



MEMO

PLANNING AND COMMUNITY DEVELOPMENT

To: Common Council
From: Joe Stephenson – Director of Planning and Community Development
Date: November 7th, 2023
Re: Community Development Block Grant Funds

The Community Development Block Grant (CDBG) is an allocation of money given to the City of Kaukauna to administer a series of loans for eligible low-income residents to fix their homes. Loans are given to the resident and upon the sale of their home the loan is paid back in full. While the program has a direct benefit to many of our residents the staff time to administer the loan and fill out the needed paperwork for the state and federal government is time intensive.

Brown County's housing division has started administering the CDBG money on behalf of the state for the entire Outagamie/Brown County Region, but they will not fund projects in communities that still have CDBG funds. If the City of Kaukauna were to give their funds back to the state, Brown County Housing would administer the same program we have now but also allow for downpayment assistance as an increased service to low-income residents. The City currently holds \$229,931.44 in CDBG funds.

At the last meeting the council discussed the options presented before us and had a handful of follow up questions. The following is a summary of the answers we got from Brown County:

1. Brown County does not have a waiting list and has completed 100% of requests for qualified applicants. They do not foresee a risk of Kaukauna residents being turned away.
2. Brown County has a yearly budget of about 1.5 million for CDBG renovations.

Since Brown County has multiple dedicated full-time staff to administer this program, we feel it is in the City's best interest for Brown County to administer the program. This will free up valuable time for city staff, allow us to participate in a larger pot of money that is allocated yearly, and provide a better service to our residents. The City will continue to be a partner

