



CITY OF APPLETON

MEMORANDUM

Date: January 8, 2025
To: Community Development Committee
From: Olivia Galyon, Community Development Specialist
Subject: CDBG Preliminary Allocations – City and Core Projects

Appleton's Community Development Department has begun the process of allocating the 2025 Community Development Block Grant (CDBG) funds. This is a preliminary process, and allocations may need updates following the official allocation from the U.S. Department of Housing and Urban Development (HUD). An award estimate of \$588,231 was determined for the 2025 program year. This amount is an estimate based on the previous 5-years' allocations and is subject to change upon official allocation from HUD.

According to City CDBG policy, the Community Development Committee makes a recommendation and Common Council approves allocations for all City CDBG programs. The proposed City program allocations are as follows:

Housing Rehabilitation Loan Program: \$200,000

Community Resource Navigator: \$88,231

Neighborhood Grant Program: \$40,000

Appleton Housing Authority: \$25,000

Fair Housing: \$25,000

CDBG Administration: \$65,000

There are a few restrictions on CDBG funds that we must follow. First, up to 15% of funds can be used for public services. The Community Resource Navigator position is a public services project and is expected to use the full sum of available public service dollars. Second, up to 20% of funds can be used for administration, which includes Fair Housing. Fair Housing is also a required funding category and must be funded each year. The recommended administration and fair housing allocation of \$90,000 amounts to 15.3% of funds, which is under the funding cap.

The remaining balance of CDBG funds, \$145,000, has been made available to external non-profit organizations through a competitive application process. The CDBG Advisory Board members are individually reviewing the submitted applications and will come together in late January to make preliminary external funding recommendations. These preliminary recommendations will be brought to Community Development Committee and Common Council for approval in February. Once the official allocation is received from HUD, final allocation amounts for City and external projects will be brought to Community Development Committee and Common Council for final approval.