



**Homes and  
Community Renewal**

# **CDBG**

## **Partnering with Local Governments to Build Strong Communities**

February 19, 2019

NYS Association of Towns

# State Administration of CDBG

The Office of Community Renewal (OCR) exists under the Housing Trust Fund Corporation and administers the Community Development Block Grant (CDBG) Program and other State and Federal programs to empower local governments and not-for-profits to improve NY communities through housing, infrastructure and job creation.



# OCR Programs

## Federal

- NYS Community Development Block Grant (CDBG)
- HOME - Local Programs
- New York State Disaster Recovery
- Project Reinvest Financial Capability
- HUD Comprehensive Housing Counseling

# OCR Programs

## State

- Affordable Homeownership Development Program (AHODP)
- Main Street Program
- Buffalo Main Streets Initiative (BMSI)
- Access to Home Programs
- RESTORE program
- Neighborhood & Rural Preservation Programs (NPP/RPP)
- Manufactured Mobile Housing Replacement Program (MMHR)



# How Does CDBG Work?



# Eligible CDBG Activities

- Public Infrastructure
- Public Facilities
- Economic Development
- Small Business Assistance
- Microenterprise Development
- Housing Rehabilitation
- Manufactured housing replacement
- Homeownership
- Private Water/Wastewater Systems
- Community Planning
- Imminent Threat

# In 2018 Under Governor Cuomo's Leadership the NYS CDBG Awarded Nearly \$39 Million to Improve Communities and Create Opportunities

**\$15.6 million** in housing awards to benefit 582 low-and moderate income households

**\$19 million** in public infrastructure and public facilities awards to benefit nearly 100,000 people

**\$1.9 million** in microenterprise awards to assist 76 businesses and create over 100 new jobs.

**\$9.5 million** in economic development through the Open Round CFA, awards to 31 businesses with up to 1250 jobs resulting from the investment



# Public Infrastructure

Improve infrastructure to low and moderate income areas

Typical activities:

- Public Water Systems
  - water source development, storage, and distribution
- Public Sanitary Sewer Systems
  - sanitary sewage collection and treatment
- Storm Water Systems
  - flood control and storm water drainage

# Example Public Infrastructure

## Village of Stamford, Delaware County

- \$4,934,000 Total Project Cost

- \$ 500,000 NYS CDBG
- \$ 150,000 Local
- \$4,284,000 USDA RD





# Example Public Infrastructure

## Village of Stamford, Delaware County



# Example Public Infrastructure

## Town of Saranac, Essex County, Standish Water District





# Example Public Infrastructure

## Town of Saranac, Essex County, Standish Water District





# Example Public Infrastructure

## Village of Carthage-West Carthage Waste Water Treatment Jefferson County



# Public Facilities

Construction and improvement to facilities that serve low and moderate income areas or provide services

- Public works – construction, replace, repair, expand streets, sidewalks, parking, open spaces, publicly owned utilities
- Construction or rehabilitation of housing to serve special-needs populations, senior service facilities, child care centers, and community center buildings with activities for low and moderate income residents

# Public Facilities

- Buildings primarily for the general conduct of government business are not eligible for CDBG assistance (e.g., Town Halls), other than:
  - Improvements for ADA compliance are eligible
    - If new construction, ADA compliance is not eligible
  - If proposing ADA compliance, must address **REMOVAL** of architectural barriers

# Example Public Facilities

## Warren County, Hudson Headwater Health Center





# Example Public Facilities

## Village of Elmsford, Westchester County ADA Improvements



# Economic Development

Economic Development activities designed to attract, expand, and retain for profit businesses to create or retain jobs principally for low and moderate income persons

- Acquisition of real property
- Financing of machinery, furniture, fixtures and equipment
- Building construction (ED only) and renovation  
(Use of CDBG funds towards construction is subject to Davis-Bacon)
- Working capital & inventory
- Employee training expenses

Funding: up to 40% of project cost up to \$750,000;

One (1) FTE job per \$15,000 CDBG

# Small Business Assistance

Activities to foster small business development

Funding:

up to 40% of project up to \$100,000

- 1 FTE per \$25,000 CDBG
- 20% cash equity required from the business

Funding through an Open Round application

- Two steps:
  - Pre-Submission
  - Full application

# Microenterprise Development

Businesses with 5 or fewer total employees, including the owner

Funded in annual competitive CFA round

- Maximum community award of \$200,000
- up to \$35,000 per business
- At least 50% of funding to start-ups or in business less than six months
- Each business owner must be LMI **OR** 1 LMI FTE job created
- Business owner must commit to a minimum 10% cash equity to the project
- Grant only to business, no loans



# Examples of Economic Development

- **Niagara County, Town of Cambria**
  - BorderWork Logistics
    - \$266,000 Economic Development Funds
    - 20 new FTE jobs
- **Sullivan County**
  - Catskill Mountain Dairies, LLC
    - \$100,000 Small Business Assistance
    - 10 new FTE jobs
- **City of Geneva**
  - FLX Table and Lake Drum Brewing
    - \$25,000 Microenterprise Assistance (each)
    - 2 new FTE jobs

# Examples of Economic Development

**BorderWorx Logistics**

**Town of Cambria**

**Niagara County**



# Examples of Small Business Assistance

## Catskill Mountain Creameries, Sullivan County





# Examples of Microenterprise Assistance

City of Geneva, Ontario County

## FLX Table



Lake Drum Brewing

# Housing Activities

- Housing rehabilitation
- Manufactured housing replacement
- Homeownership
- Wells and septic replacement
- Lateral connection assistance

Funding: \$500,000 Towns, Cities, Village  
\$1,000,000 Counties



# Example of Housing Rehabilitation





# Example of Housing Rehabilitation



# Example of Housing Rehabilitation





# Homeownership

## Assistance to low/mod homebuyers

- Direct financial assistance (e.g., down payment assistance and closing costs)
- Counseling of prospective homeowners
- Minor rehabilitation of certain houses that are otherwise structurally sound

**Analyze your market – demand and pricing**

# Private Water/Wastewater Systems

Eligible activities:

- Drilling new private wells for drinking water
- Construction of new/replacement of existing septic systems
- Install lateral connections to public water or sewer
- Work inside a manufactured housing park may be eligible

# Community Planning

- Preliminary Engineering for Water or Sewer
- Asset Management
- Community Needs Assessments
- Downtown Market Analysis
- Housing Needs Assessments

# Example of Community Planning

## **Town of Danby:**

Housing Needs Assessment

## **Town of Newfield:**

Water Districts Source of Supply Investigation

## **Town of Great Valley:**

Wastewater Engineering Planning Grant

# Imminent Threat

Any eligible CDBG activity can be considered under the imminent threat category.

These are typically disaster response type projects, for example, following Hurricanes Irene and Lee upstate in 2012, and more recently, the Yates County flooding in the summer of 2015 and the Lake Ontario flooding that occurred during 2017.

# Example of Imminent Threat

Village of Wellsville, Cattaraugus County



# Applying for CDBG Funding



**Homes and  
Community Renewal**

# How to Apply for Funds

## NYS Consolidated Funding Application (CFA)

- Public Infrastructure/Facilities (Annual)
- Microenterprise (Annual)
- Community Planning (Annual)
- Economic Development (Open Round)
- Small Business Assistance (Open Round)
- <http://regionalcouncils.ny.gov>



# How to Apply for Funds

## Housing activities - Community Development Online (CDOL)

- Housing rehabilitation
  - Single Unit/Multi Unit
- Homeownership
- Manufactured housing replacement
- Wells & septic replacement, lateral connections
  - Can include eligible engineering costs

<http://www.nyshcr.org/AboutUs/Offices/CommunityRenewal/HousingResourcesFundingOpportunities.htm>

# Eligible Applicants

## Eligible Applicants:

- Units of Local Government with populations of less than 50,000 and
- Counties with populations of less than 200,000

Refer to the list of eligible communities located at:

<http://www.nyshcr.org/Programs/NYS-CDBG/EligibleCommunities.htm>



**Homes and  
Community Renewal**

# Funding Limits - 2019

## Public Infrastructure

- Counties, Towns, Cities or Villages \$750,000
- Shared Municipal Infrastructure \$900,000
- Shared Municipal Infrastructure with  
NYS Co-Funding Initiative \$1,250,000
- With NYS Co-Funding Initiative \$1,000,000

## Public Facilities

- Counties, Towns, Cities or Villages \$300,000

## Economic Development

- Economic Development \$750,000
- Small Business Assistance \$100,000
- Microenterprise \$200,000



# Funding Limits

## Housing (all activities)

➤ Towns, Cities or Villages	\$ 500,000
➤ Counties	\$1,000,000

## Community Planning

➤ Counties, Towns, Cities or Villages	\$50,000
---------------------------------------	----------

# Administrative Funding Limits

- Public Infrastructure, Facilities and Housing for Administration, Program Delivery, Engineering and Architecture: 18% maximum of the CDBG requested funds
- Microenterprise: Up to 25% of CDBG award in program delivery, administration, and training
- Economic Development/Small Business: maximum \$16,000 of CDBG funds for Administration and Program Delivery.

# Scoring Criteria

Applications competitively rated and scored on:

- Project feasibility, all financing in place
- Ability to implement immediately
- Ability to complete in 24-months
- Administrative capacity
- CDBG and administrative performance history, if any
- Severity of need, and impact on identified need
- A complete description of activity
- Public benefit and support for the proposed activity
- Reasonableness of project costs, including program delivery & administration



# Getting Ready to Apply

1. Collect data and evaluate local conditions/needs
2. Determine local priorities, choose projects, then determine funding to seek
3. Read the regulations & requirements
4. Evaluate local capacity to implement the project
5. Identify local partners
6. Identify available resources for project and complementary projects underway
7. Make sure current/previous funding is on schedule or closed satisfactorily

# Application Tips and Other Requirements

Only eligible units of general local government may apply for CDBG assistance

## Tips:

- Use the correct application
- Use the submission checklist to ensure completeness
- Document citizen participation (public hearing)
- Key deficiencies: failing to show administrative capacity, adequate funding, budget inconsistencies, readiness
- Don't take choice limiting actions prior to award and clearance

# Additional Information

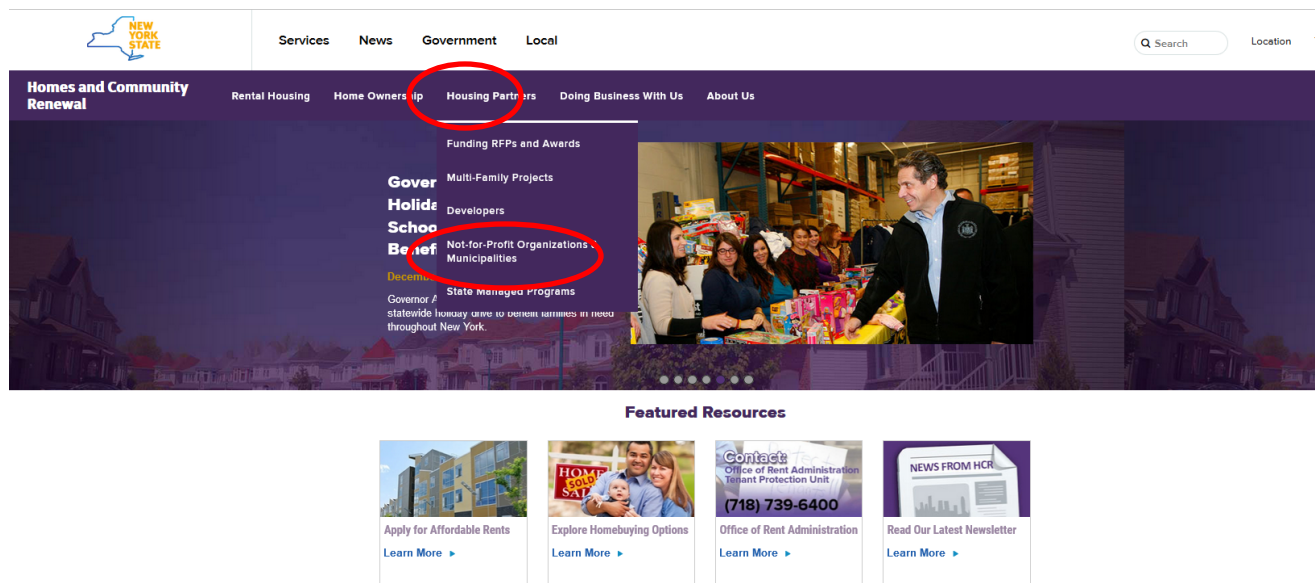


**Homes and  
Community Renewal**

# OCR Web Site

[www.nyshcr.org](http://www.nyshcr.org)

- ✓ Select “Housing Partners”
- ✓ Scroll down to “Not for Profit Organizations & Municipalities”
- ✓ Click on “ NYS Community Development Block Grant”

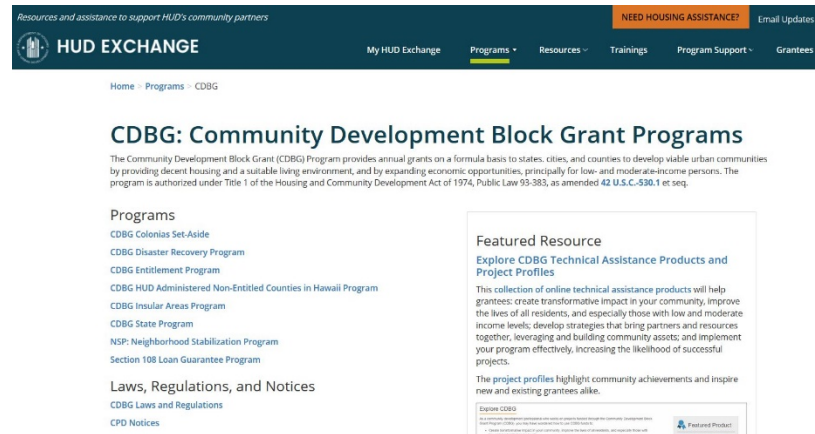


# HUD Exchange

[www.hudexchange.info/programs/cdbg/](http://www.hudexchange.info/programs/cdbg/)

Source for:

- CDBG Rule: 24 CFR Part 570
- CPD Notices
- Basically CDBG manual/slides
- Guide to National Objectives and Eligible Activities for the CDBG Program
- CPD income calculator
- Toolkits



ANY  
QUESTIONS  
?



# Questions

If you have any questions, please contact NYS OCR at  
[ocrinfo@nyshcr.org](mailto:ocrinfo@nyshcr.org)

Charlie Philion, Program Director for Community Development  
[Charles.Philion@nyshcr.org](mailto:Charles.Philion@nyshcr.org)

Scott LaMountain, Senior Community Developer for  
Economic Development, [Scott.LaMountain@nyshcr.org](mailto:Scott.LaMountain@nyshcr.org)

