

## **COMMUNITY RESOURCES MANAGEMENT DIVISION**

### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM**

#### **INTRODUCTION**

The Community Development Block Grant (CDBG) program for Clark County is of particular interest to town advisory boards which are responsible for nominating individuals to serve on the advisory committee for the program. The following is information regarding this program, excerpted from the Community Development Advisory Committee (CDAC) Program Manual. Copies of the annual manual are available through each town's representative or the Community Resources Management (CRM) Division of the Finance Department (455-5025).

The CDBG Program is cyclical. Typically, Clark County begins its citizen participation process and solicits grant proposals from the community during October, holds public hearings, and selects the final projects in December or January. County staff prepares and sends its CDBG Application to the U. S. Department of Housing and Urban Development (HUD) in May and generally receives its grant funds after the first of July. During July through September, the Community Resources Management staff prepares the annual Consolidated Annual Performance and Evaluation Report (CAPER) of the previous year's projects for HUD's review. Throughout the year, project implementation continually takes place.

#### **WHAT IS THE CDBG PROGRAM?**

The purpose of the Community Development Block Grant (CDBG) Program is to benefit low-to-moderate- income households by developing viable communities which include decent housing and a suitable living environment and expanded economic opportunities. To meet these objectives, HUD provides "blocks" of monies to states and local communities that may be spent on specified activities that:

- 1) The elimination of slums and blight and the prevention of the deterioration of property and community facilities;
- 2) The elimination of conditions which are detrimental to health, safety, and public welfare through code enforcement, demolition, rehabilitation assistance, etc.;
- 3) The conservation and expansion of community housing stock;
- 4) The expansion and improvement of the quantity and quality of community services essential to the development of viable urban communities;
- 5) The improved utilization of land and other natural resources, arrangement of residential, commercial, industrial, recreational, and other activity centers;
- 6) The reduction of the isolation of low income groups within communities;
- 7) The restoration and preservation of properties of special value for historic, architectural, or aesthetic reasons; and
- 8) The promotion of economic development through the stimulation of private investment and community revitalization.

#### **WHAT IS THE FIVE-YEAR CDBG CAPITAL IMPROVEMENT PLAN**

In 1999 and 2004, the Board of County Commissioners approved submissions of its first and second Five-Year CDBG Capital Improvement Plan (CIP) Pre-Award

Approval Requests, which were subsequently approved by HUD. Using this pre-award commitment mechanism, Clark County was able to loan general fund monies to the proposed projects to expedite construction, with those monies subsequently repaid upon receipt of the federal CDBG grants from HUD. This financing mechanism allowed the proposed facilities to be constructed in advance of the receipt of the federal funds, thereby serving the public more expeditiously than waiting several years to assemble the monies before initiating program implementation.

Based upon the success of the previous two plans, Clark County is currently operating under its third Five-Year Clark County CDBG Consortium CIP for FYs 2010-2014. Boulder City and Mesquite capital projects are also included in this plan with each expecting to receive approximately \$1,006,993 in CDBG funds, which includes an additional \$50,918 in CDBG funds they elected not to receive under this 2009 American Reinvestment and Recovery (ARRA) allocation but rather from its FY 2010/11 regular allocation. One of the conditions under CDBG ARRA was to have shovel-ready projects ready to administer, which neither City had. The County then presented each City with the option of receiving additional funds from next year's regular 2010/11 CDBG allocation instead, and each elected to do so.

Using these federal funds made available as part of the 2000-2004, 2005-2009, and 2010-2014 CDBG CIPs as well as other County monies which have leveraged other private donor and foundation contributions, the Community Resources Management Division in conjunction with the Department of Real Property Management have been responsible for managing the design/construction phases of a large number of new public facilities and in assisting our nonprofit agency partners on their facilities.

### **HOW MUCH FUNDING IS AVAILABLE?**

HUD determines the amount of money allocated to entitlement communities using a three factor formula including: (1) population, (2) the number of low income residents (weighted twice), and (3) the number of substandard housing units. In Clark County's case, these factors are applied to the entire County excluding the City of Las Vegas. The total estimated award to Clark County is \$5,991,013 annually.

Project budgeting within allocations will be based upon recommendations by the respective jurisdictions, input from the Community Development Advisory Committee, and the Technical Advisory Committee whose membership consists of staff from the participating entities. Final approval of the project budgeting rests with the Clark County Board of Commissioners. Proposed projects will be identified in the application submitted by Clark County to HUD each year.

### **HOW CAN CITIZENS BECOME INVOLVED?**

Public hearings and meetings are the primary means by which individual citizens are able to provide input into the CDBG Program. Open meetings will be held at the town level, city level, and County-wide level. All such meetings are scheduled in advance and posted in the community. The meetings provide an opportunity for citizens to: (1) submit project proposals to be included in the statement to HUD, and (2) comment on projects under consideration.

### **ELIGIBLE CDBG ACTIVITIES**

The following list provides examples of eligible CDBG activities:

- A. **Community Facilities and Improvements** - neighborhood centers, senior centers, recreational facilities, centers for the handicapped, public utility facilities, street improvements, storm sewers, flood and drainage facilities, solid waste disposal facilities, and water systems;
- B. **Development** - land acquisition and disposition, relocation assistance, and debris removal;
- C. **Rehabilitation and Preservation** - rehabilitation of homes, public housing modernization, code enforcement, historic preservation, removal of architectural barriers, and tool-lending for use in rehabilitation;
- D. **Economic Development** - public facilities rehabilitation, commercial and industrial facilities development, commercial and industrial property improvements;
- E. **Administration** - planning, environmental studies, applications for federal programs, and technical assistance to citizens; and
- F. **Public Services** – social services designed to improve individual households or a community’s well-being, such as employment, crime prevention, child care, health, drug abuse, education, and recreation.

**INELIGIBLE CDBG ACTIVITIES**

The following list provides examples of ineligible CDBG activities. They include the construction or rehabilitation of:

- A. buildings and facilities for the general conduct of government;
- B. stadiums, sports arenas, auditoriums, concert halls, cultural and art centers, convention centers, museums, and similar facilities that are used by the general public primarily as spectators or observers;
- C. schools, generally including elementary, secondary, college and university facilities but excluding a neighborhood facility or senior center in which classes in practical and vocational activities may be taught;
- D. airports, subways, trolley lines, buses, or other transit terminals or stations and other mass transportation facilities;
- E. hospitals and other medical facilities open to the public generally, but excluding a neighborhood facility or senior center in which health services are offered;
- F. treatment facilities for sewage or liquid industrial wastes;
- G. the purchase of equipment or construction equipment;
- H. operating and maintenance expenses;
- I. general government expenses;
- J. political activities;
- K. new housing construction; and
- L. income payments

**CLARK COUNTY'S CDBG PLANNING PROCESS**

Planning activities will follow the same steps each year although the timing may vary somewhat. These steps are:

- Step 1 - Dissemination of CDBG information to cities, towns, agencies, and individuals;
- Step 2 - Identification of community development issues, needs, and concerns (joint effort of staff and citizens committees);
- Step 3 - Formulation of community development goals and preliminary strategies. Development of project selection criteria (staff and citizen committees);
- Step 4 - Submission of project applications; and
- Step 5 - Project selection and development of CDBG Statement of Objectives for submission to HUD:
  - a. Meetings and hearings to obtain citizen input,
  - b. Review of project applications by CDAC and staff,
  - c. Project recommendations of CDAC to the Clark County Board of Commissioners,
  - d. Public hearing before the Board of County Commissioners and final selection of projects for application submission to HUD.

**CITIZEN PARTICIPATION**

In order to successfully meet the goals of HUD’s CDBG Program, the voices of those individuals, neighborhoods, and communities participating and/or impacted must be heard.

The primary conduits for citizen input will be via the Countywide Community Development Advisory Committee (CDAC), the North Las Vegas Citizens Advisory Committee, and the scheduled public hearings and open meetings held in Clark County, North Las Vegas, Boulder City, and Mesquite. Citizen involvement will be encouraged through dissemination of timely information and adequate advance notice of meetings and hearings.

The purpose for these mechanisms, again, is to ensure an atmosphere of open communication and cooperation among and between the County, as the entitlement applicant, the participating cities and towns, administrators and officials, local organizations and businesses, and individual citizens concerned about the health and vitality of their homes, neighborhoods, and community.

**PUBLIC HEARINGS AND MEETINGS**

Public hearings and meetings will be the prime vehicle for eliciting public input. Generally, public meetings will be held as needed to extend technical information and to respond to citizen questions and concerns. Public hearings will be held by CDAC, the Cities of North Las Vegas, Boulder City, and Mesquite, and the County Commission for the purpose of formal presentation and/or adoption of CDBG documents or policies.

North Las Vegas, Boulder City, and Mesquite, and each of the unincorporated towns must hold a public hearing to solicit citizen input concerning any projects proposed to be located within their respective boundaries. An endorsement by the appropriate City Council or town advisory board is required for all such projects.

## **COMMUNITY DEVELOPMENT ADVISORY COMMITTEE (CDAC)**

CDAC is composed of thirty-six (36) members of the community. Each of the fourteen (14) town advisory boards and five citizens' advisory councils is entitled to nominate one representative and one alternate, subject to appointment by the Board of County Commissioners. The North Las Vegas, Boulder City, and Mesquite City Councils each appoint a representative and alternate to the Committee. Finally, fourteen at-large members representing low income, minority, elderly, handicapped, housing, and other community-wide interests are selected by the County Commissioners.

CDAC is advisory in nature. The purpose of the Committee is to provide citizen input into CDBG planning and implementation activities. CDAC is responsible for making recommendations to the Board of County Commissioners with regard to the selection of projects to be funded with CDBG monies. It is important that all CDAC members be well informed regarding the CDBG Program, eligible and ineligible activities, planning and implementation processes, and applicable federal guidelines in order to responsibly fulfill their role as spokespersons for the community.

### **Town Advisory Boards/Citizens Advisory Councils Responsibilities**

Members appointed to CDAC by the town advisory boards (TABs) and citizens advisory councils (CACs) primarily represent their respective unincorporated towns and unincorporated areas. They are responsible for insuring that fellow town advisory board members and residents are kept apprised of CDBG activities, requirements, and timetables. They serve as a conduit for input from their respective towns and areas into the CDBG planning and implementation process.

**2012/2013 CDAC MEETING DATES  
(Tentative)**

2012

Nov/Dec

TOWN AND CITY MEETINGS

CDAC members will have the opportunity to relay information disseminated at technical assistance workshops at an orientation, should one be scheduled, for HOME and Emergency Solutions Grant (ESG) to their respective boards and councils and to solicit input prior to regularly planned CDAC meetings.

Tues., Dec 4

CDAC MEETING

Purpose: (1) to introduce CDBG/ESG/HOME staff and CDAC members; (2) to allow staff to explain the ESG and HOME programs, the role of the CDAC, the range of eligible activities, the method of funds allocated, and the project selection process; (3) to establish the ESG and HOME/LIHTF project selection criteria; (4) hear review on HOME underwriting requirement, per HUD; (5) present status report on CDBG CIP, CDBG ARRA, HPRP, and NSP activities; and (6) provide instructions on how to use ZoomGrants applications.

Tues., Dec 18

CDAC MEETING

Purpose: To allow Emergency Solutions Grant (ESG) applicants to make project presentations before the CDAC committee.

2013

Tues., Jan. 15

CDAC MEETING

Purpose: To allow HOME/LIHTF applicants to make project presentations before the CDAC committee.

Tues., Feb. 5

CDAC MEETING

Purpose: To select ESG and HOME projects to be recommended to the Board of County Commissioners.

*Please note all meetings begin at 6:00 p.m. Meetings are held in the Pueblo Meeting Room, 1<sup>st</sup> Floor, Clark County Government Center.*

**EMERGENCY SOLUTIONS GRANT FUND  
(ESG)**

**OVERVIEW**

1. The Emergency Solutions Grant (ESG) Program, formerly named Emergency Shelter Grant Program, was recently revised and replaced the Emergency Solutions Grant Program by the Homeless Emergency Assistance and Rapid Transition to Housing

Act of 2009 (HEARTH Act). The interim rule, published on December 5, 2011, revised the regulations of the old ESG program and established new regulations for the Emergency Solutions Grant Program.

2. Grantees, which as state governments, large cities, urban counties, and U.S. territories, receive ESG grants from the U.S. Department of Housing and Urban Development (HUD) and make these funds available to eligible recipients, which can be either local government agencies or private nonprofit organizations. Grant amounts are based on a formula used by the Community Development Block Grant Program. Clark County will receive a FY 2013 expected ESG allocation of approximately \$502,000.
3. The purpose of the ESG program is to engage homeless individuals and families living on the street, to improve the number and quality of emergency shelters for homeless individuals and families, to help operate these shelters, to provide essential services to shelter residents, to rapidly re-house homeless individuals and families, and to prevent families and individuals from becoming homeless. The program's focus changed from addressing the needs of homeless people in emergency or transitional shelters to assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.
4. Grantees must match grant funds with an equal amount of funds from any of the following in-kind sources: new staff or volunteer time, the donation of materials and buildings, or the value of any lease on a building.
5. Eligible activities that can be funded by the Clark County Emergency Shelter Grant include: street outreach to provide essential services for unsheltered persons, emergency shelter operations and services for homeless clients at the shelters, homeless prevention and rapid re-housing assistance for housing relocation and stabilization services and short or medium term rental assistance, data collections through the Homeless Management Information System (HMIS), and administrative costs directly tied to the ESG program. Due to the new cap on operations and street outreach, Clark County may give preference toward funding requests pertaining to Rapid Re-housing and Homeless Prevention.

## **HUD'S CONSOLIDATED PLAN AND CITIZEN PARTICIPATION**

The Housing and Community Development Consolidated Plan for 2010-2014 delineates the funding goals of Clark County for the federal funds it administers from HUD. With regards to the continuum of care for homeless persons, the County has adopted the Southern Nevada Regional Planning Coalition's 10 Point Plan to end Homelessness in Southern Nevada:

- Enhance coordination between non-profit organizations and government;
- Prevent individuals and families from becoming homeless;
- Provide seamless client services through effective partnerships;
- Foster self-sufficiency through access to education, training, and employment opportunities;
- Increase the availability of stable and sustainable housing;
- Facilitate the transition from homelessness through intensive case management;
- Ensure the availability of basic needs services;
- Increase access to medical, dental and vision care services;
- Improve the availability of mental health services; and
- Improve the availability of substance abuse treatment programs

In November 1981, the Board of County Commissioners established the Community Development Advisory Committee (CDAC) to assist the County in its citizen participation responsibilities and to make recommendations to the Board on specific projects to be funded with the County's share of CDBG funds. This Committee also makes recommendations for the ESG Program.

## **HOME/LOW-INCOME HOUSING TRUST FUND**

### **OVERVIEW**

The HOME program is a flexible tool that helps local governments, in conjunction with states and non-profit organizations, develop and support various home ownership and rental opportunities for very low-income (50% or less of median) and low-income (up to 80% of median) families and individuals. This versatility sets the HOME program apart from more traditional federal housing programs, which are largely categorical in design.

HOME grants are awarded on the local level through an annual application process. The Clark County ("Urban County") HOME Consortium also receives Low-Income Housing Trust Fund (LIHTF) money from the State of Nevada. The two programs have similar requirements, and thus, the Consortium administers the programs jointly.

### **WHAT IS HOME?**

HOME is the abbreviated name for Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990 which is technically entitled the "Home Investment Partnerships Act." The HOME Program has four main purposes:

- (1) To expand the supply of decent and affordable housing, especially rental housing, for very low-income and low-income households;
- (2) To strengthen the abilities of states and units of general local government to design and implement strategies for achieving adequate supplies of decent, affordable housing;
- (3) To provide participating jurisdictions, on a coordinated basis, with various forms of federal housing assistance, including capital investment, mortgage, rental insurance, needed to provide affordable housing for low-income Americans, including those who will be home buyers; and
- (4) To provide participating jurisdictions various forms of federal assistance, both financial and technical, including the development of model programs or approaches for developing affordable low-income housing.

LIHTF funds are used in conjunction with HOME Program funds. They may also be used alone for affordable housing efforts that might otherwise be funded by HOME funds.

### **WHAT CAN HOME/LIHTF FUNDS BE USED FOR?**

HOME (and/or LIHTF) funds may be used for a broad range of activities, including:

- Production/Acquisition of Rental Housing
- Moderate Rehabilitation--less than \$25,000 per unit--(Rental or Homeowner)
- Substantial Rehabilitation--greater than \$25,000--(Rental or Homeowner)
- New Construction
- Tenant-based Rental Assistance
- Finance Costs and Relocation
- Site Improvements
- Home Buyer Assistance

In addition, certified Community Housing Development Organizations (CHDOs) may apply for "CHDO Operating Expenses." Such expenses are for specific activities and should be applied for as a separate project. Up to 10% of the HOME funds may be reserved by the PJ for administrative purposes. Through an Interlocal Agreement the city of North Las Vegas receives a pro-rata share of the allowable HOME administrative funds. Neither CHDO Operating funds or administrative funds require match.

Administrative funds are limited. In the past, Clark County has preferred to award CHDO operating funds to non profits, and HOME administrative funds to government entities.

**HOME FUNDS CANNOT BE USED FOR ANY OF THE FOLLOWING ACTIVITIES:**

- Public Housing Modernization (CIAP) (i.e., Federal ACC units)
- Tenant Subsidies for Special Mandated Purposes under Section 8
- Matching Funds for Other Programs
- Annual Contributions Contracts
- Operating Subsidies for Rental Housing

Other activities may also be precluded. Please consult a Clark County Community Resource Management HOME staff person regarding additional regulations for the HOME Program and/or LIHTF Administrative Guidelines.

**CITIZEN PARTICIPATION**

To help ensure that HOME and Low-Income Housing Trust Fund (LIHTF) monies are used in a manner that responds to community needs, the CRM Division of the Clark County Department of Administrative Services relies heavily upon participation and comment by the public. Input from the community is obtained in several ways.

**First**, the CRM Division puts out Application for Funding for its HOME and HOME-related programs. The Application information and due dates are published in the newspaper(s) of record within Clark County.

**Second**, CRM staff undertakes additional outreach, whereby potential HOME/LIHTF subgrantees are made aware of the programs through public advertisements, telephone calls, face-to-face meetings with Clark County staff, and by receipt of HOME/LIHTF application materials.

**Third**, the CRM Division provides a forum for the Community Development Advisory Committee (CDAC), which reviews HOME/LIHTF applications and makes

recommendations to the Clark County Board of Commissioners. CDAC consists of 36 appointed members. This advisory body includes representatives from local communities, as well as advocates for the homeless, the disabled, and representatives from various minority communities. The membership also includes representatives from the finance/banking industry and from the Clark County and local housing authorities.

**Fourth**, CDAC members serve annual terms, and their replacement provides yet another means of receiving additional representation from community members.

**Fifth**, CDAC holds public meetings to hear presentations from HOME/LIHTF applicants concerning their proposed projects to help the low-income achieve a "decent, safe, and sanitary" housing quality standard.

**Sixth**, applications for HOME/LIHTF grants are presented at public hearings, after which the Clark County Board of Commissioners makes its binding recommendations, which are based upon input from CDAC, County staff, and the general public.

**Seventh**, Clark County traditionally has awarded well over the 15% statutory minimum to Community Housing Development Organizations (CHDOs). Such organizations are neighborhood- or community-based, have community representatives on their boards of directors, and are specifically charged with affirmatively marketing affordable housing and furthering Fair Housing activities. In previous years, the Consortium has assumed the CHDO obligation for the State of Nevada, and furthermore, Clark County continues to assume the CHDO obligation for the entire Consortium.