

# **City of Scottsbluff, Nebraska**

**Monday, June 15, 2020**

**Regular Meeting**

## **Item Reports1**

**Council to discuss and consider action on authorizing Panhandle Area Development District (PADD) to submit an application for the Housing Rehabilitation Grant.**

**Staff Contact: Mayor Raymond Gonzales**

**Community Development Block Grant (CDBG)  
Owner Occupied Rehabilitation (OOR) Category  
Pre-Application**

To be eligible to submit a full CDBG Owner Occupied Rehabilitation Category applicants must submit a Pre-Application. The Pre-Application provides the Department with information about applications prior to submitting the full application. **Pre-Applications are due July 31.**

For assistance regarding the CDBG OOR Application process contact your designated Regional Housing Representative identified below.

Region	Housing Representative	Phone Number	Email Address
Central	Laura Hart	308-202-0177	<a href="mailto:laura.hart@nebraska.gov">laura.hart@nebraska.gov</a>
Northeast	Mechele Grimes	402-309-4536	<a href="mailto:mechele.grimes@nebraska.gov">mechele.grimes@nebraska.gov</a>
Southeast	Nick Dropinski	402-471-2095	<a href="mailto:nick.dropinski@nebraska.gov">nick.dropinski@nebraska.gov</a>
Western	Kristi McClung	308-889-3420	<a href="mailto:kristi.mcclung@nebraska.gov">kristi.mcclung@nebraska.gov</a>

### Overview

Below is a summary application information, please refer to the 2019 CDBG Application Guidelines, Chapter 7 Owner Occupied Rehabilitation for the complete details:

### Eligible Applicants

Eligible Applicants include every Nebraska incorporated municipality (i.e. City or Village) that is not a CDBG Entitlement Community (Omaha, Lincoln, Bellevue, and Grand Island). Note: joint applications or county-wide applications are ineligible within the OOR Category.

### Eligible Activities

The following activities are eligible within the OOR Category. If any activity is not noted within the list below, please consult a Housing Representative in order to determine if any other proposed activities are eligible for the program.

- Rehabilitation (including rehabilitation which promotes energy efficiency) of residential owner-occupied homes.
  - Special projects directed to the removal of material and architectural barriers, which restrict the mobility and accessibility of elderly and handicapped persons.
- Payment of reasonable administrative costs related to implementing the program.

### Pre-Application Submission:

- The Pre-Application consists of:
  - Part I: General Information
  - Exhibit 101: Open Grant Information Spreadsheet
- Submit electronically the signed Pre-Application via Sharefile, <https://negov.sharefile.com/r-r29201ea115c43d19>;
- Retain the original signed Pre-Application within your files.

# 2019 PRE-APPLICATION

## OWNER OCCUPIED REHABILITATION (HO)

Community Development Block Grant (CDBG)

Nebraska Department of Economic Development (DED)

DED USE ONLY  
Date Stamp Below

DED USE ONLY  
Pre-Application Number

19-HO-

### PART I: GENERAL INFORMATION (TYPE OR PRINT ALL INFORMATION)

<b>1. APPLICANT IDENTIFICATION</b> Name: _____ Contact: _____ Address: _____ City/State/Zip: _____ Phone: _____ Fax: _____ Email: _____ Tax ID: _____ Duns #: _____	<b>2. APPLICATION PREPARER INFORMATION</b> Name: _____ Address: _____ City/State/Zip: _____ Phone: _____ Fax: _____ Email: _____ Application Preparer (check one) <input type="checkbox"/> Local Staff <input type="checkbox"/> Non-Profit Organization <input type="checkbox"/> Consultant <input type="checkbox"/> Economic Development District
<b>3. HOUSEHOLD BENEFICIARIES</b> # _____ at or below 80% of the Area Median Family Income # _____ Total	<b>4. DISTRICT INDICATOR (Select only ONE)</b> <input type="checkbox"/> Congressional District 1 <input type="checkbox"/> Congressional District 2 <input type="checkbox"/> Congressional District 3
<b>5. HOUSING ACTIVITIES</b> <input type="checkbox"/> Owner-Occupied Rehabilitation	<b>7. SERVICE AREA</b> Identify Area to be Served [municipality and county].  Nebraska Legislative District(s) _____
<b>6. TYPE OF APPLICANT</b> <input type="checkbox"/> Unit of Local Government	
<b>8. Grant Request Amount</b>	
<b>9. CERTIFYING OFFICIAL:</b> To the best of my knowledge and belief, data and information in this application is true and correct, including any commitment of local or other resources. The governing body of the applicant has duly authorized this application. This applicant will comply with all Federal and state requirements governing the use of CDBG funds.  Signature in blue ink: _____ Typed Name and Title: _____ Date Signed: _____ Address/City/State/Zip: _____	

Individuals who are hearing and/or speech impaired and have a TTY, may contact the Department through the Statewide Relay System by calling (711) INSTATE (800) 833-7352 (TTY) or (800) 833-0920 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402) 471-3111. Additional information is at the Nebraska Relay website <http://www.nebraskarelay.com/>. Nebraska Relay offers Spanish relay service for our Spanish-speaking customers. Spanish-to-Spanish (711) or 1-888-272-5528/ Spanish-to-English (711) or 1-877-564-3503. Nebraska le ofrece el servicio de relevo a nuestros clientes en español. Los consumidores de TTY pueden escribir por máquina en español y las conversaciones serán retransmitidas en español y inglés.

## 1. ELIGIBLE APPLICANTS

Except as provided in *Section 1.03* of the Application Guidelines, eligible applicants include every Nebraska incorporated municipality that is not a CDBG Entitlement Community (including Omaha, Lincoln, Bellevue, and Grand Island). No joint applications or county-wide applications are eligible within the OOR Cycle.

## 2. ELIGIBLE ACTIVITIES

The following activities are eligible within the OOR Program. If any activity is not noted within the list below, please consult a Regional Program Representative in order to determine if any other proposed activities are eligible for the program.

- Rehabilitation (including rehabilitation which promotes energy efficiency) of residential owner-occupied homes.
- Special projects directed to the removal of material and architectural barriers, which restrict the mobility and accessibility of elderly and handicapped persons.
- Payment of reasonable administrative costs related to implementing the program.

For more information, see *Section 3.04* of the Application Guidelines.

## 3. GRANT AMOUNTS & MATCHING FUNDS

OOR Category – Key Minimums, Maximums and Requirements	
Minimum Project Cost	\$250,000
Maximum Project Cost	\$750,000
General Administration	8% of Project Costs not to exceed \$20,000
Housing Management - does not include lead based paint	12% of Project Costs not to exceed \$50,000
Lead Base Paint (0580a)	Cannot exceed \$1,500 per unit

For more information, see *Sections 4.01 and 4.02* of the Application Guidelines.

**Matching Funds:** Are not required, however additional points will be awarded if cash match is provided. See *Section 4.02* and *5.03* of the Application Guidelines.

## 4. APPLICATION DUE DATES AND PROCESS

Applications are prepared at the applicants' expense and costs are not reimbursable. Applications for OOR program category will be accepted as shown in the table below based on US Postal Service postmark date or date of delivery by other means.

Applications will be reviewed by DED on a competitive basis according to the selection criteria established in *Section 5.03* of the Application Guidelines. The highest scoring applicants, who also meet all required thresholds, may be recommended for award.

Applications recommended for award through these processes will be presented to DED's Director for approval. DED will send a formal Notice of Approval Letter to the applicant community upon approval of the recommendation. A letter of non-selection will be issued to those applicants not recommended for award.

Below is a summary of the milestones:

Milestone Summary	Date
Required Pre-Application Due	July 31
Full Application Due	September 30
Anticipated Award Notification	December

Pre-Applications are required (please use the OOR Pre-Application document on the website) and are submitted **electronically** via Sharefile: <https://negov.sharefile.com/r-r29201ea115c43d19>

## Excerpts from approved minutes regarding Owner Occupied Rehabilitation Grants

### Minutes July 1, 2019

Mr. Jeff Kelley, Executive Director with Panhandle Area Development District (PADD), was in attendance to give a presentation on Owner Occupied Rehabilitation Grants (OOR). This type of grant encompasses every Nebraska incorporated municipality that is not a CDBG Entitlement Community. Mr. Kelley briefly gave an overview explaining activities that are eligible for the program. The activities defined involve rehabilitation, including rehabilitation that promotes energy efficiency of owner occupied homes and special projects directed to the removal of material and architectural barriers, which restrict the mobility and accessibility of elderly and handicapped persons. He went on to explain the grant amounts; minimum \$250,000.00, maximum \$750,000.00, stating matching funds are not required, however additional points are awarded if a cash match is provided. Also, City Council determines how funds are used, with \$25,000.00 being the maximum allowed for each home rehab. In addition, to qualify, the homes must be owner/occupied with the owner(s) meeting income guidelines. There are two steps involved to get the process started. The first is a pre-application which needs to be completed by July 31, 2019; the second, full application, needs to be completed by September 30, 2019. Anticipated award notification would be in December of 2019.

Council Member Green commented he would like to see how many would qualify for this type of program and asked before Council does anything, get input from persons who express interest. Council Member Shaver agreed stating it would be nice to get a number to be able to put on the pre-application. Mr. Kelley addressed the concerns, acknowledging by filling out the one page pre-application there is no commitment and Council could change the figure they requested if needed.

Council Member Schaub made a motion, seconded by Vice Mayor McKerrigan, "to authorize completing the pre-application for the Owner Occupied Rehabilitation Grant," "YEAS," Schaub and McKerrigan. "NAYS," Shaver and Green. Absent: Gonzales. Motion failed.

Council Member Shaver made a motion, seconded by Council Member Green, "to request getting more information from the public regarding the Owner Occupied Rehabilitation Grant for the July 15, 2019 meeting," "YEAS," Schaub, McKerrigan, Green, and Shaver. "NAYS," None. Absent: Gonzales.

### Minutes July 15, 2019

Ms. Starr Lehl, Economic Development Director, was in attendance to give Council an update on interest regarding the Owner Occupied Rehabilitation Grants. Ms. Lehl explained she has received 19 phone calls from people in the community who are very interested in the grant. Because of this she recommends asking for a higher amount, stating we need at least 10 people to qualify to justify doing the grant.

Council Member Green was concerned about median household income and improvements implemented that could raise applicants property taxes. Ms. Lehl stated the majority of people interested are elderly and fall under the Homestead Exemption tax. Council Member Shaver was concerned how many people will qualify for the grant and if we would be assessed a penalty if we didn't use all the funds. Mr. Jeff Kelley with Panhandle Area Development District stated there would be no penalty. A report is filed with the State after two years showing what was actually awarded, spent and left over. Council Member Schaub made the motion, seconded by Council Member Shaver, "to approve completing the pre-application for the Owner Occupied Rehabilitation Grant and request maximum funding of \$750,000.00," "YEAS," McKerrigan, Shaver, Green, and Schaub. "NAYS," None. Absent: Gonzales.

### Minutes September 27, 2019

## MINUTE BOOK 35

Special Meeting  
September 27, 2019

The Scottsbluff City Council met for a special meeting on Friday, September 27, 2019 at 8:00 a.m. in the Council Chambers at City Hall, 2525 Circle Drive, Scottsbluff. A notice of the meeting had been published on September 17, 2019, in the Star Herald, a newspaper published and of general circulation in the city. The notice stated the date, hour and place of the meeting and that the meeting would be open to the public, that anyone with a disability desiring reasonable accommodations to attend the council meeting should contact the city clerk's office and that an agenda of the meeting kept continuously current was available for public inspection at the office of the city clerk in City Hall; provided, the city council could modify the agenda at the meeting if it determined that an emergency so required. A similar notice, together with a copy of the agenda, also had been emailed to each council member, made available to radio stations KNEB, KMOR, KOAQ, and television stations KSTF and NBC Nebraska, and the Star Herald. An agenda kept continuously current was available for public inspection at the office of the city clerk at all times from publication of the notice to the time of the meeting.

Mayor Raymond Gonzales presided and Clerk Wright recorded the proceedings. The pledge of Allegiance was recited. Mayor Gonzales informed those in attendance that a copy of the Nebraska Open Meetings Act is posted in the front of the room on the west wall for the public's review. The following Council Members were present: Raymond Gonzales, Jeanne McKerrigan, Nathan Green, and Scott Shaver. Also in attendance were City Attorney Kent Hadenfeldt and City Manager Johnson. Absent: Terry Schaub.

Mayor Gonzales opened the public hearing at 8:01 a.m. to consider and take action on an application to the Nebraska Department of Economic Development for a Community Development Block Grant in the amount of \$750,000 for Owner Occupied Housing Rehabilitation. Mr. Bryan Venable, Business Resources and Social Enterprise Fund Manager with Panhandle Area Development District (PADD), approached Council stating they are completing the application on behalf of the City of Scottsbluff. He emphasized a housing study conducted in 2016 that identified the need for housing rehabilitation to benefit the low to moderate income houses in the community as being one of the driving factors which led them to do this. They are requesting \$750,000 from the State's Community Development Block Grant (CDBG) for Owner Occupied Housing Rehabilitation, with the idea of rehabilitating a minimum of 26 homes in the community that qualify as low to moderate households. He went on to explain a low to moderate household is one that is at or below 80% of the median income as defined by the Department of Housing and Urban Development (HUD). He also added the City is not required to match funds to qualify and there are no plans to displace citizens as a result of the rehab activities.

Council Member Shaver asked what the maximum amount is for a household and if the City has received interest in this grant. Mr. Venable answered; stating \$25,000 is the one time limit and they have received to date 35 pre-applications from the public, which shows much interest.

Council Member McKerrigan asked if we have received more applications due to the hail storm in August and if they could use the grant to pay for high deductibles. Mr. Venable stated potentially they could, but priorities have to be addressed with the application, such as code violations and there are minimum rehab standards that have to be met, as well as accessibility and energy efficiency.

Mr. Venable went on to explain the program is administered through PADD, but the grant is made to the City, with The Community Redevelopment Authority (CRA) being the City entity. City Manager Johnson added the CRA would make the recommendation to Council and they would have the final approval.

Mayor Gonzales asked if these types of projects have been successful in other communities. Mr. Venable answered, yes, in the past ten years, eight or nine projects have been done throughout the area and they have been very successful.

Council Member Green was concerned about an applicant's personal income tax and how this would affect them. Mr. Venable stated they do entrance and exit interviews with the applicant and these are grants. The contractor is paid directly, which does not affect their personal income.

There were no more comments from the public. Mayor Gonzales closed the public hearing at 8:08 a.m.

## MINUTE BOOK 35

Council Member McKerrigan made the motion, seconded by Mayor Gonzales, to approve Resolution No. 19-09-06 authorizing the Mayor to sign an application for Community Development Block Grant Funds for Owner Occupied Housing Rehabilitation, "YEAS," McKerrigan, Shaver, Green, and Gonzales. "NAYS," None. Absent: Schaub.

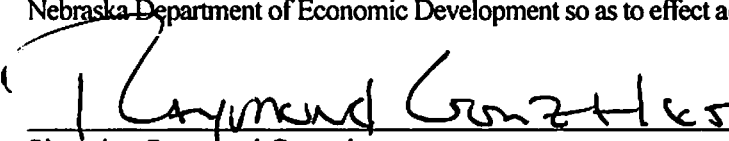
### RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN AN APPLICATION FOR CDBG FUNDS

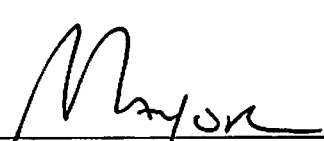
Whereas, the City of Scottsbluff, Nebraska, is an eligible unit of a general local government authorized to file an application under the Housing and Community Development Act of 1974 as amended for Small Cities Community Development Block Grant Program, and,

Whereas, the City Of Scottsbluff, Nebraska, has obtained its citizens' comments on community development and housing needs; and has conducted public hearing(s) upon the proposed application and received favorable public comment respecting the application which for an amount of \$750,000.00 for Owner Occupied housing rehab within the city limits of Scottsbluff, NE to benefit LMI households; and,

NOW, THEREFORE, BE IT RESOLVED BY

City Council of City of Scottsbluff, that the Mayor be authorized and directed to proceed with the formulation of any and all contracts, documents or other memoranda between City of Scottsbluff and the Nebraska Department of Economic Development so as to effect acceptance of the grant application.

  
Signed Raymond Gonzales

  
Title Mayor

Date 09/27/2019

Council Member Shaver made the motion, seconded by Council Member McKerrigan to adjourn the meeting at 8:09 a.m., "YEAS," Green, Shaver, Gonzales, and McKerrigan. "NAYS," None. Absent: Schaub.

Attest:   
City Clerk

  
Mayor

