

10/25/2011

**62-R-11**

**A RESOLUTION**

**Authorizing the City Manager to Submit an Amendment  
to the City of Evanston Action Plan for the  
Community Development Block Grant Recovery Program**

**WHEREAS**, the Congress of the United States did pass the *American Recovery and Reinvestment Act of 2009*, which created the Community Development Block Grant Recovery Program ("CDBG-R") under Title XII of Division A of that Act, and designated one billion dollars (\$1,000,000,000.00) to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 on an expedited basis, with funds distributed to grantees that received CDBG funding in Fiscal Year 2008 in accordance with provisions of *42 U.S.C. 5306*; and

**WHEREAS**, the City of Evanston did make application to the U.S. Department of Housing & Urban Development ("HUD") for five hundred twenty-three thousand, eight hundred twenty-eight dollars (\$523,828.00) under said grant program by submitting a Substantial Amendment to the *City of Evanston Consolidated Plan 2008 Action Plan*, thereby establishing the CDBG-R Action Plan; and

**WHEREAS**, HUD requires that all CDBG-R funds be expended by September 30, 2012, discourages use of CDBG-R funds for projects that will require the commitment of future years' regular CDBG entitlement funds, and requires identifying a discrete use for the CDBG-R funds with a separate contract agreement because of the separate quarterly reporting requirements of the use of all CDBG-R funds; and

**WHEREAS**, the proposed amendment to the CDBG-R Action Plan was discussed at a public meeting of the Housing and Community Development Act Committee ("CD Committee") on October 18, 2011, and posted on the City of Evanston's website for public comment from October 24 through noon on November 1, 2011, for a minimum of seven (7) days, as required; and

**WHEREAS**, the CD Committee recommends approval by the Evanston City Council of the proposed Amendment,

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS, THAT:**

**SECTION 1:** The foregoing recitals are hereby found as fact and incorporated herein by reference.

**SECTION 2:** The amendment to the CDBG-R Action Plan, attached hereto as Exhibit A and incorporated herein by reference, is hereby approved.

**SECTION 3:** The City Manager of the City of Evanston is hereby authorized to transmit said amendment to the CDBG-R Program to HUD, and to provide any additional information as may be required.

**SECTION 4:** This resolution shall be in full force and effect from and after the date of its passage and approval in the manner provided by law.

  
Elizabeth B. Tisdahl, Mayor

Attest:

  
Rodney Greene, City Clerk

Adopted: November 14, 2011

EXHIBIT A

**Amendment to the CDBG-R Action Plan for FY 2012**

**City of Evanston**  
**Amendment to the Community Development Block Grant Recovery (CDBG-R) Plan**  
**Draft for Public Comment**

- (1) **Activity Name:** South NRSA Economic Development Fund (17A, 17B, 17C, 17D, 18A, 18C; LMA, LMJ, SBS, SBR, LMCMC)

**Activity Narrative:** The City of Evanston will use CDBG-R funds for one or more economic development projects, addressing the current priority of stimulating economic development in south Evanston, particularly on Howard Street and key properties such as the former CVS Pharmacy at the corner of Oakton and Asbury. Assisting income eligible persons to establish micro-enterprises that will also hire unemployed or under employed persons from the NRSA is one of the strategies being pursued to address economic development and job creation goals for this area.

CDBG-R funds totaling \$131,453.32, including \$61,446 originally allocated to the Howard Street Improvement Project, \$31,750.06 unspent in the completed Fleetwood-Foster Improvement Project-Phase 1B and \$38,257.26 in unspent CDBG-R Administration, will be used for this activity.

The area targeted for this economic development activity is in or near census tract 8102, which comprises the City's south Neighborhood Revitalization Strategy Area (NRSA). Economic development is a high priority of the NRSA plan, part of the City's 2010-2014 Consolidated Plan to achieve the community development goals for south Evanston. This census tract is also targeted by the City's Neighborhood Stabilization Program 2 grant to purchase, rehabilitate and re-occupy foreclosed homes in neighborhoods hardest hit by foreclosures and job losses.

CDBG-R funds will be used for economic development projects that may include:

- Rehabilitation of commercial properties purchased by the City with TIF dollars to address code violations and make improvements needed to attract retail or commercial tenants
- Grants or loans to for-profit businesses, non-profit enterprises or micro-enterprises that provide economic development benefits; eligible uses of funds include: property acquisition, construction, rehabilitation or other needs, and equipment purchases.

Investment in this part of south Evanston will help stabilize an area that has been heavily impacted by mortgage foreclosures and by job losses and reinforce the desirability of the neighborhood for existing and potential residents by stimulating retail/commercial activity in this primarily low- and moderate-income neighborhood.

- (2) **Jobs Created:** Construction jobs, including carpentry, roofing, plumbing and electrical and other work, may be created by rehabilitation activities. It is anticipated that this could amount to approximately 1 FTE on an annualized basis. In addition, businesses attracted to currently vacant storefronts are projected to generate up to four permanent jobs/FTEs, of

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which 51% or more will be filled by LMI persons, to meet the CDBG National Objective of benefitting primarily low- and moderate-income persons.

- (3) Additional Activity Information: This improvement supports the goals of ARRA by creating economic development activity and by supporting the economic development goals of the TIF designed to revitalize this primarily LMI neighborhood.
  
- (4) Responsible Organization: This activity will be implemented by the City of Evanston through its Economic Development division and administered by Sarah Flax, Housing & Grants Administrator, Lorraine H. Morton Civic Center, 2100 Ridge Avenue, Room 3102, Evanston, IL 60201. 847-448-8684, [sflax@cityofevanston.org](mailto:sflax@cityofevanston.org)

