



COMMUNITY & ECONOMIC DEVELOPMENT OFFICE

Celebrating 30 Years ~ 1983-2013

Memo

To: Miro Weinberger, Mayor
From: Marcy Krumbine, Assistant Director for Community Development
Peter Owens, Director, CEDO
Date: November 8, 2013
RE: CDBG Allocation Process

A group of citizens and Public Service grant subrecipients have been meeting since July to discuss and review different options to further revise the Community Development Block Grant (CDBG) application and allocation process. A survey was sent to all current and some previous subrecipients and two focus group discussions were held to gain insights regarding how to revise the process with the aim of maximizing the impact of CDBG Public Service funding in the Burlington community and creating a more streamlined, less burdensome process for applicants and advisory board members. The result would be fewer recipients and larger grant awards.

To recap:

Over the last three years, the City of Burlington has experienced more than a 40% decrease in CDBG Entitlement funding. This decrease has resulted in loss of CEDO staff, reduction of overall grant funding going out into the community, and an inability to monitor the grants as required by HUD. In addition, during the same timeframe, there has been a significant shift in the lens under which Entitlement Communities are viewed from both HUD and Congress. The way the program was administered here and in other participating jurisdictions is no longer acceptable to those evaluating and funding these programs. More stringent recordkeeping is required of all grantees, regardless of the amount of the grant. All grantees must be monitored. All grantees must submit for reimbursement more than once per year. Small grants amounts do not necessarily make an impact.

The following revisions to the process reflect a consensus from the subcommittee charged with the task. Although not all survey respondents agreed with all revisions, a majority of respondents did agree with aspects of the proposed changes.

1. Each organization may submit only one Public Services grant application. It will be up to the agency to determine their organization's priority need and focus their request in that area.

2. In a time of dwindling resources, the application will reflect the City's and the Advisory Board's focus on collaboration and efficiency. Agencies will be asked to describe how their program creates synergy with other programs and other agencies, or makes their agency's efforts at achieving outcomes more efficient.

3. CDBG Public Services areas (as reflected in the annual Action Plan and/or Consolidated Plan) will be clustered in two groups and each year applications will be requested for a particular grouping. 2-year grants will be funded from the applications received each year. A minimum of 80% of the available funding will be earmarked for these 2-year grants for the two grouped areas. Programs will not be eligible to reapply until their 'area' opens again, most likely in two years. Suggested grouping of Public Service areas may include: Housing, Homeless and Hunger programs one year; and Childcare, Early Childhood Education and Youth the next year. Equal Access and Health programs would be able to apply for the remaining 20% of available funding (or less) as annual (1-year) grants. There will be a minimum grant amount of \$10,000 for 2-year grants (\$5,000 for one year) but no maximum amount. The 2-year grants will be funding completely with the first year funding cycle. As an example:

July 2014 – Housing, Homeless and Hunger programs funded for two years with \$80K of 2014 funding through 2016. *

July 2015 – Childcare, Early Childhood Education and Youth programs funded for two years with \$80K of 2015 funding through 2017. *

Both years, a small group of annual awards will be made available to Health and Equal Access programs.

All agencies should understand that the CDBG application and allocation process is a competitive one. Previous funding does not in any way guarantee future funding. The Advisory Board's review and scoring process will be transparent and will be based on a numerical process responding to the requirements set out in the Request for Proposals.

These revisions will be effective this year.

In addition to this change in process, I have collaborated with United Way to streamline and coordinate our application questions to facilitate a simpler application process for our agencies.

A Request for Proposals for CDBG funding should be released no later than the first week of December. I would be happy to answer any questions on this new proposal.

*Dollar amounts are estimated based on HUD funding.