

**Office of
the Mayor
Burlington,
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To: Community Development Block Grant Advisory Board

From: Bob Kiss, Mayor 

Re: FY 13 CDBG allocation process

This year, the City of Burlington will experience a further 23% reduction to its CDBG appropriation based on Congress's final budget work focused on HUD and Transportation spending. Thus, CEDO will see a decrease of \$183,767 from its overall CDBG budget. This reduction has come about because of an overall 12% reduction to CDBG nationally as well as a formula application based on the most recent census data from 2010. Thus, the City is ready to allocate the following amounts in the allocation process:

\$94,258 for public service projects and programs (up to 15% of the overall grant amount)
\$408,452 for development projects and programs

The overall goal of supporting projects and programs either located within CEDO or with partner agencies and funded in part through CDBG-- is to develop and maintain viable communities by supporting decent housing, expanded economic opportunities and a suitable living environment principally for low- and moderate-income persons. HUD administers these programs on a national basis and awards grants to entitlement communities and participating jurisdictions – including the city of Burlington – each year on a formula basis. The city in turn awards grants to local nonprofits as well as providing direct services to residents and businesses through the efforts of CEDO staff who are also supported by these funds.

This year in particular and as you may remember from last year, the requests in total quite substantially exceed available funds. The City's CDBG allocation from HUD has decreased since 2002 by \$318,000 and commensurately, requests from applicants have needed to be allocated decreasingly-including to CEDO operations.

CEDO, as a department, has traditionally applied for funding from the CDBG Advisory Board to provide staffing and programming for 5 of its rather distinct program activities:

Brownfields remediation
Neighborhood revitalization
Housing Initiatives Program
Business Financing and Technical Assistance
Sustainable Economic Development Strategies

Again, this year, each of these 5 distinct sections of the department has made a request for a minimum level of CDBG funding so as to maintain current staff levels ensuring the ability to continue providing the level of service and programming that the public has become accustomed to. In the past few years, the department has been able to make up operational deficits with other funding resources-such as CDBG-R, and EECBG but those resources are no longer available.

Thus, I am asking that you maintain the level of funds requested by the 5 CEDO development activities that you have in your packets. I understand that hard choices will have to be made; my desire is to maintain CEDO staffing levels this next fiscal year.