



Request for City Council Committee Action from the Department of IGR

Date: February 29, 2008

To: Lisa Goodman, Chair, Community Development Committee

Referral to: Paul Ostrow, Chair, Ways & Means/Budget Committee

Subject: 2008 CDBG and Consolidated Plan Budget

Recommendation:

- 1) Approve revised 2008 Consolidated Plan Budget according to most recent staff-estimated HUD award;
- 2) Amend Resolution 2007R-642, Schedule 4, CDBG Program as noted in attached revised Schedule 4
- 3) Further, amend Resolution 2007R-642, as necessary, Schedule 4, CDBG Programs, by enacting across-the-board percentage increases/decreases upon receipt of official grant award notification by HUD
- 4) Direct Finance Department to adjust appropriation levels

Previous Directives:

December 12, 2007, the 2008 Consolidated Plan Budget approved as part of City's 2008 Budget (Resolution 2007R-642)

Prepared by: Peter O'Toole, Senior Resource Coordinator, Office of Grants & Special Projects, x5456

Approved by: Steven Bosacker, City Coordinator

Presenters in Committee: Peter O'Toole, Senior Resource Coordinator, Office of Grants & Special Projects

Reviews

- Permanent Review Committee (PRC): Approval ____ Date _____
- Policy Review Group (PRG): Approval ____ Date _____

Financial Impact

- No financial impact
- X Action requires an appropriation reduction to the 2008 Capital Budget and 2008 Operating Budget
- X Action provides reduced revenue for appropriation reduction
- Action requires use of contingency or reserves
- Action is within the Business Plan
- Action requires a change to the Business Plan

- Other financial impact
- X Request provided to the Finance Department when provided to the Committee Coordinator

Community Impact

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other- Proposed new Schedule 4- CDBG will be included with program details in public draft of 2007 Consolidated Plan issued March 14, 2007.

Supporting Information

Congress set the 2008 Community Development Block Grant (CDBG) budget appropriation in February 2008, and the amount is approximately 4.27% less than the estimate provided at the time the 2008 City budget was adopted. The Grants office has collaborated with all city staff affected by this budget to arrive at a solution. It is recommended that Council approve the attached budget with an across the board 4.27% reduction to CDBG programs to match the HUD appropriation, with the following two exceptions:

- **Two CDBG activities are funded at the same level as the Council adopted budget as required by joint powers agreements: Curfew Truancy, and Youth Coordinating Board.**
- **CPED Planning Administration will be funded at the same level as the 2008 Council adopted budget provided by an equal shift from CPED Program Administration.**

This change will fall within the CDBG regulatory caps for administration (20%), and public service (15%).

Budget Category	CDBG 2007 Budget	Council 2008 CDBG budget approved in December	Proposed Revised Amount
Capital/Other	\$ 9,475,300	\$ 9,423,000	\$ 9,021,100
Public Service	\$ 2,072,633	\$ 2,049,000	\$ 1,965,500
Administration	\$ 2,280,100	\$ 2,406,000	\$ 2,306,672
CDBG Total	\$ 13,828,033	\$ 13,878,000	\$ 13,293,272

Staff further recommends that when the City receives official HUD award notification, Resolution 2007R-642, Schedule 4, as amended here, can be further amended by enacting an across-the-board percentage adjustment to all respective budget line items, if necessary.

As Schedule 4 contains only one line item respectively for the HOME Investment Partnerships, Emergency Shelter Grant, American Dream Downpayment Initiative and Housing Opportunities for Persons with AIDS grants, these particular grants would receive an across-the-board adjustment when HUD informs the City of its grant awards.

SCHEDULE FOUR
Year 34 (2008) - Community Development Block Grant

Organization	Project	2007 Consolidated Plan	2008 Council Adopted	Proposed 2008 Budget based on 4.27% reduction
Capital /Other---CDBG				
Community Planning & Economic Development	Adult Training, Placement and Retention	844,000	1,443,000	1,380,000
	High density corridor housing	801,000	761,000	729,000
	Homeownership Program (GMMHC)	350,500	333,000	319,000
	Industry Cluster Program (Living Wage Jobs)	71,900	68,000	65,100
	Multi-Family/Affordable Housing	4,388,000	4,460,000	4,270,000
	NEDF/CEDF	1,167,000	541,000	518,000
	Non-Profit Multi-Family Affordable Housing Development Assistance	180,700	172,000	165,000
	Vacant & Boarded Housing	625,000	594,000	569,000
	<i>Subtotal CPED capital</i>	8,428,100	8,372,000	8,015,100
Department of Health & Family Support	Childcare Facilities Loan/Grant	233,700	234,000	224,000
Minneapolis Public Housing Authority	General Rehabilitation	227,700	228,000	218,000
Regulatory Services	Lead Reduction	130,800	131,000	125,000
City Attorney's Office	New Problem Properties Strategy	38,915	40,000	38,300
Fire Department	New Problem Properties Strategy	15,965	-	-
Police Department	New Problem Properties Strategy	53,880	55,000	52,700
Regulatory Services	New Problem Properties Strategy	346,240	363,000	348,000
Total Capital/Other (65%)		9,475,300	9,423,000	9,021,100
Public Service---CDBG				
Community Planning & Economic Development	Youth Employment	476,133	477,000	457,000
	Mortgage Foreclosure Prevention Program	204,700	205,000	196,000
Civil Rights Department	Multicultural Affairs	132,800	124,000	119,000
Public Works	Graffiti Removal on Public Property	91,400	90,000	86,200
Department of Health & Family Support	Way to Grow	296,000	273,000	261,000
	Advocacy (Housing)	92,600	86,000	82,300
	Curfew and truancy services	98,000	98,000	98,000
	You ⁿ th are Here buses	-	75,000	71,800
	<i>Public Health Advisory Recommendations</i>	-	-	-
	Asian Media Access	30,000	28,000	26,800
	Carondelt LifeCare/St Mary's Health Clinic	21,000	19,000	18,200
	Children's Dental Services	11,000	11,000	10,500
	Domestic Abuse Project	40,000	36,000	34,500
	Fremont Community Health Services	50,000	46,000	44,000
	Greater Minneapolis Council of Churches	50,000	46,000	44,000
	Lao Assistance Center of MN	55,000	51,000	48,800
	MIGIZI Communications	48,000	44,000	42,100
	Minneapolis Teenage Parenting & Pregnancy	76,000	68,000	65,100
	Minneapolis Urban League	75,000	67,000	64,100
	Resource Inc., Employment Action Center	50,000	46,000	44,000
	Senior Block Nurse Program	75,000	67,000	64,100
	Southside Family Nurturing Center	50,000	46,000	44,000
	St. Stephens Human Services	50,000	46,000	44,000
Total Public Service (15%)		2,072,633	2,049,000	1,965,500
Public Service - 15% Cap		2,074,205	2,081,700	1,993,991

SCHEDULE FOUR
Year 34 (2008) - Community Development Block Grant

Organization	Project	2007 Consolidated Plan	2008 Council Adopted	Proposed 2008 Budget based on 4.27% reduction
Administration---CDBG				
Civil Rights Department	Fair Housing Initiative/Davis Bacon Compliance	205,000	205,000	196,000
Community Planning & Economic Development	Program Administration	103,000	103,000	62,000
	Citizen Participation	242,700	243,000	233,000
	Planning - Administration	878,000	878,000	878,000
Department of Health & Family Support	Grant Administration	71,900	72,000	67,972
	Legal Aid Society	35,000	35,000	33,500
	Neighborhood Services	74,900	75,000	71,800
	Way to Grow Administration	27,000	27,000	25,800
	Youth Violence Prevention	-	125,000	120,000
Finance Department	Program Administration	205,000	205,000	196,000
Intergovernmental Relations	Grants & Special Projects	244,900	245,000	235,000
	Legal Aid Society - Housing Discrimination Law Project	56,900	57,000	54,600
Minneapolis Public Housing	Citizen Participation	70,900	71,000	68,000
Youth Coordinating Board	Administration	64,900	65,000	65,000
Total Administration (20%)		2,280,100	2,406,000	2,306,672
Administration 20% cap		2,765,607	2,775,600	2,658,654
CDBG Total of Requests (100%)		13,828,033	13,878,000	13,293,272
Anticipated CDBG Revenue		13,828,033	13,878,000	13,293,272
Other Consolidated Plan Entitlement Funds				
HOME Investment Partnerships	Community Planning & Economic Development	3,531,207	3,531,000	3,419,303
Emergency Shelter Grants (ESG)	Community Planning & Economic Development	597,347	597,000	595,800
Housing Opportunities for Persons with AIDS (HOPWA)	Third Party Contractors/Subrecipients/Subgrantees	833,000	833,000	873,000
American Dream Down Payment Initiative (ADDI)	Community Planning & Economic Development	64,984	65,000	26,256
Grand Total Consolidated Plan		18,854,571	18,904,000	18,207,631

Council Adopted Budget