

**VILLAGE OF NEW AUBURN
MEETING MINUTES
CDBG PUBLIC HEARING
THURSDAY, MARCH 9, 2023 AT 7:00 P.M.**

Overview of CDBG Program

The Community Development Block Grant (CDBG) program is a competitive grant program funded by the U.S. Department of Housing and Urban Development (HUD). The Wisconsin Department of Administration (DOA) – Division of Energy, Housing, and Community Resources (DEHCR) administers the State-administered Program. Approximately \$10 Million is available in 2023, and communities are eligible to apply every third year. The maximum grant award is \$1M, and the program has a \$2:\$1 match requirement. Applications are due May 18, 2023. This is the first year with some revised program requirements to make the program more competitive and ensure projects are “shovel-ready”.

The primary purpose of the CDBG program is the development of viable communities through the provision of decent affordable housing, a suitable living environment, and the expansion of economic opportunities, principally for the benefit of persons of low and moderate income. This program supports public investment that will contribute to the overall community and economic development, thus enhancing the vitality of a community. Applications are scored on a point system that considers project need, community distress, financial need, planning, and ability to meet the match requirements. All CDBG-assisted projects must comply with federal requirements that accompany these funds. The project must meet at least one of the following National Objectives: 51 percent LMI Benefit, Slum and Blight Removal, or Urgent Local Need. Because the project would have local benefit (rather than community wide benefit), an income survey was completed for the project area. The income survey results revealed this project is eligible for funding with an LMI rating of 73.08%. The LMI percentage must be 51 percent or higher.

Department of Administration GOALS AND PROGRAM OBJECTIVES:

- Ensure affordability of basic services;
- Support revitalization of established neighborhoods, downtown business districts and blighted sites;
- Assist with capital improvement projects that support previous planning efforts;
- Improve accessibility to public facilities; and
- Respond to natural and man-made disasters or catastrophic events.

Planning grants of up to \$50,000 are also available to communities. Communities must be able to accept the award and proceed with negotiating the Grant Agreement within 45 days of award notification. Non-compliance with CDBG program requirements may result in a cancellation of grant funds.

Other types of programs offered by CDBG include:

- Housing
- Economic Development
- Public Facilities for Economic Development.

ELIGIBLE CDBG ACTIVITIES:

Eligible projects must fit into one of the following categories of Public Facilities.

Public Infrastructure Grants

Eligible projects include the installation, repair, or replacement of public water systems (including wells, water towers, and distribution systems) and sanitary sewer systems (including collection systems and treatment plants); storm drainage systems; streets; sidewalks, curb and gutter; parking; street lights; and streetscape. Maintenance is not eligible. Elimination of blight is also eligible for funding.

Community Facility Grants

Community facility projects include capital expenditures for physical facilities necessary to add or prevent the loss of basic services or (critical) public amenities that principally benefit low- and moderate-income persons and are perceived to enhance a community's quality of life. These can include acquisition, new construction, expansion, rehabilitation, renovation, and conversion costs. Examples include libraries, community and senior centers, fire stations, health clinics, sheltered workshops, and day care facilities. Projects involving buildings used solely for the general conduct of government are not eligible for assistance. Costs to remove architectural barriers in structures, including structures used for general government function which limit access or mobility for elderly or handicapped persons are eligible.

Identification of Local Community Development and Housing Needs:

Per the 2022-2042 Comprehensive Plan, there were 250 total housing units in the Village in 2019. Forty-five percent (45%) of the structures are 70 years old or older, suggesting a need for rehabilitation or replacement. 8.4% of the housing units are mobile homes. 33% of the units are occupied by renters and 67% by owners. There is a 0.0% rental vacancy rate identifying a strong need for additional rental units. About 42.5% of renters spend more than 30% of their income on housing costs and are considered cost-burdened. The owner vacancy rate is 3.9% (or 6 vacant owner units) suggesting a need for additional owner units. Approximately 10% of the housing units are seasonal and other vacancy units. The village has also identified a need for new multi-family rental housing and duplexes. Approximately 33% of the survey respondents disagreed or somewhat disagreed that there is adequate housing within the Village. Upkeep and maintenance is also an issue within the Village. It is assumed based on the age cohorts of the village that the demand for group housing (i.e. nursing care) and rental units (downsizing, assisted living) is expected to increase.

Identification of Funds for Public Facilities Projects

The Village of New Auburn would like to improve North Street and Central Street including updates to the water and sewer systems. The Village is investigating potential funding programs for the project.

Several funding programs are available to assist municipalities improve public facilities. The public hearing being held today is a prerequisite to applying for a CDBG grant.

The Village of New Auburn is investigating the use of CDBG program, DNR programs, water and

sewer revenue, and short-term financing to complete the proposed project. The CDBG program allows dovetailing of programs to obtain maximum funding for a project.

The Community Development Block Grant (CDBG) program and the DNR Environmental Improvement Fund loan program are being considered.

The Department of Natural Resources administers the Environmental Improvement Fund to assist with Drinking Water and sanitary sewer projects that affect the environment. The EIF program administers both the Clean Water Fund and the Safe Drinking Water Loan Program. These programs provide loans which are paid back over 20 years, but sometimes provide principal forgiveness of up to \$750,000 for high ranking projects. Other public funding programs available to communities for water and sewer infrastructure projects include USDA Rural Development programs (combination of loan and grants) and the State Trust Fund program (loan).

Identification of Community Development Needs:

Recreational desires expressed by Village residents include:

- Splashpad
- Ice rink
- Drive-in theater
- Community recreational room or event center.
- Walking paths, dog park, and other amenities
- Childcare services

Ongoing Village goals include:

- More sidewalks, storage space for equipment, technology upgrades
- Line sewer mains and upgrade mains, MH and Lift stations
- Replace old cast iron pipe
- Replace fire hydrants
- Complete water main looping

SRTS priority items:

- Sidewalks along SRTS corridors (East Street and North Street)

SCORING CATEGORIES

CDBG-PF **Scored** Categories (250 points maximum):

- | | |
|--|------------|
| ▪ Part 5 – Project Need | 100 points |
| ▪ Part 6 – Budget and Matching Funds (Not Scored) | |
| ▪ Part 7 – Planning | 10 points |
| ▪ Part 8 – Community Distress | 70 points |
| ▪ Part 9 – Financial Need | 30 points |
| ▪ Part 10 – Project Readiness (New!) | 40 points |
| ➢ Biddable A/E Design Plans & Technical Specifications (30 points) | |
| ➢ Completed Environmental Review (10 points) | |

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- Improve crossings at CTH SS and CTH M and other intersections.

ACTIVITIES Proposed for CDBG Application

The proposed work includes water upgrades of replacing the water main and services, installing new valves, hydrants (4), and curb stops to be able to isolate areas of the Village when necessary. Sewer services in the project area will be replaced and one long sewer service will be upgraded to a PVC sewer main to provide effective drainage. One block of sewer main will be replaced that had not previously been lined, three sewer manholes will be replaced, and one manhole added. Storm sewer will be laid to drain the new street surface. New base course, subbase, and asphaltic pavement will be laid as well as concrete curb and gutter.

Potential for residential and/or business displacement as a result of CDBG activities

No land, buildings, or easements are proposed to be purchased or needed for the street reconstruction project. We do anticipate needing temporary construction easements during construction to provide a final grade into each property (driveway access). However, use of the easement is for the sole benefit of the landowner who will be receiving an upgrade from the project. Therefore, no displacement will take place as a result of the proposed project.

Citizen Input

One question was asked regarding if the residents on North Street in the Town of Dover would be included in the project. The answer was yes, they are connected to the village water and sewer and will benefit from the project.

The public hearing was closed at 7:19 p.m. Notes recorded by Amy Kelsey, Cooper Engineering Company