



Section 108 Loan Guarantee Application

South East Neighborhood Recreation Center
City of Manhattan, Kansas

DRAFT

November, 2016

SECTION I

General information

Applicant:

Entitlement public entity	City of Manhattan, Kansas
Applicant's CDBG grant number	B-16-MC-20-0009
Amount of current CDBG allocation	\$660,894
Date HUD executed 7082 for CDBG allocation	July 22, 2016
Amount requested in \$1,000 increments	\$3,304,000

Contact information for CPD staff conducting review:

Name	Dana Buckner,
Telephone	(913) 551-5546
Fax	(913) 551-5859
E-mail	Dana.Buckner@hud.gov

Applicant Contact Information:

	<u>Chief Elected Official</u>	<u>Staff Contact Primary</u>
Name	Usha Reddi	Karen Davis
Title	Mayor	Director of Community Development
Organization	City of Manhattan	City of Manhattan
Address	1101 Poyntz Ave. Manhattan, KS 66502	1101 Poyntz Ave. Manhattan, KS 66502
Telephone	785 587 2404	785 587 2425
Fax	785 587 2409	785 587 2439
		davis@cityofmhk.com

Staff Contact Secondary

Christina L'Ecuyer
Grant Administrator
City of Manhattan
1101 Poyntz Ave.
Manhattan, KS 66502
785 587 2430
785 587 2439
Lecuyer@cityofmhk.com

List the applicant's congressional districts:

1st District

SECTION II

Introduction

The City of Manhattan has participated in the Community Development Block Grant (CDBG) Entitlement Program since 2010, and as such, receives an annual allocation of funds for projects, which are in conformance with its 2015-2019 Consolidated Plan. This is an application by the City of Manhattan, Kansas to request a Loan Guarantee for \$3,304,000 in funding under the Section 108 Loan Guarantee (Section 108) provision of the CDBG Program, for construction of a neighborhood recreation center in the Douglass Park area, to be known as the South East Neighborhood Recreation Center (SENRC).

The Section 108 Program is an important public investment tool that provides communities with federally guaranteed loans large enough to transform a small portion of their CDBG funds into larger local projects. The principal security for this Loan Guarantee application will be a pledge by City of Manhattan to make repayment from its current and future CDBG funds as security for the loan. The City will provide additional security requirements as required by the U.S. Department of Housing and Urban Development (HUD) to assure repayment of guaranteed obligations.

Project Description:

Background. The City of Manhattan owns and maintains 28 parks comprised of approximately 600 acres, as well as three outdoor aquatics centers, nine indoor facilities and over 27 miles of soft and paved trails. These facilities allow the City to offer a wide variety of recreational classes, activities, programs and services to the Manhattan community.

In 2015, the City undertook an analysis of its current and future needs for parks and recreation facilities improvements. The purpose of the Manhattan Parks and Recreation Strategic Facility Improvement Plan (SFIP) was to inform city leaders and staff engaged in decision making processes and assist in determining how to best meet short-term (0-5 years), mid-term (5-15 years) and long-term (>15 years) recreation facilities needs of citizens. The SFIP recommended meeting these needs through renovations to existing indoor and outdoor recreation facilities and potential development of new indoor athletic and/or recreation facilities.

In contrast to outdoor parks and trails, indoor recreation and multipurpose community spaces provided by the City of Manhattan are extremely limited. Indoor gymnasium and flexible recreation spaces provided by the City are almost non-existent in the community.

The SFIP outlined a concept of developing three neighborhood recreation centers in the Manhattan Community. This is departure from industry trends as most organizations are consolidating recreation facilities to reduce operational costs and maintenance expenditures. However, the unmet community needs, community supported service delivery models and levels of service expectations of Manhattan citizens, carefully evaluated through the study process identified the most appropriate delivery model for the Manhattan community to be the neighborhood concept.

During the study process, Douglass Park was identified as a potential site for one of the three neighborhood recreation centers. Douglass Park is a city-owned, 1.53 acre site, consisting of recreation facilities that serve the surrounding neighborhood. Buildings include the Douglass Community Center gymnasium (former African American U.S.O. building acquired by the City after WWII), Douglass Center Annex (former African American school acquired by the City in 1974), an outdoor basketball court and pavilion, playgrounds and open space. (see map) The complex is a vibrant neighborhood gathering place for recreation, healthy lifestyle classes, family events and activities and is operated the Manhattan Parks and Recreation Department (MPRD). (Exhibit A)

Douglass Center serves a low and moderate income neighborhood. Since the City's participation in the CDBG Program began, Douglass Park has been the focus of several CDBG funded projects implemented in phases. These include repaving of the Center's parking lot, ADA upgrades, roof replacement, siding repairs, exterior painting and sidewalk replacement. In addition, the Program has provided lighting for the outdoor basketball court and pavilion area and resurfaced the outdoor play ground. Improvements planned in the 2016 CDBG Program year include replacement of electrical wiring at the Center.

Project

The SFIP was followed by a Feasibility Study, conducted by Bruce McMillan, AIA, Architects, P.A., of the proposed site to prepare preliminary designs and cost estimates for the SENRC.

The SENRC will provide a 17,000 sq. ft. building comprised of a full size multi-purpose court running east/west and two non-regulation size multi-purpose cross courts. An interior walking track will also be provided. Restroom/locker rooms are included, as is a staff office with visual control of the courts. A multipurpose classroom is included to allow neighborhood residents to schedule meetings, classes or other activities. Mechanical, electrical, storage, a family restroom and adjacent parking will also be provided. (Exhibit B)

CDBG funds are a logical use of funding for the SENRC. Available land at the Douglass Park location will allow the City to construct a public facility that meets the recreation needs of this low and moderate income neighborhood. Completion of the project will not be possible without use of the loan guarantee. Beginning in 2018, the City will be constrained by a new State imposed tax lid that will limit its ability to undertake projects such as the SENRC.

The City of Manhattan will own the facility, which will be operated by the MPRD.

Eligible Activity and National Objectives Statement

Consolidated Plan 2015-2019:

The proposed use of Section 108 loan funds in this application meets the following goals of the City's adopted 2015-2019 CDBG Consolidated Plan:

2. Improve the livability and safety of neighborhoods through infrastructure improvements.

3. Support community facilities that improve the quality of life for low and moderate income residents.

Both the 2015-2019 Consolidated Plan and 2016 Annual Plan reference the City’s intention to utilize 108 Loan funding for relevant projects.

Eligible Activity:

The activities proposed are eligible activities as per:

Public facilities – 24CFR 570.703(l)

108 Loan – 24CFR 570.703(c)

National Objective:

Low-moderate area benefit- LMA

The SENRC will serve neighborhoods outlined in Exhibits C and D. Using 2010 Census information, all Block Groups in Census Tracts 5, 8.01 and 8.02 are identified neighborhoods that will benefit from the SENRC. Additional Census Tracts-Block Groups that will benefit include 7-3, 7-4 and 9-3. (Exhibits C and D) The total number of persons included in this area is 12,920 and the percentage of LMI persons in this area is 74.4%.

Sources and Uses of Funds

A project estimate of \$3,318,950 has been prepared by Bruce McMillan, AIA Architects, P.A. (Exhibit E) All costs above \$3,304,000, the Credit Subsidy Payment and Loan Processing Fee will be funded by the City of Manhattan.

SENRC Sources and Uses

Source and Use	Section 108 Funds	City Funds	Total
Loan Processing Fee		\$16,520	\$16,520
Credit Subsidy Fee		\$85,573	\$85,573
SENRC Design	\$232,000		\$232,000
SENRC Construction	\$3,072,000	\$14,950	\$3,086,950
Total	\$3,304,000	\$117,043	\$3,421,043

Loan Term, Repayment Schedule and Collateral:

The City of Manhattan is requesting a \$3,304,000 Loan Guarantee from HUD in order to provide permanent financing for construction of the SENRC. The requested terms of the Loan Guarantee is a twenty-year amortizing loan with annual payments at the applicable percentage rate available for the Loan. (Exhibit F) Debt payment will be made from the City’s annual future CDBG entitlement allocations.

Proposed collateral will be a lien on the SENRC, based on appraised value.

Timetable:

Once the Loan Guarantee application is approved, the City will move quickly to procure professional design services in preparation for bidding. It is anticipated that designs will be completed by January 2018 and bidding will take place in early 2018. Construction is expected to be completed by April 2019.

Institutional Arrangements and Capacity:

The City of Manhattan is prepared to allocate an annual pledge of CDBG Entitlement funds over the term of the loan, and will provide the appropriate commitment to guarantee debt service if its annual CDBG allocation is reduced. (Exhibit G)

The City of Manhattan has effectively implemented a full range of Federal housing and Community Development Programs since 1975, including CDBG, UDAG, ESG and HOME Investment Partnership Program funds. In addition, members of the current City Administration have been or are involved in these programs as well as numerous, public and private grant programs, involving economic development, transportation and community facilities.

Below is list of the City of Manhattan Project Team members and their respective roles:

Jason Hilgers, Deputy City Manager – Overall Management

Edward Eastes, Director of Parks and Recreation – SENRC Building Construction and Operations

Bernie Hayen, Director of Finance – Financial and Accounting requirements

Karen Davis, Director of Community Development – Grant Management

Christina L’Ecuyer, Grant Administrator – Grant Management

The City will comply with all regulations and requirements necessary to complete the Section 108 project. (See Exhibit H)

Citizen Participation:

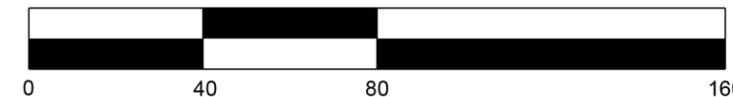
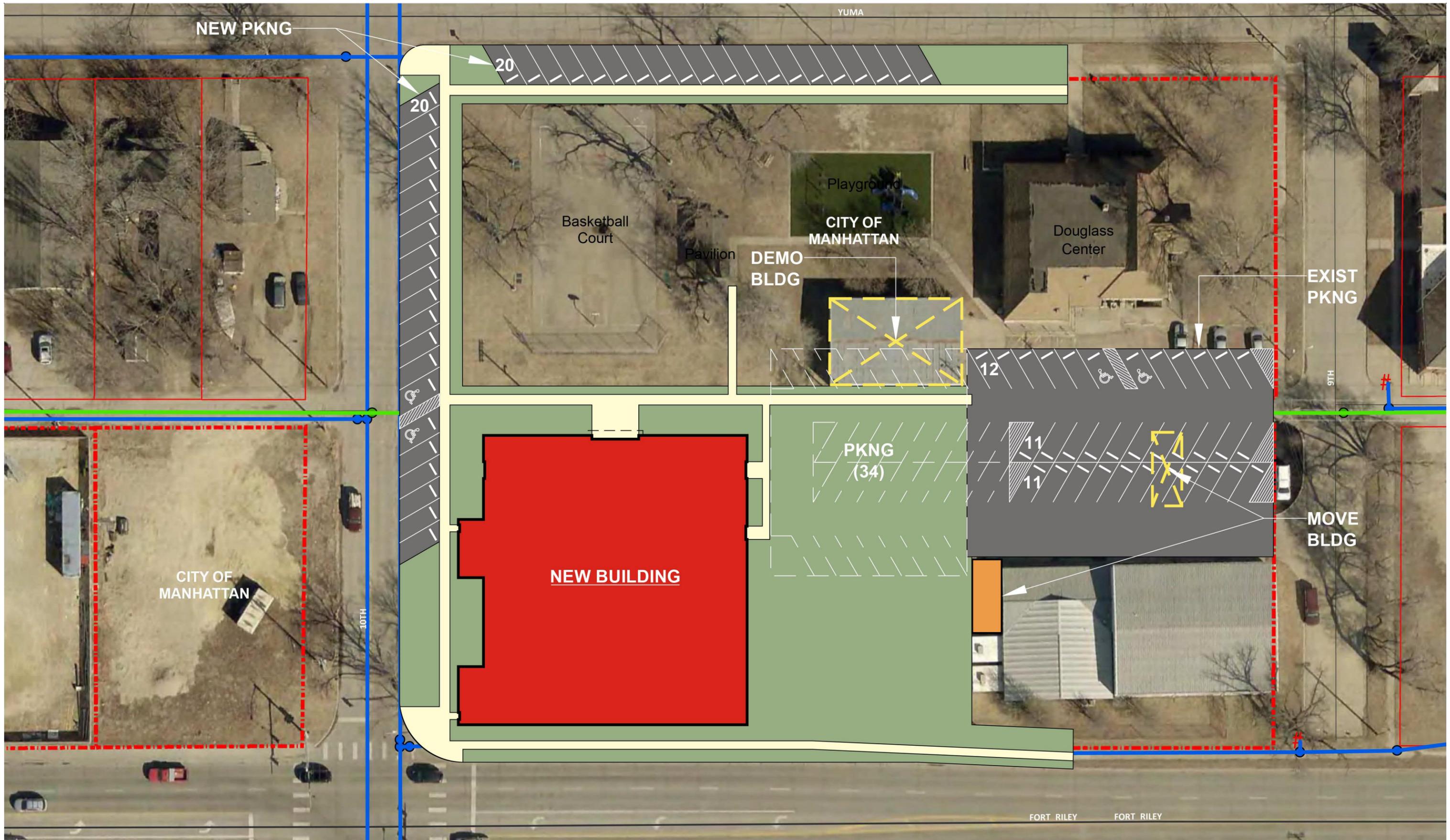
In accordance with the City of Manhattan CDBG Citizen Participation Plan, two public hearings were held to solicit input on the Section 108 application process. The first public hearing was held on June 15, 2016 (Exhibit I) The Public was notified of the hearing through a variety of means including use of the local newspaper, local cable channel, the City's "In Touch" email notification system and social media. Approximately 20 citizens attended the meeting which focused on the purpose of the Section 108 program, low and moderate income requirements of the CDBG Program, housing and community development needs, the SENRC site plan and programming of the facility, the service area and a request for suggestions for other projects eligible for Section 108 funding. Comments from attendees included: location of SENRC, needs of the neighborhood, needs for additional recreational facilities in the community, components of the facility, impact of parking and users, massing of the building and its visual impact.

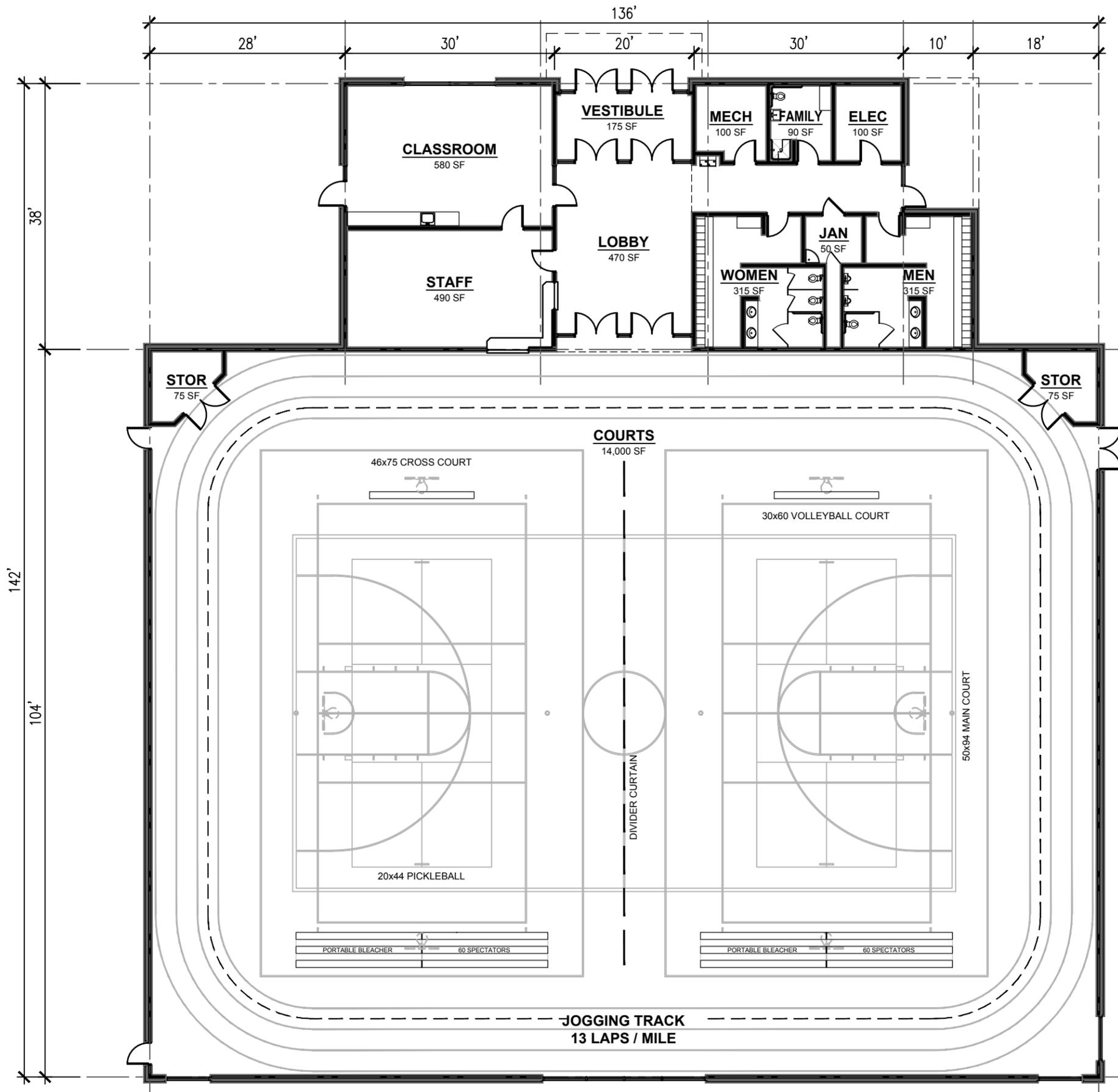
A second public hearing on the Section 108 application was conducted by the Manhattan City Commission on November 15, 2016. (Exhibit I) The Public was notified of the hearing through a variety of means including use of the local newspaper, local cable channel, the City's "In Touch" email notification system and social media. Copies of the application were posted on the City's website and provided to the Manhattan Public Library. Free copies were made available to citizens upon request. Approximately citizens spoke at the hearing. *(Summary of meeting and comments)*

Exhibits

- A. Site Map-Douglass Park
- B. SENRC proposed floor plan
- C. Project service area and LMI benefit map
- D. SENRC Area Benefit Study
- E. Cost estimate
- F. Loan repayment schedule
- G. Resolution No. 111516-
- H. Certifications
- I. Notice of Public Hearings-Affidavits of publication

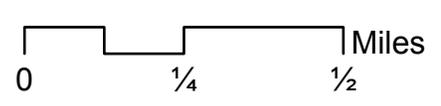
DRAFT





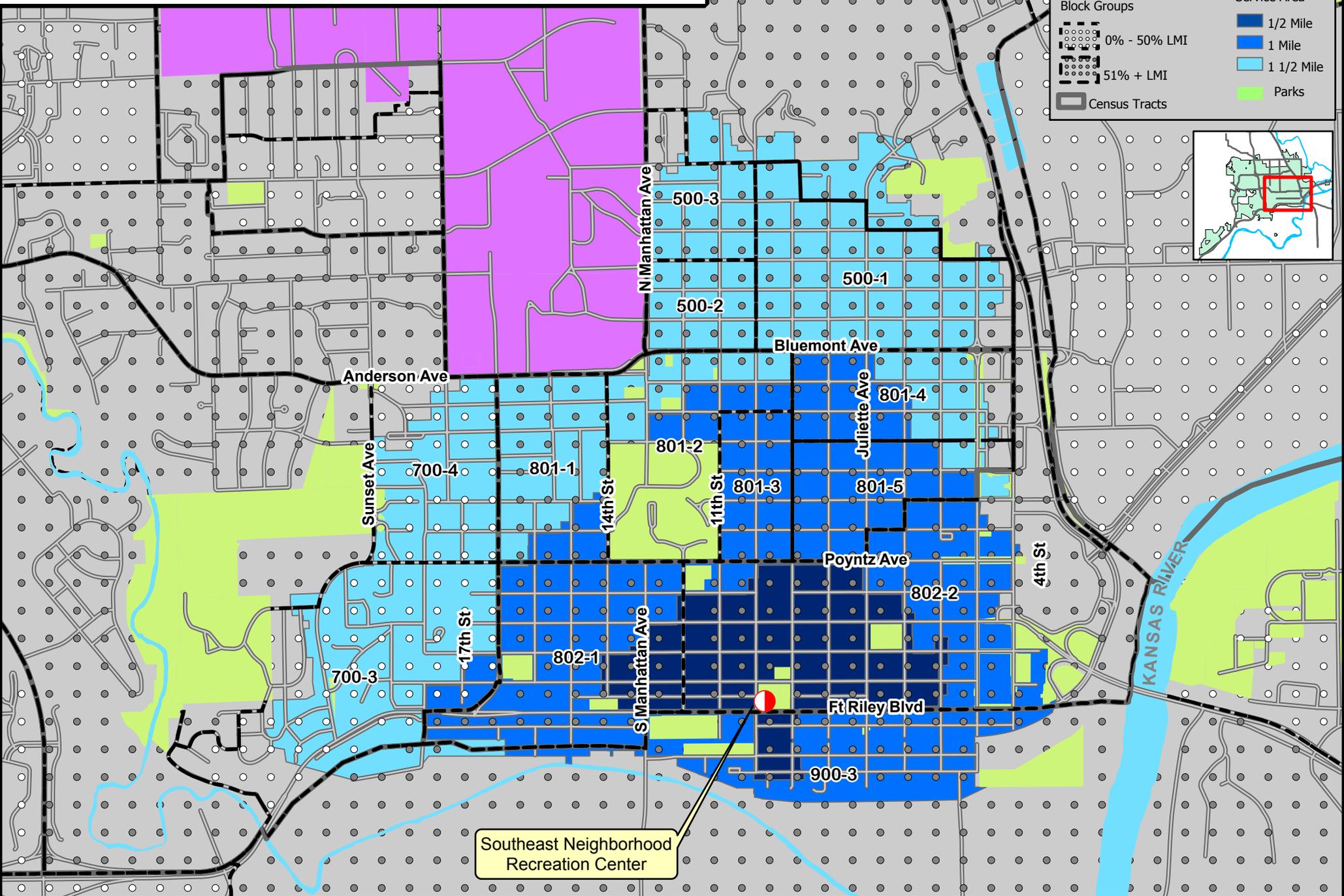
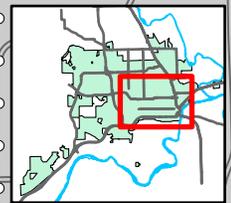
SE Neighborhood Rec Center Area Benefit Study

EXHIBIT C



Legend

- K-State Block Groups
- 0% - 50% LMI
- 51% + LMI
- Census Tracts
- Douglas Center Service Area
- 1/2 Mile
- 1 Mile
- 1 1/2 Mile
- Parks



Southeast Neighborhood
Recreation Center

South East Neighborhood Recreation Center Area Benefit Study
Including all impacted Census Tracts and Block Groups

EXHIBIT D

GEOID	geoname	stus ab	countyname	state	county	tract	blk grp	low	low mod	LMMI	low mod univ	low mod pct
201610005001	Block Group 1, Census Tract 5, Riley County, Kansas	KS	Riley County	20	161	000500	1	940	1,050	1,130	1,275	82.35%
201610005002	Block Group 2, Census Tract 5, Riley County, Kansas	KS	Riley County	20	161	000500	2	1,060	1,350	1,355	1,355	99.63%
201610005003	Block Group 3, Census Tract 5, Riley County, Kansas	KS	Riley County	20	161	000500	3	735	900	900	1,005	89.55%
201610005004	Block Group 4, Census Tract 5, Riley County, Kansas	KS	Riley County	20	161	000500	4	945	980	1,010	1,475	66.44%
201610007003	Block Group 3, Census Tract 7, Riley County, Kansas	KS	Riley County	20	161	000700	3	245	265	380	720	36.81%
201610007004	Block Group 4, Census Tract 7, Riley County, Kansas	KS	Riley County	20	161	000700	4	190	245	295	545	44.95%
201610008011	Block Group 1, Census Tract 8.01, Riley County, Kansas	KS	Riley County	20	161	000801	1	585	600	665	880	68.18%
201610008012	Block Group 2, Census Tract 8.01, Riley County, Kansas	KS	Riley County	20	161	000801	2	645	780	815	815	95.71%
201610008013	Block Group 3, Census Tract 8.01, Riley County, Kansas	KS	Riley County	20	161	000801	3	240	390	425	480	81.25%
201610008014	Block Group 4, Census Tract 8.01, Riley County, Kansas	KS	Riley County	20	161	000801	4	830	930	1,125	1,125	82.67%
201610008015	Block Group 5, Census Tract 8.01, Riley County, Kansas	KS	Riley County	20	161	000801	5	360	490	515	640	76.56%
201610008021	Block Group 1, Census Tract 8.02, Riley County, Kansas	KS	Riley County	20	161	000802	1	550	705	740	895	78.77%
201610008022	Block Group 2, Census Tract 8.02, Riley County, Kansas	KS	Riley County	20	161	000802	2	360	650	895	1,185	54.85%
201610009003	Block Group 3, Census Tract 9, Riley County, Kansas	KS	Riley County	20	161	000900	3	265	285	365	525	54.29%
						SENRC LMI Area Benefit						
						total			9,620		12,920	74.46%
City of Manhattan total LMI Population:									24,830		50,605	49.07%



BRUCE McMILLAN AIA
ARCHITECTS, P.A.

Neighborhood Multipurpose Facility at Douglass Park
Estimate of Probable Construction Cost – Base Project
Alternate Options Are Shown Separately

General Requirements	General Project Expenses to include:	\$ 240,000.00
	Building Permit (No Charge - City Facility)	
	Bonds & Insurance, Mobilization	
	Temporary Construction Fencing & Dumpster Service	
	Subtotal	\$ 240,000.00
Site Work	Site Demolition	\$ 40,000.00
	(40) Parking Stalls at 10th Street (20) & Yuma Street (20)	\$ 96,000.00
	(12) Existing Stalls south of Douglass Annex	\$ 53,000.00
	Existing Site Fence Removal & Relocation	\$ 5,000.00
	Site Utilities	\$ 21,000.00
	Miscellaneous Pavement	\$ 60,000.00
	Landscaping (est. \$30,000.00 - by Owner)	
	Subtotal	\$ 275,000.00
Facility Construction	Footings, Foundations, & Concrete Slab	\$ 275,650.00
	Pre-engineered Building Package	\$ 451,725.00
	Interior Masonry Partitions	\$ 240,250.00
	Miscellaneous Structural Steel	\$ 20,000.00
	Rough & Interior Carpentry, Millwork	\$ 10,000.00
	Insulation & Weatherization	\$ 28,500.00
	Doors & Hardware, Glass & Glazing, & Storefront Systems	\$ 60,000.00
	Acoustical Ceilings, Painting, & Flooring	\$ 260,800.00
	Bleachers & Equipment (Goals, Nets, etc.)	\$ 68,000.00
	Restroom Fixtures & Accessories, Lockers	\$ 25,000.00
	Subtotal	\$ 1,439,925.00
MEP	Fire Suppression System	\$ 78,500.00
	Plumbing	\$ 113,800.00
	HVAC	\$ 398,950.00
	Electrical Components	\$ 394,200.00
	Subtotal (includes General Contractor mark-up)	\$ 985,450.00
	Subtotal All Categories: Base Project	\$ 2,940,375.00
	5% Contingency	\$ 147,020.00
	Estimated Base Project Total Construction Cost	\$ 3,087,395.00
	Estimated A/E Fees (7.5%)	\$ 231,555.00
	Total Estimated Base Project Probable Cost	\$ 3,318,950.00
	17,374 SF	(\$191.00/SF)

City of Manhattan, Kansas
Section 108 Loan Amortization Schedule

Start Year	2016
Amount	\$3,304,000.00
Interest Rate	3%

EXHIBIT F

<i>Payment</i>	<i>Payment Date</i>	<i>Principal</i>	<i>Interest</i>	<i>Annual Payment</i>	<i>Principal Balance</i>
1	1/1/2017	\$165,200.00	\$99,120.00	\$ 264,320.00	\$ 3,138,800.00
2	1/1/2018	\$165,200.00	\$94,164.00	259,364.00	2,973,600.00
3	1/1/2019	\$165,200.00	\$89,208.00	254,408.00	2,808,400.00
4	1/1/2020	\$165,200.00	\$84,252.00	249,452.00	2,643,200.00
5	1/1/2021	\$165,200.00	\$79,296.00	244,496.00	2,478,000.00
6	1/1/2022	\$165,200.00	\$74,340.00	239,540.00	2,312,800.00
7	1/1/2023	\$165,200.00	\$69,384.00	234,584.00	2,147,600.00
8	1/1/2024	\$165,200.00	\$64,428.00	229,628.00	1,982,400.00
9	1/1/2025	\$165,200.00	\$59,472.00	224,672.00	1,817,200.00
10	1/1/2026	\$165,200.00	\$54,516.00	219,716.00	1,652,000.00
11	1/1/2027	\$165,200.00	\$49,560.00	214,760.00	1,486,800.00
12	1/1/2028	\$165,200.00	\$44,604.00	209,804.00	1,321,600.00
13	1/1/2029	\$165,200.00	\$39,648.00	204,848.00	1,156,400.00
14	1/1/2030	\$165,200.00	\$34,692.00	199,892.00	991,200.00
15	1/1/2031	\$165,200.00	\$29,736.00	194,936.00	826,000.00
16	1/1/2032	\$165,200.00	\$24,780.00	189,980.00	660,800.00
17	1/1/2033	\$165,200.00	\$19,824.00	185,024.00	495,600.00
18	1/1/2034	\$165,200.00	\$14,868.00	180,068.00	330,400.00
19	1/1/2035	\$165,200.00	\$9,912.00	175,112.00	165,200.00
20	1/1/2036	\$165,200.00	\$4,956.00	170,156.00	-
		\$ 3,304,000.00	1,040,760.00	\$ 4,344,760.00	

EXHIBIT G

RESOLUTION NO. 111516-

A RESOLUTION AUTHORIZING AN APPLICATION TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT THROUGH SECTION 108 OF THE HOUSING AND COMMUNITY DEVELOPMENT ACT.

WHEREAS, the City of Manhattan desires to develop the South East Neighborhood Recreation Center (SENRC); and

WHEREAS, the City has determined that an application to the Section 108 Loan Program will provides an effective financing tool to support this important project; and

WHEREAS, the Manhattan City Commission has reviewed and considered the proposed Project as discussed at its September 20, 2016 meeting.

NOW, THEREFORE, BE IT RESOLVED that:

1. The City of Manhattan possesses the legal authority to submit an application through Title 1, Section 108, of the Housing and Community Development Act of 1974, as amended.
2. The City desires to borrow \$3,304,000.00 for the South East Neighborhood Recreation Center.
3. The City certifies the use of the Section 108 proceeds in accordance with regulatory requirements and pledges future Community Development Block Grant entitlement funds and additional CDBG program income to service debt payments on the Section 108 loan.
4. The Mayor, on behalf of the City of Manhattan, is authorized to sign the Section 108 application, any amendments thereto and any understandings and assurances therein, for the South east Neighborhood Recreation Center. The Mayor is authorized to execute such documents as may be required in order to implement the application and issue debt obligations pursuant thereto.
5. The City Manager is authorized to act as the official representative of the City of Manhattan in connection with the application and provide additional information as may be required.

APPROVED by the Manhattan City Commission on this 15th day of Novemberr, 2016.

Usha Reddi, Mayor

ATTEST:

Gary fees, MMC, City Clerk

EXHIBIT H
SECTION 108 LOAN GUARANTEE CERTIFICATIONS
CITY OF MANHATTAN
SOUTH EAST NEIGHBORHOOD RECREATION CENTER

In accordance with applicable regulations governing the submission requirements for the Section 108 Loan Guarantee Program, as per 24 CFR 570.704(b), the City of Manhattan, Kansas, (the City) certifies that:

1. The application describes the South East Neighborhood recreation Center (SENRC), which meets the eligibility requirements as per 24 CFR 570.703(l) – public facilities and 24 CFR 570.703(c) – 108 loan; and
2. The City possesses the legal authority to submit the application for a Section 108 Loan, and will use the funds in accordance with Section 108 requirements; and
3. The City possesses the legal authority to make the pledge of grants from future Community Development Block Grant entitlement grants to service debt payments for the SENRC and has submitted a schedule for repayment of the Section 108 Loan which does not exceed twenty years; and
4. The City of Manhattan is in possession of the land for the SENRC; and
5. The SENRC is part of planned effort to build three neighborhood recreation centers in the Community, as described in the *Parks and Recreation Strategic Facility Improvement Plan*. The City has made efforts to obtain financing for the activity described in the application without the use of the loan guarantee, and the City cannot complete such financing consistent with the timely execution of the program plans without such guarantee. Beginning in 2018, the City will be constrained by a new State imposed tax lid that will limit its ability to undertake projects such as the SENRC. The City will maintain documentation of such efforts for the term of the loan guarantee; and
6. The City has prepared the draft and final applications and made them available to the public through local media and on the City's web site.
7. The City held two public hearings on the proposed project as per Section 108 Loan Guarantee requirements and its detailed Citizen Participation Plan (Manhattan CDBG Citizen Participation Plan): and
8. The Manhattan City Commission passed Resolution No. 111516-___, authorizing the Mayor and City Clerk to sign the Section 108 application and execute such documents in order to implement the application; and

9. In the aggregate, at least 70 percent of all CDBG funds, including Section 108 Loan funds, to be expended during the three year period specified by the City for its CDBG program will be for activities which benefit low and moderate income persons; and
10. It is a drug-free workplace as required under 24 CFR Part 24; and
11. It will comply with debarment and suspension requirements under 24 CFR Part 87; and
12. The City certifies to the best of its knowledge and belief that:
 - a. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
 - b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions; and
 - c. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.
13. The City will affirmatively further fair housing and the guaranteed loan funds will be implemented in compliance with:
 - a. Title VI of the Civil Rights Act of 1964 (42U.S.C. 20000d *et seq*): and the Fair Housing Act (42 U.S.C. 3601-3619)
14. It will comply with the other provisions of the Act and with other applicable laws.

Usha Reddi, Mayor

Date

In The Matter of Legal Notice

STATE OF KANSAS, RILEY COUNTY, ss

Printer's Fee \$ _____

Payment Date _____

I, Robin Phelan being first duly sworn, depose and say: That I am Advertising Director of The Manhattan Mercury; a daily newspaper printed in the State of Kansas, and published in and of general circulation in Riley County, Kansas, with a general paid circulation on a daily basis in Riley County, Kansas and that said newspaper is not a trade, religious or fraternal publication. Said newspaper is a daily published at least weekly 50 times a year; has been so published continuously and uninterruptedly in said county and state for a period of more than five years prior to the first publication of said notice; and has been admitted at the post office of Manhattan in said County as second class matter. That the attached notice is a true copy thereof and was published in the regular and entire issue of said newspaper for two consecutive insertions the first publication thereof being made as aforesaid on the 5th day of June, 2016 with subsequent publications being made on the following dates:

On the 12th day of June, 2016

On the ___ day of ___, 2016

On the ___ day of ___, 2016

Robin T Phelan

Subscribed and sworn to before me this 3rd day of August, 2016.

JM Wataha Notary Public

Notary Seal



**City of
Manhattan
Kansas**

**Community Development Block Grant (CDBG) 2016
Section 108 Loan Guarantee Program
Public Input Meeting**

The Section 108 Loan Guarantee Program is a provision of the Community Development Block Grant (CDBG) Program that permits the use of a portion of the City's Annual Grant Allocation to repay a federally guaranteed loan over a 12 to 20 year period.

The City of Manhattan invites all interested persons to a Public Meeting to provide input and discuss using the Section 108 program as a way to finance construction of a new Recreation Center in the Douglass Park area.

This meeting will be held on **Wednesday, June 15, from 7:00 to 8:00 PM** in the Douglass-Tubman Room at the Douglass Center Annex, 901 Yuma St., Manhattan, KS.

For more information or to provide comments, please contact:

Christina L'Ecuyer, Grant Administrator
Community Development Department
1101 Poyntz Avenue Manhattan, KS 66502
lecuyer@cityofmnhk.com
(785) 587-2430



This meeting is being held in the Douglass-Tubman Room at the Douglass Center Annex, 901 Yuma St. In accordance with provisions of the ADA, every attempt will be made to accommodate the needs of persons with disabilities. Please contact the Human Resources Department (587-2443) for assistance.

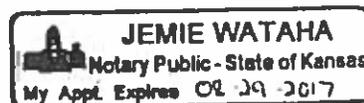


EXHIBIT I Second Meeting

Notice to Public Community Development Block Grant Program Public Comment Period and Public Hearings

The City of Manhattan is proposing to build the South East Neighborhood Recreation Center, which will be located northeast of the intersection of 10th and Fort Riley Boulevard in Douglass Park. The project will provide a multi-purpose neighborhood recreation center to serve the adjacent neighborhood. The City intends to apply for Section 108 Loan Guarantee funds from the U.S. Department of Housing and Urban Development (HUD) to construct the Project. In order to utilize this source of funding, the City will conduct a public hearing on documents related to the Project and Community Development Block Grant (CDBG) Program.

South East Neighborhood Recreation Center Substantial Amendments 2015-2019 Consolidated Plan and 2016 Annual Action Plan

A public hearing will be held to consider Substantial Amendments to the City's 2015-2019 CDBG Consolidated Plan and CDBG 2016 Annual Action Plan. These Plans must be modified in order to describe the Project and proceed with an application to HUD for a Section 108 Loan Guarantee.

South East Neighborhood Recreation Center Section 108 Loan Guarantee Application

The City of Manhattan has prepared an application for a Section 108 Loan Guarantee in order to build the South East Neighborhood Recreation Center, located at Douglass Park. The Section 108 Loan Guarantee Program is a provision of the CDBG Program that permits the use of a portion of the City's annual CDBG allocation to repay a federally guaranteed loan. The application will request the U.S. Department of Housing and Urban Development (HUD) to issue a Guarantee for \$3,304,000 in loan funds which will be repaid from a portion of the City's annual CDBG allocation over a 20 year period.

Beginning **November 1, 2016** through **November 30, 2016**, copies of the amended Plans and the Section 108 Loan Guarantee application will be available for review at the Community Development Department, 1101 Poyntz Avenue; the Manhattan Public Library, 629 Poyntz Avenue, and on the City's website: www.cityofmhk.com/cdbg. Comments may be submitted in writing to the Community Development Department or by email to the address below.

On Tuesday, **November 15, 2016 at 7:00 p.m.**, a public hearing will be held in the City Commission Room at City Hall to receive comments on proposed amendments to the 2015-2019 CDBG Consolidated Plan, the CDBG 2016 Annual Action Plan and the Section 108 Loan Guarantee Application. After the public hearing, the Manhattan City Commission will consider approval of the Substantial Amendments and submission of the Section 108 Loan Guarantee application.

For more information or to provide comments, please contact:

Karen Davis, AICP, Director of Community Development
Community Development Department
1101 Poyntz Avenue Manhattan, KS 66502
davis@cityofmhk.com
(785) 587-2425



This meeting is being held in the City Commission Room at City Hall, 1101 Poyntz Avenue. In accordance with provisions of the ADA, every attempt will be made to accommodate the needs of persons with disabilities. Please contact the Human Resources Department (587-2443) for assistance.