

COUNTY OF MONROE
on behalf of
East Stroudsburg Borough
Stroudsburg Borough

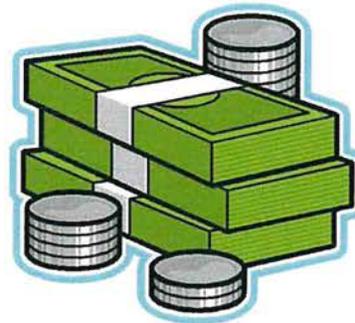
Public Hearing on Housing and Community Development Needs
Wednesday, June 17, 2020
9:30AM

2020 Community Development Block Grant Program



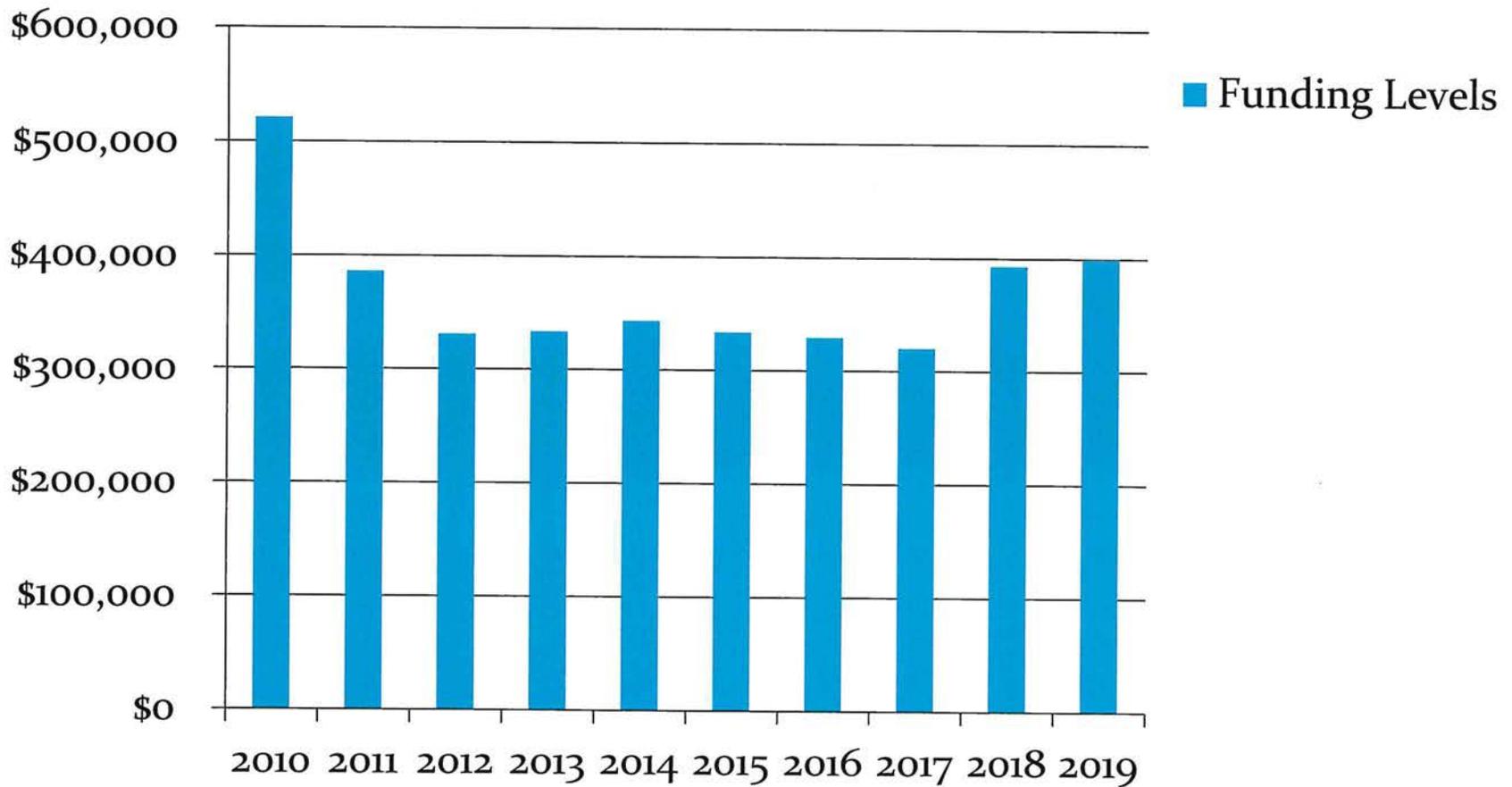
FY 2020 CDBG ALLOCATIONS

- **Monroe County = \$420,561 (+20,980)**
- **East Stroudsburg Borough = \$153,680 (+4,623)**
- **Stroudsburg Borough = \$ 108,657 (+2,615)**



MONROE COUNTY

CDBG Funding Levels 2010-2019





THE CDBG PROGRAM

- General Overview

Community Development Block Grant, referred to as CDBG, is a U.S. Department of Housing and Urban Development (HUD) program that allocates funding annually to the Commonwealth of Pennsylvania to assist local jurisdictions implement community development initiatives that address three core goals to develop viable communities by providing:

- ❑ Decent housing
- ❑ A suitable living environment; and
- ❑ Expanding economic opportunities

The Pennsylvania Department of Community and Economic Development (DCED) allocates the CDBG funds to Counties to expend on eligible projects and activities.

CDBG ACTIVITIES

Some examples include:

ELIGIBLE ACTIVITIES (but not limited to):

- Housing Rehabilitation
- Public Facilities and Improvements
- Blight Removal/Site Clearance
- Economic Development
- Other (code enforcement, historic preservation)
- Public Services (funding limited to a maximum 15% of the annual CDBG Entitlement Grant)
- Program Administration (funding limited to a maximum of 18% of the annual CDBG Entitlement Grant)

INELIGIBLE ACTIVITIES (but not limited to):

- NO Political Activities
- NO Construction of housing units by a unit of local government
- NO Operation and maintenance of public facilities/improvements
- NO Purchase of equipment

PRIORITIES FOR CDBG PROGRAM

Meeting National Objectives

In order to qualify for CDBG funding, each activity must be eligible and address one of the following

NATIONAL OBJECTIVES

1. Providing benefit to Low & Moderate Income Persons; or



2. Aiding in prevention or elimination of slums and blight; or



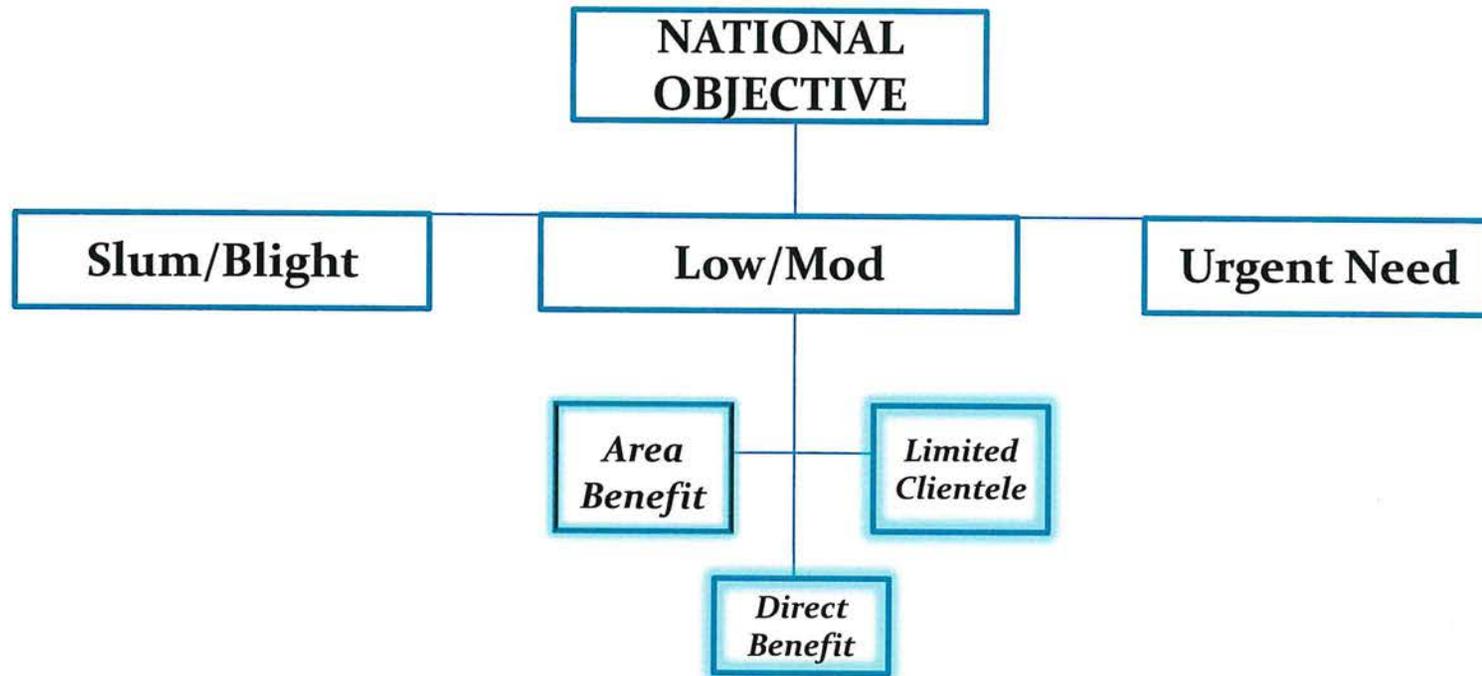
3. Addressing an Urgent Need (earthquakes, floods, severe hurricanes)



FUNDABLE ACTIVITIES

Meeting National Objectives

National Objectives can be met in multiple ways.....



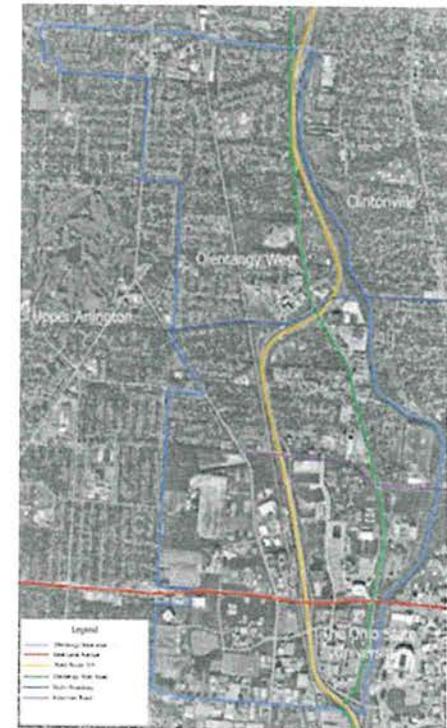
LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

1. Area Benefit (LMI Area)

Area served must be a primary residential, geographic area using the determination of HUD provided Census Data or Income Survey Data to demonstrate that 51% or more are low/mod income.

(Ex.: parks, playgrounds, sidewalks, street paving)



LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

2. Limited Clientele (LMC)

Clientele presumed to be low/mod:

- ✓ Abused Children
- ✓ Battered Spouses
- ✓ Elderly person (62 yrs and older)
- ✓ Homeless persons
- ✓ Illiterate adults
- ✓ Migrant farm workers
- ✓ Adults meeting definition of “severely disabled”
- ✓ Persons living with AIDS

OR

Income Eligibility requirements
Documentation that family income \leq 80 of AMI

OR

Nature and location of the service
predominantly used by low/mod income persons

OR

Activity removes material or architectural barriers to accessibility of elderly persons or “severely disabled” adults

LOW & MODERATE INCOME BENEFIT

Types of Low/Mod Benefit

3. **Direct Benefit**- Used to determine the low and moderate income benefits for activities that assist a specific known person or family.
 - Housing (LMH)- Providing or improving permanent residential structures, which upon completion, will be occupied by low-and moderate income households. **The most common CDBG funded housing activity is Housing Rehabilitation.**
 - Job Creation/Retention (LMJ) - This activity must involve employment of individuals, where at least 51% of the jobs created or retained, would be available to low and moderate persons.





LOW & MODERATE INCOME BENEFIT

Income Definitions

- ❑ Very Low Income – A household whose income does not exceed 50% of the median income for the area, as determined by HUD.
- ❑ Low- and moderate-income (LMI) – A family or household having an income equal to or less than the Adjusted HOME Income Limits established by HUD and adjusted for family size. Generally 80% of the area median income.
- ❑ Household – all persons who occupy a housing unit (single family, one person living alone, or any groups of related or unrelated persons who share living arrangements).
- ❑ Low-and moderate-income household: A household having an income equal to or less than the Adjusted HOME Income Limits established by HUD.

LOW & MODERATE INCOME BENEFIT

In order for a project or program to qualify for CDBG funds, 51% of the program beneficiaries must meet low and moderate income as defined by HUD.

2019 Adjusted HOME Income Limits for Monroe County

(MFI=\$78,800)

(BASED ON A HOUSEHOLD OF 4)

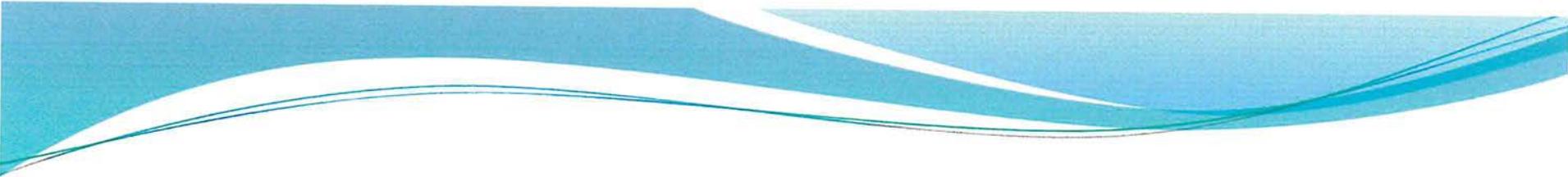
Effective: 06/28/2019

| Family/Household Size | Low-Mod Income | Very Low Income |
|-----------------------|----------------|-----------------|
| 1 person | \$44,150 | \$27,600 |
| 2 person | \$50,450 | \$31,550 |
| 3 person | \$56,750 | \$35,500 |
| 4 person | \$63,050 | \$39,400 |
| 5 person | \$68,100 | \$42,600 |
| 6 person | \$73,150 | \$45,750 |
| 7 person | \$78,200 | \$48,900 |
| 8 +person | \$83,250 | \$52,050 |

ELIMINATION OF SLUM & BLIGHT

- Up to 30% of the annual grant to be used for activities that prevent or eliminate blighting conditions that meets a state or local definition of slum, blight or deterioration.





URGENT NEED

- Designed to alleviate existing conditions which pose a serious and immediate threat to the health and welfare of the community;
- Must be limited to correcting the urgent condition;
- The condition must be recent origin or has recently become urgent(within the past 18 months); and
- The municipality must certify that it is unable to finance the activity on its own, and that no other sources of funding are not available.

PROGRAM REQUIREMENTS

CDBG funds are federal funds, therefore, there are a number of significant rules and regulations, which must be followed in order to comply with federal requirements. Some of these are:

- 70% of funds must benefit low-to moderate income persons.
- Only 18% of CDBG funds can be used for administrative purposes in any proposed program
- ALL activities must be eligible for funding and meet a National Objective
- Survey Methodology (Census or Sampling)
- Citizen Participation Requirements
- Non-Discrimination and Fair Housing
- Procurement and Conflict of Interest
- Environmental Review
- Lead-based Paint
- Labor Standards
- Acquisition and Relocation
- Financial Management
- Reporting and Monitoring
- Recordkeeping and Closeout

