

Community Development Block Grant

Department Description

The Community Development Block Grant (CDBG) Program is a major source of funding used to address community development needs affecting Seattle's low- and moderate-income households and neighborhoods. The City of Seattle invests in people so that 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 derived from 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 2003 Adopted 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 2003 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. While the federal government's annual CDBG allocations will be made next year for 2004, the 2003 allocation decisions are carried forward in the City's biennial budget for 2004. However, it is likely that the 2000 census data will affect future allocations.

Policy and Program Changes

The 2003 allocation process for Community Development Block Grant (CDBG) was different from the process conducted in recent years. Departments applied for new and existing programs in an effort to target the funds to meet some of the Mayor's community development priorities. Façade improvements, business attraction and retention, and neighborhood implementation plans all received increased funding in 2003. Contracts with human service providers continue to make up almost one-third of the total block grant; this is much higher than other major cities where human services spending is capped at 15%. However, no-cost-of living adjustment is provided for block grant funds to human services providers in 2003. Reductions are made in block grant funding in the Office of Housing, community facilities, and Human Services Department administration.

Another change reflected in this budget is the removal of the designation of Human Services Program (HSP). These funds have always been and will continue to be General Subfund resources and are now solely reported in department budgets. The Human Services Program expanded City support for basic human services in response to federal funding reductions and CDBG limits on the use of funds for human services. Processes were combined and uniform policies and funding categories were applied to allocations and contracting for CDBG and resources that were set aside from the City's General Subfund and labeled HSP. In 1994, HSP was included with CDBG as part of the Consolidated Plan. However, HSP funds come from the General Subfund and are appropriated at the department level, not through the CDBG appropriations listed below. The resources formerly identified as HSP are eliminated from the Consolidated Plan and the CDBG Program and are included in the budget under General Subfund in the appropriate departments (Public Health and the Human Services Department) in 2003 and 2004.

The 2003 Adopted and 2004 Endorsed Budget for CDBG also enhances the effective use of the Community Development Fund (CDF). The CDF, managed by a non-profit entity, is a loan fund intended to lessen the impact of light rail on Rainier Valley businesses and property owners by providing business loans for relocation and improvements. The City will contribute approximately \$40 million in resources (including in-kind

contributions) to the CDF over the next ten years. The 2003 Adopted and 2004 Endorsed Budget allocates \$2.5 million in CDBG to the CDF in 2003.

City Council Budget Changes and Provisos

Of the anticipated expenditure for 2004 for Community Block Development Block Grant, Human Services Department Budget Control Level, \$100,000 is expected to be appropriated for 2004 solely for the University Temple Methodist Young Adult Shelter and may be spent for no other purpose.

Of the anticipated expenditure for 2004 for Community Block Development Block Grant, Human Services Department Budget Control Level, \$81,250 is expected to be appropriated for 2004 solely for the YWCA Domestic Violence hotel/motel voucher program and may be spent for no other purpose.

Of the anticipated expenditure for 2004 for Community Block Development Block Grant, Human Services Department Budget Control Level, \$63,000 is expected to be appropriated for 2004 solely for the International District Housing Alliance Pacific Islander Domestic Violence shelter and may be spent for no other purpose.

Of the anticipated expenditure for 2004 for Community Block Development Block Grant, Human Services Department Budget Control Level, \$750 is expected to be appropriated for 2004 solely for the SHARE shelters and may be spent for no other purpose.

Resources	Summit Code	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Department of Neighborhoods Budget Control Level					
Community Building		12,108	262,026	200,000	200,000
Neighborhood Preservation and Development		21,386	20,338	43,118	43,118
Appropriation	17810DON	33,494	282,364	243,118	243,118
Human Services Department Budget Control Level					
Aging & Disability Services		372,630	382,433	372,630	372,630
Children, Youth, and Family Services		1,111,896	1,110,331	1,110,331	1,110,331
Community Services		4,586,050	5,406,051	5,228,600	4,728,600
Domestic and Sexual Violence Prevention		202,138	202,138	0	0
Leadership and Corporate Services		1,814,917	1,871,171	1,455,000	1,700,000
Appropriation	17810HSD	8,087,631	8,972,124	8,166,561	7,911,561
Office of Economic Development Budget Control Level					
Office of Economic Development		3,356,270	2,077,380	3,712,000	3,612,000
Appropriation	17810OED	3,356,270	2,077,380	3,712,000	3,612,000
Office of Housing Budget Control Level					
Homeownership and Sustainability		2,026,528	1,546,631	1,564,211	1,564,211
Multi-family Production and Preservation		2,302,652	3,108,976	1,923,789	1,923,789
Appropriation	17810OH	4,329,180	4,655,607	3,488,000	3,488,000
Parks and Recreation Department Budget Control Level					
Capital Improvement Program		465,571	507,961	779,961	507,961
Appropriation	17810DPR	465,571	507,961	779,961	507,961
Department Total		16,272,146	16,495,436	16,389,640	15,762,640

Department of Neighborhoods

Purpose Statement

The Department of Neighborhoods works to bring government closer to the residents of Seattle by engaging them in civic participation, helping them become empowered 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.

Programs	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Community Building	12,108	262,026	200,000	200,000
Neighborhood Preservation and Development	21,386	20,338	43,118	43,118
Research and Prevention	0	0	0	0
TOTAL	33,494	282,364	243,118	243,118

Department of Neighborhoods: Community Building

Purpose Statement

The Community Building Program includes the Neighborhood Matching Fund (NMF) and the Neighborhood Plan Implementation Program (NPI).

The purpose of the NMF is to provide assistance and resources that promote grassroots action from diverse neighborhood associations and their leaders so that local resources are leveraged, neighborhood organizations are more self-reliant, and effective City and neighborhood partnerships are established.

The purpose of the NPI is to facilitate, monitor, and coordinate 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 twenty years.

Program Summary

Eliminate CDBG funding for the Neighborhood Matching Fund in 2003. Increase NPI funding by 136% to expand infrastructure improvements, real estate acquisition, public safety initiatives, and other improvements in selected low-income neighborhood districts.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	12,108	262,026	200,000	200,000
Total	12,108	262,026	200,000	200,000

Department of Neighborhoods: Neighborhood Preservation and Development

Purpose Statement

The purpose of the Neighborhood Preservation and Development 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

Fully fund the Historic Preservation position with CDBG funds in 2003 to ensure that the City of Seattle is in compliance with Section 106 of the National Historic Preservation Act of 1966, which mandates compliance with historic preservation review of all federal undertakings, including the expenditure of CDBG funds. This position was partially funded with CDBG dollars in 2001 and 2002.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	21,386	20,338	43,118	43,118
Total	21,386	20,338	43,118	43,118

Human Services Department

Purpose Statement

The Human Services Department's (HSD) mission is to find and fund solutions for human needs so that 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 that 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.

Programs	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Aging & Disability Services	372,630	382,433	372,630	372,630
Children, Youth, and Family Services	1,111,896	1,110,331	1,110,331	1,110,331
Community Services	4,586,050	5,406,051	5,228,600	4,728,600
Domestic and Sexual Violence Prevention	202,138	202,138	0	0
Leadership and Corporate Services	1,814,917	1,871,171	1,455,000	1,700,000
TOTAL	8,087,631	8,972,124	8,166,561	7,911,561

Human Services Department: Aging & 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

Reduce budget to reflect one-time funding provided for the construction of Americans with Disabilities Act mandated capital improvements.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	372,630	382,433	372,630	372,630
Total	372,630	382,433	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 systems of support for children, youth, and families so that 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 provide subsidies for child care services to children of low-income persons.

Program Summary

There are no substantive program changes from the 2002 Adopted Budget.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	1,111,896	1,110,331	1,110,331	1,110,331
Total	1,111,896	1,110,331	1,110,331	1,110,331

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 that 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

Transfer CDBG contracts from the Domestic and Sexual Violence Prevention program to Community Services in order to consolidate contracts with community-based providers. Transfer \$45,000 for the Lifelong AIDS Alliance/Transitional Housing Services to the Housing Opportunities for Persons with AIDS (HOPWA) grant.

Direct \$800,000 to Community Facilities to support hygiene services. In the 2002 budget, following a response to a Council Statement of Legislative Intent, \$800,000 was set aside for hygiene services. Due to Council action, these funds are now spent from CDBG. Community Facilities will put out a Request for Proposals to community-based organizations. Funds will be used to maintain the current physical infrastructure of the day and hygiene center services system or support currently planned projects that will expand or enhance services without requiring ongoing City support. These are one-time only funds in 2003. Reduce funds for the Community Facilities Competitive Loan Program by 60%.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	4,586,050	5,406,051	5,228,600	4,728,600
Total	4,586,050	5,406,051	5,228,600	4,728,600

Human Services Department: Domestic and Sexual Violence Prevention

Purpose Statement

The purpose of the Domestic and Sexual Violence Prevention program is to provide leadership and direction to City government in order to prevent violence against women and children.

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 are transferred to the Community Services program in order to consolidate contracts with community-based organizations in one program.

Program Summary

Transfer CDBG contracts from the Domestic and Sexual Violence Prevention program to Community Services in order to consolidate contracts with community-based providers.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	202,138	202,138	0	0
Total	202,138	202,138	0	0

Human Services Department: Leadership and Corporate Services

Purpose Statement

The purpose of Leadership and Corporate Services is to provide administration and technical assistance to City departments and community-based organizations so that they can implement CDBG-funded programs in an efficient and effective manner.

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

Program Summary

Reduce overall planning, administration, and indirect costs by 9% as part of overall reallocation of CDBG funds to address community development priorities.

Decrease \$255,000 of CDBG in Leadership in order to facilitate the effective use of the Community Development Fund (CDF). The CDF is a loan fund intended to lessen the impact of light rail on Rainier Valley businesses and property owners by providing business loans for relocation and improvements. The loan fund requires the use of Community Development Block Grant funds rather than General Fund. General Fund for Leadership is increased in the Human Services Department budget to correspond with the CDBG reduction in the Leadership and Corporate Services program.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	1,814,917	1,871,171	1,455,000	1,700,000
Total	1,814,917	1,871,171	1,455,000	1,700,000

Office of Economic Development

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.

Program Summary

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.

Add \$2.5 million in CDBG funds to implement the Rainier Valley Community Development Fund in 2003 and 2004. Increase funding by 100% to expand façade improvements in targeted low-income business districts. Increase funding by roughly 50% to expand the City’s ability to provide equity necessary for retail, commercial, mixed use, or housing development. Reduce funding for technical assistance to community development corporations in order to address other community development priorities.

Expand funding for business technical assistance in targeted low-income neighborhood business districts by roughly 30%.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	3,356,270	2,077,380	3,712,000	3,612,000
Total	3,356,270	2,077,380	3,712,000	3,612,000

Office of Housing

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.

Programs	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Homeownership and Sustainability	2,026,528	1,546,631	1,564,211	1,564,211
Multi-family Production and Preservation	2,302,652	3,108,976	1,923,789	1,923,789
TOTAL	4,329,180	4,655,607	3,488,000	3,488,000

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

Abrogate five positions from the Office of Housing HomeWise program. These changes necessitate a simplification of the program.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	2,026,528	1,546,631	1,564,211	1,564,211
Total	2,026,528	1,546,631	1,564,211	1,564,211

CDBG

Office of Housing: Multi-family Production and Preservation

Purpose Statement

The purpose of the Multi-family Production & Preservation program is to acquire, develop, rehabilitate, and maintain affordable multi-family rental housing so that the supply of housing for Seattle residents is increased and affordability remains sustainable.

Program Summary

Decrease share of the City's Community Development Block Grant (CDBG) monies. Eliminate support for non-profit development services contracts. These reductions are made in order to align CDBG resources with community development priorities, and therefore, eliminate support from the General Subfund for the Growth Fund component of this program.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	2,302,652	3,108,976	1,923,789	1,923,789
Total	2,302,652	3,108,976	1,923,789	1,923,789

Parks and Recreation Department

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.

Programs	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Capital Improvement Program	465,571	507,961	779,961	507,961
TOTAL	465,571	507,961	779,961	507,961

Parks and Recreation Department: 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 Parks Department'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

Increase Capital Improvement Program by \$272,000 in 2003 to purchase the Squire Park property.

Resources	2001 Actual	2002 Adopted	2003 Adopted	2004 Endorsed
Other Funds	465,571	507,961	779,961	507,961
Total	465,571	507,961	779,961	507,961