

## REPORT TO THE CITY COUNCIL

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**DATE:** October 17, 2017

**TITLE:** Community Development Block Grant (CDBG) Program for Fiscal Year 2018-2019

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### **RECOMMENDATION**

- 1) Approve the location of a new park located adjacent to the City's Corporation Yard; and**
- 2) Adopt a Resolution of the City Council authorizing participation in and authorizing the City Manager to approve all agreements and necessary documents associated with the Community Development Block Grant (CDBG) for Fiscal Year 2018-2019**

### **BACKGROUND**

Each year the City receives an entitlement allocation of the Community Development Block Grant (CDBG) funding from the U.S. Department of Housing and Urban Development (HUD).

The City's 2018-2019 CDBG allocation is estimated at \$219,000. The majority of these funds must be spent on capital projects, such as housing, public facility improvements, or eligible public works projects. Due to the federal budget process, the exact amount of the City's 2018-2019 allocation may not be known until as late as May.

All CDBG activities must meet a national objective, usually by benefitting low-income persons or eliminating blight. At least 70% of the CDBG funds must be used for activities that benefit low-income persons. This restriction and the corresponding data collection requirements make qualifying of CDBG funding challenging for many cities.

In addition to meeting a national objective, the activity itself must be designated as eligible. CDBG funds may be used for a variety of community development activities including acquisition of real property, rehabilitation of residential and non-residential structures, construction of public facilities and improvements, public services, and economic development and job creation/retention activities.

### **DISCUSSION**

A Parks Master Plan (Plan) was approved by the City Council in 2013. In the Plan, there were several recommendations presented to effectively meet the current and future needs of the community. To address these needs Staff is recommending that the City Council consider the site of the Corporation Yard for a community park that focuses on serving the recreational needs of the community. Typically, community parks accommodate large group activities and offer a wide variety of facilities, in this case baseball and football. This site allows for organized group activities and is easily accessible by motorists, pedestrians and bicyclists.

The City's residents enjoy a variety of recreational activities, programs and services. However, the consensus in the community and verified by the Master Plan is that existing parks are not capable of fulfilling all the needs of the community and thus new facilities should be planned. The plan also stated the need for sport fields. The Demand and Needs Analysis (exhibit 3) states that for a City with our population we are deficient in baseball fields, softball fields, youth football fields, outdoor basketball courts, and many other categories. By moving youth football to this site more space can be utilized for soccer at Mission Springs Park and more

baseball/softball field opportunities are created. This project would help to close the gap in our recreational needs and better serve our residents.

The site of the Corp Yard and surrounding parcels is roughly 10 acres. The proposed site plan (Exhibit 2) allocates 2.5 acres to the Yard and the remaining 7.5 acres will be dedicated park space. With the current design, roughly half of the Corporation Yard will be relocated to the northwest corner of the site. The main building and animal center will be unaffected.

Recreational programs benefit individuals, families, business, neighborhoods and households of all ages and cultures. This project will benefit by adding to the identity and character, sense of belonging, promoting a healthy lifestyle, and youth development. Total park space within the City is just over 73 acres, adding a park of this size would add 10% of new recreational space for the residents. This is a preliminary site plan and may change once design is completed.

### **FISCAL IMPACT**

There is minimal fiscal impact to this item being presented, all design and site improvements up to \$219,000 will be reimbursed by the CDBG program. The City must provide the cash flow necessary for the design.

To construct this park Staff estimates a total project cost of \$2.44 million. Final costs will be determined during the design phase.

Design	\$200,000
Little league baseball field	\$500,000
Youth football field	\$550,000
ADA restrooms	\$200,000
Snack shack	\$210,000
Parking lot	\$180,000
Bleachers/shade area	\$200,000
Corp Yard Improvements	\$200,000
Contingency	\$200,000
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Total:	\$2,440,000

### **Park Financing Plan**

The City must consider using phasing and multiply sources of funding to finance the project, including grants, cash and possibly incurring new debt. The full allocation for 18/19 CDBG money will be enough to design the project and possibly do some very limited site work. The City will apply for a State Park grant that is coming due in early 2019. The City was awarded this for building the Health and Wellness Center. Assuming the City is awarded the full amount of the grant there still leaves a \$762,000 funding gap to complete the project. A final financing plan will be presented to City Council once the design and cost estimates are completed.

2018/19 CDBG	\$219,000
2019/20 CDBG	\$219,000
State Parks Grant	\$1,200,000
Funding Gap	\$762,000

### **EXHIBIT(S)**

- 1) Preliminary Site Plan
- 2) Parks Master Plan
- 3) Draft Resolution