



# Proposed Updated 2023 CDBG Funding Recommendations

Bellevue Human Services Commission  
September 20th, 2022

# 2023 CDBG Funding Allocation Process

## Human Services Commission Review

- **September 20th HSC meeting**
  - Consider updated proposed staff allocations
  - Vote on draft preliminary funding recommendations
- **City Council Review**
  - October -HSC funding recommendations are presented to the City Council; tentative October 24
  - Public Hearing; tentative November 1<sup>st</sup> HSC Meeting
  - The City Council adopts the final allocations by end of year

# Estimated 2023 CDBG Funding Available

Revenue Sources	
Prior Year Funds Available for Reprogramming	\$275,805
Projected 2023 Program Income	\$249,995
Projected 2023 Bellevue Entitlement	\$808,000
<b>Total Projected Available Funds for 2023 Program Year</b>	<b>\$1,333,800</b>

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# Proposed Allocation of 2023 CDBG Funding

# Summary of Proposed Funding Distribution

Activities	Estimates
Public Services (15% Cap)	\$166,200
Planning & Administration (20% Cap)	\$211,600
Capital (Housing Repair and Microenterprise Programs)	\$956,000
<b>Total Projected Activity Funding for 2023 Program Year</b>	<b>\$1,333,800</b>

# Capital Projects \$956,000

- Rehabilitation (\$586,000)
- Microenterprise Assistance (\$370,000)

Total Capital Projects \$956,000

## Microenterprise Business Assistance (\$370,000)

- ▶ A microenterprise is defined as a business having five or fewer employees, one or more of whom owns the business.
- ▶ Microenterprise assistance qualifies under the Low- and Moderate-Income Limited Clientele national objective when the assistance is provided to a low- or moderate-income person who owns or is developing a microenterprise.
- ▶ A “person developing a microenterprise” is defined as a person who has expressed an interest and who is, after an initial screening, expected to be actively working towards developing a business that is expected to be a microenterprise at the time it is formed.

# Seattle Business Education HUB

## Technical Assistance & Financial Literacy

- ▶ Withdrew their application for 2023 funding
- ▶ Originally staff had recommended funding the agency at \$100,000
- ▶ Funding for 2023 was contingent upon the agency's ability to come into compliance with federal regulations on recordkeeping practices
- ▶ Staff provided technical assistance after discovering the agency failed to provide specific documentation as required by their 2022 contract
- ▶ Staff is currently working with agency/HUD towards resolution of the 2022 and 2021 program year awards



## 4 Tomorrow - Latino Microenterprise Project

- ▶ Create quarterly cohorts for Spanish speaking Bellevue residents
- ▶ Trainings and one-on-one personalized support for business proceedings
- ▶ Funding will help create greater economic stability and security for small business owners and the Latinx community
- ▶ Funds will be used to hire a CPA, legal consultation, and support in part the case manager's salary and ED.
- ▶ Small grants will be available to participants who successfully complete the trainings and demonstrate a need for a small business grant.

# Bighug Korean Resource Center Microenterprise Growth, Support & Training

- ▶ Funds will be used to support employment of one half-time staff
- ▶ Marketing and outreach, professional services
- ▶ Provide support and resources to small businesses in the Korean community
- ▶ Build resiliency for business owners and their families minimizing financial, health, and educational disparities of disadvantaged people due to language and cultural barriers
- ▶ Small business incubation grants

# Indian American Community Services Small Business Assistance Project

- ▶ Support struggling small businesses with technical assistance for relief applications
- ▶ Workshops on obtaining business licenses, labor practices, marketing, web development
- ▶ Funds will be used to hire a small business coordinator and lead
- ▶ Funds will be used to pay for small business consultation and provide small grants to eligible participants
- ▶ They have been an important lifeline for small businesses throughout the pandemic and have experience with CDBG coronavirus funds

# Proposed Updated Allocation of Capital Funding for Microenterprise Assistance Programs

<b>Applicants</b>	<b>Requested Amount</b>	<b>Original Recommendation</b>	<b>Updated Recommendation</b>
Seattle Business Education Hub	\$250,000	\$100,000	\$0
4 Tomorrow: Latino Microenterprise Project	\$150,000	\$85,000	\$150,000
Bighug Korean Resource Center: Microenterprise Growth, Support and Training	\$30,000	\$30,000	\$100,000
Indian American Community Services: Small Business Assistance Project	\$70,000	\$56,005	\$120,000
<b><i>Microenterprise Subtotal</i></b>	<b><i>\$500,000</i></b>	<b><i>\$271,005</i></b>	<b><i>\$370,000</i></b>

Do Commissioners have any questions or concerns about the proposed staff allocations?



Slides to use if specific questions arise

# Low- and Moderate-Income Benefit

Limited Clientele: Activities that benefit low and moderate income (LMI) persons (e.g. services for seniors, homeless shelters, microenterprise assistance).

- 51% of participants are documented as LMI; or
- Participation is limited to LMI area only; or
- Presumed benefit clientele:
  - Activity must exclusively serve abused children, elderly persons, battered spouses, homeless persons, adults with severe disabilities, illiterate adults, persons living with AIDS, or migrant farm workers.



## Low-and Moderate-Income Benefit, Cont'd

### Low- and Moderate-Income Housing:

- Structures must be occupied by low/mod income households.
- Activities include homeowner rehabilitation.