



To: Dustin Anderson, Town Manager
From: Jill E. DiTommaso, PE, Deputy Town Manager
CC: Steve Gunty, Public Works Director
Date: May 15, 2023
Re: 2023 Community Development Block Grant proposal

The purpose of this memo is to request Town Council approval of a resolution which will allow the Town to submit a project proposal for the Community Development Block Grant ("CDBG"). The Town of Munster has been approved to receive an estimated \$103,712.00 in FY 2023.

Background

The CDBG was created under Title I of the Housing and Community Development Act of 1974 (Act") to develop viable urban and rural communities. This grant funds activities that benefit households with low and moderate incomes, prevent or eliminate slums or blight, or meet other community development needs that have a particular urgency. Since the creation of the CDBG, thousands of cities, urban counties, and rural communities have come to rely upon this critical resource for affordable housing, anti-poverty programs, and infrastructure development.

The CDBG is not a competitive grant. Each year, CDBG funds are distributed to state and local governments according to the magnitude of appropriated Federal funds as well as demographic factors including population, level of poverty, and other housing variables. Federal appropriation levels vary but have been approximately \$3 billion the past few years. Since Lake County is considered an "Urban County" under Federal guidelines, the Town of Munster receives funds from the County. The Lake County Community Development Office administers the program locally and is responsible for ensuring the fair and equitable distribution of funds and the selection of activities.

The use of CDBG funds is restricted to certain activities. The Town may propose community development projects and activities within its boundaries as long as they are in accordance with the goals and objectives of the CDBG. Over the past five years, the Town's CDBG projects have included the replacement of Community Park playgrounds, the installation of ADA compliant curbs and playgrounds, and reconstruction of alleys.

Proposed Project

In 2023, the Town is proposing to leverage its CDBG funding allotment to regrade and reconstruct three alleys in the northwest corner of Town:

- The E-W and N-S alleys between Hollywood Avenue and Adelaide Place
- Between Gregory Avenue and Fairbanks Place
- Between Beverly Place and Beacon Place

These alleys have been identified by the Department of Public Works to be in poor condition and the most in need of repair. In addition to reconstructing failing pavement, this project will address the grade of the alley in order to channel stormwater away from private property and alleviate the frequent backyard flooding experienced by residents in this part of Town. Staff is recommending that alleys without storm

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drains be resurfaced in porous asphalt that absorbs stormwater. The full cost of the project is estimated to be \$393,226, which includes engineering costs. The Town will be responsible for the cost of the project in excess of the approximate \$103,712.00 in CDBG funds.

The Town's application must be submitted to the Lake County Community Development by May 19, 2023. Construction is expected to take place in the Spring of 2024.

Recommendation:

1. Conduct a public hearing on May 15, 2023 at 7 PM to obtain input from local residents on the proposed use of the CDBG finding.
2. By motion and voice vote, adopt the Affirmative Action Program and the Section 3 Understanding.
3. By motion and roll-call vote, adopt Resolution 2111 to authorize the Munster Town Council President to submit a project proposal for the CDBG for Federal Fiscal Year 2023

Attachments:

1. Citizen Participation Plan
2. Affirmative Action Program Implementing Section 3 of the Housing and Urban Development Act of 1968
3. Section 3 Understanding
4. Resolution 2111 A Resolution Authorizing and Directing the Town Council President of the Town of Munster to Submit a Project Proposal for Community Development Block Grants Funds for Federal Fiscal Year 2023
5. Proposed project location map and cost estimate