

MEMORANDUM

To: Councilmember Tim Burgess, Chair
Councilmembers Lisa Herbold and Rob Johnson, Members
Affordable Housing, Neighborhoods and Finance Committee

From: Alan Lee, Council Central Staff

Date: August 15, 2016

Subject: Council Bill 118759 - AN ORDINANCE relating to the Department of Neighborhoods; authorizing implementation of certain Neighborhood Matching Fund projects in 2016, and specifying that 2016 appropriations for the Neighborhood Matching Subfund shall carry forward automatically to future budget years.

This staff memo:

- Summarizes Council Bill 118759
- Describes the selection process for the three Neighborhood Matching Fund (NMF) grant sub programs
- Provides comparative historical information about appropriations and expenditures for the LPF
- Summarizes changes to the NMF grant program as recommended by Department of Neighborhoods (DON).

CB 118759 Summary

The Mayor/DON is proposing to allocate \$650,741 of the approximately \$2.2 million appropriated to the LPF for calendar year 2016. This bill would authorize DON to provide funding for seven projects (\$650,741) for LPF through the NMF Program. If approved, appropriations would not lapse and would carryforward until fully expended.

As way of background, since 1987, the City has implemented the NMF to support “neighborhood improvements, organizing, or other community building projects.” Community groups such as non-profit organizations, ad-hoc community stakeholder groups provide resources such as volunteer labor, donated materials, funding, or professional services, and are matched with NMF funding. The three NMF Programs includes Small Sparks, Small and Simple, and the Large Projects Fund.

- **Small Sparks** provides up to \$1,000 per individual project each year. Applicants may apply year round with funding decisions made within two weeks of application receipt. (Does not require Council approval and is not the subject of CB 118759.)
- **Small and Simple** provides up to \$25,000 on a trimester basis. (Does not require Council approval and are not the subject of the Council Bill.)

- **Large Projects Fund (LPF)** awards approximately \$1 million each year for projects that cost up to \$100,000 and require up to 12 months to complete. These projects must involve “community building” activities that foster communication and relationship building between community members. Project examples include trail work, American with Disability Act improvements at community gathering places, playground installations, and arts education.

Large Projects Fund (LPF) Selection Process

Applications are received from the community. After initial DON staff screening, LPF applications are forwarded to District Council Review Teams (DCRTs) and the Citywide Review Team (CRT) for review. DCRTs, which are each comprised of three to five members from individual Neighborhood District Councils, review and score applications apropos to their Neighborhood District Council. These scores are advanced to the Citywide Review Team (CRT). The CRT, which is comprised of up to 17 members (one from each of the 13 District Councils and four at large members chosen by NMF staff), select final recommendations for the Affordable Housing, Neighborhoods and Finance (AHNF) Committee. These recommendations are advanced to the AHNF Committee for Council approval.

2016 LPF Selection Recommendations

As shown in Chart 1 - detailed project descriptions are included as part of the fiscal note. Projects are located in the Central (2), Greater Duwamish (2), Southeast, Lake Union and Downtown Neighborhood Districts (1 for each).

Chart 1: 2016 Large Projects Fund Selections

Neighborhood Matching Fund Project Name	Organization	Allocation	Neighborhood District	Council District
The Ubunya Project	206 Zulu	\$60,000	Central	3
Mini Mart City Park Facility Construction	Mini Mart City Park	\$100,000	Greater Duwamish	2
Rainier Valley Radio/KVRU Capital Campaign	Southeast Effective Development	\$100,000	Southeast	2
East Howe Steps Plaza - Phase 1 Construction	Lake Union Neighbors	\$100,000	Lake Union	4
Digital Storytelling in the International District	One America	\$90,781	Downtown	2
First Place Scholars Facility Improvement Project	The Friends of First Place Scholars	\$100,000	Central	3
Phase II Construction of the Beacon Food Forest	The Beacon Food Forest	\$99,960	Greater Duwamish	3
Total		\$650,741		

Historical Comparative Analysis of LPF Awards and Funding

The average LPF allocation over the past five years is \$1.3 million. The average award as a result of the application process over the same period is approximately \$1 million. The total award amounts, as well as the number of awards granted, have varied each year—the differences are highlighted in the final column in Chart 2.

Chart 2: Neighborhood Matching Fund, Large Projects Fund award history (2011 – 2016)

Large Projects Fund	Adopted Budget (GSF)	# of Awards	Awarded Amount	Difference from Adopted Budget
2011	\$1,181,954	12	\$1,031,157	\$150,797
2012	\$1,197,504	15	\$1,307,504	-\$110,000
2013	\$1,221,455	6	\$465,370	\$756,085
2014	\$1,474,549	12	\$1,073,125	\$401,424
2015	\$1,505,515	19	\$1,505,515	\$0
2016	\$2,242,512	7 (proposed)	\$650,741 (proposed)	\$1,591,771
Total	\$8,823,489	71	\$6,033,412	\$2,790,077

This year's selections, if approved by Council, will leave the largest difference between the total awarded amount and the adopted budget amount (\$1,591,771) since 2011. The variation in the # of grant awards may need further examination.

Changes to NMF Program

In 2015, the City Council issued a Statement of Legislative Intent (SLI) 20-1-A-1 - RSJI Analysis of DON Grant Programs - requesting DON to engage in race and social justice analyses of its major grant programs, including the NMF. DON's response, sent to Council on July 15, 2016, identifies systemic factors that cause limited participation. Ultimately, DON expresses a desire to have a transparent and accessible application process that is easily understood and that offers technical support to community groups unversed in DON grant requirements.

The unique requirements of the NMF, however, may hinder broader community participation in the LPF program. DON offers the following solutions specific to NMF:

- Allow proposed scopes of work of a project to include capacity building activities
- Revise the NMF application form to eliminate duplicative information or unnecessary details
- Explore the creation of a community review process that is more efficient and affords broader opportunity for community participation

Don't hesitate to contact me if you have any questions.

cc: Kirstan Arestad, Central Staff Executive Director
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