

# Community Development Block Grant



2240, 2250

**Purpose**  
(Why does this division exist?)

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This division provides oversight of the funds and activities covered by the City's **Community Development Block Grant (CDBG)**, an entitlement grant distributed by the Department of Housing and Urban Development (HUD). Entitlement cities are required to develop and submit to HUD a five-year plan, known as the Consolidated Plan (Con Plan). This plan provides a comprehensive review of the current needs of the community, upon which all activities are based. On March 23, 2015, the City Council voted to approve the 2015-2020 plan to pursue HUD's overall goal to develop viable urban communities by providing decent housing and a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons. Each year, activities proposed must meet the predetermined needs established within the Consolidated Plan. City of Bloomington contracted with United Way of McLean County to assist in the preparation of the 2015-2020 Consolidated Plan. Results of a community wide assessment of needs were compiled and served as a basis for CDBG projects and activities 2015-2020.

In addition to the CDBG program, Community Development administers the **Continuum of Care (COC)** grant, a HUD grant program that provides services for the homeless. We are also collaborating with Mid Central Community Action (MCCA), West Bloomington Revitalization Project (WBRP) and Habitat for Humanity on the West Bloomington Housing Coalition (WBHC) Attorney General's \$1.5 million grant – by providing properties for rehabilitation and/or new construction; and by providing proactive code enforcement within the targeted area. Additionally, we are working with MCCA and WBRP on a NeighborWorks grant to repair and replace approximately seven roofs in West Bloomington.

This division is supported by (1) full-time Grants Coordinator, (1) full-time Rehabilitation Officer/Inspector III and (1) Support Staff position that is shared with Code Enforcement.

### **Programs and Activities Administered and Sponsored:**

- Single-family home rehabilitation projects for low- to moderate-income households
  - Demolition of properties too distressed for rehabilitation – The lots from these structures are often donated to Habitat for Humanity, YouthBuild or other non-profits for the construction of affordable housing.
  - Public service activities including (but not limited to):
    - Peace Meals
    - Homeless Activities – matching funds for HUD’s Continuum of Care Program
    - Emergency Services (PATH)
    - Section 3 Job / Life Skills Training of public housing residents
  - Infrastructure funding (sidewalk, street, curb and gutter replacement, water and sewer services)
  - Public Facility Improvements (building improvements for non-profits)
  - Administration of the Continuum of Care programs for the homeless
  - Administration of non-HUD grants such as the Illinois Housing Development Authority’s Abandoned Property Program.
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**2017 Funding Level**

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We are projecting to receive the same funding as we did in FY 2016. The Federal Fiscal Year begins October 1 of each year. HUD generally announces allocation amounts by March each year. Our allocation for May 1, 2016, will be under the 2015 Federal Fiscal Year.

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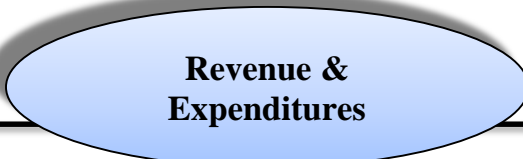


**FY 2017  
Budget & Program  
Highlights**

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- Approximately \$246,246 for housing rehabilitation loans and grants will be provided for low- to moderate-income, single-family households through the Community Development Block Grant (CDBG) program. This includes service delivery costs.
  - Economic opportunities will be provided for local contractors to improve the quality of the City's low- to moderate-income housing stock through the City's Housing Rehabilitation Program.
  - We will provide \$10,000 to Section 3 Job and Life Skills Training for Bloomington Public Housing Residents.
  - We will provide \$20,000 to the Peace Meal Senior Nutrition Program.
  - We will provide \$20,000 to Heartland Head Start for playground equipment necessary to meet a federal mandate.
  - We will provide \$10,000 to ConnectTransit for construction of concrete pads at five bus stops within the WBRP service area.
  - We will provide \$5,000 to MidCentral Community Action for assistance with purchasing a security system for the new Resident Officer program on the City's Westside.
  - We will provide \$5,000 to Partner's for Community to help close a funding gap for their Recycling Furniture for Families program.
  - Administrative services and matching funds of \$23,680 for homeless activities will be provided to PATH through Community Development Block Grant funds.
  - We will administer the Continuum of Care programs for the homeless (total grants of \$331,839)
    - Supportive Services Grant: \$128,706 (PATH, Collaborative Solutions, Children's Home + Aid and Recycling Furniture for Families)
    - Core Services Grant: \$136,706 (PATH and Salvation Army)
    - Homeless Management Information Systems Grant: \$22,439 (PATH)
    - Salvation Army Genesis House Grant: \$5,129
    - Mayor's Manor Shelter Plus Care Grant: \$22,320
    - COC Planning Grant: \$16,539
  - A total of \$169,868 will be provided for demolition of dilapidated structures. We are projecting to deed 7 lots to Habitat for Humanity for the development of affordable housing.
  - We will provide \$20,000 in CDBG funds for Emergency Grant / Hoarding services through PATH.
  - \$10,750 in CDBG funds will cover operational expenses for Program Administration.
  - We will continue our involvement in the West Bloomington Revitalization Project (WBRP) area by providing \$5,000 to the WBRP Tool Library and \$10,000 to the WBRP Façade Program.
  - We will continue to participate in the West Bloomington Housing Collaborative.
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## **Revenue & Expenditures**

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100% Grant Funded

Note: All the labor-related expenses are paid out of the City's General Fund Code Enforcement Division. As of the end of FY15, Community Development had \$1,805,829.05 in active loans. Loan repayments average approximately \$30,000 annually.

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## **What we accomplished in FY 2016**



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- Approximately \$150,000 was provided for 15 housing rehabilitation grants / loans for low- to moderate-income, households through the Community Development Block Grant (CDBG) program.
  - Approximately \$232,000 of CDBG funding was expended for infrastructure improvements on Catherine Street which is located within the targeted Low to Moderate Income Area. The funding included sewer connections for 6 homes on Catherine.
  - We provided economic opportunities for local contractors to improve the quality of the City's low- to moderate-income housing stock through the City's Housing Rehabilitation Program.
  - We provided \$10,000 to Section 3 Job and Life Skills Training for Bloomington Public Housing Residents.
  - We provided \$20,000 to the Peace Meal Senior Nutrition Program.
  - We provided administrative services and funds of \$23,680 for homeless activities through Community Development Block Grant funds and Continuum of Care Funds.
  - Five lots were deeded to Habitat for Humanity for the development of affordable housing; One property deeded to YouthBuild for the purpose of rehabilitation and sale/lease to a low/moderate income household
  - We provided \$20,000 in CDBG funds for Emergency Grant services through PATH.
  - The partnership with Construction Charities continued with \$50,000 in CDBG funding expended for rehabilitation on approximately 6 manufactured homes.
  - The demolition of approximately 6 deteriorated houses was completed, expending an estimated \$130,000.
  - The West Bloomington Revitalization Project received \$5,000 in CDBG funds for the WBRP Tool Library and \$10,000 for the WBRP Façade Program.
  - Administered six Continuum of Care grants which provided services to homeless individuals. The grants totaled \$331,839.
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<b>Community Development</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Adopted Budget</b>	<b>FY 2016 Projected</b>	<b>FY 2017 Adopted Budget</b>
<b>Expenditures</b>				
Contractual	\$248,635	\$260,328	\$292,899	\$301,568
Commodities	\$1,962	\$2,650	\$2,250	\$2,250
Capital Expenditures	\$140,000	\$80,000	\$272,000	-
Other Expenditures	\$712,672	\$564,086	\$498,513	\$601,092
Transfer Out	\$6,427	\$6,427	\$6,427	\$6,427
<b>Department Total</b>	<b>\$1,109,696</b>	<b>\$913,491</b>	<b>\$1,072,089</b>	<b>\$911,337</b>
<b>Revenues</b>	<b>\$1,066,473</b>	<b>\$903,494</b>	<b>\$1,075,047</b>	<b>\$911,340</b>

<b>IHDA Grant Funds</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Adopted Budget</b>	<b>FY 2016 Projected</b>	<b>FY 2017 Adopted Budget</b>
<b>Expenditures</b>				
Contractual	\$45,876	-	\$6,603	-
Commodities	-	-	-	-
Other Expenditures	-	-	-	-
Transfer Out	-	-	-	-
<b>Department Total</b>	<b>\$45,876</b>	<b>-</b>	<b>\$6,603</b>	<b>-</b>
<b>Revenues</b>	<b>\$49,368</b>	<b>-</b>	<b>\$7,203</b>	<b>-</b>

**Performance  
Measurements**



<b>Community Development and IHDA Grant Funds</b>	<b>FY 2015 Actual</b>	<b>FY 2016 Adopted Budget</b>	<b>FY 2016 Projected</b>	<b>FY 2017 Adopted Budget</b>
<b>Inputs:</b>				
Number of Full Time Employees	-	-	-	-
Department Expenditures	\$1,155,572	\$913,491	\$1,078,692	\$911,337
<b>Outputs:</b>				
Number of CDBG housing rehab. Loans and Grants	22	5	10	25
Number of SFOOR housing rehab. loans	4	0	0	0
Number of structures demolished	6	8	6	6
Number of sewer ejection systems installed	0	3	0	3
<b>Effective Measures:</b>				
% of budget expended on Public Services (Less than or equal to 15%)	12.58%	15%	15%	15%
% of budget expended on Administration (Less than or equal to 20%)	3.61%	2.7%	3.3%	3.4%
% of Low- to Moderate-income activities (Greater than or equal to 70%)	76.59%	70%	72%	72%

**Budgetary Fund  
Balance**



<b>Community Development</b>	<b>FY 2015 (audited)</b>	<b>FY 2016 (projected)</b>	<b>FY 2017 (projected)</b>
<b>Budgetary Fund Balance</b>	(\$1,145)	\$1,812	\$1,815

<b>IHDA Grant Funds</b>	<b>FY 2015 (audited)</b>	<b>FY 2016 (projected)</b>	<b>FY 2017 (projected)</b>
<b>Budgetary Fund Balance</b>	(\$584)	\$16	\$16

\* **Negative** balances can be attributed to timing differences between expenditures and grant reimbursements.



## Challenges

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- **Departmental training** of new staff and current staff performing new duties is needed but is difficult to obtain due to limited course offerings.
  - **Funding** from HUD continues to decrease annually making it difficult to meet the needs of the community.
  - **Program Income** is difficult to estimate as most CDBG Rehabilitation Loans are deferred at 0% interest as long as the home remains owner-occupied.
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## Community Development Marketing / Advertising Policy

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**Background** – HUD requires that the City of Bloomington follow an adopted Citizen Participation plan to ensure public involvement in the planning process and use of Community Development Block Grant (CDBG) Funds. The participation plan includes proper public notice and hearings to ensure engagement of those affected by its programs, as well as identifying the activities triggering this activity.

**Public Hearings** –A minimum of 2 public hearings are required annually. One hearing discusses the needs and associated activities to be undertaken by the City using our CDBG funding. The second hearing discusses the accomplishments of the City for a given year. Both hearings provide a forum for public comment.

**Public Notification** – The public is required to be given a 30-day advance notice of a scheduled public hearing. Notifications shall be posted in:

- City Hall and Government Center
- Bloomington Public Library
- City of Bloomington website
- Local newspaper of general circulation (The Pantagraph)
- PATH's newsletter (Providing Access To Help)
- Neighborhood organizations and churches located on the South and West sides (target areas) of Bloomington.

**Substantial Amendments** – Any time there is a proposed change in priority, purpose, location, scope, or beneficiary in the amount of \$100,000 or more, the public will be notified and allowed time to comment as stated above.

**Other Notices** - Generally CDBG programs have a waiting list of participants derived from our HUD required public notices and hearings (see above). Therefore, additional public advertisement of the programs is generally not needed. In the event that we have exhausted our waiting list of applicants, we will advertise the programs as identified and required by HUD in our public notification procedure.

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**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS RECEIVED**  
**42 YEAR ANALYSIS**

1975-76	\$2,169,000	-----
1976-77	\$2,169,000	No change
1977-78	\$2,169,000	No change
1978-79	\$1,665,000	- 23%
1979-80	\$1,247,000	- 25%
1980-81	\$ 866,000	- 30%
1981-82	\$ 835,000	- 4%
1982-83	\$ 724,000	- 13%
1983-84	\$ 705,000	- 3%
1984-85	\$ 713,000	+ 1%
1985-86	\$ 710,000	- .4%
1986-87	\$ 605,000	- 15%
1987-88	\$ 606,000	+ .2%
1988-89	\$ 575,000	- 5%
1989-90	\$ 598,000	+ 4%
1990-91	\$ 571,000	- 5%
1991-92	\$ 638,000	+12%
1992-93	\$ 674,000	+ 4%
1993-94	\$ 779,000	+14%
1994-95	\$ 850,000	+ 9%
1995-96	\$ 866,000	+ 2%
1996-97	\$ 843,000	- 3%
1997-98	\$ 829,000	- 2%
1998-99	\$ 803,000	- 3%
1999-00	\$ 808,000	+ 1%
2000-01	\$ 807,000	- .13%
2001-02	\$ 837,000	+3.5%
2002-03	\$ 821,000	- 1.9%
2003-04	\$ 746,000	- 9.1%
2004-05	\$ 730,000	- 2.1%
2005-06	\$ 690,996	- 5.4%
2006-07	\$ 621,476	- 10%
2007-08	\$ 620,172	- .2%
2008-09	\$ 598,625	- 3.5%
2009-10	\$ 605,875	+1.2%
2009-10	\$ 162,505	CDBG-R
2010-11	\$ 655,193	+7.5%
2011-12	\$ 547,062	-16.5%
2012-13	\$ 556,748	+ 2%
2013-14	\$ 593,216	+ 6%
2014-15	\$ 557,978	- 6%
2015-16	\$ 549,498	- 1.6%
2016-17	\$ 540,544	- 1.7%

*Fluctuation of grant funds received is due to HUD's budget appropriation for this program and the addition / deletion of entitlement communities every year.*

*As of 2016, over \$35.1 million in federal dollars has been received by the City of Bloomington CDBG program, to address the needs of the low / moderate income population.*