

Memorandum



CITY OF DALLAS

DATE January 3, 2019

TO Senior Affairs Commission

SUBJECT **Community Development Block Grant (CDBG) Funds**

As you are aware, we are in the process of developing the Five-Year Consolidated Plan for HUD grant funds for FY20 through FY24. The Consolidated Plan includes CDBG which is a funding source along with the General Fund for programs that serve seniors in our community.

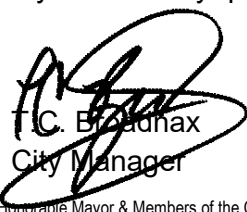
On December 5, staff presented our initial recommendations for the new Consolidated Plan to the City Council. We recommended using all CDBG Public Service dollars to address the drivers of poverty, with a focus on reducing and/or eliminating barriers to work. As part of this recommendation, we proposed that more of the Public Service funds be made available to nonprofit agencies through a competitive proposal process to address the drivers of poverty.

An additional component of our recommendation is to transfer current expenses for Senior Programs and Community Courts from CDBG to the General Fund in FY 2019-20. Reasons for this recommendation include:

- City Council and staff have a strong commitment to both Senior Programs and Community Courts and desire for the programs to continue.
- Federal funds for CDBG have steadily declined since FY04 and have an uncertain future. (Reduction of 32 percent from \$21.7 million in FY04 to \$14.8 million in FY19)
- General Fund can provide a more reliable funding mechanism and might provide possible opportunities to expand in the future.
- Administering the programs will be more efficient when the source of funds is no longer spread across multiple sources.
- Members of the City Council and the Community Development Commission have expressed a desire to see changes in the way CDBG funds are used and to see funds made available to more nonprofit organizations.

I have advised the City Council that I intend to include transferring funding from CDBG to the General Fund in my General Fund budget recommendation for FY 2019-20 that I will submit to the City Council on August 13, 2019.

If you have any questions, please contact Jack Ireland or Chan Williams in the Office of Budget.



T. C. Brazdax
City Manager

c: Honorable Mayor & Members of the City Council
Members of the Community Development Commission
Chris Caso, City Attorney (I)
Carol Smith, City Auditor (I)
Billerae Johnson, City Secretary
Preston Robinson, Administrative Judge
Kimberly Bizar Tolbert, Chief of Staff to the City Manager

M. Elizabeth Reich, Chief Financial Officer
Joey Zapata, Assistant City Manager
Jon Fortune, Assistant City Manager
Majed A. Al-Ghafry, Assistant City Manager
Nadia Chandler Hardy, Assistant City Manager & Chief Resilience Officer
Directors and Assistant Directors