

Neighborhood Matching Subfund

Department Overview

The purpose of the Neighborhood Matching Subfund (NMF) is to provide grant resources for Seattle's communities to preserve and enhance the City's diverse neighborhoods, and to empower people to make positive contributions to their communities.

The NMF was established in 1988 to support partnerships between the City of Seattle and neighborhood organizations to undertake neighborhood-initiated planning, organizing and physical improvement projects. The City provides cash that is matched by the community's contribution of volunteer labor, donated materials and professional services, or cash. Applications are accepted from neighborhood-based organizations of residents or businesses, community-based organizations, and ad hoc groups of neighbors that form a committee for the purpose of a specific project. There are three categories of NMF awards:

- Large Projects Fund (awards up to \$100,000);
- Small and Simple Projects Fund (awards up to \$25,000); and
- Small Sparks Fund (awards up to \$1,000).

The Department of Neighborhoods (DON) administers the NMF. NMF staff coordinates with the Department of Parks and Recreation, Seattle Department of Transportation, Seattle Public Utilities, Department of Planning and Development and others when projects are within the jurisdiction of these departments.

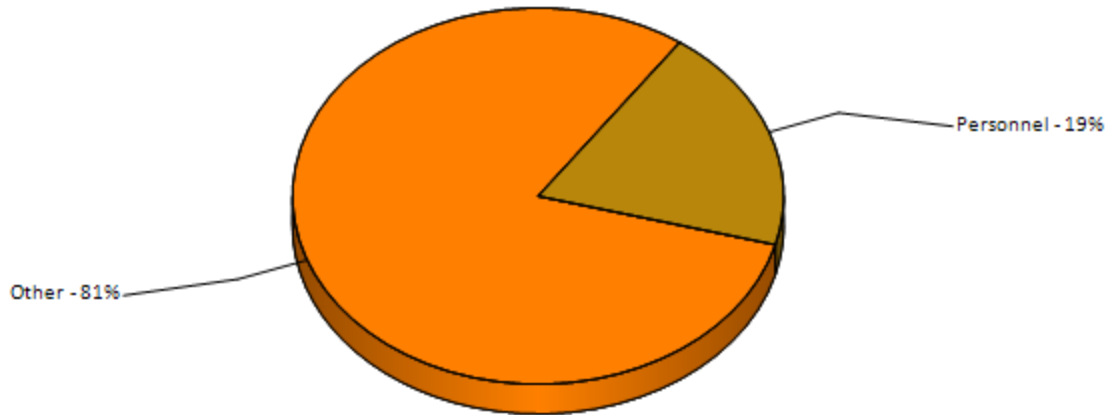
Budget Snapshot

| Department Support | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|-----------------------------|--------------------|--------------------|--------------------|--------------------|
| General Fund Support | \$2,855,039 | \$1,576,807 | \$3,324,991 | \$3,163,660 |
| Other Funding - Operating | \$0 | \$2,433,300 | \$762,300 | \$1,613,882 |
| Total Operations | \$2,855,039 | \$4,010,107 | \$4,087,291 | \$4,777,542 |
| Total Appropriations | \$2,855,039 | \$4,010,107 | \$4,087,291 | \$4,777,542 |
| Full-time Equivalent Total* | 7.00 | 8.00 | 8.00 | 8.00 |

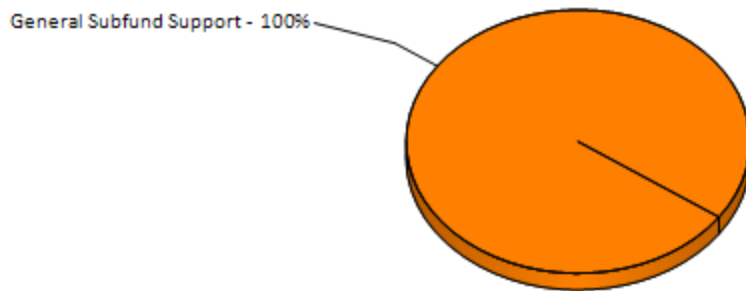
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Neighborhood Matching Subfund

2016 Adopted Budget - Expenditure by Category



2016 Adopted Budget - Revenue by Category



Neighborhood Matching Subfund

Budget Overview

The 2016 Adopted Budget for the Neighborhood Matching Fund (NMF) implements two new initiatives: the Participatory Budgeting pilot project and recommendations from the Mayor's Lesbian, Gay, Bisexual, Transgender, and Queer (LGBTQ) Task Force. Additional resources enhance existing funding within the NMF to engage new communities, groups and organizations with the program. Resources are also provided for awards that will be made through the City's Participatory Budgeting pilot project, a new program started in 2015 and staffed through the Department of Neighborhoods (DON).

LGBTQ Task Force Recommendations

In response to a rise in reported bias crimes and verbal attacks perpetrated against LGBTQ people, the Mayor formed a LGBTQ Task Force to develop a comprehensive set of recommendations aimed at making Seattle a safer and more welcoming place for the LGBTQ community. The adopted budget for NMF implements one of the recommendations of the Task Force: supporting community projects that promote LGBTQ safety, understanding and community-based responses to violence and intolerance. Run through the NMF's Small and Simple Projects Fund, the budget provides additional resources to support these projects, and DON will conduct targeted outreach to LGBTQ organizations and nonprofit service providers regarding available funding and the award process.

Participatory Budgeting

Participatory Budgeting is a community process of designing and selecting projects for funding, where community members participate in the full cycle of the award process. Seattle has a long history of civic participation and partnerships between the City and the communities it serves through the NMF and other grant programs. This pilot project will build off of that framework and history by putting the decision-making power directly in the hands of the community members who develop the proposals. The pilot will focus specifically on youth-initiated projects and the Seattle Youth Commission, along with staff from DON, will help steer and facilitate the award cycle. The pilot will be conducted from the fall of 2015 through summer of 2016, with initial outreach beginning in September 2015 to recruit interested youth to participate in the program.

City Council Changes to the Proposed Budget

The Council used fund balance to increase funding for the Participatory Budgeting pilot project.

Incremental Budget Changes

Neighborhood Matching Subfund

| | 2016 | |
|--|---------------------|-------------|
| | Budget | FTE |
| Total 2016 Endorsed Budget | \$ 4,087,291 | 8.00 |
| Baseline Changes | | |
| Citywide Adjustments for Standard Cost Changes | -\$ 29,749 | 0.00 |
| Proposed Changes | | |
| LGBTQ Task Force Recommendations | \$ 20,000 | 0.00 |
| Participatory Budgeting | \$ 500,000 | 0.00 |

Neighborhood Matching Subfund

Proposed Technical Changes

| | | |
|---|------|------|
| One-time Use of Unreserved Fund Balance | \$ 0 | 0.00 |
|---|------|------|

Council Changes

| | | |
|-------------------------|------------|------|
| Participatory Budgeting | \$ 200,000 | 0.00 |
|-------------------------|------------|------|

| | | |
|----------------------------------|-------------------|-------------|
| Total Incremental Changes | \$ 690,251 | 0.00 |
|----------------------------------|-------------------|-------------|

| | | |
|----------------------------|---------------------|-------------|
| 2016 Adopted Budget | \$ 4,777,542 | 8.00 |
|----------------------------|---------------------|-------------|

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$29,749)

Citywide technical adjustments made in the initial planning phase reflect changes in the internal services costs, health care rate reduction, retirement contribution rate reduction, and updates to unemployment and industrial insurance charges. There was also an adjustment made to the 2016 base to recoup savings from a higher-than-expected inflation provided in the 2015 Adopted Budget for non-labor expenses. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

LGBTQ Task Force Recommendations - \$20,000

This item adds resources to the Small and Simple Projects Fund to support projects generated by the LGBTQ community and nonprofit service providers that foster trust and understanding in response to increased incidents of violence and intolerance. Funding will be provided and administered as part of the regular Small and Simple Projects Fund.

Participatory Budgeting - \$500,000

This adjustment provides resources for awards made through the City's Participatory Budgeting pilot project. Community members will develop, prioritize and select and support a range of projects from sidewalks and park renovations to safety and security improvements. The pilot will focus on youth-initiated projects, and the Seattle Youth Commission will work with staff in DON to help steer the pilot. Initial one-time resources were provided in the 2015 Second Quarter supplemental budget legislation to develop the process and conduct outreach. The adopted budget includes additional staff capacity to support this pilot in 2016 in DON's budget.

Neighborhood Matching Subfund

Proposed Technical Changes

One-time Use of Unreserved Fund Balance

This item reduces the General Fund allocation in 2016 by \$131,819 and increases the use of fund balance by \$131,819. This reallocation will have no impact on the total grant resources available to neighborhoods and communities, the delivery of projects that have been awarded NMF funds, nor will it reduce the annual funding made available for new projects. This one-time use of fund balance is reflected on the revenue side of the budget.

Council Changes

Participatory Budgeting - \$200,000

The Council used one-time fund balance to add \$200,000 for the City's Participatory Budgeting pilot project bringing the total to \$700,000.

City Council Provisos

There are no Council provisos.

Expenditure Overview

| Appropriations | Summit Code | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|--|--------------------|---------------------|---------------------|----------------------|---------------------|
| Neighborhood Matching Fund Budget Control | | | | | |
| Large Projects Fund | | 724,903 | 1,505,515 | 1,540,141 | 2,244,512 |
| Management and Project Development | | 820,774 | 960,394 | 967,436 | 955,177 |
| Small and Simple Projects Fund | | 1,243,344 | 1,477,146 | 1,511,120 | 1,510,244 |
| Small Sparks Fund | | 66,018 | 67,052 | 68,594 | 67,609 |
| Total | 2IN00 | 2,855,039 | 4,010,107 | 4,087,291 | 4,777,542 |
| Department Total | | 2,855,039 | 4,010,107 | 4,087,291 | 4,777,542 |
| Department Full-time Equivalent Total* | | 7.00 | 8.00 | 8.00 | 8.00 |

** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Neighborhood Matching Subfund

Revenue Overview

2016 Estimated Revenues

| Summit Code | Source | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|--------------------------------------|--|------------------|------------------|------------------|------------------|
| 587001 | Operating Transfer In from Finance General | 3,504,940 | 1,576,807 | 3,324,991 | 3,163,660 |
| Total General Subfund Support | | 3,504,940 | 1,576,807 | 3,324,991 | 3,163,660 |
| Total Revenues | | 3,504,940 | 1,576,807 | 3,324,991 | 3,163,660 |
| 379100 | Use of (Contribution To) Fund Balance | -649,901 | 2,433,300 | 762,300 | 1,613,882 |
| Total Use of Fund Balance | | -649,901 | 2,433,300 | 762,300 | 1,613,882 |
| Total Resources | | 2,855,039 | 4,010,107 | 4,087,291 | 4,777,542 |

Appropriations By Budget Control Level (BCL) and Program

Neighborhood Matching Fund Budget Control Level

The purpose of the Neighborhood Matching Fund Budget Control Level is to support local grassroots projects within neighborhoods and communities. The Neighborhood Matching Fund provides funding to match community contributions of volunteer labor, donated professional services and materials, or cash, to implement community-based self-help projects.

| | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|------------------------------------|------------------|------------------|------------------|------------------|
| Program Expenditures | | | | |
| Large Projects Fund | 724,903 | 1,505,515 | 1,540,141 | 2,244,512 |
| Management and Project Development | 820,774 | 960,394 | 967,436 | 955,177 |
| Small and Simple Projects Fund | 1,243,344 | 1,477,146 | 1,511,120 | 1,510,244 |
| Small Sparks Fund | 66,018 | 67,052 | 68,594 | 67,609 |
| Total | 2,855,039 | 4,010,107 | 4,087,291 | 4,777,542 |
| Full-time Equivalents Total* | 7.00 | 8.00 | 8.00 | 8.00 |

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Neighborhood Matching Subfund

The following information summarizes the programs in Neighborhood Matching Fund Budget Control Level:

Large Projects Fund Program

The purpose of the Large Projects Fund is to provide funding to grassroots organizations initiating community building projects that require up to 12 months to complete and up to \$100,000 in Neighborhood Matching Funds.

| Expenditures | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|---------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Large Projects Fund | 724,903 | 1,505,515 | 1,540,141 | 2,244,512 |

Management and Project Development Program

The purpose of the Management and Project Development division is to administer the community grant awards by providing marketing and outreach to applicant groups; technical assistance and support to community groups for project development and implementation; administrative support coordinating and conducting the application review and award processes; and management and monitoring of funded projects to support high-quality and successful completion of projects.

| Expenditures/FTE | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|------------------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Management and Project Development | 820,774 | 960,394 | 967,436 | 955,177 |
| Full-time Equivalent Total | 7.00 | 8.00 | 8.00 | 8.00 |

Small and Simple Projects Fund Program

The purpose of the Small and Simple Projects Fund is to provide funding for community building projects initiated by grassroots organizations that can be completed in 12 months or less and require up to \$25,000 in funding.

| Expenditures | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|--------------------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Small and Simple Projects Fund | 1,243,344 | 1,477,146 | 1,511,120 | 1,510,244 |

Small Sparks Fund Program

The purpose of the Small Sparks Fund is to provide one-time awards of up to \$1,000 for small community building projects initiated by grassroots organizations. Awards are available to neighborhood organizations with annual operating budgets under \$25,000.

| Expenditures | 2014 Actuals | 2015 Adopted | 2016 Endorsed | 2016 Adopted |
|---------------------|-------------------------|-------------------------|--------------------------|-------------------------|
| Small Sparks Fund | 66,018 | 67,052 | 68,594 | 67,609 |

Neighborhood Matching Subfund

Neighborhood Matching Subfund Fund Table

Neighborhood Matching Subfund (00165)

| | 2014 Actuals | 2015 Adopted | 2015 Revised | 2016 Endorsed | 2016 Adopted |
|--|------------------|------------------|------------------|------------------|------------------|
| Beginning Fund Balance | 4,511,126 | 4,149,909 | 5,161,027 | 2,117,619 | 2,963,737 |
| Accounting and Technical Adjustments | 0 | 0 | 0 | 0 | 0 |
| Plus: Actual and Estimated Revenues | 3,504,940 | 1,576,807 | 1,561,807 | 3,324,991 | 3,163,660 |
| Less: Actual and Budgeted Expenditures | 2,855,039 | 4,010,107 | 4,160,107 | 4,087,291 | 4,777,542 |
| Plus: Projected Underspend | 0 | 401,010 | 401,010 | 408,729 | 0 |
| Ending Fund Balance | 5,161,027 | 2,117,619 | 2,963,737 | 1,764,048 | 1,349,855 |
| Continuing Appropriations | 2,215,819 | 1,355,736 | 2,045,787 | 1,355,736 | 1,355,736 |
| Total Reserves | 2,215,819 | 1,355,736 | 2,045,787 | 1,355,736 | 1,355,736 |
| Ending Unreserved Fund Balance | 2,945,208 | 761,883 | 917,950 | 408,312 | -5,881 |