

# Community Development Block Grant Reprogrammed Funds

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Presented to the Economic  
Development and Housing Committee  
February 21, 2006

# Purpose of Briefing

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- Discuss CDBG funds available to be included in the FY2006-07 Consolidated Plan budget
- Discuss Consolidated Plan budgeting process
- Review next steps

# CDBG Reprogrammed Funds

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- Community Development Commission and City Manager recommended reprogramming \$2.3m in conjunction with the FY 2006-07 CDBG budget
- On February 8, 2006 City Council approved the reprogramming and extension of CDBG funds with 2 amendments

# CDBG Reprogrammed Funds

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- Amendment #1 – Removed 2 projects from the reprogramming list to the extension list (\$105,121)
- Amendment #2 – Directed that 6 projects are to be included in the Fair Park Commercial Corridor Demonstration Program as part of the FY 2006-07 CDBG budget (\$69,856)
- These amendments reduced the amount of reprogrammed funds available for FY 2006-07 budget from \$2.3m to \$2.1m

# CDBG

## Source of Funds

	Adopted FY 2005-06	Estimated FY 2006-07	Variance
CDBG Entitlement	\$20,026,196	\$18,409,809	(\$1,616,387)
CDBG Reallocation	449,469	422,522	(26,947)
Total CDBG	20,475,665	18,832,331	(1,643,334)
Program Income – CDBG Activities	500,000	225,000	(275,000)
Program Income – Section 108	6,885,956	139,345*	(6,746,611)
Program Income – Sub-recipient Retained (SDDC)	600,000	600,000	0
CDBG Reprogramming Funds	1,040,880	2,128,501	1,087,621
<b>Total Available CDBG</b>	<b>\$29,502,501</b>	<b>\$21,925,177</b>	<b>(\$7,577,324)</b>

-FY 2005-06 Budget is Attached

\*May realize additional income if Santa Fe units sell.

# Budget Considerations

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- Overall FY 2006-07 grant funding reduced by >25%
- The President's recent budget proposal includes a 19.8% decrease in CDBG funding. This will further reduce Dallas' allocation for FY 2007-08.

# FY 2006-07 CDBG Budget Process

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- January – Citizen input meetings and comment forms to prioritize needs
- February – CMO develops budget proposal
- March – CMO recommended budget presented to Community Development Commission (CDC). CDC conducts committee meetings
- April – CDC makes recommendations to CMO budget
- April & May – City Council review of CMO budget and CDC recommendations

# FY 2006-07 CDBG Budget Process

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- May – Preliminary adoption by City Council
- May & June – Public review
  - 30 day comment period
  - Public hearing before Council
- June – Final adoption by City Council
- August – Submit Plan to HUD
- October – Implement plan



# Recommendation

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- Because there will be a substantial shortfall, the City Manager recommends reprogramming funds should not be “directed” at this time
  - Reprogramming funds should be allocated as part of the FY 2006-07 budget process