

FLINT, MICHIGAN

CDBG 101



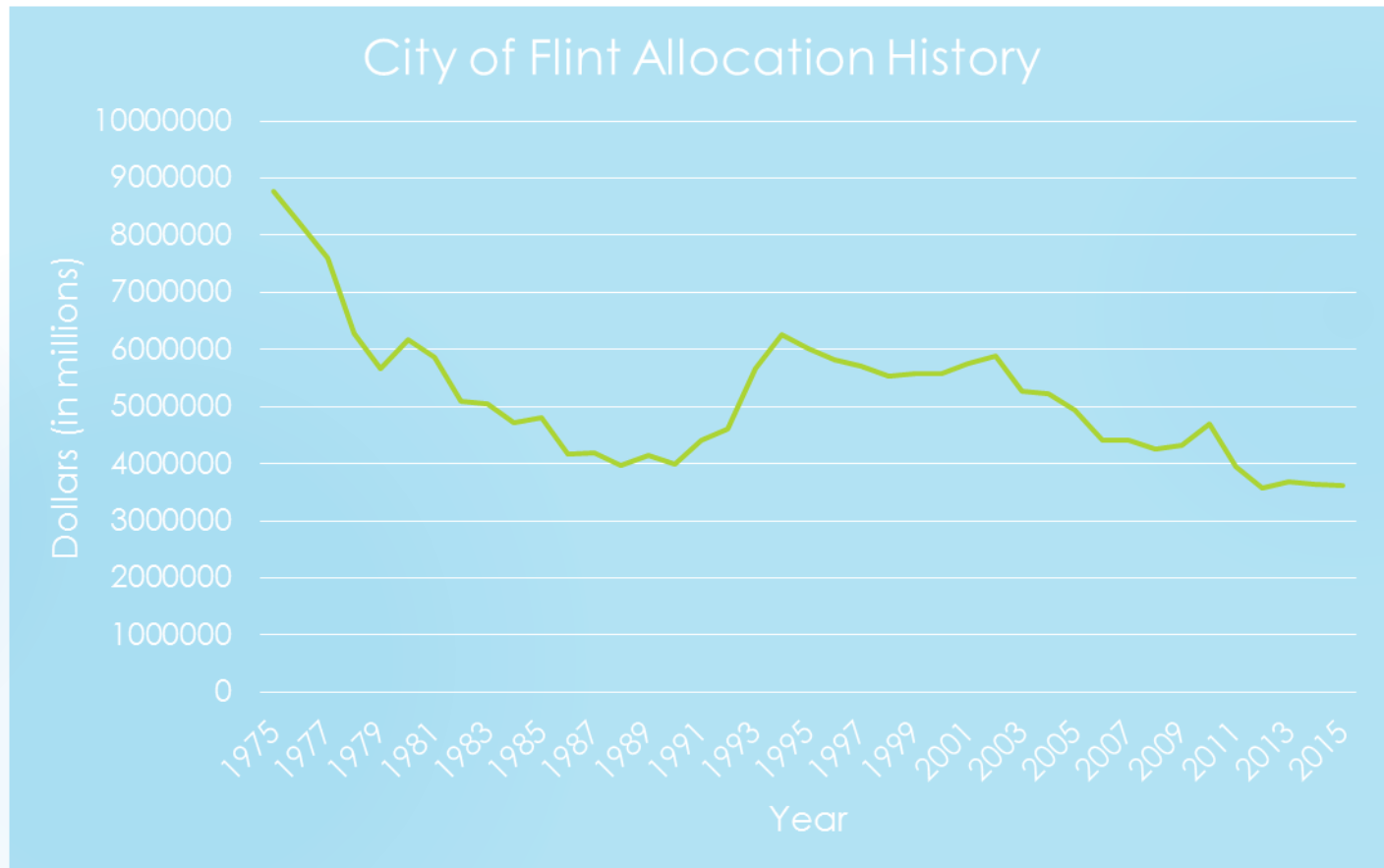
Table of Contents

- ▶ CDBG Overview
- ▶ Eligible Activities
- ▶ 4 extra HUD considerations
 - ▶ Section 3, Davis Bacon, Environmental, Procurement
- ▶ Timeline for annual process

CDBG OVERVIEW

- ▶ A program created by the Housing & Community Development Act of 1974 - signed into law by President Gerald Ford on August 22, 1974.
- ▶ Consolidation of seven programs into one.
- ▶ The City of Flint is an Entitlement Community within the CDBG program, which means we receive funding directly from HUD based on Flint's specific data.
- ▶ Community Development Block Grant
 - ▶ FY15 Amount - \$3,629,629
 - ▶ FY16 Amount - \$3,617,741 ↓
 - ▶ FY 17 Amount - \$3,563, 724 ↓

CDBG OVERVIEW



CDBG OVERVIEW



The primary purpose of CDBG is to provide:

- ▶ Decent housing;
- ▶ A suitable living environment; and
- ▶ Expanded economic opportunities for low- and moderate- income persons.

2017 Area Median Income Limits

| FY 2017 Income Limit Area | Median Income Top of Form Bottom of Form | FY 2017 Income Limit Category | Persons in Family | | | | | | | |
|---------------------------------|---|--|-------------------|--------|--------|--------|--------|---------|---------|---------|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Flint, MI MSA | \$53,700 | Very Low (50%) Income Limits (\$) Top of Form Bottom of Form | 19,550 | 22,350 | 25,150 | 27,900 | 30,150 | 32,400 | 34,600 | 36,850 |
| | | Extremely Low Income Limits (\$)* Top of Form Bottom of Form | 12,060 | 16,240 | 20,420 | 24,600 | 28,780 | 32,400* | 34,600* | 36,850* |
| | | Low (80%) Income Limits (\$) Top of Form Bottom of Form | 31,300 | 35,750 | 40,200 | 44,650 | 48,250 | 51,800 | 55,400 | 58,950 |

Median Family Income (MFI) for the City of Flint for a family of 4 is \$53,700

CDBG OVERVIEW

- ▶ The Consolidated Planning process
 - ▶ The Plan is a five-year planning document that identifies and prioritizes community development needs and outlines strategies to meet those needs.
 - ▶ For citizens, the Consolidated Plan helps define priorities in housing, homeless, community and economic development needs.
 - ▶ The Consolidated Plan also serves as the application mechanism and budgetary document for the CDBG program
 - ▶ Flint is currently in the second year of its 2017 – 2021 Consolidated Plan.

CDBG OVERVIEW



- ▶ What the City needs to do:
 - ▶ Remain within parameters of Consolidated Plan priorities
 - ▶ 1. Recreational activities for youth and seniors
 - ▶ 2. Public infrastructure improvements that help to maximize other Federal, state non-profit and private sector investments made throughout the City
 - ▶ 3. Clearance and demolition of vacant, foreclosed, abandoned and dangerous buildings
 - ▶ 4. Focus on creating opportunities for low-income residents to emerge from poverty
 - ▶ 5. Housing rehabilitation and repair for low income and special needs residents
 - ▶ Creating homeownership opportunities for all households in Flint

ELIGIBLE ACTIVITIES

National Objectives: All CDBG activities must meet one of three national objectives:

- ▶ Activities directly benefiting persons of low to moderate income (L/M)
- ▶ Activities which aid in the elimination of slums and blight (SB)
- ▶ Activities designed to meet community development needs having a particular urgency (UR)

Ineligible Activities

General rule is that any activity that is not included is excluded.

Specifically excluded are:

- ▶ Buildings or portions thereof used for the general conduct of government
- ▶ General government expenses (police, fire operations, waste collection, etc.)
- ▶ Political activities

Unless specifically authorized in 570.203 or 570.204:

- ▶ Purchase of equipment
- ▶ Furnishings and personal property
- ▶ Operating and maintenance costs
- ▶ New housing construction
- ▶ Income payments (i.e. regular payments for food, clothing, rent, utilities, etc.)

ELIGIBLE ACTIVITIES

- ▶ Acquisition
- ▶ Disposition
- ▶ Public facilities and improvements (streets, sidewalks, bridges, water, sewer, drainage, parking ramps, and parks)
- ▶ Clearance activities
- ▶ Public Services (limited to 15% of allocation)
- ▶ Interim Assistance (2 categories: 1. limited improvements to a deteriorating area as a prelude to permanent improvements; and 2. activities to alleviate an emergen

ELIGIBLE ACTIVITIES (cont'd)

- ▶ Relocation
- ▶ Code Enforcement
- ▶ Removal of architectural barriers
- ▶ Privately-owned utilities
- ▶ Homeownership assistance
- ▶ Rehabilitation and Preservation
- ▶ Economic Development
- ▶ Program administration and planning
(subject to 20% cap)

ELIGIBLE ACTIVITIES (cont'd)

Types of Activities funded in FY16:

- ▶ Public Services **15%** (youth, literacy, public safety)
- ▶ Housing Development **16%** (emergency repairs, owner occupied rehab)
- ▶ Facility Improvements **4%** (Berston, parks)
- ▶ Blight Elimination **36%** (demolition, code enforcement, neighborhood enhancements, neighborhood cleanups, tool shed)
- ▶ Administration **20.0%**
- ▶ Section 108 repayment **9%**

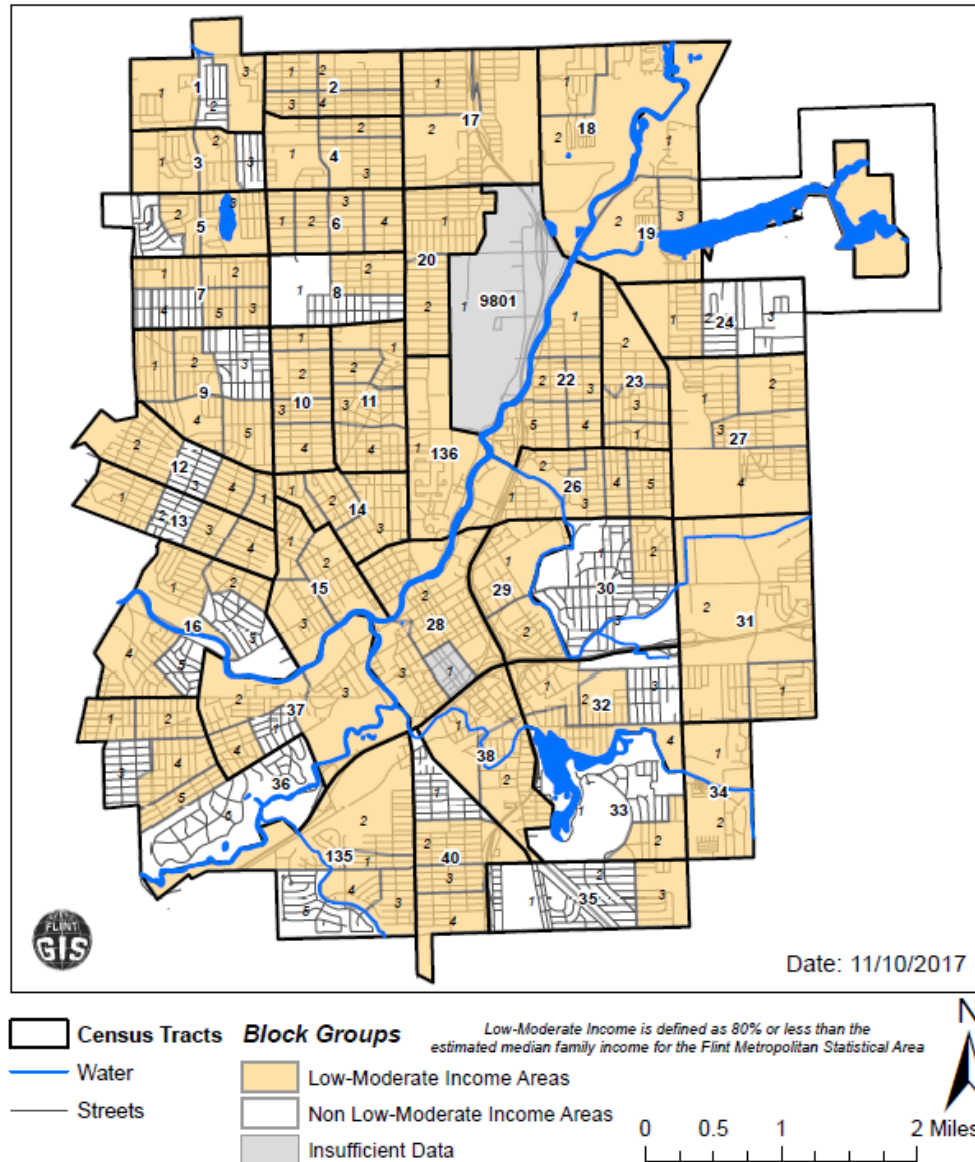
Low/ Mod Area Map



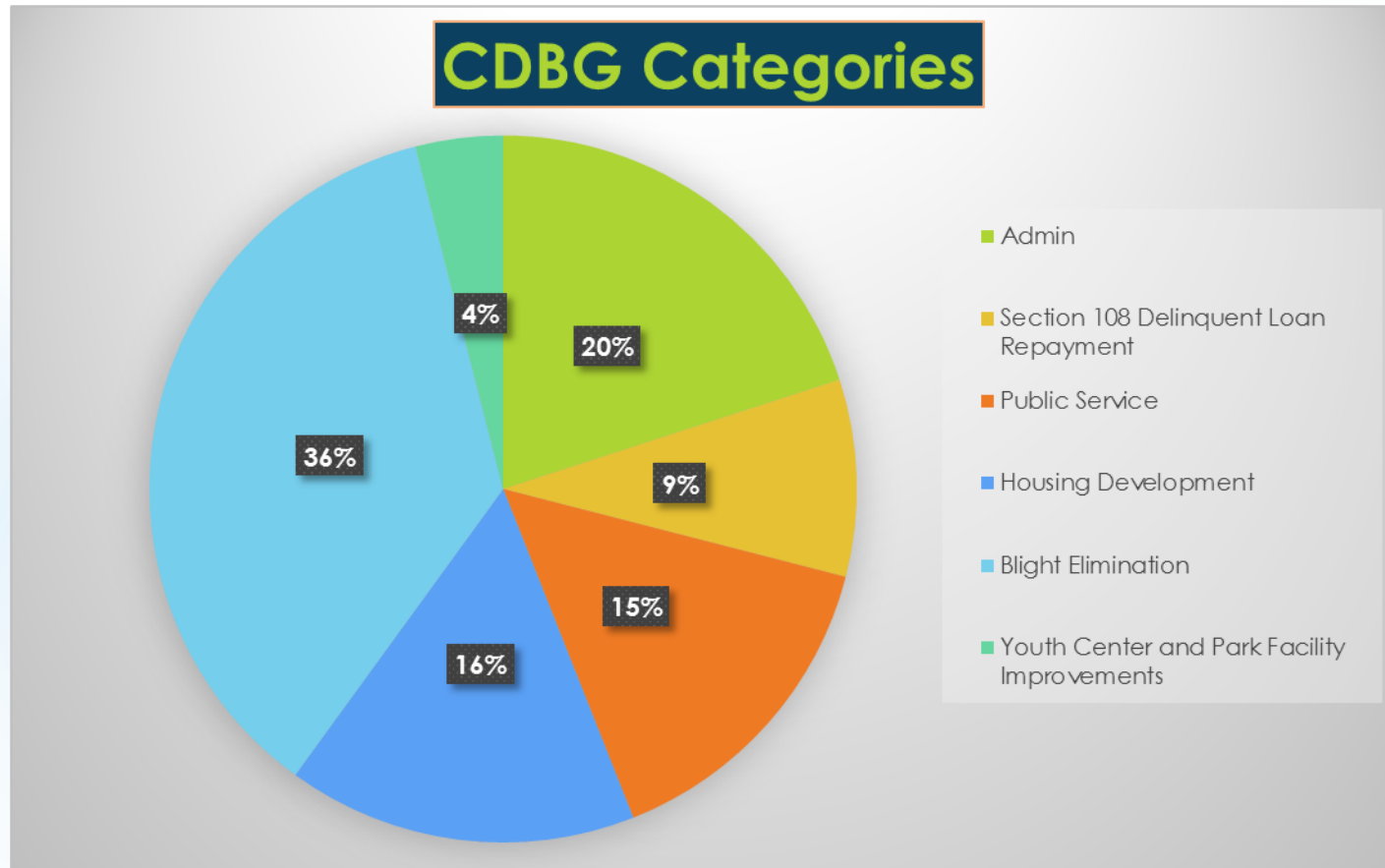
Census Tracts and Block Groups with Low-Mod Income



2014 ACS 5-Year Estimate:
Median Family Income in the Past 12 Months (2014 Inflation-Adjusted Dollars)



ELIGIBLE ACTIVITIES (cont'd)



Factors to consider in your proposal (RFP released 12/21)

- ▶ Priority areas
- ▶ Master Plan compliance
- ▶ Number of contracts/staffing
- ▶ Health/Safety priorities
- ▶ Eligible areas
- ▶ No public service
- ▶ Cap on slum/blight activities
- ▶ Project-ready status
- ▶ Agency capacity
- ▶ Ineligible activities

SECTION 3

City Certification of Contractors

- Business owned by Section 3 resident
- Business subcontracts 25% of contract to qualified Section 3 Business
- Business claims at least 30% of their full time, permanent workforce as Section 3 residents

Monthly report

Additional compliance would be awarding extra points when sub-contracting with Section 3 certified Contractors

Davis Bacon compliance

Definition

Triggers

Compliance

Environmental compliance

Tier 1 - Overall

Tier 2 – Project Specific

Timing – CANNOT SPEND FUNDS PRIOR

Procurement compliance

Dept SOP's


2 CFR 200

City will not be able to reimburse if procurement requirements were not met

TIMELINE FOR ANNUAL PROCESS



2018 (FY18-19) Timeline



| | |
|---|---------------------|
| ▶ RFP'S/Applications released(CDBG/HOME/ESG) | December 21 |
| ▶ ESG Mandatory Pre-Proposal meeting | January 4, 10am |
| ▶ Agency Application Workshop | January 4, 1pm |
| ▶ Public Needs Hearing – Berston Center 4:30 | January 9, 4:30pm |
| ▶ CBG/ESG RFP Submission Deadline | January 31 |
| ▶ Review by Staff, Review Committee, and Admin. | February and March |
| ▶ Notice of availability of draft 2018-19 Action Plan | End of March |
| ▶ Beginning of comment period | End of March |
| ▶ Public Hearing (proposed date as of now) | April 9 at Council |
| ▶ Comment period on Action Plan ends | Mid to end of April |
| ▶ City Council Approval | Early May |
| ▶ DCED Submits 2018-19 Action Plan | May 15 |
| ▶ HUD 45-day review period | |
| ▶ Funds available for use (estimated) | July 1 |

Best Resource:
www.hudexchange.info



More Questions?

**Call City of Flint's
Community and Economic
Development division staff
at (810) 766-7436**

THANK YOU!!!!