# CDBG PROGRAM OVERVIEW

#### **INTRODUCTION**

This packet is prepared for the Borough of Chambersburg's **2019 Community Development Block Grant** (CDBG) allocation. The Borough of Chambersburg is a Federal Entitlement Community under the Community Development Block Grant Program. The Borough of Chambersburg estimates that it will receive approximately \$349,543 in FY 2019 CDBG Entitlement funds.

#### **SCHEDULE**

• First Public Hearing – Tuesday, March 12, 2019 at 7:00 PM

A meeting will be held at the Borough of Chambersburg's Borough Council Hall to discuss the 2019 CDBG application requirements, community development issues, and the Community Development Plan. Application packets will be available at the meeting or at the second floor reception desk.

• CDBG Funding Applications are due to the Borough – Friday, March 15, 2019

One copy of the application containing all required information and forms must be submitted to the Borough of Chambersburg by Friday, March 15, 2019, at 4:00 p.m.

By hand delivery or mail:2nd Floor, 100 South Second Street, Chambersburg, PA 17201By fax:(717) 251-2436By email:pwolgemuth@chambersburgpa.gov

• Borough Staff and Council CDBG Committee develops the budget – Week of April 1, 2019

The Borough of Chambersburg Staff and Borough Council CDBG Committee will develop a budget for the FY 2019 CDBG program.

• FY 2019 Annual Action Plan goes on Display - Thursday, April 11, 2019 \*

A draft of the FY 2019 Annual Action Plan will go on display on Thursday, April 11, 2019. Copies will be available for the public to view at the following locations:

- Borough of Chambersburg, Land Use and Community Development Department Community and Economic Development Office
   100 South 2nd Street
   Chambersburg, PA 17201
- Coyle Free Library 102 North Main Street Chambersburg, PA 17201

- Borough of Chambersburg Recreation Center
  235 South Third Street
  Chambersburg PA, 17201
- The Borough of Chambersburg website: <u>http://www.borough.chambersburg.pa.us</u>
- Second Public Hearing Tuesday, April 30, 2019 at 7:00 PM \*

The Borough will hold a Second Public Hearing at the Borough of Chambersburg's Council Hall after the draft FY 2019 Annual Action Plan is on public display. This hearing will give residents and stakeholders an opportunity to comment on the draft plan.

• End of FY 2019 Annual Action Plan on Display – Friday, May 10, 2019 \*

On Friday, May 10, 2019, the draft FY 2019 Annual Action Plan will go off public display.

• Borough Council Adoption of the FY 2019 Annual Action Plan - Monday, May 13, 2019 \*

At the regularly scheduled Borough Council meeting on Monday, May 13, 2019, the Borough Council will vote to adopt the FY 2019 Annual Action Plan.

• Plans submitted electronically to HUD Philadelphia Office – Wednesday, May 15, 2019 \*

The Borough of Chambersburg will electronically submit the FY 2019 Annual Action Plan to HUD no later than Wednesday, May 15, 2019.

• Program Year Begins – July 1, 2019

NOTE: This schedule is subject to change and is contingent upon the Borough of Chambersburg's receipt of the notification of the actual FY 2019 CDBG allocations.

# APPLICATION GUIDELINES

## **CDBG NATIONAL OBJECTIVES**

#### Elimination of Slum or Blight:

The area must be designated by the grantee and must meet a definition of a slum, blighted, deteriorated or deteriorating area under State or Local law. The activity must address one or more of the conditions which contributed to the deterioration of the area.

#### **Urgent Needs:**

To comply with the national objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions which the grantee certifies:

- 1. Pose a serious and immediate threat to the health or welfare of the community;
- 2. Are of recent origin or recently became urgent;
- 3. The grantee is unable to finance on its own; and
- 4. Other resources of funds are not available.

#### Benefit to Low and Moderate-Income Residents:

A low and moderate (L/M) income person is defined as a member of a family having an income equal to or less than the Section 8 Housing Assistance Payments Program lower income limits established by HUD (See attached HUD Income Limits).

Activities considered to benefit low and moderate (L/M) income persons are divided into four categories:

- 1. Area benefit activities;
- 2. Limited clientele activities;
- 3. Housing activities; and
- 4. Job creation or retention activities.

#### BOROUGH OF CHAMBERSBURG FY 2015-2019 CDBG GOALS AND OBJECTIVES

The following goals and objectives have been identified for the Borough of Chambersburg for the period of FY 2015 through FY 2019 for the Community Development Block Grant (CDBG) Program:

#### Housing Priority - (High Priority)

There is a need to improve the quality of the housing stock in the Borough and to increase the supply of affordable, decent, safe, sound, and accessible housing for homeowners, renters, and homebuyers.

#### Goals/Strategies:

- **HS-1 Housing Rehabilitation** Continue to rehabilitate the existing owner and renter occupied housing stock in the Borough, including handicap accessibility modifications.
- HS-2 Housing Construction/Rehabilitation Increase the supply of decent, safe, sound, and accessible housing that is affordable to owners and renters in the Borough through new construction and rehabilitation of vacant units.
- **HS-3 Fair Housing** Affirmatively further fair housing by promoting fair housing choice through monitoring, education, and outreach.

• **HS-4 Homeownership** - Assist low- and moderate-income households to become homeowners by providing down payment assistance, closing cost assistance, and requiring housing counseling training.

## Homeless Priority - (Low Priority)

There is a need for housing and services for homeless persons and persons at-risk of becoming homeless.

#### Goals/Strategies:

- **HO-1 Operation/Support** Assist providers in the operation of housing and support services for the homeless and persons at-risk of becoming homeless.
- **HO-2 Housing** Support the efforts of local agencies' to provide emergency shelter, transitional housing, and permanent supportive housing through new construction and rehabilitation.

#### Other Special Needs Priority - (Low Priority)

There is a need for housing, services, and facilities for the elderly, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, and persons with special needs.

#### Goals/Strategies:

- **SN-1 Housing** Increase the supply of affordable, decent, safe, sound, and accessible housing for the elderly, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, and persons with other special needs through rehabilitation, new construction, and making reasonable accommodations to existing housing.
- **SN-2 Social Services** Support social service programs and facilities for the elderly, persons with disabilities, victims of domestic violence, persons with HIV/AIDS, and persons with other special needs.

#### Community Development Priority - (High Priority)

There is a need to improve the public and community facilities, infrastructure, public services, code enforcement, public safety, clearance, and the quality of life in the Borough of Chambersburg.

#### **Goals/Strategies:**

- **CD-1 Community Facilities** Improve the Borough's parks, recreational centers, trails, bikeways, and public and community facilities through rehabilitation, new construction and handicap accessibility improvements.
- **CD-2 Infrastructure** Improve the Borough's infrastructure through rehabilitation, reconstruction, and new construction of streets, walks, curbs, ADA ramps, sewer, water, storm water management, bridges, green infrastructure, etc.
- **CD-3 Public Services** Improve and increase programs for the youth, the elderly, the disabled, and social/welfare programs for Borough residents.
- **CD-4 Code Enforcement** Undertake code enforcement activities to maintain the existing housing stock in the Borough.
- **CD-5 Public Safety** Improve the public safety facilities, purchase of new equipment, crime prevention, community policing, and ability to respond to emergency situations.
- **CD-6 Clearance** Remove and eliminate slum and blighting conditions through demolition of vacant and abandoned, dilapidated structures throughout the Borough.

#### Economic Development Priority - (Low Priority)

There is a need to increase employment, self-sufficiency, education, job training, technical assistance, and economic empowerment of the residents of the Borough of Chambersburg.

#### Goals/Strategies:

- **ED-1 Employment** Support and encourage new job creation, job retention, employment, and job training services.
- **ED-2 Financial Assistance** Support business and commercial growth with low interest loans and incentives for rehabilitation and new construction to assist in their expansion and new development.
- **ED-3 Redevelopment Program** Plan and promote the development and redevelopment of vacant commercial and industrial sites and facilities.

#### Administration, Planning, and Management Priority - (High Priority)

There is a continuing need for planning, administration, management, and oversight of Federal, state, and local funded programs.

#### Goals/Strategies:

• **AM-1 Overall Coordination** - Provide program management and oversight for the successful administration of Federal, state, and local funded programs, including planning services for special studies, environmental clearance, fair housing, and compliance with all Federal, state, and local laws and regulations.

#### **ELIGIBLE ACTIVITIES**

CDBG funds may be used for activities which include, but are not limited to:

- Acquisition of real property;
- Relocation and demolition;
- Rehabilitation of residential and non-residential structures;
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes;
- Public services, within certain limits;
- Activities relating to energy conservation and renewable energy resources; and
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities.

#### **INELIGIBLE ACTIVITIES**

Generally, the following types of activities are ineligible:

- Acquisition, construction, or reconstruction of buildings for the general conduct of government;
- Political activities;
- Certain income payments; and
- Construction of new housing by units of general local government.

While comprehensive, the above list is not all-inclusive. Please see 24 CFR 570.200 through 570.209 for more information about eligible and ineligible activities, or contact the Assistant to the Borough Manager and Land Use and Development Director at (717) 251-2436.

# **PROGRAM REQUIREMENTS**

All Community Development Block Grant Subrecipients are required to adhere to certain Federal requirements. Some of the key requirements are outlined below. This serves only to familiarize you with the procedures, rules and regulations. Greater detail and training on compliance with HUD requirements will be provided to those agencies that are awarded CDBG funds and therefore may choose to enter into a Subrecipient Agreement with the Office of Community and Economic Development, acting on behalf of the Borough of Chambersburg, as a means of accepting the grant funds.

- The Borough of Chambersburg Office of Community and Economic Development is required to execute a Subrecipient Agreement with the funded organization. The agreement details the responsibilities, requirements, scope of service, and budget for the CDBG-funded program.
- Community Development Block Grant (CDBG) programs are administered on a reimbursable basis. The agency must expend the funds prior to requesting payment from the Office of Community and Economic Development.
- Subrecipient agencies are required to adhere to OMB circulars A-110, A-133 and A-122 regarding grant administration, auditing, and cost principles, respectively.
- Agencies must keep client files for those they serve within CDBG funded programs. The client files must contain basic information that will include income verification and documentation, family size, address or location, race and ethnicity of persons served, age, verification of resources, etc.
- Procurement procedures must be followed on all purchases made with CDBG funds. At a minimum, three bids (price quotes) should be secured for all purchases. Subrecipients choosing to accomplish their funded activity using subcontractors must contact the Community Development Specialist immediately, as only those contracts that have been procured and carried out under the Community Development Specialist's supervision shall be reimbursed.
- The Borough of Chambersburg Office of Community and Economic Development provides technical assistance training on various topics to all Subrecipients throughout the program year. Technical Assistance sessions may be mandatory.
- The Borough of Chambersburg Office of Community and Economic Development is also required to monitor all Subrecipients at least once a year. Borough monitoring includes, but not limited to, review of Semi-Annual Performance Reports, review of draw down requests, supervision of all activities related to job specification, bid process, contractor selection and performance, construction site inspections, ongoing informal communication with the Subrecipient, and an annual on-site monitoring visit.
- For purposes of determining income eligibility, HUD's annual income limits are used. These are typically updated in February.

# APPLICATION INFORMATION

Information must be accurate and concise since it will serve as the basis for evaluating your project with respect to other applicants. One (1) original and two (2) copies are required. We will contact you if further information is needed.

See Exhibits "A" and "B".

# **APPLICATION DEADLINE**

<u>The deadline for **2019** applications will be **Friday, March 15, 2019.** All applications must be received by 4:00 p.m. <u>on **Friday, March 15, 2019**</u>, to be considered. If you plan to submit an application please call Phil Wolgemuth at (717) 261-3232. Applications may be submitted by mail, e-mail, or fax:</u>

By hand delivery or mail:	2 <sup>nd</sup> Floor, 100 South Second Street, Chambersburg, PA 17201
By fax:	(717) 251-2436
By email:	pwolgemuth@chambersburgpa.gov

#### WHO TO CALL FOR HELP

Assistance with any portion of the application process can be obtained free of charge by contacting Phil Wolgemuth at (717) 251-2436.



# Borough of Chambersburg

A full service municipality in Franklin County celebrating over 65 years of consumer owned natural gas service over 100 years of community electric and a regional wastewater, water, and municipal solid waste utility.

2018 CDBG	
TOTAL ALLOCATION	\$349,543.00
General Administration	\$62,000.00
BOPIC, Inc. – Job Training for Youth	\$14,600.00
Borough Elder Street Reconstruction	\$272,943.00

2017 CDBG	
TOTAL ALLOCATION	\$318,583.00
General Administration	\$63,716.00
Borough Elder Street Reconstruction	\$254,867.00

2016 CDBG	
TOTAL ALLOCATION	\$322,370.00
General Administration	\$64,370.00
Borough Elder Street Reconstruction	\$240,680.00
United Way – "Stepping Forward Works Program"	\$17,320.00

2015 CDBG	
TOTAL ALLOCATION	\$339,911.00
Borough Administration	\$67,982.00
Borough ADA Curb Ramps and Second Ward	\$170,062.00
Borough Elder Street Reconstruction (Hood Street to terminus)	\$101,867.00

2014 CDBG	
TOTAL ALLOCATION	\$211,168.00
Borough Administration	\$38,000.00
PIRHL Developers, 52 Townhouses, Washington Square Town Homes	\$100,000.00
Borough ADA Curb Ramps Second Ward	\$53,188.00
Borough South Street Improvements Project	\$20,000.00

2013 CDBG	
TOTAL ALLOCATION	\$204,018.00
Borough Administration	\$36,000.00
Borough Street Improvements in LMI Areas	\$100,000.00
Borough Curb Ramp ADA Improvements	\$54,000.00
Borough Grant Program for LMI Homeowners to Repair/Install Curbs and Sidewalks	\$14,814.00