



City of Grand Island

Tuesday, July 12, 2011

Council Session

Item G6

#2011-169 - Approving Neighborhood Stabilization Program (09-3N-11) Grant Extension Request

Staff Contact: jonik

Council Agenda Memo

From: Joni Kuzma, Community Development Administrator

Council Meeting: July 12, 2011

Subject: Approving Neighborhood Stabilization Program
(09-3N-11) Grant Extension Request

Item #: G-6

Presenter(s): Joni Kuzma, Community Development

Background

In 2009, the City of Grand Island was awarded a \$993,712 Neighborhood Stabilization Program Grant from the Nebraska Department of Economic Development for property acquisition, demolition, redevelopment of new housing, housing administration, and general administration. In September 2010, the Department of Economic Development awarded an additional \$190,000 to the City for additional demolition and redevelopment. The project has enabled the City to demolish 11 blighted structures and will fund construction of eight (8) new houses on a portion of the lots. The houses are available to first-time homebuyers, who can apply for Direct Subsidy for down payment through this grant. All funds from the sale of each property will return to the City as program income and reinvested into similar projects.

Habitat for Humanity has constructed three houses on two lots (one was a double lot). The Housing Development Corporation (HDC) has coordinated construction of houses on three of the properties and has agreed to construct two additional houses that will be made available to low-to-middle income first-time homebuyers (for a total of eight). At this time, all three Habitat for Humanity houses are complete and occupied by low-income families; two houses constructed by HDC have been sold and the third is almost ready to list on the market. A property location map is provided for your review.

Discussion

The opportunity to demolish and construct two additional houses has extended the amount of time needed to complete the project. However, an extension request to the Department requires the City of Grand Island to request a contract extension for the Neighborhood Stabilization Program (NSP) grant 09-3N-11. The current contract end date is August 23, 2011. The proposed contract end date is August 23, 2012. The Grand Island City Council is required to take action on the extension request for submission to the Nebraska Department of Economic Development.

The extension request is being requested due to:

1. An additional grant fund award that enabled the City to demolish two extra substandard houses and to contract with the Housing Development Corporation to construct new housing on those cleared lots. (201 W. 17th and 2811 W. 4th)

Community Development believes that the project will be completed within the proposed extension date, if not before. A revised implementation schedule has been completed and will be provided with the extension request as required.

Alternatives

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

1. Approve the Neighborhood Stabilization Program (NSP) grant 09-3N-11 extension request
2. Refer the issue to a Committee.
3. Postpone the issue to a later date.

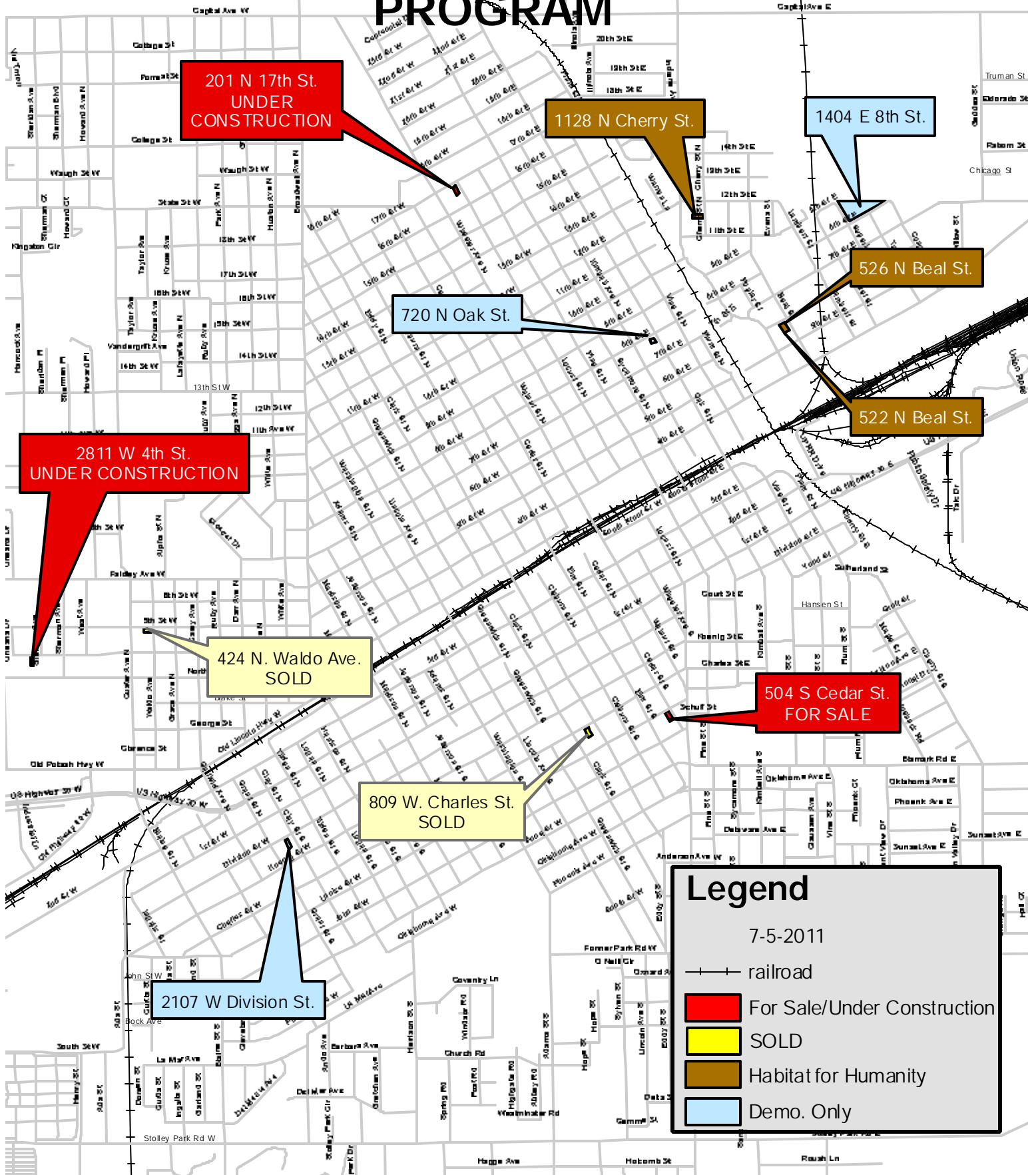
Recommendation

City Administration recommends that Council approves the Neighborhood Stabilization Program (NSP) grant 09-3N-11 extension request.

Sample Motion

Move to approve the Neighborhood Stabilization Program (NSP) grant 09-3N-11 extension request.

City of Grand Island NEIGHBORHOOD STABILIZATION PROGRAM



Legend

- 7-5-2011
- +— railroad
- For Sale/Under Construction
- SOLD
- Habitat for Humanity
- Demo. Only

RESOLUTION 2011-169

WHEREAS, in 2009, the City of Grand Island was awarded a \$993,712 Neighborhood Stabilization Program Grant from the Nebraska Department of Economic Development for property acquisition, demolition, redevelopment of new housing, housing administration, and general administration; and

WHEREAS, in September 2010, the Department of Economic Development awarded an extra \$190,000 to the City for additional demolition and redevelopment; and

WHEREAS, the project has enabled the City to demolish 11 blighted structures and will fund construction of eight (8) new houses on a portion of the lots; and

WHEREAS, the opportunity to demolish and construct two additional houses has extended the amount of time needed to complete the project; and

WHEREAS, the current contract end date is August 23, 2011 and the proposed contract end date is August 23, 2012; and

WHEREAS, required documents for the extension request have been prepared and must be submitted to the Nebraska Department of Economic Development for authorization.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that:

The City of Grand Island, Nebraska is hereby authorized to request a twelve-month extension for Neighborhood Stabilization Program Grant (09-3N-11).

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Adopted by the City Council of the City of Grand Island, Nebraska, July 12, 2011.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 8, 2011	☐ City Attorney