

**Memorandum
Community and Economic Development**



To: Randall Tweet, Interim City Manager
Subject: Growth Reimbursement
Date: December 19, 2016

The city of Rock Island Community and Economic Development Division agreed to assist Growth Corp. under a redevelopment agreement dated November 3, 2015 in the amount of \$700,000.00 for costs associated with Star Block I, using HUD – CDBG funds. It was determined that \$125,000.00 of the allocated funding could not be used for the project and had to be allocated from other CED funding sources.

In order to meet the City's obligation to Star Block LLC, CED staff will use:

\$65,000.00 (fund 101-312801-54101-6066000)
\$50,000.00 (fund 301-312801-59201-6175223)

Total \$125,000.00.

RECOMMENDATION:

Council approve the allocation \$125,000.00 from other funding sources to assist Growth Corporation meet their mission.

Submitted by: Colleen Small-Vollman, Budget and Grant Manager
Chandler Poole, CED Director

Approved by: Randall Tweet, Interim City Manager