

CITY OF SULTAN  
AGENDA ITEM COVER SHEET

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Date: October 18, 2007

SUBJECT: Agenda Item #: A-2  
Community Development Block Grant (CDBG) Grant Program

CONTACT PERSON: Donna Murphy Grants and Economic Development Coordinator

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**ISSUE:**

Community Development Block Grant (CDBG) has called for grant proposals for their 2008 Funding Round for Infrastructure and Community Facilities Projects.

**SUMMARY STATEMENT**

The Council Subcommittee met on October 4, 2007 and discussed this grant opportunity with staff.

Community Development Block Grant has called for Capital Projects in their 2008 Funding Cycle. The City of Sultan has already secured CDBG funding for Reconstruction of 2<sup>nd</sup> Street from Main to Alder Avenue.

In 2007 the City of Sultan applied to CDBG for Phase II of this project that would extend the improvements to from Alder to Cedar Avenue. At that time the staff at CDBG advised the City that they were recommending -0- funding because the City of Sultan had 5 grant funded projects in the pipeline. It is anticipated that all of these projects except 2<sup>nd</sup> Street Phase I will be complete by the end of 2007 and the City will be in better light with CDBG to request funding for Phase II of 2<sup>nd</sup> Street Reconstruction.

It will be explained to CDBG that in anticipation of receiving funding for Phase II of this project, it will be much more cost effective to bid the two phases as one.

**FISCAL IMPACTS:**

There is no match requirement on this grant program.

**ALTERNATIVES:**

1. Approve the grant application  
This alternative provides the City with the opportunity to receive a grant that will extend the existing grant to reconstruct 2<sup>nd</sup> Street beyond Alder Avenue and continue to Cedar Avenue.
2. Deny the grant application  
This alternative eliminates the opportunity to extend improvements to 2<sup>nd</sup> Street beyond Alder Avenue.

**SUBCOMMITTEE AND STAFF RECOMMENDATION:**

Motion to direct staff to apply for a CDBG Grant, for 2<sup>nd</sup> Street Improvements Phase II and authorize the Mayor to sign the necessary forms for the application.