



CITY OF
Goodyear

Community Development Block Grant (CDBG)

Purpose of Worksession



- What is CDBG?
- How CDBG funds are distributed
- Program options & rules
- Advantages & Disadvantages

Introduction

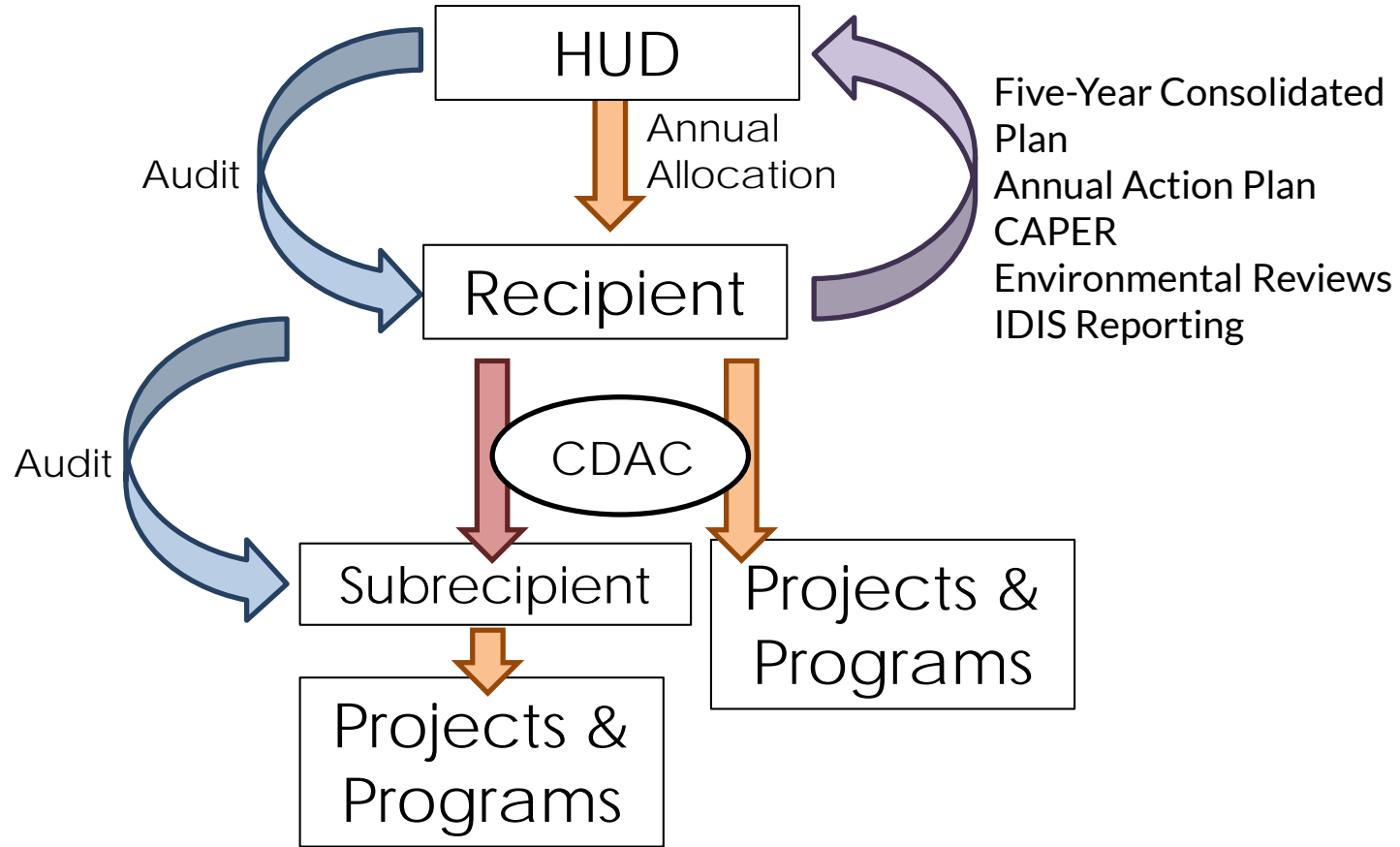


- *Purpose:* Provide decent housing, suitable living environment, and expanded economic opportunities primarily to low and moderate income persons

Types of CDBG Programs



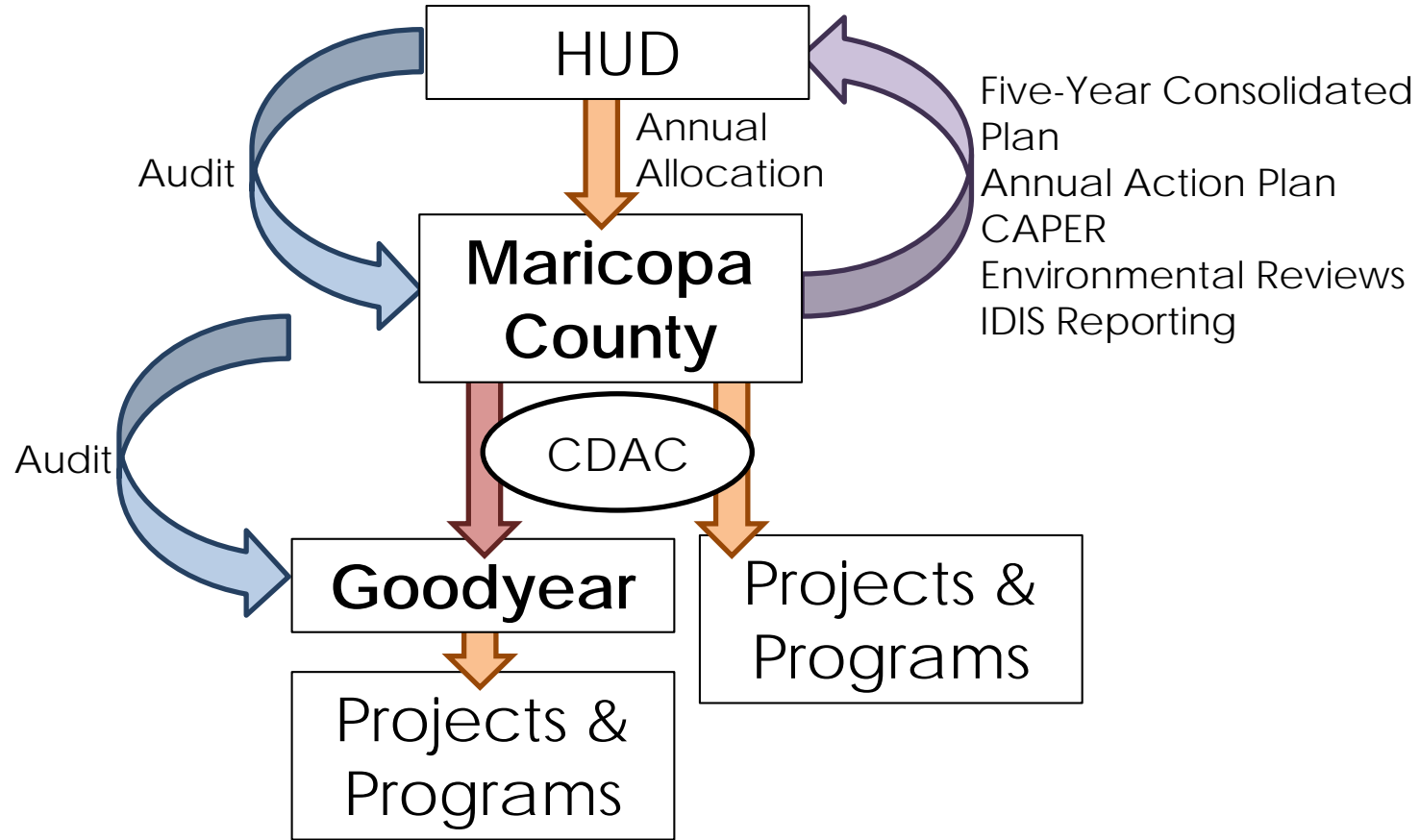
- Urban County Program
- Entitlement Community Program



Urban County Program



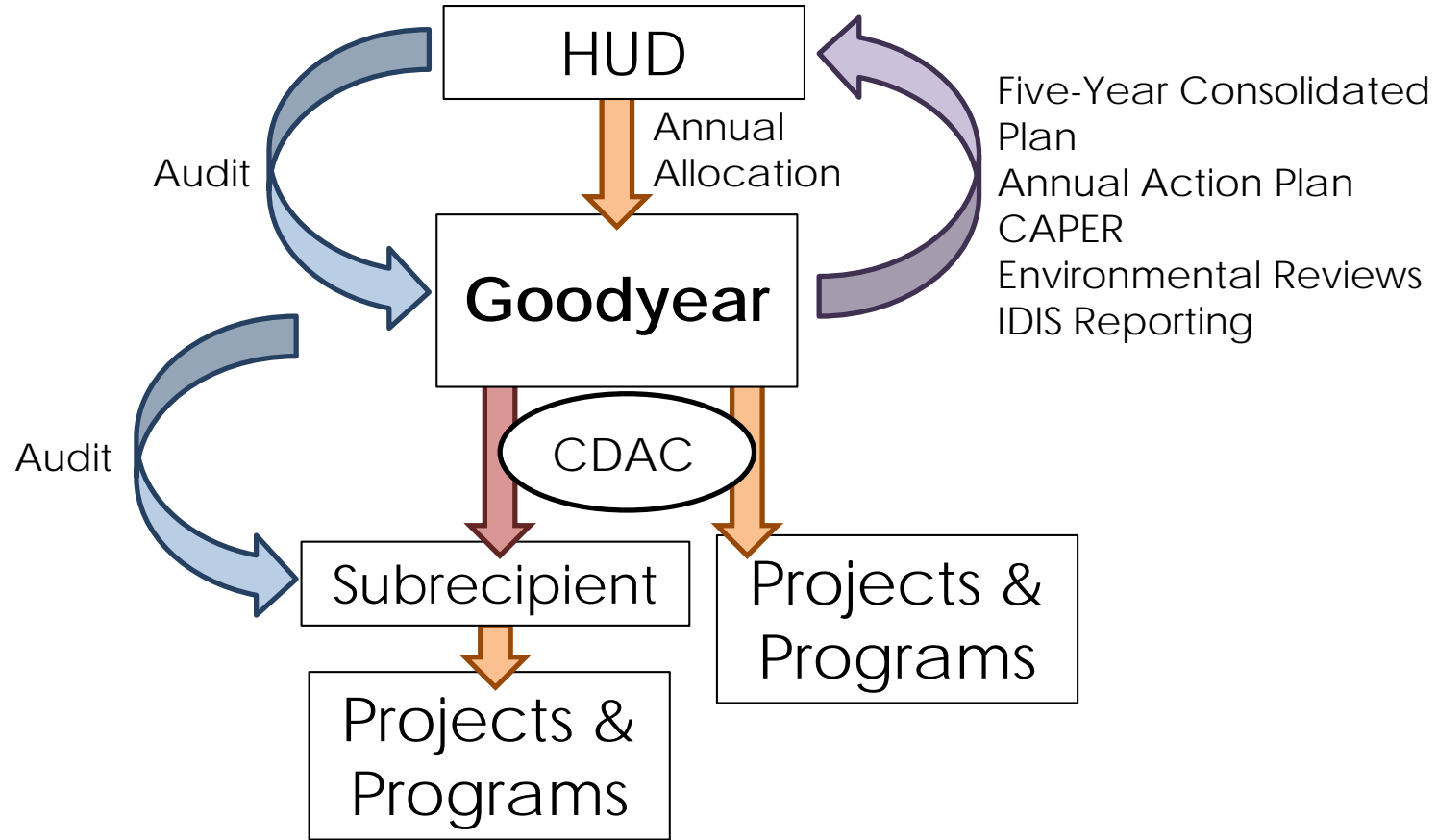
- Maricopa County is designated as an “Urban County”
- Competitive grant application process
- CDAC recommends funding levels to County BOS
- Includes Buckeye, El Mirage, Gila Bend, Goodyear, Guadalupe, Litchfield Park, Queen Creek, Tolleson, Wickenburg, Youngtown, unincorporated Maricopa County



Entitlement Community Program



- City receives an annual allocation from HUD
- Must be formally invited by HUD
 - Goodyear was invited in 2008, 2010, 2014
 - Current 3-year agreement with County expires June 30, 2018



Options



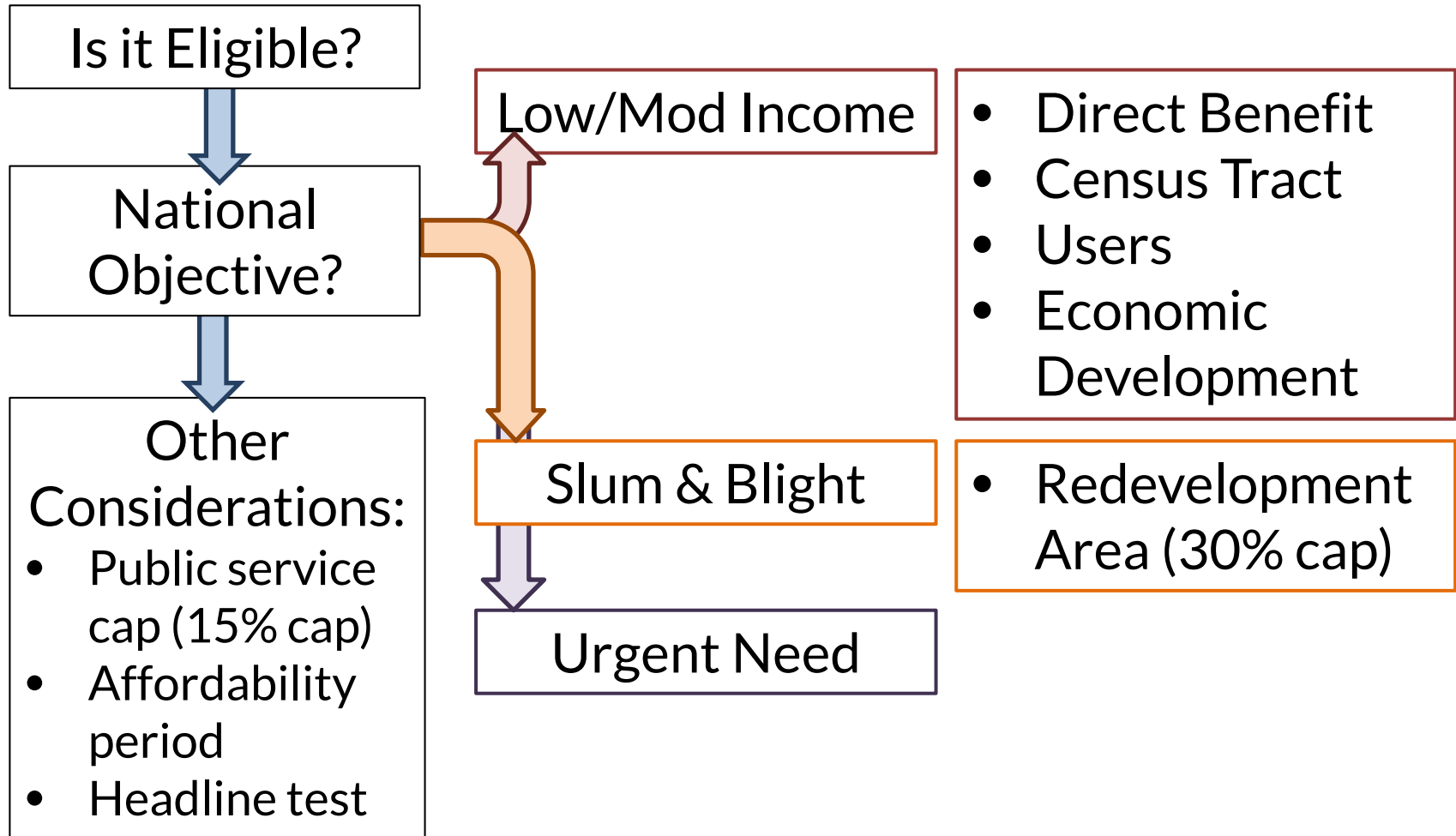
- Decline entitlement status and participate in the Urban County program
- Accept entitlement status and administer the CDBG program

Considerations



- Level of funding the City will receive
- Types of projects and programs
- Administration of program

Types of Projects & Programs



TYPES OF PROJECTS & PROGRAMS

- FY 08-09 Western Avenue Sidewalks
- FY 09-10 Waterline Replacement
- FY 10-11 Parks Improvements
- FY 13-14 Waterline Replacement
- FY 14-15 Façade Improvement
- FY 15-16 Canada Village Lights
- FY 16-17 Waterline Replacement

Entitlement



TYPES OF PROJECTS & PROGRAMS

- Five-Year Consolidated Plan
- CDAC advises Council
- Must be eligible & meet a national objective:

Funding



Funding – Urban County

CDBG

- FY06-07 Waterline Replacement \$350,000
- FY07-08 No funding \$0
- FY08-09 Western Ave. Improvements \$475,334
- FY09-10 Waterline Replacement \$400,000
- FY10-11 Parks Improvements \$257,029
- FY11-12 No funding \$0
- FY12-13 No funding \$0
- FY13-14 Waterline & Storm Sewer \$598,000
- FY14-15 Façade Improvement \$233,597 (returned funds)
- FY15-16 Canada Village Lights \$162,700
- FY16-17 Waterline Replacement \$138,229



Funding – Entitlement

CDBG

- Allocation Breakdown:
 - Allocation \$280,000
 - Administration \$56,000 (20% limit)
 - Projects \$224,000
 - Public Services \$42,000 (15% limit)
 - Slum & Blight \$84,000 (30% limit)



Entitlement – Example 1

TYPES OF PROJECTS & PROGRAMS

- \$280,000 allocation
 - \$56,000 administration
 - \$224,000 capital project



Entitlement – Example 2

TYPES OF PROJECTS & PROGRAMS

- \$280,000 allocation
 - \$56,000 administration
 - \$42,000 public service program (15% cap)
 - \$84,000 slum and blight (30% cap)
 - \$98,000 other programs

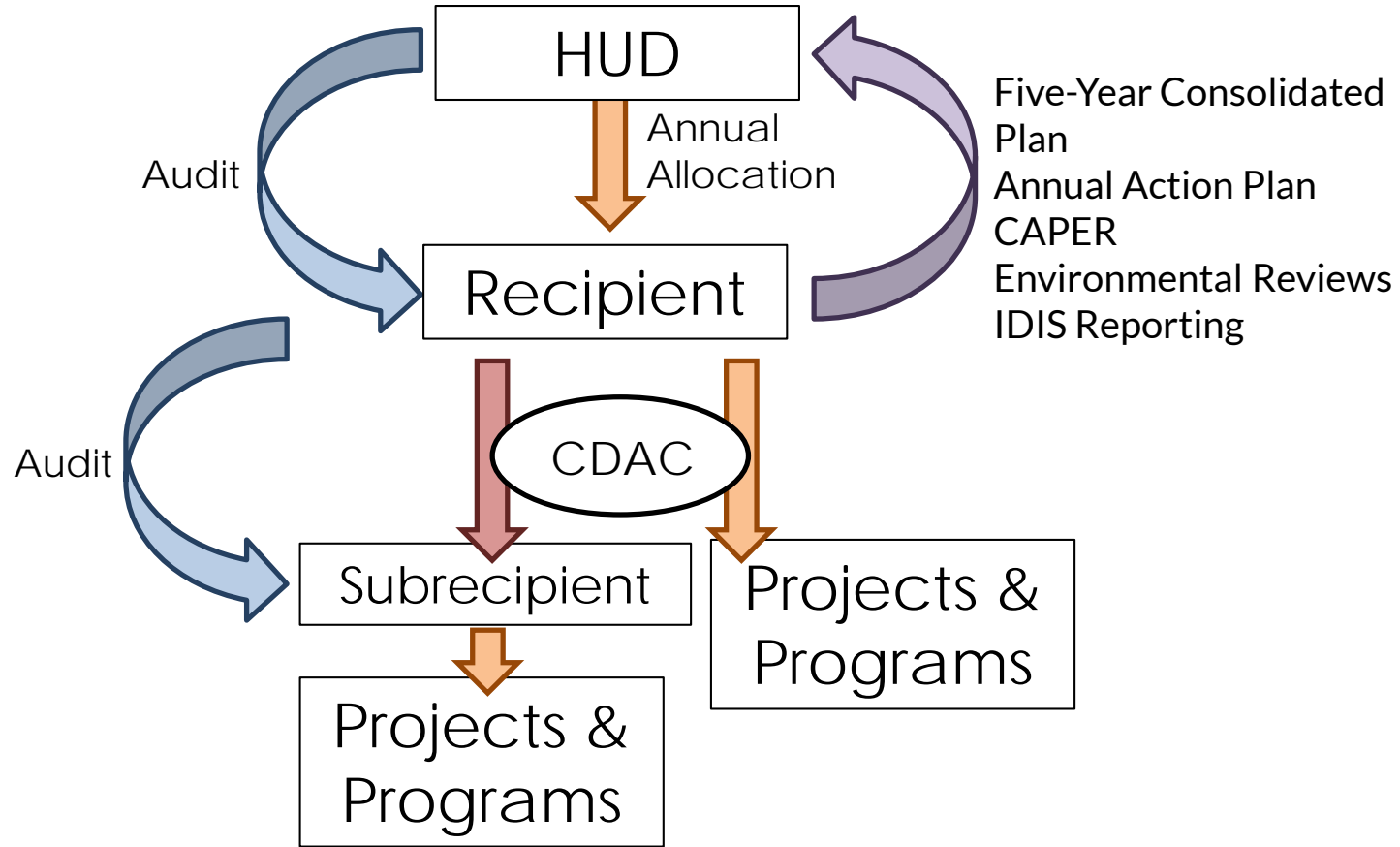


Entitlement – Example 3

TYPES OF PROJECTS & PROGRAMS

- \$280,000 allocation
 - \$56,000 Annual administration
 - \$672,000 Section 108 Loan

Administration



Urban County



PROGRAM ADMINISTRATION

- Portion Environmental Review
- Portion of Consolidated Plan
- Portion of CAPER
- Quarterly Reports
- Grant Management – contracts, records, Davis-Bacon, financial
- Audit by County
- *Estimate 10% of Staff Lead's time*



Entitlement (one-time)

PROGRAM ADMINISTRATION

- Five-Year Consolidated Plan
 - Affordable housing
 - Homeless
 - Community development needs, priorities, activities
- Annual Action Plan
- Impediments to Fair Housing
- *Estimated cost \$120,000*



Entitlement (ongoing)

PROGRAM ADMINISTRATION

- Annual Action Plan
- CAPER
- IDIS reporting
- Environmental Reviews
- Fair Housing training and complaints
- CDAC
- HUD audits City directly
- *One full time employee dedicated to program*

Summary

Option 1



URBAN COUNTY PROGRAM

- Continue Participation in the Urban County Program and execute a new 3-year agreement with Maricopa County (FY2019-2021)



Advantages & Disadvantages

URBAN COUNTY PROGRAM

Advantages

- The County does most of the work.
- Can be managed by current staff
- The City might receive more funds through the Urban County program.
- The City develops individual discrete projects and can apply once a year.

Disadvantages

- The City is not guaranteed funding each year.
- Project funding is bound by County priorities
- The City cannot use funds for administrative costs

Option 2



ENTITLEMENT

- Accept HUD's invitation to become an Entitlement Community Grantee

Advantages & Disadvantages



ENTITLEMENT

Advantages

- The City will be guaranteed annual funding.
- 20% of funds can be used for administrative costs
- Flexibility in the types of projects

Disadvantages

- The City will need to dedicate a staff member to manage program
- Up-front costs for completing the Five-Year Consolidated Plan estimated to be \$80,000-\$120,000
- More eligible projects may create high demands on the amount of funds expected

Staff recommendation



OPTION 1

- Continue participation in the Urban County Program and execute a new 3-year agreement with Maricopa County
 - Will not need to approve supplemental for \$120K plus FTE
 - Can continue to apply for funds with Maricopa County

Questions?

