



**Request for City Council Committee Action
From the Department of Community Planning & Economic Development**

Date: July 8, 2005

To: Council Member Barbara Johnson, Chair
Ways and Means / Budget Committee

Submitted by: Jonathan Palmer, Director
Minneapolis Empowerment Zone, 673-5016

Approved by: Lee Sheehy, Director
Community Planning and Economic Development

Subject: Acceptance of \$661,333 in U.S. Department of Housing and Urban Development (HUD) Empowerment Zone (EZ) funds to the City of Minneapolis.

Presenters in Committee Jonathan Palmer, Director, Minneapolis Empowerment Zone

Recommendation:

- 1) Accept \$661,333 U.S. Department of Housing and Urban Development FY2005 grant amendment for Minneapolis' Grant Number EZ-99-MN-0006; and
- 2) Amend the 2005 General Appropriation Resolution by increasing the Community Development agency Federal Fund (0300-890-8942) by \$661,333.
- 3) Increase the 2005 Revenue budget for the Community Planning and Economic Development agency Federal Fund (0300-890-8942) by \$661,333.

Financial Impact

- No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)
- Action requires an appropriation increase to the Capital Budget
- Action requires an appropriation increase to the Operating Budget
- Action provides increased revenue for appropriation increase
- Action requires use of contingency or reserves
- Other financial impact (Explain):
- Request provided to the Budget Office when provided to the Committee Coordinator

Background/Supporting Information

The U.S. Department of Housing and Urban Development (HUD) has made an additional \$661,333 available for the Minneapolis Empowerment Zone (EZ). The funds are awarded as an amendment to the initial 1999 Memorandum of Agreement (MOA) between HUD and the City of Minneapolis.

The following appropriations have been made to date: 1999 MOA and Grant agreement (\$3 million), 2000 amendment (\$3.67 million), 2001 amendment (\$5 million), 2001 additional amendment (\$7.31 million), 2002 amendment (\$3 million), 2003 amendment (\$1.99 million), 2004 amendment (\$.99 million), 2005 amendment (\$.66 million). The total commitment through 2005 is approximately 25.62 million.