

# Community Development Block Grant

## Department Description

The Community Development Block Grant (CDBG) Program is a major source of funding used to address community development programs affecting Seattle's low- and moderate-income households and neighborhoods. The City of Seattle makes these investments so all families and individuals can meet their basic needs, share in our economic prosperity, and participate in building a safe, healthy, educated, just, and caring community.

Policies and priorities for distributing CDBG funds to community-based organizations are set out in the City's Consolidated Plan for Housing and Community Development, which is coordinated by the Human Services Department (HSD). As required by the U.S. Department of Housing and Urban Development (HUD), the Consolidated Plan outlines funding policies and strategies for CDBG funds, as well as for Housing Opportunities for Persons with AIDS (HOPWA), the HOME Investment Partnership (HOME), and Emergency Shelter Grant (ESG). The Consolidated Plan, a four-year document, is updated annually. Funding decisions in the 2004 Update to the 2001-2004 Consolidated Plan are reflected in the 2004 Proposed Budget.

The 2004 Proposed Budget estimates the amount of CDBG dollars anticipated by the City to be available, appropriates these funds, and makes specific CDBG proposals for certain City programs. The City's 2004 revenue projections hold CDBG resources constant at the 2002 actual award level. Final CDBG program allocations are subject to the appropriation levels set by the U.S. Congress and implemented by HUD.

## Proposed Policy and Program Changes

The 2004 Proposed CDBG Budget reflects an increase from the 2004 Endorsed allocation of approximately \$2.2 million. This increase reflects approximately \$1.6 million of unanticipated program income originating primarily in the Office of Housing and Office of Economic Development, and \$625,000 of CDBG funds not allocated in the 2004 Endorsed Budget. In 2004, approximately half of the unallocated funds are allocated to programs in the Human Services Department and support spending up to the City's public services cap. Seattle is the only jurisdiction to have an exception to the amount of CDBG funds that can be spent on public services; the City's Consolidated Plan policies state we must spend up to this cap each year. Public services include shelter and emergency services, food banks, and childcare subsidies. The remainder of the unallocated funds support a proposal in the Seattle Department of Transportation to construct sidewalks in low-income neighborhoods, and a project in the Department of Neighborhoods to assess and evaluate programs to decrease youth risk factors and problem behaviors.

The 2004 Update to the 2001-2004 Consolidated Plan amends the Plan's Appendix B to change the previous City policy that limited spending on administration activities to 10 percent of the CDBG grant. The proposed language lifts this cap and allows for the federal limit of 20 percent for both planning and administrative activities.

Two major administrative efforts are reflected in the 2004 Proposed CDBG Budget. The budget includes transfers between programs in the Office of Housing to comply with federal requirements to accurately account for planning and administration activities funded with CDBG dollars. These transfers have no net impact on the CDBG budget. Transfers between two programs in the Human Services Department facilitate that department's efforts to consolidate CDBG resources into fewer contracts.

<b>Appropriations</b>	<b>Summit Code</b>	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
<b>Department of Neighborhoods Budget Control Level</b>					
Community Building		205,325	200,000	200,000	200,000
Historic Preservation		37,367	43,118	43,118	45,589
Research and Prevention		0	0	0	145,000
<b>Department of Neighborhoods Budget Control Level</b>	<b>17810DON</b>	<b>242,692</b>	<b>243,118</b>	<b>243,118</b>	<b>390,589</b>
<b>Department of Parks and Recreation Budget Control Level</b>					
Capital Improvement Program		733,641	779,961	507,961	507,961
<b>Department of Parks and Recreation Budget Control Level</b>	<b>17810DPR</b>	<b>733,641</b>	<b>779,961</b>	<b>507,961</b>	<b>507,961</b>
<b>Human Services Department Budget Control Level</b>					
Aging and Disability Services		382,433	372,630	372,630	372,630
Children, Youth, and Family Services		1,109,406	1,110,331	1,110,331	1,200,331
Community Services		5,271,142	5,228,600	4,728,600	5,368,445
Domestic and Sexual Violence Prevention		202,138	0	0	0
Leadership and Corporate Services		1,720,726	1,455,000	1,700,000	1,298,113
<b>Human Services Department Budget Control Level</b>	<b>17810HSD</b>	<b>8,685,845</b>	<b>8,166,561</b>	<b>7,911,561</b>	<b>8,239,519</b>
<b>Office of Economic Development Budget Control Level</b>					
Community Development		2,057,878	3,552,909	3,471,824	3,931,824
Work Force Development		116,529	159,091	140,176	140,176
<b>Office of Economic Development Budget Control Level</b>	<b>17810OED</b>	<b>2,174,407</b>	<b>3,712,000</b>	<b>3,612,000</b>	<b>4,072,000</b>
<b>Office of Housing Budget Control Level</b>					
Administration and Management		0	0	0	621,909
Homeownership and Sustainability		2,543,095	1,564,211	1,564,211	1,827,415
Multifamily Production and Preservation		3,048,956	1,923,789	1,923,789	1,798,358
Strategic Planning, Resource, and Program Development		0	0	0	352,449
<b>Office of Housing Budget Control Level</b>	<b>17810OH</b>	<b>5,592,051</b>	<b>3,488,000</b>	<b>3,488,000</b>	<b>4,600,131</b>

<b>Appropriations</b>	<b>Summit Code</b>	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
<b>Seattle Department of Transportation Budget Control Level</b>					
Transportation Infrastructure		0	0	0	150,000
<b>Seattle Department of Transportation Budget Control Level</b>	<b>17810SDOT</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,000</b>
<b>Department Total</b>		<b>17,428,636</b>	<b>16,389,640</b>	<b>15,762,640</b>	<b>17,960,200</b>
<b>Resources</b>					
Other Funds		17,428,636	16,389,640	15,762,640	17,960,200
<b>Total</b>		<b>17,428,636</b>	<b>16,389,640</b>	<b>15,762,640</b>	<b>17,960,200</b>

## Human Services Department Budget Control Level

### Purpose Statement

The Human Services Department's (HSD) mission is to find and fund solutions for human needs so low-income, vulnerable residents in greater Seattle can live and thrive. HSD contracts with more than 230 community-based human service providers and administers programs to ensure residents of Seattle and King County have food, shelter, productive education and job opportunities, adequate health care, and many more of life's basic necessities.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Program Expenditures</b>				
Aging and Disability Services	382,433	372,630	372,630	372,630
Children, Youth, and Family Services	1,109,406	1,110,331	1,110,331	1,200,331
Community Services	5,271,142	5,228,600	4,728,600	5,368,445
Domestic and Sexual Violence Prevention	202,138	0	0	0
Leadership and Corporate Services	1,720,726	1,455,000	1,700,000	1,298,113
<b>TOTAL</b>	<b>8,685,845</b>	<b>8,166,561</b>	<b>7,911,561</b>	<b>8,239,519</b>

## Human Services Department: Aging and Disability Services

### Purpose Statement

The purpose of the Aging and Disability Services program is to guarantee a network of community supports for older people and adults with disabilities in order to improve choices, promote independence, and enhance quality of life.

CDBG funding provides Seattle Housing Authority residents with support services to enable them to live as independently and safely as possible, avoiding relocation or unnecessary hospitalization. Funding also provides homesharing for older adults allowing them to remain in their homes.

### Program Summary

There are no changes from the 2004 Endorsed to the 2004 Proposed Budget.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Aging and Disability Services	382,433	372,630	372,630	372,630

## Human Services Department: Children, Youth, and Family Services

### Purpose Statement

The purpose of the Children, Youth, and Family Services program is to provide leadership to build and maintain quality support systems for children, youth, and families so they develop their assets and more fully benefit from and contribute to the community.

CDBG funds provide support for emergency shelter, transitional housing, outreach, case management, and counseling for homeless and low-income youth. CDBG funds also provide subsidies for child care services to children of low-income people.

### Program Summary

Increase budget for this program by approximately \$90,000 of unallocated 2004 CDBG funds to support subsidies for child care services for children of low-income people.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Children, Youth, and Family Services	1,109,406	1,110,331	1,110,331	1,200,331

## Human Services Department: Community Services

### Purpose Statement

The purpose of the Community Services program is to provide facility renovations and architectural assistance to community-based organizations, and to provide homeless intervention and prevention services to low-income and homeless people so they can become self-sufficient.

CDBG funds support the City's continuum-of-care model by providing a number of emergency and stabilization programs including, but not limited to: emergency shelter and transitional housing for single homeless men, women, and families; hygiene services; housing counseling; and rent assistance.

### Program Summary

Increase budget for this program by approximately \$210,000 of unallocated 2004 CDBG funds to provide emergency shelter and supportive services for homeless adults. These funds support one of the Department's major emergency shelter program contracts.

Transfer approximately \$430,000 of CDBG funds from the Leadership and Corporate Services program to this program to facilitate the Department's efforts to consolidate CDBG funding into fewer program areas and contracts in response to HUD audit recommendations.

The total increase from the 2004 Endorsed to the 2004 Proposed budget is approximately \$640,000.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Community Services	5,271,142	5,228,600	4,728,600	5,368,445

## Human Services Department: Domestic and Sexual Violence Prevention

### Purpose Statement

CDBG funds supporting confidential shelter, crisis intervention, transitional housing, counseling, and support and referral services to women and children who are victims of domestic violence were transferred to the Community Services program in 2003 to consolidate contracts with community-based organizations into one program.

### Program Summary

There are no funds allocated to this program; these funds were transferred to the Community Services Program in 2003.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Domestic and Sexual Violence Prevention	202,138	0	0	0

## Human Services Department: Leadership and Corporate Services

### Purpose Statement

The purpose of the Leadership and Corporate Services Program is to provide administration and technical assistance to City departments and community-based organizations so that they can implement CDBG-funded programs efficiently and effectively.

CDBG funds support the City's planning and grant administration functions.

### Program Summary

Transfer a total of approximately \$430,000 of CDBG funding from this program to the Community Services program to facilitate the Department's efforts to consolidate CDBG funding into fewer program areas and contracts in response to HUD audit recommendations.

Add approximately \$28,000 of unallocated 2004 CDBG funds to support compliance with federal regulations and monitoring efforts. The net decrease from the 2004 Endorsed to the 2004 Proposed budget for this program is approximately \$402,000.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Leadership and Corporate Services	1,720,726	1,455,000	1,700,000	1,298,113

## **Office of Housing Budget Control Level**

### **Purpose Statement**

The mission of the Office of Housing (OH) is to invest in and promote the development and preservation of affordable housing that offers the opportunity for our city to thrive.

	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
<b>Program Expenditures</b>				
Administration and Management	0	0	0	621,909
Homeownership and Sustainability	2,543,095	1,564,211	1,564,211	1,827,415
Multifamily Production and Preservation	3,048,956	1,923,789	1,923,789	1,798,358
Strategic Planning, Resource, and Program Dev	0	0	0	352,449
<b>TOTAL</b>	<b>5,592,051</b>	<b>3,488,000</b>	<b>3,488,000</b>	<b>4,600,131</b>

## **Office of Housing: Administration and Management**

### **Purpose Statement**

The purpose of the Administration and Management program is to provide centralized leadership, coordination, technology, contracting, and financial management services to Office of Housing programs and capital projects to facilitate the production of affordable housing for Seattle residents.

### **Program Summary**

Transfer approximately \$622,000 of CDBG funding to this program from the Homeownership and Sustainability and Multifamily Production and Preservation programs to comply with federal requirements to accurately account for planning and administration activities funded with CDBG dollars.

	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
<b>Expenditures</b>				
Administration and Management	0	0	0	621,909

## Office of Housing: Homeownership and Sustainability

### Purpose Statement

The purpose of the Homeownership and Sustainability program is to provide resources for Seattle residents, including seniors, to become homeowners and/or to preserve and improve their current homes.

CDBG funds support minor home repairs for low-income elderly or disabled homeowners, home rehabilitation revolving loans to low-income households, technical assistance and administrative costs for nonprofit housing organizations, and the City of Seattle's Office of Housing.

### Program Summary

Increase CDBG funding by approximately \$291,000 to reflect program income from repayment of loans.

Transfer approximately \$28,000 from this program to the Multifamily Production and Preservation program to correct a technical error in the 2004 Endorsed budget. The total increase from the 2004 Endorsed to the 2004 Proposed budget is approximately \$263,000.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Homeownership and Sustainability	2,543,095	1,564,211	1,564,211	1,827,415

## Office of Housing: Multifamily Production and Preservation

### Purpose Statement

The purpose of the Multifamily Production and Preservation program is to acquire, develop, rehabilitate, and maintain affordable multifamily rental housing so the supply of housing for Seattle residents is increased and affordability remains sustainable.

### Program Summary

Increase CDBG funding to this program by approximately \$752,000 to reflect program income from repayment of loans.

Transfer approximately \$28,000 of CDBG funding to this program from the Homeownership and Sustainability program to reflect a midyear 2003 adjustment.

Transfer approximately \$905,000 from this program to the Administration and Management, and Strategic Planning, Resource, and Program Development programs to comply with federal requirements to accurately account for planning and administration activities funded with CDBG dollars. The net reduction to this program from the 2004 Endorsed to the 2004 Proposed budget is approximately \$125,000.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Multifamily Production and Preservation	3,048,956	1,923,789	1,923,789	1,798,358



## Office of Housing: Strategic Planning, Resource, and Program Development

### Purpose Statement

The purpose of the Strategic Planning, Resource, and Program Development program is to provide strategic planning, program development, and vacant land redevelopment services to increase housing opportunities for Seattle residents.

### Program Summary

Transfer approximately \$352,000 to this program from the Homeownership and Sustainability and Multifamily Production and Preservation programs to comply with federal requirements to account for planning and administration activities funded by CDBG dollars. Funds in this program support staffing for housing technical assistance planning; to update and evaluate the City's housing strategies, goals, and policies for low-income housing; work with neighborhoods and developers to include affordable housing in redevelopment strategies; and other related services.

<b>Expenditures</b>	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
Strategic Planning, Resource, and Program Development	0	0	0	352,449

## Seattle Department of Transportation Budget Control Level

### Purpose Statement

The Seattle Department of Transportation (SDOT) develops, maintains, and operates a transportation system that promotes the mobility of people and goods, and enhances the quality of life, environment, and economy of Seattle.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Program Expenditures</b>				
Transportation Infrastructure	0	0	0	150,000
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>150,000</b>

## Seattle Department of Transportation: Transportation Infrastructure

### Purpose Statement

The purpose of the new Transportation Infrastructure budget control level is to establish pedestrian links between neighborhoods, community centers, and public libraries slated for construction or rehabilitation and to support revitalization efforts and economic development opportunities.

### Program Summary

Increase budget for this program by approximately \$150,000 of unallocated 2004 CDBG funds to support the City's Neighborhood Sidewalk Matching Fund, described in the Seattle Department of Transportation's Capital Improvement Program. CDBG funds are used to provide assistance to low- and moderate-income homeowners to pay special assessments levied by local improvement districts to finance sidewalk and curb improvements.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Transportation Infrastructure	0	0	0	150,000

## **Office of Economic Development Budget Control Level**

### **Purpose Statement**

The mission of the Office of Economic Development (OED) is to help create healthy businesses, thriving neighborhoods, and community organizations to contribute to a robust economy that will benefit all Seattle residents and future generations.

	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
<b>Program Expenditures</b>				
Community Development	2,057,878	3,552,909	3,471,824	3,931,824
Work Force Development	116,529	159,091	140,176	140,176
<b>TOTAL</b>	<b>2,174,407</b>	<b>3,712,000</b>	<b>3,612,000</b>	<b>4,072,000</b>

## **Office of Economic Development: Community Development**

### **Purpose Statement**

The purpose of the Community Development program is to provide operating, grant, loan, and project management support to neighborhood business districts and community-based development organizations, as well as for special projects so Seattle has thriving neighborhoods and broadly shared prosperity.

CDBG funds support economic and community revitalization efforts in low-income neighborhoods through real estate development, equity loans, and non-profit community-based development organizations.

### **Program Summary**

Increase CDBG funding by approximately \$400,000 to support real estate and economic development activities of Community Development Corporations (CDCs) working in low-income neighborhoods. The City contracts with Impact Capital, which leverages these resources to generate additional revenue to support implementation of the CDCs' business plans. Information on this program can also be found in the Office for Economic Development budget. These additional CDBG funds reflect a reprogramming of unanticipated Office of Housing program income, and are offset by a General Fund reduction of the same amount reflected in the budget submittal of the Office of Economic Development.

Increase CDBG funding by approximately \$60,000 to reflect anticipated loan fees from prior float loan and Section 108 loans; fees are used to pay the National Development Council for services provided originating loan proposals.

The total increase from the 2004 Endorsed to the 2004 Proposed budget is approximately \$460,000.

	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
<b>Expenditures</b>				
Community Development	2,057,878	3,552,909	3,471,824	3,931,824

## **Office of Economic Development: Work Force Development**

### **Purpose Statement**

The purpose of the Work Force Development program is to provide services to businesses, business and community organizations, residents, the Mayor, City Council, and other public decisionmakers so that employers meet their need for qualified workers, and all residents, particularly those who are disadvantaged, secure and retain family wage jobs.

### **Program Summary**

There are no changes from the 2004 Endorsed to the 2004 Proposed Budget.

<b>Expenditures</b>	<b>2002 Actual</b>	<b>2003 Adopted</b>	<b>2004 Endorsed</b>	<b>2004 Proposed</b>
Work Force Development	116,529	159,091	140,176	140,176

## **Department of Parks and Recreation Budget Control Level**

### **Purpose Statement**

Seattle Parks and Recreation works with all citizens to be good stewards of the environment, and to provide safe, welcoming opportunities to play, learn, contemplate, and build community.

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2004</b>
<b>Program Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Endorsed</b>	<b>Proposed</b>
Capital Improvement Program	733,641	779,961	507,961	507,961
<b>TOTAL</b>	<b>733,641</b>	<b>779,961</b>	<b>507,961</b>	<b>507,961</b>

## **Department of Parks and Recreation: Capital Improvement Program**

### **Purpose Statement**

The purpose of the Capital Improvement Program is to mitigate neighborhood decay and vandalism and preserve quality of life within the City, promote long-term economic and social viability of the community, and provide empowerment and self-sufficiency opportunities for low-income persons.

CDBG funds support labor contracted under the Department of Parks and Recreation's Seattle Conservation Corps Program and the Southeast Effective Development (SEED) program to make minor capital improvements in low-income area parks. This program provides training opportunities for low-income, homeless, and other at-risk citizens.

### **Program Summary**

There are no changes from the 2004 Endorsed to the 2004 Proposed Budget.

	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2004</b>
<b>Expenditures</b>	<b>Actual</b>	<b>Adopted</b>	<b>Endorsed</b>	<b>Proposed</b>
Capital Improvement Program	733,641	779,961	507,961	507,961

## Department of Neighborhoods Budget Control Level

### Purpose Statement

The Department of Neighborhoods works to bring government closer to the residents of Seattle by engaging them in civic participation, helping them to make positive contributions to their communities, and by engaging more of Seattle's under-represented residents, including communities of color and immigrants, in civic discourse, processes, and opportunities.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Program Expenditures</b>				
Community Building	205,325	200,000	200,000	200,000
Historic Preservation	37,367	43,118	43,118	45,589
Research and Prevention	0	0	0	145,000
<b>TOTAL</b>	<b>242,692</b>	<b>243,118</b>	<b>243,118</b>	<b>390,589</b>

## Department of Neighborhoods: Community Building

### Purpose Statement

The Community Building Program facilitates, monitors, and coordinates City efforts to implement neighborhood plans so that high-priority requests are implemented in the parts of the City anticipated to receive the most growth over the next 20 years.

### Program Summary

There are no changes from the 2004 Endorsed to the 2004 Proposed Budget.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Community Building	205,325	200,000	200,000	200,000

## Department of Neighborhoods: Historic Preservation

### Purpose Statement

The purpose of the Historic Preservation program is to provide technical assistance, outreach, and education to the general public, owners of historic properties, government agencies, and elected officials in order to identify, protect, rehabilitate, and reuse historic properties.

CDBG funds support the historic preservation position located in the Department of Neighborhoods.

### Program Summary

Add approximately \$2,400 of unallocated 2004 CDBG funds to this program to fund increased expenses for staff conducting Section 106 review. Staff provide programmatic review and determinations of eligibility for all CDBG-supported programs and projects.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Historic Preservation	37,367	43,118	43,118	45,589

## Department of Neighborhoods: Research and Prevention

### Purpose Statement

The purpose of the Research and Prevention program is to support the efforts of Communities That Care (CTC). CTC is a prevention planning system that helps communities develop an integrated approach to promoting the positive development of children and youth, and to preventing problem behaviors, including substance abuse, delinquency, teen pregnancy, school dropout, and violence.

CDBG funds will support community training and organizing in low-income communities to determine the specific needs of communities and reduce youth risk behaviors.

### Program Summary

Increase budget by approximately \$145,000 of unallocated 2004 CDBG funds to support the Communities That Care program's work with three Seattle neighborhood coalitions to develop plans for addressing youth issues and concerns.

	2002 Actual	2003 Adopted	2004 Endorsed	2004 Proposed
<b>Expenditures</b>				
Research and Prevention	0	0	0	145,000