

**Department of Commerce, Community & Economic Development
Community & Regional Affairs**

Subject of RPL: Community Development Block Grant Program	ADN/RPL #: 8-0-0114
Amount requested: \$67,436	Appropriation Authority: Sec 7, Ch 17, SLA 2009, Pg 12, Line 10
Funding source: ARRA Federal Funding - Capital	Statutory Authority: AS 44.33.020

PURPOSE

The U.S. Department of Housing and Urban Development has allocated additional American Recovery and Reinvestment Act (ARRA) federal funding to the State of Alaska's Community Development Block Grant (CDBG) program. The funding was originally allocated at the federal level to a recipient within the State of Alaska. The recipient returned the funding and it has been allocated to the State of Alaska's ARRA CDBG program. It will be used for a capital project awarded to a CDBG grantee. The funds will be used to benefit low-to-moderate income residents.

PREVIOUS LEGISLATIVE CONSIDERATION

\$679,936 was originally appropriated (Sec 7, Ch 17, SLA 2009, Pg 12, Line 10) during the 26th Legislative Session for the ARRA CDBG program. This increase will bring the State of Alaska's ARRA CDBG program total to \$747,372.

TIMING ISSUES

These funds were originally allocated at the federal level to another recipient. It was not anticipated that the State of Alaska would need additional authorization and therefore was not included in the current budget. The Department of Commerce, Community & Economic Development received notification that the additional funding was available on February 23, 2010. These funds are imminent; a signed copy of the amendment from the U.S. Department of Housing and Urban Development (HUD) was received by the Division of Community and Regional Affairs and is awaiting signature at the department level. Funding will be available as soon as the amendment is signed. The funding will lapse if not under a grant agreement with an eligible entity by September 30, 2010 and must be expended by September 30, 2012. If the funds are delayed or disapproved, funding will not be available for use by an Alaskan community. The State of Alaska's ARRA CDBG program follows the federal HUD cycle for ARRA funding.

BUDGETARY ISSUES

The CDBG program contributes to the department's mission of promoting strong communities by providing funding to benefit low-to moderate income residents. 100% of the funds will be made available for a grant to eligible CDBG grantee and will be administered through existing staff. This funding is a one time request and does not have a general fund match requirement.

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OMB Approved: