement applies to grants subject to subpart D (entitlement grants and grants to the nonentitlement counties of the State of Hawaii): no more than 20 percent of the total CDBG-CV grant shall be expended for planning and program administrative costs, as defined in 24 CFR 570.205 and 24 CFR 570.206, respectively. There is no program year obligation test for planning and administrative costs of CDBG-CV grants. Additionally, CDBG-CV funds shall not be included in the compliance determination of the program year obligation test applicable to annual formula CDBG funds. Additionally, program income, regardless of the source funding of the activity that generated the income, shall be included in the compliance determination of the administrative and planning cost cap applicable to annual formula CDBG grants and program income, separately from CDBG-CV funds.

CDBG-CV grant funds shall not be used to pay planning and program administrative costs allocable to another grant under the CDBG annual formula program; however, CDBG-CV funds may be used to pay costs that benefit both the CDBG-CV grant and another CDBG award and can be distributed between the grants in proportions that may be reasonably approximated.

#### *III.B.6.(d) Compliance with Environmental Review Requirements*

*III.B.6.(d)(i). Overview of Environmental Review Requirements.* Environmental regulations at 24 CFR 58.22 prohibit CDBG grantees, a recipient, and any other participant in the development process from committing HUD or non-HUD funds to a project until the environmental compliance review process has been successfully completed or until receipt of the Authority to Use Grant Funds, if applicable. In addition, neither a recipient nor any participant in the development process may commit non-HUD funds on or undertake an activity or project if the activity or project would have an adverse environmental impact or limit the choice of reasonable

alternatives. Therefore, it is very important for grantees to begin and complete any required environmental compliance review as soon as possible. Grantees are urged to contact their Field Environmental Officer for more information about environmental review requirements.

*III.B.6.(d)(ii) Clarifying note on the process for environmental release of funds when a State carries out activities directly.* Usually, a state distributes CDBG funds to local governments and takes on HUD's role in receiving environmental certifications from the grant recipients and approving releases of funds. Under the waiver and alternative requirement in paragraph III.B.6.(b), HUD will allow a State CDBG-CV grantee to carry out activities directly in addition to distributing funds to subrecipients. Thus, per 24 CFR 58.4, when a state carries out activities directly, the state must submit the Certification and Request for Release of Funds to HUD for approval.

*III.B.6.(d)(iii) Clarifying note on emergency environmental review procedures.* HUD's environmental review regulations in 24 CFR part 58 include two provisions that may be relevant to environmental review procedures for activities to prevent, prepare for, and respond to coronavirus. The first is 24 CFR 58.34(a)(10), which provides an exemption for certain activities undertaken in response to a national or locally declared public health emergency. Except for the applicable requirements of 24 CFR 58.6, a responsible entity does not have to comply with the requirements of part 58 or undertake any environmental review, consultation or other action under NEPA and the other provisions of law or authorities cited in 24 CFR 58.5 for exempt activities or projects consisting solely of exempt activities. Exempt activities include assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from imminent threats to public safety.

The second is a streamlined public notice and comment period in the regulation at 24 CFR 58.33, which may apply in some cases for emergency activities undertaken to prevent, prepare for, and respond to coronavirus. The application of these two provisions following a presidentially-declared or locally-declared public health emergency is discussed in the Notice, *Guidance on conducting environmental review pursuant to 24 Part 58 for activities undertaken in response to the public health emergency as a result of COVID-19* (CPD-20-07) posted at <https://www.hud.gov/sites/dfiles/OCHCO/documents/2020-07cpdn.pdf>.

### *III.B.6.(e) Compliance with Labor Laws*

CDBG-CV grants are subject to the Davis-Bacon prevailing wage requirements imposed by section 110(a) of the HCD Act. HUD cannot waive this or other labor laws. Under regulations of the Department of Labor (DOL) at 29 CFR 1.6(g), where Federal assistance is not approved prior to contract award (or the beginning of construction if there is no contract award), Davis-Bacon wage rates apply retroactively to the beginning of construction and must be incorporated retroactively in the contract specifications. However, if there is no evidence that the owner intended to apply for the CDBG-CV assistance prior to the contract award or the start of the construction, HUD may request that DOL allow prospective, rather than retroactive, application of the Davis-Bacon wage rates. DOL may allow prospective application of Davis-Bacon requirements where it finds that it is necessary and proper in the public interest to prevent injustice or undue hardship and it finds no intent to apply for the federal assistance before contract award or the start of construction. The CDBG-CV Grantee should contact a HUD Labor Relations Specialist if such a situation arises.

*III.B.6.(f) Relationship to Section 108 Loan Guarantees*

Under the Section 108 Loan Guarantee Program, CDBG grantees can borrow up to five times their most recent CDBG grant by issuing federally guaranteed notes. To ensure that CDBG-CV funds are used for the purposes authorized by the CARES Act, HUD is issuing the following alternative requirement to sections 108(b) and (c) of the HCD Act (42 U.S.C. 5308(c)): CDBG-CV funds shall not be factored into a grantee's Section 108 borrowing authority.

A grantee may use CDBG-CV funds to make a direct payment of principal, interest, or any fees due under a Section 108 note only if the use of funds is to prevent, prepare for, and respond to coronavirus. The necessity of such use shall be documented by the grantee or the subrecipient that provided the assistance (e.g., if Section 108 funds were used by the grantee to provide assistance to a for-profit business in the form of a loan and the business is unable to make a payment due to the reduction in revenue caused by coronavirus, any restructuring of that loan must be supported by modification to loan documents that document the relationship to coronavirus). When CDBG-CV funds are used to subsidize or replace principal, interest, or fees due under a loan previously made with guaranteed loan funds as part of an activity to assist a for-profit or a subrecipient, and the CDBG-CV assistance is necessary to respond to the impact of coronavirus (e.g., a third-party business borrower whose loan is the intended source for repayment of a Section 108 loan is not collecting sufficient revenue due to local public health conditions), the documentation that the original assisted activity satisfies national objective criteria shall be sufficient to demonstrate that the use of the guaranteed loan funds and the additional CDBG-CV assistance meet a CDBG national objective.

This alternative requirement does not limit the Secretary's authority under section 108I of the HCD Act.

### *III.B.7. Period of Performance, Timeliness, and Closeout*

#### *III.B.7.(a) Period of Performance*

CDBG-CV grantees must expend all CDBG-CV funds (including CDBG-CV funds from additional allocations that are obligated by HUD through amendments to the grant agreement) within the 6-year period of performance established by the CDBG-CV grant agreement. HUD is imposing this period of performance to ensure the use of CDBG-CV funds to prevent, prepare for, and respond to coronavirus. The CDBG regulations at 24 CFR 570.200(k) and 24 CFR 570.480(h) permit HUD to establish a period for expenditure and performance in a grant agreement that is shorter than the normal 8-year period. HUD is exercising its authority to establish a 6-year period of performance and expenditure deadline in the CDBG-CV grant agreement. Grant funds are not available for expenditure after the period of performance. In addition, to further ensure the expedited use of the funds, HUD is imposing an alternative requirement that each grantee must expend at least 80 percent of all CDBG-CV funds (including CDBG-CV funds from additional allocations that are obligated by HUD through amendments to the grant agreement) no later than the end of the third year of the period of performance established by the CDBG-CV grant agreement. If this three-year requirement is not met, and evidence meeting the criteria for extension described in section III.B.7.(c) below is not provided, an amount equivalent to the difference between the total amount expended at the end of the third year and 80 percent of all CDBG-CV funds will be recaptured from the CDBG-CV grant.

*III.B.7.(b) Timeliness*

CDBG-CV grants are available for limited purposes under the CARES Act. They are subject to a shortened period of performance. Under section III.B.6.(a), program income generated by the use of CDBG-CV funds is treated as program income to a grantee's annual formula CDBG program. For these reasons, HUD is waiving to the extent necessary to allow HUD to determine that every grantee has circumstances beyond its reasonable control the timely performance enforcement actions found at 24 CFR 570.902 (entitlement timely expenditure), and 24 CFR 570.494 (state timely distribution). CDBG-CV funds will not be included in determining compliance with the requirements of 24 CFR 570.902 and 570.494. However, as program income to the grantees' annual formula CDBG programs, income generated from CDBG-CV activities will be included in timely expenditure compliance determinations for each entitlement grantee's annual formula CDBG program. Grantees should consider the potential effects of additional program income to compliance with timeliness requirements applicable to their annual formula CDBG grant program when they select and design CDBG-CV assisted activities.

*III.B.7.(c) Closeout*

To facilitate the use of grant funds in a timely manner, HUD is waiving the CDBG closeout regulations at 24 CFR 570.509 for grantees subject to entitlement regulations and imposing an alternative requirement that HUD will close out grants in accordance with grant closeout requirements of 2 CFR 200.343. This approach is consistent with the state regulation at 24 CFR 570.489(o). This will help all grantees to expend grant funds within a short timeframe designed to maximize the ability of CDBG-CV funds to prevent, prepare for, and respond to



coronavirus. Grantees subject to this alternative requirement must submit all financial, performance, and other reports as required by 24 CFR 91.520.

In general, HUD expects all grantees to comply with all grant requirements and fully close out a grant at the end of the period of performance. However, HUD recognizes that there are many things that could disrupt a grantee's intended timeline for activity completion: litigation, disasters, limited construction seasons due to weather, or other extenuating circumstances. Therefore, HUD may authorize an extension of the three-year expenditure requirement or the overall period of performance if the grantee provides evidence of such extenuating circumstances that would warrant the extension and that they could demonstrate they would meet all program requirements within the extended expenditure period or period of performance.

HUD may consider, in closing out CDBG-CV grants, any requirements that remain applicable after closeout. These may include authority for HUD to monitor the recipient's compliance and performance after the closeout of the award with respect to requirements that are applicable after closeout, and HUD may take findings of noncompliance into account, with the closeout process, as unsatisfactory performance of the recipient, in the consideration of any future grant made under title I of the HCD Act. Examples of requirements that may survive closeout include: (i) closeout costs (e.g., audit costs) and costs resulting from contingent liabilities described in the closeout agreement; (ii) use of real property assisted with CDBG funds in accordance with program regulations; (iii) taking measures that are adequate to enforce and implement mandatory flood insurance coverage requirements; and (iv) other provisions included in the grant closeout agreement.

### *III.B.8. Reporting*

The reporting requirements that apply to the use of annual formula CDBG grants also apply to CDBG-CV grants. Section 104(e) of the HCD Act requires that the Secretary shall, at least on an annual basis, make such reviews and audits as may be necessary or appropriate to determine whether the grantee has carried out its activities in a timely manner, whether the grantee's activities and certifications are carried out in accordance with the requirements and the primary objectives of the HCD Act and other applicable laws, and whether the grantee has the continuing capacity to carry out those activities in a timely manner.

#### *III.B.8.(a) General Reporting Requirements*

Reporting requirements for CDBG-CV grantees can be found at 42 U.S.C. 12708(a), 24 CFR 91.520, 24 CFR 570.507 (entitlement), 24 CFR 570.440(j) (insular areas), and 24 CFR 570.491 (state).

#### *III.B.8.(b) Additional CARES Act Reporting*

Section 15011 of the CARES Act requires that recipients of \$150,000 or more of CARES Act funding submit, not later than 10 days after the end of each calendar quarter, a report containing: information regarding the amount of funds received; the amount of funds obligated or expended for each project or activity; a detailed list of all such projects or activities, including a description of the project or activity; and detailed information on any subcontracts or subgrants awarded by the recipient. As outlined in OMB memorandum M-20-21, *Implementation Guidance for Supplement Funding in Response to the Coronavirus Disease (COVID-19)* (available at <https://www.whitehouse.gov/wp-content/uploads/2020/04/Implementation-Guidance-for-Supplemental-Funding-Provided-in-Response.pdf>), existing reporting requirements are anticipated to meet the requirements of Section 15011, but the content and

format for this reporting is still under development and will need to be reviewed against current program practices. The Department will work in coordination with OMB to ensure that this requirement can be fulfilled by recipients of CARES Act funding in a manner that utilizes to the greatest extent possible existing reporting streams, providing the necessary transparency and accountability with minimal additional burden. If additional reporting is necessary, further advice or technical assistance will be provided by the Department.

### *III.B.9. Duplication of Benefits*

The CARES Act requires HUD to ensure that there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Stafford Act, as amended by section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115-254; 42 U.S.C. 5121 et seq.).

Duplication of benefits occurs when Federal financial assistance is provided to a person or entity through a program to address losses resulting from a Federally-declared emergency or disaster, and the person or entity has received (or would receive, by acting reasonably to obtain available assistance) financial assistance for the same costs from any other source (including insurance), and the total amount received exceeds the total need for those costs.

A grantee is required to develop and maintain adequate procedures to prevent a duplication of benefits that address (individually or collectively) each activity or program. A grantee's policies and procedures are not adequate unless they include, at a minimum: (1) a requirement that any person or entity receiving CDBG-CV assistance (including subrecipients and direct beneficiaries) must agree to repay assistance that is determined to be duplicative; and (2) a method of assessing whether the use of CDBG-CV funds will duplicate financial assistance

that is already received or is likely to be received by acting reasonably to evaluate need and the resources available to meet that need.

Most CARES Act assistance programs have more limited durations for availability of assistance or a more limited scope of eligible activities or entities than does CDBG-CV. HUD strongly encourages each CDBG-CV grantee to become familiar with the range of available assistance and uses and apply its more flexible CDBG-CV assistance to unmet needs or to gaps, with special attention to the coronavirus response, prevention, or preparation needs of LMI persons.

HUD will provide advice and technical assistance to grantees to facilitate compliance with this requirement.

#### *III.B.10 Citizenship Requirements*

Please note that the U.S. Department of Homeland Security, U.S. Citizenship and Immigration Services provides that the Immigration Reform and Control Act, 8 U.S.C. 1324a et seq. prohibits employers from hiring and employing an individual for employment in the U.S. knowing that the individual is not authorized with respect to such employment. This generally applicable law also applies to CDBG grantees and their subrecipients and/or contractors/subcontractors (including relating to employees recruited under Section 3). For more information, please see <https://www.uscis.gov/i-9-central/form-i-9-resources/handbook-for-employers-m-274/10-why-employers-must-verify-employment-authorization-and-identity-of-new-employees> and <https://www.uscis.gov/i-9-central/legal-requirements-and-enforcement>.

#### *IV. Fiscal Year 2019 and Fiscal Year 2020 CDBG Grants*

##### *IV.A. General Requirements*

Except as described in this notice or other applicable waivers and alternative requirements, the statutory and regulatory provisions governing the CDBG program apply to fiscal year 2019 and 2020 CDBG grants, including regulations at 24 CFR part 570 subpart I (states), 24 CFR part 570 subparts A, C, D, E, J, K, and O (entitlements), and 24 CFR subpart F (insular areas and Hawaii counties).

#### *IV.B. Flexibilities, Waivers, and Alternative Requirements*

The following rules, waivers, and alternative requirements apply to fiscal year 2019 and 2020 CDBG grants. These include statutory authorities included in the CARES Act and other waivers and alternative requirements or clarifications that HUD is making for fiscal year 2019 and 2020 grants.

##### *IV.B.1. Timeliness*

Because of the coronavirus many local governments are operating under extenuating circumstances and may need additional time for certain administrative requirements, HUD is suspending for fiscal year 2020 all corrective actions, sanctions, and informal consultations for timeliness effective January 21, 2020. Grantees are advised that this suspension does not eliminate the timely expenditure requirements set forth in 24 CFR 570.902 (entitlements). HUD will continue to run expenditure reports and will continue to notify grantees of deficiencies.

Based on government restrictions, closures, shelter-in-place orders, and social distancing guidance related to coronavirus, HUD has determined that all entitlement grantees have factors beyond their reasonable control that, to HUD's satisfaction, impact the carrying out of CDBG-assisted activities in a timely manner. As a result, HUD has determined that corrective actions related to timeliness are not appropriate at this time. HUD will monitor changing conditions. Before the end of the fiscal year, HUD will determine whether to extend this suspension for all

or a portion of fiscal year 2021. HUD may consider regional and local conditions when determining when to begin scheduling informal consultations.

*IV.B.2. Consolidated Plan, Citizen Participation, and CAPER*

*IV.B.2.(a) Expedited Citizen Participation and Virtual Hearings.*

Section III.B.4.(a) of section III apply to all fiscal year 2019 and 2020 annual formula CDBG grants, regardless of the use of funds. This section describes the program flexibilities provided by the CARES Act related to Expedited Citizen Participation and Virtual Hearings. Where this section refers to CDBG-CV funds, it shall apply equally to fiscal years 2019 and 2020 CDBG grants.

*IV.B.2.(b) Deadline to Submit Consolidated Plans and FY 2020 Annual Action Plans.*

The deadline for grantees to submit action plans and other updates to their consolidated plans submissions for fiscal years 2019 and 2020 to include CDBG-CV funds is August 16, 2021.

*IV.B.2.(c) CAPER Extension.*

On May 7, 2020, Acting Assistant Secretary John Gibbs issued a memorandum to all Community Planning and Development Field Office Directors, Deputy Directors and Program Managers with the subject “Availability of a Waiver and Alternate Requirement for the Consolidated Annual Performance and Evaluation Report (Performance Report) for Community Planning and Development (CPD) Grant Programs in Response to the Spread of Coronavirus.” This memorandum authorized a waiver of the regulatory requirement at 24 CFR 91.520(a) that grantees submit a performance report known as the Consolidated Annual Performance and Evaluation Report (CAPER) within 90 days of the end of a jurisdiction’s program year. The waiver was granted under HUD’s regulatory waiver authority at 24 CFR 5.110 and 24 CFR

91.600. Under this memorandum, for program year 2019 CAPERs, the requirement that grantees submit a performance report within 90 days after the close of a jurisdiction's program year is waived, subject to the condition that within 180 days after the close of a jurisdiction's program year the jurisdiction shall submit its performance report.

*IV.B.2.(d) Other Consolidated Planning Waivers*

HUD is temporarily waiving the requirement for consistency with the consolidated plan (requirements at 42 U.S.C. 12706 and 24 CFR 91.325(a)(5) and 91.225(a)(5)) when fiscal year 2019 and 2020 CDBG funds are used to prevent, prepare for, and respond to coronavirus, because grantees may not have considered the needs associated with this special purpose funding when developing their current consolidated plan strategic plan and needs assessment. In conjunction, HUD is temporarily waiving 42 U.S.C. 5304(e) to the extent that it would require HUD to annually review grantee performance under the consistency criteria. These waivers apply only until the grantee submits its next full (3-5 year) consolidated plan due after the 2020 program year.

HUD is imposing a related alternative requirement. The regulations at 24 CFR 91.225(b)(5) (entitlements) and 24 CFR 91.325(b)(5) (states) require grantees to certify that the housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan portion of the consolidated plan. Under this alternative requirement, grantees are not required to carry out the portions of their fiscal year 2019 and 2020 annual formula CDBG grants that are used to prevent, prepare for, and respond to coronavirus in a manner consistent with the certifications in 24 CFR 91.225(b)(5) and 24 CFR 91.325(b)(5), because HUD has changed the requirement related to consistency.

### *IV.B.3. Flexibilities that Apply to Coronavirus-Related Activities.*

The following flexibilities apply to all fiscal year 2019 and 2020 CDBG grants when those grants are used for activities to prevent, prepare for, and respond to coronavirus.

*IV.B.3.(a) Calculation of the Public Services Cap.* As described in paragraph III.B.5.(f)(iii), following enactment of the CARES Act, the public services cap described in section 105(a)(8) of the HCD Act and 24 CFR 570.201(e) has no effect on assistance available to the grantee for fiscal years 2019 and 2020, including the program income that would normally be included in the grantee's calculation of the program income cap for fiscal years 2019 or 2020, when the grantee uses CDBG grant funds to prevent, prepare for, and respond to coronavirus. For fiscal years 2019 and 2020, the cap shall still be calculated and shall apply to public service activities carried out for activities that do not prevent, prepare for, and respond to coronavirus. Additionally, CDBG-CV grant funds shall not be included in the public service cap compliance determination which is applicable to annual formula CDBG funds used for activities not related to coronavirus.

Program income generated by the use of CDBG-CV grants is considered program income to the grantee's annual formula CDBG program, as discussed in section III.B.6.(a).

The public services cap imposed by section 105(a)(8) of the HCD Act applies to "the amount of any assistance to a unit of general local government (or in the case of nonentitled communities not more than 15 per centum statewide) under this title *including program income*" (emphasis added). The CARES Act provision that removes the public services cap applies to all "activities to prevent, prepare for, and respond to coronavirus" for the CDBG-CV grants and fiscal year 2019 and 2020 annual formula CDBG grants. The activities for grants are described in each grantee's annual action plan required by 24 CFR 91.220 (entitlements), 24 CFR 91.320



(states), or 24 CFR 570.440 and 24 CFR 91.235 (insular areas). In these regulations, the activities for grants include activities carried out with grant funds and program income expected to be made available. Therefore, removing the cap in section 105(a)(8) of the HCD Act for activities to prevent, prepare for, and respond to coronavirus also removes the public services cap on the use of the program income, and removes the corresponding regulatory cap in 24 CFR 570.201(e) (entitlements) for CDBG-CV funds and fiscal year 2019 and 2020 funds used to prevent, prepare for, and respond to coronavirus.

Program income generated by the use of CDBG-CV grants is considered program income to the grantee's annual formula CDBG program, as discussed in section III.B.6.(a).

Additionally, program income, regardless of the source funding of the activity that generated the income, shall be included in the compliance determination of the public service cap applicable to the annual formula CDBG grants and program income, separately from CDBG-CV funds. For purposes of calculating the public services cap, the treatment of program income generated by the CDBG-CV grant and received (i.e., documented in IDIS) by the annual formula CDBG program shall be considered as any other program income received by the annual formula CDBG program.

*IV.B.3.(b) Provisions in Section III that apply to Coronavirus-Related Activities.*

The following provisions in Section III apply to the use of fiscal year 2019 and 2020 CDBG funds for activities to prevent, prepare for, and respond to coronavirus; these provisions shall also apply to the use of Section 108 guaranteed loan funds when they are used together with fiscal year 2019 and 2020 CDBG funds for activities to prevent, prepare for, and respond to coronavirus. Where these paragraphs refer to CDBG-CV funds, they shall apply equally to fiscal years 2019 and 2020 CDBG grants.

- III.B.5.(d)(i) Use of Urgent Need National Objective.
- III.B.5.(d)(ii) Modification of Location-Based Presumption of LMI Benefit for Job Creation and Retention National Objective Criteria.
- III.B.5.(d)(iii) LMI Job Creation and Retention Records.
- III.B.5.(e)(i) Elimination of Aggregate Public Benefit Test.
- III.B.5.(e)(ii) Modification of Individual Public Benefit Standards.
- III.B.5.(f)(i) Extension of Emergency Payments.
- III.B.5.(f)(ii) Opportunity Zones and Related Flexibilities for Economic Development.
- III.B.5.(f)(iii) Public Services Cap.
- III.B.5.(f)(iv) Other Public Services Considerations.
- III.B.5.(f)(v) Clarification on Application of Cost Principles.
- III.B.6.(d)(iii) Clarifying note on emergency environmental review procedures.
- III.B.9. Duplication of Benefits (applies for programs and activities with annual formula CDBG funds when the grantee uses these funds to carry out programs to respond to losses caused by disasters and emergencies).
- III.B.10. Citizenship Requirements.

*IV.B.4. Provisions That Do Not Apply to FY 19 and FY 20 Grants.*

Waivers and alternative requirements and other provisions in the following paragraphs of Section III do **not** apply to fiscal year 2019 CDBG Grants and fiscal year 2020 CDBG grants:

- III.A. Allocations of CDBG-CV Funds
- III.B.1. General Grant Requirements
- III.B.2. Responsible Use of CARES Act Funds
- III.B.3. Overview of Process to Receive CDBG-CV Grants

- III.B.4.(b) CDBG-CV Application Content and Submission
- III.B.5.(a) Use of Funds for CARES Act Purposes
- III.B.5.(b) Reimbursements
- III.B.5.(c) Terms and Conditions Made Applicable by the CARES Act
- III.B.5.(d)(iv) Overall Benefit to LMI Persons.
- III.B.6.(a) Program Income
- III.B.6.(b) Rules Applicable to State CDBG-CV Grants
- III.B.6.(c) Rules for Entitlements, Insular Areas, and Nonentitlement Hawaii Counties
- III.B.6.(d)(ii) Clarifying note on the process for environmental release of funds when a state carries out activities directly.
- III.B.6.(e) Compliance with Labor Laws
- III.B.6.(f) Relationship to Section 108 Loan Guarantees
- III.B.7. Period of Performance, Timeliness, and Closeout
- III.B.8. Reporting

**PAPERWORK REDUCTION ACT:**

The information collection requirements in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2506-0085. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

**CATALOG OF FEDERAL DOMESTIC ASSISTANCE:**

The Catalog of Federal Domestic Assistance numbers for the CDBG-CV grants under the CARES Act are: 14.218 (Community Development Block Grants/Entitlement Grants); 14.225





*"...meeting community needs...enhancing quality of life."*

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October 7, 2020

Members of the Common Council and Community  
City of Appleton  
Appleton, Wisconsin

Dear Fellow Appletonians,

Enclosed is the 2021 Budget and Service Plan, which is the result of the efforts of the City's leadership team and especially on the part of Finance Director Tony Saucerman, Deputy Finance Director Jeri Ohman, Budget Manager John Hoft-March, Enterprise Accounting Manager Kelli Rindt, and Purchasing Manager Jeff Fait. I am grateful for the hard work of this team in developing and executing our budget each year. This Budget, as in years past, seeks to provide context about the City's planned expenditures in the coming year and about our provisional capital plans for the years ahead.

COVID-19 has affected, and will continue to affect, nearly every aspect of City operations, however, we have worked hard to maintain services even as the pandemic wears on. The 2021 Budget acknowledges areas where we can reasonably expect revenue to be down and builds on past years' careful planning, which has helped us weather the economic effects of the pandemic thus far. In anticipating challenges ahead, we have also worked to contain expenses in our departmental operating budgets wherever possible.

The 2021 Budget maintains a steady staffing plan. If COVID-19 has taught us anything, it is just how critical City services are to all members of our community. Our employees have taken operational adjustments in stride, with many shifting their work locations, hours, and approaches to ensure continuous service to Appleton residents. I, along with the leadership team and the people of Appleton are grateful for the extraordinary efforts of our employees. While the Budget is showing the early economic impact of the pandemic and associated mitigation, we have included a modest wage increase pool for our employees and anticipate flat healthcare costs (as a reminder, Appleton has a self-funded health plan, meaning we pay for the medical claims of our employees and families).

We enjoy the quality of life we do today because of our shared commitment to investing in our community and taking pride in our services, infrastructure, and facilities. The 2021 Budget and

Service Plan represents a continuation of the work of the City of Appleton to maintain and enhance, wherever possible, our community for the good of our residents.

## **CAPITAL PLANNING**

One of my priorities is ensuring sound fiscal management and stewardship of our community's resources. The previous year's 2020 Budget and Service Plan included a 5-year capital plan that placed the City on an unsustainable trajectory for our outstanding total general obligation (G.O.) debt – in fact, that budget projected total outstanding G.O. debt exceeding the City's guideline of outstanding G.O. debt not greater than 40% of the legal limit in the coming fiscal year. To that end, I have worked with the leadership team to adjust the 5-year capital plan to stay within the limit and to begin to flatten our borrowing over time. Moving forward, we will also be rethinking our capital planning process to ensure responsible debt management over time. This has been, and will continue to be, one of our most challenging budgetary tasks, but it is essential for the long-term financial health of our municipality.

Part of what makes the task of controlling G.O. debt so challenging is that we have been pushed by State levy limits to borrow for infrastructure projects. While significant City facility projects tend to garner the most attention, the creep of borrowing-for-infrastructure continues to escalate as 54.1% of our planned projects in the current 5-year capital plan relate to infrastructure. While I intend to advocate for more sensible State policies that do not force municipalities to saddle themselves with onerous debt service obligations (which make projects even more expensive by adding interest and administrative fees on top), we must work within the parameters at hand, and that will be an area of continued emphasis in future budgets.

The 2021 Budget proposes over \$34 million in essential infrastructure projects. Also included is the initial phase of the Appleton Public Library building project, which will proceed with \$2.4 million dedicated to the design and development of construction documents. Unlike previous spending on the Library building project, which was conceptual in nature, our work in 2021 will lead directly to the implementation of a project to redesign the Library on its current site in downtown Appleton. Other Capital Improvement Program investments are described later in this letter.

## **DEBT SERVICE**

General obligation debt service costs continue their upward trend in the 2021 Budget and flattening this trend will be a major point of emphasis as we move forward into future budget years. Debt service payments on the City's investment in past projects such as the Erb Park and Pool renovations, the renovation of Jones Park, the improvements to the South Oneida Street Bridge, the deconstruction of the Blue Parking Ramp, the construction of the Lawe Street Trestle Trail, and the purchase of select CEA equipment, as well as other infrastructure and facility improvements, continue to expand the City's debt service needs. While these worthwhile projects were necessary to maintain existing City assets and improve the quality of life for residents, in order to stabilize the contributions we are asking from our taxpayers, we must strike a balance between the cost of future capital improvements and the resulting financial effect of those projects on them.

For the 2021 Budget, total general obligation debt service costs are scheduled to be \$11,046,519, an increase of \$1,566,478 over the 2020 budgeted payments of \$9,480,041. The property tax levy necessary to support this increase rose \$1,896,629 (23.8%) from \$7,955,245 in the 2020 Budget to \$9,851,874 in 2021, resulting in the debt service portion of the total tax levy increasing from 17.2% to 20.3%.

Total general obligation debt outstanding at December 31, 2020 is projected to be \$75,221,000 compared to \$67,540,875 outstanding at December 31, 2019, an increase of \$7,680,125. However, despite the increase in outstanding debt, the City is well below its legal debt limit of \$310,015,560 as well as the City's guideline of 40% of this amount of \$124,006,224.

For 2021, \$17,845,343 in general obligation notes are expected to be issued to fund various capital projects in the areas of infrastructure (\$8,800,343), facility construction and improvements (\$7,195,000), equipment (\$575,000), and parks and trails (\$1,275,000). A complete list of anticipated debt-financed projects for 2021 can be found in the "Five Year Plan" section of this budget.

### **CONTINGENCY FUNDS**

- All unused contingency funds in the Unclassified section of the budget are again anticipated to be carried over from 2020 to 2021. Estimated balances in the contingency funds available for carryover at the conclusion of 2020 include:
  - State Aid Contingency \$812,267
  - Operating Contingency \$402,298
  - Fuel Contingency \$137,315
  - Wage Reserve \$1,189,564
- Included in the Unclassified section of the 2021 Budget is the addition of \$250,000 to the wage reserve for wage increases for City staff not covered by collective bargaining agreements.

### **COMMUNITY AND ECONOMIC DEVELOPMENT**

In support of the updated Comprehensive Plan 2010-2030 and the Economic Development Strategic Plan's primary goals and key strategies, the Community and Economic Development Department's 2021 Budget contains \$66,000 to support local and regional community economic development activities. The Budget also provides funding for the continued management of the Southpoint Commerce and the Northeast Business Parks, and the Department continues to be a source of information and support to businesses, not-for-profit organizations, and the community.

Tax Incremental Financing Districts 11 and 12 (TIF 11 and TIF 12), which are located on the east and west ends of the downtown, are the City's newest districts and have generated several development projects to date. The 2021 Budget provides continued funding for the successful Business Enhancement Grants program for businesses within these districts. The grants are intended to encourage rehabilitation of properties, eliminate blight, increase property values, and improve the overall appearance of the areas. In support of these goals, \$42,000 has been included in both the TIF 11 and TIF 12 budgets for this grant program.

Additionally, funds have been allocated in the TIF 11 budget for professional services to help facilitate the ongoing discussions with US Venture to potentially bring their new headquarters to downtown Appleton.

Finally, in the City's role as lead fiscal and administrative agent, in collaboration with our local non-profit partners, this budget continues to promote the application for, and allocation of, State and Federal grant funding to benefit low to moderate income (LMI) persons in need of housing rehabilitation, emergency shelter, transitional housing, and homeless prevention and diversion services.

## **FISCAL**

- General fund expenditures totaled \$65,332,397 in the 2021 Budget, an increase of \$713,390 or 1.10% over the 2020 Budget. Total general fund revenues also increased from \$64,393,207 in the 2020 Budget to \$65,332,397 in the 2021 Budget, an increase of \$939,190 or 1.46%. The revenue increase is attributable mainly to the allowable increase in the property tax levy as well as an increase in the State's allocation of transportation aids.
- The general fund tax levy increased \$517,000, or 1.43%, to \$36,600,000 in the 2021 Budget. At the same time, the tax levy for debt service increased \$1,896,629, or 23.8%, to \$9,851,874. Overall, the tax levy for the City is expected to increase \$2,360,629, or 5.11% in 2021. This increase is within State-imposed levy limits.
- Tax Rates – The City's equalized value increased 5.89% to \$6,200,311,200 in 2020. The City's estimated assessed values grew a more modest 1.06%. Applying the 2020 total estimated assessed value (excluding TIDs) of \$5,524,042,160 to the tax levy results in the following projected assessed tax rates:
  - Outagamie County – \$8.78, an increase of 43 cents, or 5.15%
  - Calumet County – \$8.81, an increase of 52 cents, or 6.32%
  - Winnebago County – \$8.89, an increase of 47 cents, or 5.61%

On an equalized value basis, the tax rate is projected to be \$8.26, an increase of 4 cents, or .51%.



## UTILITIES

- Water – The budget includes \$20,000 for the continuation of a risk assessment required by the Environmental Protection Agency (USEPA) and \$125,000 for the continuation of a corrosion control study; both projects started in 2020. The meter operations budget includes \$110,000 for the purchase of new meters. New meters are needed for residential and multi-family development, and for replacement of some of the larger meters that are coming to the end of their useful lives. Additionally, this budget includes \$8,280,000 for construction of a new raw water supply main between the Lake Station and the Treatment Facility. The existing 42-inch main that was constructed in 1970 will be retained and will provide a redundant source of water. Water Utility infrastructure improvements planned for 2021 include \$3,900,000 for the replacement of aging distribution and transmission mains and \$2,000,000 for new transmission and distribution mains on the northside of Appleton. Significant maintenance projects planned for 2021 include the recoating of chemical tanks. There are no planned water rate increases for 2021.
- Wastewater – Due to the need to undertake several long-awaited large capital projects, along with a loss in revenue from a large industrial customer and a waste-hauling company, the Wastewater Utility contracted with an independent consultant in 2020 to review the Utility's financial condition and make recommendations to ensure the financial viability of future operations. In accordance with the recommendations from that study, the 2021 Budget includes an unavoidable rate increase in 2021 that reflects an approximate increase of 20% in overall revenues. As detailed in the study, the increase is proposed to go into effect on 1/1/2021 with actual increases, based on customer type, varying between 17% and 25%. The average residential customer will see a quarterly increase on the City Service Invoice of approximately \$13. Additionally, based on future financial projections, the study recommends annual rate increases of 4% in 2022 through 2025 in order to meet future cash flow needs.

While rate increases are never a popular option, due to a very successful receiving station waste-hauler program that generated a substantial alternate source of revenue over the past several years, coupled with the Utility's diligence in holding down operating expenses and prudent investment in capital improvements, the Utility has been able to maintain the same customer billing rates for over nine years, with the last rate adjustment occurring July 1, 2011. Additionally, as detailed in the rate study, even with the proposed rate increase, the Appleton Wastewater charges are still less than those charged by our neighboring communities.

The 2021 Budget also includes funds for the following projects at the Wastewater Treatment Facility: \$1,830,000 for three separate equipment improvement projects; \$750,000 for the first year of a three-year project to upgrade the Plant's belt filter presses; \$750,000 to replace all six secondary clarifier drive units, and \$330,000 for improvements to the hauled waste receiving station. Additionally, the budget includes \$800,000 for the first year of a multi-year project to provide additional sludge storage, \$2,300,000 for the continuation of a multi-year project to replace the aging electrical distribution system, and \$1,125,000 for various improvements to buildings

and grounds. Major maintenance projects in 2021 include interior building and pipe painting at the Treatment Facility. Wastewater Utility infrastructure improvements planned for 2021 include \$3,300,000 for the replacement of aging collection system infrastructure, and a \$1,800,000 joint project with Outagamie County to install new sewer mains on the northside which will provide service to Plamann Park.

- Stormwater – Continuing the implementation of the City’s Stormwater Management Plan, this budget dedicates \$3,700,000 to ongoing infrastructure improvements. There are no planned stormwater rate increases in 2021.

## **PERSONNEL**

No personnel changes were proposed by departments for the 2021 Budget, but the following were approved by Council during the course of 2020. Those were:

- Deleting a half-time time Library Clerk position, a half-time Library Page Clerk position, a full time Library Operations Clerk position, and creating the new position of Library Safety Coordinator,
- Addition of a grant-funded Coordinated Entry Specialist position in the Community and Economic Development Department to assist sub-grantee recipients of various housing and homeless grant programs in better serving their client populations, and
- Hiring of two additional part time bus drivers at Valley Transit to provide additional flexibility in staffing routes and limit the need for drivers’ overtime.

## **CAPITAL IMPROVEMENT PROGRAM**

Highlights of the remainder of the 2021 Capital Improvement Projects (CIP) are as follows:

- Maintaining and improving public infrastructure remains a top priority of the City as this budget invests over \$10.5 million in road, bridge, and sidewalk improvement projects. Additionally, as previously discussed, approximately \$15.7 million is planned to be invested in water distribution, sewer collection, and stormwater management infrastructure improvements.
- To ensure the condition, safety, and longevity of City facilities and properties, the 2021 Budget includes investments in the following areas: \$1,500,000 for improvements to the common spaces at City Hall including the removal of the outdated escalator between the fifth and sixth floors and the installation of a stairway, as well as upgrades to the Community and Economic Development and Assessors offices; \$900,000 to replace the HVAC system including infrared heaters, controls, and roof-top units at the Municipal Services Building (MSB) as well as \$475,000 to install an array of roof-top solar panels which are projected to replace 51% of the need for electric service provided by the utility; \$300,000 to replace the forced-air furnaces, condensing units and controls at Fire Stations #2 and #3, replace the roof on Fire Station #2, and update

the flooring at Fire Station #6; \$300,000 for planning and/or land acquisition for the eventual replacement of Fire Station #4. The current station, built in 1961, is no longer sufficient to house much of the newer fire apparatus and no longer meets the needs of the rapidly growing northside area; \$130,000 to install security fencing around the Police Station parking lot; \$275,000 to replace the elevator at the Red Parking Ramp, and \$185,000 to upgrade the lighting in the Green Parking Ramp; and \$300,000 for design and engineering services related to remodeling Valley Transit's Whitman Street bus garage.

- Improvements to our parks, trails and recreational facilities again played a major role in the formulation of the 2021 Capital Improvement Program. Investments in these areas included: \$700,000 to replace parking lot #3 (closest to the Ice Center and playground) at Appleton Memorial Park; \$650,000 for the design and first phase of the construction of the Edison (David and Rita Nelson River Crossing) Trail which will connect Ellen Kort Park to Olde Oneida Street; \$175,000 for lighting upgrades at Pierce Park; \$150,000 to replace the parking lot at Reid Golf Course; \$150,000 for interior and exterior improvements to the Scheig Center; \$125,000 to replace the roofs at Schaefer and Telulah Parks; \$100,000 to install new fencing and backstops to softball diamonds at Memorial Park; \$90,000 to replace playground equipment at Linwood Park; \$50,000 to perform a condition analysis and master plan for Mead Pool; \$50,000 to perform an ADA audit on all recreational facilities; \$40,000 to construct a fishing pier at lower Telulah Park; \$35,000 for design, permitting and other costs related to the construction of a pickleball complex; \$30,000 for design for the development of Lundgaard Park; and \$25,000 for design for the replacement of the vault and plumbing for the fountain at City Park.
- Investments in projects to support our information technology infrastructure include \$325,000 to fund a continuing multi-year project to replace the City's aging mainframe with an enterprise resource planning (ERP) system. This funding includes anticipated installation of the work order, inventory, fixed assets, and fleet and facilities management modules. Additionally, \$150,000 is included to upgrade the mobile data computers (MDCs) in Police squad cars in order to take advantage of the expanded capabilities of the computer aided dispatch (CAD) system at Outagamie County. This funding represents the final year of a three-year project to replace all squad car MDCs. Finally, \$100,000 is earmarked to replace our aging network firewalls, an essential component of our network security.
- Valley Transit equipment and vehicle needs are also addressed in this budget as \$2.5 million is earmarked for the purchase of five new buses for fixed route services. Through a State capital grant funded by a settlement with Volkswagen, 80% of the cost of the new buses will be funded by the State while the remaining 20% will be funded through Valley Transit's capital reserve. Additionally, \$50,000 has been included in this budget to replace outdated bus stop signs, and \$50,000 to replace a staff vehicle to be used for fixed route operations. Both of these projects will receive 80% capital funding from the State with the remaining 20% funded through Valley Transit's capital reserve.

## CONCLUSION

The 2021 Budget reflects our continued commitment to providing excellent services and a well-maintained community for the people of Appleton. In the coming fiscal year, and in years ahead, we will need to work diligently to prioritize our investments and programming to ensure financial sustainability. While we have taken immediate steps in this Budget to better align our expectations with our resources, we know that more work remains to be done.

Of course, none of this work would be possible without the dedication of the employees of the City of Appleton. I thank them for their commitment to our community, especially under the extraordinary circumstances of the present. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jacob A. Woodford', with a large, sweeping flourish extending to the right.

JACOB A. WOODFORD  
Mayor of Appleton

**CITY OF APPLETON 2021 BUDGET**

**COMMUNITY & ECONOMIC DEVELOPMENT**

**Director Community & Economic Development: Karen E. Harkness**

**Deputy Director Community & Economic Development: Monica N. Stage**

# CITY OF APPLETON 2021 BUDGET COMMUNITY & ECONOMIC DEVELOPMENT

## MISSION STATEMENT

The Community and Economic Development Department proactively fosters a healthy economy and a strong, welcoming community.

## DISCUSSION OF SIGNIFICANT 2020 EVENTS

\* Supporting the business and not-for-profit community during COVID-19 has been a priority. The department continues to work and communicate with the business community with efforts including social media, regular business retention visits, and partnerships with community organizations that help build relationships that benefit the City.

\* Industrial development saw a continued increase in 2020. New Morning Coffee Roasters completed construction of their new 20,000 square foot building in Southpoint Commerce Park. Custom Offsets completed construction of their new 20,000 square foot office building. Hayden Properties continues due diligence for approximately 50 acres under contract to purchase in Southpoint. Closing on Phase I (approx. 12.5 acres) is scheduled for September, 2020. CEDD staff also assisted DPW in acquiring the property at 3001 E. Glendale Avenue in the Northeast Business Park.

\* Downtown Appleton saw the construction of several new residential and mixed-use residential developments, furthering the City's goal of creating over 465 new residential units in the downtown per the City's Comprehensive Plan 2010-2030. The Gabriel Lofts, Avant, and Crescent Lofts projects used new construction, redevelopment and historic renovation to create a total of 122 new residential units, with 58 of those units at affordable rental rates per the WHEDA tax credit program. Staff continued collaboration with US Venture to construct their headquarters on the Bluff Site. Staff also continues to work with Milwaukee View on their redevelopment of the historic Zuelke Building, Tadych Investment on their mixed-use project at 320 E. College Avenue, Block 800 LLC on the redevelopment of 823-827 W. College Avenue for mixed-use, and several additional projects in various phases.

\* A Development Planning Option was completed with Merge Urban Development for the former Conway Hotel and former Blue Ramp sites. Due diligence is underway to evaluate a potential mixed-use development on those properties.

\* Business enhancement grants from TIF District #11 and TIF District #12 have been almost fully utilized as of July, 2020 with \$5,550 remaining in TIF #11 and \$2,825 remaining in TIF #12. These funds leveraged another \$253,010 in private investment in the downtown. Additionally, the Appleton Redevelopment Authority (ARA) allocated \$80,000 to a new Business Enhancement Grant Program to assist commercial property owners and tenants with façade and exterior improvements outside of the TIF #11 and TIF #12 program boundaries.

\* Staff collaborated with the City Attorney's Office and Inspection Division to update zoning ordinance standards to be consistent with the changes to Wisconsin's Local Land Use Enabling Laws (Zoning Board of Appeals and Variances, City Plan Commission and Common Council decisions on Special Use Permits, Nonconforming Manufactured Home regulations, revised and create new definition terms as needed), added new regulations for wineries, brewpubs, and distilleries consistent with industry standards and Wisconsin State Statutes, created new zero lot line duplex development standards, administrative parking variances, and site plan updates, removed self-storage from the C-2 district, amended C-1 zoning district to create a new and flexible mixed-use zoning district, and a number of other minor revisions to eliminate inconsistent, vague or confusing language to enhance "user friendliness" and "consistent administration/enforcement" of Zoning Ordinance. The Common Council approved these Zoning Ordinance text amendments, and they went into effect March 24, 2020.

\* Implementation of the Comprehensive Plan continued in 2020, with highlights that include redevelopment on the west and north ends of downtown, numerous amendments to the zoning ordinance, increased commercial development along the Richmond Street corridor, annexations and right-of-way dedications to facilitate new growth, and continued riverfront redevelopment.

\* During the second half of 2019 and the first half of 2020, the site plan review team has approved approximately 122 dwelling units, 28,200 square feet of industrial space, 67,500 square feet of office/commercial space, and a 22,300 square foot CBRF facility. The new multi-family units are located downtown and will fill a demand for downtown housing opportunities, with 58 of those units providing affordable housing for individuals and families with low to moderate incomes.

\* Staff facilitated and approved the Plamann Park, Broadway Hills Estates, and Trail View Estates South annexations, resulting in roughly 309 acres of land being annexed.

\* Staff anticipates approximately 238 single-family residential lots and approximately 24 two-family residential (duplex) lots will be platted in 2020.

\* Staff partnered with the East Central Wisconsin Regional Planning Commission (ECWRPC) in meeting a new statutory requirement for the preparation of a Housing Affordability Report and a Housing Fee Report. Both reports were completed in December, 2019. An annual update to the reports is anticipated for 2020.

\* Staff continued to work intently with the developer, Appleton Storage I, LLC, to bring development to the former K-mart site at 2400 W. College Avenue which has been vacant for over a decade. The special-use development agreement was approved by Council in 2018, and the site plan and certified survey map (CSM) have also been conditionally approved in 2020.

\* Implemented a new on-line scheduling for property owners which reduced incoming Assessor phone calls by about 65%. Other Assessor efficiencies were created by cleaning up and streamlining our property data, implementing advanced features of our assessment software, and improving our pricing model for more accurate home value estimates.

\* The City's equalized value increased by 6% in 2020 from \$5,855,356,700 to \$6,200,311,200 which was consistent with the Statewide gain of 6%.

\* Appleton GIS software provider (ESRI) is undergoing a major platform shift away from its long-term core program ArcMap to a new product called ArcPro. Migration to ArcPro by the core GIS staff has begun along with planning for the migration by other GIS users. The change will effect internal procedures, run nightly scripts, as well as increase demands on hardware to run the larger more powerful ArcPro.

\* GIS team provided on-going technical support for the COVID-19 pandemic, including creating the City of Appleton COVID-19 website, streamlining the process of updating graphics for social media posts and automated daily updates for website, as well as assisting staff with work from home technical issues

\* Staff organized two neighborhood sessions in spring and fall, providing informal "roundtable" discussions to share information about the neighborhood program and grants, and for peer sharing.

\* The newly formed Appleton Public Arts Committee approved 5 public art projects during the second half of 2019. Staff worked collaboratively with numerous City departments to amend the review process in order to streamline committee and Common Council action on the review, approval and installation of these projects.

# CITY OF APPLETON 2021 BUDGET COMMUNITY & ECONOMIC DEVELOPMENT

## MAJOR 2021 OBJECTIVES

- \* Implement the City's updated 2010-2030 Comprehensive Plan providing input to development proposals and initiating zoning code changes (when necessary and in compliance with State Statutes) as identified in the Plan.
- \* Continue creation, execution and implementation of the City's Economic Development Strategic Plan, primary goals and key strategies that will result in development within targeted districts of the City and enhance the business climate and vibrancy of the community.
- \* Contact at least forty businesses in the City with information on business assistance programs and City support.
- \* Attract development to the City that will result in substantial tax base enhancement; target the % increase of net new construction at the Statewide average each year.
- \* Sell a minimum of four acres of business park land.
- \* Continue the on-going process of amending the zoning ordinance and subdivision ordinance.
- \* Coordinate and increase communication and shared vision between the technical review group, City departments, Plan Commission, Community and Economic Development Committee, Historic Preservation Commission, registered neighborhoods, Appleton Redevelopment Authority, Appleton Public Arts Committee, Common Council and the community.
- \* Work with the development community, elected and appointed officials, neighborhoods, non-government organizations, businesses and other City departments to formulate development proposals that align with City plans, ordinances and policies, as well as recognized industry practices.
- \* Continue to allow easier access to the City's GIS system by expanding and creating mobile applications utilizing ArcGIS online/portal.
- \* Inspect an extra 2,000 or more homes in 2021 to update older property records for a future Citywide revaluation. Up-to-date property data provides for accurate assessed values. Deploy our new mobile assessment software in this process for faster updating and fully utilize our MLS data service to update property data on sold properties.
- \* Continue to be a source of information and support to businesses, not-for-profits and our community through COVID-19.
- \* Support the Mayor's Task Force on Economic Development Experience.

DEPARTMENT BUDGET SUMMARY							
Programs		Actual		Budget			%
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	Change *
<b>Program Revenues</b>		\$ 20,030	\$ 19,545	\$ 18,350	\$ 18,350	\$ 18,350	0.00%
<b>Program Expenses</b>							
15010	Administration	508,685	563,088	585,949	585,949	598,509	2.14%
15020	Planning	279,651	287,669	278,125	278,125	287,794	3.48%
15030	Marketing	149,586	130,494	173,819	200,344	177,312	2.01%
15040	New & Redevelopment	185,288	215,992	215,995	239,340	221,667	2.63%
15050	Assessing	567,128	581,806	590,080	590,080	610,624	3.48%
<b>TOTAL</b>		<b>\$ 1,690,338</b>	<b>\$ 1,779,049</b>	<b>\$ 1,843,968</b>	<b>\$ 1,893,838</b>	<b>1,895,906</b>	<b>2.82%</b>
<b>Expenses Comprised Of:</b>							
Personnel		1,588,176	1,667,315	1,685,250	1,685,250	1,738,542	3.16%
Training & Travel		15,764	14,699	16,800	16,800	17,100	1.79%
Supplies & Materials		17,984	18,984	24,289	24,289	22,024	-9.33%
Purchased Services		68,414	78,051	117,629	167,499	118,240	0.52%
<b>Full Time Equivalent Staff:</b>							
Personnel allocated to programs		16.87	16.97	16.97	16.97	16.93	

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

**Administration**

**Business Unit 15010**

**PROGRAM MISSION**

For the benefit of staff so that productivity, efficiency, product quality, delivery of service and job satisfaction are optimized, we will provide a healthy work environment including proper supervision, training, evaluation, coaching and support services to better the quality of life in Appleton.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategies #1: "Responsibly deliver excellent services", #2: "Encourage active community participation and involvement", #3: "Recognize and grow everyone's talents," #4: "Continually assess trends affecting the community and proactively respond", and #6: "Create opportunities and learn from successes and failures."

**Objectives:**

- Develop policies, procedures and processes, and perform required reporting for the department
- Continue to develop a standardized, coordinate-based and positionally accurate geographic information system (GIS) that meets the needs of all users
- Provide access to geographic and demographic information to City staff and, as appropriate, to the public

**Major changes in Revenue, Expenditures, or Programs:**

The Community Development Specialist's salary and fringe benefit costs are recorded in both this budget and in the Housing and Community Development Grants budget. The portion of the Specialist's salary and fringes reimbursable through the grant is charged to the grant budget while the remainder is charged here.

Printing costs include all copies made by City departments on the 5th floor color copier machine in Community and Economic Development.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Employee retention					
% staff turnover	0%	0%	0%	0%	0%
Accurate and useful information					
# of layers edited (GIS)	975	1,193	800	1,000	900
<b>Strategic Outcomes</b>					
Quality training to support staff performance					
% of training courses completed	100%	100%	100%	100%	100%
# of technical support calls/emails handled by GIS team		New measure →	500	700	600
<b>Work Process Outputs</b>					
Annual performance evaluations completed					
% complete	100%	100%	100%	100%	100%
Increase efficiency & effectiveness of City by using GIS					
# of GIS projects	460	362	250	275	250



**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

**Administration**

**Business Unit 15010**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
480100 General Charges for Svc	\$ 605	\$ 290	\$ 350	\$ 350	\$ 350
Total Revenue	<u>\$ 605</u>	<u>\$ 290</u>	<u>\$ 350</u>	<u>\$ 350</u>	<u>\$ 350</u>
<b>Expenses</b>					
610100 Regular Salaries	\$ 337,433	\$ 379,753	\$ 381,373	\$ 381,373	\$ 394,266
610500 Overtime Wages	1,448	1,549	-	-	-
615000 Fringes	137,710	149,329	164,482	164,482	166,284
620100 Training/Conferences	6,903	7,275	8,240	8,240	8,240
620600 Parking Permits	7,260	6,501	7,260	7,260	7,560
630100 Office Supplies	1,949	1,037	2,244	2,244	2,244
630200 Subscriptions	543	173	500	500	450
630300 Memberships & Licenses	3,012	2,545	3,200	3,200	3,200
630500 Awards & Recognition	181	312	270	270	285
630700 Food & Provisions	400	297	450	450	450
631500 Books & Library Materials	-	-	75	75	75
632001 City Copy Charges	8,200	9,725	13,550	13,550	11,550
632002 Outside Printing	804	1,459	-	-	-
632700 Miscellaneous Equipment	-	-	200	200	200
641200 Advertising	1,104	1,127	1,333	1,333	1,333
641307 Telephone	734	1,039	1,332	1,332	1,332
641308 Cellular Phones	1,004	967	1,440	1,440	1,040
Total Expense	<u>\$ 508,685</u>	<u>\$ 563,088</u>	<u>\$ 585,949</u>	<u>\$ 585,949</u>	<u>\$ 598,509</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

None

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

**Planning**

**Business Unit 15020**

**PROGRAM MISSION**

For the benefit of the entire community so that Appleton provides a balance between the community's growth needs and desires, thus ensuring an aesthetic and quality urban environment including those areas of historic value, we will provide planning, analysis, technical services and program/process coordination to assure citizen knowledge and interaction by complying with relevant codes, ordinances and regulations.

**PROGRAM NARRATIVE**

**Link to Key Strategies:**

Implements Key Strategies #2: "Encourage active community participation and involvement", #4: "Continually assess trends affecting the community and proactively respond," #6: "Create opportunities and learn from successes and failures", and #7: "Communicate our success through stories and testimonials".

**Objectives:**

- \* Provide timely services to the public, development community and other agencies; provide technical and administrative support to the Common Council, the Plan Commission, Community and Economic Development Committee, Appleton Public Arts Committee and the Historic Preservation Commission in matters relating to the comprehensive plan, neighborhood program, zoning and subdivision ordinances, annexations, rezoning, special use permits, historic building and site designations, historic certificate awards, zoning text amendments, future streets, subdivisions, site plan appeals, business licenses and public land dedications and discontinuances
- \* Encourage the continued economic development of the City by working with developers, their representatives and the general public to facilitate and expedite their requests for development approval or general planning assistance
- \* Improve and protect the health, safety and welfare of Appleton citizens consistent with the Appleton subdivision ordinance, zoning ordinance, comprehensive plan and policies adopted by the Common Council with good land use planning and zoning practices
- \* Continue to maintain effective and efficient procedures for meeting legal requirements that set forth the most expeditious time period in which planning and historic preservation applications must be processed
- \* Continue to coordinate the technical review group and site plan review process
- \* Continue to monitor and maintain all elements of the comprehensive plan and all sections of the zoning ordinance and subdivision ordinance and process all suggested and required amendments to the comprehensive plan, zoning ordinance, subdivision ordinance and land use plan map, zoning map and official street map
- \* Continue to implement the goals, objectives and policies of the statutory elements of the comprehensive plan
- \* Provide expertise and technical assistance in administering the City's neighborhood program including assisting residents in registering their neighborhood, marketing the program to City residents and working with Appleton residents, other City staff and outside agencies to leverage resources to help improve Appleton's neighborhoods

**Major changes in Revenue, Expenditures, or Programs:**

The \$300 formerly budgeted for Planning Awards as it relates to historic preservation projects has been incorporated into the Marketing and Business Services existing budget for economic development projects and initiatives.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Timely, accurate processing of applications					
% of applications processed within the timeframe per ordinance	100%	100%	100%	100%	100%
<b>Strategic Outcomes</b>					
High-quality development that aligns with City plans, ordinances, and policies, as well as recognized industry best practices					
# of development projects guided through the review process, resulting in approval	48	33	30	35	30
# of comp plan goals and objectives implemented	73	73	40	70	40
<b>Work Process Outputs</b>					
Services performed					
# of admin applications approved	353	431	425	425	425
# of commission applications approved	47	47	30	45	30
# of customers inquiries served	1,319	1,111	900	1,200	900
# of comp plan and ordinance amendments adopted	4	2	2	2	2
# of historic sites, buildings, districts recognized/researched	150	2	2	4	2
# of public art projects approved	New measure	5	3	3	3

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

Planning

Business Unit 15020

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
Revenues					
500200 Zoning & Subdivision Fees	\$ 19,425	\$ 19,255	\$ 18,000	\$ 18,000	\$ 18,000
Total Revenue	<u>\$ 19,425</u>	<u>\$ 19,255</u>	<u>\$ 18,000</u>	<u>\$ 18,000</u>	<u>\$ 18,000</u>
Expenses					
610100 Regular Salaries	\$ 196,393	\$ 206,138	\$ 207,479	\$ 207,479	\$ 215,799
615000 Fringes	83,246	81,531	70,346	70,346	71,995
620100 Training/Conferences	12	-	-	-	-
630500 Awards & Recognition	-	-	300	300	-
Total Expense	<u>\$ 279,651</u>	<u>\$ 287,669</u>	<u>\$ 278,125</u>	<u>\$ 278,125</u>	<u>\$ 287,794</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

None

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

**Marketing & Business Services**

**Business Unit 15030**

**PROGRAM MISSION**

For the benefit of Appleton's current and prospective businesses and developers, so that business assistance services are identified and conveyed, and Appleton is selected as the prime location for investment, we will provide information and expertise to address business issues and promote the community.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategies #2: "Encourage active community participation and involvement", #3: "Recognize and grow everyone's talents", #4: "Continually assess trends affecting the community and proactively respond," #6: "Create opportunities and learn from successes and failures", and #7: "Communicate our success through stories and testimonials."

**Objectives:**

- Continue to enhance the environment in Appleton to promote business and industry and attract investment
- Continue to examine ways in which City government can be improved to be more responsive, supportive and proactive to business needs
- Promote Appleton to the broader public, especially business and industry
- Conduct business retention visits
- Provide technical assistance for start-up and growing companies
- Assist and be responsive to prospective and established businesses and developers
- Promote the City's interest and develop positive relationships through active participation on various boards, committees and organizations
- Continue implementation of the Comprehensive Plan 2010-2030 and Economic Development Strategic Plan

**Major changes in Revenue, Expenditures, or Programs:**

The City's "% of Fox Cities equalized value" and the "% of Fox Cities net new construction" are new measures for 2021, replacing "# of businesses assisted" and "# of prospect information deliveries". Tracking Appleton's percentage of the Fox Cities represented by equalized value and comparing that to the City's percentage of the Fox Cities' net new construction represents the City's growth compared to the overall Fox Cities. Observation of equalized value and net new construction trends are important for long-term vitality of the City.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Attract Appleton's rate of net new construction					
City's % of Fox Cities equalized value	New measure	—————→		28%	28%
City's % of Fox Cities net new construction	New measure	—————→		20%	25%
<b>Strategic Outcomes</b>					
Appleton's economy grows and tax base enhanced					
% increase in net new construction	1.58%	1.35%	1.75%	1.16%	1.60%
<b>Work Process Outputs</b>					
Retention visit clients served					
# business retention visits/follow-ups	46	41	40	40	40

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

**Marketing & Business Services**

**Business Unit 15030**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
Expenses					
610100 Regular Salaries	\$ 78,802	\$ 80,340	\$ 80,021	\$ 80,021	\$ 83,052
615000 Fringes	26,309	25,442	27,798	27,798	28,260
643100 Interpreter Services	-	-	-	-	-
659900 Other Contracts/Obligation	44,475	24,712	66,000	92,525	66,000
Total Expense	<u>\$ 149,586</u>	<u>\$ 130,494</u>	<u>\$ 173,819</u>	<u>\$ 200,344</u>	<u>\$ 177,312</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Contracts/Obligations

Small business & workforce development initiatives	\$ 36,000
Fox Cities Regional Partnership support	30,000
	<u>\$ 66,000</u>

# CITY OF APPLETON 2021 BUDGET COMMUNITY & ECONOMIC DEVELOPMENT

**New and Redevelopment Projects**

**Business Unit 15040**

## PROGRAM MISSION

For the benefit of targeted businesses and/or developers so that desired development occurs, we will prospect, encourage, direct, negotiate, coordinate and secure development projects.

## PROGRAM NARRATIVE

**Link to City Goals:**

Implements Key Strategies #2: "Encourage active community participation and involvement", #4: "Continually assess trends affecting the community and proactively respond", and #6: "Create opportunities and learn from successes and failures".

**Objectives:**

Provide quality information and direction, as well as financial and technical assistance, to businesses seeking to expand or locate within the City

Act as ombudsman for developers pursuing investments in the City

Increase the commercial and industrial components' respective shares of the City's tax base, giving highest priority to redevelopment areas and tax incremental financing districts

Create developable parcels throughout the City, especially within the City's industrial and business parks, redevelopment districts, tax incremental financing districts and registered neighborhoods

Identify Brownfield sites within Appleton and, when feasible and appropriate, mitigate those sites to bring them back to community use

Plan and manage projects conducted to acquire land for industrial and business park expansion, provide necessary infrastructure to facilitate developments of raw land and secure the appropriate public approvals to allow development to occur

**Major changes in Revenue, Expenditures, or Programs:**

The "% change in equalized value" is a new measure for 2021, replacing "\$ increase industrial/commercial", "\$ increase in target districts", and "\$ business park permits". Tracking equalized value provides a more accurate measure of tax base enhanced than permit data as it takes into account tax exempt vs. non-exempt property. Permit data is based on estimates of cost prior to construction where equalized value represents actual values after properties are improved. Equalized % change is composed of both Net New Construction (of which the city has some control over) and an Economic Adjustment for the amount of real estate appreciation (of which the city has less control over).

## PERFORMANCE INDICATORS

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Assist in land assembly, development incentives, or project management					
# developments generated via direct management	9	13	5	15	12
# of improved business park acres	170	100	117	117	117
<b>Strategic Outcomes</b>					
Tax base enhanced					
% change in equalized value	4.2%	7.6%	New measure	5.9%	4.0%
<b>Work Process Outputs</b>					
# of acres sold in business park	15	6.7	4	12.5	4

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

**New and Redevelopment Projects**

**Business Unit 15040**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
Expenses					
610100 Regular Salaries	\$ 134,212	\$ 136,664	\$ 136,123	\$ 136,123	\$ 141,121
615000 Fringes	46,672	45,307	49,872	49,872	50,546
640400 Consulting Services	4,404	34,021	30,000	53,345	30,000
Total Expense	<u>\$ 185,288</u>	<u>\$ 215,992</u>	<u>\$ 215,995</u>	<u>\$ 239,340</u>	<u>\$ 221,667</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Consulting Services

Environmental assessments,  
site analysis, development  
due diligence, etc.

\$	30,000
<u>\$</u>	<u>30,000</u>

## CITY OF APPLETON 2021 BUDGET COMMUNITY & ECONOMIC DEVELOPMENT

**Assessing**

**Business Unit 15050**

### PROGRAM MISSION

The Appleton Assessor's Office, as a professional team, exists to maintain equitable market value assessments and serve as an informational resource to the community.

### PROGRAM NARRATIVE

**Link to City Goals:**

Implements Key Strategy #4: "Continuously assess trends affecting the community and proactively respond" and #6: "Create opportunities and learn from successes and failures".

**Objectives:**

Inspect an extra 2,000 or more homes in 2021 to update older property records for a future Citywide revaluation. Up-to-date property data provides for accurate assessed values. Deploy our new mobile assessment software in this process for faster updating and fully utilize our MLS data service to update property data on sold properties.

Continue to employ the more advanced features of our new Patriot assessment software for better data consistency

Develop future leaders for the Assessor's division as part of the City's succession planning initiative. Accomplish this through cross-training, advanced courses, assessor certification exams, and leadership development opportunities

**Major changes in Revenue, Expenditures, or Programs:**

Fewer interior building inspections were performed in 2020 as a COVID-19 precaution. Due to this, the percentage of new buildings inspected and the total number of interior inspections were lower than targeted.

The CEA charges for 2021 are increased from 2020 to reflect the significant increase in the number of home inspections to be completed in 2021.

### PERFORMANCE INDICATORS

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Equitable assessments and equitable distribution of tax levy:					
Assessment districts within 10% of market value	52%	100%	100%	93%	100%
Coefficient of dispersion of assessment/sale ratios	13%	7%	10%	7%	10%
# assessment errors resulting in inaccurate taxes	3	3	0	2	0
<b>Strategic Outcomes</b>					
Assessments accurately reflect market values:					
Residential class level of assessment	90%	99%	100%	96%	100%
Commercial class level of assessment	95%	97%	100%	94%	100%
Overall level of assessment	90%	98%	100%	95%	100%
<b>Work Process Outputs</b>					
Building Information updated:					
% Commercial new buildings inspected	100%	100%	100%	60%	100%
% Residential new buildings inspected	87%	90%	85%	66%	85%
% Sold buildings updated	25%	11%	35%	44%	50%
Total # of interior inspections citywide	604	352	900	450	2,500
Property record maintenance:					
Deeds processed (ownership changes)	2,617	2,363	2,300	1,750	2,000
Lot splits, CSM's, & new platted parcels	227	244	230	290	250
Annexed parcel(s)	11	4	5	28	10
Assessments updated	1,613	23,257	900	850	900



**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

Assessing

Business Unit 15050

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
Expenses					
610100 Regular Salaries	\$ 395,137	\$ 406,057	\$ 405,563	\$ 405,563	\$ 421,697
610500 Overtime Wages	2,476	3,304	1,300	1,300	1,352
615000 Fringes	148,336	151,901	160,893	160,893	164,170
620100 Training/Conferences	1,589	923	1,300	1,300	1,300
630200 Subscriptions	1,205	1,726	1,700	1,700	1,800
630300 Memberships & Licenses	330	330	400	400	350
632700 Miscellaneous Equipment	1,360	1,380	1,400	1,400	1,420
641308 Cellular Phones	1,441	1,440	1,440	1,440	1,000
642501 CEA Operations/Maint.	1,540	998	2,409	2,409	3,478
642502 CEA Depreciation/Replace.	1,763	1,658	1,575	1,575	1,557
659900 Other Contracts/Obligation	11,951	12,089	12,100	12,100	12,500
Total Expense	<u>\$ 567,128</u>	<u>\$ 581,806</u>	<u>\$ 590,080</u>	<u>\$ 590,080</u>	<u>\$ 610,624</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

None

**CITY OF APPLETON 2021 BUDGET  
COMMUNITY & ECONOMIC DEVELOPMENT**

	2018 <u>ACTUAL</u>	2019 <u>ACTUAL</u>	2020 <u>YTD ACTUAL</u>	2020 <u>ORIG BUD</u>	2020 <u>REVISED BUD</u>	2021 <u>BUDGET</u>
<b>Charges for Services</b>						
480100 General Charges for Service	605	290	295	350	350	350
500200 Zoning & Subdivision Fees	19,425	19,255	12,880	18,000	18,000	18,000
<b>TOTAL PROGRAM REVENUES</b>	<u>20,030</u>	<u>19,545</u>	<u>13,175</u>	<u>18,350</u>	<u>18,350</u>	<u>18,350</u>
<b>Salaries</b>						
610100 Regular Salaries	991,525	1,063,366	624,880	1,210,059	1,210,059	1,255,935
610200 Labor Pool Allocations	16,565	13,512	-	-	-	-
610500 Overtime Wages	3,924	4,853	694	1,300	1,300	1,352
611000 Other Compensation	500	500	500	500	500	-
611400 Sick Pay	1,973	-	-	-	-	-
611500 Vacation Pay	131,416	131,573	52,874	-	-	-
615000 Fringes	442,273	453,511	262,657	473,391	473,391	481,255
<b>TOTAL PERSONNEL</b>	<u>1,588,176</u>	<u>1,667,315</u>	<u>941,605</u>	<u>1,685,250</u>	<u>1,685,250</u>	<u>1,738,542</u>
<b>Training~Travel</b>						
620100 Training/Conferences	8,504	8,198	2,467	9,540	9,540	9,540
620600 Parking Permits	7,260	6,501	7,562	7,260	7,260	7,560
<b>TOTAL TRAINING / TRAVEL</b>	<u>15,764</u>	<u>14,699</u>	<u>10,029</u>	<u>16,800</u>	<u>16,800</u>	<u>17,100</u>
<b>Supplies</b>						
630100 Office Supplies	1,949	1,037	1,146	2,244	2,244	2,244
630200 Subscriptions	1,748	1,899	765	2,200	2,200	2,250
630300 Memberships & Licenses	3,342	2,875	2,191	3,600	3,600	3,550
630500 Awards & Recognition	181	312	-	570	570	285
630700 Food & Provisions	400	297	152	450	450	450
631500 Books & Library Materials	-	-	63	75	75	75
632001 City Copy Charges	8,200	9,725	3,562	13,550	13,550	11,550
632002 Outside Printing	804	1,459	184	-	-	-
632700 Miscellaneous Equipment	1,360	1,380	1,400	1,600	1,600	1,620
<b>TOTAL SUPPLIES</b>	<u>17,984</u>	<u>18,984</u>	<u>9,463</u>	<u>24,289</u>	<u>24,289</u>	<u>22,024</u>
<b>Purchased Services</b>						
640400 Consulting Services	4,404	34,021	-	30,000	53,345	30,000
641200 Advertising	1,104	1,127	648	1,333	1,333	1,333
641307 Telephone	734	1,039	614	1,332	1,332	1,332
641308 Cellular Phones	2,443	2,407	589	2,880	2,880	2,040
642501 CEA Operations/Maint.	1,540	998	224	2,409	2,409	3,478
642502 CEA Depreciation/Replace.	1,763	1,658	656	1,575	1,575	1,557
643100 Interpreter Services	-	-	-	-	-	-
659900 Other Contracts/Obligation	56,426	36,801	61,225	78,100	104,625	78,500
<b>TOTAL PURCHASED SVCS</b>	<u>68,414</u>	<u>78,051</u>	<u>63,956</u>	<u>117,629</u>	<u>167,499</u>	<u>118,240</u>
<b>TOTAL EXPENSE</b>	<u>1,690,338</u>	<u>1,779,049</u>	<u>1,025,053</u>	<u>1,843,968</u>	<u>1,893,838</u>	<u>1,895,906</u>

**CITY OF APPLETON 2021 BUDGET**

**HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Director Community & Economic Development: Karen E. Harkness**

**Deputy Director Community & Economic Development: Monica N. Stage**

# CITY OF APPLETON 2021 BUDGET

## HOUSING AND COMMUNITY DEVELOPMENT GRANTS

### MISSION STATEMENT

The primary goal of the City's Housing and Community Development Grant programs is the creation of a thriving urban community and improved quality of life in neighborhoods through provision of assistance to low-income households in the forms of affordable homeowner and rental housing opportunities, neighborhood education and revitalization projects.

### DISCUSSION OF SIGNIFICANT 2020 EVENTS

#### **Community Development Block Grant (CDBG & CDBG-CV)**

For the 2020-2021 award of \$592,072, \$258,198 was allocated as detailed below for City programs and \$333,874 was awarded through a competitive application process.

- Homeowner Rehabilitation Loan Program \$77,694
- Appleton Housing Authority \$75,000
- Fair Housing Services \$25,000
- CDBG Administration \$80,504

Additionally, as a direct response to the COVID-19 pandemic, the City was awarded CDBG-CV funds for the 2020-2021 program year in the amount of \$348,255 and allocated funds to community partners that will administer housing assistance, prevention and diversion programming, at-risk youth, and emergency shelter activities.

The 2019 CAPER was submitted as the fifth and final program year for the 2015-2019 Consolidated Plan. The 2020-2024 Consolidated Plan, including the 2020 Annual Action Plan and updated Analysis of Impediments, was submitted in March and approved by HUD in May.

The City's Affordable Housing Initiative project, awarded during the 2017PY in the amount of \$209,780, was reallocated as detailed below. Except for Habitat for Humanity's allocation (\$125,000), the reallocations were in direct response to the COVID-19 pandemic.

- Greater Fox Cities Habitat for Humanity \$125,000
- LEAVEN, Inc. \$28,260
- Pillars, Inc. \$28,260
- Salvation Army of the Fox Cities \$28,260

#### **Emergency Housing & Homeless Grant Program/Housing Assistance Programs Grant (EHH/HAP & ESG-CV)**

The City, in collaboration with Pillars Inc. and ADVOCAP, as well as new partners Harbor House, Salvation Army of the Fox Cities, and the Appleton Police Department, was successful in applying for Emergency Homeless and Housing (EHH) grant funds for the 2020-2021 program year. Additionally, as a direct response to the COVID-19 pandemic, the City was awarded an Emergency Solutions Grant (ESG-CV) for the 2020-2021 program year in the amount of \$325,000, and is a collaborative grant with Pillars, Inc.

For the 2020 program year, the City was successful in retaining two Housing Assistance Payment (HAP) grants through the Wisconsin Balance of State Continuum of Care (WIBOSCOC). The State HAP RRH and the State HAP RRH EXP programs were awarded in the amounts of \$25,000 and \$11,770, and will be collaborations between the City, ADVOCAP and Pillars, Inc.

#### **Continuum of Care Programs (CoC) #1 (RRH), #2 (RRH EXP), #3 (HP RRH) & #4 (CE-SSO)**

In 2019, the City, in collaboration with Pillars Inc, Salvation Army of the Fox Cities and ADVOCAP, was successful in renewing all three of the Rapid Re-Housing (RRH) program grants and obtaining a fourth CoC grant for the 2020 program year. The CoC CE-SSO grant is an administrative grant that supports the City's new Coordinated Entry Specialist role. This role is responsible for all Coordinated Entry duties in the Fox Cities Continuum of Care. All three CoC RRH grants operate October 1, 2020-September 30, 2021, while the CoC CE-SSO grant operates on a July 1, 2020-June 30, 2021 program year.

#### **Homeowner Rehabilitation Loan Program**

This program benefits the City of Appleton by improving residential properties where property owners were unable to obtain financing to make the improvements on their own. In 2020, the Homeowner Rehabilitation Loan Program is projected to rehabilitate 20-24 owner-occupied housing units and invest nearly \$400,000 in home improvement loans.

#### **Neighborhood Program (NP)**

Staff continues to promote competitive grant funds available to registered neighborhoods through the Neighborhood Grant Program (TNGP). We encourage Registered Neighborhoods to apply for grant funding to support identified initiatives such as surveys, fun runs, public spaces enhancements, etc.

In May 2020, staff organized and delivered the Neighborhood Program spring meeting, an informal "roundtable" discussion for neighborhood leaders, using a virtual meeting platform. In total, there were 13 participants representing seven (7) different neighborhoods. The fall Neighborhood Program meeting is anticipated for October 2020.

# CITY OF APPLETON 2021 BUDGET

## HOUSING AND COMMUNITY DEVELOPMENT GRANTS

### MAJOR 2021 OBJECTIVES

The following grant funded programs are intended to both benefit low- and moderate-income (LMI) households and eliminate slum and blight conditions in the City. Below are the specific objectives of each of these programs:

**Homeowner Rehabilitation Loan Program (HRLP)**

(Program Year: April 1 to March 31)

Improve Appleton's affordable single-family homes by rehabilitating 24 homes for LMI homeowners

**Neighborhood Program (NP)**

(Program Year: April 1 to March 31)

Award grants to the participating registered neighborhoods from CDBG and general funds based on the application criteria

**Community Development Block Grant (CDBG)**

(Program Year: April 1 to March 31)

Create and maintain decent and affordable housing opportunities for low-income residents  
 Strengthen community services by offering new and improved access for low-income residents  
 Expand economic opportunity through financial counseling and business revitalization activities  
 Improve various public facilities throughout Appleton to create better availability/accessibility

**Continuum of Care Rapid Re-Housing Grant (COC RRH) #1, #2, #3 and #4**

(Program Year: October 1 to September 30)

Provide for adequate and successful operation of transitional and permanent supportive housing programs  
 Provide for utilization of Housing First Model

**Emergency Housing & Homeless Grant/Housing Programs (EHH/HAP)**

(Program Year: July 1 to June 30)

Prevent homelessness among City of Appleton residents through housing counseling and financial assistance  
 Provide essential services and adequate facilities for transitional housing and rapid rehousing program participants utilizing the Housing First Model  
 Provide emergency shelter and associated services to persons experiencing homelessness

### DEPARTMENT BUDGET SUMMARY

Programs		Actual		Budget			%
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	Change *
<b>Program Revenues</b>		\$ 1,377,262	\$ 1,320,455	\$ 1,644,707	\$ 1,700,036	\$ 1,738,807	5.72%
<b>Program Expenses</b>							
2100	CDBG	362,839	487,936	499,520	519,520	561,334	12.37%
2140	Emergency Shelter	179,264	279,825	258,157	263,157	259,510	0.52%
2150	Continuum of Care	232,412	209,846	327,471	357,800	355,238	8.48%
2170	Homeowner Rehab Loan	588,188	419,111	450,906	450,906	454,072	0.70%
2180	Neighborhood Program	3,091	4,305	112,877	112,877	113,387	0.45%
<b>TOTAL</b>		\$ 1,365,794	\$ 1,401,023	\$ 1,648,931	\$ 1,704,260	\$ 1,743,541	5.74%
<b>Expenses Comprised Of:</b>							
Personnel		167,977	131,979	126,658	180,987	211,727	67.16%
Training & Travel		5,716	6,939	8,100	8,100	12,620	55.80%
Supplies & Materials		940	940	1,567	1,567	3,611	130.44% **
Purchased Services		4,273	11,467	11,520	12,520	11,690	1.48%
Miscellaneous Expense		1,186,888	1,249,698	1,501,086	1,501,086	1,503,893	0.19%
<b>Full Time Equivalent Staff:</b>							
Personnel allocated to programs		1.34	1.31	1.23	2.23	2.35	

\* % change from prior year adopted budget

\*\* 2021 increase due to onboarding costs of new Coordinated Entry Specialist position

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Community Development Block Grant**

**Business Unit 2100**

**PROGRAM MISSION**

In order to provide decent housing, create suitable living environments and expand economic opportunities for low-income persons, the City will administer the receipt and expenditure of Federal Community Development Block Grant (CDBG) proceeds for affordable housing rehabilitation, public facilities improvements, neighborhood revitalization projects, provision of public services and various other community development projects.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Key Strategy #2: "Encourage active community participation and involvement".

**Objectives:**

The creation of a thriving urban community through provision of assistance to low- and moderate-income (LMI) households in the forms of basic shelter, affordable housing opportunities, expanded economic opportunities, suitable living environments and supportive services related to residential, financial and social stability.

**Major changes in Revenue, Expenditures, or Programs:**

Revenues and expenditures associated with this program are subject to the final entitlement award amount, as well as the Community and Economic Development Committee and Common Council approval of CDBG subrecipient awards.

The 2020-2024 Consolidated Plan, which details strategic goals and outcomes for the next five years, has been approved and was effective April 1, 2020. In conjunction with the Consolidated Plan, the City's Analysis of Impediments to Fair Housing has been updated and approved, and a plan to address the impediments implemented.

The estimated award for the 2021-2022 program year is \$591,226. The allocation of the funds is as follows:

CDBG - Community Dev/Finance Admin	\$ 157,433*
Homeowner Rehab. Loan Program	<u>29,892</u>
	\$ 187,325
Awarded through competitive application process	<u>\$ 403,901</u>
Total estimated award	<u>\$ 591,226</u>

\* Includes requirement for Fair Housing Services and any allocation for Appleton Housing Authority.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Funding for community programs					
Annual Entitlement Amount (program yr.)	\$ 593,953	\$ 587,652	\$ 577,214	\$ 592,072	\$ 591,226
Percent of awards spent on projects	81.00%	96.00%	91.26%	73.28%	79.12%
Average award (not including program income)	\$ 42,720	\$ 51,135	\$ 52,676	\$ 61,982	\$ 51,976
<b>Strategic Outcomes</b>					
Maintain integrity of programs					
# of single-audit findings	0	0	0	0	0
# of HUD exceptions to annual action plan	0	0	0	0	0
# of HUD CAPER findings	0	0	0	0	0
Timely expenditure of funds					
Official HUD timeliness ratio (max. 1.5:1)					
Overall program	1.22:1	1.20:1	1.5:1	1.20:1	1.5:1
<b>Work Process Outputs</b>					
# of Block Grant awards made	10	11	10	7	9

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Community Development Block Grant**

**Business Unit 2100**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
421000 Federal Grants	\$ 372,349	\$ 489,021	\$ 499,520	\$ 519,520	\$ 561,334
Total Revenue	<u>\$ 372,349</u>	<u>\$ 489,021</u>	<u>\$ 499,520</u>	<u>\$ 519,520</u>	<u>\$ 561,334</u>
<b>Expenses</b>					
610100 Regular Salaries	\$ 35,639	\$ 24,090	\$ 14,676	\$ 27,866	\$ 35,500
615000 Fringes	14,829	6,471	3,741	10,551	14,846
620100 Training/Conferences	3,895	2,937	3,500	3,500	3,600
630100 Office Supplies	-	-	127	127	127
630300 Memberships & Licenses	940	940	940	940	940
632001 City Copy Charges	-	-	500	500	500
640100 Accounting/Audit Fees	500	5,650	1,560	1,560	1,460
641200 Advertising	228	364	400	400	400
641307 Telephone	39	48	60	60	60
659900 Other Contracts/Obligation	85	-	-	-	-
660800 Block Grant Payments	306,684	447,436	474,016	474,016	503,901
Total Expense	<u>\$ 362,839</u>	<u>\$ 487,936</u>	<u>\$ 499,520</u>	<u>\$ 519,520</u>	<u>\$ 561,334</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

**Block Grant Payments**

Appleton Housing Authority Award	\$ 75,000
Fair Housing Services	25,000
Awards and loans to community organizations and individuals for the benefit of low to moderate income (LMI) persons	403,901
	<u>\$ 503,901</u>

**Summary of the Appleton CDBG Allocation Process**

Each program year, administration costs, funding for fair housing requirements, the Homeowner Rehabilitation Loan Program, the Neighborhood Services Program and Appleton Housing Authority, plus any other City programs that qualify for CDBG funding are subtracted from the entitlement award amount to determine an adjusted dollar figure of CDBG funds available for subrecipient projects.

**CITY OF APPLETON 2021 BUDGET  
HOUSING, HOMELESS AND BLOCK GRANTS**

**Emergency Housing & Homeless Grant/Housing Assistance Programs (EHH/HAP)**

**Business Unit 2140**

**PROGRAM MISSION**

To promote efficient and cooperative use of resources by local non-profit agencies for the benefit of persons in need of emergency shelter, transitional housing and homeless prevention services in the City of Appleton and the greater Fox Cities region.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Key Strategy #2: "Encourage active community participation and involvement".

**Objectives:**

The purpose of this grant is to benefit persons in need of emergency shelter, transitional housing and homeless prevention services. Emergency Housing & Homeless Grant/Housing Assistance Programs (EHH/HAP) funds are disbursed by the Wisconsin Department of Administration via a competitive grant application process.

As the lead fiscal and administrative agent, the City of Appleton applies for EHH/HAP funding in collaboration with other local non-profit partners. The City serves as a pass-through for funding to local non-profit agencies that meet the niche requirements of the EHH/HAP program. In exchange for serving as the lead fiscal and administrative agent, the City of Appleton receives a small amount of funding for administration costs. The City uses some of the administration funds to support the Homeless Management Information System (HMIS), a statewide information exchange maintained by the Institute for Community Alliances as the lead organization for the State of Wisconsin.

EHH/HAP funds may be used in the following areas related to emergency shelter and housing programs: rapid re-housing programs, homeless prevention programs, emergency shelter programs, street outreach programs, HMIS, and administration costs. The shelter programs may include shelters for victims of domestic violence, runaway adolescents, and persons with disabilities, as well as generic shelter and transitional housing programs. Any city, county or private non-profit agency may apply for funding during the State's annual competition for EHH/HAP funding.

The current partner agencies receiving EHH/HAP funding are: Pillars, Inc. (formerly Housing Partnership of the Fox Cities, Homeless Connection and Fox Valley Warming Shelter), ADVOCAP, Salvation Army of the Fox Cities, Harbor House, and Appleton Police Department.

**Major changes in Revenue, Expenditures, or Programs:**

For the 2020 program year, the City was successful in retaining two Housing Assistance Payment (HAP) grants through the Wisconsin Balance of State Continuum of Care (WIBOSCOC). The State HAP RRH and the State HAP RRH EXP programs were awarded in the amounts of \$25,000 and \$11,770 and will be collaborations between the City, ADVOCAP and Pillars, Inc.

New partners joined the EHH grant collaboration, expanding to include services from Harbor House Domestic Violence Shelter, Salvation Army of the Fox Cities' Housing Retention Program, and the Appleton Police Department through the City's motel voucher program.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
\$ Grant Award ESG	\$ 222,432	\$ 217,200	\$ 218,734	\$ 202,430	\$ 214,021
\$ Grant Award HAP	\$ -	\$ -	\$ 25,000	\$ 36,770	\$ 45,489
<b>Strategic Outcomes</b>					
Expand the # of homeless persons served					
# assisted in emergency shelter	1,386	1,626	1,000	813	1,000
# assisted in rapid rehousing	82	111	75	47	50
# assisted with prevention services	122	181	150	132	100
<b>Work Process Outputs</b>					
# grant applications prepared	2	2	2	3	4
# of contract period extensions requested	0	2	0	0	0



**CITY OF APPLETON 2021 BUDGET  
HOUSING, HOMELESS AND BLOCK GRANTS**

**Emergency Housing & Homeless Grant/Housing Assistance Programs (EHH/HAP)**

**Business Unit 2140**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
422400 Miscellaneous State Aids	\$ 195,788	\$ 265,584	\$ 258,157	\$ 263,157	\$ 259,510
Total Revenue	<u>\$ 195,788</u>	<u>\$ 265,584</u>	<u>\$ 258,157</u>	<u>\$ 263,157</u>	<u>\$ 259,510</u>
<b>Expenses</b>					
610100 Regular Salaries	\$ 4,321	\$ 4,009	\$ 5,916	\$ 9,216	\$ 18,363
615000 Fringes	1,973	1,910	2,807	4,507	9,416
640400 Consulting Services	-	-	5,700	5,700	5,700
663000 Other Grant Payments	172,970	273,906	243,734	243,734	226,031
Total Expense	<u>\$ 179,264</u>	<u>\$ 279,825</u>	<u>\$ 258,157</u>	<u>\$ 263,157</u>	<u>\$ 259,510</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Grant Payments

Awards and loans to community organizations and individuals for the benefit of low- to moderate-income (LMI) persons:

	ESG/HPP	HAP RRH	HAP RRH EXP	HAP HP RRH	Total
Appleton Police Dept (Motel Voucher)	\$ 14,305	\$ -	\$ -	\$ -	\$ 14,305
ADVOCAP	56,931	12,500	5,885	-	75,316
Pillars RRH	27,031	12,500	5,885	8,719	54,135
Pillars Adult & Family Shelter	46,482	-	-	-	46,482
Pillars Adult Shelter	4,931	-	-	-	4,931
Harbor House DV Shelter	16,931	-	-	-	16,931
Salvation Army of the Fox Cities	13,931	-	-	-	13,931
	<u>\$ 180,542</u>	<u>\$ 25,000</u>	<u>\$ 11,770</u>	<u>\$ 8,719</u>	<u>\$ 226,031</u>

**CITY OF APPLETON 2021 BUDGET  
HOUSING, HOMELESS AND BLOCK GRANTS**

**Continuum of Care Program (CoC)**

**Business Unit 2150**

**PROGRAM MISSION**

To provide necessary case management and support services to individuals and families enrolled in transitional and permanent supportive housing programs, the City of Appleton will serve as a pass-through entity and administer funds to local non-profit organizations that directly serve the target population in Appleton and the Fox

**PROGRAM NARRATIVE**

**Link to City Goals:**

Key Strategy #2: "Encourage active community participation and involvement".

**Objectives:**

Continuum of Care (COC) funds support programs that offer both housing opportunities and related support services for persons transitioning from homelessness to independent living. Specifically, COC funds support housing in the following environments: (1) transitional housing; (2) permanent housing for homeless persons with disabilities; (3) other types of innovative supportive housing for homeless people.

COC funds are disbursed by the U.S. Department of Housing & Urban Development, but are awarded to the City of Appleton as a partner in the Balance of State (Wisconsin) via a competitive grant application process. As the lead fiscal and administrative agent, the City of Appleton applies for four separate COC grants in collaboration with other local non-profit partners -- three grants are for collaborative rapid re-housing housing programs (RRH), and the fourth grant, the CE-SSO grant, is an administrative grant that supports the City's new Coordinated Entry Specialist role. The role is responsible for all Coordinated Entry duties in the Fox Cities Continuum of Care.

The City serves as the lead agency for this funding to local non-profit agencies that meet the niche requirements of the COC program. Three agencies, including Pillars, Inc., Salvation Army, and ADVOCAP, receive RRH funding through two of the four grants, with Pillars, Inc. receiving the third RRH award solely, and the City being the direct recipient of the fourth grant (CE-SSO). In exchange for serving as the lead fiscal and administrative agent, the City also receives a small amount of funding for administration costs.

**Major changes in Revenue, Expenditures, or Programs:**

The City of Appleton assumed the Coordinated Entry Specialist role for the Fox Cities mid-2020. This role leads the coordinated entry efforts for the community's Continuum of Care and manages all data associated to those efforts. In order to financially support this position, the City was successful in retaining the CoC CE-SSO administrative grant, which operates July 1-June 30 annually.

A new Strategic Outcomes measure was added for the 2021 budget year to track successes and improvements in the Coordinated Entry system. The measure tracks the average length of time homeless individuals and families remain on the Coordinated Entry Prioritization Lists.

**PERFORMANCE INDICATORS**

	<b>Actual 2018</b>	<b>Actual 2019</b>	<b>Target 2020</b>	<b>Projected 2020</b>	<b>Target 2021</b>
<b>Client Benefits/Impacts</b>					
\$ Annual Award (COC 1 - RRH)	\$ 181,152	\$ 187,128	\$ 183,128	\$ 183,480	\$ 183,920
\$ Annual Award (COC 2 - HP RRH)	\$ 55,532	\$ 60,896	\$ 60,896	\$ 58,124	\$ 58,184
\$ Annual Award (COC 3 - RRH EXP)	\$ -	\$ 83,447	\$ 83,447	\$ 78,467	\$ 80,957
\$ Annual Award (COC 4 - CE SSO)	\$ -	\$ -	\$ -	\$ 32,177	\$ 32,177
<b>Strategic Outcomes</b>					
Help clients improve self-sufficiency					
% of participants that moved from transitional to permanent housing	55%	60%	70%	11%	70%
% of participants in permanent housing who maintained or increased income	31%	67%	77%	14%	77%
Average length of days on coordinated entry prioritization lists	New Measure	→	130 (singles) 75 (families)	130 (singles) 75 (families)	90 (singles) 60 (families)
<b>Work Process Outputs</b>					
# grants applications prepared	2	3	3	5	4
# of contracts period extensions requested	0	1	0	0	0

**CITY OF APPLETON 2021 BUDGET  
HOUSING, HOMELESS AND BLOCK GRANTS**

**Continuum of Care Program (COC)**

**Business Unit 2150**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
422400 Miscellaneous State Aids	\$ 229,728	\$ 207,531	\$ 327,471	\$ 357,800	\$ 355,238
Total Revenue	<u>\$ 229,728</u>	<u>\$ 207,531</u>	<u>\$ 327,471</u>	<u>\$ 357,800</u>	<u>\$ 355,238</u>
<b>Expenses</b>					
610100 Regular Salaries	\$ 18,044	\$ 6,569	\$ 8,825	\$ 28,153	\$ 29,111
610500 Overtime Wages	-	115	-	-	-
615000 Fringes	8,241	3,580	4,187	14,188	14,819
620100 Training/Conferences	1,746	3,553	4,000	4,000	8,000
620600 Parking Permits	-	-	-	-	420
630100 Office Supplies	-	-	-	-	2,044
640400 Consulting	-	-	-	1,000	-
641307 Telephone	-	-	-	-	270
663000 Other Grant Payments	204,381	196,029	310,459	310,459	300,574
Total Expense	<u>\$ 232,412</u>	<u>\$ 209,846</u>	<u>\$ 327,471</u>	<u>\$ 357,800</u>	<u>\$ 355,238</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Grant Payments

Awards and loans to community organizations and individuals for the benefit of low to moderate income (LMI) persons:

	COC #1 RRH	COC #2 HP RRH	COC #3 RRH EXP	Total
ADVOCAP	\$ 49,789	\$ -	\$ 16,467	\$ 66,256
Pillars, Inc.	18,864	58,184	41,501	\$ 118,549
Salvation Army	98,875	-	16,894	\$ 115,769
	<u>\$ 167,528</u>	<u>\$ 58,184</u>	<u>\$ 74,862</u>	<u>\$ 300,574</u>

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Homeowner Rehabilitation Loan Program**

**Business Unit 2160/2170/2190**

**PROGRAM MISSION**

In order to assist low- and moderate-income (LMI) homeowners in protecting the investment in their single-family homes or owner-occupied duplex, the Homeowner Rehabilitation Loan Program (HRLP) will utilize CDBG funds, HOME Homeowner funds, and Lead Hazard Control funds to provide them with no interest/no monthly payment loans to make necessary repairs and eliminate lead-based paint hazards to increase the value and extend the life of their homes.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategies #2: "Encourage active community participation and involvement" and #7: "Communicate our success through stories and testimonials".

**Objectives:**

Provide LMI homeowners in the City of Appleton with financial and related technical assistance for the rehabilitation of their single-family homes or owner-occupied duplexes in order to maintain affordable home ownership opportunities for all residents.

The HRLP is a revolving loan program supported by the following funding sources:

- Program Income from the repayment of HOME Homeowner Rehabilitation loans (Business Unit 2160)
- Program Income from the repayment of HOME Rental Rehabilitation loans (Business Unit 2160)
- CDBG funds from the U.S. Department of Housing and Urban Development (HUD) (Business Unit 2170)
- Program Income from the repayment of CDBG loans (Business Unit 2170)
- Program Income from the repayment of Lead Hazard Control Grant loans (Business Unit 2190)

**Major changes in Revenue, Expenditures or Programs:**

Due to an increase in loan repayments, funding from new CDBG funding has been reduced to the amount needed for the partial costs of program delivery. All other project and program delivery costs will be paid out of program income. In the future, if CDBG funds are eliminated, the Housing Coordinator's salary and fringes may come out of the City's General fund or from other revenue sources.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
Funding for LMI homeowner rehabilitation projects					
CDBG funds award amount	\$ 115,000	\$ 75,851	\$ 77,694	\$ 77,694	\$ 29,892
Program income received (all grants)	\$ 387,125	\$ 259,510	\$ 373,212	\$ 397,800	\$ 424,180
Unspent grant funds					
Committed	\$ 69,625	\$ 225,097	\$ 75,000	\$ 75,000	\$ 75,000
Uncommitted	\$ 271,761	\$ 128,787	\$ 160,000	\$ 160,000	\$ 160,000
<b>Strategic Outcomes</b>					
Improved LMI single-family homes and owner-occupied duplexes					
# of loans made	18	20	24	21	24
# units rehabilitated	18	24	24	21	24
# residents benefited	50	61	60	60	60
Average loan amount	\$ 16,794	\$ 25,450	\$ 15,000	\$ 17,000	\$ 15,000
Amount committed to rehab activity	\$ 302,295	\$ 509,003	\$ 360,000	\$ 360,000	\$ 360,000
<b>Work Process Outputs</b>					
# of applications processed	33	33	33	33	33
# of applications approved	17	20	27	27	27

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Homeowner Rehabilitation Loan Program**

**Business Unit 2160/2170/2190**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
421000 Federal Grants	\$ 191,376	\$ 87,849	\$ 77,694	\$ 77,694	\$ 29,892
471000 Interest on Investments	518	1,450	-	-	-
503500 Other Reimbursements	228	460	-	-	-
505000 Project Repayments	387,275	268,560	373,212	373,212	424,180
<b>Total Revenue</b>	<b>\$ 579,397</b>	<b>\$ 358,319</b>	<b>\$ 450,906</b>	<b>\$ 450,906</b>	<b>\$ 454,072</b>
<b>Expenses</b>					
610100 Regular Salaries	\$ 68,558	\$ 69,650	\$ 69,486	\$ 69,486	\$ 72,253
615000 Fringes	16,371	15,586	17,020	17,020	17,419
620100 Training/Conferences	74	448	600	600	600
641307 Telephone	39	56	200	200	200
641308 Cellular Phones	40	39	-	-	-
659900 Other Contracts/Obligation	3,342	5,310	3,600	3,600	3,600
660800 Block Grant Payments	389,681	328,022	320,000	320,000	185,000
663000 Other Grant Payments	110,083	-	40,000	40,000	175,000
<b>Total Expense</b>	<b>\$ 588,188</b>	<b>\$ 419,111</b>	<b>\$ 450,906</b>	<b>\$ 450,906</b>	<b>\$ 454,072</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Block Grant Payments

Loans to low- and moderate-income households for the rehabilitation of their homes.

Rehab projects \$ 185,000

Other Grant Payments

Loans to low- and moderate-income households for the rehabilitation of their homes.

Rehab projects \$ 175,000

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Neighborhood Program**

**Business Unit 2180**

**PROGRAM MISSION**

For the benefit of Appleton neighborhoods, the Neighborhood Program (NP) will help create and/or maintain suitable living environments by providing opportunities that encourage and facilitate private and public investment in residential and commercial areas of the City. This community investment provides the impetus for overall neighborhood improvements -- such as strengthening existing neighborhoods, attracting new businesses, enhancing public spaces -- that contribute to the social, cultural and economic vitality of neighborhoods.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategies #2: "Encourage active community participation and involvement" and #7: "Communicate our success through stories and testimonials".

**Objectives:**

The goal of this program is to foster communication between neighborhoods and the City of Appleton by providing the expertise and technical assistance in administering the City's Neighborhood Program including: assisting residents on how to register their neighborhood; marketing the program to City residents; and working with Appleton residents, other City staff and outside agencies to leverage resources to help improve Appleton's neighborhoods.

The Neighborhood Program (NP) delivery will incorporate the use of multiple CDBG national objectives as a means of facilitating and completing projects in a timely and effective manner.

**Major changes in Revenue, Expenditures or Programs:**

Staff organized and delivered the Neighborhood Program Spring and Fall Meetings, which are informal, "roundtable" discussions for neighborhood leaders. Facilitating opportunities for neighborhoods to report out their successes, solicit peer review and learn about City resources may continue to replace the conventional Neighborhood Academy.

Grant funds will continue to be available to registered neighborhoods through the CDBG and tax levy funding sources. Neighborhood grants totaling \$108,653 (CDBG) and \$4,734 (General Fund) are anticipated in 2021. The NP will not request additional CDBG funding in 2021 in order to draw down funds from prior year allocations. Once "caught up," future CDBG funding requests are anticipated. After drawing down a sizable amount of funds from prior year allocations, this budget includes a request of \$3,000 for the General Fund source that is available to all neighborhoods, not just those qualified by HUD.

**PERFORMANCE INDICATORS**

	<u>Actual 2018</u>	<u>Actual 2019</u>	<u>Target 2020</u>	<u>Projected 2020</u>	<u>Target 2021</u>
<b>Client Benefits/Impacts</b>					
# of new partnerships/ collaborations generated	1	2	1	2	1
# of registered neighborhoods	17	20	20	20	21
# of neighborhood program participants	37	31	25	30	25
<b>Strategic Outcomes</b>					
# of projects awarded grant funding	2	2	2	1	2
<b>Work Process Outputs</b>					
Grant Funds (CDBG)					
Committed	\$ -	\$ -	\$ 108,653	\$ -	\$ 108,653
Uncommitted	\$ 68,653	\$ 108,653	\$ -	\$ 108,653	\$ -
Spent	\$ -	\$ -	\$ 108,653	\$ -	\$ 108,653
General Funds					
Committed	\$ 3,300	\$ 4,800	\$ 4,224	\$ 1,500	\$ 4,734
Uncommitted	\$ 7,539	\$ 2,739	\$ -	\$ 1,734	\$ -
Spent	\$ 3,091	\$ 4,305	\$ 4,224	\$ 1,500	\$ 4,734

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

**Neighborhood Program**

**Business Unit 2180**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
Revenues					
411000 Property Tax	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
421000 Federal Grants	-	-	108,653	108,653	108,653
Total Revenue	<u>\$ 3,000</u>	<u>\$ -</u>	<u>\$ 108,653</u>	<u>\$ 108,653</u>	<u>\$ 111,653</u>
Expenses					
620100 Training/Conferences	\$ -	\$ -	\$ -	\$ -	\$ -
660800 Block Grant Payments	-	-	108,653	108,653	108,653
663000 Other Grant Payments	3,091	4,305	4,224	4,224	4,734
Total Expense	<u>\$ 3,091</u>	<u>\$ 4,305</u>	<u>\$ 112,877</u>	<u>\$ 112,877</u>	<u>\$ 113,387</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Block grant payments

Targeted Neighborhood Investment grants to  
create strong neighborhoods \$ 108,653

**CITY OF APPLETON 2021 BUDGET  
HOUSING AND COMMUNITY DEVELOPMENT GRANTS**

	2018 <u>ACTUAL</u>	2019 <u>ACTUAL</u>	2020 <u>YTD ACTUAL</u>	2020 <u>ORIG BUD</u>	2020 <u>REVISED BUD</u>	2021 <u>BUDGET</u>
<b>Program Revenues</b>						
411000 Property Tax	3,000	-	-	-	-	3,000
421000 Federal Grants	563,725	576,871	125,950	685,867	705,867	699,879
422400 Miscellaneous State Aids	425,516	473,115	205,173	585,628	620,957	614,748
471000 Interest on Investments	518	1,450	35	-	-	-
503500 Other Reimbursements	228	460	180	-	-	-
505000 Project Repayments	<u>387,275</u>	<u>268,560</u>	<u>452,699</u>	<u>373,212</u>	<u>373,212</u>	<u>424,180</u>
<b>TOTAL PROGRAM REVENUES</b>	<u>1,380,262</u>	<u>1,320,456</u>	<u>784,037</u>	<u>1,644,707</u>	<u>1,700,036</u>	<u>1,741,807</u>
<b>Personnel</b>						
610100 Regular Salaries	117,112	96,470	71,026	98,903	134,721	155,227
610500 Overtime Wages	-	115	360	-	-	-
611400 Sick Pay	1,200	549	304	-	-	-
611500 Vacation Pay	8,250	7,299	2,890	-	-	-
615000 Fringes	<u>41,415</u>	<u>27,546</u>	<u>22,276</u>	<u>27,755</u>	<u>46,266</u>	<u>56,500</u>
<b>TOTAL PERSONNEL</b>	<u>167,977</u>	<u>131,979</u>	<u>96,856</u>	<u>126,658</u>	<u>180,987</u>	<u>211,727</u>
<b>Training~Travel</b>						
620100 Training/Conferences	5,716	6,939	1,439	8,100	8,100	12,200
620600 Parking Permits	-	-	-	-	-	420
<b>TOTAL TRAINING / TRAVEL</b>	<u>5,716</u>	<u>6,939</u>	<u>1,439</u>	<u>8,100</u>	<u>8,100</u>	<u>12,620</u>
<b>Supplies</b>						
630100 Office Supplies	-	-	90	127	127	2,171
630300 Memberships & Licenses	940	940	940	940	940	940
632001 City Copy Charges	-	-	-	500	500	500
<b>TOTAL SUPPLIES</b>	<u>940</u>	<u>940</u>	<u>1,030</u>	<u>1,567</u>	<u>1,567</u>	<u>3,611</u>
<b>Purchased Services</b>						
640100 Accounting/Audit Fees	500	5,650	-	1,560	1,560	1,460
640400 Consulting Services	-	-	1,420	5,700	6,700	5,700
641200 Advertising	228	364	219	400	400	400
641307 Telephone	77	104	61	260	260	530
641308 Cellular Phones	40	39	71	-	-	-
659900 Other Contracts/Obligation	<u>3,428</u>	<u>5,310</u>	<u>2,145</u>	<u>3,600</u>	<u>3,600</u>	<u>3,600</u>
<b>TOTAL PURCHASED SVCS</b>	<u>4,273</u>	<u>11,467</u>	<u>3,916</u>	<u>11,520</u>	<u>12,520</u>	<u>11,690</u>
<b>Miscellaneous Expense</b>						
660800 Block Grant Payments	696,363	775,458	451,592	902,669	902,669	797,554
663000 Other Grant Payments	<u>490,525</u>	<u>474,240</u>	<u>204,090</u>	<u>598,417</u>	<u>598,417</u>	<u>706,339</u>
<b>TOTAL MISCELLANEOUS EXP</b>	<u>1,186,888</u>	<u>1,249,698</u>	<u>655,682</u>	<u>1,501,086</u>	<u>1,501,086</u>	<u>1,503,893</u>
<b>TOTAL EXPENSE</b>	<u>1,365,794</u>	<u>1,401,023</u>	<u>758,923</u>	<u>1,648,931</u>	<u>1,704,260</u>	<u>1,743,541</u>



**CITY OF APPLETON 2021 BUDGET**  
**HOUSING AND COMMUNITY DEVELOPMENT GRANTS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
Intergovernmental	989,241	1,049,985	1,271,495	1,296,495	1,314,627
Other	388,021	270,470	373,212	373,212	424,180
Total Revenues	<u>1,380,262</u>	<u>1,320,455</u>	<u>1,644,707</u>	<u>1,669,707</u>	<u>1,741,807</u>
<b>Expenses</b>					
Program Costs	<u>1,365,794</u>	<u>1,401,023</u>	<u>1,648,931</u>	<u>1,667,272</u>	<u>1,743,541</u>
Total Expenses	<u>1,365,794</u>	<u>1,401,023</u>	<u>1,648,931</u>	<u>1,667,272</u>	<u>1,743,541</u>
Revenues over (under) Expenses	14,468	(80,568)	(4,224)	2,435	(1,734)
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In	-	(8,951)	-	-	-
Net Change in Equity	14,468	(89,519)	(4,224)	2,435	(1,734)
Fund Balance - Beginning	209,951	224,419	134,900	134,900	137,335
Residual Equity Transfers Out	-	-	-	-	-
Fund Balance - Ending	<u>\$ 224,419</u>	<u>\$ 134,900</u>	<u>\$ 130,676</u>	<u>\$ 137,335</u>	<u>\$ 135,601</u>





**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Industrial Park Land**

**Business Unit 4280/4281**

**PROGRAM MISSION**

The Industrial Park Land Fund is the clearing house for the City's industrial and business park land sale revenue, acquisition of associated land, debt service from prior acquisition, and land development costs associated with industrial/business park infrastructures. This fund is utilized for these purposes exclusive of the industrial/business park areas developed and financed with tax incremental financing district(s).

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 4: "Continually assess trends affecting the community and proactively respond".

**Objectives:**

The 2021 budget includes funds for maintenance of the remaining 5.16 acres of land and berm maintenance in the City's Northeast Business Park in addition to the portion of Southpoint Commerce Park that is outside of TIF District #6. This includes weed cutting, soil testing, environmental reviews, surveys, real estate commissions, title insurance, and other costs associated with selling land. Maintenance costs and rental income associated with the home and land acquired in 2016 at 110 and 210 W. Edgewood Drive are also included in this budget. In addition, funds to cover the cost of lighting the two business park identification signs marking the main entrances to the Northeast Business Park and Southpoint Commerce Park are included in this budget. There are currently 7 parcels sold in the Northeast Business Park that remain undeveloped. Per the covenants, the owners have one year to develop these parcels. The City has first right of refusal on these properties if the current owners wish to sell.

Project	Subledger	Amount	Page
Southpoint Commerce Park		69,473	Projects, Pg. 564
		<u>\$ 69,473</u>	

**Major changes in Revenue, Expenditures or Programs:**

Land purchases are budgeted in 2021 to repurchase lots in the Northeast Business Park and Southpoint Commerce Park that are not in compliance with the protective covenants for construction. Purchases are only made at the direction of the Common Council.

Rental income includes leasing the home at 110 W. Edgewood, farmland associated with the Edgewood Drive properties, and the portion of Southpoint Commerce Park outside of TIF #6. Due to an exceptionally wet spring, the lease rate for the 21.25 farmable acres on Edgewood Drive was reduced to \$60 per acre. The previous farm lease for vacant Southpoint Commerce Park land expired in April 2020. Staff issued a request for proposals in early 2020 for a new lease. The revenue account reflects the new lease rate of \$160 per acre and assumes 105.8 acres of leaseable land after pending and recent sales in the business park. 80% of the lease revenue is payable to the IPLF and 20% is in TIF #6.

The sanitary area assessment (\$16,348) relates to Southpoint Commerce Park. This will be the final sanitary area assessment for this project. With the construction period for TIF 6 having expired in 2018, these costs are now the responsibility of this budget. Previous assessments were paid by the TIF 6 Fund.

**PERFORMANCE INDICATORS**

**Actual 2018    Actual 2019    Target 2020    Projected 2020    Target 2021**

Note: Since this program exists solely to account for business park land sale revenue, acquisition of associated land, debt service from prior acquisition, and land development costs associated with industrial/business park infrastructures, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 37,943	\$ 170,022	\$ 31,022	\$ 31,022	\$ 41,217	32.86%
	<b>Program Expenses</b>	\$ 263,380	\$ 138,973	\$ 2,345,636	\$ 2,345,636	\$ 296,102	-87.38%
<b>Expenses Comprised Of:</b>							
	Personnel	-	-	-	-	-	N/A
	Purchased Services	86,624	35,639	79,747	79,747	79,754	0.01%
	Capital Expenditures	176,756	103,334	2,265,889	2,265,889	216,348	-90.45%

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Industrial Park Land**

**Business Unit 4280/4281**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
471000 Interest on Investments	\$ 8,856	\$ 20,127	\$ 5,000	\$ 5,000	\$ 15,000
500400 Sale of City Property	-	105,364	-	-	-
501500 Rental of City Property	29,087	44,531	26,022	26,022	26,217
591000 Proceeds of Long-term Debt	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 37,943</b>	<b>\$ 170,022</b>	<b>\$ 31,022</b>	<b>\$ 31,022</b>	<b>\$ 41,217</b>
<b>Expenses</b>					
640400 Consulting Services	\$ 16,324	\$ -	\$ 20,000	\$ 20,000	\$ 20,000
641200 Advertising	18,217	17,173	18,000	18,000	18,000
641301 Electric	404	330	975	975	975
641306 Stormwater	3,992	4,939	4,972	4,972	4,979
659900 Other Contracts/Obligation	47,687	13,197	35,800	35,800	35,800
680100 Land	176,756	53,136	2,197,500	2,197,500	200,000
680901 Streets	-	-	-	-	-
680903 Sanitary Sewers	-	50,198	68,389	68,389	16,348
<b>Total Expense</b>	<b>\$ 263,380</b>	<b>\$ 138,973</b>	<b>\$ 2,345,636</b>	<b>\$ 2,345,636</b>	<b>\$ 296,102</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Consulting Services

Platting	\$ 10,000
Testing and analysis, title work and due diligence for land sales	10,000
	<u>\$ 20,000</u>

Advertising

Marketing	\$ 18,000
	<u>\$ 18,000</u>

Other Contracts/Obligations

Maintenance of 110 W. Edgewood	\$ 3,000
Real Estate Commissions (4 Acres @ \$40,000)	12,800
Weed cutting/maintenance/debris clean-up at Edgewood, Southpoint & NE Business Parks	20,000
	<u>\$ 35,800</u>

Land

Re-purchase industrial park lots	<u>\$ 200,000</u>
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Infrastructure Construction

Sanitary area assessment	<u>\$ 16,348</u>
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**CITY OF APPLETON 2021 BUDGET**  
**INDUSTRIAL PARK LAND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Interest Income	\$ 8,856	\$ 20,127	\$ 5,000	\$ 20,000	\$ 15,000
Other	29,087	44,531	26,022	25,000	26,217
Total Revenues	<u>37,943</u>	<u>64,658</u>	<u>31,022</u>	<u>45,000</u>	<u>41,217</u>
<b>Expenses</b>					
Program Costs	263,380	138,973	2,345,636	671,389	296,102
Total Expenses	<u>263,380</u>	<u>138,973</u>	<u>2,345,636</u>	<u>671,389</u>	<u>296,102</u>
Revenues over (under) Expenses	(225,437)	(74,315)	(2,314,614)	(626,389)	(254,885)
<b>Other Financing Sources (Uses)</b>					
Sale of City Property	-	105,364	-	556,878	-
Proceeds of G.O. Debt	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>105,364</u>	<u>-</u>	<u>556,878</u>	<u>-</u>
Net Change in Equity	(225,437)	31,049	(2,314,614)	(69,511)	(254,885)
Fund Balance - Beginning	796,724	571,287	602,336	602,336	532,825
Fund Balance - Ending	<u>\$ 571,287</u>	<u>\$ 602,336</u>	<u>\$ (1,712,278)</u>	<u>\$ 532,825</u>	<u>\$ 277,940</u>



# CITY OF APPLETON 2021 BUDGET

## CAPITAL PROJECTS FUNDS

**Community & Economic Development**

**Business Unit 4330**

### PROGRAM MISSION

This fund provides for the City's investment in the redevelopment of targeted areas of the City.

### PROGRAM NARRATIVE

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement".

**Objectives:**

The City's updated Comprehensive Plan 2010-2030, including the downtown plan and Fox River chapters, and the economic development strategic plan have identified areas where redevelopment may be appropriate. The ability of the City to acquire properties in these areas as they become available will enhance our ability to influence meaningful redevelopment. Supporting the retention, growth and long-term economic vitality of Appleton's businesses is also a priority.

Project	Amount	Page
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No funds have been budgeted for 2021 at this point. If a development project arises in 2021, a separate action requesting applicable funding will be presented to the Council for approval at that time.

**Major changes in Revenue, Expenditures, or Programs:**

No major changes.

### PERFORMANCE INDICATORS

Actual 2018   Actual 2019   Target 2020   Projected 2020   Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

### DEPARTMENT BUDGET SUMMARY

Programs		Actual		Budget			%
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	Change *
<b>Program Revenues</b>		\$ 2,389	\$ 101,867	\$ -	\$ -	\$ -	\$ -
<b>Program Expenses</b>		\$ 100,389	\$ 103,718	\$ -	\$ -	\$ -	N/A
<b>Expenses Comprised Of:</b>							
Personnel		-	-	-	-	-	N/A
Administrative Expense		-	-	-	-	-	N/A
Supplies & Materials		-	74,118	-	-	-	N/A
Purchased Services		100,389	29,600	-	-	-	N/A
Utilities		-	-	-	-	-	N/A
Repair & Maintenance		-	-	-	-	-	N/A
Capital Expenditures		-	-	-	-	-	N/A



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**COMMUNITY DEVELOPMENT**

**Business Unit 4330**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
Revenues					
471000 Interest on Investments	\$ 2,389	\$ 1,867	\$ -	\$ -	\$ -
503500 Other Reimbursements	-	100,000	-	-	-
591000 Proceeds of Long-term Debt	-	-	-	-	-
Total Revenue	<u>\$ 2,389</u>	<u>\$ 101,867</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expenses					
632700 Miscellaneous Equipment	\$ -	\$ 74,118	\$ -	\$ -	\$ -
640400 Consulting Services	100,389	29,600	-	-	-
659900 Other Contracts/Obligation	-	-	-	-	-
680100 Land	-	-	-	-	-
Total Expense	<u>\$ 100,389</u>	<u>\$ 103,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

None

**CITY OF APPLETON 2021 BUDGET**  
**COMMUNITY DEVELOPMENT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Interest Income	\$ 2,389	\$ 1,867	\$ -	\$ -	\$ -
	-	100,000	-	-	-
Total Revenues	<u>2,389</u>	<u>101,867</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenses</b>					
Program Costs	100,389	103,718	-	-	-
Total Expenses	<u>100,389</u>	<u>103,718</u>	<u>-</u>	<u>-</u>	<u>-</u>
Revenues over (under) Expenses	(98,000)	(1,851)	-	-	-
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Equity	(98,000)	(1,851)	-	-	-
Fund Balance - Beginning	176,363	78,363	76,512	76,512	76,512
Fund Balance - Ending	<u>\$ 78,363</u>	<u>\$ 76,512</u>	<u>\$ 76,512</u>	<u>\$ 76,512</u>	<u>\$ 76,512</u>

**CITY OF APPLETON 2021 BUDGET**

**TAX INCREMENTAL FINANCING DISTRICTS**

**Community & Economic Development Director: Karen E. Harkness**

**Finance Director: Anthony D. Saucerman, CPA**

**CITY OF APPLETON 2021 BUDGET  
SPECIAL REVENUE FUNDS**

**Tax Incremental District # 3**

**Business Unit 2040**

**PROGRAM MISSION**

This program accounts for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

Tax Incremental Financing (TIF) District #3 includes the area bounded by Richmond and Superior Streets, from the County Courthouse to the School Administration building.

Primary projects include the Green and Yellow Parking Ramps, the Radisson Paper Valley Hotel expansion, the Evans Title building, Appleton Retirement Community, the Copper Leaf Hotel, and the Richmond Terrace property. This district was scheduled to close in 2021, but in 2011 was designated as distressed as allowed by Act 310. This designation allows the extension of the district's life by up to ten years (2029) beyond the original termination date.

	General Fund Advance	Parking Utility Advance		General Fund Advance	Parking Utility Advance
1993	\$ -	\$ 129,877	2007	423,151	900,000
1994	-	604,290	2008	239,309	900,000
1995	-	703,516	2009	(568,726)	1,000,000
1996	-	1,254,622	2010	222,838	1,000,000
1997	639,211	764,308	2011	643,980	1,000,000
1998	1,141,212	787,831	2012	676,179	1,000,000
1999	1,756,773	827,222	2013	(417,512)	1,200,000
2000	1,774,640	868,584	2014	(1,360,888)	1,200,000
2001	1,341,515	1,568,974	2015	(1,428,932)	1,200,000
2002	2,235,558	969,870	2016	(2,000,000)	1,400,000
2003	1,498,145	1,892,733	2017	(1,500,000)	1,200,000
2004	1,575,103	1,338,592	2018	(1,500,000)	1,000,000
2005	393,108	800,000	2019	(1,500,000)	600,000
2006	207,763	900,000	2020	(1,150,000)	-
			2021	(1,100,000)	-
			12/31/20 Balance	\$ 2,242,427	\$ 27,010,419

**Major changes in Revenue, Expenditures, or Programs:**

TIF #3 is expected to repay the general fund advances, including interest, by 2024. At that time, the annual property tax increments will be used to repay the Parking Utility until the closure of the TIF in 2029. 2019 was the final year of the transfer-in from the Parking Utility as well as the final year of the guaranteed tax payment from the Red Lion Paper Valley Hotel.

TIF #3 was amended in 2020 to transfer under-valued and under-utilized parcels to TIF#11 in order to encourage development, increase the tax base, and meet the goals and objectives as detailed in the Comprehensive Plan.

**PERFORMANCE INDICATORS**

Actual 2018    Actual 2019    Target 2020    Projected 2020    Target 2021

Note: Since this program exists solely to account for incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Unit	Programs Title	Actual		Budget			% Change *
		2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 55,236	\$ 68,749	\$ 13,593	\$ 13,593	\$ 10,983	-19.20%
	<b>Program Expenses</b>	\$ 464,698	\$ 263,591	\$ 197,371	\$ 197,371	\$ 143,581	-27.25%
<b>Expenses Comprised Of:</b>							
	Purchased Services	1,702	1,470	1,500	1,500	1,460	-2.67%
	Other Expense	462,996	262,121	195,871	195,871	142,121	-27.44%

\* % change from prior year adopted budget

**CITY OF APPLETON 2021 BUDGET  
SPECIAL REVENUE FUNDS**

**Tax Incremental District # 3**

**Business Unit 2040**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
4110 Property Taxes	\$ 1,047,946	\$ 1,085,346	\$ 1,150,000	\$ 1,150,000	\$ 1,240,000
4130 Payment in Lieu of Taxes	40,510	36,741	-	-	-
4227 State Aid - Computers	5,019	5,141	5,000	5,000	5,000
4228 State Aid - Personal Property	-	6,203	3,593	3,593	983
4710 Interest on Investments	9,707	20,664	5,000	5,000	5,000
5927 Transfer In - Parking Utility	1,000,000	600,000	-	-	-
<b>Total Revenue</b>	<b>\$ 2,103,182</b>	<b>\$ 1,754,095</b>	<b>\$ 1,163,593</b>	<b>\$ 1,163,593</b>	<b>\$ 1,250,983</b>
<b>Expenses</b>					
6401 Accounting/Audit	\$ 1,552	\$ 1,320	\$ 1,350	\$ 1,350	\$ 1,310
6402 Legal Fees	150	150	150	150	150
6720 Interest Payments	337,121	262,121	195,871	195,871	142,121
7913 Trans Out - Debt Service	125,875	-	-	-	-
<b>Total Expense</b>	<b>\$ 464,698</b>	<b>\$ 263,591</b>	<b>\$ 197,371</b>	<b>\$ 197,371</b>	<b>\$ 143,581</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

None

## CITY OF APPLETON 2021 BUDGET

### TAX INCREMENTAL DISTRICT # 3

#### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ 1,047,946	\$ 1,085,346	\$ 1,150,000	\$ 1,102,513	\$ 1,240,000
Payment in Lieu of Taxes	40,510	36,741	-	-	-
Intergovernmental	5,019	11,344	8,593	8,734	5,983
Interest Income	9,707	20,664	5,000	10,000	5,000
Total Revenues	<u>1,103,182</u>	<u>1,154,095</u>	<u>1,163,593</u>	<u>1,121,247</u>	<u>1,250,983</u>
<b>Expenses</b>					
Interest Expense	337,121	262,121	195,871	195,871	142,121
Administrative Expenses	1,702	1,470	1,500	1,396	1,460
Total Expenses	<u>338,823</u>	<u>263,591</u>	<u>197,371</u>	<u>197,267</u>	<u>143,581</u>
Revenues over (under) Expenses	764,359	890,504	966,222	923,980	1,107,402
<b>Other Financing Sources (Uses)</b>					
Operating Transfers In - Other Funds	1,000,000	600,000	-	-	-
Operating Transfers Out - Debt Service	(125,875)	-	-	-	-
Total Other Financing Sources (Uses)	<u>874,125</u>	<u>600,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Equity	1,638,484	1,490,504	966,222	923,980	1,107,402
Fund Balance (Deficit)- Beginning	<u>(7,287,715)</u>	<u>(5,649,231)</u>	<u>(4,158,727)</u>	<u>(4,158,727)</u>	<u>(3,234,747)</u>
Fund Balance (Deficit)- Ending	<u>\$ (5,649,231)</u>	<u>\$ (4,158,727)</u>	<u>\$ (3,192,505)</u>	<u>\$ (3,234,747)</u>	<u>\$ (2,127,345)</u>

#### SCHEDULE OF CASH FLOWS

Cash - Beginning of Year	\$ 296,959	\$ 70,939
+ Net Change in Equity	923,980	1,107,402
- General Fund Advance Repayment	<u>(1,150,000)</u>	<u>(1,100,000)</u>
Working Cash - End of Year	<u>\$ 70,939</u>	<u>\$ 78,341</u>

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**NOTES**

Lined area for notes.

## CITY OF APPLETON 2021 BUDGET CAPITAL PROJECTS FUNDS

**Tax Incremental District # 6**

**Business Unit 4090**

### PROGRAM MISSION

TIF District #6 supports the City's southeast growth corridor, financing land assembly for both public purposes and industrial development as well as infrastructure installation to the area. This fund accounts for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

### PROGRAM NARRATIVE

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

Overall administration of the Southpoint Commerce Park, including costs for maintenance, real estate commissions, surveys, title insurance, and other costs associated with selling land and maintaining a high quality business park are funded from the Industrial Park Land Fund (IPLF). The expenditure period for TIF district #6 expired on February 14, 2018; the district is scheduled to close in 2023.

Summary of General Fund Advance

2010	\$ 1,025,000		2016	1,853,245
2011	1,877,500 *		2017	1,900,000
2012	145,125		2018	(1,000,000)
2013	(360,119)		2019	(1,000,000)
2014	134,375		2020	(2,000,000)
2015	141,094		2021	(2,716,220)
			12/31/21 Balance	\$ <u>          -</u>

\* \$781,707 was part of general levy for TIF #6 debt service in 2011 Debt Service Fund.

**Major changes in Revenue, Expenditures, or Programs:**

The previous farm lease for vacant Southpoint Commerce Park land expired in April 2020. Staff issued a request for proposals in early 2020 for a new lease. The revenue account reflects the new lease rate of \$160 per acre and assumes 105.8 acres of leaseable land after pending and recent sales in the business park. 80% of the lease revenue is payable to the IPLF and 20% is in TIF #6.

Funding for the maintenance of the Park in 2021 and beyond will come from the Industrial Park Land Fund while TIF #6 recaptures the investments it's made in this District.

### PERFORMANCE INDICATORS

Actual 2018    Actual 2019    Target 2020    Projected 2020    Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

### DEPARTMENT BUDGET SUMMARY

Programs		Actual		Budget			%
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	Change *
<b>Program Revenues</b>		\$ 565,114	\$ 493,366	\$ 272,798	\$ 272,798	\$ 131,807	-51.68%
<b>Program Expenses</b>		\$ 2,093,488	\$ 1,450,269	\$ 653,432	\$ 653,432	\$ 404,365	-38.12%
<b>Expenses Comprised Of:</b>							
Personnel		1,311	-	-	-	-	N/A
Supplies & Materials		-	-	-	-	-	N/A
Purchased Services		609,265	629,905	351,500	351,500	336,460	-4.28%
Miscellaneous Expense		310,811	260,811	185,811	185,811	67,905	-63.45%
Capital Expenditures		38,376	-	-	-	-	N/A
Transfers Out		1,133,725	559,553	116,121	116,121	-	-100.00%

\* % change from prior year adopted budget  
TIF 6.xls



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 6**

**Business Unit 4090**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ 2,205,849	\$ 2,526,866	\$ 2,500,000	\$ 2,500,000	\$ 3,290,000
422700 State Aid - Computers	65,150	66,726	66,000	66,000	66,000
422800 State Aid - Personal Prop	-	4,902	23,662	23,662	42,421
471000 Interest on Investments	26,145	43,640	20,000	20,000	20,000
500400 Sale of City Property	470,829	372,117	160,000	160,000	-
501500 Rental of City Property	2,990	5,981	3,136	3,136	3,386
<b>Total Revenue</b>	<b>\$ 2,770,963</b>	<b>\$ 3,020,232</b>	<b>\$ 2,772,798</b>	<b>\$ 2,772,798</b>	<b>\$ 3,421,807</b>
<b>Expenses</b>					
610200 Salary Expense	\$ 875	\$ -	\$ -	\$ -	\$ -
615000 Fringes	436	-	-	-	-
640100 Accounting/Audit Fees	1,552	6,071	1,350	1,350	1,310
640202 Recording/Filing Fees	150	150	150	150	150
642500 CEA Expense	14	-	-	-	-
659900 Other Contracts/Obligation	607,549	623,684	350,000	350,000	335,000
672000 Interest Payments	310,811	260,811	185,811	185,811	67,905
680900 Infrastructure Construction	38,376	-	-	-	-
791300 Transfer Out - Debt Service	1,133,725	559,553	116,121	116,121	-
<b>Total Expense</b>	<b>\$ 2,093,488</b>	<b>\$ 1,450,269</b>	<b>\$ 653,432</b>	<b>\$ 653,432</b>	<b>\$ 404,365</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Contracts/Obligations

Developer funded incentive payments:

Encapsys	335,000
	<u>\$ 335,000</u>

## CITY OF APPLETON 2021 BUDGET

### TAX INCREMENTAL DISTRICT # 6

#### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ 2,205,849	\$ 2,526,866	\$ 2,500,000	\$ 2,516,742	\$ 3,290,000
Intergovernmental	65,150	71,628	89,662	90,388	108,421
Interest Income	26,145	43,640	20,000	40,000	20,000
Other	2,990	5,981	3,136	5,000	3,386
<b>Total Revenues</b>	<u>2,300,134</u>	<u>2,648,115</u>	<u>2,612,798</u>	<u>2,652,130</u>	<u>3,421,807</u>
<b>Expenses</b>					
Operation & Maintenance	647,250	623,684	350,000	400,628	335,000
Interest Expense	310,811	260,811	185,811	185,811	67,905
Administrative Expense	1,702	6,221	1,500	1,396	1,460
<b>Total Expenses</b>	<u>959,763</u>	<u>890,716</u>	<u>537,311</u>	<u>587,835</u>	<u>404,365</u>
Revenues over (under) Expenses	1,340,371	1,757,399	2,075,487	2,064,295	3,017,442
<b>Other Financing Sources (Uses)</b>					
Operating Transfers Out - Debt Service	(1,133,725)	(559,553)	(116,121)	(116,121)	-
Sale of City Property	470,829	372,117	160,000	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(662,896)</u>	<u>(187,436)</u>	<u>43,879</u>	<u>(116,121)</u>	<u>-</u>
Net Change in Equity	677,475	1,569,963	2,119,366	1,948,174	3,017,442
Fund Balance - Beginning	(5,830,911)	(5,153,436)	(3,583,473)	(3,583,473)	(1,635,299)
Residual Equity Transfers Out	-	-	-	-	-
<b>Fund Balance - Ending</b>	<u>\$ (5,153,436)</u>	<u>\$ (3,583,473)</u>	<u>\$ (1,464,107)</u>	<u>\$ (1,635,299)</u>	<u>\$ 1,382,143</u>

#### SCHEDULE OF CASH FLOWS

Cash - Beginning of Year	\$ 1,202,497	\$ 1,150,671
- Net Change in Equity	1,948,174	3,017,442
+ Advance from General Fund	-	-
- General Fund Advance Repayment	<u>(2,000,000)</u>	<u>(2,716,220)</u>
<b>Working Cash - End of Year</b>	<u>\$ 1,150,671</u>	<u>\$ 1,451,893</u>

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**NOTES**

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 7**

**Business Unit 4100**

**PROGRAM MISSION**

This fund provides for commercial redevelopment of the area of South Memorial Drive from Calumet Street to Valley Road and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

The City created TIF District #7 in 2007 to provide targeted investments in the commercial area of South Memorial Drive from Calumet Street to State Highway 441 which had deteriorated significantly over the prior ten years. The abandonment of Valley Fair Mall and the under utilization of former retail and service buildings were cause for concern. The TIF District provides for a 22 year expenditure period (September 5, 2029) to make investments to support the goals of the District, including eliminating blight and encouraging the rehabilitation of properties, enhancing the viability of the businesses, retention of businesses and attraction of new businesses, stabilizing and increasing property values and improving the overall appearance of public and private spaces. The maximum life of the District is September 5, 2034.

Major commercial projects which have occurred thus far (not all received TIF assistance) include construction of a grocery store, a gas station/convenience store, and renovation of a former department store to office space. Three businesses also benefited from the creation of the TIF #7 Business Enhancement Grant program for the renovation of building facades, parking lots, landscaping and signage. The TIF remains a tool to support and encourage investment in this area. No new funds are being requested for the program in 2021.

**Major changes in Revenue, Expenditures, or Programs:**

No major changes.

**PERFORMANCE INDICATORS**

Actual 2018    Actual 2019    Target 2020    Projected 2020    Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 74,505	\$ 92,573	\$ 77,497	\$ 77,497	\$ 88,287	13.92%
	<b>Program Expenses</b>	\$ 453,762	\$ 373,148	\$ 351,500	\$ 351,500	\$ 351,460	-0.01%
<b>Expenses Comprised Of:</b>							
	Personnel	-	-	-	-	-	N/A
	Supplies & Materials	-	-	-	-	-	N/A
	Purchased Services	437,912	352,835	351,500	351,500	351,460	-0.01%
	Transfers Out	15,850	20,313	-	-	-	N/A

\* % change from prior year adopted budget  
TIF 7.xls

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 7**

**Business Unit 4100**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ 527,179	\$ 490,919	\$ 340,000	\$ 340,000	\$ 440,000
422700 State Aid - Computers	61,206	62,687	64,000	64,000	63,000
422800 State Aid - Personal Property	-	1,706	3,497	3,497	5,287
471000 Interest on Investments	13,299	28,180	10,000	10,000	20,000
591000 Proceeds of L-T Debt	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 601,684</b>	<b>\$ 583,492</b>	<b>\$ 417,497</b>	<b>\$ 417,497</b>	<b>\$ 528,287</b>
<b>Expenses</b>					
640100 Accounting/Audit Fees	\$ 1,552	\$ 1,319	\$ 1,350	\$ 1,350	\$ 1,310
640202 Recording/Filing Fees	150	150	150	150	150
659900 Other Contracts/Obligation	436,210	351,366	350,000	350,000	350,000
791300 Transfer Out - Debt Service	15,850	20,313	-	-	-
<b>Total Expense</b>	<b>\$ 453,762</b>	<b>\$ 373,148</b>	<b>\$ 351,500</b>	<b>\$ 351,500</b>	<b>\$ 351,460</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Contracts/Obligations

Developer funded incentive -  
Valley Fair Too, LLC

\$ 350,000

**CITY OF APPLETON 2021 BUDGET  
TAX INCREMENTAL DISTRICT # 7**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ 527,179	\$ 490,919	\$ 340,000	\$ 342,771	\$ 440,000
Intergovernmental	61,206	64,393	67,497	65,784	68,287
Interest Income	13,299	28,180	10,000	30,000	20,000
Other	-	-	-	-	-
<b>Total Revenues</b>	<u>601,684</u>	<u>583,492</u>	<u>417,497</u>	<u>438,555</u>	<u>528,287</u>
<b>Expenses</b>					
Operation & Maintenance	436,210	351,366	350,000	345,082	350,000
Administrative Expense	1,702	1,469	1,500	1,396	1,460
<b>Total Expenses</b>	<u>437,912</u>	<u>352,835</u>	<u>351,500</u>	<u>346,478</u>	<u>351,460</u>
Revenues over (under) Expenses	163,772	230,657	65,997	92,077	176,827
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	-	-	-	-
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(15,850)	(20,313)	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(15,850)</u>	<u>(20,313)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Equity	147,922	210,344	65,997	92,077	176,827
Fund Balance (Deficit) - Beginning	666,160	814,082	1,024,426	1,024,426	1,116,503
Residual Equity Transfers In (Out)	-	-	-	-	-
<b>Fund Balance (Deficit) - Ending</b>	<u>\$ 814,082</u>	<u>\$ 1,024,426</u>	<u>\$ 1,090,423</u>	<u>\$ 1,116,503</u>	<u>\$ 1,293,330</u>

**SCHEDULE OF CASH FLOWS**

Cash - Beginning of Year	\$ 1,024,426	\$ 1,116,503
+ Net Change in Equity	92,077	176,827
+ Advance from General Fund	-	-
- General Fund Advance Repayment	-	-
<b>Working Cash - End of Year</b>	<u>\$ 1,116,503</u>	<u>\$ 1,293,330</u>



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 8**

**Business Unit 4110**

**PROGRAM MISSION**

This fund provides for redevelopment of the Fox River corridor in an area that lies just north and south of the College Avenue Bridge and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

The City's updated Comprehensive Plan 2010-2030, including the Downtown Plan and Fox River chapters, identified several redevelopment sites located along the banks of the Fox River, as well as the opportunities that the opening of the Fox River Navigation System provided the community. Several key sites included the former Foremost Dairy property (935 E. John Street) on the north side of the river, RiverHeath on the south, and the Eagle Flats property up the Fox River between Lawe Street and Olde Oneida Street. These sites were identified for future medium to high density residential development, neighborhood commercial development, and public access to the river.

In response, the City created Tax Increment Financing (TIF) District # 8 in 2009 to provide targeted investments in these areas, in conjunction with the private market, while recapturing the cost of participation through increased property tax revenues. The District was amended in 2011 to incorporate the Eagle Flats property, formerly Riverside Paper mill. The TIF District provides for a 22 year expenditure period to make investments to support the goals of the District, including eliminating blight and encouraging the rehabilitation of properties, enhancing the viability of businesses, retaining and attracting new businesses, stabilizing and increasing property values, and improving the overall appearance of public and private spaces. No new funds are being requested for the program for 2021 and the district is expected to pay back all general fund advances with interest.

Summary of Advances	General Fund
2012	\$ 315,000
2013	515,750
2014	41,538
2015	43,614
2016	-
2017	(500,000)
2018	-
2019	-
2020	(350,000)
2021	(65,902)
12/31/21 Balance	\$ -

**Major changes in Revenue, Expenditures, or Programs:**

No major changes.

**PERFORMANCE INDICATORS**

Actual 2018   Actual 2019   Target 2020   Projected 2020   Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 422,679	\$ 602,890	\$ 196,100	\$ 196,100	\$ 181,409	-7.49%
	<b>Program Expenses</b>	\$ 964,180	\$ 1,555,994	\$ 1,164,745	\$ 1,164,745	\$ 1,594,907	36.93%
<b>Expenses Comprised Of:</b>							
	Personnel	-	-	-	-	-	N/A
	Purchased Services	476,001	904,502	896,500	896,500	1,341,460	49.63%
	Miscellaneous Expense	20,795	20,795	12,045	12,045	1,647	-86.33%
	Capital Expenditures	-	-	-	-	-	N/A
	Transfers Out	467,384	630,697	256,200	256,200	251,800	-1.72%

\* % change from prior year adopted budget  
TIF 8.xls



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 8**

**Business Unit 4110**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ 531,054	\$ 1,014,802	\$ 1,150,000	\$ 1,150,000	\$ 1,520,000
422700 State Aid - Computers	3,050	3,123	3,100	3,100	3,100
422800 State Aid - Personal Prop	-	3,143	2,582	2,582	2,022
470500 General Interest	38,535	27,096	10,418	10,418	5,287
471000 Interest on Investments	13,281	33,278	15,000	15,000	1,000
503500 Other Reimbursements	367,813	536,250	165,000	165,000	170,000
591000 Proceeds of Debt	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 953,733</b>	<b>\$ 1,617,692</b>	<b>\$ 1,346,100</b>	<b>\$ 1,346,100</b>	<b>\$ 1,701,409</b>
<b>Expenses</b>					
610200 Labor Pool Allocations	\$ -	\$ -	\$ -	\$ -	\$ -
615000 Fringes	-	-	-	-	-
640100 Accounting/Audit Fees	1,553	1,319	1,350	1,350	1,310
640202 Recording/Filing Fees	150	150	150	150	150
642501 CEA Operations/Maint.	11	-	-	-	-
642502 CEA Depreciation/Replace.	12	-	-	-	-
659900 Other Contracts/Obligation	474,275	903,033	895,000	895,000	1,340,000
672000 Interest Payments	20,795	20,795	12,045	12,045	1,647
680999 Other Infrastructure	-	-	-	-	-
791300 Transfer Out - Debt Service	467,384	630,697	256,200	256,200	251,800
<b>Total Expense</b>	<b>\$ 964,180</b>	<b>\$ 1,555,994</b>	<b>\$ 1,164,745</b>	<b>\$ 1,164,745</b>	<b>\$ 1,594,907</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Contracts/Obligations

Tax Development Payment	
RiverHeath	\$ 920,000
Eagle Flats	70,000
Eagle Point	350,000
	<u>\$ 1,340,000</u>

## CITY OF APPLETON 2021 BUDGET

### TAX INCREMENTAL DISTRICT # 8

#### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ 531,054	\$ 1,014,802	\$ 1,150,000	\$ 1,077,616	\$ 1,520,000
Intergovernmental Revenue	3,050	6,266	5,682	5,706	5,122
Other Reimbursements	367,813	536,250	165,000	165,000	170,000
Interest Income	51,816	60,374	25,418	24,000	6,287
<b>Total Revenues</b>	<u>953,733</u>	<u>1,617,692</u>	<u>1,346,100</u>	<u>1,272,322</u>	<u>1,701,409</u>
<b>Expenses</b>					
Program Costs	474,298	903,033	895,000	942,230	1,340,000
Interest Expense	20,795	20,795	12,045	12,045	1,647
Administration	1,703	1,469	1,500	1,396	1,460
<b>Total Expenses</b>	<u>496,796</u>	<u>925,297</u>	<u>908,545</u>	<u>955,671</u>	<u>1,343,107</u>
Revenues over (under) Expenses	456,937	692,395	437,555	316,651	358,302
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	-	-	-	-
Sale of City Property	-	-	-	-	-
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	(467,384)	(630,697)	(256,200)	(256,519)	(251,800)
<b>Total Other Financing Sources (Uses)</b>	<u>(467,384)</u>	<u>(630,697)</u>	<u>(256,200)</u>	<u>(256,519)</u>	<u>(251,800)</u>
Net Change in Equity	(10,447)	61,698	181,355	60,132	106,502
Fund Balance - Beginning	(156,151)	(166,598)	(104,900)	(104,900)	(44,768)
Fund Balance - Ending	<u>\$ (166,598)</u>	<u>\$ (104,900)</u>	<u>\$ 76,455</u>	<u>\$ (44,768)</u>	<u>\$ 61,734</u>

#### SCHEDULE OF CASH FLOWS

Cash - Beginning of Year	\$ 311,001	\$ 21,133
+ Net Change in Equity	60,132	106,502
+ Advance from General Fund	-	-
- General Fund Advance Repayment	(350,000)	(65,902)
Working Cash - End of Year	<u>\$ 21,133</u>	<u>\$ 61,733</u>

**CITY OF APPLETON 2021 BUDGET  
TAX INCREMENTAL DISTRICT # 8  
LONG TERM DEBT**

Year	2012 DNR Site Remediation Loan		2014 G.O. Notes <sup>1</sup>	
	Principal	Interest	Principal	Interest
2021	\$ 35,000	\$ -	\$ 170,000	\$ 1,700
2022	45,000	-	-	-
2023	45,000	-	-	-
2024	50,000	-	-	-
	<u>\$ 175,000</u>	<u>\$ -</u>	<u>\$ 170,000</u>	<u>\$ 1,700</u>

Year	2015 G.O. Notes		Total		Total
	Principal	Interest	Principal	Interest	
2021	\$ 40,000	\$ 5,100	\$ 245,000	\$ 6,800	\$ 251,800
2022	40,000	4,300	85,000	4,300	89,300
2023	40,000	3,300	85,000	3,300	88,300
2024	45,000	2,025	95,000	2,025	97,025
2025	45,000	675	45,000	675	45,675
	<u>\$ 210,000</u>	<u>\$ 15,400</u>	<u>\$ 555,000</u>	<u>\$ 17,100</u>	<u>\$ 572,100</u>

<sup>1</sup> The City borrowed a total of \$1,600,000 on behalf of Riverheath in two installments with the 2012A and 2014 G.O. issues. Debt service on that borrowing is paid by Riverheath and is included in the transfer out to debt service.

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 9**

**Business Unit 4120**

**PROGRAM MISSION**

This fund provides for redevelopment of the business and industrial corridor located along East Wisconsin Avenue from Meade Street to Viola Street, and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

The district was created 9/19/13 and allows a 22 year expenditure period to make investments. Costs can be recouped over the 27 year maximum life (9/18/2040). The investment in this district will:

- \* Eliminate blight and foster urban renewal through public and private investment
- \* Enhance the development potential of private property within and adjacent to the district
- \* Stabilize property values in the area
- \* Promote business retention, expansion, and attraction through the development of an improved area
- \* Increase the attraction of compatible residential and business uses in this area
- \* Improve the overall appearance of public and private spaces
- \* Strengthen the economic well-being and economic diversity of the area
- \* Provide appropriate financial incentives to encourage business expansion and retention
- \* Reduce the financial risks to the taxpayer by timing the implementation of the project plan with the creation of additional property value
- \* Maximize the district's strategic location close to the central business district

No new funds are being requested for the program in 2021.

**Major changes in Revenue, Expenditures, or Programs:**

No major changes.

**PERFORMANCE INDICATORS**

Actual 2018   Actual 2019   Target 2020   Projected 2020   Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 74,762	\$ 81,957	\$ 115,493	\$ 115,493	\$ 156,605	35.60%
	<b>Program Expenses</b>	\$ 34,401	\$ 35,630	\$ 36,500	\$ 36,500	\$ 36,460	-0.11%
<b>Expenses Comprised Of:</b>							
	Personnel	-	-	-	-	-	N/A
	Purchased Services	34,401	35,630	36,500	36,500	36,460	-0.11%
	Miscellaneous Expense	-	-	-	-	-	N/A
	Repair & Maintenance	-	-	-	-	-	N/A
	Transfers Out	-	-	-	-	-	N/A

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 9**

**Business Unit 4120**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ 64,489	\$ 18,769	\$ -	\$ -	\$ 9,500
422700 State Aid - Computers	72,050	73,794	74,000	74,000	74,000
422800 State Aid - Personal Prop	-	382	36,493	36,493	72,605
471000 Interest on Investments	2,712	7,781	5,000	5,000	10,000
503500 Other Reimbursements	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 139,251</b>	<b>\$ 100,726</b>	<b>\$ 115,493</b>	<b>\$ 115,493</b>	<b>\$ 166,105</b>
<b>Expenses</b>					
640100 Accounting/Audit Fees	\$ 1,554	\$ 1,320	\$ 1,350	\$ 1,350	\$ 1,310
640202 Recording/Filing Fees	150	150	150	150	150
659900 Other Contracts/Obligation	32,697	34,160	35,000	35,000	35,000
<b>Total Expense</b>	<b>\$ 34,401</b>	<b>\$ 35,630</b>	<b>\$ 36,500</b>	<b>\$ 36,500</b>	<b>\$ 36,460</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Contracts/Obligations

Developer funded incentive -  
Union Square Apartments

\$ 35,000

## CITY OF APPLETON 2021 BUDGET

### TAX INCREMENTAL DISTRICT # 9

#### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ 64,489	\$ 18,769	\$ -	\$ -	\$ 9,500
Intergovernmental Revenue	72,050	74,176	110,493	110,287	146,605
Interest Income	2,712	7,781	5,000	10,000	10,000
Other Reimbursements	-	-	-	-	-
<b>Total Revenues</b>	<u>139,251</u>	<u>100,726</u>	<u>115,493</u>	<u>120,287</u>	<u>166,105</u>
<b>Expenses</b>					
Program Costs	32,697	34,160	35,000	29,525	35,000
Administration	1,704	1,470	1,500	1,397	1,460
<b>Total Expenses</b>	<u>34,401</u>	<u>35,630</u>	<u>36,500</u>	<u>30,922</u>	<u>36,460</u>
Revenues over (under)					
Expenses	104,850	65,096	78,993	89,365	129,645
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	-	-	-	-
Interest Payments	-	-	-	-	-
Operating Transfers In	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Equity	104,850	65,096	78,993	89,365	129,645
Fund Balance - Beginning	92,087	196,937	262,033	262,033	351,398
Residual Equity Transfers In (Out)	-	-	-	-	-
<b>Fund Balance - Ending</b>	<u>\$ 196,937</u>	<u>\$ 262,033</u>	<u>\$ 341,026</u>	<u>\$ 351,398</u>	<u>\$ 481,043</u>

#### SCHEDULE OF CASH FLOWS

Cash - Beginning of Year	\$ 262,033	\$ 351,398
+ Net Change in Equity	89,365	129,645
+ Advance from General Fund	-	-
- General Fund Advance Repayment	-	-
<b>Working Cash - End of Year</b>	<u>\$ 351,398</u>	<u>\$ 481,043</u>



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 10**

**Business Unit 4130**

**PROGRAM MISSION**

This fund provides for redevelopment of the northside of the West College Avenue corridor from Lilas Drive to Linwood Avenue and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

The district was created 9/19/13 and allows a 22 year expenditure period to make investments. Costs can be recouped over the 27 year maximum life (9/18/2040).

The largest building in TIF District #10 is the Marketplace Commercial Center. Built in 1964 and added to in 1988, it has experienced significant vacancies for several years. The largest vacant parcel in this District is the 12 acre former K-Mart site. The K-Mart store was demolished in 2008, leaving a blighted, vacant parcel. CVS Pharmacy vacated their 17,000 square foot building in 2009 and it remains unoccupied. These sites and buildings are poised for commercial redevelopment/rehabilitation, being located along the gateway to Appleton with easy access to U.S. Highway 41 and Appleton's downtown.

No new funding is requested for this TIF for 2021.

**Major changes in Revenue, Expenditures, or Programs:**

The January 1, 2019 equalized value of this TIF remained below the base value by \$3,381,600, therefore no property tax increment was included in the 2020 budget. The District realized a drop in value in 2019 following a significant reduction in value of Marketplace Plaza during Open Book for assessment.

In 2018, the City approved a development agreement with Appleton Storage I, LLC for the construction of a commercial storage development on the former K-Mart site. Staff worked with Appleton Storage I, LLC throughout 2019 on the site approvals, with construction expected to begin later in 2020. The project will add approximately \$2.2 million in assessed value to the TIF.

**PERFORMANCE INDICATORS**

Actual 2018   Actual 2019   Target 2020   Projected 2020   Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 6,335	\$ 8,524	\$ 6,500	\$ 6,500	\$ 6,500	0.00%
	<b>Program Expenses</b>	\$ 1,704	\$ 1,471	\$ 1,500	\$ 1,500	\$ 1,460	-2.67%
<b>Expenses Comprised Of:</b>							
	Personnel	-	-	-	-	-	N/A
	Purchased Services	1,704	1,471	1,500	1,500	1,460	-2.67%
	Miscellaneous Expense	-	-	-	-	-	N/A
	Capital Expenditures	-	-	-	-	-	N/A
	Transfers Out	-	-	-	-	-	N/A



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 10**

**Business Unit 4130**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
422700 State Aid - Computers	5,041	5,163	5,000	5,000	5,000
471000 Interest on Investments	1,294	3,361	1,500	1,500	1,500
591000 Proceeds of Debt	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 6,335</b>	<b>\$ 8,524</b>	<b>\$ 6,500</b>	<b>\$ 6,500</b>	<b>\$ 6,500</b>
<b>Expenses</b>					
610100 Regular Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
615000 Fringes	-	-	-	-	-
640100 Accounting/Audit Fees	1,554	1,321	1,350	1,350	1,310
640202 Recording/Filing Fees	150	150	150	150	150
640400 Consulting	-	-	-	-	-
672000 Interest Payments	-	-	-	-	-
659900 Other Contracts/Obligation	-	-	-	-	-
680900 Infrastructure Construction	-	-	-	-	-
<b>Total Expense</b>	<b>\$ 1,704</b>	<b>\$ 1,471</b>	<b>\$ 1,500</b>	<b>\$ 1,500</b>	<b>\$ 1,460</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

None

**CITY OF APPLETON 2021 BUDGET**  
**TAX INCREMENTAL DISTRICT # 10**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental Revenue	5,041	5,163	5,000	5,162	5,000
Interest on Investments	1,294	3,361	1,500	3,000	1,500
<b>Total Revenues</b>	<u>6,335</u>	<u>8,524</u>	<u>6,500</u>	<u>8,162</u>	<u>6,500</u>
<b>Expenses</b>					
Program Costs	-	-	-	-	-
Administration	1,704	1,471	1,500	1,396	1,460
<b>Total Expenses</b>	<u>1,704</u>	<u>1,471</u>	<u>1,500</u>	<u>1,396</u>	<u>1,460</u>
Revenues over (under) Expenses	4,631	7,053	5,000	6,766	5,040
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	-	-	-	-
Interest Payments	-	-	-	-	-
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Equity	4,631	7,053	5,000	6,766	5,040
Fund Balance - Beginning	87,141	91,772	98,825	98,825	105,591
Residual Equity Transfers In (Out)	-	-	-	-	-
<b>Fund Balance - Ending</b>	<u>\$ 91,772</u>	<u>\$ 98,825</u>	<u>\$ 103,825</u>	<u>\$ 105,591</u>	<u>\$ 110,631</u>

**SCHEDULE OF CASH FLOWS**

Cash - Beginning of Year	\$ 98,825	\$ 105,591
+ Net Change in Equity	6,766	5,040
+ Advance from General Fund	-	-
- General Fund Advance Repayment	-	-
<b>Working Cash - End of Year</b>	<u>\$ 105,591</u>	<u>\$ 110,631</u>



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 11**

**Business Unit 4140**

**PROGRAM MISSION**

This fund provides for redevelopment of East College Avenue from Durkee Street to just west of Superior Street, south to Water Street and north to E. Washington Street and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

This area of East College Avenue, is characterized by a large blighted and vacant commercial site, a mixture of small businesses, office space, and housing which have the potential to create, and in some cases already have created, a blighting influence on the surrounding area. Assisting with the rehabilitation and conservation of existing properties and business, as well as redevelopment of vacant, blighted, and underutilized properties as needed to support the urban renewal of this area, is a priority for the City as outlined in the Comprehensive Plan 2010-2030 (Chapter 14 Downtown Plan). The City created TIF District #11 in 2017 to provide targeted investments in this commercial corridor in conjunction with the private market, while recapturing the cost of participation through the increased property tax revenues. The TIF District provides for a 22 year expenditure period (August 9, 2039) to make investments to support the goals of the District. The maximum life of the District is 27 years (August 9, 2044). Projects to be funded from this fund can be found in the Capital Projects section of the budget, as follows:

Project	Amount	Page
Water Main Construction Program	518,270	Projects, pg. 590
Stormwater Construction Program	185,400	Projects, pg. 584
Wastewater Construction Program	187,650	Projects, pg. 596
	<u>\$ 891,320</u>	

Summary of Advances	General Fund
2017	\$ 1,025
2018	348,551
2019	437,729
2020	449,365
2021	(274,441)
12/31/21 Balance	<u>\$ 962,229</u>

**Major changes in Revenue, Expenditures, or Programs:**

The Business Enhancement Grants have continued to experience high demand since the inception of the program in 2018. As of July 1, 2020, all of the \$42,000 available in TIF District #11 has been committed (including the carryover from 2019), and it has leveraged over \$77,774 in private investment. 2021 funding is requested to continue to provide for six (6) Business Enhancement Grants to continue leverage of significant private investment in this corridor. TIF #11 was amended in 2020 to add under valued and under utilized parcels from TIF#3 in order to encourage development, increase the tax base and meet the goals and objectives as detailed in the Comprehensive Plan.

**PERFORMANCE INDICATORS**

Actual 2018   Actual 2019   Target 2020   Projected 2020   Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 133	\$ 2,010,000	\$ 20,510,150	\$ 20,510,150	\$ 891,000	-95.66%
	<b>Program Expenses</b>	\$ 418,240	\$ 2,850,181	\$ 20,589,272	\$ 20,640,361	\$ 980,339	-95.24%
<b>Expenses Comprised Of:</b>							
	Personnel	44,060	113,779	-	-	-	N/A
	Supplies & Materials	146	149,842	-	-	-	N/A
	Purchased Services	265,475	1,098,547	43,500	74,436	63,460	45.89%
	Miscellaneous Expense	8,551	27,729	35,622	35,622	25,559	-28.25%
	Capital Expenditures	100,008	1,460,284	20,510,150	20,530,303	891,320	-95.65%
	Transfers Out	-	-	-	-	-	N/A

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 11**

**Business Unit 4140**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ -	\$ 162,983	\$ 36,000	\$ 36,000	\$ 385,000
422700 State Aid - Computers	-	-	-	-	-
471000 Interest on Investments	133	-	160,150	160,150	-
501000 Miscellaneous Revenue	-	-	-	-	-
591000 Proceeds of Debt	-	2,010,000	20,350,000	20,350,000	891,000
<b>Total Revenue</b>	<b>\$ 133</b>	<b>\$ 2,172,983</b>	<b>\$ 20,546,150</b>	<b>\$ 20,546,150</b>	<b>\$ 1,276,000</b>
<b>Expenses</b>					
610100 Regular Salaries	\$ 15,342	\$ 76	\$ -	\$ -	\$ -
610200 Labor Pool Allocations	16,940	79,059	-	-	-
610400 Call Time	-	100	-	-	-
610500 Overtime Wages	80	2,727	-	-	-
610800 Part-Time Wages	46	2,723	-	-	-
615000 Fringes	11,652	29,094	-	-	-
630901 Shop Supplies	-	40	-	-	-
632503 Other Materials	-	86	-	-	-
632510 Street Lights	146	144,489	-	-	-
632800 Signs	-	5,226	-	-	-
640100 Accounting/Audit Fees	-	1,320	1,350	1,350	1,310
640201 Attorney Fees	-	39,625	-	-	20,000
640202 Recording/Filing Fees	150	150	150	150	150
640400 Consulting Services	99,777	91,908	-	15,936	-
640600 Architect Fees	145,687	898,050	-	-	-
640800 Contractor Fees	-	7,103	-	-	-
642501 CEA Operations/Maint.	253	1,045	-	-	-
642502 CEA Depreciation/Replace.	102	559	-	-	-
650100 Insurance	-	29,183	-	-	-
659900 Other Contracts/Obligation	19,506	29,605	42,000	57,000	42,000
672000 Interest Payments	8,551	27,729	35,622	35,622	25,559
680100 Land	5,150	-	-	-	-
680300 Buildings	-	-	20,000,000	20,000,000	-
680900 Infrastructure Construction	94,858	1,460,284	510,150	530,303	891,320
791300 Transfer Out - Debt Svc	-	-	-	-	-
<b>Total Expense</b>	<b>\$ 418,240</b>	<b>\$ 2,850,181</b>	<b>\$ 20,589,272</b>	<b>\$ 20,640,361</b>	<b>\$ 980,339</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Attorney Fees

Project negotiation/legal assistance      \$ 20,000

Other Contracts/Obligations

Property improvement grants      \$ 42,000

Infrastructure Construction

Sanitary Sewers      187,650

Storm sewers      185,400

Water Mains      518,270

\$ 891,320

**CITY OF APPLETON 2021 BUDGET**  
**TAX INCREMENTAL DISTRICT # 11**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ -	\$ 162,983	\$ 36,000	\$ 34,028	\$ 385,000
Intergovernmental Revenue	-	-	-	-	-
Interest on Investments	133	-	160,150	1,000	-
<b>Total Revenues</b>	<u>133</u>	<u>162,983</u>	<u>196,150</u>	<u>35,028</u>	<u>385,000</u>
<b>Expenses</b>					
Program Costs	409,539	2,820,982	20,552,150	107,000	953,320
Administration	150	1,470	1,500	1,396	1,460
<b>Total Expenses</b>	<u>409,689</u>	<u>2,822,452</u>	<u>20,553,650</u>	<u>108,396</u>	<u>954,780</u>
Revenues over (under) Expenses	(409,556)	(2,659,469)	(20,357,500)	(73,368)	(569,780)
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	2,010,000	20,350,000	-	891,000
Interest Payments	(8,551)	(27,729)	(35,622)	(49,365)	(25,559)
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(8,551)</u>	<u>1,982,271</u>	<u>20,314,378</u>	<u>(49,365)</u>	<u>865,441</u>
Net Change in Equity	(418,107)	(677,198)	(43,122)	(122,733)	295,661
Fund Balance - Beginning	<u>(1,025)</u>	<u>(419,132)</u>	<u>(1,096,330)</u>	<u>(1,096,330)</u>	<u>(1,219,063)</u>
Fund Balance - Ending	<u>\$ (419,132)</u>	<u>\$ (1,096,330)</u>	<u>\$ (1,139,452)</u>	<u>\$ (1,219,063)</u>	<u>\$ (923,402)</u>

**SCHEDULE OF CASH FLOWS**

Cash - Beginning of Year	\$ 12,786	\$ 17,674
+ Net Change in Equity	(122,733)	295,661
- Decrease in accounts payable	(321,744)	-
+ Advance from General Fund	449,365	25,559
- General Fund Advance Repayment	-	(300,000)
Working Cash - End of Year	<u>\$ 17,674</u>	<u>\$ 38,894</u>

**CITY OF APPLETON 2021 BUDGET  
TAX INCREMENTAL DISTRICT # 11  
LONG TERM DEBT**

Year	2019A G.O. Notes	
	Principal	Interest
2021	\$ -	\$ - *
2022	-	51,150
2023	260,000	47,250
2024	270,000	39,300
2025	280,000	31,050
2026	285,000	22,575
2027	295,000	15,350
2028	305,000	9,350
2029	315,000	3,150
	<u>\$ 2,010,000</u>	<u>\$ 219,175</u>

\* The premium received when the 2019 G.O. notes were issued will be used to pay the amount of interest due in 2020 & 2021, so no transfer to the debt service fund will be required in 2020 or 2021.

An anticipated \$891,000 general obligation debt issue is planned for 2021

**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 12**

**Business Unit 4150**

**PROGRAM MISSION**

This fund provides for rehabilitation and redevelopment of the West College Avenue corridor from Badger/Story Street to Walnut Street and for the receipt of district "incremental" property taxes and other revenues, along with the corresponding program expenditures.

**PROGRAM NARRATIVE**

**Link to City Goals:**

Implements Key Strategy # 2: "Encourage active community participation and involvement."

**Objectives:**

The area of West College Avenue, from Badger/Story Streets to Walnut Street, is experiencing notable vacancies and deteriorated conditions. Assisting with the rehabilitation and conservation of existing properties and business, as well as redevelopment of vacant, blighted, and underutilized properties as needed to support the urban renewal of this area, is a priority for the City as outlined in the Comprehensive Plan 2010-2030 including Chapter 14 Downtown Plan. The City created TIF District #12 in 2017 to provide targeted investments in this commercial corridor in conjunction with the private market, while recapturing the cost of participation through the increased property tax revenues. The TIF District provides for a 22 year expenditure period (August 9, 2039) to make investments to support the goals of the District, including eliminating blight and encouraging the rehabilitation of properties, enhancing the viability of the businesses, retention of businesses and attraction of new businesses, stabilizing and increasing property values and improving the overall appearance of public and private spaces. The maximum life of the District is 27 years (August 9, 2044).

Summary of Advances	General Fund
2017	\$ 1,025
2018	7,739
2019	47,100
2020	43,793
2021	4,983
12/31/21 Balance	<u>\$ 104,640</u>

**Major changes in Revenue, Expenditures, or Programs:**

The Business Enhancement Grants have continued to experience high demand since the inception of the program in 2018. As of July 1, 2020, \$39,175 Of the \$42,000 available in TIF District #12 has been committed and it has leveraged over \$175,236 in private investment. Demand continues for the program. 2021 funding is requested to continue to provide for six (6) Business Enhancement Grants to continue leverage of significant private investment in this corridor.

**PERFORMANCE INDICATORS**

Actual 2018    Actual 2019    Target 2020    Projected 2020    Target 2021

Note: Since this program exists solely to account for capital investments and incremental property tax receipts, there are no applicable performance measures.

**DEPARTMENT BUDGET SUMMARY**

Programs		Actual		Budget			% Change *
Unit	Title	2018	2019	Adopted 2020	Amended 2020	2021	
	<b>Program Revenues</b>	\$ 131	\$ 37	\$ -	\$ -	\$ -	N/A
	<b>Program Expenses</b>	\$ 7,389	\$ 45,145	\$ 54,593	\$ 54,593	\$ 56,443	3.39%
<b>Expenses Comprised Of:</b>							
	Personnel	-	-	-	-	-	N/A
	Purchased Services	7,150	43,569	51,000	51,000	51,460	0.90%
	Miscellaneous Expense	239	1,576	3,593	3,593	4,983	38.69%
	Capital Expenditures	-	-	-	-	-	N/A

\* % change from prior year adopted budget  
TIF 12.xls



**CITY OF APPLETON 2021 BUDGET  
CAPITAL PROJECTS FUNDS**

**Tax Incremental District # 12**

**Business Unit 4150**

**PROGRAM BUDGET SUMMARY**

Description	Actual		Budget		
	2018	2019	Adopted 2020	Amended 2020	2021
<b>Revenues</b>					
411000 Property Tax	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 75,000
422700 State Aid - Computers	-	-	-	-	-
471000 Interest on Investments	131	37	-	-	-
591000 Proceeds of Debt	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 131</b>	<b>\$ 37</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 75,000</b>
<b>Expenses</b>					
610100 Regular Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
615000 Fringes	-	-	-	-	-
640100 Accounting/Audit Fees	-	1,320	1,350	1,350	1,310
640202 Recording/Filing Fees	150	150	150	150	150
659900 Other Contracts/Obligation	7,000	42,099	49,500	49,500	50,000
672000 Interest Payments	239	1,576	3,593	3,593	4,983
680901 Streets	-	-	-	-	-
<b>Total Expense</b>	<b>\$ 7,389</b>	<b>\$ 45,145</b>	<b>\$ 54,593</b>	<b>\$ 54,593</b>	<b>\$ 56,443</b>

**DETAILED SUMMARY OF 2021 PROPOSED EXPENDITURES > \$15,000**

Other Contracts/Obligations

Property Improvement Grants	\$ 42,000
Tax development payment	
McFleshmans Commons	8,000
	<u>\$ 50,000</u>

**CITY OF APPLETON 2021 BUDGET**  
**TAX INCREMENTAL DISTRICT # 12**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (DEFICIT)**

<b>Revenues</b>	2018 Actual	2019 Actual	2020 Budget	2020 Projected	2021 Budget
Property Taxes	\$ -	\$ -	\$ 25,000	\$ 24,824	\$ 75,000
Intergovernmental Revenue	-	-	-	-	-
Interest on Investments	131	37	-	-	-
<b>Total Revenues</b>	<u>131</u>	<u>37</u>	<u>25,000</u>	<u>24,824</u>	<u>75,000</u>
<b>Expenses</b>					
Program Costs	7,000	42,099	49,500	61,400	50,000
Administration	150	1,470	1,500	1,396	1,460
<b>Total Expenses</b>	<u>7,150</u>	<u>43,569</u>	<u>51,000</u>	<u>62,796</u>	<u>51,460</u>
Revenues over (under) Expenses	(7,019)	(43,532)	(26,000)	(37,972)	23,540
<b>Other Financing Sources (Uses)</b>					
Proceeds of G.O. Debt	-	-	-	-	-
Interest Payments	(239)	(1,576)	(3,593)	(3,793)	(4,983)
Operating Transfers In	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>(239)</u>	<u>(1,576)</u>	<u>(3,593)</u>	<u>(3,793)</u>	<u>(4,983)</u>
Net Change in Equity	(7,258)	(45,108)	(29,593)	(41,765)	18,557
Fund Balance - Beginning	(1,025)	(8,283)	(53,391)	(53,391)	(95,156)
Residual Equity Transfers In (Out)	-	-	-	-	-
<b>Fund Balance - Ending</b>	<u>\$ (8,283)</u>	<u>\$ (53,391)</u>	<u>\$ (82,984)</u>	<u>\$ (95,156)</u>	<u>\$ (76,599)</u>

**SCHEDULE OF CASH FLOWS**

Cash - Beginning of Year	\$ 2,473	\$ 4,501
+ Net Change in Equity	(41,765)	18,557
+ Advance from General Fund	43,793	4,983
- General Fund Advance Repayment	-	-
<b>Working Cash - End of Year</b>	<u>\$ 4,501</u>	<u>\$ 28,041</u>

# **CITY OF APPLETON CAPITAL IMPROVEMENTS PROGRAM 2021 - 2025 PROJECT REQUEST FORMS**

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Project request forms for those projects to be funded in the 2021 - 2025 Capital Improvements Program are included in this section.

**CITY OF APPLETON 2021 BUDGET  
CAPITAL IMPROVEMENTS PROGRAM, 2021-2025**

**PROJECT CATEGORY LIST**

Page	Project	Dept. Code	2021	2022	2023	2024	2025
<b>Infrastructure</b>							
564	Southpoint Commerce Park	CD	69,473	63,125	337,416	105,283	364,272
565	Bridge Improvements	PW	141,623	25,000	140,000	548,558	185,000
566	Pedestrian Crosswalk Safety Enhancements	PW	96,256	91,774	91,774	-	-
567	Public Safety Camera Program	PW	29,428	29,428	-	-	-
568	Traffic Signal Controller Replacement	PW	-	155,750	155,750	-	-
569	Second Raw Water Line	WF	8,280,000	-	9,000,000	-	-
570	Asphalt Paving Program	PW	2,439,980	2,473,698	2,694,796	2,624,955	2,750,890
574	Concrete Paving Program	PW	5,767,493	7,771,858	4,167,382	6,997,162	6,954,785
580	Grade and Gravel Program	PW	785,117	574,586	554,612	681,807	936,934
582	Sidewalk Program	PW	1,249,055	1,634,164	1,518,606	1,575,002	1,762,002
584	Stormwater Program	SW	3,856,863	5,026,860	7,430,570	6,080,699	4,621,050
590	Watermain Program	WD	6,558,067	3,017,477	5,451,562	4,131,137	7,218,762
596	Sanitary Sewer Program	WW	5,302,904	4,893,294	2,986,487	2,593,774	3,017,077
<b>Facilities</b>							
602	Building Envelope	PRFM	-	225,000	-	75,000	40,000
603	Electrical Upgrades	PRFM	2,300,000	1,350,000	325,000	130,000	200,000
604	Elevator Replacement	PRFM	-	-	-	350,000	-
605	Energy Efficiency Updates	PRFM	-	85,000	-	85,000	-
606	Facility Renovations	PRFM	300,000	2,325,000	2,900,000	-	25,000
607	Fire Station # 4 Replacement	PRFM	300,000	800,000	3,100,000	-	-
608	Grounds Improvements	PRFM	65,000	25,000	25,000	25,000	115,000
609	Hardscape Infrastructure Improvements/Replace.	PRFM	1,050,000	1,050,000	650,000	725,000	850,000
610	HVAC Upgrades	PRFM	1,865,000	1,850,000	1,155,000	775,000	575,000
611	Interior Finishes and Furniture	PRFM	1,535,000	710,000	1,500,000	900,000	35,000
612	Library	PRFM	2,400,000	12,000,000	12,000,000	-	-
613	Lighting Upgrades	PRFM	300,000	200,000	525,000	175,000	350,000
614	MSB Heated Storage Facility	PRFM	-	-	-	-	500,000
615	Plumbing Upgrades	PRFM	25,000	250,000	-	-	-
616	Roof Replacement	PRFM	275,000	-	775,000	125,000	200,000
617	Safety and Security Improvements	PRFM	380,000	350,000	50,000	50,000	100,000
618	Solar Energy Installation	PRFM	475,000	-	-	-	-
619	Transit Center	PRFM	-	100,000	2,000,000	10,000,000	-
620	Parking Utility Maintenance and Equipment	PAR	460,000	750,000	750,000	1,450,000	1,800,000
621	Water Treatment Chemical Storage	WF	75,000	400,000	-	-	-
622	Wastewater Sludge Storage Options	WW	800,000	4,200,000	3,000,000	-	-

**CITY OF APPLETON 2021 BUDGET  
CAPITAL IMPROVEMENTS PROGRAM, 2021-2025**

**PROJECT CATEGORY LIST**

Page	Project	Dept. Code	2021	2022	2023	2024	2025
	<b>Equipment</b>						
623	Enterprise Resource Planning (ERP) System	IT	325,000	250,000	250,000	-	-
624	Information Technology Equipment and Infrastructure	IT	250,000	395,000	250,000	-	-
625	Library Self-Check Replacement	LIB	-	60,000	-	-	-
626	CEA Car Wash Replacement	PW	-	425,000	-	-	-
627	Survey Instrument Replacement	PW	-	45,000	-	25,000	-
628	Mackville Landfill Monitoring Equipment	SAN	-	70,000	-	-	-
629	Street Sweeper Replacement	STR	-	70,000	-	-	-
630	Support Vehicle	VT	50,000	-	-	-	-
631	Bus Purchases	VT	2,500,000	-	-	-	-
632	Bus Stop Sign Replacements	VT	50,000	-	-	-	-
633	Water Treatment Instrument Improvements	WF	-	100,000	-	-	-
634	Belt Filter Press Upgrades	WW	750,000	2,400,000	2,400,000	-	-
635	Lift Station Improvements	WW	-	200,000	400,000	400,000	-
636	Receiving Station Improvements	WW	330,000	-	-	-	-
637	Redundant Fiber Optic Line	WW	10,000	50,000	-	-	-
638	Secondary Clarifier Drive Rebuilds	WW	750,000	-	-	-	-
	<b>Quality of Life</b>						
639	AMP Master Plan Renovations	PRFM	-	-	125,000	1,500,000	-
640	AMP Athletic Fields	PRFM	100,000	150,000	-	-	-
641	Park ADA Improvements	PRFM	50,000	100,000	-	100,000	-
642	Park Aquatics	PRFM	50,000	-	-	50,000	400,000
643	Park Development	PRFM	30,000	1,150,000	-	50,000	1,440,000
644	Pavilion/Recreation Facilities	PRFM	150,000	250,000	240,000	650,000	4,600,000
645	Peabody Park Improvements	PRFM	-	-	-	250,000	2,000,000
646	Playground Areas	PRFM	90,000	90,000	90,000	575,000	90,000
647	Reid Golf Course	PRFM	150,000	65,000	45,000	35,000	105,000
648	Sport Courts	PRFM	35,000	385,000	435,000	250,000	185,000
649	Statue and Monument Restoration	PRFM	30,000	30,000	30,000	30,000	30,000
650	Trails & Trail Connections	PRFM	740,000	2,800,000	4,050,000	650,000	900,000
			<b>\$ 53,621,259</b>	<b>\$ 61,512,014</b>	<b>\$ 71,598,955</b>	<b>\$ 44,768,377</b>	<b>\$ 42,350,772</b>

# CITY OF APPLETON 2021 BUDGET CAPITAL IMPROVEMENTS PROGRAM PROJECT REQUEST

## IDENTIFICATION

Project Title: Southpoint Commerce Park

## PROJECT DESCRIPTION

**Justification:**

This project comprises infrastructure development for the Southpoint Commerce Park in the southeast growth area of the City. The 359-acre site will be developed in several phases over the next two decades.

The first half of the Park was developed using the Tax Incremental District #6 (TIF #6) created in 2000. The TIF #6 Plan projects the district will create \$75 million in tax base. Job creation and retention will also be significant.

The 2021 budget provides funding for administration and management of Southpoint. Much of the development of Southpoint Commerce Park was paid for by TIF #6, which closed for capital investments February 14, 2018.

Funding in 2021 and beyond is for maintenance of the Park that will come from the Industrial Park Land Fund while TIF #6 recaptures the investments it's made in this District. The City will evaluate the need for additional infrastructure and platting of the remaining 100 acres of land in the Park and will determine at a later date if a new TIF District will be created to fund these costs.

Other administration costs include real estate commissions paid on land sales, due diligence expenses for land sales and park administration.

**Discussion of operating cost impact:**

No major impacts.

## DEPARTMENT COST SUMMARY

DEPARTMENT PHASE		2021	2022	2023	2024	2025	Total
Comm Dev	Administration	53,125	63,125	103,125	88,125	207,225	\$ 514,725
Comm Dev	Non-City						
	Improvements	-	-	-	17,158	157,047	\$ 174,205
Comm Dev	Sanitary Area						
	Assessment	16,348	-	-	-	-	\$ 16,348
<b>Total - Industrial Park Land Fund</b>		<b>\$ 69,473</b>	<b>\$ 63,125</b>	<b>\$ 103,125</b>	<b>\$ 105,283</b>	<b>\$ 364,272</b>	<b>\$ 705,278</b>

## COST ANALYSIS

Estimated Cash Flows							
Components	2021	2022	2023	2024	2025	Total	
Planning	-	-	-	-	-	\$ -	
Land Acquisition	-	-	-	-	-	\$ -	
Construction	-	-	-	17,158	157,047	\$ 174,205	
Other	69,473	63,125	103,125	88,125	207,225	\$ 531,073	
<b>Total</b>	<b>\$ 69,473</b>	<b>\$ 63,125</b>	<b>\$ 103,125</b>	<b>\$ 105,283</b>	<b>\$ 364,272</b>	<b>\$ 705,278</b>	
<b>Operating Cost Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	