



Community Development Block Grant

IACC Conference - Wenatchee

October 2015

Community Development Block Grant

- Annual “block” of funds from HUD
- Began in 1974 by combining 7 grant programs
- Federal CDBG budget:
 - 70% for city/county urban (entitlement) programs
 - 30% for state rural (non-entitlement) programs
- Entitlement status based on population
- HUD directly awards Indian CDBG funds
- WA State CDBG administered by the state Dept. of Commerce



Local CDBG & State CDBG Programs



<p>Non-Entitlement Counties:</p> <p>These counties and the subdivisions in these counties (except the 11 listed in the box to the right) are served by the state CDBG program.</p>	<p>Entitlement Counties:</p> <p>These 7 counties and the subdivisions in these counties are not served by the state CDBG program (except for the 11 listed in the box to the right).</p>	<p>Entitlement (not served by the state CDBG program) or non-entitlement counties:</p> <ul style="list-style-type: none"> - Anacortes - Bellingham - Longview - Skagit County - Skamania - Whatcom - Waukesha - Yakima
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How to find info on CDBG programs

Federal CDBG program and general info:

- HUD CDBG website at www.hud.gov
 - Annual formula allocations; income data
 - Federal, state, city & county contact info

Local CDBG programs:

- City or county website; usually in community development, housing, or planning depts

WA State CDBG program: www.commerce.wa.gov/cdbg

Tribal CDBG program:

- HUD Northwest Office of Native American Programs



CDBG Eligible Activities

1. Public facilities (including sewer, water, streets/sidewalks, community facilities)
 - Design, construction, acquisition
2. Economic development - direct job creation
 - Business assistance, infrastructure, training
3. Affordable housing
 - Rehabilitation, side services, acquisition and infrastructure in support of new housing



CDBG Eligible Activities (cont.)

4. Planning
5. Public Services

Ineligible Activities

- Government admin buildings
- Operations and maintenance
- New housing construction




CDBG National Objectives

- Benefit low- and moderate-income persons
Is the primary program objective
 - 70% of program's activities must benefit LMI

LMI = up to 80% of area median income

- Ex. \$44,950 four person family in Grant Co.

- Prevent or eliminate slum/blight
- Meet urgent need/immediate threat to public health & safety



Low- and Moderate-Income (LMI)

LMI Area Benefit

= All persons in city/town boundaries or service area to benefit by activity

Then at least 51% of persons must be LMI, based on:

- HUD LMI Census/ACS Data (2014), or
- Income Survey meeting CDBG standards



Low- and Moderate-Income (LMI)

LMI Area Benefit data and resources:

- Online HUD LMI Map - **new**
 - Open App or click on URL listed on page
 - Hover over your community for Block Group and Place boundaries and LMI data
- WA State CDBG website and handbooks
- Two Income Survey Guides
 - IACC (for multiple funders), State CDBG



Low- and Moderate-Income (LMI)

LMI Direct Benefit

Activity targets LMI persons

- Income qualified services, housing or jobs
- HUD Special Group
 - abused children, battered spouses, elderly persons, homeless, illiterate persons, migrant farmworkers, persons living with AIDS, severely disabled adults



Grant Process

Each CDBG entitlement city/county and CDBG state program is unique.



Each will:

- Conduct required citizen participation
- Determine community priorities
- Design and implement application process
- Submit a 5-yr and annual Action Plans and performance reports to HUD



Washington State CDBG Program

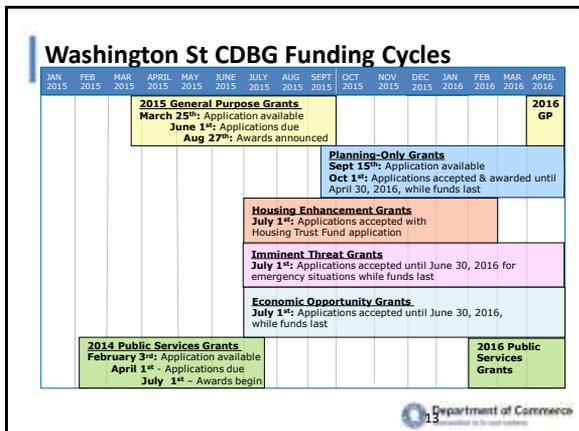
Program Year = July - June

- 2015 - \$11 million (HUD) + \$9 million RLF
- 2016 - \$10.7 million (est)

Sub-funds:

• General Purpose Grants	\$ 8.5 million
• Planning-Only Grants	\$ 240,000
• Imminent Threat Grants	\$ 100,000
• Housing Enhancement Grants	\$ 200,000
• Public Services Grants	\$ 1.5 million
• Economic Opportunity Grants	\$ 9 million





WA St CDBG General Purpose Grants

Proposed for 2016

Timeline

- March/April 2016 Application workshops
- Early June 2016 Due date
- Late August 2016 Awards

Max grant

- \$750,000 Construction or acquisition
- \$500,000 Housing rehabilitation
- \$250,000 Microenterprise assistance

Contact: Sheila Lee-Johnston

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WA St CDBG Planning-Only Grants

Timeline = NOW – April 2016 while funds last

Funds Available = \$240,000

Max grant = \$24,000

Type of plans = Utility system plans, GMA plans, feasibility studies, assessments, etc.

- Lower priority: System plan updates

Contact: Phyllis Cole

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WA St CDBG Economic Opportunity Grants

Timeline = NOW – July 2016 while funds last

Funds Available ~ \$4 million

Max grant

- \$35,000 / FTE job created
- If no direct jobs, based on financial need and economic impact
- Also subsidized business loans through non-profit financial institution

Contact: Kaaren Roe

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Is Federal Grant Money Free?

Federal Requirements

- Environmental Review (SEPA/NEPA)
- Procurement requirements (MWBE, Section 3)
- Davis-Bacon Labor Standards
- Civil Rights compliance (Fair Housing, ADA)
- Acquisition & Relocation (seller/tenant rights)
- Audit (Federal Single Audit)
- Subrecipient monitoring

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Federal Budget Concerns

Funding cuts & delays

- 2012 - 13.8% less
- 2013 - 4% less
- 2014 - 4% less
- 2015 - 2% less
- 2016 ~ 3% less

April 2016 - *hope* to know allocation for state

July 2016 - *hope* to receive 2016 funds

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CDBG - Recommended Next Steps

1. Determine project fit with CDBG:
 - Would project benefit LMI persons? (affordable rates, public health, job creation)
 - Is project prioritized by local plans & regulatory agency?
2. Research and apply to funding (loan) partners
3. Estimate need using Rate Affordability Review
4. Visit website for CDBG news and documents
5. Attend CDBG workshop in March/April

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Website – www.commerce.wa.gov/cdbg



The screenshot shows the website interface with three blue arrows pointing to specific sections: 'Fund info' points to the top navigation bar, 'What's New' points to the main content area, and 'Resources' points to the right-hand sidebar.

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Presented by: www.commerce.wa.gov/cdbg

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