

## **1. Identification of funds for public facilities projects**

Several funding programs are available to assist municipalities improve public facilities. The CDBG program allows dovetailing programs to obtain maximum funding for a project and still meet program goals. A community, however, must contribute a minimum of 10% of the project total which may be financed through loans that the community will pay back.

The Department of Natural Resources administers the Environmental Improvement Fund to assist with Drinking Water and sanitary sewer projects that affect the environment. Priority is given to projects serving low income communities, and projects necessary to alleviate a health or sanitary problem. Projects must meet certain criteria to be eligible, and loans are made available if the project is funded. Communities meeting the hardship criteria may be eligible for principal forgiveness through the CWF program.

Other environmental loans are available to communities for water and sewer infrastructure projects including USDA Rural Development programs and a loan from the State Trust Fund. USDA-Rural Development USDA-RD indicated they have been awarded a higher federal allocation than expected and have funds available for communities.

The Reconstruction of Five Downtown Streets project anticipates using CDBG funds, DNR SDWLP, and DNR CWF Program funds which may be backed by water and sewer utility revenue, and minimal general obligation funds.

## **2. Brief description of CDBG Program**

The Community Development Block Grant (CDBG) program is a competitive grant program funded by a federal allocation under the U.S. Department of Housing and Urban Development (HUD). The program was created when Congress passed the Housing and Community Development Act, Title 1 in 1974. The Wisconsin Department of Administration (DOA) – Division of Energy, Housing, and Community Resources (DEHCR) administers the State Community Development Block Grant Program. Approximately \$10 Million is available in 2020.

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. CDBG-PF is a financing tool for local units of government in need of funds to undertake needed infrastructure and public building projects (excluding buildings for the conduct of government). This program supports public investment that will contribute to the overall community and economic development, thus enhancing the vitality of a community. Typically, these projects will involve streets, sidewalks, water and sewer systems, storm water drainage and retention, senior and community centers, fire stations, libraries, blight elimination, accessibility modifications, and other similar types of activities. All CDBG-assisted projects must comply with federal requirements that accompany these funds.

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The maximum grant for any single application is \$1,000,000 or 66.6 percent of the costs (2:1 grant:match ratio), which is a higher grant award than issued in 2018. Applicants are limited to one grant per a 12-month period. Applications will be accepted until June 25, 2020, (extended due to COVID-19) and are scored on a point system that considers project need, community distress, financial need, planning, and ability to meet the match requirements. The project must meet at least one of the following National Objectives: 51 percent LMI Benefit, Slum and Blight Removal, or Urgent Local Need. The 2011-2015 American Community Survey data is used to determine an applicant's eligibility for funding. The LMI percentage must be 51 percent or higher. The City of Ladysmith has an overall LMI rating of 65.12%.

**Department of Administration GOALS AND PROGRAM OBJECTIVES:**

- Ensure the affordability of basic services that enhance community vitality;
- Promote improved housing and economic opportunities for low- and moderate income (LMI) households;
- Support revitalization of established neighborhoods, downtown business districts and blighted sites;
- Assist with capital improvement projects that support previous planning efforts and are part of broader community development strategies;
- Improve accessibility to public facilities;
- Respond to natural and man-made disasters or catastrophic events.

**ELIGIBLE CDBG ACTIVITES:**

Economic development, public facilities, planning grant, housing, and emergency assistance

Community Economic Resources

The Community Development Block Grant for Economic Development Revolving Loan Fund (CDBG-ED/RLF) program. The Department of Administration grants funds to a general purpose unit of government (County) which then loans the funds to a specific business that will invest private funds and create jobs. When the business repays the loan, the County or Regional entity may retain the funds to finance additional business development projects within the County or Region. There are resources for communities faced with either layoffs or the closing of one of their local businesses.

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.

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.

RLF for Economic Development Program

CDBG Revolving Loan Funds for Economic Development are funds loaned by the community to a local business to undertake CDBG eligible activities in exchange for creating jobs made available to individuals in low and moderate income households. When the RLF-ED loans are repaid to the community, the funds go back into the RLF to be loaned to other businesses.

**3. Presentation of identified community development needs:**

A number of items have been identified as needed by the City. Capital improvements include infrastructure, utilities, and buildings and grounds. The five downtown streets proposed in the CDBG application have been on the CIP plan since 2017. Over the next 5 years, the City has listed the following items as community priorities:

Street and Utility Improvements (top streets) Revised 10.16.19

<i>Priority</i>	<i>Road</i>	<i>From:</i>	<i>To:</i>
1	1st St	Miner Ave	Fritz Ave E
2	E 2nd St S	Lake Ave	South to RR
3	W 3rd St S	Lake Ave W	Worden Ave W
4	W 4th St S	Fritz Ave W	Corbett Ave
5	Lake Ave	E 3rd St N	E 5th St N
6	W 5th St N	Lake Ave W (Hwy 8)	Gates Ave + 630'
7	E 10th St N	Menasha Ave	Park Ave E
8	North Ave W	W 5th St N	City Limits (Turners Pond)
9	E 2nd St N	North Ave	Flambeau Ave
10	Barnett Road	Doughty Road	Extending north 1000'
11	Gustafson Road	Doughty Road	Barnett Road
12	Flambeau Ave	W 9th St S (Hwy 27)	W 2nd St N
13	Corbett Ave E	E 5th St S	E 6th St S

Water Crossing under STH 27

Building and Ground

- Community Center in conjunction with the County
- Update Public Works Shop (from 1946)

Elderly Housing – Rusk County survey, public hearing in 2017

VA Hospital

Workforce Housing – Rusk County survey, Maintaining decent and affordable housing options has been identified as a need in order to maintain an economic workforce.

Affordable Housing Options

Housing needs and goals identified in the Rusk County Comprehensive Plan include:

- Promote a diversified, affordable, and safe housing stock that meets the needs of current and future residents by supporting the development of housing units, promoting housing to meet the needs of an aging population, and developing/maintaining properties that are suitable for first time home buyers and new residents to the County.

**4. Community Needs/ Projects Identified by Public**

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**5. Presentation of Proposed Activities**

- **1<sup>st</sup> Street** 1 BLOCK (Fritz Ave to Worden Ave)
  - 4" water main to 8"
  - Railroad casing for watermain
  - Replace storm sewer and inlets at Fritz intersection
  - Reconstruct street (C&G, SW and paving)
- **1<sup>st</sup> Street** 1 BLOCK (Worden to Miner Ave)
  - Loop watermain with 8" to replace 2" dead end
  - Install new copper water services
  - Replace storm sewer and sanitary sewer
  - Reconstruct street
- **E. 2<sup>nd</sup> Street** 1/2 BLOCK (RR to Worden Avenue)
  - Replace watermain and water services
  - Replace reconstruct street
- **E. 2<sup>nd</sup> Street** 1 BLOCK (Worden Ave to Miner Ave)
  - Replace storm sewer
  - Reconstruct street
- **Lake Avenue** 2 BLOCKS (E. 3<sup>rd</sup> Street to E. 5<sup>th</sup> Street)
  - Replace 4" water main with 8"
  - Replace storm sewer at intersection with E 5<sup>th</sup>

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- Replace clay sanitary sewer (1947), services, and manholes
- Reconstruct street
- **W. 3<sup>rd</sup> Street 1 BLOCK (Worden Ave to Miner Ave)**
  - Loop water main with 8"(existing 6' dead end)
  - Replace water services
  - Replace storm sewer
  - Reconstruct street
- **W. 3<sup>rd</sup> Street 1 BLOCK (Miner Ave to Lake Ave)**
  - Loop watermain with 8" (to replace existing 2" lead water line)
  - Install new water services
  - Replace storm sewer
  - Replace clay sanitary service (1911), install manhole and install new services
  - Reconstruct street
- **W. 4<sup>th</sup> Street 1 BLOCK (Corbett Ave to Fritz Ave)**
  - Replace 4" water main (1973) with 8" water main
  - Replace water services
  - Replace storm sewer
  - Replace clay sanitary sewer and services
  - Reconstruct street

**Proposed Schedule and Cost**

The proposed schedule for this project will be dependent on available funding and the funding agencies stipulations, but the current desired schedule is to complete design and permits in 2020, submit CDBG application in May, submit SDW application in June, Submit CWF application in September, and begin construction in the spring/summer of 2021. The project costs are estimated at \$1,865,300.

**6. Citizen Input on Activities and Proposed Project**