



CDBG/HOME APPLICATION WORKSHOP

FY-2017 Community Development Block Grant (CDBG) and
HOME Funding

Presentation Available On-Line



- Click the following links:
 - City of Columbia web site www.gocolumbiamo.com
 - Community Development.
 - Neighborhood Services.
 - Federal Assistance Programs (CDBG and HOME)
 - Grants for Local Organizations

Presentation Overview



- Review Goals of Tonight
- CDBG and HOME
- Presentation overview
 - Estimated funding
 - Income requirements
 - Funding categories
 - Application timeline
- Eligible CDBG activities
- Eligible HOME activities

Presentation Goals



1. Review CDBG/HOME application process.
2. Ensure all attendees understand project eligibility.
3. Identify agencies that plan to submit an application by April 29th.
(Must decide and submit a letter of intent by March 18th)

Competition in 2016 (Last Year)

■ CDBG

- \$1,169,000 in funding requests.
- \$839,000 in funding awarded.
- 9 of 11 proposals were funded.
- 4 were fully funded.

■ HOME

- \$661,250 in funding requests.
- \$369,000 in funding awarded.
- 3 of 5 proposals were funded.

CDBG and HOME

Community Development Block Grant (CDBG)

Federal program to improve low to moderate income households and neighborhoods by creating or enhancing:

- decent housing
- suitable living environment
- economic opportunities.

HOME Investment Partnerships (HOME)

Federal program to create affordable housing for low to moderate income households.

Estimated Funding

- **2017 CDBG Funding-CFDA No. 14.218**
 - Approximately \$830,000.
 - Funding estimated to be available July of 2017
- **2017 HOME Funding-CFDA No. 14.218**
 - Approximately \$400,000.
 - Funding estimated to be available July of 2017
- **City General Revenue Funding**
 - Homeless Day Center.
 - Approximately \$43,000.
 - Funding estimated to be available August of 2016

Application Process



- Review Consolidated Plan: eligible activities.
- Proposals submitted via Apricot web-based system.
 - If new to Apricot or need update, complete sign-up sheet in back of room.
 - March 24th and 25th help session sign-up
- *Letter of intent is required by March 18th in order to be eligible to apply for funds*.

Letter of Intent, Due 3/18/16 11:59 pm

- Brief summary of project to apply for funds.
- Estimated funding application amount and type (CDBG or HOME)
- *Important*: Include primary contact for application and staff member responsible for submitting using the on-line system.
- Can be submitted via email to Randy Cole: rlcole@gocolumbiamo.com

****Must be received by 11:59pm March 18th 2016****

Letter of Intent Example



701 E. Broadway
PO Box 6015
Columbia, MO 65201-6015

Dear CD Department Staff:

This letter is to inform you of our organization's intent to apply for CDBG funds to renovate our youth center. We serve low-income at risk youth with mentoring and learning opportunities through various programs we operate. Our facility needs a new HVAC system and energy efficiency upgrades. We intend to apply for approximately \$50,000 in CDBG funds for these renovations.

John Doe is our grants manager and will be responsible for submitting our CDBG application through your on-line system. His email is jdoe@example.org and his phone number is 573-777-7777. John will be contacting you to set up a time to review utilizing the Apricot system.

Sincerely,
Jane Doe
Executive Director

Low to Moderate Income

- All funded projects must benefit low to moderate income individuals or households.
- Current HUD defined 80% area median income

Household Size	Income Limit
1-person	\$ 40,600
2-person	\$ 46,400
3-person	\$ 52,200
4-person	\$ 58,000

Con-Plan: Eligible Funding Categories

Economic development

- Job training
- Micro-lending

Affordable housing

- New single family or multi-family construction (Generally only HOME eligible)
- Single family or multi-family rehabilitation
- Homebuyer assistance

Community facilities

- Non-profit renovation, expansion, acquisition, or construction of facilities serving youth, homelessness, ex-offenders, and mental health

Fair housing

- Fair housing counseling
- Outreach and education

Neighborhood needs

- Sidewalks
- Bus shelters
- Demolition

CDBG/HOME APPLICATION TIMELINE



- March 18, 2016: Required letter of intent due by 11:59 pm.
- April 29, 2016: Deadline for 2017 CDBG/HOME Applications, 11:59pm
- May 11, 2016: CDC Public Hearing for City Project Requests
- June 1, 2016: CDC Public Hearing for Agency Requests
- June 15, 2016: CDC Meeting to make Recommendations for CDBG and HOME Projects

CDBG APPLICATION TIMELINE (CONTINUED)

- AUGUST 15, 2016: (tentative) Estimated Date Council Hears 2017 CDBG and HOME Budget Request
- SEPTEMBER 19, 2016: Council Approves 2016 CDBG Budget
- FEBRUARY 2017: HUD Notifies City of final funding allocations.
- APRIL 2017: Council adopts final Annual Action Plan with budget actuals
- APRIL-MAY 2017: Environmental Reviews completed
- JUNE- JULY, 2017: Sign Agreements for 2017 Funding with City
- JULY-AUGUST, 2017: Start Project
- September 30, 2018: Projects Completed

CDBG or HOME

- If you are unsure if you should apply for CDBG or HOME funds at the end of the presentation, please stay after and speak with me.

CDBG HOUSING:

ELIGIBLE ACTIVITIES

- Rehabilitation, housing repair, accessibility improvements
- Homeownership Assistance
- On-Site infrastructure improvements, including demolition
- Property acquisition
- Inspections, lead hazard evaluations, rehabilitation administration
- Homebuyer education
- Fair housing counseling-(Public Service Activity)
- Housing infrastructure that will be publicly owned.

CDBG HOUSING:

Income Documentation

- Occupants must be low to moderate income. (80% AMI or below)
- An application must be submitted by the property owner.
- Requires income verification according to HUD/City guidelines as projects are identified

CDBG-COMMUNITY FACILITIES:

Eligible Activities

- Acquisition, renovation, new construction for the following types of facilities:
 1. Youth
 2. Homelessness
 3. Ex-offenders
 4. Mental Health
- Examples:
 - Mental health treatment centers
 - Homeless shelters
 - Childcare centers
 - Youth activity centers

Community Facilities



Park Avenue Head Start

Health Department Facility



CDBG COMMUNITY FACILITIES:

Income Documentation

- For existing facilities, survey FY 2016 beneficiaries
- For new services and facilities,
 - Survey beneficiaries for six months after the facility opens.

CDBG-ECONOMIC DEVELOPMENT:

Eligible Activities

- Job Training (Public Service Activity).
- Micro-enterprise: loans to businesses with 5 or fewer employees.
 - Must be owned by low to moderate income household.
 - Or, at least 51% of employees meet criteria for being low to moderate income.
 - Based on household income.
 - Based on geography of employee
 - Resides within census tract with at least 70% LMI households.
 - Based on geography of business
 - Located within a census tract with a poverty rate of at least 20%, and census block has poverty rate at least 20%.

PUBLIC SERVICE ACTIVITY LIMITS

- Public Service Activities (Job Training, fair housing counseling)
 - Must increase level of service or be a new service.
 - CDBG funds cannot substitute for agency funds.
 - Only 15% of total CDBG budget available
 - $15\% \times \$830,000 = \underline{\$124,500}$

CDBG NEIGHBORHOOD NEEDS

Eligible Activities

- Sidewalks.
- Bus Shelters.
- Demolition of dilapidated structures.



Previous Neighborhood Needs Example Projects



Worley Sidewalks

Hunt Street Improvements



CDBG NEIGHBORHOOD NEEDS

INCOME DOCUMENTATION

- Census data, CDBG eligible area
 - CDBG Eligible Area Map on City Website under “Maps”
- ADA improvements are assumed low income.
 - Beneficiaries are still surveyed after the improvements are completed.
 - 51% of beneficiaries must be LMI.

CDBG SLUM AND BLIGHT OBJECTIVE: ELIGIBLE PROJECTS



- Demolition of dilapidated buildings on public property.
- Demolition of dilapidated housing.

Neighborhood Needs Example Projects

Demolition of 603 N. Fourth



Before



After

HOME PROGRAM: ELIGIBLE PROJECTS

- Owner Occupied Rehabilitation
- Rental Rehabilitation
- New Construction of Owner Occupied Housing
- New Construction of Rental Housing
- Homeownership Assistance (Existing Housing and New Construction)

HOME PROGRAM ELIGIBLE COSTS

- Architectural
- Inspections
- Other Professional Services
- Acquisition of Property
- Demolition
- Construction
- Relocation
- Down-payment and Closing Costs

Affordable Housing Example Projects



908 Madison



904 Madison



1004 N. 7th St.

\$34,725
HOME Funds



602 Florence

\$34,725

HOME Funds



Affordable Housing Example Projects



ELIGIBLE HOME RECIPIENTS

- City of Columbia
- Housing development organizations producing affordable housing.
- Not-for-profit or public agencies administering housing programs.
- Community Housing Development Organizations (CHDO)
 - Board structure (1/3 low income & no more than 1/3 public officials)
 - Housing development capacity
 - Not for profit
- For-profits completing a project consistent with HUD requirements
 - Affordability period
 - Rent/purchase price requirements
 - Income verification for occupants.

OWNER OCCUPIED REQUIREMENTS



- 80% area median income or below.
- City property maintenance codes and rehab standards for rehabs.
- All new construction must meet current International Energy Conservation Code (IECC) and minimum energy efficiency standards adopted by the City and include minimum Universal Design requirements.

Universal Design Requirements

1. At least one accessible, no-step entrance with at least a 36" door on an accessible route from site entry point; max threshold height: ¼" vertical, ½" beveled (1:2 slope);
2. Maximum 1:20 running slope and 1:50 cross-slope for exterior accessible routes;
3. 36" wide clear travel space along accessible routes;
4. 60" x 60" level (less than 2% slope in any direction) maneuvering space clear of door swing at accessible entrances; 18" clear space on pull side of door;
5. One wheelchair accessible bathroom; See City staff.
6. Removable or retractable doors and toe kicks under kitchen and accessible bath sinks;
7. Minimum 32" interior door panel and 42" hallways; 18" clear space on pull side of all doors, minimum of 30" x 48" approach space on push side.
8. Lever-type door handles;
9. Illuminated, rocker-type switches;
10. First floor switches and environmental controls shall be placed no higher than 48 inches above the finished floor and electrical outlets no lower than 15 inches above the finished floor to bottom outlet. Any switches/outlet above kitchen cabinets/bathroom vanity shall be placed no higher than 45 inches above the finished floor to switch or top outlet;
11. Nominal 2x8 blocking placed in appropriate locations between studs to support installation of grab bars in the tub/shower and toilet areas of the wheel chair accessible restroom.

RENTAL HOUSING REQUIREMENTS

- Serves occupants at 60% area median income or below
- Affordability period will continuously be monitored
 - Occupant income verification
 - Rent rates
- Typically in conjunction with an application to MHDC.
- Assistance to the developer is in the form of a loan
 - Typically 1% for private developers and 0% for non-profits, loan terms are dependent on project size and subsidy layering review

Miscellaneous HOME Requirements

- Property Standards apply to the entire development.
- A deed of trust and promissory note for all projects;
- HOME funds for rental production projects are provided in the form of a loan, with terms based upon a financial analysis of the project (subsidy layering requirements).

CDC APPLICATION RATING CRITERIA

- Organizational Management (2x)
 - Financial Management (2x)
 - Past Performance (2x)
 - Community Need (3x)
 - Quality of Outcomes (3x)
 - Number of Persons Served and Value
 - Personnel and Staff Expertise
 - Project Location
 - Project Timeline
- *Important*: The rating sheet is a tool for the Commission, not an end all for determining funding.

PROJECT CONSIDERATIONS

- Funding is provided for projects, rather than organizations.
- Project risk...
- Site control
- Neighborhood involvement
- Planning and zoning compliance
- Environmental impact:
 - Historic preservation
 - Hazardous substances (lead, asbestos)
 - Storm water
 - Impact on public utilities
 - Phase I environmental review certain projects...see City staff

STATE AND FEDERAL REQUIREMENTS

- PREVAILING WAGE: FOR ANY CONSTRUCTION CONTRACT EXCEPT HOUSING DEVELOPMENTS WITH:
 - Less than 8 units for CDBG.
 - 12 or more for HOME.
- UNIFORM RELOCATION ACT (IF SITE IS CURRENTLY OCCUPIED)
- ACCESSIBILITY MUST BE BUILT INTO PROJECT DESIGN
- EQUAL OPPORTUNITY EMPLOYERS
- PROCUREMENT OF SERVICES

SOURCES AND USES OF PROJECT FUNDING

- PREPARE PROJECT BUDGET LISTING **ALL COSTS**
- DETERMINE AGENCY/ORGANIZATION FUNDING
- DETERMINE AMOUNT OF CDBG AND/OR HOME FUNDING NEEDED
- DETERMINE THE BEST ACTIVITY TO FUND WITH CDBG OR HOME FUNDS
- LETTER OF COMMITMENT FROM OTHER FUNDING SOURCES

Audit Requirements



Financial Audit Requirements		
Combined Annual Income of Organization	Allowable Form of Financial Statement Assurance	Required Accompanying Document
<\$25,000	Compiled (Full Disclosure), Reviewed, or Audited	None
≥\$25,000	Reviewed or Audited	Communications from auditor

Application Submission

- Review rating criteria.
- Be succinct.
- Meet with City staff on March 24th or 25th regarding Apricot funding system, as applicable.
- Address all items listed in the instructions.
- Meet with CD staff to ensure project eligibility.
- Applications are due April 29, 2016

PRESENTATION TO COMMISSION



- Presentations for local organization CDBG and HOME fund requests will be heard by the CDC on June 1, 2016.
- CDC will hold a hearing on June 15, 2015 to make final recommendations for funding.
- City Council will make final consideration at August 15, 2016 budget hearing.
- ***Important***: This is a competitive process.
 - Some applications will not be funded.



QUESTIONS

- Randy Cole, Housing Programs Supervisor, 573-874-6321, rlcole@gocolumbiamo.com