

Memorandum



Date: November 17, 2009

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

Supplement to
Agenda Item No. 11A5

From: George M. Burgess
County Manager

A handwritten signature in black ink, appearing to read "G. Burgess", written over the printed name of George M. Burgess.

Subject: Supplemental Report to Resolution Requesting Study on Projects and Programs Eligible for CDBG Funds.

The following report provides additional information on the Resolution sponsored by Commissioner Carlos A. Gimenez which requests a study and report on projects and programs currently funded with County general funds that are eligible to receive Community Development Block Grant (CDBG) funds.

As part of the County's annual budget process, the Office of Strategic Business Management (OSBM) and the Department of Housing and Community Development (DHCD) jointly review general fund supported County projects and programs that are eligible for federal CDBG funds. Such eligible projects and programs are indeed recommended for CDBG funding through the annual Action Plan; however, the total of all recommendations are in accordance with the BCC adopted rule that no more than 40 percent of the County's annual CDBG entitlement fund County departments. It is important to note that the BCC, through Resolution R-839-08, increased the percentage of annual CDBG funds that can go towards County departments from 30 percent. For instance, the 2010 Action Plan prepared for BCC consideration includes a total of \$17.358 million in CDBG funding for 2010, of which 40 percent (\$6.944 million inclusive of the Department of Health) is recommended to fund County projects and programs. On September 18, 2009, the BCC adopted the FY 2009-10 Budget which includes the CDBG allocations to all County departments in the 2010 Action Plan.

If the County were to allocate additional CDBG funds to County departments, the 40 percent cap would have to be increased. As a result, less funds would be available for non-County provided activities in the community. The swapping of any County projects or programs currently funded by CDBG means that the project or program is no longer viable, or that non-general funds have been identified. All County projects or programs currently funded through the CDBG program are reviewed for viability annually. In addition, DHCD currently recaptures funds on a regular basis from underperforming activities and recommends the reallocation of funds to viable projects. In regards to providing additional CDBG funds to other County eligible projects outside the 40 percent cap, monies can be made available from the CDBG pool of funds allocated to Community Advisory Committees and/or the Commission District Funds.

Lastly, the County also has to comply with the US HUD regulation that no more than 15 percent of any jurisdiction annual entitlement go towards public service activities. The County meets its requirement of funding public service activities through its allocation of CDBG funds to County departments.

A handwritten signature in black ink, appearing to read "Cynthia W. Curry", written over a horizontal line.
Cynthia W. Curry
Senior Advisor to the County Manager