

RESOLUTION NO. 3568-2012

RESOLUTION OF THE FORT BRAGG CITY COUNCIL AUTHORIZING DISTRIBUTION OF UP TO \$26,000 OF PROGRAM INCOME TO THE HOUSING REHABILITATION REVOLVING LOAN FUND, IN ACCORDANCE WITH THE CITY'S PROGRAM INCOME REUSE PLAN

WHEREAS, the City of Fort Bragg periodically receives income that has been directly generated from the use of Community Development Block Grant (CDBG) funds, and such income is defined as CDBG Program Income; and

WHEREAS, the City's Program Income Reuse Plan states that Program Income that has not been committed to open grant activities will be equally distributed to a Housing Rehabilitation Revolving Loan Fund, a Business Assistance Revolving Loan Fund, and a Microenterprise Revolving Loan Fund; and

WHEREAS, the City's Program Income Reuse Plan states that Program Income may be transferred between Revolving Loan Funds or to an open grant activity if a properly noticed CDBG Citizen Participation public hearing is held and with City Council and CDBG approval; and

WHEREAS, the City currently has an open CDBG grant contract for the purpose of operating a CDBG Housing Rehabilitation Program, and current grant funds will be depleted before all rehabilitation needs are met; and

WHEREAS, the City is not currently operating a Microenterprise Assistance Loan Program, and the City's current Business Assistance Loan Program has adequate funding for current needs; and

WHEREAS, the City recently received up to \$26,000 in Program Income, and these funds are needed for the Housing Rehabilitation Program; and

WHEREAS, based on all the evidence presented, the City Council finds as follows:

1. The City's Program Income Reuse Plan allows redistribution of Program Income between Revolving Loan Funds if a CDBG-compliant Citizen Participation process is followed and local and CDBG approvals are obtained.
2. The City has completed a CDBG-compliant Citizen Participation process related to redistribution of Program Income to the Housing Rehabilitation Revolving Loan Fund.
3. The City's Housing Rehabilitation Program will experience a shortage of funding to address current housing rehabilitation applications, while the City's other loan programs are inactive or have adequate funding on hand to meet current needs.

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg does hereby authorize distribution of up to \$26,000 of Program Income to the Housing Rehabilitation Revolving Loan Fund, in accordance with the City's Program Income Reuse Plan.

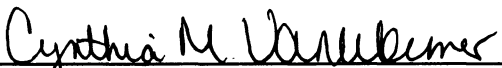
The above and foregoing Resolution was introduced by Councilmember Courtney, seconded by Councilmember Hammerstrom, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 10th day of September, 2012, by the following vote:

AYES: Councilmembers Courtney, Deitz, Hammerstrom, and Mayor Turner.
NOES: None.
ABSENT: Councilmember Gjerde.
ABSTAIN: None.



DAVE TURNER,
Mayor

ATTEST:



Cynthia M. VanWormer, CMC
City Clerk