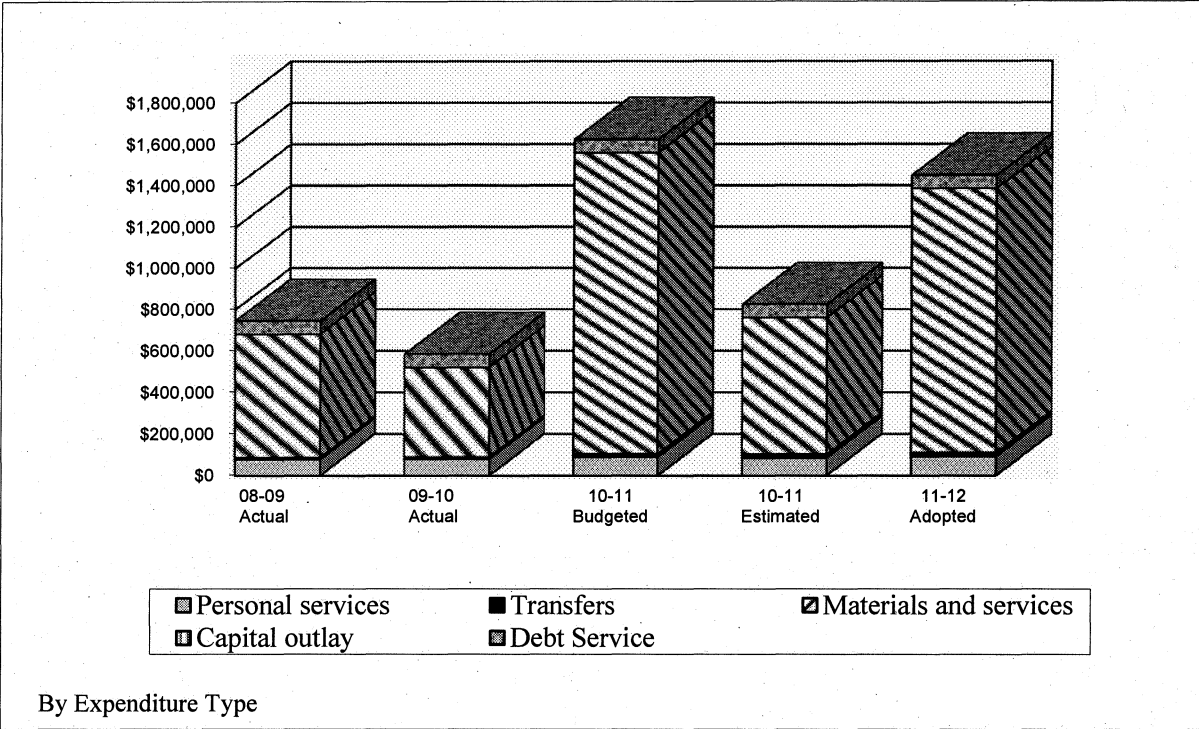


**COMMUNITY DEVELOPMENT BLOCK GRANT  
EXPENDITURES  
ADOPTED FY 2011-12**



CITY OF BEAVERTON, OREGON  
FISCAL YEAR 2011-12 BUDGET

**COMMUNITY DEVELOPMENT BLOCK GRANT FUND  
SUMMARY OF REVENUES AND EXPENDITURES  
AND OTHER FINANCING SOURCES & USES**

	<u>FY 2008-09</u> <u>Actual</u>	<u>FY 2009-10</u> <u>Actual</u>	<u>FY 2010-11</u> <u>Budgeted</u>	<u>FY 2010-11</u> <u>Estimated</u>	<u>FY 2011-12</u> <u>Adopted</u>
<b>Revenues:</b>					
Intergovernmental	\$622,472	\$473,943	\$1,513,122	\$718,389	\$1,349,132
Miscellaneous	94,977	113,068	103,760	103,435	93,410
Sub Total Revenues	<u>\$717,449</u>	<u>\$587,011</u>	<u>\$1,616,882</u>	<u>\$821,824</u>	<u>\$1,442,542</u>
<b>Expenditures:</b>					
Personal services	\$76,225	\$78,750	\$87,296	\$84,816	\$91,114
Materials & services	595,181	431,051	1,454,515	659,262	1,276,518
Capital outlay	0	0	0	0	0
Sub Total Expenditures	<u>\$671,406</u>	<u>\$509,801</u>	<u>\$1,541,811</u>	<u>\$744,078</u>	<u>\$1,367,632</u>
Revenues Over/Under Expenditures	\$46,043	\$77,210	\$75,071	\$77,746	\$74,910
<b>Other financing sources (uses):</b>					
Transfers in	\$0	\$0	\$0	\$0	\$0
Transfers out	(11,035)	(10,897)	(18,036)	(18,036)	(19,327)
Debt Service - Principal	(28,000)	(30,000)	(31,000)	(31,000)	(33,000)
Debt Service - Interest	(35,082)	(33,636)	(32,119)	(32,119)	(30,517)
Total Other Financing Sources (Uses):	<u>(\$74,117)</u>	<u>(\$74,533)</u>	<u>(\$81,155)</u>	<u>(\$81,155)</u>	<u>(\$82,844)</u>
Net Change in Fund Balance	(\$28,074)	\$2,677	(\$6,084)	(\$3,409)	(\$7,934)
Fund Balance/Working Capital Beginning of Year	<u>108,950</u>	<u>80,876</u>	<u>83,553</u>	<u>83,553</u>	<u>80,144</u>
Fund Balance (Reserves)/Working Capital End of Year	<u>\$80,876</u>	<u>\$83,553</u>	<u>\$77,469</u>	<u>\$80,144</u>	<u>\$72,210</u>

The Ending Working Capital is designated for future repairs to the child day-care facility.

CITY OF BEAVERTON, OREGON  
FISCAL YEAR 2011-12 BUDGET  
CURRENT LEVEL OF SERVICES

<b>FUND:</b> 106 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	<b>DEPARTMENT:</b> COMMUNITY DEVELOPMENT
	<b>DEPARTMENT HEAD:</b> DON MAZZIOTTI

**Program Goal:**

Oversee and implement Community Development Block Grant (CDBG) funding as outlined in the PY2011 Annual Action Plan. Coordinate and integrate existing CDBG program objectives other City programs and increase the number of private/public partnerships in an effort to achieve goals outlined in the Community Visioning and Civic Plan process. (Council Goal #1: Preserve and enhance our sense of community; #4: Provide responsive, cost-effective service to the community; #5: Assure a safe and healthy community; #6: Manage growth and respond to change consistent with maintaining a livable, full-service city; #7: Maintain Beaverton as a regional leader in cooperative efforts with other agencies and organizations.)

REQUIREMENTS	FY 2008-09 ACTUAL	FY 2009-10 ACTUAL	FY 2010-11 BUDGETED	FY 2011-12 PROPOSED	FY 2011-12 ADOPTED
POSITION	1.00	1.00	1.00	1.00	1.00
PERSONAL SERVICES	\$76,225	\$78,750	\$87,296	\$91,114	\$91,114
MATERIALS & SERVICES	595,181	431,053	1,454,515	1,322,119	1,276,518
CAPITAL OUTLAY	0	0	0	0	0
DEBT SERVICE	63,082	63,636	63,119	63,517	63,517
TRANSFERS	11,035	10,897	18,036	19,327	19,327
CONTINGENCY	0	0	77,469	72,210	72,210
<b>TOTAL</b>	<b>\$745,523</b>	<b>\$584,336</b>	<b>\$1,700,435</b>	<b>\$1,568,287</b>	<b>\$1,522,686</b>

Funding Sources:	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2011-12
Beginning Working Capital	108,950	80,876	83,553	80,144	80,144
Federal Grants	622,472	473,943	1,513,122	1,394,733	1,349,132
Miscellaneous	94,976	113,068	103,760	93,410	93,410

**Program Objectives:** The CDBG program will, in the coming budget year, accomplish the following:

- Provide general planning, administration, and monitoring of the City's CDBG programs and projects in compliance with the U.S. Department of Housing and Urban Development (HUD) statutes and regulations. Draft and publish the PY 2010 Consolidated Annual Performance and Evaluation Report (CAPER) and the 2012 Annual Action Plan to HUD. Partner with Washington County Office of Community Development to complete a new Fair Housing Analysis of Impediments and Action Plan.
- Collaborate with the Social Service Funding Committee to fund 2011 Program Year (PY) CDBG social service projects targeted to youth, homeless services, homeless prevention, resident services, and abuse victim services.
- Manage and oversee the administration, implementation, and marketing of the citywide Hope-4-Homes, Hope-4-Homes Energy Efficiency Program (as loan repayment funds allow), Mend-a-Home, and Adapt-a-Home program.
- Continue to administer the City's Downtown Storefront Improvement Program.
- Continue to work with Mercy Corps Northwest to increase awareness and participation in the City's new business revolving loan fund programs.
- Utilize CDBG funds for acquisition of sites that will meet Civic Plan and 2010-2015 Consolidated Plan goals as outlined in the Planning Division budget narrative.

**CITY OF BEAVERTON, OREGON  
FISCAL YEAR 2011-12 BUDGET  
CURRENT LEVEL OF SERVICES**

<b>FUND:</b> 106 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)	<b>DEPARTMENT:</b> COMMUNITY DEVELOPMENT
	<b>DEPARTMENT HEAD:</b> DON MAZZIOTTI

<b>Performance Measures:</b>	<b>FY 2009-10 Projected/Actual</b>	<b>FY 2010-11 Projected/To Date</b>	<b>FY 2011-12 Adopted</b>
Number of Beaverton households assisted through the rehabilitation programs	N/A	32 / 22	24
Number of Beaverton businesses assisted through the CDBG economic development initiatives	N/A	7 / 5	3
Number of public facilities assisted	N/A	2 / 1	1
Number of LMI Beaverton residents served by CDBG funded social services programs	N/A	700 / 651	650

**Prior Year Accomplishments:**

- Assisted more than 700 low-moderate income Beaverton residents
- Assisted more than 20 households through rehabilitation programs
- Initiated the Business Revolving Loan Program.

**New Year Action Plan:**

For FY 11-12, the CDBG Program will accomplish the following outcomes:

- Provide assistance to 24 income-qualified Beaverton households through the City's housing rehabilitation programs (Hope-4-Homes, Adapt-a-Home, and Mend-a-Home). Fund social service agencies with 15 percent of the annual CDBG allocation from HUD. An estimated five social service agencies will be assisted, providing assistance to over 650 low- and moderate-income residents.
- Provide assistance to three Beaverton-based businesses through CDBG-funded economic development initiatives, including the Storefront Improvement Program and the Business Revolving Loan Fund.
- Provide grant assistance targeted towards affordable housing that meets goals outlined in the Civic Plan and 2010-2015 Consolidated Plan.
- Partner with Washington County to complete a Fair Housing Analysis of Impediments and Action Plan.

In addition to the CDBG-funded activities, the Division will accomplish the following additional outcomes:

- Implementation of strategies outlined in the Housing component of the Civic Plan.
- Provide energy-efficiency upgrades to homes through the EECBG-funded component of the housing rehabilitation program (coordinating with City Sustainability Coordinator for this program component). The number of new homes assisted will be based upon the amount of program income from existing loans.
- Work with planning representatives throughout Washington County to implement broader, County-wide housing policies and procedures (as outlined in the Civic Plan and 2010-2015 Consolidated Plan).
- Coordinate with Metro regarding a second regional application for a Sustainable Communities Grant (if funded through Congress).
- Continue to work with non-profit partners to develop an affordable (or mixed-income) housing project in downtown Beaverton.
- Continue to provide technical assistance to housing developers in Beaverton whose projects further the 2010-2015 Consolidated Plan and Civic Plan goals.
- Provide programmatic assistance to local property owners, developers, and non-profits to improve access to state, Federal, and other housing development funding resources.

**CITY OF BEAVERTON, OREGON  
FISCAL YEAR 2011-12 BUDGET  
CURRENT LEVEL OF SERVICES**

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**Performance Outcomes and Program Trends:**

FY 11-12 continues to mark a significant change in the City's approach to housing and community services. Integration with broader planning goals continues to play a major role in the City's strategic investment of CDBG funds. Due to the economy and changes in Federal leadership, the CDBG program faces possible steep cuts at the federal level, which will impact the program. To prepare for such an eventuality, the City has anticipated a 10 percent reduction in funding for the CDBG program. FY 11-12 is also Beaverton's 18th year as a Community Development Block Grant municipal entitlement community. The City anticipates receiving approximately \$600,000 in Community Development Block Grant funds. This program year continues our emphasis on using CDBG to assist efforts to preserve existing housing for low- to moderate-income residents, eliminate blighted areas of downtown Beaverton through the Storefront Improvement Program, and assist low-income Beaverton residents to develop their own businesses and expand their economic opportunities.

The City changed the Mend-a-Home program to allow homeowners who could otherwise not qualify for the Hope-4-Homes (loan) program to receive one-time assistance to address a housing repair that impacts the safety and livability of their home. This change has enabled the program to serve a broader audience and addressed the fact that many mobile homes within Beaverton city limits have been assisted through the program. All three of the housing rehabilitation programs saw unprecedented demand in FY10-11, and staff recommends funding these programs to the maximum extent possible.

The City anticipates investing a portion of CDBG program funds into strategic acquisition projects, which will allow the community to leverage additional resources for redevelopment at those sites. Program outcomes include affordable housing and public facilities, but if the CDBG program experiences additional cuts, this budget category may be targeted for further reduction.

The City will continue to invest the maximum CDBG set-aside for social service programs. In conjunction with the 2010-2015 Consolidated Plan, projects that address needs outlined in the 10-Year Plan to End Homelessness will be considered high-priority projects. The City is unable to fund all of the social service agencies that apply for funding through its social services funding program.

The Downtown Storefront Improvement Program has continued to see an increase in demand in the existing program geography. Two applicants had to be turned down due to lack of available funding. One chose to complete his project without City assistance, while the other has chosen to be kept on a waiting list. Staff is currently working on encouraging storefront owners with unexpended funds to finish their projects or withdraw their applications to make funding available to those who are ready to proceed.

In spring of 2010, the City executed a contract with Mercy Corps Northwest to administer the new Business Revolving Loan Fund. Both the City and staff from Mercy Corps Northwest will continue building local capacity and awareness of the program. Staff will continue to coordinate with local lending partners and members of the business community to leverage this CDBG investment. If the CDBG program continues to experience cuts, this program may face reduction in spending. There was lower than expected utilization of these funds during FY 10-11, and if that trend continues, staff may recommend cancelling the initiative in FY 12-13. This will be revisited next year.

CDBG program management, planning, and administration duties will continue to be a top priority as HUD steps up its monitoring mandate from Congress. Staff will continue to improve outreach materials and attend a greater number of community events to provide education regarding the various services our CDBG funds provide Beaverton residents. Staff will work with other City departments to update the City's Accessibility Plan (Section 504/ADA) for city-owned property as well as policies and procedures, in accordance with HUD guidelines. In partnership with the Washington County Office of Community Development, staff finished a new Analysis of the Impediments to Fair Housing. As a result of new leadership at HUD headquarters, staff anticipates significant changes in program administrative requirements over the next year. To maintain quality program performance, staff will continue to update skills and knowledge through training.

**CITY OF BEAVERTON, OREGON  
FISCAL YEAR 2011-12 BUDGET  
CURRENT LEVEL OF SERVICES**

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Beaverton's agreement with the Washington County HOME Consortium allows the City to select housing projects for Federal HOME funding within Beaverton. Projects will continue to be administered by Washington County. Beaverton's share of the HOME program funding for Program Year 2011 is anticipated to be \$323,000 (this figure was provided by Washington County and does not reflect the rumored programmatic cuts at the Federal level). The City received only one application for PY 2011 HOME funding.

NOTE: The CDBG program is operating in an environment of uncertainty because of potential changes in Federal funding of CDBG and many rebated programs.