

**BOARD OF SUPERVISORS
FINANCE/GOVERNMENT OPERATIONS AND ECONOMIC DEVELOPMENT
COMMITTEE
INFORMATION ITEM**

SUBJECT: **FY 2017 Community Development Block Grant (CDBG)
Funding Recommendation**

ELECTION DISTRICT: Countywide

STAFF CONTACTS: Beth Rosenberg, CDBG/Housing Finance Programs Manager,
Family Services
Ellen Grunewald, Director, Family Services

PURPOSE: In April 2013, the Board of Supervisors requested that an update on proposed CDBG funding be presented to the Finance/Government Operations and Economic Development Committee (FGOEDC) each year and prior to the Board of Supervisors' proposed budget deliberations and prior to the Public Hearing on the CDBG funding allocations.

BACKGROUND: The Community Development Block Grant (CDBG) program is authorized by Title I of the Housing and Community Development Act of 1974, as amended. It provides annual grant allocations on a formula basis to entitled metropolitan cities and urban counties. The grants are used to implement a wide variety of community and economic development activities directed toward neighborhood revitalization and the provision of improved community facilities and services. CDBG funds are to be used primarily for the benefit of low and moderate income residents. In October 2003, Loudoun County achieved Urban County status with a population exceeding 200,000, and became eligible to receive an annual allocation of CDBG funds, as an Entitlement Program Grantee, from the U.S. Department of Housing and Urban Development (HUD).

The County solicits applications annually from non-profit organizations, County agencies, and Town governments in Loudoun for eligible public service and capital projects to be funded by CDBG. The applications are ranked by the CDBG Review Committee which makes funding recommendations to the Family Services Advisory Board (FSAB). The Review Committee is composed of two members of the FSAB and one member of the Housing Advisory Board.

The Review Committee members each independently review and score the applications on the following evaluation criteria:

- project description;
- project budget;
- benefits to low and moderate income population;
- relationship to federal CDBG program goals;
- organizational capacity; and
- affordable housing development experience (if applicable to the project).

The committee then meets as a group to discuss and rank the project applications. The committee makes funding recommendations based on the number ranking assigned to each project, and the other evaluation criteria. The Review Committee forwards its funding recommendations to the FSAB for review. The FSAB considers the committee's recommendations and then forwards its final recommendations to the Board of Supervisors for public hearing and approval. On January 14, 2016, the FSAB received a presentation on the CDBG Review Committee's funding recommendations. The FSAB discussed and approved the recommendations to be forwarded to the FGOEDC to inform the committee members of the proposed funding recommendations.

These funding recommendations will be included in the Annual Action Plan, a HUD-required annual plan that the County must prepare and submit to HUD each year to continue as an entitlement grantee to receive federal CDBG funds. The Annual Action Plan includes planned uses of CDBG funds, community needs, resources expected to be available, and proposed housing, homeless, and community development activities that will benefit low and moderate income residents. The draft Annual Action Plan will be made available for public comment for a 30 day time period beginning in early March, and provided for the Board of Supervisors' Public Hearing on April 13, 2016. The County's 2014-2018 Citizen Participation Plan, which was approved by the BOS on April 2, 2014, requires a Public Hearing on CDBG program Annual Action Plans. Board of Supervisors approval for the Annual Action Plan is required before submission of the plan to HUD by the May 13, 2016 due date. The Annual Action Plan will be forwarded to the April 21, 2016 BOS Business Meeting for approval.

ISSUES: On January 11, 2016, the CDBG Review Committee met to discuss and rank the FY 2017 CDBG competitive applications and formulate funding recommendations. Fourteen (14) applications were received that totaled \$1,162,374 in funding requests. The Committee also discussed reallocating \$565 in grant funding that was returned to the program by prior year grantees. The CDBG Review Committee recommended reallocating these unexpended funds to CDBG projects for FY 2017. It is important to note that the Loudoun County Citizen Participation Plan, adopted by the Board of Supervisors on April 2, 2014, provides authority to reallocate funds returned to the program to eligible projects.

Ten (10) project applications are recommended for funding for FY 2017 totaling \$800,565 in CDBG funds. Four (4) organizations that applied for funding for Public Service projects were

not recommended for funding due low overall scores based on the scoring criteria, and the HUD CDBG policy that limits the amount of funds that can be used annually for public service projects. The project funding recommendations are detailed in the funding matrix on Page 4 of this document. In prior years, the Board has received comments from grant applicants that were not recommended for funding or who disagreed with the funding recommendations. At this time, staff is not aware of pending comments or concerns from any of the applicants.

FISCAL IMPACT: The estimated total amount of CDBG funding available for projects (public service and capital projects) for FY 2017 is \$800,565 and includes the anticipated FY 2017 CDBG allocation of \$1,000,000 and \$565 in unexpended funds that were returned to the program in FY 2016, less \$200,000 in administrative and program costs. The breakdown of CDBG funds available to fund projects follows:

Source	Type of funding	Amount
Prior Year CDBG Funds	Unexpended Funds returned to program	\$ 565
HUD Grant	Estimated FY 2017 Grant Allocation	\$1,000,000
HUD Grant	Program Administrative Costs [not to exceed 20% of grant per 24 CFR 570.200 (g)]	- \$ 200,000
TOTAL Available for Projects		\$ 800,565

CDBG funds cover administrative and program costs; no local match funding is required.

Refer to Page 4 for a complete listing of projects and funding recommendations.

CDBG Program Year 13 (FY 2016-2017)
Family Services Advisory Board Funding Recommendation

PROJECT/ORGANIZATION	PROJECT DESCRIPTION	CDBG AMOUNT REQUESTED	RECOMMENDED FUNDING	NUMERICAL RANKING
Public Service Projects				
Healthy Families Loudoun (INMED)	Case Management for pregnant women, adolescents, families and children	\$51,119	\$46,007.10	1
Oral Health Program (Northern VA Dental Clinic)	Provides oral health care services to low-income and uninsured adult residents of Loudoun County	32,000	28,800.00	2
Dental Care for Adults (HealthWorks for Northern Virginia)	Dental care for adults aged 65 and older	36,499	21,899.40	3
Homeless Prevention Case Management (Good Shepherd Alliance)	Case management for homeless families; resources and referrals to stabilize families and prevent homelessness	35,270	21,162.00	4
Loudoun Accessible Medication Program (Northern Virginia Family Service)	Assist low income and elderly to access free prescription medications from pharmaceutical companies	38,954	12,932.73	5
Crossroads Jobs (Crossroads)	Provide job search training and services to unemployed and under-employed Loudoun residents	58,125	19,198.77	6
Liberty's Promise	After-school civic engagement program for low-income immigrant youth	30,000	0	7
Loudoun Dental Link Program (Northern VA Family Service)	Provides eligibility determination and links clients to affordable oral health care	25,894	0	8
NAMI Northern Virginia	Expand 3 peer support and education programs serving persons living with mental illness	9,179	0	9
Dept. of Mental Health, Substance Abuse and Developmental Services (MHSADS- Furniture)	Furniture replacement for residential group homes	72,000	0	10
Total CDBG Funds Recommended for Public Service Projects		\$389,040	\$150,000.00*	
Capital Projects				
		AMOUNT REQUESTED	AMOUNT RECOMMENDED	NUMERICAL RANKING
Family and Youth Opportunity Center (INMED)	Leasing and operating costs for community center serving at-risk families and youth	\$144,834	\$144,834.00	1
LAWS (Loudoun Citizens for Social Justice)	Roof replacement for LAWS community service center which serves persons experiencing and at risk for domestic violence	50,000	50,000.00	2
Dept. of Mental Health, Substance Abuse and Developmental Services (MHSADS- Security)	Increase security at residential group homes by installing key card access system at 17 homes in the County	78,500	78,500.00	3
Existing Properties Program (Habitat for Humanity)	Acquire and rehabilitate properties for resale to low-income Habitat partner families	500,000	377,231.00	4
Total CDBG Funds Recommended for Capital Projects		\$773,334	\$650,565.00	
TOTAL Funding Recommended for ALL Projects			\$800,565.00	

* Note: HUD CDBG Program Regulations limit CDBG funding for Public Service Projects to a maximum of 15% of the total anticipated FY 2017 (Program Year 13) allocation (15% of \$1,000,000 = \$150,000).