



City of Grand Island

Tuesday, June 23, 2009

Council Session

Item E5

**Public Hearing for a Disaster Recovery Program Community
Development Block Grant**

Staff Contact: Joni Kuzma

Council Agenda Memo

From: Joni Kuzma, Community Development Administrator

Council Meeting: June 23, 2009

Subject: Public Hearing on Disaster Recovery Program
Community Development Block Grant

Item #: E-5 & G-4

Presenter(s): Joni Kuzma, Community Development

Background

The Federal Emergency Management Agency has allocated a supplemental appropriation of about \$5.5 million to the State of Nebraska for long-term recovery efforts for damage caused by the severe storms, tornadoes, and flooding related to the June 20, 2008 FEMA federal disaster declaration. The supplemental appropriation is being provided through the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant program (CDBG) and will be administered by the Nebraska Department of Economic Development. The State of Nebraska published an Action Plan for proposed use Supplemental 2008 CDBG Disaster Recovery Funding Action Plan for disaster relief of unmet needs.

Disaster Recovery Program funds are to be used only for activities related to disaster relief, long-term recovery, and restoration of infrastructure in areas covered by the Federal Emergency Management Agency (FEMA) declaration of major disaster 1770-DR. Only damages occurring during the incident period from May 22, 2008 to June 24, 2008 are considered.

At least 50% of the Disaster Recovery Funds will be used for activities that meet the National Objectives of primarily benefiting persons of low- and moderate –income. Local units of government are eligible to apply for these funds for project activities that meet one of three national objectives:

- 1) benefiting low- and moderate-income persons; or
- 2) aiding in the prevention or elimination of slums or blight; or,
- 3) meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to health or welfare of the community and other financial resources are not available to meet such needs.

The Nebraska Department of Economic Development (DED) began accepting applications for this program on June 1, 2009. A public hearing is required prior to submission of an application

to the Nebraska Department of Economic Development to solicit public comment and input into the proposed project and grant application. A legal notice was published in the June 13, 2009 Grand Island Independent with notice of this council meeting and contact information for written comments.

Discussion

In February 2009, the City responded to a “2008 CDBG Disaster Allocation Notification request for needs” from the Nebraska Department of Economic Development. The “request” asked communities to identify unmet infrastructure, housing, and/or business needs resulting from the applicable disaster(s); and to recognize what needs have been met in the areas eligible for assistance. Hall County was an eligible area for public assistance. Comments from the City’s response were included in the final Annual Action Plan that was submitted to HUD. .

The City of Grand Island is requesting a Disaster Recovery Grant for \$803,500.00, plus \$40,175.00 in General Administration, for installation of a sanitary sewer interceptor and sewer main collection system upgrade to address an urgent community development need that occurred as a result of high ground water levels and flooding between May 22 and June 24, 2008. The proposed project encompasses two southern areas of Grand Island (581 households) to improve protection of homes from future sanitary sewer backups. Total project cost, including Admin, is projected at \$1,003,675. No matching funds are required but the City has budgeted \$160,000 for the balance of project costs above the grant award.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Approve the Disaster Recovery Program Community Development Block Grant application and authorize the Mayor to sign all related documents
2. Refer the issue to a Committee.
3. Postpone the issue to a later date.

Recommendation

City Administration recommends that Council approves the Disaster Recovery Program Community Development Block Grant application and authorizes the Mayor to sign all related documents.

Sample Motion

Move to approve the Disaster Recovery Program Community Development Block Grant application and authorize the Mayor to sign all related documents.