

State of South Carolina

Community Development Block Grant Program

CDBG



Serves Four Counties

Population
708,359

- **Fairfield**
- **Richland**
- **Newberry**
- **Lexington**

Establishment

Governor Robert McNair established the Councils of Government in 1967 by Executive Order

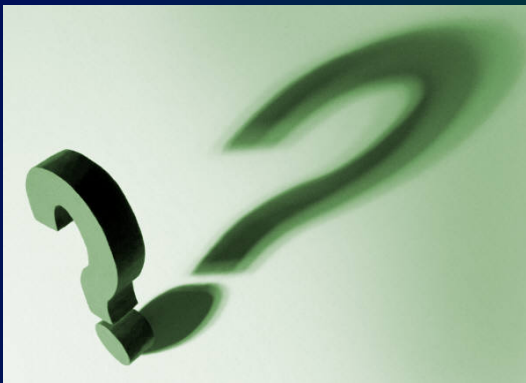
Over the years they have been known as:

- *Economic Development Districts*
- *Regional Planning & Development Commissions*
- *Regional Planning & Development Councils*
- *And now... Councils of Government*

What is it?



CDBG



What is CDBG?

- Federal program funded by HUD.
- Administered in South Carolina by the SC Department of Commerce, Division of Grants Administration.



Program Designed to Produce Outcomes That:

- Improve Citizen's Quality of Life
- Create a Competitive Environment for Jobs and Investment by Addressing Priority Community Development Needs

Particularly for Distressed and LMI Communities

Who Can Apply?

- Units of Local Government Only
 - Towns
 - Cities
 - Counties
- Must Not be Within a CDBG Entitlement Area.

What is an Entitlement Area?

- The CDBG entitlement program allocates annual grants to entitled metropolitan cities and urban counties to develop viable communities by providing low- to moderate-income people with decent housing, suitable living environments, and economic
- **Must Not be Within a CDBG Entitlement Area. The City of Columbia is a CDBG Entitlement Area in the Midlands Region.**

Entitlement Area Cont.

- These grants are awarded annually from the federal government to metropolitan cities with populations of at least 50,000 and qualified urban counties with populations of at least 200,000. Units of Local Government Only
 - Towns
 - Cities
 - Counties
- **Must Not be Within a CDBG Entitlement Area.**

Who Can Apply?

- Units of Local Government Only
 - Towns
 - Cities
 - Counties
- Must Not be Within a CDBG Entitlement Area.

Only Local Governments Can Receive Direct Assistance

- No individuals
- No businesses
- No non-profit organizations
- No water and sewer authorities



CDBG

All Projects **Must:**

**Address Eligible
Activity**

**Meet A National
Objective**



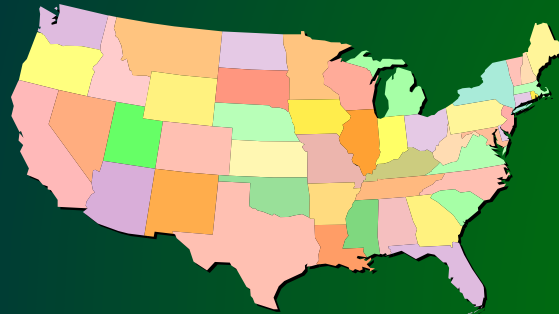
Eligible Activities

Public Improvements

- Water
- Sewer
- Roads
- Drainage
- Workforce Centers
- Libraries
- Public safety facilities and services in LMI neighborhoods – (police & fire substations)
- Demolition of vacant, dilapidated structures
- Firefighting facilities that offer new or expanded services
- Health clinics in underserved areas
- Energy efficiencies for CDBG eligible public facilities
- Brownfield projects or demolition of obsolete buildings
- Downtown streetscape infrastructure
- Brownfield & Infrastructure Planning Studies

National Objectives

- Benefit Low and Moderate Income (LMI) Persons
- Aid in the Prevention or Elimination of Slums or Blight
- Meet Other Urgent Community Development Needs



National Objectives

BENEFIT LOW AND MODERATE INCOME (LMI) PERSONS

LMI = FAMILY INCOME IS
80% OR LESS THAN
MEDIAN INCOME FOR THE
COUNTY OR MSA



National Objectives

Types of LMI Benefit

Area Benefit

Benefits available to everyone in the area.

(Must be at least 51% LMI)



National Objectives

Types of LMI Benefit

Limited Clientele

Benefits a specific group (presumed LMI)

Abused Children

Battered Spouses

Disabled

Migrant Farm Workers

Elderly

Homeless

Illiterate

Persons living w/
Aids

Types of LMI Benefit

Infrastructure

Creation of healthy and sustainable residential communities through water, sewer, drainage and road improvements.

National Objectives

Types of LMI Benefit

Job Creation or Retention

Creates or retains permanent jobs.

(At least 51% held by LMI)



National Objectives

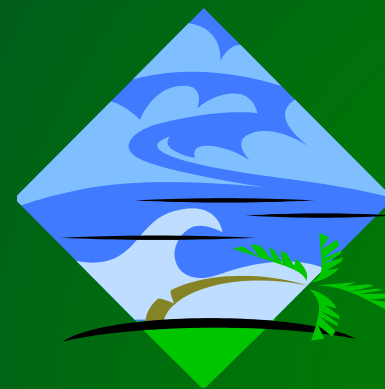
Slums and Blight

- Area Blight Must be Designated by Local Resolution.
- Spot Blight

National Objectives

Urgent Needs

- Must pose immediate threat to health and welfare.
- Must be of recent origin.
- Applicant cannot finance the activity.
- Other funding resources are not available.



Community Development Program

- Competitive
- Minimum of \$50,000
- Maximum depends upon type of project
- Match required
- Must be eligible activity
- Must meet national objective

Community Development Program Categories

- Community
Infrastructure
- Community Enrichment
- Neighborhood
Revitalization
- Special Projects
- “Ready to Go” Public
Facilities

Purpose:

To address essential community development needs, primarily of LMI persons.

Project must address:

- Critical Infrastructure Needs
- Affordable Housing
- Documented Health Threats
- Improve quality of life for LMI communities
- Other Urgent and Compelling Community Development Needs

Community Infrastructure Program

The Community Infrastructure Program is designed to contribute to the creation of healthy and sustainable residential communities through water, sewer, roads and drainage improvements.

Community Infrastructure Program – **Priorities**

1. Significant improvements to existing infrastructure to address health concerns, meet required quality standards and ensure community sustainability
2. Viable regional infrastructure solutions or improvements that provide new access to services near business centers where it is cost effective to address a documented health threat.

Community Infrastructure Program – Priorities (Cont.)

3. Upgrades to infrastructure to address quality standards where there are only general health concerns or new services that are not near business centers when it is cost effective to address a documented health threat.

Priority is not assigned to infrastructure improvements that necessary because of a lack of maintenance and repairs. Similarly, a priority may not be assigned if new service is proposed for an isolated neighborhood and there is not documented health threat or the service is not cost effective given the number of households committed to benefit.

Community Infrastructure Program – **Priorities (Cont.)**

Cost Reasonableness – Typically, CDBG involvement in a project will not exceed \$10,000 per household.

Community Infrastructure Program

** Funding level based on 2017 Program
Description & subject to change prior to
next Community Infrastructure grant cycle*

Community Enrichment Program

The Community Enrichment Program is designed to fund public facilities, services and other activities that strengthen existing communities and support a high quality of life within the following state priority areas:

1. Increasing Economic Competitiveness
2. Education and Workforce Development
3. Safe and Healthy Communities

Community Enrichment Program

Investments will result in more sustainable development opportunities that contribute to the long term vitality of communities and business centers. Activities must have broad support of local citizens and businesses. Buildings and brownfield sites should be owned by the local government. Long term financial viability of facilities/services must be demonstrated to ensure that it does not add an undue, new operating burden on local taxpayers

Community Enrichment Program

Eligible Activities Examples

First Priority – Increasing Economic Competitiveness:

- Brownfield projects or demolition of obsolete buildings.
- Downtown streetscape improvements where there is significant business activity and prior investment.
- Planning studies to address regional infrastructure, brownfields clean up and redevelopment, or drainage.

Community Enrichment Program

Eligible Activities Examples

Second Priority –Education and Workforce:

- Libraries (facilities or computer equipment with broadband capability to enhance skills training and education.)
- Publically owned facilities (except operating school facilities) that offer extended educational opportunities for adult literacy/skills, or to serve at risk LMI children or youth.
- Transportation-oriented public facilities or services to serve LMI workforce populations.

Community Enrichment Program

Eligible Activity Examples

Third Priority – Safe and Healthy Communities:

- Public safety facilities and services in LMI areas (police substations or other public improvements designed to address crime prevention).
- Demolition of vacant, dilapidated structures to address and support crime prevention efforts in a targeted LMI neighborhood.
- Fire substations or fire trucks service LMI residential areas that provide a significant improvement in service for in town locations or near business centers.
- Health clinic facilities or equipment in underserved areas or multi-service centers for health or related social services.
- Public facilities modifications to ensure accessibility for disabled persons or for energy efficiency improvements for CDBG eligible public facilities.

Community Enrichment Program

** Due to federal caps on public services/equipment, the number and amount of grants for this purpose may be limited. Planning activities typically limited to \$25,000 maximum.

City of Orangeburg

Russell St. Streetscape Improvements



Before



After

Neighborhood Revitalization



Neighborhood Revitalization

This program is designed to assist in the development of sustainable communities through revitalization of in town residential neighborhoods. Projects must incorporate comprehensive strategies for linking commercial revitalization successes with improvements to neighborhoods that are generally adjacent to downtown or business centers. Such neighborhoods should be in walking distance to downtown or business centers.

Neighborhood Revitalization

A locally funded neighborhood revitalization plan (or previous CDBG-funded Village Renaissance plan) is a pre-requisite to implementation funding

Neighborhood Revitalization

Neighborhood Revitalization Plan Must :

- Identify community needs
- Prioritize activities
- Provide a realistic plan for implementation of CDBG eligible and other activities in two consecutive phases
- Provide cost estimates for identified activities
- Address all required elements in the CDBG Application Guidelines

Neighborhood Revitalization

Implementation Phases must involve multiple activities (including a public safety requirement)

Eligible Activities:

- **Infrastructure**
- **Public Facilities** – (sidewalk, lighting, police & fire substations, etc)
- **Housing** – (infrastructure or other activities to support affordable or workforce housing; limited exterior only improvements; minor repairs, energy efficiency improvements, handicap accessibility)
- **Demolition** – (vacant, dilapidated properties)
- **Public Services** – (crime watch, drug or gang education, awareness or prevention programs)

Special Projects

This funding category is designed to meet community development needs that are not typically funded through other CDBG categories or one of the other HUD partner programs.

Special projects could include historic preservation, innovation, energy conservation, parks, and trails/greenways.

Special Projects

A variety of activities are eligible but consideration for funding will be based on state priorities:

- **First Priority** – Projects that impact economic development or increase competitiveness.
- **Second Priority** – Projects that address public health and safety or improve the long-term sustainability of the community.
- **Third Priority** – Projects that address energy conservation or historic preservation.

“Ready to Go” Public Facilities Program

This program is designed to stimulate the local economy by addressing priority community needs and encouraging the timely implementation of CDBG eligible public facilities.

The project must be an eligible activity under the Community Infrastructure or Community Enrichment Program.

“Ready to Go” Public Facilities Program

All required project activities leading up to bidding must be complete prior to submission of the application. This includes project design, environmental review, acquisition, and permits.

“Ready to Go” Public Facilities Program

CDBG funds can only be used for construction. Local and other funds must be used for pre-bid activities and will count toward the match requirements of the program.

Projects must be advertised for bid within 60 days of grant award.

“Ready to Go” Public Facilities Program

Applications are accepted on an ongoing basis,
based on funding availability.

Is There a Match Requirement?

10% of the Grant Request

The match may be in the form of cash, non-Federal grants, waiver of fees, public or private investments, and documented volunteer or in-kind services. A loan obtained in direct support of the CDBG project may count as a cash match.

How Is My Project Evaluated?

- Community Distress
- Severity of Need
- Citizen Participation
- Level of Effort
- Feasibility
- Readiness to Proceed
- Cost/Benefit
- Beneficiaries
- Outcome
- Project Sustainability
- State Priorities
- Capacity

Application Tips

- Early project planning is the key
- Partnerships are important - develop local contacts and get broad community involvement
- Tell your story – Why is the project needed? How will it work?

Business Development Program



Purpose:

To assist units of local government in supporting economic development and economic growth, particularly through:

- New or expanding businesses tied to job creation
- Area economic development activities not associated with job creation
- New or expanding local businesses that provide essential goods and services in predominately LMI communities

Business Development Program

Assistance is generally in the form of public improvements to assist a business in locating or expanding.

Typically, company must commit to creation of jobs and that at least 51% of jobs will be filled by LMI persons.

How Much Can I Apply For?

Minimum

\$50,000

Maximum

Depends on need and impact and the number of jobs to be created or retained. Typically, the amount is calculated on \$10,000 per job basis

Is There a Match Requirement?

10% of the Grant Request

The match may be in the form of cash, non-Federal grants, waiver of fees, public or private investments, and documented volunteer or in-kind services.

Business Development Program

- Can submit applications at any time.
- Minimum of \$50,000.
- Maximum depends on need and impact.
- Must be eligible activity.
- Must meet national objective.
- Must have written commitment from business.
- Emphasis is job creation for LMI persons.

Example: Low County SCAT Park



What are the steps for applying for CDBG funds?

- Discuss your ideas with Central Midlands Council of Governments.
- Determine if it is an eligible activity.
- Does it meet a national objective?



Project Development

I. Determine Community Needs

A. Citizens Participation

1. Develop Citizens Participation Plan



Project Development

B. Needs Assessment

1. Solicit input from local citizens (particularly LMI citizens), businesses, non-profits, etc. concerning the following topics:
 - Housing
 - Infrastructure
 - Neighborhood Revitalization
 - Public Facilities
 - Public Safety
 - Economic Development
 - Downtown Revitalization
 - Obstacles to Economic Competitiveness
 - Workforce Development

Project Development

B. Needs Assessment (Cont.)

2. Advertise and hold one or more public hearings to present the identified needs and to solicit public input and comment on the needs.

Project Development

3. Develop a written needs assessment that details the specific housing, economic and community development needs and priorities, including the needs of LMI persons, and the activities to be undertaken to meet such needs.

Project Development

II. Project Identification

- A. Define project area.
- B. Outline project activities.

Project Development

III. Project Development

- A. Identify project service area.
- B. Identify project beneficiaries.
- C. If not in a specified Census area, complete income surveys.
- D. Collaborate with all partners.
- E. Obtain support of the local government and commitment to apply for CDBG funds.

Project Development

- F. Develop preliminary cost estimates and budgets.
- G. Determine extent of need and document problems.
- H. Identify source of local funds.
- I. Advertise and hold an application public hearing.

What else should I know about the State CDBG Program?

COMMUNITY INPUT REQUIRED



- Citizen Participation Plan
- Needs Assessment Public Hearing
- Written Needs Assessment
- Application Public Hearing

What Else Should I Know About the State CDBG Program?

ENVIRONMENTAL COMPLIANCE

- Environmental Review Record required.
- Cannot put project out for bids until Environmental Review is approved by the SC Department of Commerce and all acquisition activities are complete.



What Else Should I Know About the State CDBG Program?

OTHER COMPLIANCE RESPONSIBILITIES

- Procurement
- Labor Standards
- Acquisition
- Fair Housing and Equal Opportunity
(Section 504, Section 3, etc)



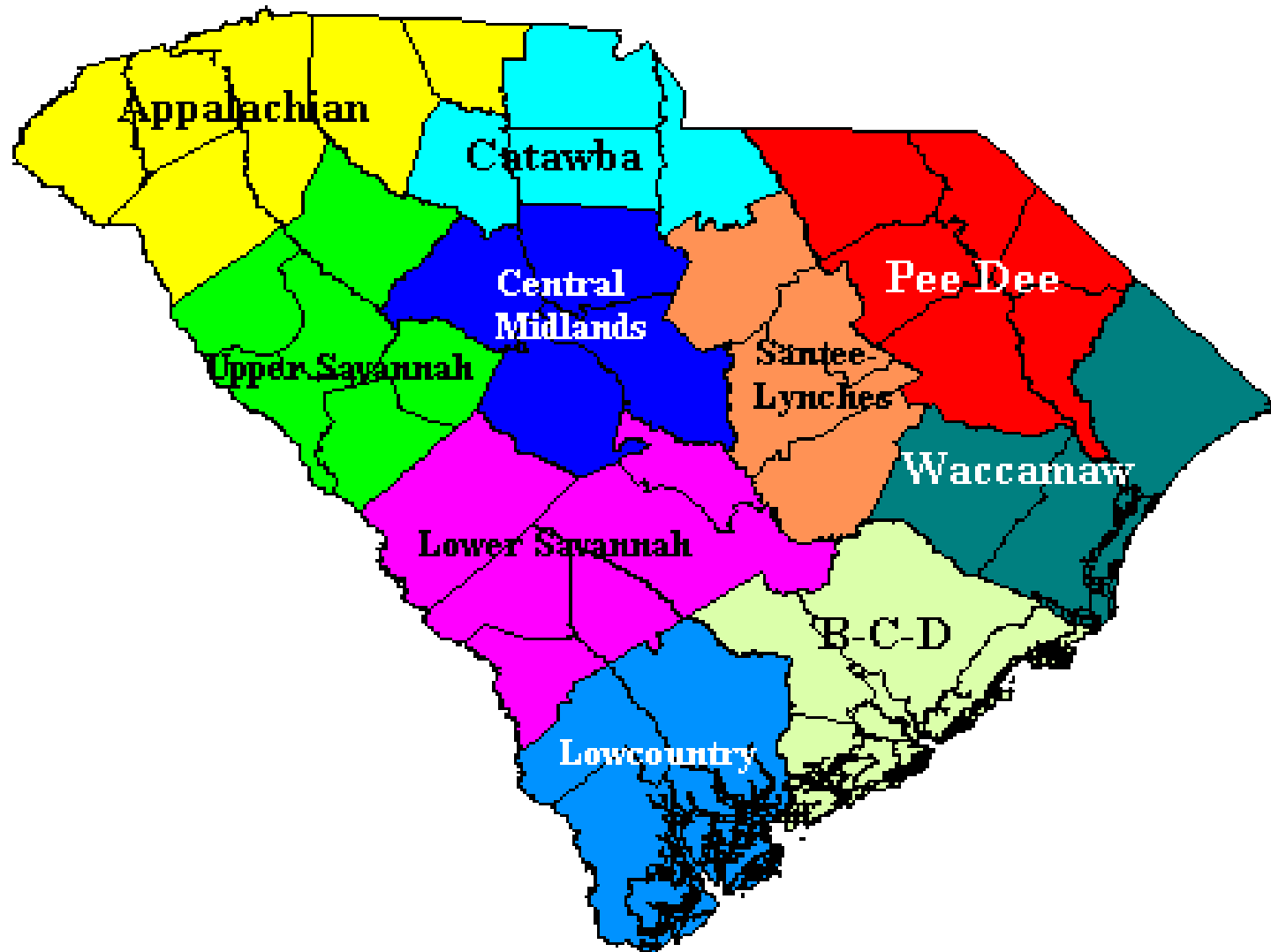
State CDBG Program

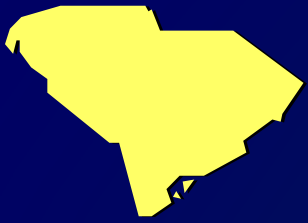
POINTS TO REMEMBER

- Eligible Activity / National Objective requirements
- Match requirements
- Competitive process
- Federal "Strings" attached



Planning Regions in South Carolina





Thank You

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