The Community Development Block Grant Program
Community Development Block Grant (CDBG) enacted by Congress as Title I of Housing and Community Development Act of 1974

The primary objective of CDBG is “the development of viable communities through improvement of living conditions, housing and the expansion of economic opportunities in cities and counties, principally for persons of low-and moderate income.”
Local governments can implement a broad range of activities as long as they further the National Objectives of the Act

National Objectives are:
- Majority benefit to low and moderate income persons through services and job creation
- Prevention or elimination of slums and blight
- Meeting urgent needs that pose a threat to the health and welfare of the community
CDBG

- Federal Allocation from HUD – CDBG Programs:
  - CDBG Annual Competition
  - Employment Incentive Program (EIP) – Set aside $8M
  - Redevelopment Program (RD) – Set aside $1.5M
  - Immediate Threat & Danger (IT&D) – Set aside $.5M
CDBG

- Types of Grants – Annual Competition
  - Single Activity: up to $750,000
    - Neighborhood Revitalization
      - Rehabilitation
      - Reconstruction
      - Acquisition
      - Relocation
      - Demolition
    - Infrastructure Improvements
      - Sewer
      - Water
      - Streets
      - Drainage
CDBG

- Types of Grants – Annual Competition
  - Single Activity: up to $750,000
    - Public Buildings
      - Health Departments
      - Senior Centers
      - Community Centers
      - Head start
  - Multi-Activity: up to $1,000,000
    - Neighborhood Revitalization PLUS Infrastructure/Building Activities
CDBG

- Types of Grants – EIP
  - Up to $750,000 – Job Creation
    - Grants – Must be publically owned
      - Water
      - Sewer
      - Road (turn lanes, etc.)
  - Loans - to businesses
    - Equipment – fixed assets
    - Facility Improvements – Building rehab/expansion, Site development, Acquisition
CDBG

Other Programs “Set Aside” – CDBG $

- Redevelopment Fund (RD) - Up to $750,000
  - Address blight

- Immediate Threat and Danger (IT&D) – Address public threat
  - Up to $50,000
    - $ for $ match required

- Non Federal fund sources
  - One Georgia
  - REBA
  - SSBCI
CDBG

- Apply for Annual Competition
  - Applications due First Monday in April
- Set-aside programs accept applications year-round
- Applicant must be Local Government
  - Grant application writing/Administration
  - Local Government
  - RC’s
  - Private Administrators

Funds may be channeled through Development Authorities, Non-Profits or other CBO’s
Single Activity
Neighborhood Revitalization

- Limit of $750,000.
- May be City/County Wide, Target Area, or Targeted to a Specific Group
Eligible Activities

Single Activity Neighborhood Revitalization
Maximum $750,000.

- **Rehabilitation** – To repair and/or bring to Code existing substandard housing unit – Owner or Renter*
  *Requires 50/50 match from landlord & rental agreement

- **Reconstruction** – Where unfeasible to Rehab, Demolish and construct new unit on same site – **Owner Occupied ONLY**.

- **Acquisition** - of Real Property

- **Disposition** – Costs Incidental to Disposing of Property Acquired with CDBG Funds

- **Code Enforcement** – but…
Eligible Activities
Single Activity Neighborhood Revitalization
Maximum $750,000.

- Clearance – Of Dilapidated Structures, outbuildings, etc.
- Interim Assistance
- Relocation – Temporary or Permanent
  - Temp Relocation is NOT mandatory for Owner occupied units
- Removal of Architectural Barriers
Eligible Activities

Single Activity Neighborhood Revitalization
Maximum $750,000.

- **Home Buyer Assistance**
  - Down Payment
  - Closing costs
  - Principle Reduction Payment
  - Interest buy-down

**NOTE:** DCA policy mandates use of *fixed rate mortgages* on all CDBG funded projects
Multi-Activity
Maximum $1,000,000.

Multi-Activity
“Comprehensive Neighborhood Revitalization”

- Includes Housing AND Public Facilities Activities
- Limit of $1,000,000
- Inter-related Activities
- Same Target Area
- Comprehensive (Meets all/most of the Needs in the Target Area)
- Reasonable Distribution of Funds Between Activities
Revitalization Area Strategies

DCA designation that rewards efforts demonstrating:

- Long-term vision for the area
- Well-defined area that included comprehensive activities
- Grassroots involvement from area residents
- Commitment from other funding partners
- Documented commitment from funders and stakeholders
Revitalization Area Strategies

- Officially adopt a local Redevelopment Plan in accordance with the Urban Redevelopment Act O.C.G.A. 36-61
- Eligible area of Census Block Group(s) of 20% or greater poverty level.
- Develop strong local partnerships focusing local resources within the Revitalization Area.
- CDBG Public Participation process
- Submit application for designation to DCA.
- Must be designated by DCA through application
  - Due no later than April 3, 2017
Summary of Georgia’s Urban Redevelopment Act (O.C.G.A 36-61-1)

- Gives cities and counties broad powers to redevelop blighted or threatened areas of the community.
- Allows communities to use eminent domain to buy and assemble property for revitalization and resale.
- Does not require a referendum.
- Can be implemented by a Downtown Development Authority (DDA) or a Redevelopment Authority appointed by the local government.
- Encourages involvement of private enterprise/public private partnerships to redevelop neglected areas of the community.
Summary of Georgia’s Urban Redevelopment Act (O.C.G.A 36-61-1)
Cont.

- Permits use of tax exempt bonds for redevelopment purposes. These may be secured by loans and grants.
- Lets the public know what is being planned for the redevelopment area.
- Guides investments in infrastructure to support redevelopment.
- Allows the City or County to negotiate variances and waive many requirements of its existing zoning and development requirements in order to achieve the optimum economic and aesthetic results in the redevelopment area.
Urban Redevelopment Plan

“A masterplan with teeth”

- Allows the imposition of conditions more specific than existing land use regulations. Conditions run with the property and control development above other land use regulations. Design standards may be included.
- Can waive or modify ordinance provisions that stand in the way of revitalization.
- Shows public what will replace blight.
- UR entity may issue tax exempt bonds to be repaid with profits from redevelopment project. May be secured by mortgages on property within the district.
RAS Rewards:

- Can apply for CDBG every year, provided that current CDBG project meets timeliness criteria
- Provides up to 20 bonus points on CDBG Annual Competition applications that are proposed within the RAS area
- Designation is effective for 3 years, then can re-apply

Note: DCA will only allow geographic amendments to RAS boundaries every three years upon application for renewal status
CDBG Revitalization Strategies

Example: Thomasville Urban Redevelopment Plan includes Design Guidelines with 25 plans for homes.
CDBG Revitalization Strategies

Washington and Tifton: adopted Enterprise Zones; allows for fee/property tax deferral or waivers
Washington also was designated an Opportunity Zone

Cornelia: passed the Community Redevelopment Tax Incentive Ordinance, used as leverage to deal with properties that contribute to blight by increasing property millage tax rate by 3 on unoccupied blighted structures.
Results............

Rockmart:  
Jackson Square Apts.
Thomasville:
Victoria Place Revitalization Area
It CAN be done!

The former Macon Homes—now Bartlett’s Crossing
City of Washington - Rusher Street
CDBG

Events - 2017

CDBG & RAS Applications due April 3
DCA Fall Conference and CDBG Recipients’ Workshop
  September/October 2017
  Applicant Workshop
  December 2017

Registration information TBA

dca.ga.gov
Thank You!

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