



# City of Grand Island

Tuesday, September 22, 2009

Council Session

## Item E2

**Public Hearing for Program Income Reuse Funds Guidelines for  
Housing**

Staff Contact: Joni Kuzma

# Council Agenda Memo

**From:** Joni Kuzma, Community Development

**Meeting:** September 22, 2009

**Subject:** Approving Program Income Reuse Plan Guidelines for Housing

**Item #'s:** E-2 & G-5

**Presenter(s):** Joni Kuzma, Community Development Administrator

## Background

The Nebraska Department of Economic Development allows local governments to retain program income from the Housing Category on eligible Community Development Block Grant activities that rehabilitate or support housing. The current City of Grand Island Program Income Reuse Plan was adopted by Council on January 8, 1996. Since that time many of the Department of Economic Development reuse guidelines have been modified. The proposed Reuse Plan has been updated to reflect compliance with Department guidelines.

## Discussion

Program Income Reuse Funds are administered by the Community Development Division for activities that rehabilitate or support housing located within Community Development Block Grant (CDBG) project area boundaries. Program Income generally means gross income received by the City through the repayment of housing rehabilitation loans, first-time homebuyer subsidy loans, sale of property, other miscellaneous receipts or from a sub-recipient of the City that was generated from the use of CDBG funds. Funds received from deferred payment/forgivable loans or grants are maintained in an interest bearing account. Reuse Funds may be expended only for projects that meet identified National Objective(s) primarily benefiting low-and-moderate income persons.

Community Development provides program and fiscal management of Reuse Funds, meets semi-annual reporting requirements of the Department of Economic Development, and incorporates changes made by the Department. A public hearing is required to amend the Reuse Plan. A public hearing notice was published in the Grand Island Independent on Saturday, September 12, 2009.

## **Alternatives**

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

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

## **Recommendation**

City Administration recommends that the Council approve the Program Income Reuse Plan.

## **Sample Motion**

Move to approve the Program Income Reuse Plan.