

CITY OF RICHLAND CENTER

AGENDA ITEM DATA SHEET

Agenda Item: HUD CPF Grant Project

Requested & Presented by: DPW Glasbrenner; Administrator Oliphant

Meeting Date: Finance Committee on 05-06-2025

Background: In 2024, the City was awarded a U.S. Department of Housing and Urban Development (HUD) Community Project Funding Grant in the amount of \$2.5 million to support municipal infrastructure expansion. The grant was initially applied for to extend utility and roadway infrastructure to the new Richland Hospital as well as increase the infrastructure capacity for additional surrounding development.

Due to the hospital's postponement for 7-9 years and the challenges associated with installing infrastructure that will not be immediately used, we have been working to coordinate with HUD, Senator Tammy Baldwin's Office and Congressman Derek VanOrden's Office to gain clarity on the possibility of reallocating the funding to projects that may have more immediate impact.

Through those discussions as well as input from the Finance Committee, four projects have been identified as potential recipients of the reallocated funding:

Potential Project List		Total Est. Project Cost
1)	<p>Hive Drive – Public Right-of-Way Improvements</p> <p>A high-traffic corridor with public safety concerns pertaining to pedestrian foot traffic as well as an underdeveloped storm sewer drainage system. This project has strong potential for matching funds. Improvements here would address a critical need and deliver immediate, visible impact.</p>	\$200,000
2)	<p>Jefferson Street Redevelopment (Downtown) – Road, Sanitary Sewer, and Water Improvements</p> <p>Located in the heart of downtown, this area is central to the City's ongoing redevelopment efforts. The proposed infrastructure upgrades (parking lots, storm sewer, sewer, and water) align with existing capital improvement plans and presents a way to advance the work without increasing the burden on taxpayers.</p>	\$750,000
3)	<p>Hwy 14 and County Trunk O (Starlite Site) – Road, Sanitary Sewer, and Water Extension</p> <p>While this project supports long-term growth, a reversion clause affecting the property presents a legal barrier to proceeding. Staff recommends that the City Council impose a condition requiring that the reversion issue be fully resolved within ninety (90) days. If the matter is not satisfactorily resolved within that timeframe, the Starlite project shall be removed from the grant application, and the associated funds shall be reallocated to the Lamont Residential Subdivision project.</p>	\$750,000
4)	<p>Lamont Residential Housing Subdivision Development – Road, Sanitary Sewer, and Water Extension</p> <p>This project addresses a critical infrastructure need for future housing. Though the project has a longer development timeline, all necessary steps are being taken to ensure readiness and eligibility.</p>	\$800,000

Department Recommendation: Approve the authorization of the submission of the grant application and all related materials for the stated projects, with the condition that the reversion clause affecting the Starlite project must be cured within ninety (90) days of approval. If the reversion clause is not cured within that timeframe, the Starlite project shall be removed from the application, and any remaining grant funds shall be allocated to the Lamont project.

Financial Impact: \$2.5 Million in Grant Funding

Funding Source: HUD CPF Grant B-24-CP-WI-2332

Requested Action:

FINANCE: Motion to recommend to the City Council the authorization of the submission of the grant application and all related materials for the stated projects, with the condition that the reversion clause affecting the Starlite project must be cured within ninety (90) days of approval. If the reversion clause is not cured within that timeframe, the Starlite project shall be removed from the application, and any remaining grant funds shall be allocated to the Lamont project.

COUNCIL: Motion to authorize the submission of the grant application and all related materials for the stated projects, with the condition that the reversion clause affecting the Starlite project must be cured within ninety (90) days of approval. If the reversion clause is not cured within that timeframe, the Starlite project shall be removed from the application, and any remaining grant funds shall be allocated to the Lamont project.

Attachment(s):

Starlite Site_1951-0924 Outdoor Theater Land Agreement