



CITY MANAGER'S OFFICE AGENDA ITEM REPORT

TO: Mayor and City Council
FROM: James A. Gallup, City Manager
DATE: February 4, 2026
SUBJECT: Application for the 2026 Community Development Block Grant

BACKGROUND:

- The City is eligible to apply for a Community Development Block Grant (CDBG) to fund a variety of projects up to a maximum of \$1 Million.
- A public hearing was held on January 7, 2026, for ETDD (East Tennessee Development District) to discuss all eligible projects and solicit comments from the community.
- Community members feedback centered around sidewalk improvements across town.

FISCAL IMPACT:

- The match is configured off an Ability-To-Pay Index that includes a city discount for our participation in the TN Three-Star Program.
- Based off \$1 Million, the required match including grant administration fees for ETDD is \$176,471.

REQUEST/RECOMMENDATION:

Staff requests Council approval of Resolution 2026-02 for authorization to submit an application for the 2026 CDBG Project for sidewalk improvements across the city.

ATTACHMENTS:

Proposed Resolution 2026-02