

A photograph of the Town of Apple Valley Civic Center. In the foreground, a large stone sign reads "Town of Apple Valley Civic Center" and "INCORPORATED 1988" with a logo featuring an apple and the letters "AV". The background shows a modern building, a parking lot with a white car, and a flagpole with the American flag. The scene is set in a well-maintained area with trees and a clear sky.

Community Development Block Grant (CDBG) & HOME Investment Partnerships (HOME)

As part of the Consolidated Plan

NOFA Schedule

- NOFA Published – 11/30/18
- NOFA Workshop – 12/11/18
- Applications Due – 02/05/19
- CDCAC Review Apps – 02/06/19 – 02/12/18
- Applicant Presentations – 2nd half of February
- CDCAC Site Visits – Early March
- CDCAC Funding Recommendations – Mid March
- Action Plan to Town Council – 1st meeting of April

The Consolidated Plan

- The Consolidated Plan is the effort to roll into one process and one document the planning, application and performance reporting requirements of HUD grant programs
- CDBG, by far, is the biggest of these programs



Consolidated Plan (Continued)

The Consolidated Plan requires a jurisdiction to identify all of its housing and community development needs, and then come up with a long-term strategy for meeting those needs.



The Consolidated Plan Is Comprised Of Three Main Components

1) Evaluation & Assessment

The first section of the plan evaluates the housing and community development needs of the community.

This includes an assessment of housing needs for low-and moderate-income families, including the needs of homeless individuals and families.



2) Strategic Plan

Based on the information identified in the needs assessment, a five-year strategic plan is developed which includes priorities, objectives and accomplishments that are expected to be achieved during the timeframe of the plan.



3) Annual Action Plan

The annual action plan describes all of the activities that the jurisdiction intends to fund with CDBG and HOME funds in the upcoming year.



Action Plan - Citizen Participation

- The residents of the community are requested to provide input regarding the most important needs that should be funded. This input will establish priorities to guide the citizen's advisory committee in making funding recommendations to the Town Council.



Action Plan - Citizen Participation

The Consolidated Plan or Annual Action Plan is published for 30 days. The jurisdiction considers public comments, and elected officials vote and adopt the final plan. It is sent to HUD for approval.



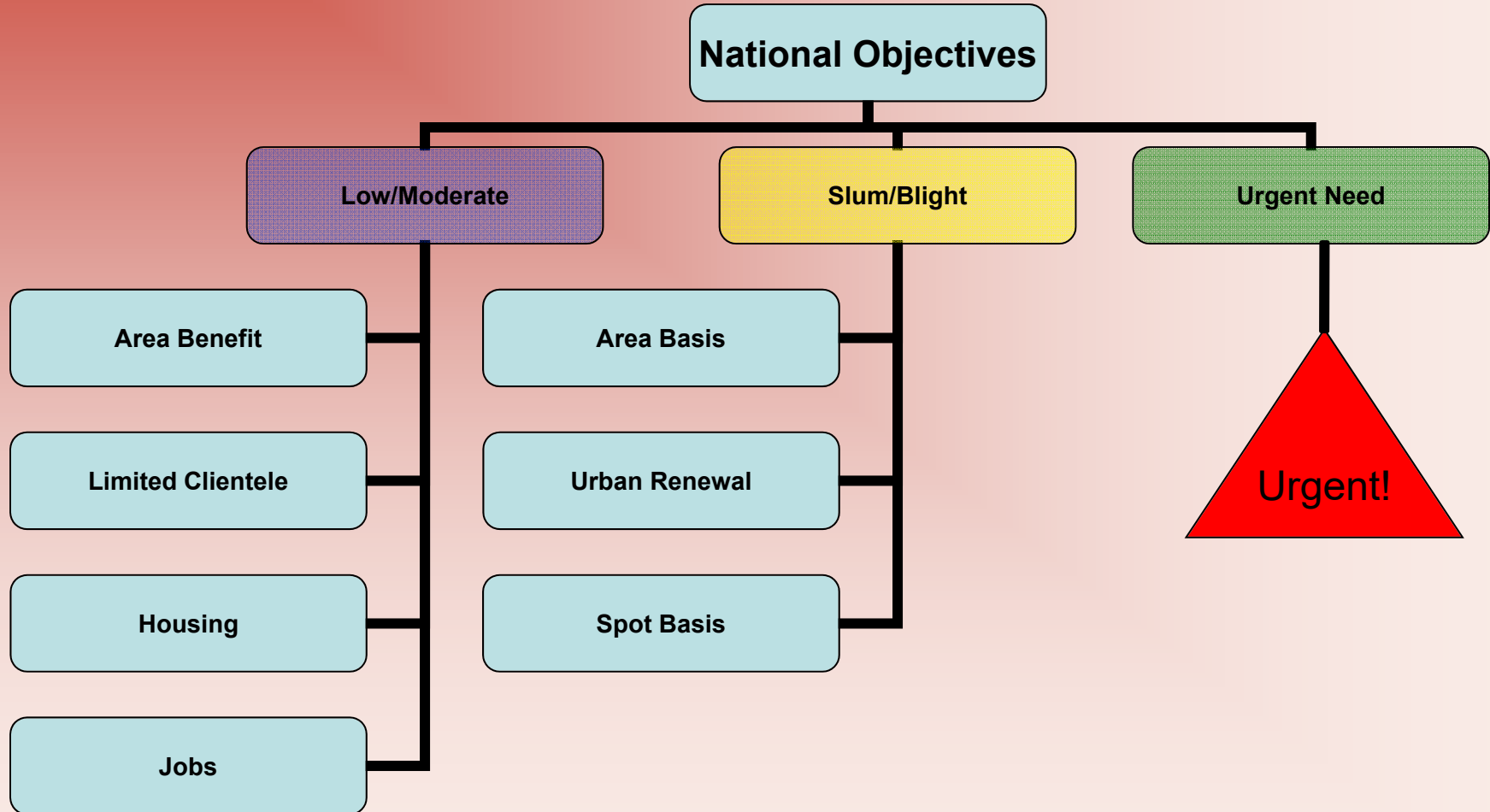
CDBG/HOME Purpose...

- Decent housing
- A suitable living environment
- Expanding economic opportunities

Principally to benefit persons
of low and moderately
low income



National Objectives



The “Limited Clientele” Test

Some CDBG activities serve a particular segment of the population, which might frequently be “primarily lower income.” Examples include: Senior centers, shelters for victims of domestic violence, illiterate adults, and homeless people.



The “Jobs” Benefit Test

Use of CDBG by for-profit businesses became an “eligible” CDBG activity in 1981. If a business receiving CDBG money justifies this assistance by claiming that it is benefiting lower income people, the law requires it to “involve employment of persons, a majority of whom are lower income”.



The 15% Public Service Cap

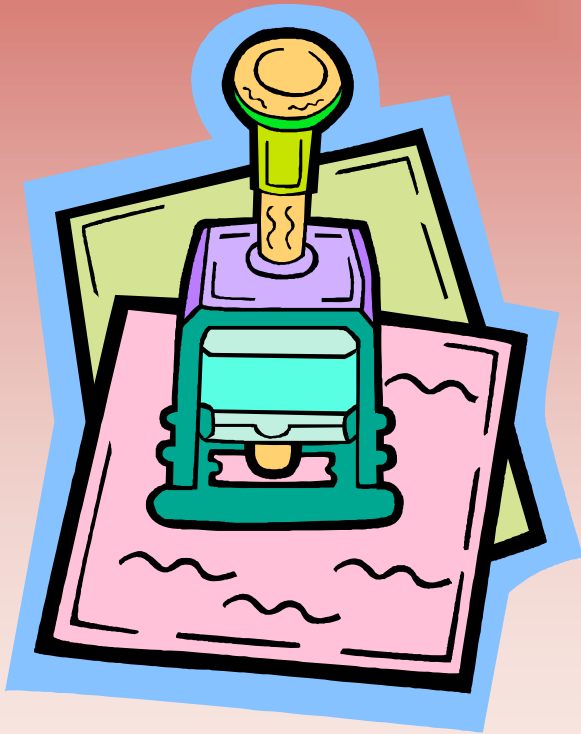
No more than 15% of a jurisdiction's CDBG money can be used for "public services". This is a reflection of congress wanting CDBG to be primarily used for "bricks and mortar", for example ($\$624,925 \times 15\% = \$93,738$ available for public service projects). Typically, an award would range from \$5,000 - \$15,000.

Examples of Public Services

- Assistance for abused/neglected children
- Assistance to battered or abused spouses
- Landlord/Tenant counseling
- Literacy Programs
- Senior Services
 - Handicapped services
 - Emergency shelter
 - Homeless services
 - Youth services
 - Transportation
 - Job Training



Ineligible Activities (Continued)



- ✓ Operating & maintenance expenses of Public Facilities
- ✓ New housing construction
- ✓ Income payments

15% CHDO HOME Activities

No less than 15% of a jurisdiction's HOME money is required to be used for Community Housing Development Organization "CHDO" activities. For example ($\$772,659 \times 15\% = \$115,899$ available for CHDO projects).

CHDO Definition

- A CHDO is a private non-profit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves.
- The CHDO must act as the owner, developer or sponsor of the eligible set-aside activity.

CHDO Requirements

Legal Status

- Organized under state/local law
- Purpose of organization (i.e. provide decent housing)
- No member, founder, contributor or individual benefit
- Clearly defined service area
- Nonprofit status

CHDO Requirements (cont.)

Organizational Structure

- At least 1/3 of the board must be representatives of the low-income community
- No more than 1/3 may be public officials or employees of the Town
- Low-Income input from program beneficiaries

CHDO Requirements (cont.)

Capacity and Experience

- At least one (1) year of serving the community
- New CHDO's may be sponsored
- Must have experienced key staff in completing similar projects
- Financial accountability

Eligible CHDO Activities

- Acquisition/Rehabilitation/New Construction of rental housing
- Acquisition/Rehabilitation/New Construction of homebuyer properties
- Direct financial assistance to purchasers (i.e. homebuyer assistance)



Monitoring and Reports

HUD requires recipients to maintain records providing a full description of each activity assisted with CDBG and HOME funds, including its location, the amount of CDBG/HOME funds budgeted, and the provision under which it is eligible.



Post Award

- All payments are reimbursement only, meaning the agency is required to provide proof of payment for all costs incurred under the program.
- Reimbursement request are due on a monthly/quarterly basis.
- The Town has a net 30 on all issuances of reimbursement.

Post Award (cont.)

- Reimbursements may be approved for personnel and non-personnel costs.
- Personnel costs will require the submittal of employee timesheets delineating hours worked directly under the CDBG/HOME program against all hours worked in the pay period.
- Non-personnel costs will require compliance with the procurement procedures as identified by HUD and the Town.
- Subrecipients are subject to annual on-site monitoring.

CDBG/HOME Proposal Application

CDBG/HOME applications/instructions are
available on the Town's website:

www.avhousing.org

Questions