

A Brief History

- One of the longest continuously run programs at HUD
- Enacted by Gerald Ford August 22, 1974
- Had bipartisan support due to goal of eliminating poverty and blight and the fact that it placed control in the hands of local government rather than federal government
- Creation of the CDBG was a departure from status quo of federal funding



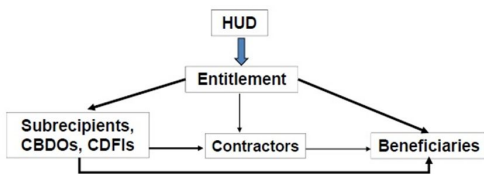
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How are CDBG funds allocated?

- CDBG funds states, cities, and urban counties directly
- Reauthorized by Congress in 1978 -> instituted a dual formula to control allocations to better serve communities with different problems
- HUD calculates both formulas for all entitlement grantees and awards the larger amount
- Grantees then award funds on a competitive basis to agencies/programs/projects

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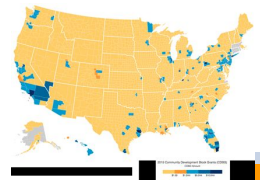
CDBG Money Flow



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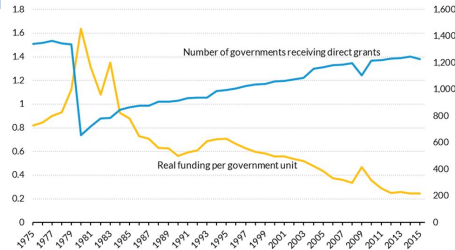
Current CDBG Funding

- Provides annual grants on a formula basis to general units of local government; number of grantees has gone up over time
- 8 Program Areas:
 - Entitlement Communities
 - State Administered
 - Section 108 Loan Guarantee Program
 - HUD Administered Small Cities
 - Insular Areas
 - Disaster Recovery Assistance
 - Neighborhood Stabilization Program
 - Colonias



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Community Development Block Grant Funding per State and Local Government Grantee (millions of 2013 dollars)



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Success in Numbers

- Since 1974, CDBG has invested \$144 billion in communities nationwide
- Over the life of the program:
 - Assisted over 1.1 million people with homeownership and home repairs
 - Benefitted over 33 million people nationwide through public improvements
 - Provided public services to over 105 million people
- Over the last decade the CDBG has created 353,000 permanent jobs and sustained an additional 861,000
- As of July 2017: for every \$1 of CDBG funds an estimated \$3.65 was leveraged in non-CDBG funds
- This FFY more than 7,250 local governments have access to funding

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What's required of the Grantee?

- Develop, adopt, and follow:
 - Citizen Participation Plan
 - 5-Year Consolidated Plan with clear priorities for the locality
- Develop:
 - Analysis of Impediments to Fair Housing Choice
 - Annual Action Plan with each activity and project outlined in detail
 - Consolidated Annual Performance and Evaluation Report (CAPER) at the end of each FFY
- Submit quarterly reports on projects/activities in HUD's online software (Integrated Disbursement and Information Systems - IDIS)

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Town of Union Consolidated Plan Priorities (2015-2019)

- PRIORITY 1**
Provide extremely low, very low, and low income renters with rental assistance to alleviate rent cost burden (paying more than 50% of gross income for rent) and encourage rent cost burden paying more than 50% of gross income for rent and provide of renters with a choice of affordable decent, safe, and sanitary rental units.
- PRIORITY 2**
Increase homeownership as the preferred form of housing tenure by maintaining the existing affordable housing stock and providing financial assistance for the purchase and/or rehabilitation of existing housing.
- PRIORITY 3**
Provide the elderly with housing opportunities and support services necessary to maintain their independence.
- PRIORITY 4**
Provide additional affordable housing units and support services for persons with a wide range of special needs.
- PRIORITY 5**
Provide the provision of additional outreach services, supportive housing, and permanent housing for the homeless and those at risk of becoming homeless.
- PRIORITY 6**
Preserve and enhance the quality of life in older neighborhoods by providing high quality public amenities such as parks, public facilities, and infrastructure to promote safety, reduce the number of abandoned and deteriorating housing units, and create an environment conducive to attracting additional public and private investment. Additional emphasis will be placed on flood control and remediation.
- PRIORITY 7**
Provide services and support for the elderly, youth, disabled, and other extremely low- and low- and low-income persons in a manner that encourages public, private, and non-profit sector collaboration and reduce program duplication.
- PRIORITY 8**
Promote accessibility to public facilities and places by removal of architectural barriers.
- PRIORITY 9**
Preserve buildings and neighborhoods of local, state, and national historic importance and/or architectural significance.
- PRIORITY 10**
Encourage job creation/retention for low and moderate-income persons by improving the viability of target area neighborhood business districts, promoting the rehabilitation of commercial/residential structures, increasing target area infrastructure such as mass transit and parking facilities in order to stimulate private investment, and providing technical assistance to new and established businesses.
- PRIORITY 11**
Provide administrative and planning activities necessary for the implementation of the objectives, actions, and programs outlined in the Consolidated Plan and Annual Action Plans.

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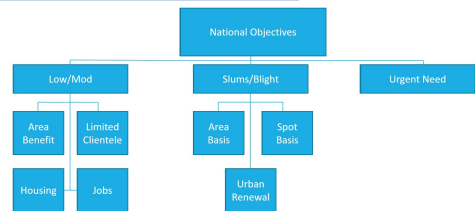
What are the requirements for the use of CDBG funds?

- Each grantee receiving funds is free to determine which eligible activities it will pursue as long as:
 - A national objective is met
 - A primary objective is met as an outcome of a grant funded project
 - 51% or more LMI benefit for the grant allocation
- Other federal requirements such as environmental review, labor standards, fair housing, and nondiscrimination laws also apply to the use of CDBG funds



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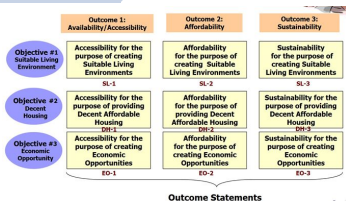
National Objectives



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Primary Objectives / Outcomes

- Development of viable urban communities, principally for LMI persons through:
 - Decent housing
 - Suitable living environments
 - Expanded economic opportunity



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General Process

- Applications made available to the public
- Applications received by the Office of Community Development
- Reviewed for compliance
- Recommendations made by Citizen Advisory Committee and through public hearings
- Town Board has final authority in fund allocation
- Projects created in online database, funds allocated
- Environmental reviews completed for each project
- Reporting done quarterly and at the end of FFY



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Eligible Activities and Consolidated Plan Priorities

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Qualification

- Does your program meet a National Objective?
- Does your program offer a service that has been identified as a priority in the Town's Consolidated Plan?
- Does activity comply with OMB circulars A-87 (governmental costs), A-122 (non-profit costs), or A-21 (educational costs)?

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Three National Objectives

- Directly benefit persons or areas of low to moderate income
 - Typically a 51% or more LMI requirement
- Aid in the elimination of slums and blight
- Designed to meet community development needs having a particular urgency
 - Example: disaster relief

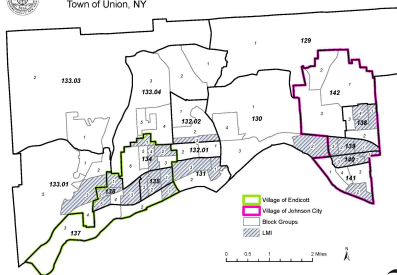
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United States Department of Housing and Urban Development Income Limits Effective April 24, 2019

Household Type	Family Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8+ Persons
Extremely Low Income (30% of Median)		\$14,850	\$18,850	\$21,330	\$25,750	\$30,170	\$34,590	\$39,010	\$43,430
Section 8 Eligibility									
Very Low Income (50% of Median)		\$24,700	\$28,200	\$31,750	\$35,250	\$38,100	\$40,900	\$43,750	\$46,550
Low Income (80% of Median)		\$39,800	\$46,150	\$50,800	\$56,400	\$60,850	\$65,450	\$69,950	\$74,450

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Low/Moderate Income Areas Town of Union, NY



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Consolidated Plan Priorities

- Refer to Consolidated Plan for detailed priorities, but generally includes:
 - Residential services
 - Special needs support
 - Blight elimination and infrastructure repair
 - Cultural/recreational activities
 - Job creation/retention

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Eligible Activities



- Wide variety of activities possible:
 - Infrastructure
 - Housing and other real property activities
 - Public facilities and public services
 - Economic development
 - Subrecipient, Community Based Development Organization (CBDO), and Community Development Financial Institution (CDFI) activities
 - Planning and administrative costs
 - Code enforcement
 - Homeowner assistance

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Prohibited Activities



- Political activities
- Governmental expenses/buildings
- Purchase of construction equipment
- Purchase of personal property
- Purchase of moveable equipment/furnishings
- Non-service operating and maintenance expenses
- New housing construction
- Client income payments

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Capital Improvement Projects Only

- Is it a public facility?
- Is it located in an LMI area or does it provide services to LMI clientele within a specified service area?
- Do you own the property or do you have a long term lease (defined as lasting at least 15 years)?
- Do you have the appropriate property insurance?

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Application Process

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Rankings

- ❖ Applicants are assigned rankings according to several factors:
 - What percentage of town residents use the program/facility?
 - Does it provide a basic human necessity?
 - Is it an unduplicated service?
 - Has it performed well in the past?
 - Is it a new program, or returning program?

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All Recipients Must:

Be informed

- Read the appropriate rules and requirements

Document as much as possible

- Prevents problems from occurring
- Helps with external audits and bookkeeping

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Applications available online

www.townofunion.com

- Departments
 - Community Development
 - Forms and Applications

- Public service and capital improvement projects must be submitted separately

Forms & Applications

Categories

- Federal Fiscal Year 2019 CDBG Application Documents
- Subrecipient Toolbox (for recipients of CDBG funds)

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Cover

- Follow the checklist
- At the bottom, indicate whether certain documentation has been submitted previously
- Update Board of Directors listing if it has changed since your most recent application

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Narrative

- Select National Objective and Consolidated Plan Priority from pull-down menus
- Provide an activity/project description in the space provided
 - Please do not attach additional descriptive material in the application

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Project Proposal

- Indicate your costs and potential funding sources (including the requested CDBG funds)
 - Costs should match the funding
 - Form does not calculate total costs
- Indicate the total number of persons anticipated to be served and the number of those that are anticipated to be TOU residents (this prevents duplicate reporting)

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Project Budget: Public Service Projects Only

- Fill out the salary and benefit information for individuals to be paid with CDBG funds
- Fill out other expenses at the bottom
- If not enough available space, print out additional form(s)
- Double-check your math
- **These items will be listed in the Subrecipient Agreement as the "line items" that the Town funds**

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Attachments

- Add all attachments that are required
- Please do not add any more attachments than are requested with the application



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Application Submission

- Two copies (one with original signatures) of your printed application must be delivered to:

Town of Union, Planning Department
Sara Zubalsky-Peer, Director
3111 East Main St
Endwell, NY 13760-5990

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Timeline



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Application Process / Typical Dates

- All dates are approximate
- Applications available: **Mid-March**
- Applications due: **Late April**
 - Applications must be delivered to the Planning Department by 4:00PM on the deadline
- Mid-March:** Initial Input Public Hearing
- Mid-June:** Draft Plan Public Hearing
- Mid-July:** Final Plan Approval
- Regardless of the approval of your application, you will be notified of the final status

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Contract Process

- Typically August / September
- If awarded funds are a different amount than what was requested, you will be sent an update form
 - Please make corrections to line items and send back
- Contracts (x3) written and mailed to be signed and sent back
- Final executed contracts mailed out



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Federal Fiscal Year Quarters

- 1st Quarter: October 1st - December 31st
 - Do not make purchases or otherwise obligate or commit CDBG funds by signing contracts for goods, services, or construction prior to October 1st
- 2nd Quarter: January 1st - March 31st
- 3rd Quarter: April 1st - June 30th
- 4th Quarter: July 1st - September 30th

Please send in one voucher along with report each quarter where feasible.

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FINAL REPORTING DATE

Your final End of Year report must be submitted to the town by October 31st.

It is preferable to send in your final report with your last voucher.



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Capital Improvement Procurement Procedures

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Facility Repairs



- Projects that are considered to be routine maintenance costs such as minor repairs are NOT eligible
 - ▷ Exception under 570.207(b)(2): facilities designed for use in providing shelter for persons having special needs are covered under the public facilities improvement category; operating and maintenance expenses for public facility improvements associated with public service activities are allowed
- Projects replacing items/repairs previously completed with CDBG funds are considered routine maintenance
- Substantial rehabilitation or replacements are considered eligible projects

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Scope of Work

- Create a detailed scope of work
 - ▷ This will not be funded by CDBG
- Larger, more complicated projects necessitate more details, possibly from a licensed professional such as an Architect or Professional Engineer
- Capital improvement projects under \$10,000 may be more likely to be approved for funding

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Conflicts of Interest

- It is important to avoid even the appearance of a conflict of interest
 - ▷ Someone affiliated with your agency may help create the scope of work but may not bid on the project
 - ▷ No one affiliated with creating the scope of work may bid on projects

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Types of Procurement Procedures

- Subrecipient's procurement process
 - ▷ Use as long as it meets TOU and Federal requirements
- Small purchases
 - ▷ Only for projects < \$20,000
 - ▷ Request informal bids from contractors (minimum of 3)
- Competitive sealed bids
 - ▷ Require for purchases > \$20,000
 - ▷ Must publicly advertise for bids (minimum of 3)
- Non-competitive Proposals/Sole Source Procurement
 - ▷ Allowed only under special circumstances

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Bid Process

- Determine construction dates
- If the project > \$2,000, determine Davis-Bacon wage rates
- Seek bids according to procurement process used
- If the project is > \$100,000, bid guarantees may be necessary
- Award contract and provide the town with documentation detailing the selection process



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Before Construction Begins

- The contractor will need to set up a meeting with the Community Development Coordinator at least one week before construction begins
- If the project is > \$100,000, payment and performance bonds may be necessary



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Documentation Standards

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Project Documentation

- Project agencies must document Town of Union clients that utilize their service
 - Address
 - Must provide proof
 - Ethnicity (Latino or non-Latino)
 - Race (One or more of 5 categories)
 - Income
 - Must provide proof unless Presumed Benefit

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CRBG FUNDED PUBLIC SERVICE PROGRAM

Name of Applicant: _____
 Street Address: _____
 City: _____ State: _____ Zip Code: _____
 EXTREME CITY (extreme_city.az.gov)
 _____ Hispanic or Latino _____ Not Hispanic or Latino
 RACE (check all that apply)
 _____ American Indian or Alaska Native _____ Asian
 _____ Black or African American _____ White
 _____ Native Hawaiian or Other Pacific Islander _____ Asian and White
 _____ American Indian or Alaska Native and White _____ Black or African American and White
 _____ American Indian or Alaska Native and Black or African American
 _____ Other or Native American only
 Family Head of Household: _____ No. of Family members currently employed: _____
 Family Income (please check):

No. of Family members living in household	Estimated Low (25% of Median)	Very Low (50% of Median)	Low (75% of Median)
1	\$10,000	\$15,000	\$20,000
2	\$12,000	\$18,000	\$24,000
3	\$14,000	\$21,000	\$28,000
4	\$16,000	\$24,000	\$32,000
5	\$18,000	\$27,000	\$36,000
6	\$20,000	\$30,000	\$40,000
7	\$22,000	\$33,000	\$44,000
8	\$24,000	\$36,000	\$48,000

 In order to be considered eligible for the CRBG program, applicants must check appropriate boxes and provide the following information:
 Agency/Department/Institution: _____
 Name: _____
 Title: _____
 Address: _____
 City: _____
 State: _____
 Zip: _____
 Phone: _____
 Email: _____
 Signature: _____
 Date: _____
 Social Security Number: _____
 PLEASE PRINT AND SUBMIT WITH APPLICATION

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Presumed Benefit

- Abused children
- Homeless
- Battered spouses
- Person with HIV/AIDS
- Senior citizens (Aged 62 or older)
- Illiterate adults
- Severely disabled adults
- Migrant farm workers

These clients are automatically categorized as low-income when reporting.
 For more details, refer to the Presumed Benefit handout from the monitoring visit.

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What if...?

- ...the client elects not to provide proof of residency?
 - Assume they do not live in the Town.
- ...the client elects not to provide proof of income?
 - Assume they are not LMI.
- ...the client elects not to indicate their race/ethnicity?
 - The person taking the application must make their best educated guess.

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What is Onsite Monitoring?

- A field visit conducted by the Community Development Coordinator
- "Spot check" to ensure requirements are being met
- Not an audit



When: Usually August/September

Duration: ~ 15 - 30 minutes

Where: At subrecipient's location

Who needs to be present: The grant writer and financial representative/accountant or project head.

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What you need to provide:

- A description of your program
- A sample intake (enrollment) form
- Any financial or other records the coordinator wants to clarify



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Capital Projects

- For these projects, the purpose of the onsite visit is to take photos and double check the final product
- Monitoring visits may also occur for prevailing wage rate interviews and in-progress photos for our records



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Reporting Procedures

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Summary Report

- Due along with every quarterly voucher submitted
- Indicate the number of **new, unduplicated** clients served during that period according to income and racial/ethnic categories
 - Example:
 - A Town of Union resident begins using your service in the months of October - December. You report their race and ethnicity on the 1st quarter reporting form. When they come back again in February, you exclude them from the 2nd quarter form because they have already been reported.

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Final Report

Final full summary report

- Total new clients served throughout FFY
- Due by October 31st

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Form and Email Date
Resident's Name

Figure 10
Basis/Category

Worksheet/Category

Form/Worksheet/Category

Print Your Test Report

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

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Questions and Answers

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Thank you!

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