

SUBJECT: Community Development Block Grant (CDBG) Project Selection

PREPARED BY: Administration

DATE: November 17, 2000

FOR AGENDA OF: November 27, 2000

Background

This federal grant program provides matching funds to benefit "low to moderate income" (LMI) persons. Competitive match grants are up to \$200,000 and are available for community related development. The City of Wasilla does not meet the "area wide benefit" definition (which requires at least 51% of the city's population to be LMI). However, the city can still qualify for the grant based on the "limited clientele" criteria.

Grant Project Selection

The CDBG program requires a public project selection process. We advertised in the Frontiersman for the public to identify possible projects and for comments on suggested projects (copy of advertisement is attached). The public has nominated two projects that meet the limited clientele criteria. A description of each project is attached.

At the November 14 Planning Commission meeting, and after a public hearing on the subject, the Commissioners passed a resolution supporting the water and sewer extensions (project B) as the community's priority project for the grant application.

Project Description

These water and sewer mains will be constructed on the east side of Lucille Street to serve Lot 3C, Fred Nelson Subdivision, where a multi-family housing development is proposed. (Phase 1 development will have 24 living units and phase 2 will have 18 more.) A 12-inch water main will extend south from Bridgestone Drive and a 6-inch sewer main will extend north from Danna Avenue.

Project Funding

The preliminary engineering cost estimate totals \$713,200. Project funding will come from the CDBG (\$200k), the developer (\$100k), and some anticipated leftover state water/sewer grants and city match sources.

Operations & Maintenance

The city will own and maintain the water and sewer mains. The city will bill the company owning and operating the development for water and sewer utility services according to the utility rate ordinances. At approximately \$50 per month (water and sewer combined) phase 1 development will generate \$14,400 in annual revenues.

Phase 2 annual revenues will be \$10,800. These revenues will adequately cover operating and maintenance costs.

Requested Council Action


Based upon public input and other criteria, staff requests the Council to concur with the Planning Commission's Resolution 00-31 by passing Council Resolution 00-51. Council is also requested to pass Resolution 00-52 that authorizes the Mayor to enter the grant agreement, if this project is selected.

Action is needed at the November 27 Council meeting due to the December 1, 2000 grant application deadline.

RECOMMENDED ACTION:

For Council to pass Resolutions 00-51 and 00-52.


Reviewed by: SARAH PALIN, Mayor

Presented to council on 11/27/00
Action taken: Approved Denied
other _____
Verified by 



CITY OF WASILLA

WPC Resolution No. 00-31
Introduced by: Planning Staff
Approval Date: 11-14-00

290 E Herning Avenue
Wasilla, AK 99654-7091
Phone: (907) 373-9050
Fax: (907) 373-9092

WASILLA PLANNING COMMISSION RESOLUTION NO. 00-31

A RESOLUTION OF THE WASILLA PLANNING COMMISSION OF THE CITY OF WASILLA, ALASKA, SELECTING THE COMMUNITY'S TOP PRIORITY PROJECT FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION.

WHEREAS, the city of Wasilla desires to apply for a Community Development Block Grant through the State of Alaska, Department of Community and Economic Development; and,

WHEREAS, the city of Wasilla has advertised in the local newspaper for project nominations; and,

WHEREAS, the city of Wasilla has advertised in the local newspaper for public participation and comments in selecting the community's top priority project for the Community Development Block Grant application; and,

WHEREAS, the Wasilla Planning Commission advertised in the local newspaper of a public hearing to allow public participation in selecting the community's top priority project for the Community Development Block Grant application; and,

WHEREAS, the public participated in the November 14, 2000 public hearing and provided comments in support of various projects for the Community Development Block Grant; and,

WHEREAS, the public participated in the November 14, 2000 public hearing and provided comments from the WPC in support of the sewer and water extension for the Low-Moderate Income Multi-family Development proposed by Valley Residential Services as the community's top priority for the Community Development Block Grant; and,

WHEREAS, the sewer and water extension for the Low-Moderate Income Multi-family Development proposed by Valley Residential Services meets the eligibility criteria for the Community Development Block Grant program; and,

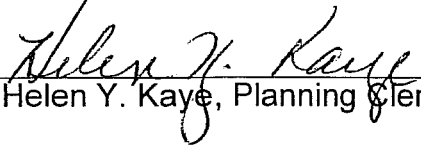
WHEREAS, this project develops infrastructure for community/economic development attracts other public and private funds and resources to the community and has the potential for long-term benefit.

ADMINISTRATION Phone: (907) 373-9055 Fax: (907) 373-9096	CLERK'S OFFICE Phone: (907) 373-9090 Fax: (907) 373-9092	FINANCE Phone: (907) 373-9070 Fax: (907) 373-9085	LIBRARY Phone: (907) 376-5913 Fax: (907) 376-2347	MUSEUM Phone: (907) 373-9071 Fax: (907) 373-9072
PARKS AND RECREATION Phone: (907) 373-9053 Fax: (907) 373-9092	PLANNING Phone: (907) 373-9094 Fax: (907) 373-9089	POLICE Phone: (907) 373-9077 Fax: (907) 373-9051	PUBLIC WORKS Phone: (907) 373-9095 Fax: (907) 373-9054	

NOW THEREFORE BE IT RESOLVED, that the Wasilla Planning Commission of the City of Wasilla, hereby recommends to the Wasilla City Council, the sewer and water extension for the Low-Moderate Income Multi-family Development proposed by Valley Residential Services as the community's priority selection for the Community Development Block Grant.

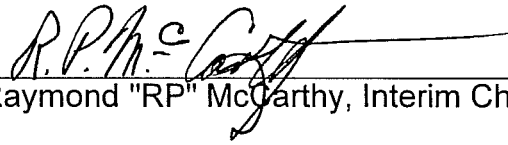
I certify that a resolution in substantially the above form was passed by a majority of those voting at a duly called and conducted meeting of the Wasilla Planning Commission this 14th day of November 2000.

ATTESTED:



Helen Y. Kaye, Planning Clerk

APPROVED



Raymond "RP" McCarthy, Interim Chair

CITY OF WASILLA PUBLIC NOTICE

The city is seeking community input to identify projects that are eligible for the Community Development Block Grant program. Projects must provide a substantial or direct benefit to low and moderate income persons.

Citizens are invited to participate in a public hearing to identify the city's top priority eligible project. The project selection public hearing will be November 14, 2000 during the Wasilla Planning Commission meeting.

Please contact Mike Krieber at City Hall if you have a project that you would like to nominate or if you have any questions regarding the CDBG program, 373-9048.

CITY OF WASILLA



Community Development Block Grant Memorandum

Re: Project Nomination: A

Project: Community Garden
By: Rocco Moschetti
POB 875006
Wasilla, Ak 99687
373-2964; 232-6280

Date: October 31, 2000

Concept: Provide a garden area for low to moderate income persons, primarily for the purpose of growing vegetables.

Cost Estimate: If city land is used and water utility service is available, cost for each site would be approximately \$30,000.

Other Info: The city would provide a site(s) capable of growing vegetables. Construction requirements include site preparation (base prep, topsoil), fencing/ornamental shrub border, and water supply.

The Mat-Su Master Gardeners Association would oversee planting and maintenance. This volunteer organization is "chartered" by the University of Alaska. To obtain "master gardener" certification, 40 hours of annual volunteer labor is required. City costs for operation & maintenance would be minimal.

Project Intake By: Mike Kriber
Date: November 1, 2000

Further Action Needed: Rocco will provide "charter" documents and coordinate with the Mat-Su Master Gardeners Association (at November 7 meeting).

Community Development Block Grant Memorandum

Re: Project Nomination: B

Project: Water & Sewer Mains Extensions

By: Bill Scharrer
Valley Residential Services
POB 871874
Wasilla, Ak 99687
357-4250

Date: October 16, 2000

Concept: Provide water and sewer mainline extensions to a proposed low to moderate income housing project to be built on Lucille Drive.

Estimated Cost: \$350,000 – 400,000

Other Info: The non-profit corporation (Valley Residential Services) and the city would each provide 25% of the funding for water main and sewer main extensions on Lucille Drive. The remaining 50% would be provided by the CDBG grant.

Site development plans are nearing completion. Rezoning request has been submitted; to be addressed in a public hearing during the November 14, 2000 Planning Commission meeting.

Project Intake By: Mike Krieber
Date: October 17, 2000

Further Action Needed: Engineering design of water and sewer lines, cost can be included as part of city/developer match to CDBG grant.

III.

Grant Selection, Award, & Project Initiation

A. GRANT SELECTION

The application selection process consists of two stages: threshold review, and project rating and selection. During the threshold review process, staff screen all applications for eligibility without awarding points. An application must meet all of the threshold review requirements in order to qualify for the second stage of the selection process. The Department reserves the right, but is under no obligation to solicit and/or accept information which is not included as part of the originally submitted application packet. The Application Checklist included on page 36 of this Handbook may be used by an applicant to assure that the application meets threshold requirements and to assist in preparing a complete application. If a "yes" answer can be provided to each question, the application will most likely pass threshold review and be eligible for rating and selection at stage two. The project rating and selection process, stage two, will be conducted by a review team, the Application Selection Committee (ASC), using the criteria described below and detailed in the rating criteria section of Chapter IV. The ASC reserves the right to some flexibility in making specific funding recommendations, if those recommendations, in the opinion of the majority of ASC members, best serve the interest of the program and the program recipients.

Applications will be evaluated and assigned points by the ASC based on the following:

Project Description and Selection Process	25 Points
Project Plan/Readiness	25 Points
Project Impact	25 Points*
Budget/Match/In-Kind	15 Points
Administrative Capabilities	10 Points
Total Maximum Score	100 Points

***Note: On August 3, 2000 the federal Commerce Department issued a declaration of a fishery disaster under the Magnuson-Stevens Act for the Yukon, Kuskokwim, and Norton Sound regions of the State. Subject to approval by the Department of Housing & Urban Development, each community within the declared disaster area will receive an automatic 5 points under the Project Impact category, increasing the maximum number of points available in project review from 100 to 105 for those disaster communities.**

B. GRANT AWARD

When the rating process by the Application Selection Committee (ASC) is complete, applications will be listed in rank order. Of the funds available under the competitive grant program, the majority of project funds will be targeted toward **Community Development** activities and **Planning** activities which address health and safety issues for low and moderate income persons.

C. RATING CRITERIA

As described previously under the Grant Selection process, applications will be reviewed at two stages: threshold review and project rating and selection. During the threshold review process, staff will screen all applications for eligibility without awarding points. An application must meet all of the threshold review requirements in order to qualify for the second stage of the selection process. The project rating and selection process, stage two, will be conducted by the Application Selection Committee (ASC) using the criteria described below.

Applications will be evaluated and assigned points by the ASC based on the following criteria and considering the following:

**25
Points**

1. Project Description & Selection/ Citizen Participation Plan

- ✓ Did the applicant provide an adequate project description?
- ✓ Did the applicant describe the existing conditions, the nature of the proposed project, and what needs the project will address in the community? Although not required, did the applicant submit photos which show existing conditions?
- ✓ Did the applicant describe how the community decided on this project and why?
- ✓ Is there evidence of an active citizen participation plan which encourages citizen participation, provides reasonable access to public meetings, provides technical assistance to low and moderate income citizens in developing proposals?
- ✓ Did the applicant describe the public participation process and explain how low and moderate income residents had the opportunity to comment?
- ✓ Does this project demonstrate community consensus?
- ✓ Did the applicant attach minutes of at least one public hearing, held within six months of the submission of this application, which verify community consensus? Do the public meeting minutes demonstrate that citizens were asked to prioritize potential CDBG requests and that the majority selected this project?
- ✓ Does the applicant appear to have adopted a community development plan which identifies the proposed project as a community priority?

**25
Points**

2. Project Plan/Readiness

- ✓ Did the applicant provide a clear and reasonable plan for implementing the proposed project?
- ✓ Did the applicant identify specific time lines, goals, objectives, and expected outcomes? Do these appear to be reasonable and achievable?
- ✓ Does the applicant appear to have made substantial efforts to identify and seek other resources besides CDBG to support this project?
- ✓ Has the applicant identified and addressed permitting requirements, site control, State Fire Marshal approvals if appropriate, Energy Standards if appropriate, and Cooperative/Joint Agreements if appropriate?
- ✓ Has the applicant identified other agencies which will be or should be involved with this project?
- ✓ Has the applicant completed the required Environmental Review forms contained in Appendix D?
- ✓ Is the applicant ready to proceed with the proposed project upon notification of award?
- ✓ Has the applicant secured other funds which are needed to complete this project?
- ✓ Has the applicant obtained market assurances if appropriate?

**25
Points ***

3. Project Impact

- ✓ Does the applicant provide evidence that the proposed activities will provide a substantial or direct benefit to low and moderate income persons?
- ✓ Does the applicant demonstrate that the proposed activities have the potential for long-term positive impact?
- ✓ Does the proposed project support activities which eliminate clear and imminent threats to public health and safety?
- ✓ Does the proposed project support local efforts toward solving public facility problems by constructing, upgrading, or reducing operational/maintenance costs of essential community facilities?
- ✓ Does the applicant document the specific health and safety needs which will be addressed by this proposed project?
- ✓ Does the applicant identify and document how long these health and safety needs have existed and the extent of the need?
- ✓ Does the applicant demonstrate that the proposed project is economically feasible and will have long-term viability?
- ✓ Does the proposed project support activities which encourage local community efforts to combine and coordinate CDBG funds with other available private and public resources whenever possible?
- ✓ Does the proposed project provide development or encourage development in underdeveloped rural areas?
- ✓ Does the proposed project promote self-sufficiency and diversification in local economies?
- ✓ Does the proposed project make use of local resources and/or improve existing production/delivery capacity?

***Note: On August 3, 2000 the federal Commerce Department issued a declaration of a fishery disaster under the Magnuson-Stevens Act for the Yukon, Kuskokwim, and Norton Sound regions of the State. Subject to approval by the Department of Housing & Urban Development, each community within the declared disaster area will receive an automatic 5 points under the Project Impact category, increasing the maximum number of points available in project review from 100 to 105 for those disaster communities.**

**15
Points**

4. Budget/Match/In-Kind

- ✓ Has the applicant completed all of the Budget Pages contained in the Application Packet?
- ✓ Has the applicant clearly identified and submitted their proposed budget according to the four budget components (CDBG Request, Cash Match, In-Kind Contributions, and Total Project Cost)?
- ✓ Has the applicant identified whether the proposed project will be Force Accounted or Contracted-Out, if appropriate?
- ✓ Has the applicant included and **documented** the required “dollar-for-dollar match”? In other words, if the CDBG component requests \$200,000, does the applicant have \$200,000 from other non-CDBG sources to contribute to the project?
- ✓ Is at least 25% of the “dollar-for-dollar match” in the form of **Cash** and has the applicant documented that this match is committed to the project? Has the applicant identified the source and nature of this match?
- ✓ Has the applicant identified and documented all In-Kind Contributions including their source and nature? Are In-Kind Contributions no more than 75% of the total “dollar-for-dollar match”? Is the amount of the In-Kind Contributions what could be reasonably expected of the community, given their financial position? Does the amount of In-Kind Contributions indicate that the community is committed to making this project happen and willing to contribute significantly to its support? Are the computations for In-Kind Contributions reasonable and supported with documentation?
- ✓ Has the applicant completed the Labor and Fringe Benefits computation chart contained in the Application Packet? Are the proposed wage rates appropriate and reasonable and do the rates take into account whether the project is Force Accounted or Contracted-Out? Are the Fringe Benefits appropriate and reasonable?
- ✓ Has the applicant identified costs and attached price quotes or cost estimates for materials, freight, equipment rental, equipment purchase, contractual, insurance, administration, and other line items for which CDBG funds are requested? Are the costs reasonable and appropriate?
- ✓ Are the administrative costs no more than the maximum 5% of the CDBG request?
- ✓ Is the overall Project Budget reasonable?
- ✓ Does it appear that the applicant can complete this project and provide a benefit to the residents of the area with the funds currently available?

**10
Points**

5. Administrative Capabilities

- ✓ Does the Application Packet and information provided therein support that the applicant has the Administrative Capability to properly manage CDBG funds and comply with all Federal and State requirements?
- ✓ Has the applicant identified who will have the day-to-day management responsibility and oversight for this project?
- ✓ Does the applicant have the cash resources to administer a cost reimbursable grant or have they identified an alternative course of action which will allow this project to proceed?
- ✓ Has the applicant successfully administered other Federal or State grants which have had similar requirements to the CDBG program? Have they documented that they were successful with those grants?
- ✓ Did the applicant attach a copy of last year's audit with the Application Packet if appropriate? Does the audit identify findings? Have those findings been satisfactorily resolved?

**Total Maximum Score
for All Five Criteria**

**100
Points**