

AGENDA ITEM #: _____

DATE: November 16, 2015

COAC #: 15-5702

**CITY OF GOODYEAR
CITY COUNCIL ACTION FORM**

SUBJECT: Return 2014-2015 Community Development Block Grant (CDBG) funding for the Commercial Façade Improvement Program

STAFF PRESENTER: Alex Lestinsky,
Planner I
COMPANY
CONTACT: N/A

RECOMMENDATION:

Approve the return of the unused 2014-2015 Community Development Block Grant (CDBG), Commercial Façade Improvement Program funding obligation amounting to \$233,597 to Maricopa County.

PURPOSE:

In order to submit an application to Maricopa County for FY 16-17 CDBG funding, the City of Goodyear must return these unused funds in order to not exceed the CDBG “1.5 Rule.”

BACKGROUND AND COMMUNITY BENEFIT:

The City of Goodyear has received over \$2.4 million in CDBG funds over the last 10 years. These funds have been used for a variety of projects such as waterline replacements and lighting installation. Most recently, the City received \$233,597 in 2014 for a Commercial Façade Improvement Program and \$162,700 in 2015 for a lighting project in Canada Village.

The “1.5 Rule” indicates that an agency cannot apply for additional CDBG funds if more than 1.5 times their current allocation remains unspent. The City’s current allocation is \$162,700, therefore the City cannot have more than \$244,050 unspent. The City currently has \$396,297 unspent. The reason the City exceeding the “1.5 Rule” because the obligation for the Commercial Façade Improvement Program has not been utilized. Staff has reached out to business owners within the redevelopment district and although there was an interest from owners when the City initially made the application in 2014, no applications were received by October 31, 2015, as previously discussed with Council.

Please see the attached letter to the County regarding a brief overview of the Commercial Façade Improvement Program.

PREVIOUS ACTIONS AND DISCUSSION:

During Fiscal Year 2014-2015, the City of Goodyear requested \$500,000 for a Commercial Façade Improvement Program within the City’s Redevelopment Area. A Public Hearing was held and the resolution to submit the application was completed at the City Council Regular Meeting on January 13, 2014.

After the Community Development Advisory Committee reviewed all applications, the City of Goodyear was granted \$233,597 for the Commercial Façade Improvement Program. On September 28, 2015, Christopher Baker presented to Council a timeline of events leading up to the FY 2016-2017 application cycle and discussed the “1.5 Rule” and how to move forward.

FISCAL ANALYSIS:

The City will return the \$233,597 obligation that has not been successfully utilized. Returning the obligation will allow the City to apply for funding in the 2016-2017 CDBG cycle.

ATTACHMENTS:

1. Program Design Letter to County