

Agenda
Community Development Block Grant Meeting
Municipal Building, 625 52nd Street - Room 202, Kenosha, WI
Tuesday, September 13, 2016
5:00 pm

Aldersperson Anthony Kennedy, Chairperson
Aldersperson Dave Paff, Vice-Chairperson
Aldersperson Curt Wilson

Committee Member Anita Faraone
Committee Member Ron Frederick
Committee Member Scott Haraty

Call to Order
Roll Call
Citizens Comments

1. 2017 Community Development Block Grant Fund Allocation Plan. PUBLIC HEARING
2. 2017 Community Development Block Grant Program Year Calendar.

Committee Member's Comments

*IF YOU ARE DISABLED AND NEED ASSISTANCE, PLEASE CALL 653-4030 BY NOON
OF THIS MEETING DATE TO MAKE ARRANGEMENTS FOR REASONABLE ON-SITE ACCOMMODATIONS.*



Tuesday, September 13, 2016 at 5:00 pm
Municipal Building
625 52nd Street - Room 202 - Kenosha, WI 53140

2017 Community Development Block Grant Fund Allocation Plan. PUBLIC HEARING

NOTIFICATIONS AND APPROVAL REQUIREMENTS:

This item will be reviewed by the City Plan Commission and Finance Committee before final approval by the Common Council.

ANALYSIS:

1. The Community Development Block Grant (CDBG) Committee is responsible for developing and preparing the Allocation Plan for the 2017 CDBG Program. A copy of the 2016 Plan is attached along with the Executive Summary and Priority Needs from the recently adopted Consolidated Plan.
2. The new plan should consider the following:
 - a. A project funded with CDBG funds must fit into one of three (3) Federally identified categories:
 - Low and moderate income benefit.
 - Elimination of slums and blight.
 - Urgent need (emergency situation-disaster).

70% of the funds expended during the 2017-2019 Program years must benefit low to moderate income persons.

- b. Funding Categories:
 - Below are the categories and percentages that were used during the prior program years:

PROGRAM CATEGORY	2008	2009	2010	2011	2012	2013	2014	2015	2016
Public Service	15%	15%	15%	15%	15%	15%	15%	15%	15%
Planning & Management	20%	20%	20%	20%	20%	20%	20%	20%	20%
Housing & Neighborhood Improvement	62-65%	62-65%	53-63%	65%	65%	65%	65%	65%	65%
Economic Development	0-3%	0-3%	0-12%						

- c. Funding Level Limitations:
 - There are two (2) regulatory limitation on the level of funding.
 - First - Planning, Management and General Administration costs cannot exceed 20% of the total funds expended.
 - Second - only 15% of the total funds can be used for public service projects.
- d. Planning/Administration:
 - These funds are used to administer the CDBG Program and for comprehensive planning activities which include:
 - Comprehensive Plans
 - Individual Project Plans
 - Community Development Plans
 - Capital Improvement Plans

- Small Area and Neighborhood Plans
- Analysis of Impediments of Fair Housing choice
- Environmental and Historic Preservation studies
- Functional Plans (housing, land use, energy conservation or economic development)

- Priority
 - Emphasis needs to be placed on addressing the Priority needs as identified in the Consolidated Plan.

- Reduction/Increase in Funding
 - Direction needs to be provided on what happens if the City receives additional funding as well as if there is a reduction in funding.

- Reprogramming of Funds
 - Direction needs to be provided on how funds designated to be reprogrammed will be reallocated.

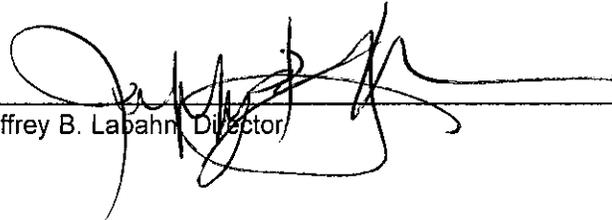
RECOMMENDATION:

For Committee review and recommendation.



Tony Geliche, Community Dev Specialist

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Jeffrey B. Labahn, Director

Community Development Block Grant Fund Allocation Plan 2016

I. INTRODUCTION

The Community Development Block Grant's primary objective is the development of viable communities by creating suitable living environments, maintaining and creating decent housing, and creating and maintaining job opportunities for low and moderate income persons.

Communities which are eligible for Community Development Block Grant (CDBG) funds, otherwise known as "entitlement cities," must develop an Allocation Plan stating community goals and objectives on how CDBG funds should be used and spent.

The Fund Allocation Plan has been prepared by the CDBG Committee on Community Development Block Grants to provide a basis for funding decision for Program Year 2016.

The committee was established in order to:

1. Develop an Allocation Plan
2. Reexamine the process for allocating CDBG funds
3. Become actively involved in the awarding of CDBG applications by conducting interviews of all potential applicants, and making recommendations to the Finance Committee and City Plan Commission on which projects should be funded.

The Fund Allocation Plan establishes program categories, funding percentages, and the basis for allocating dollar amounts.

II. FUNDING CATEGORIES

There are three (3) local funding categories: Public Service, Housing, Neighborhood Improvement/Economic Development and Planning/Management. Proposals must fall within one (1) of the three (3) mentioned categories and will be evaluated on that basis. Projects will be competing for the funds allocated to the respective category. The types of projects that will be considered under each category are as follows:

PUBLIC SERVICE

- Project/Program Delivery Costs
- Equipment to Support Program Services

HOUSING, NEIGHBORHOOD IMPROVEMENT / ECONOMIC DEVELOPMENT

- Housing Rehabilitation
- Code Enforcement Programs
- New Housing Construction
- Historic Preservation
- Neighborhood Projects
- Public Improvements
- Facility Improvements
- Revolving Loan Fund

- Revolving Business Loan programs
- Job Creation for Low/Moderate Income Benefit
- Commercial Revitalization

PLANNING / MANAGEMENT

- CDBG Implementation
- Comprehensive Planning
- Studies and Long Range Planning

The programs listed above must meet one of the following National Objectives:

- benefiting low and moderate income persons,
- addressing slums or blight,
- meeting a particular urgent community development need.

The programs must also comply with all Department of Housing and Urban Development guidelines and regulations stipulated in 24 CFR Part 570 of the Housing and Community Development Act of 1987.

III. EVALUATION CRITERIA

The following criteria will be used to evaluate proposals. Proposals should address the criteria in order to be considered for funding.

PUBLIC SERVICE PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as a Public Service Project, the proposal must be contained in the Consolidated Plan.

Benefit

To be considered for funding as a Public Service Project, the proposal must demonstrate that:

- 51% of the persons directly benefiting are from low-to-moderate income households, or
- 51% of the persons residing in the area being served are low-to-moderate income

Project Type

To be considered for funding as a Public Service Project, the proposal must demonstrate that:

- the project is a new project, or
- the project is a quantifiable increase in a service already being provided

Leveraging

To be considered for funding as a Public Service Project, the proposal must demonstrate

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Measurable Outcomes

Proposals shall list the measurable qualitative outcome that will result from the use of funds.

HOUSING PROJECTS

Proposals must be either a Single Family Project or a Multi-Family Project.

Single Family Project

To be considered for funding as a Single Family Project, the proposal must be one of the following:

- acquisition/rehabilitation
- demolition
- new construction

Multi-Family Project

To be considered for funding as a Multi-Family Project, the proposal must be one of the following:

- acquisition/rehabilitation of two or more unit dwellings
- need to be structures that were built as multi-family dwellings
- construction of two or more adjoining units, but not more than 8 units

Proposals must also address the following:

Plan Consistency

To be considered for funding as a Housing Project, the proposal must be contained in the Consolidated Plan.

Benefit

To be considered for funding as a Housing Project, the proposal must benefit:

- 100% low-to-moderate income households for single family projects
- 51% low-to-moderate income households for multi-family projects

Leveraging

To be considered for funding as a Housing Project, the proposal must demonstrate:

- leveraging of funds (private, bank, HOME, HRCI, etc.)
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Location

To be considered for funding as a Housing Project, the proposal must be located within the City's Reinvestment Neighborhood.

Emphasis will be placed on proposals that address activities in local Neighborhood Strategies.

PUBLIC IMPROVEMENT PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as a Public Improvement Project, the proposal must be contained in the Consolidated Plan.

Benefit

To be considered for funding as a Public Improvement Project, the proposal must benefit:

- 51% low-to-moderate income households, or
- eliminate slums or blight

Leveraging

To be considered for funding as a Public Improvement Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Location

To be considered for funding as a Public Improvement Project, the proposal must be located within the City's reinvestment Neighborhood.

Emphasis will be placed on proposals that address activities in local Neighborhood Strategies.

FACILITY PROJECTS

Funds received (over \$1,000) for the improvement or construction of facilities shall be secured by a property title lien until the property is sold or leased to a for-profit entity or a non-CDBG eligible not-for-profit entity.

Proposals must address the following:

Plan Consistency

To be considered for funding as a Facility Project, the proposal must be contained in the Consolidated Plan.

Benefit

To be considered for funding as a Facility Project:

- the Agency must serve 51% low-to-moderate income persons, or
- the Project must eliminate slums or blight

Leveraging

To be considered for funding as a Facility Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Need

To be considered for funding as a Facility Project, the proposal must demonstrate the following:

- the Project will enhance the services provided by the applicant
- effect or relationship of the project to programming
- the Project is necessary to address conditions detrimental to public health and safety

Location

Emphasis will be placed on proposals that address activities in local Neighborhood Strategies.

ECONOMIC DEVELOPMENT PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as an Economic Development Project, the proposal must be contained in the Consolidated Plan.

Benefit

To be considered for funding as an Economic Development Project, the proposal must benefit:

- 51% low-to-moderate income persons through job creation or retention activities, or
- eliminate slums or blight

Leveraging

To be considered for funding as an Economic Development Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Need

To be considered for funding as an Economic Development Project, the proposal must demonstrate the following:

- the Project will enhance the area in which the Project is located
- the Project is necessary to address conditions detrimental to public health and safety

Measurable Outcomes

Proposals shall list the measurable qualitative outcomes that will result from the use of funds.

PLANNING / MANAGEMENT PROJECTS

Proposals must address the following:

Plan Consistency

To be considered for funding as a Planning/Management Project, the proposal must be contained in the Consolidated Plan.

Benefit

To be considered for funding as a Planning/Management Project, the proposal must demonstrate the impact the project will have on the community.

Leveraging

To be considered for funding as a Planning/Management Project, the proposal must demonstrate:

- leveraging of funds
- CDBG is not the sole source of funding
- the ability to cover the cost of implementing the plan

Need

To be considered for funding as a Planning/Management Project, the proposal must demonstrate the following:

- the Project will enhance the area in which the Project is located
- the Project will enhance or relate to the Agency's long term programming

IV. FUNDING ALLOCATION FOR 2016

(based on the following allocation)

2016 Entitlement Allocation	\$936,778
Unallocated Entitlement Fund Balance	\$280,843
TOTAL	\$1,217,621

The categorical percentages established for the CDBG Program for 2016 are listed below:

<u>Program Category</u>	<u>Percentage of Total Program</u>
Public Service	15%
Planning/Management	20%
Housing, Neighborhood Improvement/Economic Development	65%

If there is a reduction in CDBG funds received for the year 2016, reductions will be made across the board. If there is an increase of \$25,000 or less in CDBG funds received for the year 2016, funds will be distributed proportionally to those that were allocated funding, except for those that were fully funded, up to the requested amount. If the increase is more than \$25,000, funds will be allocated to a Street Resurfacing Fund.

Priority

Priority will be given to proposals that address the following:

- Decent Affordable Housing
- Create Suitable Living Environments for Low-to Moderate Income Persons
- Create Economic Opportunity

V. REPROGRAMMING OF FUNDS

All funds available for reprogramming during the 2016 program year are designated to be reprogrammed by the CDBG Committee as determined by the CDBG Committee.

VI. TIMELINESS

All projects funded must be initiated within 12 months of receipt of funds. Agencies requesting extensions shall demonstrate an urgent or critical reason for the extension. Extensions shall not exceed six months.

VII. FUNDING REQUESTS

Requests for funding will be allowed once per year during the acceptance of applications. The CDBG Committee will not entertain any special requests, whether they are an emergency or not, at any other time throughout the year. Multi-year funding requests may be considered.

VIII. INELIGIBLE ACTIVITIES

- Government buildings, except to remove architectural barriers
- General government expenses, except administration of CDBG program/comprehensive planning
- Political activities
- Income payments
- Motor vehicles

IX. LIENS

Liens will be placed on real property that is improved with the use of CDBG funds. Such liens shall remain until the property is sold by the agency receiving the CDBG funds.

Executive Summary

ES-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The purpose of the City of Kenosha's Five Year 2015-2019 Consolidated Plan is to develop a viable urban community by providing decent housing, a suitable living environment, expanded economic opportunities principally for low and moderate-income persons, and programs that will address the needs of homeless and near homeless persons. The plan sets forth how two HUD grants, the Community Development Block Grant and the HOME Investment Partnership Grant, will be used as investment priorities to achieve specific HUD objectives and outcomes performance measures.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The City's goals for the 2015-2019 planning period focus on continuing neighborhood revitalization efforts, providing affordable housing and assisting low-income, homeless, and special needs residents with supportive services. Specifically, the City will do the following:

Provide Decent Affordable Housing:

- Assist 100 low to moderate income rental households through rehabilitation
- Add 5 to 10 homeowner housing units for low to moderate income households
- Rehabilitate 50 homeowner housing units for low to moderate income households
- Provide direct financial assistance to 10 low to moderate income homebuyers
- Provide Tenant-based Rental Assistance to 40 low-income households

Create Suitable Living Environments for low to moderate income persons:

- Assist 10,000 persons through Public Facility or Infrastructure activities
- Assist 12,500 persons through Public Service activities
- Assist 750 homeless persons through overnight shelters

Create Economic Opportunity:

- Create and/or retain 15 low to moderate income jobs
- Assist 15 businesses (creation/expansion)

SP-25 Priority Needs - 91.215(a)(2)

Priority Needs

Table 48 – Priority Needs Summary

1	Priority Need Name	Community Dev - Public Facilities & Improvements
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups
	Associated Goals	Suitable Living Environ-Facilities/Infrastructure
	Description	Youth Centers Neighborhood Improvements Homeless Facilities Infrastructure

	Basis for Relative Priority	The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs
2	Priority Need Name	Community Development - Public Services
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups
	Associated Goals	Suitable Living Environ through Public Services
	Description	Youth Services Job Training Homeless Services Expansion of Public Transportation

	Basis for Relative Priority	The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs.
3	Priority Need Name	Community Development - Economic Development
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups
	Associated Goals	Create Economic Opportunities
	Description	Job Creation Job Training Commercial Revitalization
	Basis for Relative Priority	The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs.
4	Priority Need Name	Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Middle Large Families Families with Children Elderly
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups
	Associated Goals	Provide safe, decent affordable housing

	Description	<p>Exterior property maintenance/rehabilitation:</p> <ul style="list-style-type: none"> • Owner households between 50-80% AMI • Owner households with housing cost burden greater than 30% of their monthly income <p>Exterior property maintenance/rehabilitation:</p> <ul style="list-style-type: none"> • Renter households between 0-30% AMI • Renter households with housing cost burden greater than 30% of their monthly income <p>Affordable Housing:</p> <ul style="list-style-type: none"> • Coordinate housing with Habitat for Humanity in which housing cost burden is less than 30% of the household's monthly income • Tenant-based rental assistance <p>Purchase assistance (down payment assistance, closing cost assistance, mortgage assistance)</p>
	Basis for Relative Priority	The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs.
5	Priority Need Name	Homeless
	Priority Level	High
	Population	<p>Extremely Low Low Moderate Middle Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth</p>
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups
	Associated Goals	<p>Suitable Living Environ-Facilities/Infrastructure Suitable Living Environ through Public Services</p>

	Description	Affordable Housing including permanent supporting housing and transitional housing Supportive Services Services to prevent homelessness
	Basis for Relative Priority	The Public Input Session, the online survey, and needs assessment identified the above listed as priority needs.
6	Priority Need Name	Planning and Administration
	Priority Level	High
	Population	Low Moderate
	Geographic Areas Affected	Low - moderate Income Census Tract Block Groups
	Associated Goals	Administration and Planning
	Description	Oversight, management, monitoring and coordination of CDBG and HOME Programs. Comprehensive Planning
	Basis for Relative Priority	Program Administration

Narrative (Optional)

Priority needs were identified through a Public Input Session, an online survey, and the needs assessment. A public input session was held on April 28, 2014 and attended by thirty-two participants from agencies, groups and organizations. The online survey was conducted from April 1 through April 30, 2014 with 238 respondents. The survey questions covered housing, homeless, special needs, infrastructure, public facilities, public service, and economic development.



COMMUNITY DEVELOPMENT BLOCK GRANT
Staff Report - Item 2

Tuesday, September 13, 2016 at 5:00 pm
Municipal Building
625 52nd Street - Room 202 - Kenosha, WI 53140

2017 Community Development Block Grant Program Year Calendar.

NOTIFICATIONS AND APPROVAL REQUIREMENTS:

This item is for review by the Community Development Block Grant Committee.

ANALYSIS:

1. Attached is the 2017 Community Development Block Grant (CDBG) Program year calendar with meeting dates.

RECOMMENDATION:

For Committee review and recommendation.

Tony Geliche, Community Dev Specialist

Jeffrey B. Labahn, Director

2017 CDBG Program Calendar

<i>Date</i>	<i>Activity</i>
Tuesday, September 13	Public Hearing/CDBG Committee Allocation Plan
Thursday, September 22	City Plan Commission Review of Allocation Plan
Monday, October 3	Finance Committee Review of Allocation Plan
Monday, October 3	Council Approval of Allocation Plan
Tuesday, October 4 to Wednesday October 19 - 10:00 AM	Application Period
Week of October 24	Interview Dates
Tuesday, November 1	CDBG Committee Allocation
Thursday, December 8	City Plan Commission Approval
Monday, December 19	Finance Committee Approval
Monday, December 19	Common Council Adoption

September

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October

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November

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27	28	29	30			

December

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25	26	27	28	29	30	31

- Holiday
- CDBG Committee Meeting Date
- CDBG to City Plan, Finance, Council
- Application Period