



Department of Commerce

Community Development Block Grant

IACC Conference - Wenatchee

Kaaren Roe
CDBG Program Manager

October 2017

We strengthen communities

The Department of Commerce touches every aspect of community and economic development. We work with local governments, businesses and civic leaders to strengthen communities so all residents may thrive and prosper.



Planning



Infrastructure



Community
Facilities



Housing



Safety /
Crime Victims

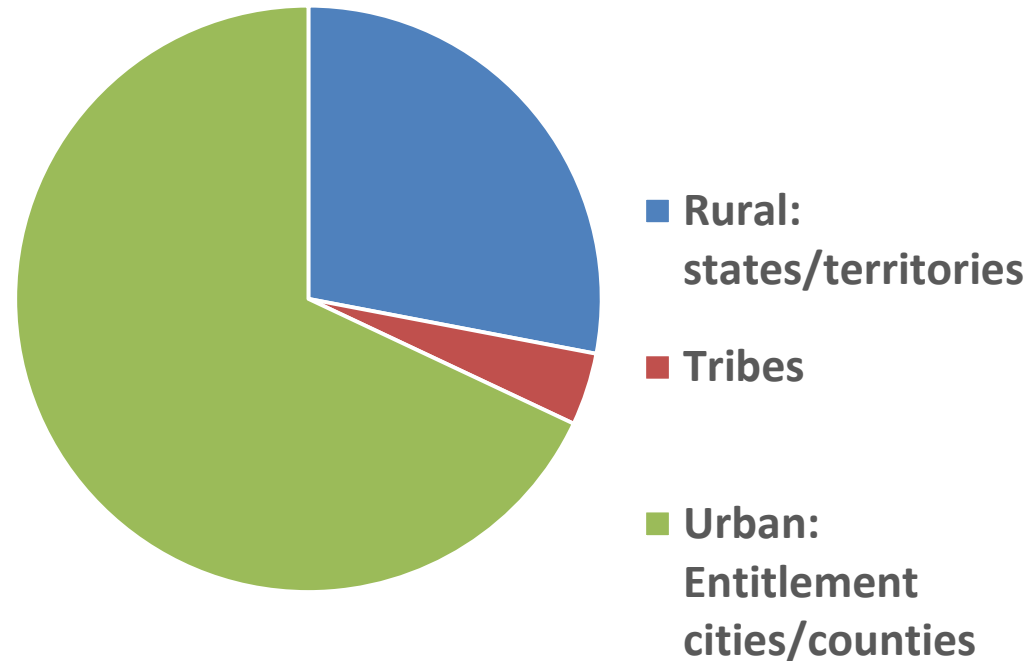


Business
Assistance



Community Development Block Grant

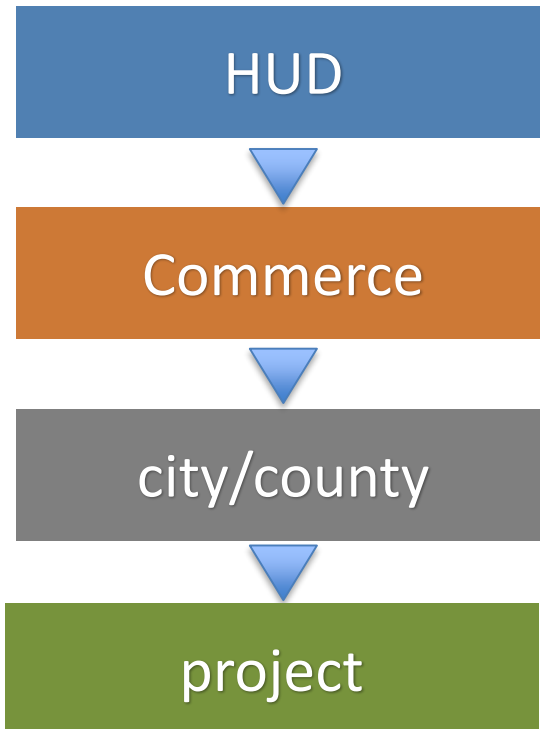
- **National CDBG distribution**
- **Entitlement status based on population**
- **WA State CDBG administered by Commerce**



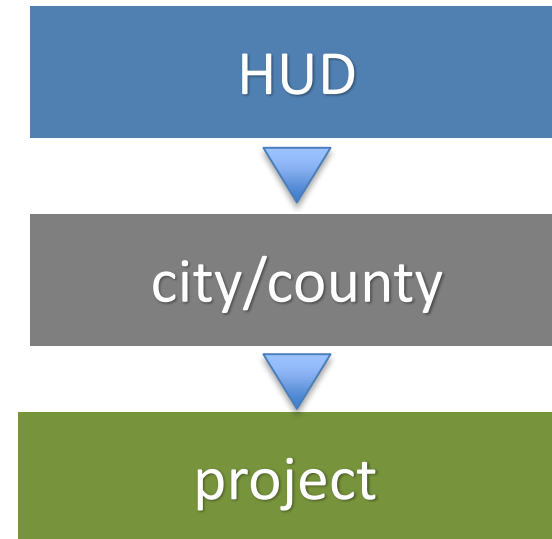
CDBG Fund Flow



State CDBG (non-entitlement)



City/County CDBG (entitlement)



Local CDBG & State CDBG Programs



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

CDBG Program Design and Management



Each local CDBG program and CDBG state program is unique.

Each will:

- 1. Assess needs and determine priorities**
- 2. Submit a 5-yr Plan and annual Action Plans to HUD**
- 3. Design and implement own application process**



How to find info for each CDBG programs



Local CDBG programs:

- Search CDBG on city or county website

WA State CDBG program:

- www.commerce.wa.gov/cdbg

Tribal CDBG program:

- HUD Northwest Office of Native American Programs



CDBG Eligible Activities



Planning, acquisition, design and construction

1. Public infrastructure
2. Public or nonprofit facilities
3. Housing rehabilitation including side services
4. In support of some affordable housing and job creation projects

Public services



CDBG Ineligible Activities

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



CDBG Purpose = Benefit LMI Persons



LMI = low- and moderate-income

- up to 80% of area median income
- Ex. \$47,500 four person family in Grant Co.

How to document LMI benefit depends on type of project!

1. Area benefit
2. Direct benefit



1. Project Will Benefit Everyone in an Area

Define the benefit area

- City/town or district boundaries
- System or facility service area

Document the % of LMI persons in population

At least 51% of area population must be LMI



Area LMI Data Resources



HUD LMI % Calculations

- Online, interactive HUD CDBG LMI Map
- List on Commerce CDBG webpage
- List in State CDBG application handbook

Income Survey

- IACC Survey (for multiple funders)
- State CDBG Survey
- Local CDBG Surveys



2. Project Directed to LMI persons

Direct assistance programs (all persons LMI)

- Person applies for assistance and income qualifies
- Documentation = tax records, pay stubs, etc.
- Ex. local housing rehabilitation program, regional microenterprise assistance program

Limited Clientele projects (over half persons LMI)

Facility/service's purpose to benefit LMI persons

- Has user income data, or
- HUD Presume LMI Group
- Ex. elderly persons = senior center, homeless shelter



2 Other CDBG Objectives

Used under limited circumstances:

- Prevent or eliminate slum/blight
- Address immediate threat to public health & safety

Doesn't require benefit to LMI



WA St CDBG General Purpose Grants

March/April 2018

Application workshops

Early June 2018

Due date

Early September 2018

Awards

\$750,000 Construction or acquisition

\$500,000 Housing rehabilitation

\$250,000 Microenterprise assistance

\$24,000 Planning

Contact: Phyllis Cole



Department of Commerce

WA St CDBG Economic Opportunity Grants



Unable to accept applications until state capital budget is passed

- \$1 million in grant fund
- \$2 million for subsidized business loans through Craft3

Max grant

- Based on financial need and economic impact

Contact: Kaaren Roe



Department of Commerce

WA St CDBG Housing Enhancement Grants



Unable to award applications until state capital budget is passed for funding partner Housing Trust Fund

- \$200,000 in grant fund

Max grant

- Based on financial need and housing impact

Contact: Genny Matteson



Federal Grant Requirements



- Environmental Review (SEPA/NEPA)
- Procurement requirements
- Davis-Bacon Prevailing Wage
- Civil Rights compliance
- Acquisition & Relocation (seller/tenant rights)
- Audit
- Subrecipient monitoring



CDBG - Recommended Next Steps



1. Determine project fit with CDBG
 - Eligible activity, benefit to LMI, high need
2. Develop project budget
3. Est grant need using Rate Affordability Review
4. Research and apply to funding (loan) partners
5. Visit website for CDBG news and documents
6. Attend CDBG workshop in March



Federal Budget Decreases and Delays



2017 \$11 million to state CDBG

➤ 32% less than 2010

2018 \$?

➤ Range from elimination to same as 2017

October 2017 – just received 2017 funds!

April 2018 - hope 2018 federal allocation approved

August 2018 - hope to 2018 funds available



Website – www.commerce.wa.gov/cdbg



Community Development Block Grants



The CDBG program improves the economic, social and physical environment of eligible, rural cities and counties to enhance the quality of life for low- and moderate-income residents, thereby strengthening the entire community. The CDBG Program offers General Purpose and Specialty grants.

WHO CAN APPLY?

- Small, rural cities/towns and counties that are not entitled to receive CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD) can apply for a state CDBG grant.
- Cities and towns with population less than 50,000, not participating in a CDBG Entitlement Urban County Consortium; and counties with populations less than 200,000.

PROGRAM LINKS

- [CDBG General Purpose Grants](#)
- [CDBG Specialty Grants](#)
- [2015-19 Consolidated Plan and 2016 Action Plan](#)

RESOURCES

- [Guidance Materials](#) (PDF)
- [CDBG Fact Sheet](#) (PDF)
- [Management Handbook & Forms - Construction](#)
- [Management Handbook & Forms - Non Construction](#)
- [HUD LMI data for non-entitlement communities](#) (PDF)
- [2016 CDBG Funding cycles](#) (PDF)
- [Drinking water and wastewater funding summary](#) (PDF)
- [Public Works Board](#)
- [Infrastructure Assistance Coordinating Council \(IACC\)](#)
- [Municipal Research Services Center of Washington](#)
- [SAM - System for Award Management](#)
- [US Dept of Housing and Urban Development \(HUD\)](#)

NEED HELP?

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Program Manager





Department of Commerce

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