

AGENDA ITEM SUMMARY

DATE: 12/15/10 DEPARTMENT: Admin DEPT. HEAD SIGNATURE: _____

SUBJECT: Federal Highway Administration
Transportation, Community and System Preservation (TCSP) Program
Discretionary Grant Opportunity for the River Street Downtown Revitalization Project

AUTHORITY: ID Code _____ IAR _____ City Ordinance/Code _____
(IFAPPLICABLE)

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

The Federal Highway Administration (FHWA) offers a number of discretionary grant programs each fiscal year. The Transportation, Community and System Preservation (TCSP) Program has been identified as an opportunity that may narrow the funding the gap on the River Street Project.

The attached summary explains the opportunity and how it might be useful. Staff has been in discussion with both the Idaho Department of Commerce and FHWA in investigating the details of this opportunity.

The amount of the grant request must be determined. This is both a practical and strategic decision; a strong city commitment will be weighed favorably by the review committee, but capital fund status and impacts, and how the city can realistically proceed with the project, are also important considerations. In addition, program documentation states that the program is very competitive, and moderate requests are "encouraged."

The application would be prepared over the next two weeks. Applications are due January 6, 2012, to the Idaho Division office of the Federal Highway Administration.

FISCAL IMPACT / PROJECT FINANCIAL ANALYSIS: Caselle # _____

Budget Line Item # _____ YTD Line Item Balance \$ _____

Estimated Hours Spent to Date: _____ Estimated Completion Date: _____

Staff Contact: _____ Phone # _____

Comments: _____

ACKNOWLEDGEMENT BY OTHER AFFECTED CITY DEPARTMENTS: (IFAPPLICABLE)

- | | | |
|---|--|---|
| <input type="checkbox"/> City Administrator | <input type="checkbox"/> Library | <input type="checkbox"/> Benefits Committee |
| <input type="checkbox"/> City Attorney | <input type="checkbox"/> Mayor | <input type="checkbox"/> Streets |
| <input type="checkbox"/> City Clerk | <input type="checkbox"/> Planning | <input type="checkbox"/> Treasurer |
| <input type="checkbox"/> Building | <input type="checkbox"/> Police | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Engineer | <input type="checkbox"/> Public Works, Parks | <input type="checkbox"/> _____ |
| <input type="checkbox"/> Fire Dept. | <input type="checkbox"/> P & Z Commission | <input type="checkbox"/> _____ |

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Consideration of FHWA TCSP Program grant opportunity as potential funding source for the River Street Downtown Revitalization Project, followed by motion to approve submission of application

ADMINISTRATIVE COMMENTS/APPROVAL:

City Administrator _____ Dept. Head Attend Meeting (circle one) Yes No

ACTION OF THE CITY COUNCIL:

Date _____

City Clerk _____

FOLLOW-UP:

*Ord./Res./Agrmt./Order Originals: Record

*Additional/Exceptional Originals to: _____

Copies (all info.): _____

Copies (AIS only) _____

Instrument # _____

Federal Highway Administration
Transportation, Community and System Preservation (TCSP) Program
Discretionary Grants

Project: River Street Downtown Revitalization Project

Project Scope: As defined under our application to the Idaho Department of Commerce under the Community Development Block Grant program (ICDBG): sidewalk repairs, new sidewalks, new streetlighting, storm drainage repairs, street reconstruction, bike lanes, improved transit stops. Project boundary remains unchanged.

Project Budget: The project budget currently stands at \$1,246,538 (\$500,000 grant / \$746,538 match).

TCSP Opportunity: The TCSP Program is a discretionary program of the Federal Highway Administration. The River Street project is an eligible project type under the program guidelines. \$29 million is available nationwide (subject to final appropriations). It is a very competitive program, and documentation implies that moderate requests may be more successful. In reviewing past awards under this program, it seems a \$250,000 to \$350,000 request might be in the ballpark.

Match: There is a 20% match requirement. The federal share is 80%.

The Idaho Community Development Block Grant Program allows federal dollars to be used as match. If Hailey's TCSP application is successful, the grant award can be used as match for the ICDBG project. This has been confirmed by the Idaho Department of Commerce.

Through discussions with both FHWA and Commerce staff, it has been determined that since we do not yet have a signed agreement with Commerce, we can reconfigure the allocation (not the amount) of our match for that project should we be successful with the TCSP application.

The TCSP application would be submitted with an 80% federal share / 20% city match. If the application is successful, we will work with Commerce to take that entire amount (100% of the TCSP dollars) and use it as match for River St. City funds would comprise the remainder of the match requirement on River Street (to equal the original commitment of \$746,538).

For illustration purposes:

Commerce block grant:	\$500,000
City match / block grant:	\$446,538
TCSP grant:	\$240,000
City match / TCSP grant:	\$60,000
TOTAL:	\$1,246,538

The net effect of successfully applying for a TCSP grant under this example is a \$240,000 reduction of the city's portion of the River St. match commitment.

Schedule:

Commerce has requested to delay a final determination on the disposition of the River Street grant agreement until bids are received on Woodside; March is currently designated as the month for this determination to occur. The timing is less than perfect, as awards under the TCSP program would not be announced until May. However, Commerce has demonstrated a sincere willingness to work with Hailey to see the River Street project through to a successful conclusion. The Partnership for Sustainable Communities (EPA/DOT/HUD) is also fully aware of the funding gap on the River Street project and is willing to support Hailey in its efforts to narrow that gap. In addition, although none are currently identified, other funding opportunities may present themselves between now and March.

**Grant Request
Amount:**

TBD

Timeline:

Applications due January 6

Award notification May 2012

