



General Government Committee

Reallocating Community Development Block Grant (CDBG) and Related Funds

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Title

Reallocating Community Development Block Grant (CDBG) and Related Funds

Recommended Action

Committee Recommendation:

Not referred to a committee.

City Manager Recommendation:

Discuss options to reallocate Community Development Block Grant (CDBG) and related funds and give direction to staff.

Report

Issue:

Whether to discuss how the City should reallocate unused CDBG and related funds?

Staff Contact:

Anna Schlecht, Community Service Programs Manager, Community Planning and Development Department (360-753-8183)

Presenter(s):

Anna Schlecht, Community Service Programs Manager.

Background and Analysis:

The goal for this discussion is to explore options to reallocate funds from Community Development Block Grant (CDBG) and several other fund sources. By Sept. 25, staff will have determined and will bring forward a comprehensive list of potential funding to be re-allocated. This will include unanticipated CDBG program income, as well as reallocating funds on projects that have not gone forward in a timely fashion.

Reallocation Public Process: Given that the bulk of the funds to be reallocated will be CDBG funds, it would be prudent to align the entire reallocation process with the CDBG "Citizen Participation Plan" that requires a 30-day public comment period for what is termed a, "Substantial Amendment." This process is required when any of the proposed changes are: 1) a change that involves more than 20 percent of the current CDBG Annual Action Plan Budget; 2) if there is a change of project location;

and/or, 3) if there is a new proposed activity.

Prior Discussions: This is the first discussion of amending the current CDBG Program Year 2019 Annual Action Plan; however, such CDBG Action Plan amendments occur almost every year.

Alignment with Home Fund: There may be opportunities to allocate funds in alignment with Home Fund projects. More information on options for alignment will be presented at the Committee meeting.

Neighborhood/Community Interests:

All neighborhoods and community stakeholders have an interest in how public funds are invested in community development programs and projects.

Options:

1. Discuss options to re-allocate Community Development Block Grant (CDBG) and related funds and give direction to staff.
2. Delay the discussion of options to reallocate Community Development Block Grant (CDBG) and related funds and direct staff to provide additional information for future consideration.

Financial Impact:

Community Development Block Grant (CDBG) funds must be spent in what is termed a “timely fashion,” meaning that 150 percent of the most recent grant award must be spent down by June 30, 2020, or the tenth month of the program year. A comprehensive list of funds and sources will be presented at the meeting.

Attachments:

None