

# C Community Development Committee

Management Committee: October 28, 2009

Metropolitan Council: November 4, 2009

**Meeting date: October 19, 2009****ADVISORY INFORMATION****Date:** October 16, 2009**Subject:** 2009 Unified Operating Budget Amendment**District(s), Member(s):** All**Policy/Legal Reference:** MN Statutes section 473.13, sub. 1 -- Council Budget Requirements**Staff:** Beth Reetz, Director of Housing & Livable Communities**Prepared/Presented:** (651) 602-1060; Guy Peterson, Director of Community Development Division (651) 602-1418**Division/Department:** All**Proposed Action**

That the Metropolitan Council amends the 2009 Unified Operating Budget by decreasing Federal Revenues as indicated.

**Background**

The Department of Housing and Urban Development (HUD) provides Housing Assistance Subsidies to benefit families in the Section 8 Program. Payments are made to the Council based on an estimated number of families and estimated subsidy per family. The Council then passes through payments to landlords based on actual families and subsidies. Any variance from the estimated payment received from HUD and the actual payments to landlords is deposited to, or withdrawn from, a restricted reserve account of HUD cash held by the Council. The current balance in the account is \$6,066,947. HUD has decided to draw down their balance in 2009 by withholding payments.

To reflect use of restricted reserves, staff recommends reducing Federal Revenues in the amount of \$6,066,947.

**Rationale**

The use of reserves consists entirely of funds held by the Council that belong to HUD.

**Funding**

This request will reduce restricted reserves.

**Know Support / Opposition**

None