

## CITY OF SHEBOYGAN

### REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

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**ITEM DESCRIPTION:** Res. No. 92-22-23 a Resolution authorizing submitting a Substantial Amendment to the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program for the 2022 Program Year from revolving loan funds to water/sewer improvements.

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**REPORT PREPARED BY:** Chad Pelishek, Director of Planning and Development

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**REPORT DATE:** November 22, 2022

**MEETING DATE:** November 28, 2022

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#### FISCAL SUMMARY:

Budget Line Item:  
Budget Summary: N/A  
Budgeted Expenditure: N/A  
Budgeted Revenue: N/A

#### STATUTORY REFERENCE:

Wisconsin Statutes:  
Municipal Code: N/A

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#### BACKGROUND / ANALYSIS:

The Department of City Development administers two CDBG revolving loan funds for business creation and housing rehabilitation. The City Finance Department recently completed a reconciling of the loan funds and determined that the city has about \$1.3 million of unspent funds in the line of credit. In order to spend down these funds in a timely manner, city staff is recommending the reprogramming of \$700,000 of the funds to be dedicated to the reconstruction of Broadway Avenue from S. 7<sup>th</sup> Street to S. 14<sup>th</sup> Street in 2023.

In order to submit the substantial amendment to HUD, the City is required to conduct a 30-day public comment period to receive public input. Once council approves the amendment, city staff will begin the public comment period and then submit the necessary paperwork to HUD.

The revolving loan funds revolve about \$400,000 back in each year. With the reprogramming of \$700,000, the balance in the fund will still be at \$600,000.

#### STAFF COMMENTS:

None

#### ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 92-22-23 authorizing submitting a Substantial Amendment to the U.S. Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) program for the 2022 Program Year from revolving loan funds to water/sewer improvements.

#### ATTACHMENTS:

- I. Res. No. 92-22-23.