

City of Seward, NE
Tuesday, February 3, 2015
Regular Session

Item G10

**CONSIDERATION OF SUBMITTING A COMMENT LETTER
TO NDED REGARDING 2015-2019 PROPOSED
CONSOLIDATED PLAN AND 2015 ACTION PLAN- CDBG ED
PROGRAM INCOME - Bonnie Otte**

Administrative Report: The City currently has a CDBG Loan Reuse fund, which has a balance of approximately \$108,000 (repaid loan funds).

The Nebraska Dept of Economic Development (NDED) is conducting meetings regarding the CDBG Program Income Reuse and the language included in the 2015-2019 Proposed Appendix for Consolidated Plan and Annual Action Plan (AAP) regarding CDBG Economic Development Program Income.

Part of the discussion relates to existing CDBG Reuse Loan funds (like the City's), with the ability of the local governments developing and adopting a Revised Local Reuse Plan. This plan will need to be approved by NDED. In the annual action plan, it identifies some of the items this plan may include. One of the items is "A description of the priorities of the program income projects that may be approved by the unit of local government which will be consistent with the definitions of "continuing the same project activity." "Continuing the same project activity" is defined as "providing assistance for the same eligible activities as defined in the grantee's new DED-approved Local Program Income Reuse Plan".

Another discussion item is allowing the local governments the flexibility in determining eligible businesses, primarily allowing them to include retail businesses as eligible for funding under their Local Reuse Plan.

Following discussion and consideration, a motion to submit a comment letter to NDED supporting local government's flexibility and input in determining priorities of program income projects under the Revised Local Reuse Plan, and allowing retail businesses to remain eligible under these Revised Local Reuse Plans would be in order.

Staff Contact:



To: Mayor Eickmeier/Seward City Council

**From: Southeast Nebraska Development District
Craig Eberle, Business Loan Officer**

Date: January 30, 2015

**Re: Seward, Nebraska CDBG Reuse
Proposed Comment Letter
2015-2019 Proposed Appendix for Consolidated Plan and 2015 Annual Action Plan –
CDBG Economic Development Program Income**

The Nebraska Department of Economic Development (NDED) has released for public comment their 2015-2019 Proposed Appendix for Consolidated Plan and 2015 Annual Action Plan. This is done on an annual basis. In the section that discusses CDBG Economic Development Program Income, they have outlined various steps that counties and Communities, such as the City of Seward, will need to comply with in order to retain their CDBG Program Income Reuse Loan Fund.

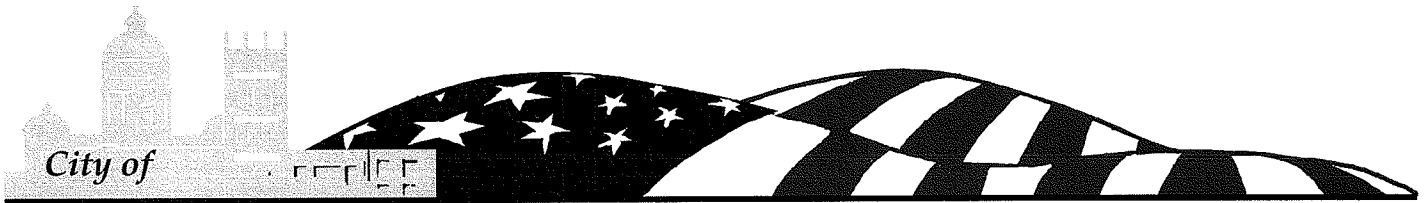
One of the steps is that the City of Seward will need to develop and adopt a Revised Local Reuse Plan. Among other things, the Revised Seward CDBG ED Local Reuse Plan must include a description of the "priorities of the program income projects that may be approved by the unit of local government." Priorities would include what eligible businesses and activities can be funded through the program.

Through discussions with NDED, we have concerns that there may be less flexibility regarding what will be allowed as priorities of these projects, such as limiting the types of businesses that can be funded under the plan. This would include not allowing certain businesses, particularly retail, to be eligible under the revised plan approved by NDED. Seward's existing CDBG ED Reuse Loan Plan currently has retail businesses included as a priority under the plan.

The goals with submitting this public comment to NDED is to recommend to them that communities such as Seward be given some say and flexibility in determining the priorities of the new Revised Local Reuse Plan, as well as recommend that the Revised Local Reuse Plan be allowed to include priorities already established in the existing Seward ED Reuse Loan Plan, such as retail businesses.

Sincerely,

Craig Eberle
Business Loan Officer
Southeast Nebraska Development District



SEWARD
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February 3, 2015

Heather Voorman, Community Development Coordinator
Nebraska Department of Economic Development
PO Box 94666
Lincoln, NE 68509-4666

RE: Public Comment: 2015-2019 Consolidated Plan and Proposed 2015 Annual Action Plan

Dear Ms. Voorman,

After a review of the 2015-2019 Consolidated Plan and Proposed 2015 Annual Action Plan, the City of Seward respectfully submits the following comments and recommendations for NDED’s consideration of the Final Plan, specifically under the section discussing **CDBG Program Income – Economic Development Program Income** (Pages 17-25):

Economic Development Program Income/Using the program income within an existing Local ED Revolving Loan Fund

Item #3 – Revised Local Reuse Plan

- We support the local government developing and adopting a Revised Local Reuse Plan that must be approved by DED.
- We are aware that the Local Reuse Plan must include *A description of the priorities of the program income projects that may be approved by the unit of local government which will be consistent with the definitions of “continuing the same project activity.”*
- We have a concern that there may be less flexibility regarding the priorities of program income projects than what is currently allowed in existing CDBG Economic Development Reuse Plans, in particular eligible businesses which include retail businesses.
- We would request consideration in allowing counties and communities with existing Local ED Revolving Loan Funds some flexibility and input in determining eligible businesses under the plan, specifically regarding retail.
 - o Recommendation: Include language in this section indicating that the local government will be given flexibility and input in determine priorities of program income projects under the Revised Local Reuse Plan. Priorities of program income projects would be based in part on what is currently allowed in existing CDBG Economic Development Reuse Plans, allowing retail businesses to remain eligible under these Revised Local Reuse Plans.

Respectfully Submitted,

Joshua Eickmeier
Mayor

CITY OF SEWARD MISSION STATEMENT
Our City promotes genuine community spirit by providing friendly, quality services to people who live, work and play in Seward.
“Nebraska’s Official 4th of July City”