



Department of Administration
Community Block Grant Administration

John O. Norquist
Mayor

David R. Riemer
Director

Juanita Hawkins
Administration—Block Grant Director

TO: Community Development Members/ Council Members

FROM: Juanita Hawkins *Juanita Hawkins*
Director

DATE: February 14, 2001

RE: File # 001460- 2001 Funding Reduction and Recommendations

Attached is a January 12, 2000, letter from the Department of Housing and Urban Development advising the City of Milwaukee of a \$99,500 overall decrease under the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with Aids (HOPWA). This is a decrease over the October 27, 2000 announced formula allocation, letter attached) and is *the second such decrease in January.*

	<u>January 2001 Revised Allocations</u>	<u>October 2000 Allocations</u>	<u>Decreases</u>
CDBG	\$23,062,000	\$23,113,000	< \$ 51,000>
HOME	\$ 9,410,000	\$ 9,455,000	< \$ 45,000>
ESG	\$ 783,000	\$ 785,500	< \$ 2,500>
HOPWA	\$ 442,000	\$ 443,000	< \$ 1,000>
	<u>\$33,697,000</u>	<u>\$33,796,500</u>	<u>< \$ 99,500></u>

The Community Development Committee and the Council's funding decisions were based on the October 27 formula allocation. Rather than impose funding reductions across the board for 122 organizations and city departments and amending contracts, CBGA proposes the following action:

1. CDBG Allocate from the current CDBG Contingency Account \$51,000 to Community Block Grant Administration.
2. HOME No action. The 2001 HOME allocations will be reduced by \$45,000.
3. ESG Allocate from the current CDBG Contingency Account \$2,500 to Hope House.
4. HOPWA Allocate from the current CDBG Contingency Account \$1,000 to Aids Resource Center.

Total Reduction to the current CDBG Contingency Account will be \$54,500, leaving a balance of \$187,366. CBGA recommends that the CDBG Contingency Account be made whole for \$241,866, using YR 2000 Reprogramming funds.