

Response to Questions on the FY 2013 Budget

Request By: Supervisor Hudgins

Question: Does the increase in the Consolidated Community Funding Pool support offset the anticipated federal reductions in CDBG and HOME funding?

Response: The increase in the Consolidated Community Funding Pool's FY 2013 General Fund Transfer coupled with the reallocation of prior year Community Development Block Grant (CDBG) funds as outlined in the Proposed Consolidated Plan One-Year Action Plan for FY 2013 (One-Year Action Plan) will offset the anticipated U.S. Department of Housing and Urban Development (HUD) reductions.

The total funding available for Consolidated Community Funding Pool (CCFP) awards to community-based organizations is comprised of a General Fund Transfer (includes offsetting Community Services Block Grant (CSBG) revenue) and CDBG funding. CSBG revenue is received directly by the General Fund in the Department of Family Services' budget and the General Fund Transfer is not adjusted based upon the actual CSBG award received. In the FY 2013 Advertised Budget Plan, the General Fund Transfer for Fund 118, Consolidated Community Funding Pool is \$9,419,221, an increase of \$448,534 or 5.0 percent over the FY 2012 Adopted Budget Plan amount of \$8,970,687. The CDBG funding amount of \$1,600,678 is an estimate and is based on the FY 2012 actual award.

At the Board of Supervisors' March 20, 2012 meeting, there will be a public hearing on the One-Year Action Plan, which discusses the use of CDBG, HOME, ESG and HOPWA funding in FY 2013. Board action on the One-Year Action Plan is scheduled for April 24, 2012. The One-Year Action Plan is consistent with the FCRHA Working Advisory Group, the FCRHA, and the CCFAC recommendations, reflects HUD's reduction to CDBG, and proposes a net increase of \$174,901 to the CDBG portion of CCFP funding. This net increase is comprised of an increase of \$200,420 due to a reallocation of prior year CDBG funds, partially offset by a decrease of \$25,519 due to the reduction in HUD funding. Please note that the use of unexpended prior year funding is not a sustainable means of making up for HUD cuts. In addition, although the CDBG portion of the CCFP's total funding in FY 2013 is increased over FY 2012, the reduction in HUD's FY 2013 CDBG award necessitates a reduction in funding for Targeted Public Services (e.g., emergency food programs, youth support services) which is statutorily capped at 15 percent of the CDBG grant amount. This reduction in funding of \$150,627 can be offset by the increase in the General Fund Transfer.

Following is a table outlining FY 2012 and FY 2013 funding for the CCFP:

	FY 2012 Adopted	FY 2012 Revised	FY 2013 Advertised	FY 2013 Advertised + HUD award info
GF Transfer	\$8,970,687	\$8,970,687	\$9,419,221	\$9,419,221
Additional GF Support @ C/O		156,705		
CDBG portion of CCFP funding	2,082,914	1,600,678	1,600,678	1,575,159
Reallocated Prior Year CDBG Funds				200,420
HOME program income @ C/O		325,531		
	\$11,053,601	\$11,053,601	\$11,019,899	\$11,194,800