

## CITY OF SHEBOYGAN

### REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

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**ITEM DESCRIPTION:** Res. No. 85-22-23 by Alderperson Mitchell and Filicky-Peneski authorizing submitting a Substantial Amendment to the U.S. Department of Housing and Urban Development for the 2019-2020 Program Year related to CDBG-CV3 funds.

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

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**REPORT DATE:** November 10, 2022

**MEETING DATE:** November 14, 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 City of Sheboygan has received two allocations of the CARES Act funding. Community Development Block Grant (CDBG)-CV1 for \$539,956 and \$230,211 in CDBG-CV3. All of the CV1 funds have been spend. According to HUD the remaining amount of CDBG-CV3 is \$199,235.37.

The CDBG-CV3 were originally dedicated to Lakeshore CAP to be used for mortgage and utility assistance program to assist low to moderate income city residents with help during the pandemic. A lot of the community outreach was performed and utilization of the program was very low. Therefore, Lakeshore CAP has returned the unspent funding to the City.

Per HUD requirements, the City needs to spend 80% of the CARES Act allocation by May 26, 2023. To date the City has spent 74.13%. In order to spend the remaining \$199,235.37 and to avoid recapture by the Federal Government, City staff through this resolution is recommending the reprogramming of the funds to Public Facilities to be used to complete the recreational trail project at Kiwanis Park from S. 17<sup>th</sup> Street to New Jersey Avenue.

#### STAFF COMMENTS:

None

#### ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 85-22-23 authorizing the submittal of a Substantial Amendment to the U.S. Department of Housing and Urban Development for the 2019-2020 Program Year related to CDBG-CV3 funds.

#### ATTACHMENTS:

- I. Res. No. 85-22-23.