



Department of Commerce

Community Development Block Grant

IACC Conference - Wenatchee

*Kaaren Roe
CDBG Program Manager*

October 2016

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



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Local CDBG & State CDBG Programs



<p>Non-Entitlement Counties</p> <p>These counties and the cities/towns in these counties except the 11 listed to the far right, are served by the state CDBG program.</p>	<p>Entitlement Counties</p> <p>These 7 counties and the cities/towns in these counties are not served by the state CDBG program except Bonney Lake in Pierce County.</p>	<p>Entitlement cities not served by the state CDBG program, but in non-entitlement counties:</p> <ul style="list-style-type: none"> • Anacortes • Bellingham • Longview • Mount Vernon • Richland, Pasco, Kennewick • Wenatchee, East Wenatchee • Walla Walla • 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:

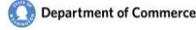
- HUD Northwest Office of Native American Programs



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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

- 1. **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. \$46,300 four person family in Grant Co.
- 2. **Prevent or eliminate slum/blight**
 - 3. **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, 2017?), or
- Income Survey meeting CDBG standards



Low- and Moderate-Income (LMI)

LMI Area Benefit data and resources:

1. Online HUD CDBG LMI Map
 - Open App or click on URL listed on page
 - Hover over your community for Block Group and Place boundaries and LMI data
2. WA State CDBG website and handbooks
3. Two Income Survey Guides - *updated*
 - 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:

1. Conduct required citizen participation
2. Assess needs and determine priorities
3. Design and implement application process
4. Submit a 5-yr and annual Action Plans and performance reports to HUD



Federal Budget Concerns

Funding cuts & delays

- 2016 \$11.3 million
 - 33% less than 2010 ☹️
 - 3% more than 2015 😊



- 2017 \$?
 - Range from -3% to same as 2016

April 2017 - hope to know allocation for state, but federal budget isn't approved yet and it's an election year

July 2017 - hope to receive 2017 funds to award



Washington State CDBG Program

Program Year = July - June

- 2016 - \$10.9 million (HUD) + \$3.25 million (RLF)
- 2017 - *Est* \$10.5 million (HUD)

Sub-funds:

- General Purpose Grants (awarded) \$ 9.1 million
- Imminent Threat Grants \$ 100,000
- Housing Enhancement Grants \$ 200,000
- Public Services Grants (awarded) \$ 1.5 million
- Economic Opportunity Grants \$ 3.25 million



Washington St CDBG Funding Cycles

JAN 2016	FEB 2016	MAR 2016	APRIL 2016	MAY 2016	JUNE 2016	JULY 2016	AUG 2016	SEPT 2016	OCT 2016	NOV 2016	DEC 2016	JAN 2017	FEB 2017	MAR 2017	APRIL 2017
2016 General Purpose Grants March: Application available June: Applications due Sept: Awards announced										2017 GP					
Economic Opportunity Grants July 1st: Applications accepted until June 30, 2017, while funds last															
Imminent Threat Grants July 1st: Applications accepted until June 30, 2017 for emergency situations while funds last															
Housing Enhancement Grants July-Sept: Applications accepted with Housing Trust Fund applications															
2016 Public Services Grants February: Application available April: - Applications due July: - Awards begin										2017 Public Services Grants					



WA St CDBG General Purpose Grants

Proposed for 2017

Timeline

- March/April 2017 Application workshops
- Early June 2017 Due date
- Early September 2017 Awards

Max grant

- \$750,000 Construction or acquisition
- \$500,000 Housing rehabilitation
- \$250,000 Microenterprise assistance
- \$24,000 Planning

Contact: Sheila Lee-Johnston



WA St CDBG Imminent Threat Grants

Timeline = NOW – June 2017 while funds last

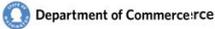
Funds Available ~ \$100,000

Note: additional funds could become available

Requirements

- Declaration of emergency
- To fund activities to alleviate unanticipated public health and safety threat
- Financial need
- LMI benefit not a requirement

Contact: Kaaren Roe



WA St CDBG Economic Opportunity Grants

Timeline = NOW – June 2017 while funds last

Funds Available ~ \$3.25 million

Note: apps are in the works to use up these funds

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

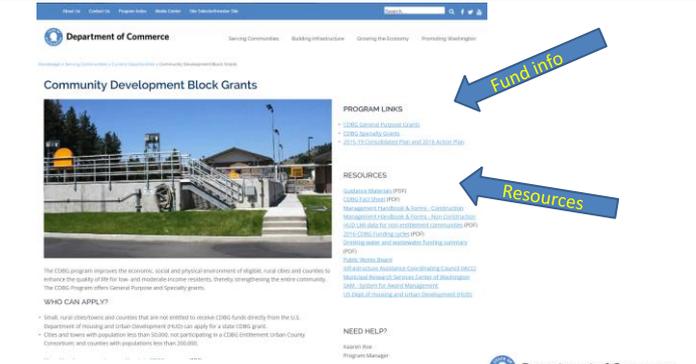
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CDBG - Recommended Next Steps

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



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