Office of COMMUNITY & RURAL AFFAIRS

## Community Development Block Grants

Presented By Christmas Hudgens, State CDBG Program Director Oct, 12, 2022



The State of Indiana is eligible to receive grant funds from the U.S. Department of Housing and Urban Development (HUD) to help address housing and community development needs. These grant funds include the: Community Development Block Grant (CDBG).

Program is funded through HUD under Title I of the Housing & Community Development Act of 1974 as amended. Annually, Indiana receives approximately \$35 million for housing and community development funds.

The Indiana Office of Rural and Community Affairs (OCRA) receives and administers CDBG.

### **COMMUNITY DEVELOPMENT BLOCK GRANTS**

The Consolidated and Action Plans include the Method of Distribution, which describes how the state will allocate its CDBG funds to Units of General Local Government (UGLG). States have many options for allocation and may use a combination of approaches, such as designation mini entitlements; competitive with specific criteria; and/or a regional "fair share" approach.

OCRA will always have public hearings to get information from communities to determine the best needs for our Hoosier State.

### CONSOLIDATED PLANS & ACTION PLANS ARE HOW ACTIVITIES BECOME ELIGIBLE.

THE PRIMARY OBJECTIVE OF THE CDBG PROGRAM IS TO DEVELOP VIABLE COMMUNITIES BY HELPING TO PROVIDE DECENT HOUSING AND SUITABLE LIVING ENVIRONMENTS AND EXPANDING ECONOMIC OPPORTUNITIES PRINCIPALLY FOR PERSONS OF LOW-AND MODERATE-INCOME.

# LMI (LOW-TO- MODERATE INCOME)

The 'benefit to LMI persons' test is met by documenting that 51% or more of the persons who live in the project area may be defined as being lowand moderate-income.

This can be done using either HUD census data or by conducting an income survey.

## ELIGIBLE ENTITIES

#### Who is eligible for grants?

- Non-entitlement communities
- Local units of government
- Non-profit water corporations
- **Regional Sewer Districts**

#### Who on OCRA staff handles these grants?

- CDBG Team
- **Community Affairs**
- **Grant Services**
- **Grant Administrators**



## PLANNING GRANTS

#### Planning Grants Help Communities Identify Solutions to Problems

Planning helps creates strategies that can be used to implement programs. Many of these programs provide safe clean drinking water to communities, reduce blighted structures, preserve older historic buildings, and overall improve the quality of life.

Completed plans should offer alternatives, cost estimates, time frames, environmental concerns (potentially environmental assessment), land needs, projected growth, financing options, preliminary drawings, etc.

The main goal of the plan is to provide the municipality with enough information to make well informed, logical decisions.

### **AMOUNT OF GRANT REQUEST &** LOCAL MATCH







MASTER UTILITY STUDIES ARE LIMITED TO \$90,000

COMPREHENSIVE PLANS ARE LIMITED TO \$60,000.

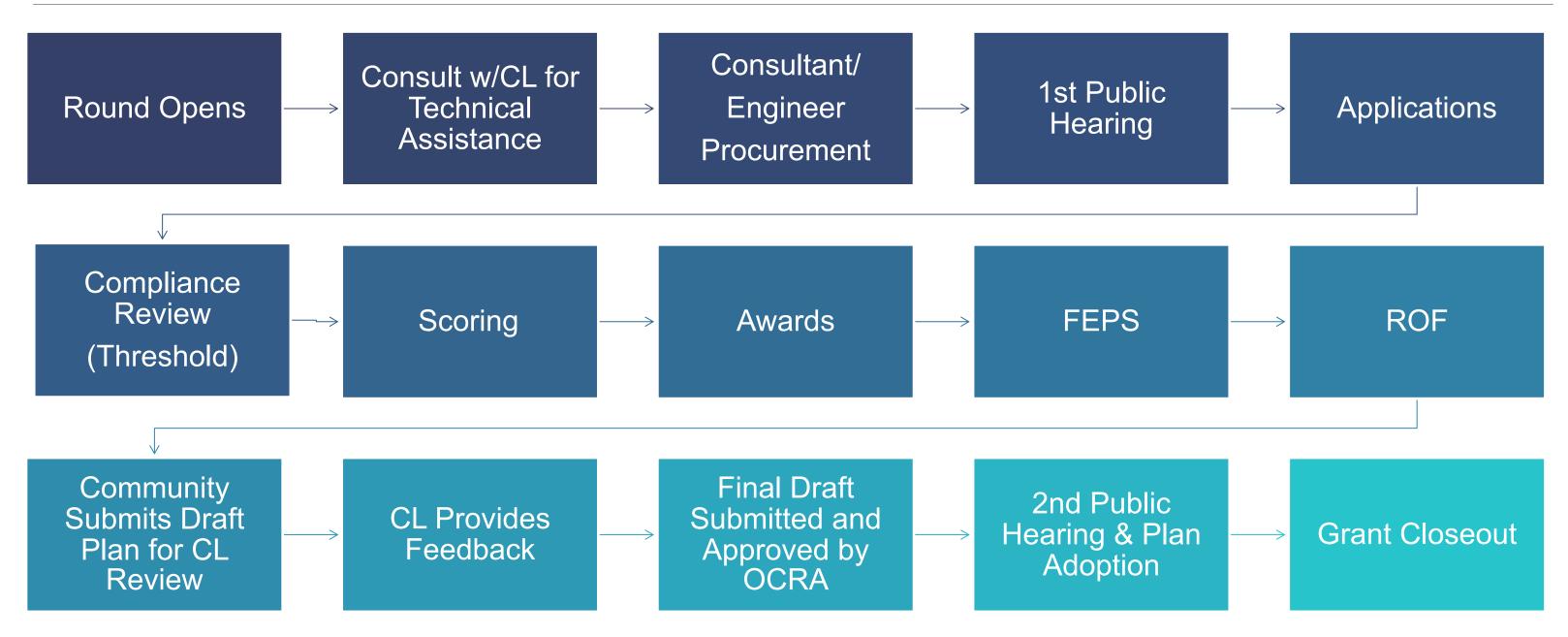
ECONOMIC RECOVERY PLANS ARE LIMITED TO \$50,000.

Note: All projects require a minimum of a 10% local match.



**BROADBAND READINESS** PLANS ARE LIMITED TO \$70,000

### CDBG Planning Process



## **CONSTRUCTION GRANTS**

#### Construction Grants Help Communities Implement Solutions to Problems

The State of Indiana distributes Community Development Block Grant funds to rural communities which assist units of local government with various community projects such as: infrastructure improvement, downtown revitalization, public facilities and economic development.

Funding is for corrective capital improvements to address a well documented public need supported by the public at large.

The goals of these programs is to ensure rural communities have the necessary infrastructure in place to improve quality of life and to address health and safety needs of their residents.

Communities can leverage grant funds with other funding sources to create diverse capital stacks for larger scale improvements.

#### Program

Wastewater Drinking Water (WDW)

Stormwater Improvements Program (SIP)

Public Facilities Program (PFP)

Blight Clearance Program (BCP)

\*Main Street Revitalization Program (MSRP)

CDBG Construction Programs

\*Program is currently suspended

#### Max Grant Amount

Up to \$700,000

Up to \$600,000

Up to \$500,000

Up to \$500,000

Up to \$600,000

### **Community Development Block Grants**

### Wastewater and Drinking Water (WDW)

Goals of the program are:

- Protect health and the environment
- Reduce utility rates for low-to-moderate income communities
- Improve rural infrastructure to enable long-term economic growth

#### General types of eligible activities for WDW funding:

- Wastewater Improvements (collection lines, treatment plant upgrades, lift stations, etc.)
- Drinking Water System Improvements (water towers, hydrants, distribution lines, etc.)

#### Maximum Grant Amounts based on user rates for 4,000 gallons

Projects over \$1 million in total project cost

• \$550,000 (Under \$30), \$600,000 (\$30-\$50), \$700,000 (Over \$50)

Projects under \$1 million in total project cost

• \$500,000 (Under \$30), \$550,000 (\$30-\$50), \$600,000 (Over \$50)

### **Community Development Block Grants**

### Stormwater Improvements Program (SIP)

Goals of the program are:

- Reduce flooding
- Cut stormwater treatment and energy costs
- Protect rivers, lakes, and vital landscape
- Generate jobs and spur economic revitalization

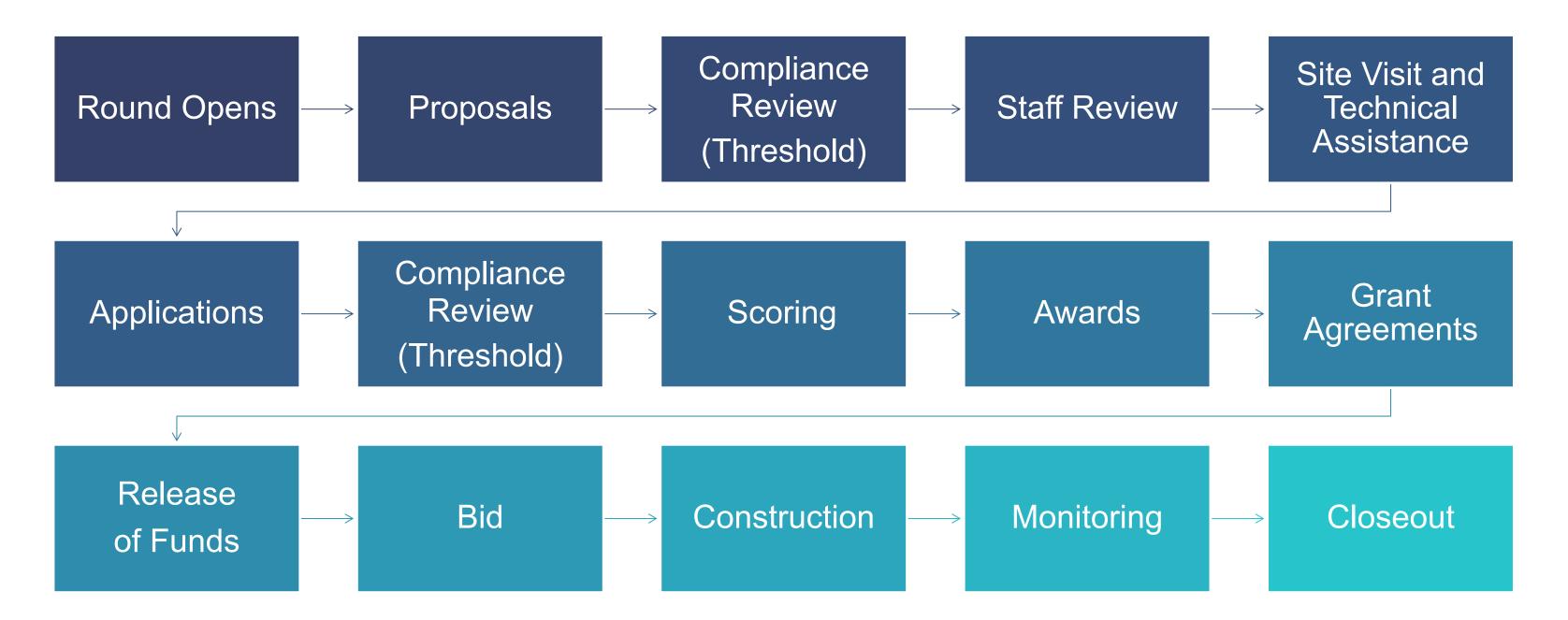
#### General types of eligible activities for SIP funding:

— Storm System Improvements (Combined sewer separation, Storm sewer replacement, Replacement of deteriorated storm drainage lines and inlets, Construction of a relief sewer for the undersized storm sewer main, etc.)

Maximum Grant Award of \$600,000 is in effect for all Stormwater Improvements projects.

Local Match Requirement is 10% of Total Project Costs

### CDBG Construction (WDW) Process



### **CDBG GRANT FUNDING CYCLES AND TIMELINES**

Planning Grants

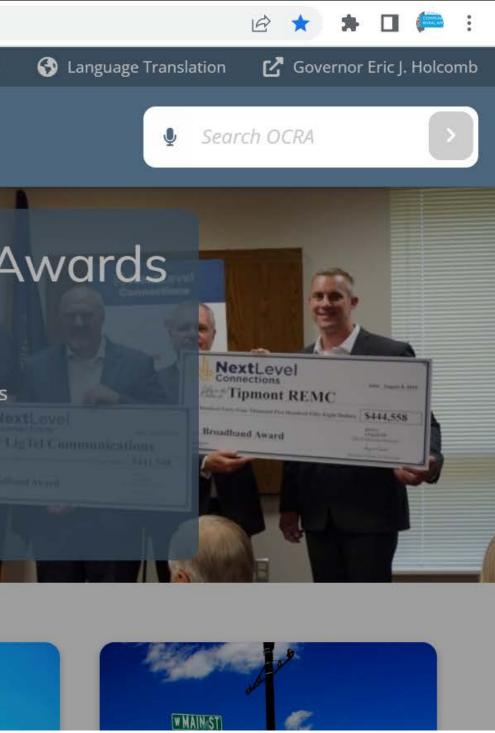
- Competitive rounds
- Open quarterly until funding runs out

#### **Construction Grants**

- Competitive Rounds
- Typically, twice a year

### OCRA UPDATED CALENDAR

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### **CDBG Team**



Christmas Hudgens CDBG Program Director



Pamela Guerrero CDBG Program and Policy Analyst



#### Bolanle Oladokun CDBG Program Manager

## **Community Affairs**



Neil Elkins Community Affairs Director



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Jill Hahn Community Liaison SW

Garrett Conway Community Liaison EC



Sarah Froderman Community Liaison WC



## Questions