

Community Development Block Grant (CDBG)

Fiscal Year 2021-2022 Funding Allocation
Virtual Informational Session
April 8, 2021



Welcome!!

City of Victoria, Texas CDBG Program year FY2021-2022 Pre-Application Workshop

The Team

- Vanessa Cummins- Community Development Planner
- Maggie Bergeron- Planning Administrator
- Julie Fulgham, AICP- Director of Development Services

The Agenda

- CDBG overview
- Application process
- Contract requirements
- Questions and answers



CDBG Program Overview

What is CDBG?

- The Community Development Block Grant (CDBG) is an annual grant from the Department of Housing & Urban Development (HUD) to localities and states to assist in the development of viable communities.
- The purpose is to reduce poverty and its effects, and develop viable communities by:
 - Providing quality housing;
 - Creating a suitable living environment; and
 - Expanding economic opportunities.

CDBG Program Overview

- The CDBG regulations can be found at [24 CFR Part 570](#).
- Information about the Entitlement Program and its regulations are found at: <https://www.hudexchange.info/programs/cdbg-entitlement/>

CDBG Program Overview

- **CDBG Grantee**- In the Entitlement Program, local governments are known as grantees. In the State CDBG Program, the state is the grantee.
- **Subrecipient**- A subrecipient is a nonprofit or public entity that assists the grantee to implement and administer all or part of its CDBG Program. Subrecipients are generally public or private nonprofit organizations that assist the grantee to undertake a series of activities, such as administering home rehabilitation loans.

CDBG Program Overview

- Low-to-Moderate-Income (LMI): Residents whose household income is equal to or less than 80% of the area's household median income for that household size (2021 AMI - \$74,400).
- CDBG Target Areas: Primarily low-to-moderate income are Census Block Groups where 51% or more households are low-to-moderate income (New Maps!).
- Presumed Benefit/Limited Clientele: Those who are presumed by HUD to be low-to-moderate income based on their situation.

CDBG Program Overview

Presumed Benefit/Limited Clientele:

- Severely disabled;
- Elderly (at least 62 years of age);
- Victims of Domestic violence and/or sexual assault;
- Abused and/or neglected children;
- People experiencing homelessness;
- Illiterate adults;
- Migrant workers;
- Persons living with AIDS.

CDBG Program Overview

- **Public Services** is support for low-to-moderate income person through a service; program beneficiaries must be low- or moderate-income persons.
- **Public Facilities** including infrastructure, must guarantee benefit to at least 51% low-to-moderate income persons.
- **Housing** activities must serve low-to-moderate income clients.

CDBG Program Overview

CDBG Program Activities

More than 20 activities are eligible under the CDBG Program. Grantees are free to select those activities that best meet the needs of their communities. To ensure that the primary objectives of the CDBG program are met, all activities must meet a National Objective:

- Benefit low-to-moderate income persons;
- Aid in the prevention or elimination of slums or blight;
- Meet an Urgent Need (typically associates with a natural and/or manmade disaster).

Grantees must be able to show that every CDBG-funded activity fits into one of these categories.

**** Remember activities must meet the “two prong test”- activities must both be eligible and meet a national objective.***



Eligible CDBG PSA Activities

Generally, CDBG funds can be used for the following activities, but are not limited to:

- Homeownership assistance;
- Rental rehabilitation activities;
- Homeowner rehabilitation activities;
- Lead-based paint testing and abatement;
- Acquisition of real property;
- Clearance and Demolition (removal of substandard hazardous structures);
- Historic preservation;
- Code enforcement;
- Neighborhood revitalization;
- Energy conservation projects.

Eligible CDBG PF Activities

Eligible CDBG Activities

- Public facilities, including infrastructure, special needs facilities, or community facilities.
- Activities related to public services include, but are not limited to:
 - Support renovations/improvements to public facilities that serve low-to-moderate income persons who are may be homeless and/or in need of employment/job training services (homeless shelters, transitional housing facilities/mental health center);
 - Community Service providers (food banks, youth centers);
 - Presumed Benefits Clientele Facilities.

Ineligible CDBG Activities

- In general, any activity that is not specifically authorized under CDBG statutes and regulations are ineligible. The following section identifies specific activities that are not eligible for CDBG funding:
 - Buildings used for the general conduct of government;
 - General government expenses;
 - Political activities;
 - Purchases of equipment including construction equipment, fixtures, motor vehicles, furnishings, and other personal property (unless part of a public service of the grant administration expense);
 - Operating and maintenance expenses, including maintenance and repair of streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking, and other public facilities and improvements.

Eligible Subrecipients

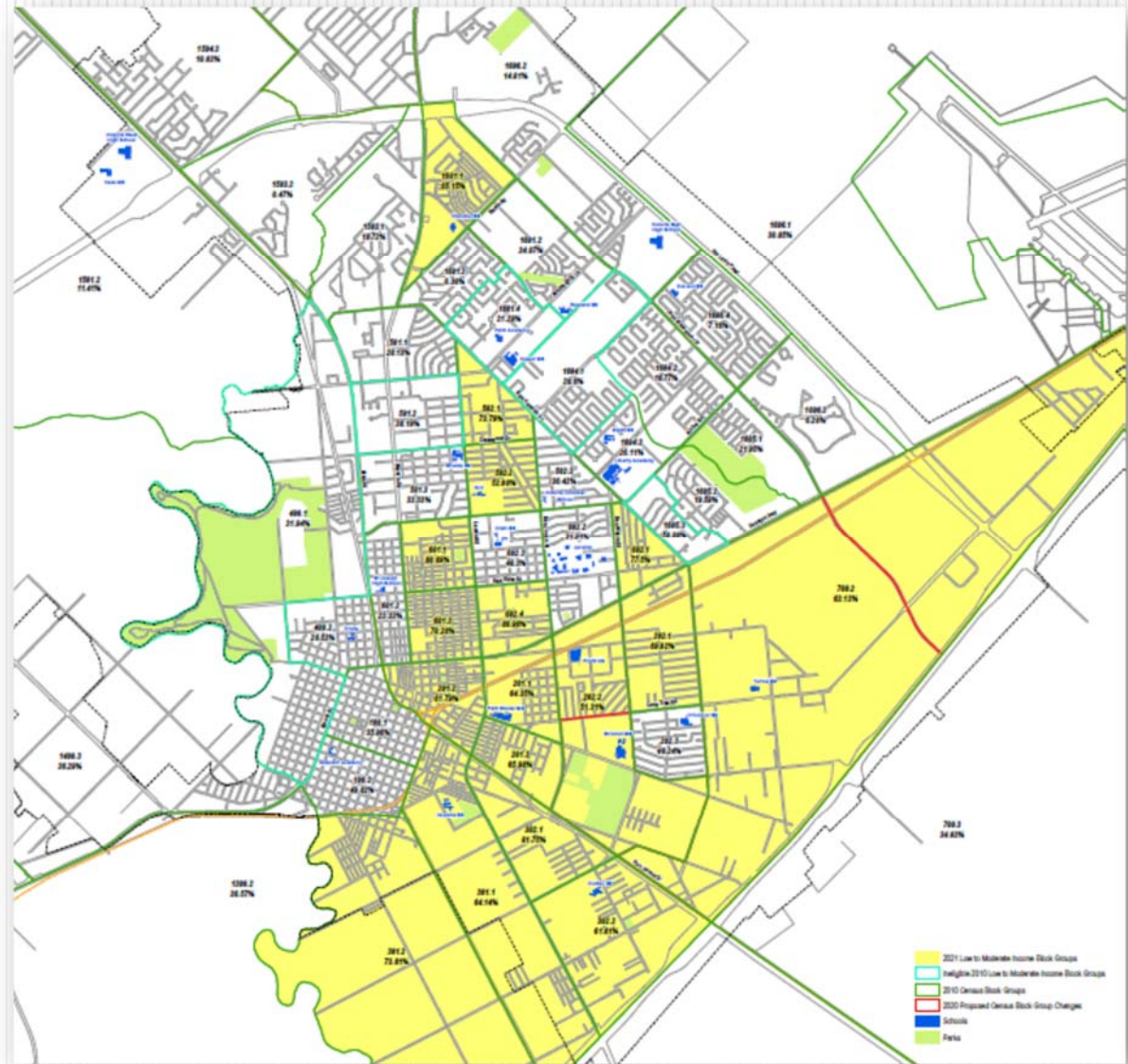
An eligible agency must:

- Provide a certificate of filing from the Secretary of State showing agency is registered. Verification/Application made to: www.sos.state.us.tx.us/ or call 513-463-5555.
- Be a not-for-profit organization with federal tax-exempt status as identified by the U.S. Department of the Treasury, in Internal Revenue Service Publication 557 entitled “Tax Exempt Status for Your Organization.”
- Meet HUD’s Subrecipient requirements as described in the guidelines.
- Each agency must also provide a DUNS number. Organizations can register for a DUNS number at <http://www.dnb.com/us/>.



Current Low-to-Moderate Income Census Tracts

- Current Low- to Moderate-Income Census Tracts: Victoria, TX



2021 CDBG Income Limits for Victoria

	1	2	3	4	5	6	7	8
30%	\$15,200	\$17,420	\$21,960	\$26,500	\$31,040	\$35,580	\$40,120	\$44,660
50%	\$25,300	\$28,900	\$32,500	\$36,100	\$39,000	\$41,900	\$44,800	\$47,700
80%	\$40,450	\$46,200	\$52,000	\$57,750	\$62,400	\$67,000	\$71,650	\$76,250

*These numbers are subject to change in June

Fiscal Year (FY) 2021 Allocations

2021 Annual Allocation:

- \$618,573 from HUD;
 - CDBG Admin (max 20%)- \$123,714;
 - Public Service Activity Cap (15%)- \$92,785;
 - Non- Public Services (Public Facilities, etc.)- \$402,074

***Based off of FY 2021 Low-to-Moderate Income Summary Data our allocation is anticipated to be lower next year.**



Submission of Application

Completed applications, hardcopy or electronic, will be accepted until **May 7th at 4:30 PM**. Applications submitted after the deadline will *not* be accepted or reviewed.

All applications will be reviewed for completeness and CDBG Program Entitlement eligibility. Please ensure that your applications have the following:

- A well-defined description of the project/program (“activity”);
- Relevant, clear outcomes and measurements for the activity;
- Project readiness, or delivery plans for activity are timely and realistic;
- Organization/staff has strong experience and capacity to manage activity.



Application Review

Submitted applications will be reviewed by CDBG staff between May 7th through May 21st.

During that time additional information from the applicants may be needed.

- If additional information is needed, CDBG staff will contact the applicant for supplemental documentation and/or respond to clarifying questions.

TIMELINE

DESCRIPTION	DATES/TIME
PRE-APPLICATION WORKSHOP	APRIL 8, 2021 @ 10:00 AM
PROGRAM ADVERTISING	MARCH 25, 2021- APRIL 2, 2021
APPLICATION SUBMITTAL DEADLINE	MAY 7, 2021 BY 4:30 PM
APPLICATION REVIEW AND EVALUATION	MAY 10, 2021- MAY 21, 2021
CITY COUNCIL MEETING: RECOMMENDATION OF FUNDING DISTRIBUTION	JUNE 1, 2021 @ 5:00 PM
COUNCIL APPROVAL OF ANNUAL ACTION PLAN	AUGUST 2021
FUNDING AVAILABLE	OCTOBER 1, 2021

Agreement Overview

Step 1

- Read the complete Subrecipient Agreement.

Step 2

- Submit Executed Subrecipient Agreement, to vcummins@victoriatx.gov or hand deliver the signed agreement to 700 Main Center suite 129



RECORDKEEPING

Records/Reporting:

- Number served;
- Ethnicity and Race;
- Household income;
- Number of persons in household;
- Number of female-headed household;
- Number of Elderly or Disabled;
- Other information depending on the program.

MONITORING

Quarterly Reports:

A. Information to Report:

1. Identify what stage the program is at:
 - i. Have you started accepting clients?
 - a) If yes, report the number of clients served.
 - ii. For a public facilities program:
 - a) Have you begun construction yet?
2. Identify number of beneficiaries and provide an explanation of who is served.
 - i. Expenditures incurred:
 - a) Explain the expenditure that was incurred.
3. Include short-term goals from that quarter and for next quarter.

B. Problems or Difficulties:

1. If an activity is not working:
 - i. Explain why, and;
 - ii. Explain what actions are needed to modify the program to be more successful.

MONITORING

Site Visits:

- On-site audit visits which will be arranged after the 1st or 2nd draw request or on a case-by-case basis.
- At the time of the monitoring desk/site visit, Development Services' Staff suggests that a PSA program file be maintained separately or color coded for easy accessibility.

Draw Request

What is a draw request?

- A draw request is a document that the agency/subrecipient completes and submits to City staff in preparation to drawing down funds from your agreement.

Information about drawing:

- Draws can be submitted throughout the contractual time frame of Oct. 1, 2021 thru Sept. 30, 2022;
- Draw requests will require at least one monitoring desk/site visit;
- Costs **cannot** be paid in advance- this includes any and all costs such as services or labor.

What should be submitted to City Staff to draw down funds?

- Supporting documentation for expenses;
- Proof of payment,
 - Paid invoices/cleared checks;
- Itemized receipts;
- Timesheet(s).

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QUESTIONS



For more information, please contact:

Vanessa Cummins, Community Development Planner
City of Victoria, Development Services Department
361-485-3360 | vcummins@victoriatx.gov



CDBG PSA/PF WEBINAR ATTENDANCE

Angelique ADRC GCRPC
Anna Celum
Anna GBC
Ashley Jett
Bethany Castro
Brooke Garcia
Bud Oliver
Carolina Astrain
Caroline G
Cynthia Staley
Dan Williams-Capone
FitVic Coalition
Ginny Stafford
Henry Guajardo
Jill Blucher
Jodi Yancy-Sandoval

Kayla Gutierrez
Keith Rucker
Kim Pickens
Lisa Boehm
Lynette Cunningham
Mallory Thurman
Marc A Hinojosa
Melissa Escamilla
Regina May
Samantha K
Tamara S. Tucker
Tiffany Ross
Tiffany Seiler
Tim Hornback
Vicki Smith
Victoria Homeless Coalition

A total of 32 people attended this webinar.