



## Legislation Text

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File #: 24-112, Version: 1

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**STRATEGIC PRIORITY:** Government Performance & Financial Management

**AGENDA DATE:** February 28, 2024

**COUNCIL DISTRICT(S):** 7

**DEPARTMENT:** Budget and Management Services

**EXECUTIVE:** Jack Ireland

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### **SUBJECT**

Authorize **(1)** rescinding the Community Development Block Grant Contract - Public Facility Improvements Project contract awarded to City Square Arts Opportunity Center, LLC, previously approved on January 21, 2021, by Resolution No. 21-0246, to complete public facility improvements to the Forest Theater located at 1918 Martin Luther King Jr. Boulevard; and **(2)** the funds to be reprogrammed for other eligible uses during the development of the FY 2024-25 Community Development Block Grant - Financing: No cost consideration to the City

### **BACKGROUND**

On January 21, 2021, the City Council authorized a Community Development Block Grant ("CDBG"), to complete public facility improvements to the Forest Theater, located at 1918 Martin Luther King Jr. Boulevard in an amount not to exceed \$500,000. The total amount of the project was projected to be \$31,571,865. To ensure compliance with U.S. Department of Housing and Urban Development rules, CDBG Funds were to be used at the end of the project for finish-out and/or punch-list items. City Square Arts Opportunity Center, LLC (Agency) received an award of funds for the project from another source. The timeline for the new funds were not compatible with the timeline to expend the CDBG Funds. Agency requested to return the CDBG Funds to the City with consideration to reapply in the future.

It is now desirable to rescind the CDBG - Public Facility Improvements Project contract with CitySquare Arts Opportunity Center, LLC. The requirements of the non-City funds awarded to complete the Agency's project would significantly delay expenditure of the CDBG Funds. These unspent CDBG Funds will be reprogrammed for other eligible uses during the development of the FY 2024-25 Community Development Block Grant budget.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On January 21, 2021, the City Council authorized the award of a Community Development Block Grant ("CDBG") to complete public facility improvements to the Forest Theater located at 1918 Martin Luther King Jr. Boulevard by Resolution No. 21-0246.

The Government Performance and Financial Management Committee will be briefed by memorandum regarding this matter on February 26, 2024.

**FISCAL INFORMATION**

No cost consideration to the City.

**MAP**

Attached