



MEMORANDUM

“...meeting community needs...enhancing quality of life.”

TO: CDBG Advisory Board

FROM: Olivia Galyon, Community Development Specialist

DATE: January 15, 2024

RE: Reallocation of 2023 Community Development Block Grant (CDBG) Funding for Public Service Activities

The City of Appleton has routinely granted a portion of our annual Community Development Block Grant (CDBG) funding to external subrecipients to complete independent projects that comply with federal CDBG regulations in recent years. One subrecipient organization that received funding for CDBG PY2023 is ending their project due to staffing issues and remitting the remaining project funding back to the City. The available balance from this project is \$28,981.24. This funding was originally allocated as public services category and should be reallocated to a project within the public services activity category. The Advisory Board should reallocate this funding between the 2024PY public services applicants, as the Board sees fit.

CDBG programs have restrictions on the amount of funding that can go to public services each program year. Spending on public services has a 15% cap, meaning that no more than 15% of the total allocation can go to public services. The estimated 2024PY CDBG allocation is \$576,900 with a public service cap amount of \$86,550, all of which has been allocated to a joint program between the Appleton Health Department and Police Department to fund a community resource navigator position. While the 2024 allocation for public service has maxed out, the Advisory Board is tasked with reallocating the remaining \$28,981.24 from the 2023 CDBG program year. All three public service activity projects that submitted applications for the 2024PY are eligible to receive this reallocation of funding.

Advisory Board members have reviewed and scored the 2024 CDBG Public Service requests. City staff has reviewed each CDBG application thoroughly and determined that each project is an eligible CDBG activity. Staff have identified two applications recommended for further consideration by the Advisory Board, based on organizational capacity, alignment with City goals, and potential for project success. These recommendations are in line with the funding recommendations received from the Advisory Board members. LEAVEN seeks to provide an emergency rental program and has demonstrated consistent, early spenddown of prior allocated CDBG funds, and their total request (\$15,000) is less than the amount available for reallocation. Building for Kids has applied for funding to expand an existing educational program for youth and have indicated they would seek additional funding from outside sources to fill the gap. B.A.B.E.S

has applied for funding for a staff position, which they would explore filling in a part-time capacity in the case of a partial award. City staff's initial recommendations for funding are as follows:

| PUBLIC SERVICES | | |
|--|------------------|------------------------|
| Reallocation of 2023 CDBG Dollars | | |
| Applicant | Requested Amount | Funding Recommendation |
| LEAVEN | \$15,000 | \$15,000 |
| Building for Kids | \$45,000 | \$13,981.24 |
| B.A.B.E.S. | \$38,679 | \$0 |
| PUBLIC SERVICES TOTAL: | \$98,679 | \$28,981.24 |

The Advisory Board should discuss these recommendations and can modify these figures as they see fit.

If you have any questions, please contact me at 832-6469 or olivia.galyon@appleton.org. Thank you!

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