# BUILDING COMMUNITY POTENTIAL
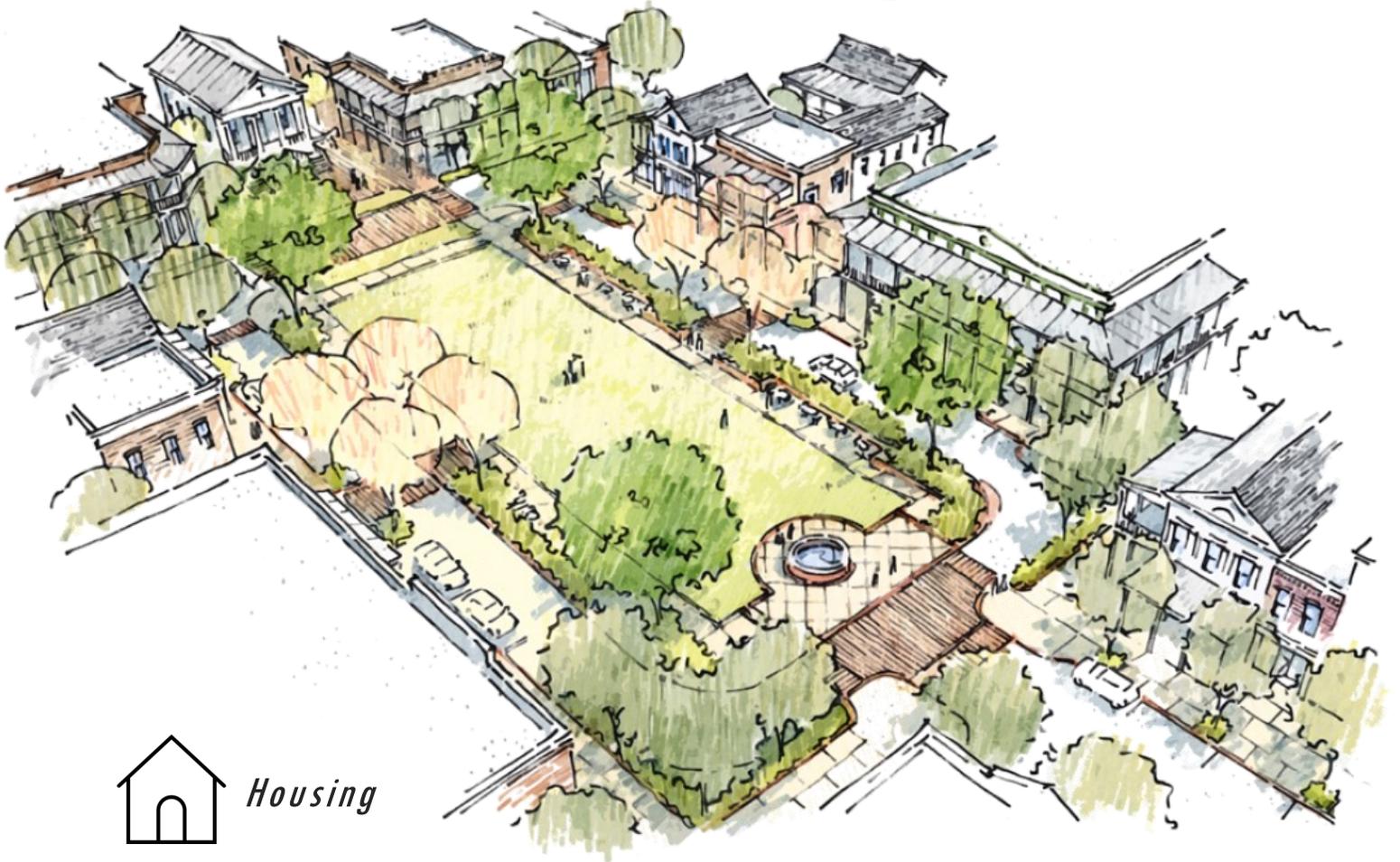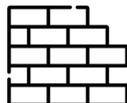
## A GUIDE TO WESTMORELAND COUNTY'S CDBG PROGRAM

Public Services

Economic Development

Housing

Public Facilities & Improvements

# WHAT IS THE CDBG PROGRAM?

Each year, the US Department of Housing and Urban Development (HUD) provides funding to Westmoreland County for the purposes of providing affordable housing, building rehabilitation, improved quality of life, public facilities and services, improved infrastructure, and expanded economic opportunities, for low- and moderate-income persons.

HUD allocates funds nationally based on a formula that includes factors such as the number of persons below area median income, age of housing stock, and population. These Community Development Block Grant (CDBG) funds are allocated to the county each program year. Westmoreland County's program year runs from May 1 to April 30.

On average, the county has received over $3.7 million per year over the past five years.

The primary objective of the CDBG program is to develop viable communities. CDBG funds can be an important catalyst for economic growth by helping local officials leverage funds for community needs.



# REIMAGINING OUR WESTMORELAND

Adopted in December 2018, the county's comprehensive plan, *Reimagining Our Westmoreland*, identifies seven core objectives, 38 strategies, and more than 300 action steps that seek to attract, develop, and retain a diverse and stable workforce that will sustain a healthy economy.

With this plan as a guide and paired with the CDBG program, CDBG funds can realize many of the initiatives of the plan. By aligning planning and community development efforts, we can make Westmoreland a more livable and prosperous county.

# HOW CAN CDBG FUNDS BE USED?

Westmoreland County manages its CDBG program with the notion that local communities are best suited to determine their local priorities. The county uses a formula similar to HUD's to allocate funds to the 60 municipalities that participate in the county's CDBG program.

Allocations are based on 3-year funding cycles and are targeted allocations for planning purposes only. Projects are evaluated individually and funds are awarded based on merit. Municipalities are not guaranteed funding during the allocation cycle.

In addition to the municipal allocations for eligible activities contained herein, the county sets aside funds for countywide activities such as emergency housing rehabilitation, permanent supportive housing for homeless persons, and demolition of vacant blighted structures.

CDBG may fund a broad range of activities based on community needs, priorities, and benefits including:

## PUBLIC FACILITIES AND IMPROVEMENTS

CDBG funds may be used for the construction, reconstruction, rehabilitation (including removal of architectural barriers that restrict mobility and accessibility for elderly and handicapped persons), or installation of public improvements or facilities (except for government buildings).

Some examples of public facilities and improvements include, but are not limited to, public schools, libraries, firehouses, streets, parks, playgrounds, utility lines, and other infrastructure improvements.

## CLEARANCE

CDBG funds may be used for the demolition of buildings and improvements, removal of demolition products (rubble) and other debris, physical removal of environmental contaminants or treatment of such contaminants to render them harmless.

## PUBLIC SERVICES

To use CDBG funds for a public service, the service must either be a new service or a quantifiable increase in the level of an existing service which has been provided by the grantee or another entity on its behalf through state or local government funds.

Examples of public services include, but are not limited to, child care, recreation programs, education programs, employment services, health services, and services for senior citizens.

## REHABILITATION

CDBG funds may be used to finance rehabilitation costs for residential, commercial, industrial, or other (nonprofit-owned, nonresidential buildings and improvements that are not considered to be public facilities or improvements under CDBG regulations) types of property.

Eligible types of assistance include costs (labor, materials, supplies, etc.), conservation, water and sewer, barrier removal, landscaping, sidewalks, renovation of closed buildings, lead-based paint hazard evaluation and reduction, and rehabilitation services.

## CODE ENFORCEMENT

Salaries and overhead costs directly related to the enforcement of state and/or local codes may be covered by CDBG funds.

To be eligible, code enforcement activities must take place in deteriorating or deteriorated areas where the enforcement, along with any improvements, rehabilitation, or services to be provided, may be expected to prevent further deterioration.

## SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES

CDBG funds may be used for acquiring, constructing, reconstructing, rehabilitating, or installing commercial or industrial buildings, structures, and other equipment and improvements (when carried out by a grantee or nonprofit subrecipient).

Funding may also provide economic development services in connection with otherwise eligible CDBG economic development activities, such as outreach efforts to market available forms of assistance, reviewing and underwriting applications for assistance, preparing agreements, etc.

## OTHER MISCELLANEOUS ACTIVITIES

TECHNICAL ASSISTANCE
CDBG funds may support technical assistance in the form of studies, analyses, and the preparation of plans for public or nonprofit entities to engage in eligible neighborhood revitalization or economic development activities.

HOME-SUPPORTIVE ACTIVITIES
CDBG funds may also be used to support activities that are eligible for funding under the HOME program for housing services.

FUNDING MATCH
CDBG funds may be used for the payment of the non-federal share of a federal grant-in-aid for activities which are otherwise CDBG-eligible.

# CDBG PROGRAM QUALIFICATIONS

Each project proposal is evaluated for compliance with HUD regulations. There are <u>two</u> primary factors to consider for any project to receive funding: **1)** *Is it an eligible activity as listed herein?* and **2)** *Does it meet at least one of the three listed national objectives?*

## NATIONAL OBJECTIVES

PRINCIPAL BENEFIT TO LOW- AND MODERATE-INCOME PERSONS
To qualify, an activity must benefit a population that is at least 51% low- to moderate-income (below 80% area median income). At least 70% of each grant must be spent on activities that meet this objective.

PREVENTION OR ELIMINATION OF SLUMS AND BLIGHT
To qualify, an activity must be located in an area designated as blighted by the municipality or address a specific condition of blight outside a designated area (i.e. spot blight removal).
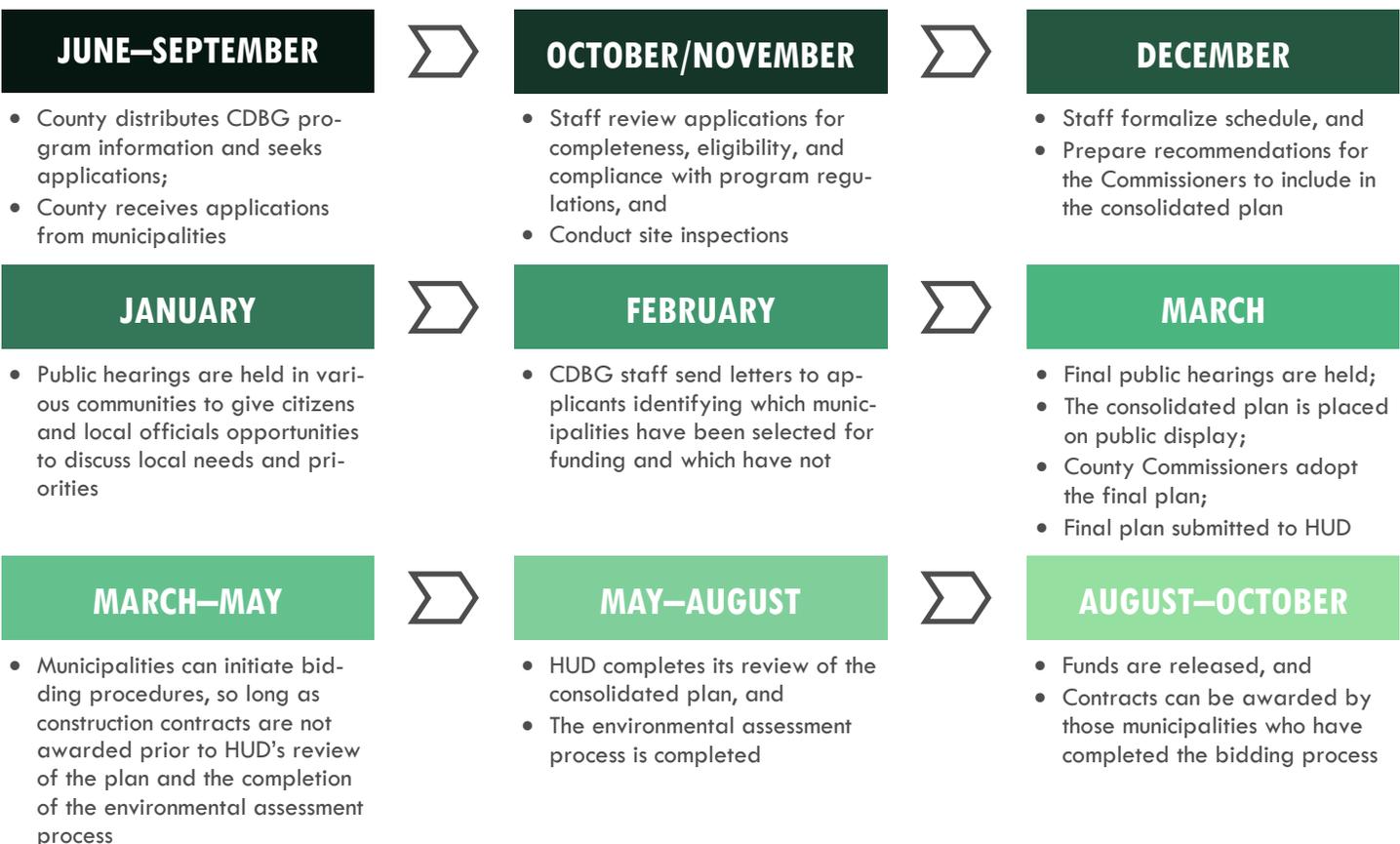
URGENT NEED
To qualify, an activity must address a condition that poses an immediate threat to public health or safety and be of recent origin (past 18 months), and the municipality must have exhausted all other possible funding sources, including local tax revenues. *It is extremely difficult to qualify an activity under this national objective.*

Other federal requirements such as environmental, labor standards, fair housing, and nondiscrimination also apply to the use of CDBG funds.

## CDBG APPLICATION AND AWARD PROCESS

*Timing subject to change based on HUD's announcement of county allocation and approval of plan*

| JUNE–SEPTEMBER | OCTOBER/NOVEMBER | DECEMBER |
|---|---|---|
| • County distributes CDBG program information and seeks applications;<br>• County receives applications from municipalities | • Staff review applications for completeness, eligibility, and compliance with program regulations, and<br>• Conduct site inspections | • Staff formalize schedule, and<br>• Prepare recommendations for the Commissioners to include in the consolidated plan |

| JANUARY | FEBRUARY | MARCH |
|---|---|---|
| • Public hearings are held in various communities to give citizens and local officials opportunities to discuss local needs and priorities | • CDBG staff send letters to applicants identifying which municipalities have been selected for funding and which have not | • Final public hearings are held;<br>• The consolidated plan is placed on public display;<br>• County Commissioners adopt the final plan;<br>• Final plan submitted to HUD |

| MARCH–MAY | MAY–AUGUST | AUGUST–OCTOBER |
|---|---|---|
| • Municipalities can initiate bidding procedures, so long as construction contracts are not awarded prior to HUD's review of the plan and the completion of the environmental assessment process | • HUD completes its review of the consolidated plan, and<br>• The environmental assessment process is completed | • Funds are released, and<br>• Contracts can be awarded by those municipalities who have completed the bidding process |

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