

Memorandum

January 11, 2019

TO: Infrastructure Finance Authority Board
FROM: Chris Cummings, Assistant Director
SUBJ: Proposed 2019 Community Development Block Grant (CDBG) Annual Action Plan

Requested Action

Informational Only For Board Input For Board Action (see Recommended Motion)

Request

Annually our agency is required by Housing and Urban Development Department to complete an Annual Action Plan for the Community Development Block Grant Program. In 2017 we created a CDBG Annual Action Development (AAD) to annually review the CDBG Method of Distribution (MOD) and finalized a recommendation for CDBG program delivery.

The recommended changes will be presented to the IFA Board for consideration and approval.

Recommended Changes to CDBG Program Delivery

Chapter 1—Funding Priority Targets

The table below shows 2019 projected available funds and targeted percentages and 2019 estimated available funds and target percentages. Funding priority target percentages remain the same as 2018.

Funding Category	Funds Available*	2019 Target Percentage
Microenterprise Assistance	\$255,349	2%
Public Works	\$6,766,754	53%
Community/Public Facilities	\$2,553,492	20%
Regional Housing Rehabilitation	\$3,191,865	25%
Total Proposed Funding Available for Projects	12,767,461	

*These figures are estimates based on the previous years' allocation, which is the anticipated funding for 2019. Any recaptured funds and/or unobligated amounts from previous years will be added to this figure.

Chapter 7—CDBG Application Procedures

- *Application Round*—The agency is proceeding with one application round per year. For 2019, the application round will open on July 1, 2019, with applications due on September 30, 2019. Applications received after that date will not be accepted. If sufficient funds remain from this application round, another application round *may* be opened. If an

additional competitive application round will be held, notice will be provided via website postings, e-newsletters, and listserv distributions.

- *Application Procedures and scoring*—The agency continues to restructure the CDBG program to bring greater emphasis on funding projects ready to proceed. In light of that, there have been significant changes throughout Chapter 7 emphasizing project development and the funding of focused projects. Business Oregon is directing its funding to projects showing project completion can be achieved within the two-year timeframe.
 - *Project Notification and Intake Form*—Citizen Participation requirement of the 1st Public Hearing is now a part of the Project Notification and Intake Form. The 1st public hearing final approved meeting minutes along with the public hearing notice documentation must be submitted with the Project notification form (Intake). An invitation to apply will not be extended until it is determined that the citizen participation requirements were properly met.
 - *Core points and bonus points*—The bonus point scoring introduced in 2018 will now be included into the core points. Please review the tables throughout Chapter 7 outlining the scoring criteria. Please note in the Public Community Facilities, other community services/projects has been broken out to reflect agency priorities.
 - *Financial Readiness to Proceed*—the point criteria has been eliminated.
 - *Financial Review*—is a new title replacing a category that was referred to as “Financial Need” in prior years. This section is enhanced to include an over-arching review of the financial health and need of the project and the applicant.
 - *CDBG Administration Capacity*—The point structure has been updated and enhanced to include previous applicant’s staff experience in administering other federally funded projects.
- *Minimum Threshold score*—With a focus on project development and readiness to proceed, priority for funding will be given to applications reaching 80% of the minimum total points possible. Based on funding availability Business Oregon reserves the right to award applications below the 80% minimum points requirement and may be in the form of a “conditional award.” A table summarizing the maximum points for each project type and the minimum threshold score is provided toward the end of Chapter 7.

Recommended Motion

Move to accept the CDBG Annual Action Development Committee recommendation of the 2019 CDBG program.