

Memorandum

January 11, 2021

TO: Infrastructure Finance Authority Board
FROM: Chris Cummings, Interim Director
SUBJ: Proposed 2021 Community Development Block Grant (CDBG) Method of Distribution

Requested Action

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

Request

Annually our agency is required by the US Department of Housing and Urban Development to complete an Annual Action Plan for the Community Development Block Grant Program. In 2017 we created a CDBG Annual Action Development Committee (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 2021 projected available funds and targeted percentages and 2021 estimated available funds and target percentages. Funding priority target percentages remain the same as 2020.

Funding Category	Funds Available*	2021 Target Percentage
Microenterprise Assistance	\$445,119	2%
Community/Public Facilities	\$4,451,185	20%
Regional Housing Rehabilitation	\$5,563,982	25%
Public Works	\$11,795,640	53%
Total Proposed Funding Available for Projects	\$22,255,926	

*These figures are estimates based on the previous years' allocation, which is the anticipated funding for 2021. Any recaptured funds and/or unobligated amounts from previous years have been added to this figure.

Chapter 7 – CDBG Application Procedures

Application Procedures and scoring – With a more focused approach to project development and providing a more equitable opportunity for applicants the AAD is suggesting the following changes to the MOD with detail score provided within Chapter 7:

- *Microenterprise* – Enhancing focus by adding incentives to projects that are collaborating with existing state funded or privately funded microenterprise/ small business ecosystem development program in addition to the utilization local available training resources to assist MicroEnterprises.

Application Round – The agency is proceeding with two application rounds for the 2021 program year.

- Spring Round (open February 1st ends April 30th)
- Fall Round (open July 1st ends September 30th)

Chapter 9 – Economic Development

Based on the Consolidated Planning outreach result, one of the item identified as highly prioritized need is involving Downtown Revitalization as one of the Economic Development activity. In previous MODs this chapter was dedicated to microenterprise projects exclusively. Therefore the title of the chapter has changed to create a place holder to add Downtown revitalization to be added into the activities and to do so within PY2022 to allow proper program development time alongside the existing program such as Main Street Program.

Recommended Motion

Move to accept the CDBG Annual Action Development Committee recommendation of the 2021 CDBG Method of Distribution.