

Community Development Block Grant – Recovery

Purpose of Funds: The primary statutory objective of the CDBG program is to develop viable communities by providing decent housing and a suitable living environment and by expanding economic opportunities, principally for persons of low- and moderate-income. The City must ensure that at least 70 percent of its CDBG grant funds are used for activities that benefit low- and moderate-income persons over a one-, two-, or three-year time period selected by the State. This general objective is achieved by granting "maximum feasible priority" to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. Under unique circumstances, States may also use their funds to meet urgent community development needs. A need is considered urgent if it poses a serious and immediate threat to the health or welfare of the community and has arisen in the past 18 months.

Receiving Department: Office of Economic Development

Amount: \$2.4 million

Type of Grant: Formula

Estimated Jobs Created/Retained: Minimum of 50 permanent with an additional 110 indirect jobs, private sector jobs will be created in the first two years based on loan pool activity. Another 15 direct jobs (at minimum) will be created through the redevelopment activity funded through the neighborhood/community Economic revitalization activity with this program.

Public Process:

The Office of Economic Development Presented to City Council's Neighborhood, Community and Business Revitalization Committee on May 26, 2009. A public meeting was held on June 2, 2009 and public posting is available. The amended plan was signed by Mayor Hickenlooper and submitted on June 5, 2009.

Proposed Spending:

The program will include \$1.37 million in small business lending appropriations (between 7-10 loans). In addition, \$850,000 will be allocated to neighborhood revitalization projects (bids in July).

For more information, please see the oversight committee docs at
<http://www.denvergov.org/stimulus>