



TO: City Council

FROM: John Marchione, Mayor

DATE: August 16, 2011

SUBJECT: APPROVAL OF KING COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) 2012 SET-ASIDES

I. RECOMMENDED ACTION

Approve attached 2012 Community Development Block Grant (CDBG) Set-Aside Plan for fund distribution.

II. DEPARTMENT CONTACT PERSONS

Rob Odle, Director, Planning & Community Development, 425-556-2417

Colleen Kelly, Human Services Manager, 425-556-2423

Brooke Buckingham, Senior Human Services Planner, 425-556-2416

III. DESCRIPTION/BACKGROUND

On May 3, 2011, Council approved the recommendation to participate in the King County Community Development Block Grant Consortium as a Joint Agreement City (JAC) should Redmond be deemed eligible. This option gives Redmond the flexibility to determine how to allocate its entitlement funds.

The Department of Housing and Urban Development (HUD) has since sent notice that Redmond does meet the criteria necessary to participate in the consortium as a Joint Agreement City, and the required Interlocal Agreement has been signed as authorized. HUD has also provided the City with its projected entitlement amount – a 2012 planning estimate of \$176,200. This amount is subject to change based on budget decisions at the federal level.

IV. CDBG SET-ASIDE PLAN AND NEXT STEPS

The purpose of the Set-Aside Plan is to confirm for King County the City's intent to allocate its CDBG funds to the broad categories allowed by HUD and our interlocal agreement as outlined below. The Set-Aside Plan serves a short-term placeholder allowing the City additional time to consider specific capital and human service project allocations. The City is required to publish notification of this request for action. Should any comments be received, staff will share that information with the City Council. Finally, the Council will be asked to approve specific recommendations for capital and human services allocations at a subsequent meeting this fall.

Following is a brief summary of the specific details in Attachment A, outlining the breakdown of CDBG funds for 2012.

The Interlocal Agreement with King County governs these percentages:

- County Administration – 10 percent
- Capital Administration – 2 percent
- Housing Stability Program – 5 percent
- Housing Repair Program – 25 percent

The balance of Redmond's entitlement amount will be allocated utilizing the caps applied to both planning and human service expenditures as follows:

- Capital Projects Set-Aside – 38 percent
- Public Service Set-Aside – 10 percent
- Planning and Administration – 10 percent

V. IMPACT

Approval of this Set-Aside Plan keeps the City in compliance with county requirements governing pending receipt of CDBG funds.

VI. ALTERNATIVES

Should the Council decline to approve the Set-Aside Plan, the City would be out of compliance, potentially jeopardizing the 2012 CDBG entitlement.

VII. TIME CONSTRAINTS

Approval of this Set-Aside Plan meets the requirement for Redmond's submission to King County's CDBG Action Plan required by HUD no later than October 2011.

VIII. LIST OF ATTACHMENTS

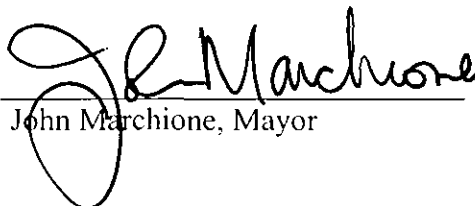
Attachment A: Redmond CDBG Entitlement Distribution



Robert G. Odle, Director, Planning & Community Development

8/3/2011
Date

Approved for Council Agenda:


John Marchione, Mayor

8/5/2011
Date

