

**Notice of Intent to Request Release of Funds
Small Cities Development Program
State of Minnesota**

Date of Posting: November 2, 2018

**Lake County/Silver Bay
616 3rd Avenue
Two Harbors, MN 55616
1-218-834-8360**

**Arrowhead Economic Opportunity Agency, Inc.
702 3rd Avenue South
Virginia, MN 55792
1-218-749-2912**

TO ALL INTERESTED AGENCIES, GROUPS AND PERSONS:

On or about November 13, 2018 Lake County will request the Business and Community Development Division, Small Cities Development Program, Minnesota Department of Employment and Economic Development (DEED), to release federal funds under Title 1 of the Housing and Community Development Act of 1974, as amended (P.L. 98-181) for the following project:

Project Title: Lake County/Silver Bay Comprehensive Project

Project Purpose: This grant will be assisting in the rehabilitation of approximately 10 owner occupied housing units for low and moderate income households in a roughly 15 block area of the City of Silver Bay from Davis Drive to Horn Boulevard and from Banks Boulevard to Garden Drive. Residential Target Area A will be the primary target area but may be expanded to include Target Area B after one year.

The commercial portion of this project will assist approximately 5 commercial properties in an area from the Business Park on Highway 61 through town on National Forest Highway 11 to Outer Drive.

This rehabilitation will be geared to correct and address lead based paint hazards, code violations, energy efficiency, health and safety issues and structural repairs such as new windows, doors, siding, basement repairs and etc.

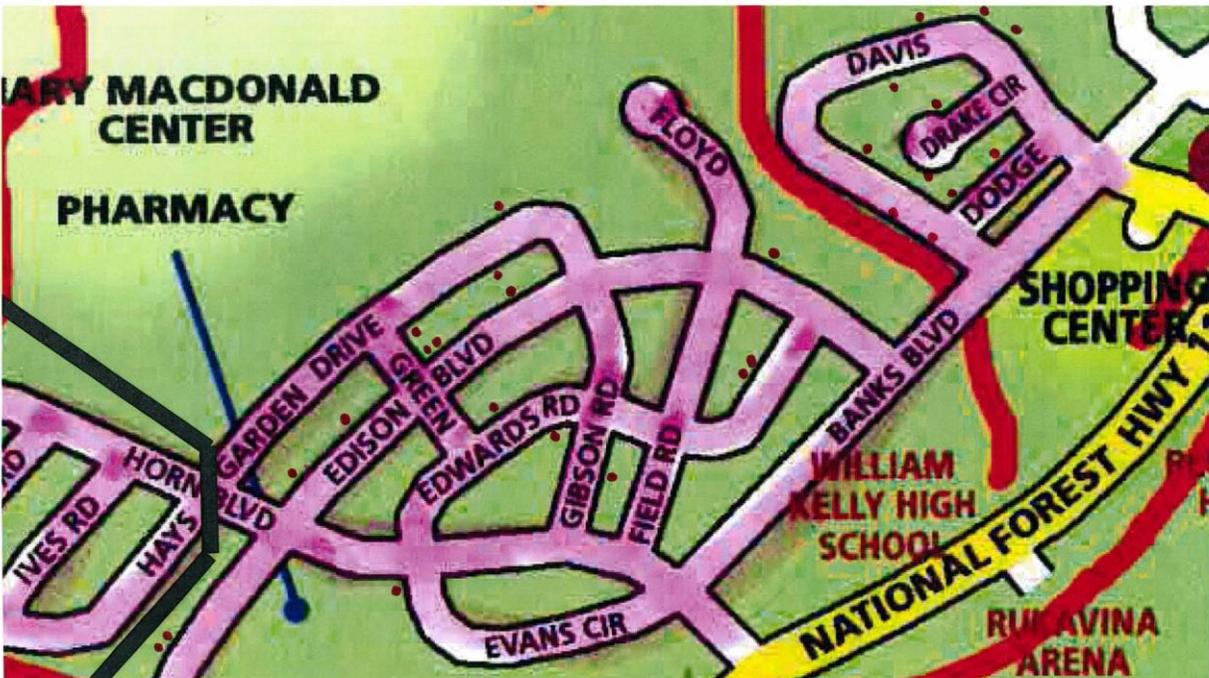
Owner Rehab	\$247,500
Commercial Rehab	\$195,000
Administration	<u>\$66,250</u>
Total SCDP Funds	\$508,750
Total Project	\$725,086

This residential project is restricted to targeted areas of the City of Silver Bay. The target areas have not been identified as being in the 100 year floodplain. The areas being served are noted on the following maps:

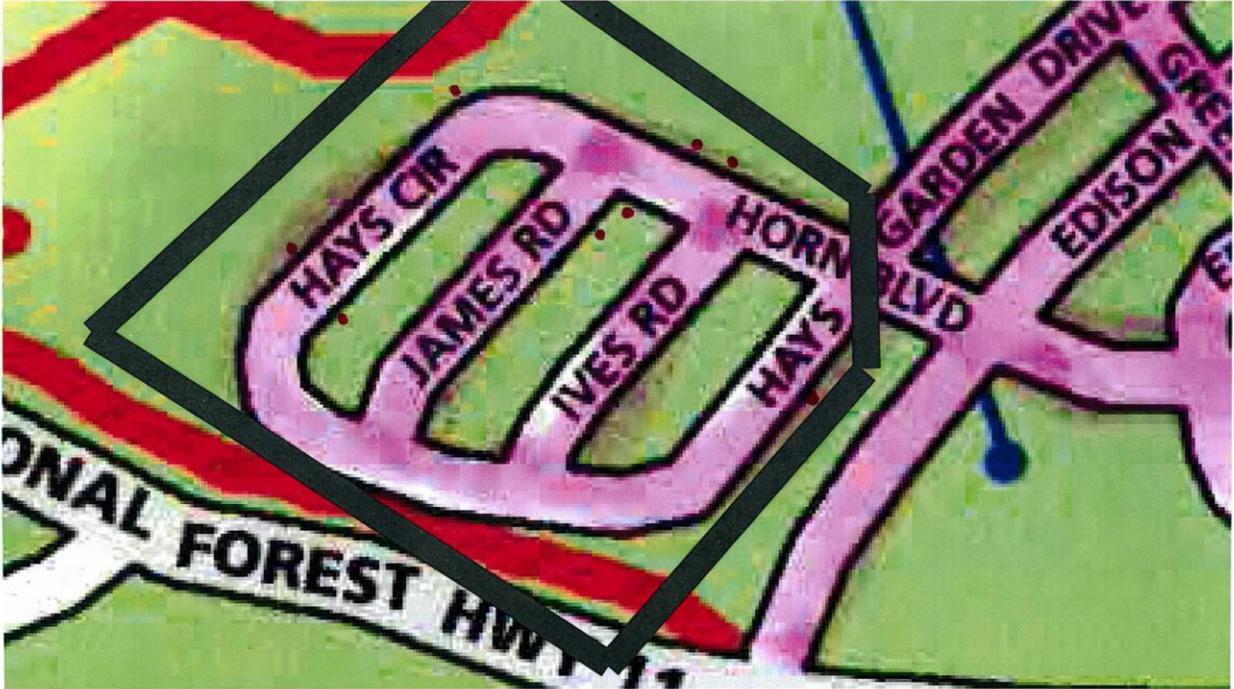
Residential Target Area A is shaded pink.
Residential Target Area B is shaded pink and outlined in black.
Commercial Target Area is shaded yellow.



Silver Bay, MN
Target Area A
LMI Interested



Silver Bay, MN
 Target Area B
 LMI Interested



Silver Bay
 Commercial Target
 Area in yellow

Attachment #25

- Interested Owners - 15
- Commercial Buildings - 15



The activities proposed are categorically excluded under HUD regulations at 24 CFR Part 58 from National Environmental Policy Act Requirements because the activity consists of single family and commercial rehabilitation. The unit density will not be increased beyond four units, the land use will not change and the rehabilitation will not be conducted within a 100-year floodplain. An Environmental Review Record (ERR) respecting this project has been made by the Lake County that documents the environmental review of the project. This ERR is on file at the address above and is available for public examination and copying, upon request, weekdays between the hours of 8:00 am and 4:30 pm.

In accordance with 24 CFR Part 58.15, a tiered review process has been structured for the rehabilitation, whereby some environmental laws and authorities have been reviewed for the target area and other applicable laws and authorities will be complied with, when participating properties have been identified and projects are ripe for review. Specifically, the target area has been studied and compliance with the following laws and authorities has been established: wetland protection, sole source aquifers, endangered species, wild and scenic rivers, coastal zone management, air quality, farmlands protection, airport runway clear zone requirements and environmental justice.

In addition, pursuant to the National Historic Preservation Act, comments on the identification and treatment of historic properties in the project area are welcome.

Compliance with the following laws and authorities will take place once properties within the target area have been identified, but prior to the commitment of funds: historic properties, floodplain management/Flood Disaster Protection Act requirements and HUD environmental standards for hazards. Compliance documentation on the aforementioned laws and authorities will be in each individual property file, and copies will be available, once established, at the Arrowhead Economic Opportunity Agency, 702 Third Avenue South, Virginia, MN 55792

Rehabilitation is minor and will not affect the areas of wetlands, noise, air quality, thermal/explosive hazards, airport clear zones, landfill hazard/toxic site and hazards, water quality, solid waste, farmland protection, wild and scenic rivers, coastal zone management. Environmental Justice will not be negatively affected as the housing activity will improve conditions for low and moderate income persons/households.

Rehabilitation of historic properties will be done in accordance with the Secretary of Interior's Standards for rehabilitation in consultation with MN State Historic Preservation Office (SHPO).

The City does have five endangered species that could possibly be found on a project site. If the Piping Plover, Red Knot, Gray Wolf, Canada Lynx or the Northern Long Eared Bat are encountered, The United States Fish and Wildlife Service (USFWS) would be notified.

Public Comments on Request to Release Funds

Any individual, group or agency may submit written comments on the ERR to the Lake County Board Chair, 616 3rd Avenue, Two Harbors, MN 55616. All comments received by November 13, 2018 will be considered by Lake County prior to submission of a Request for Release of Funds.

Lake County will undertake the project described above with Block Grant funds from DEED, under Title 1 of the Housing and Community Development Act of 1974. Lake County is certifying to DEED that Lake County and Rich Sve, in his official capacity as County Board Chair, consent to accept the jurisdiction of the Federal Courts if an action is brought to enforce responsibilities in relation to environmental reviews, decision making and action; and that these responsibilities have been satisfied. The legal effect of the certification is that with approval, Lake County may use the Block Grant funds, and DEED and HUD will have satisfied their responsibilities under the National Environmental Policy Act of 1969.

Objections to Release of Funds

BCD will accept objections to its approval of the release of funds and acceptance of the certification for a period of eighteen days following the anticipated submission date or its actual receipt of the request (whichever is later) only for one of the following reasons: (a) that the certification was not in fact executed by the Chief Executive Officer or other officer of the grantee approved by BCD; (b) that the grantee's ERR for the project indicates omission of a required decision, finding or step applicable to the project in the environmental review process; (c) the grant recipient has incurred costs not authorized at 24 CFR Part 58.22 before approval of a release of funds by BCD; or (d) another Federal agency acting pursuant to 24 CFR Part 1504 has submitted a written finding that the project is unsatisfactory from the standpoint of environmental quality.

Objections must be prepared and submitted in accordance with the required procedures (24 CFR Part 58), and may be addressed to Director, Small Cities Development Program, MN Dept. of Employment and Economic Development, Business and Community Development Division, 1st National Bank Building, 332 Minnesota Street, Suite E200, St. Paul, MN 55101-1351. Potential objectors should contact DEED at 651-259-7449 to verify the actual last day of the objection period.

Rich Sve, Chair
Lake County
616 3rd Avenue
Two Harbors, MN 56616