



City of Seattle
Office of Economic Development

Memorandum

Date: December 4, 2012

To: Councilmember Sally Clark, Chair of the Economic Resiliency and Regional Relations Committee; Councilmember Tom Rasmussen, Vice-Chair; Councilmember Richard Conlin, Member; Councilmember Jean Godden, Alternate

CC: David Yeaworth, Committee Staff
Dan Eder, Council Central Staff
Kristi Beattie, Central Budget Office

From: Stephen H. Johnson, Director, Office of Economic Development (OED)

Subject: 2013 Contract with the Rainier Valley Community Development Fund

The City of Seattle is nearing the end of its funding commitment to the RVCDF, as laid out in the Substitute Funding Agreement (Council Ordinance #121763), and will not provide operating support to the RVCDF after 2013.

OED develops an annual contract with the RVCDF for use of the finance general funds, which contains the RVCDF's work plan, budget and milestones for the year. Generally, the contracting process occurs after the RVCDF has developed its budget and work plan, which often occurs in January or February. Since 2013 is the final year the City is providing operating support to the RVCDF, OED will begin discussions with the RVCDF in December, to allow sufficient time for any final-year contracting issues.

At the end of 2012, there will be approximately \$700,000 of the original \$7.8 million in finance general funds, which will be fully expended in 2013 to fund the RVCDF's operations. There will also be approximately \$8.2 million of CDBG funds remaining from the original \$35 million. The CDBG funds can carry forward beyond 2013, but the RVCDF is working to fully disburse them as soon as possible. The RVCDF will provide a separate report describing its funding outlook for 2013.

The following timeline outlines the potential contract negotiation process envisioned for 2013:

November 27, 2012	RVCDF Board approves its 2013 budget
By December 14, 2012	OED and RVCDF meet to discuss contract elements and budget
By January 17, 2013	RVCDF provides its work plan and milestones for 2013
By January 31, 2013	OED reviews and responds to RVCDF submittal.
By February 28, 2013	Contract finalized and signed.

Questions regarding this report or other activities of the RVCDF can be directed to Theresa Barreras at 206-684-4505 or theresa.barreras@seattle.gov.

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