

OVERVIEW OF THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

GENERAL INFORMATION

The Community Development Block Grant (CDBG) Program is a federal grant program where counties and/or specific municipalities are allocated funding based upon population to support community development activities to build stronger and more resilient communities.

FUNDS AVAILABLE

For fiscal year 2023, Huntingdon County expects to receive a total allocation of Community Development Block Grant (CDBG) entitlement funds of approximately \$250,000. Approximately \$205,000 will be available for projects, with the remainder going towards project administration costs incurred by the County. This funding will help grantees: create transformative impact in their communities, improve the lives of their residents, especially those with low- and moderate-income levels; develop strategies that bring partners and resources together. The funds will benefit county residents living in non-entitlement municipalities within the County. Huntingdon Borough and Smithfield Township are not eligible to apply for County CDBG funds because they are considered entitlement municipalities and receive CDBG funds each year due to their population. All other Huntingdon County municipalities, authorities and non-profit agencies are eligible.

TIMELINE

Projects submitted in 2023 may be funded no earlier than late 2024. Please be aware that funds budgeted for the 2023 fiscal year may not be available for use until early 2025.

PROJECT ELIGIBILITY AND FUNDABILITY

In order for an activity to be funded, it must be both “eligible” and “fundable”.

Project Eligibility: Eligible activities must fall under one of the following categories. Activity categories under which a project may be eligible for CDBG funding include:

1. Acquisition of real property
 - purchase of land/building for an eligible activity
2. Sale of real property acquired with CDBG funds
 - all legal and other fees necessary to sell real estate purchased with CDBG funds
3. Acquisition and improvement of public facilities
 - improvement of public facilities including, but not limited to, water and sewer facilities, flood and drainage improvements, community and senior centers, streets, sidewalks, etc.
4. Acquisition, reconstruction, rehabilitation or installation of privately owned facilities
 - improvements to a privately owned utility that benefits the community
5. Clearance or demolition of buildings
6. Provision of public services
 - labor, supplies and materials for new public services, including but not limited to, child care, health care, job training, services for seniors and homeless, etc.

7. Interim assistance activities
 - activities to alleviate emergency conditions
8. Removal of barriers to the handicapped
 - installation of ramps, curb cuts, elevators, etc.
9. Housing rehabilitation
 - renovations necessary to bring income qualified owner-occupied houses up to code as well as installation of new sewer or water lateral connections
10. New housing construction
 - construction of new permanent residential structures for income-qualified persons
11. Code enforcement
 - payment of salaries and overhead costs for code enforcement only in significantly deteriorating or deteriorated areas
12. Historic preservation
 - rehabilitation of publicly or privately owned historic properties
13. Commercial or industrial building rehabilitation
 - rehabilitation of commercial or industrial buildings provided that requirements of the Special Economic Development category are met - buildings owned by a private for profit company may only receive exterior improvements and those necessary to meet code violations
14. Special economic development
 - examples of special economic development activities include construction of a business incubator, loans to pay for factory expansion, technical assistance to business facing bankruptcy.

In addition, in order to be eligible, a project must primarily benefit low and moderate income persons, eliminate blight in a community, or meet an urgent need as defined by the municipality.

The state presumes that the following groups meet low and moderate income guidelines: elderly, handicapped, and victims of domestic violence. Projects primarily benefiting these groups are considered to meet income benefit criteria without conducting income surveys.

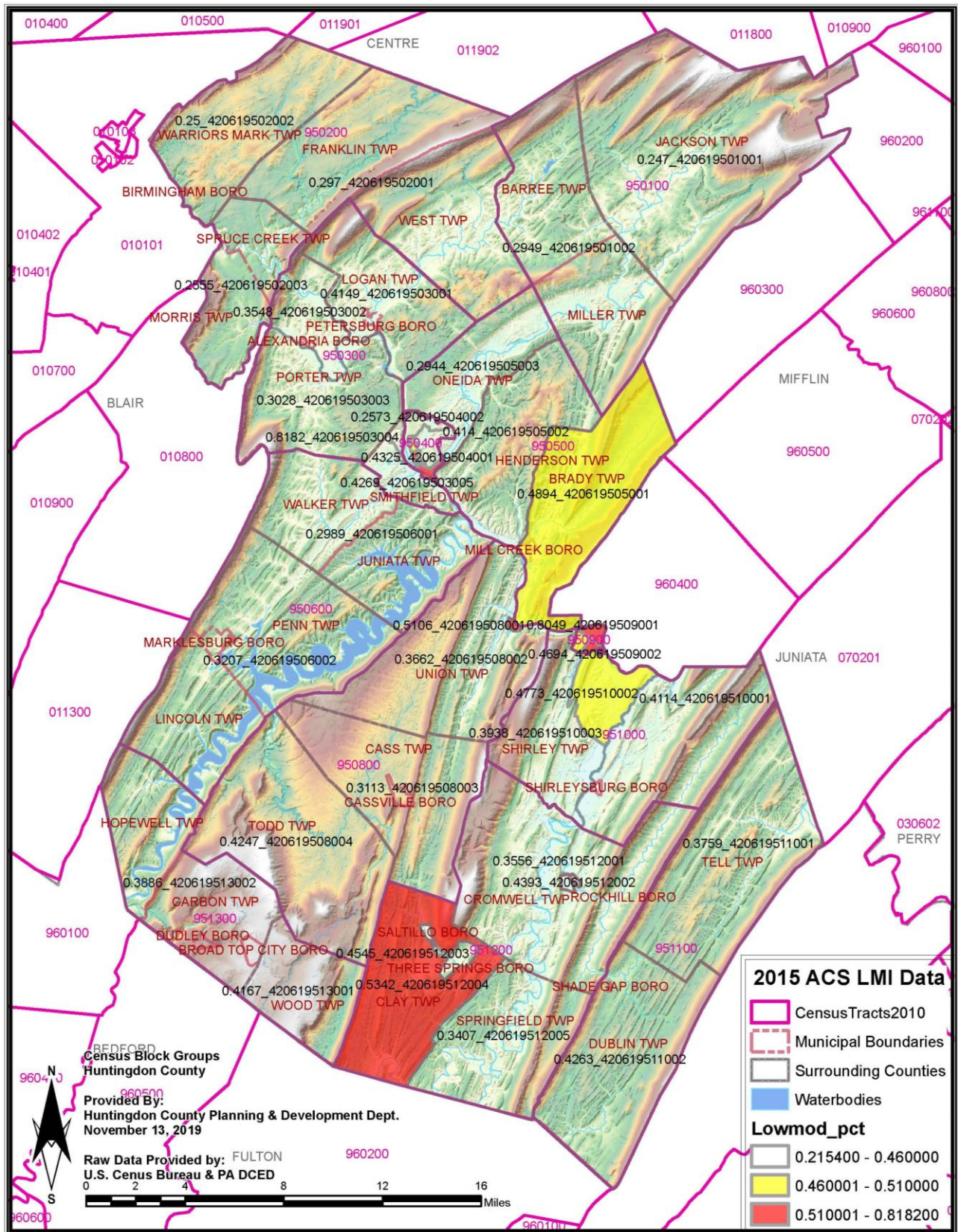
If a project is not for the primary benefit of one of these groups, then 51% or more of the persons living in the service area must meet the income guidelines. The list provided on the next page shows those municipalities that qualify for community wide activities based on the 2015 American Community Survey (ACS).

If ACS data does not show sufficient low/moderate population, a project might be qualified through a Pennsylvania Department of Community and Economic Development-(DCED) approved demographic survey of residents within the defined project service area. Demographic surveys are conducted by the County, with assistance from the applicant. If your project does not involve blight remediation, doesn't exclusively benefit presumed benefit beneficiaries, and is not qualified through ACS data, you will need a demographic survey to be

conducted to determine fundability. **Please contact us as soon as possible if your project needs a demographic survey.** The County will charge the Applicant a fee not to exceed \$500 (based on size and location of survey area) to offset the costs of conducting the demographic survey, which includes mailings, telephone calls, and direct door-to-door surveying.

According to the 2015 American Communities Survey (ACS) data released by the Pennsylvania Department of Community and Economic Development (DCED), on February 28, 2019, seven Block Groups qualify as LMI by having LMI populations of greater than 51% (shown in red) and four Block Groups fall within 5% of 51% (shown in yellow). For the four block groups in yellow, demographic surveys may be conducted, if approved by the Pennsylvania Department of Community and Economic Development (DCED).

<u>Block Group ID</u>	<u>Geography Name</u>	<u>Low</u>	<u>Low Mod</u>	<u>LMMI</u>	<u>Low Mod Universe</u>	<u>Low Mod %</u>
420619503004	Block Group 4, Census Tract 9503, Huntingdon County, Pennsylvania	40	45	55	55	81.82%
420619504003	Block Group 3, Census Tract 9504, Huntingdon County, Pennsylvania	185	295	435	605	48.76%
420619504004	Block Group 4, Census Tract 9504, Huntingdon County, Pennsylvania	510	775	925	1005	77.11%
420619504006	Block Group 6, Census Tract 9504, Huntingdon County, Pennsylvania	485	685	735	1030	66.50%
420619505001	Block Group 1, Census Tract 9505, Huntingdon County, Pennsylvania	420	695	950	1420	48.94%
420619508001	Block Group 1, Census Tract 9508, Huntingdon County, Pennsylvania	150	240	330	470	51.06%
420619509001	Block Group 1, Census Tract 9509, Huntingdon County, Pennsylvania	340	495	550	615	80.49%
420619509002	Block Group 2, Census Tract 9509, Huntingdon County, Pennsylvania	300	460	675	980	46.94%
420619509003	Block Group 3, Census Tract 9509, Huntingdon County, Pennsylvania	370	550	675	805	68.32%
420619510002	Block Group 2, Census Tract 9510, Huntingdon County, Pennsylvania	370	525	720	1100	47.73%
420619512004	Block Group 4, Census Tract 9512, Huntingdon County, Pennsylvania	200	390	485	730	53.42%



The map above of Huntingdon County shows municipalities by Census tract and block group. This map illustrates, by color, the location of the low and moderate income communities as shown in the table.

Project Fundability:

The project submission form must indicate that the project is fully funded. To do this, all sources of funding should be identified (i.e. commitment letters), and a professional estimate of costs should be included.

DEADLINE FOR SUBMITTAL OF PROPOSALS

Friday, May 5, 2023 at 4:00 PM is the final date for acceptance of proposals for consideration during the 2023 calendar year. Proposals must be submitted on the Proposal Submission Form. This submission deadline is firm. The Planning Department is open from 8:30am to 4:30pm, Monday through Friday.

INFORMATION REQUIRED IN PROPOSALS

The purpose of this section is to provide an outline of the general and technical information required in all proposals. All proposals should provide as much information about the proposed project as possible. Huntingdon County reserves the right to request supplemental or revised information regarding a submission.

1. The contact person should be someone who is generally knowledgeable about the project and who can be reached during the daytime with a daytime phone number provided.
2. A map of the service area and project area are required to provide a better understanding of the project.
3. It is ideal to use quantifiable data to document problems, such as surveys or studies. Anecdotal information is also helpful in conveying the seriousness of a problem.
4. **Engineering costs are an eligible CDBG expense only if a request for proposal process is correctly followed.**
5. Project budgets should be estimated as closely as possible, using quotes from contractors or engineers.
6. All sources of funding for a project must be listed with amounts, even if an application has been submitted, but has not yet been approved.

Applicants are encouraged to contact the County Planning and Development Department at (814) 643-5091 with any questions concerning completion of the Proposal Submission Form.

PROJECT EVALUATION CRITERIA:

Huntingdon County CDBG funds are distributed through a competitive process. Projects submitted for consideration are evaluated and rated in comparison to the other eligible projects submitted for funding. Our office will use a point ranking system to determine the order in which projects are considered. Projects are rated using the following criteria:

1. Community Need: This factor is based on census data including housing values, median household income, % of elderly population and other indicators.
2. Severity of the Problem to be Addressed

3. Appropriateness of the Project as a Resolution of the Problem
4. Percentage of Benefit to Low and Moderate Income Persons
5. Availability of Other Funds to Complete the Project
6. Level of Project Planning and Engineering Completed
7. Compatibility with the Huntingdon County Comprehensive Plan

A financial contribution to the project from the applicant is not required; however; a project with financial commitment from the applicant, or from other funding sources, will receive more points under the fifth criteria listed above.

Huntingdon County handles most administrative duties for the CDBG program. Grantees will be required to enter into a sub-recipient agreement to define the responsibilities of the Grantee and the County. Due to grant regulations, grantees are required to wait for County authorization before proceeding with any work on an approved project. This stipulation is necessary to ensure compliance with grant regulations. Approved projects must be completed within the first three years of the DCED contract period. DCED defines this period as the three year activity period.

COMPETITIVE CDBG GRANT APPLICATIONS

If the need for funds is in excess of those which can be provided through County CDBG funds, an additional, and separate competitive grant application may be considered by the County. Funding of a competitive CDBG application is not guaranteed. The Competitive Program has a minimum threshold amount of \$100,000 and has removed the maximum amount that may be requested. This allows the Commonwealth to support larger impactful projects that will complete a project. DCED also reserves the right to fund a project for less than the requested amount if the sources and uses of funds are duplicative.

Request for administrative funds should take into consideration the type of activity and whether other entitlement funds are being used for the activity. DCED recommends that no more than 10% be allocated to administrative costs for competitive requests. DCED reserves the right to reduce the amount of administrative costs if the project is also using entitlement funding for the same project.

The 2023 Competitive requirements have not yet been announced, but are likely to follow the 2022 requirements. For the 2022 CDBG Competitive Program, DCED specified the following criteria for competitive awards:

The criteria for competitive awards are listed below:

- 1) Eligible applicants are any eligible Act 179 entitlement municipality with a population less than 10,000 or any non-entitlement municipality with a population under 10,000.
- 2) Infrastructure projects that are eligible under the CDBG Act and Regulations exhibiting a serious problem to the health and safety of those in the service area will receive the first priority.

3) Communities are eligible to apply for other types of projects which include blight remediation with community revitalization strategy included. See DCED's Consolidated Plan and Action Plan for details.

4) Eligible entitlement municipalities applying for CDBG Competitive funds must demonstrate in accordance with Act 179, that at least 75% of their most recent entitlement grant is being used for the same activity.

Priorities and other changes specified in the current Consolidated Plan and Action Plan under review with HUD that have been set for the FY 2023 Program year are as follows:

DCED will use the following priorities in selecting CDBG Competitive applications for approval. These priorities are listed in order of the weighting given for each priority:

1. Water and Sewer Projects that impact health and safety of residents

Competitive applications will be evaluated based upon the seriousness of the problem and the potential to resolve that problem. Generally, the most serious problems entail lack of potable water, severely contaminated water systems, malfunctioning on-lot systems (or lack of any wastewater treatment), and other significant risks to health and safety. Applicants must explain how the problem affects people. The Department will determine the degree of seriousness of each identified problem. Consideration will also be given to the degree that the proposed project will best resolve the identified problem. The Department will determine if the proposed project will totally resolve the problem or only part of the problem in consideration of the intended beneficiaries.

2. Impactful Neighborhood Streetscapes

Critical projects facilitating major improvements in which a small infusion of funds will close a funding gap.

3. Slum and Blight Removal for Community Revitalization

DCED will consider funding applications in support of Community Revitalization projects that are addressing blight removal that do not meet the National Objective of Low-Moderate Benefit. These applications must include a long term (3-5 year) strategy for the comprehensive revitalization of the neighborhood/community which includes blight removal.

4. Resiliency Projects

DCED is prioritizing projects that increase resiliency of communities through green infrastructure, storm water management and wetlands management to prevent or lessen the impacts from natural disasters.

DCED reserves the right to divert any recaptured funds and all uncommitted competitive funds to respond to state or federal emergency declarations. This will include any eligible projects that respond to the coronavirus pandemic.

DCED also reserves the right to use CDBG Competitive funds for Section 108 loan payments, on an interim basis, for economic development projects for the Pennsylvania Section 108 Loan Program if a business borrower goes into loan default.