



# MEMORANDUM

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

TO: Community and Economic Development Committee  
 FROM: Nikki Gerhard, Community Development Specialist  
 DATE: September 28, 2016  
 RE: AMENDED City Program funding approval and City Proposals for 2017 Community Development Block Grant (CDBG) Funding

Per City of Appleton CDBG Policy, the process of allocating 2017 CDBG funds has begun. An award estimate of \$528,000 was budgeted for the 2017 Program Year. \$528,000 is only an estimate and is subject to change upon adoption of the Federal budget. On September 14, 2016, CEDC staff proposed the following amounts and breakdown for approval for the 2017 Budget:

	Proposed
Housing Rehabilitation Loan Program	\$80,290
Neighborhood Program	\$0
*CDBG Administrative Costs	\$40,282
Appleton Housing Authority	\$60,000
TOTAL	\$180,572
Funds made available to City Departments & Community Partners	\$347,428

*\*includes funding for provision of HUD required Fair Housing Services at \$25,000*

Since CEDC approval on September 14<sup>th</sup>, the amounts associated with administration costs for the Housing Rehab Loan Program and City Administration have been finalized as part of the City’s budget process to reflect actual costs associated with these programs (salary, fringe benefits, and admin expenses). These revised amounts will be reflected in the City’s Executive Budget that will be distributed to the Common Council on October 5<sup>th</sup>. At this time we are asking for CEDC approval of these revised amounts to be consistent with the Executive Budget.

	Adjusted Proposed	Difference from Previous Approval
Housing Rehabilitation Loan Program	\$81,222	+\$932
Neighborhood Program	\$0	-
*CDBG Administrative Costs	\$49,192	+\$8,910
Appleton Housing Authority	\$60,000	-
TOTAL	\$190,414	+\$9,842
Funds made available to City Departments & Community Partners	\$337,586	(\$9,842)

*\*includes funding for provision of HUD required Fair Housing Services at \$25,000*

Proposals from City Departments were due September 2, 2016. One application was submitted. Upon receipt, the application was thoroughly reviewed by the Community and Economic Development Specialist for eligibility under HUD program regulations and it was determined that the proposed project was eligible.

The proposal from the Community & Economic Development Department is for \$200,000 to support site acquisition and infrastructure for “meeting community needs and enhancing quality of life” by creating a small home community that will expand housing options that are affordable for all residents of the City of Appleton. The entire proposal is attached.

The Department’s request for CDBG funding supports our local Comprehensive Plan in several goals and objectives. The *Comprehensive Plan 2010-2030* and Future Land Use Map are intended to guide City growth and development in an organized, efficient manner. The Plan addresses a range of topics related to land use, housing and neighborhoods, economic development, transportation, utilities and community facilities, and more. Evaluating the proposed CDBG application for consistency with relevant goals, objectives, and policies is provided to give context for Council consideration of funding this application and its consistency with City goals.

*Goal 1 – Community Growth*

*Appleton will continue to provide opportunities for residential, commercial, and industrial growth, including appropriate redevelopment sites within the downtown and existing neighborhoods and greenfield development sites at the City's edge.*

*Goal 3 – Housing Quality and Affordability*

*Appleton will provide a variety of rental and ownership housing choices in a range of prices affordable to community residents, and ensure that existing housing is adequately maintained in terms of physical quality and market viability.*

*OBJECTIVE 5.3 Housing and Neighborhoods:*

*Provide a range of housing styles that meet the needs and appeal to all segments of the community.*

*OBJECTIVE 7.1 Utilities and Community Facilities:*

*Provide a pattern of development that minimizes impacts to municipal services and utilities.*

*OBJECTIVE 10.1 Land Use:*

*Provide an adequate supply of suitable land meeting the demand for development of various land uses.*

Furthermore, the Community and Economic Development Department’s request for CDBG funding supports our local 2015-2019 Consolidated Plan, which was previously approved by City Council and HUD. The 2015-2019 Consolidated Plan is a five-year strategic plan that outlines the goals of the City of Appleton's Community Development Block Grant (CDBG) Program which is funded by the U.S. Department of Housing and Urban Development (HUD). The primary goal of the City of Appleton's CDBG Program is the creation of a thriving urban community through provision of assistance to low- and moderate-income 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. The plan summarizes the needs of the community and the goals and strategies the City will follow to achieve the planned outcomes.

*Goal 3—Acquisition for New Housing*

*Acquire and provide the City of Appleton with 15 new housing units*

CEDC made a recommendation on September 14, 2016 to Common Council for the proposed allocations for City programs and funding for the proposal from the Community & Economic Development Department. That recommendation has been referred back for further review. Staff has prepared a detailed presentation to provide as additional support of their application.

Following CEDC and Council approval of City program funding and City Department applications, the next step in the CDBG allocation process are applications from community partners. Per the Community Development Block Grant Policy, after all community partner applications have been received (due September 29, 2016) and determined eligible, CEDD staff will supply the CDBG Advisory Board with the applications and all appropriate guidelines along with a summary of each proposal and an explanation of the proposal score sheet. These packets of information are expected to be distributed to the Advisory Board members on Monday, October 3, 2016. Board members are asked to allocate funding among the applicants and return their allocations to CEDD staff who will compile all results and will present allocation recommendations at an Advisory Board meeting on October 25, 2016, during which allocation amounts will be finalized based on the anticipated projected award. Funding recommendations from this Board will be presented as an Action Item to CEDC on October 26, 2016. CEDC's recommendation will then be presented to the Common Council for final approval.

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