



## Request for City Council Committee Action from the Department of

**Date:** September 12, 2006

**To:** Council Member Lisa Goodman, Community Development Committee  
Council Member Paul Ostrow, Ways and Means/Budget Committee

**Subject:** Amendment to 2006 Consolidated Plan to Reprogram CDBG funds from the NEDF/CEDF program to the Adult Training and Placement program.

**Recommendation:** Amend the 2006 General Appropriation Resolution to decrease the Community Planning and Economic Development agency Fund FBGO - MCDA CDBG (FBGO-890-8933) by up to \$400,000 and increase the Community Planning and Economic Development agency Fund 0400 - CDBG & UDGF (0400-890-8943) by up to \$400,000.

CDBG grant reprogramming:

- a. up to \$275,814.84 from NEDF/CEDF 96 (FBGO-890-8933, reporting category 2201), to Adult Training Placement & Retention (0400-890-8943, 27C-ATPR, reporting category 27AP)
- b. up to \$124,185.16 from NEDF/CEDF 28, (FBGO-890-8933, reporting category 28ED), to Adult Training Placement & Retention (0400-890-8943, 28C-ATPR, reporting category 28AP)

Prepared by: Tom Daniel, Manager Economic Development 612 673-5079 and  
Deb Bahr-Helgen, Director METP 612 673-6226

Approved by: Chuck Lutz, Deputy Director \_\_\_\_\_

Mike Christenson, Economic Policy and Development Director \_\_\_\_\_

Presenters in Committee: Tom Daniel and Deb Bahr-Helgen

### Financial Impact

- No financial impact
- Action is within the Business Plan
- Other financial impact: Reallocation of CDBG resources proposed
- Request provided to the Finance Department when provided to the Committee Coordinator

### Community Impact

- City Goals: One Minneapolis

- Other: Consolidated Plan mailing list informed of change, publication in Finance and Commerce

### **Supporting Information**

To facilitate CPED's Economic Policy and Development Division's 2007 budget submittal, the managers of Business Development and the Minneapolis Employment and Training Program (METP) concluded that it would be prudent to swap \$400,000 between two funds. The specific proposal is to reprogram up to \$400,000 in CDBG funds from Business Development's NEDF/CEDF program to METP's Adult Training Placement and Retention program. To complete the swap, METP's initial 2007 budget request was reduced by \$400,000 in Legacy funds. The Legacy funds were included in Business Development's 2007 commercial corridors budget request.

Because of the pending public hearing on an unrelated amendment to the Consolidated Plan, the decision was made to seek authorization for the re-appropriation at this time. However, the transfer of funds will not be completed until the Council adopts the 2007 budget in December.

The swap of funds would provide more flexible funding to Business Development's corridors program while allowing METP to place and retain an additional 125 low income residents in permanent private sector jobs.

Both programs support Consolidated Plan Goal CD-1, Expand Economic Opportunities for Low and Moderate Income Persons.