


Department of Planning and Community & Economic Development
Community Development Division

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MEMO

TO: CDBG Committee members
 FROM: Bill Clingan, CD Division Director 
 DATE: February 25, 2010
 SUBJECT: Staff recommendations: unspent 2009 funds

We were recently notified that two of our funded agencies will not expend all of their 2009 contract allocations. Both agencies have allocated amounts already contracted for 2010, and so these unspent/returned 2009 funds will not be carried over into the agencies' respective 2010 contracts, but will instead be "recaptured" and thus need to be added back to Division reserve funds and/or reallocated to other eligible projects/purposes.

- Agency: **Operation Fresh Start**
Unspent allocation: **\$108,000 (HOME)**

Staff recommends that the entire **\$108,000** be added back into the **Housing Development Reserve Fund**, thereby making these funds available to other eligible projects that may come in through the year as part of our monthly application process.

- Agency: **Urban League of Greater Madison**
Unspent allocation: **\$203,000 (CDBG)**

Staff recommends the following:

- (1) Add **\$100,000** to the **Acquisition/Rehab Reserve Fund**, as a "set-aside" toward funding future potential projects.
- (2) Add **\$100,000** to the **Economic Development Reserve Fund**, which has a current balance of \$0. This reserve fund has been essentially "non-existent" (zero-funded) the past several years, and this infusion of "seed money" would help re-fund it, creating an incentive for agencies to begin submitting eligible proposals in this goal area again as part of our monthly application process.
- (3) Add the remaining **\$3,000** to the **Housing Development Reserve Fund**, thereby making these funds available to other eligible projects that may come in through the year as part of our monthly application process.