Introduction to Georgia’s Community Development Block Grant (CDBG) Program
Introduction to CDBG

Title 1 of the Housing and Community Development Act of 1974, as amended, created the CDBG program
The primary objective of the HCDA is development of viable communities by the provision of decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low- and moderate-income.
Introduction to CDBG

Further, HCDA identifies three National Objectives

- LMI Benefit
- Removal of Slum and Blight
- Immediate Threat and Danger
LMI National Objective

- Low- and moderate-income person means...
  - Those families at 80 percent or less of Area Median Income (AMI)
Funding Trends

- FY 2010 -- $43,644,802
- FY 2011 -- $36,631,109
- FY 2012 -- $34,533,844
- FY 2013 -- $37,110,886
- FY 2014 -- $36,929,936
- FY 2015 -- $36,517,619
- FY 2016 -- $37,464,404
Funding

Award From HUD—FY 2014 Example

- Total Award -- $36,929,936
- Available for Annual Competition $25,722,038 +
  - Deadline normally April 1 each year
- Employment Incentive Program $8,000,000
  - Available all year
- The Redevelopment Fund $1,500,000
  - Available all year
- Immediate Threat & Danger Program $500,000
  - Available all year
Eligible Applicants

- Non-entitlement Local Governments

- Generally
  - Cities < 50,000
  - Counties < 200,000

- There are exceptions!
Typical CDBG Activities

- Water and sewer
  - Lines, lift stations, wells
  - Elevated water storage tanks
- Streets and drainage
  - Drainage pipe, drainage structures, road paving, drainage inlets
- Buildings
- Homeowner and homebuyer activities
- Loans to businesses
  - Fixed assets
  - Equipment
Basic Limitations

Activities and projects are eligible for funding only to the extent:

- Local governments are applicants
- They are eligible according to law and regulation
- They primarily benefit low- and moderate-income persons, remove slum and blight, or address immediate threats
CDBG Ineligible Activities

- Acquisition of furnishings
- Acquisition of movable equipment, machinery
- Operating and maintenance expenses
- Direct grant assistance to a for-profit business
- Cost of furnishings and personal property
- Generally, construction of new housing
- Buildings for the conduct of general local government
Method of Distribution (MOD)

- HCDA – 5304(a)(1)

- In the case of States receiving grants pursuant to section 5306(d) of this title, the statement of projected use of funds shall consist of the method by which the states will distribute funds to units of general local government.
Slides that follow relate to the Annual Competition

Criteria for the set-asides for Economic Development (Employment Incentive Program for job creation for LMI), Redevelopment Fund (slum and blight national objective), and Immediate Threat and Danger are similar but differ in important aspects. See DCA’s web page at www.dca.ga.gov for further details.
Maximum Grant Amounts

- Single-Activity: $500,000
- Multi-Activity: $800,000
Cash Match

- 5% of amounts from $300,001 to $500,000 in CDBG funds

- 10% of amounts from $500,001 to $800,000 in CDBG funds
## Method of Distribution – Rating & Selection

<table>
<thead>
<tr>
<th>Category</th>
<th>Points</th>
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<tbody>
<tr>
<td>Demographic Need - absolute number in poverty</td>
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<tr>
<td>Demographic Need - percent of poverty person</td>
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<tr>
<td>Demographic Need - per capita income</td>
<td>40</td>
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<tr>
<td>Program Feasibility</td>
<td>110</td>
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<tr>
<td>Program Strategy</td>
<td>110</td>
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<tr>
<td>Project Impact</td>
<td>110</td>
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<tr>
<td>Leverage of Additional Resources</td>
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<tr>
<td>Bonus for Readiness to Proceed</td>
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<tr>
<td><strong>Bonus points for RAS</strong></td>
<td>20</td>
</tr>
<tr>
<td><strong>Maximum Total Points</strong></td>
<td>500</td>
</tr>
</tbody>
</table>
Some Things to Think About

- Feasibility
  - Can the project be accomplished on time and within budget?
  - Are the funding sources available now?
  - Is the project ready to go?
  - Is the project “blueprint” specific enough that another knowledgeable person could carry it out?
Some Things to Think About

- Strategy
  - Addressed possible alternatives for meeting needs?
  - Considered ongoing maintenance/prevention?
  - Have you considered local funding?
  - Are you a Qualified Local Government?
Some Things to Think About

- Impact
  - How much of the identified need will be eliminated?
  - How many people are benefiting?
  - Is the cost per person reasonable?
  - What is the extent of benefit to LMI income persons?
  - Is quality of life improved?
Needs/Projects
Needs/Projects
Needs/Projects
Needs/Projects
Needs/Projects

Robin Ln. near Hatton Still Rd. Intersection
Inadequate size storm drain pipe backs up storm water in residents yards.
Heavy rains flood homes, close schools, wash away roadways

By Darby Waters
STAFF WRITER

After unusually heavy rains fell Saturday and Monday nights, the results were widespread flooding, washed out roads and flooded homes across Wayne County.

Monday morning, the recovery in Wayne County was far enough along that schools were open, all the buses got through and the lights were back on. Other area counties did not recover as quickly, and schools were out in Appling and Bacon counties.

However, with another heavy downpour overnight Monday, the repair work of Monday was washed away.

“We went from bad to terrible,” Wayne County road department superintendent Kenny Teston said.

All schools in the county were closed Tuesday because buses could not operate on the damaged roads.

See RAIN, Page 9A

As much as four feet covered North First Street beneath the train trestle crossing Monday night. A worker in his raincoat watches a second worker, already shoulder deep, as he checks a completely submerged vehicle. The top of a second vehicle can be seen directly beneath the trestle.
Needs/Projects
Needs/Projects
Needs/Projects
Needs/Projects
Contacts

- Steed Robinson, Office Director for Community Development, (404) 679-3168 or steed.robinson@dca.ga.gov
- Glenn Misner, Office Director for Field Services, (404) 679-3138 or glenn.misner@dca.ga.gov
- Brock Smith, Manager for CDBG Set-Asides (Economic Development, Redevelopment Fund, and Immediate Threat and Danger, (404) 679-1744 or brock.smith@dca.ga.gov
- Web site: https://www.dca.ga.gov/