



TO: Mayor Shaun Sipma
Members of the City Council

FROM: John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

DATE: November 18, 2018

SUBJECT: APPROVE SOURIS BASIN PLANNING COUNCIL AMENDED AGREEMENT

I. RECOMMENDED ACTION

City Council approve Amendments to the Souris Basin Planning Council Sub-Recipient Agreement

II. DEPARTMENT CONTACT PERSONS

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

III. DESCRIPTION

A. Background

The city entered into a sub-recipient agreement with the Souris Basin Planning Council for calendar year 2018 to support CDBG-NDR economic development resilience planning activities associated with filling missing critical data pieces to develop a long term, sustainable economic development strategy. Their support and work has been beneficial to these efforts and warrants an extension for one more year to complete the follow through necessary to carry out the implementation of data collection efforts to support the IEDC recommendations and optional plans of action in their report. Also, the Souris Basin Planning Council has appropriate expertise in managing non-traditional lending programs and being able to avail such expertise for the planned CDBG-DR Allocation #1 revolving loan program minimizes the costs of project delivery which would be far more if the city had to establish from scratch the staffing and policies. The City Council has previously authorized pursuit of engaging the Souris Basin Planning Council for this service. It is one of the key components to put in place to be able to launch the revolving loan fund in the first quarter of 2019 with the other pieces also underway which are the creation of a non-profit corporation and securing IRS designation of it as a 501(c)(3).

B. Proposed Project

Amendment A which accompanies this memorandum along with the full current agreement specifies the work to be performed by the Souris Basis Planning Council. For \$14,500 in CDBG-NDR funds, the Council will provide technical support to downtown organizations in an effort to create a coordinated draft growth strategy and will continue to support NDR efforts in generating needed data to create a sustainable citywide development strategy. For \$36,000 in CDBG-DR funds from Allocation #1, the Council will work with the city in setting up the process and policies and procedures for the small business revolving loan fund and once operation provide the service delivery support. Payments will be equally divided on a monthly basis and subject to a voucher which includes activities performed for the month.

IV. IMPACT:

A. Strategic Impact:

Being to draw upon the established expertise of the Souris Basin Planning Council in non-traditional lending programs significantly reduces staff support costs.

B. Service/Delivery Impact:

Continuing for one more year the work in implementing needed data collection systems to support sustainable economic development strategies is critically important in meeting CDBG-NDR resilience goals

C. Fiscal Impact:

The \$14,500 will be drawn from the CDBG-NDR budget allocation for economic development planning which will continue to leave an unencumbered balance of \$150,000 and the \$36,000 will come from the CDBG-DR Allocation #1 funds with \$800,000 set aside for the small business revolving loan fund program.

V. ALTERNATIVES

N/A

VI. TIME CONSTRAINTS

VII. LIST OF ATTACHMENTS

- i.* Amended Sub-Recipient Agreement with the Souris Basin Planning Council including Attachment “A” which incorporates the amendment.