DATE: January 4, 2023

TO: Human Service Commission Members

FROM: Leslie Miller, Human Services Manager

Donna Adair, CDBG Administrator

**Human Services Division** 

Parks & Community Services Department

SUBJECT: Minor amendment to the 2022 Community Development Block Grant (CDBG)

Annual Action Plan.

The Human Services Division is seeking approval from the Human Services Commission to amend the 2022 Annual Action Plan to note the cancellation of the 2022 "Seattle Business Education HUB's Microenterprise Assistance activity." As per 24 CFR part 91.105 in the Citizen Participation Plan, a minor amendment in the Annual Action Plan must be approved by the Human Services Commission and published on the City's website.

## **Background**

The primary objective of the Federal Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD) is to support the development of viable urban communities by providing decent housing, a suitable living environment via community facilities and public infrastructure, and expanded economic opportunities, principally for persons of low and moderate income. Funds are distributed to communities nationwide on an annual formula basis.

The Annual Action Plan outlines the City's use of CDBG funds and identifies the objectives and strategies that will guide the City's investments. The Human Services Division provided 30-day termination notice to Seattle Business Education HUB (SBEHUB) on December 6<sup>th</sup> for the 2022 CDBG contract because SBEHUB did not provide services to clients that met a National Objective and Eligible Activity as outlined in the contract. This action was taken only after the Human Services team met with the Executive Director of SBEHUB on multiple occasions with offers to help remediate the regulatory compliance issues. SBEHUB did not want to pursue the grant award after understanding the criteria to meet the National Objective under the Microenterprise Activity meant providing services to low and moderate-income Bellevue residents.

Staff will provide Commissioners with an introduction to the CDBG program.