

COUNTY OF MILWAUKEE
Department of Health & Human Services
INTER-OFFICE COMMUNICATION

DATE: June 24, 2011

TO: Supervisor Lynne DeBruin, Chairperson - Economic & Community Development Committee

FROM: Geri Lyday, Interim Director - Department of Health and Human Services

SUBJECT: **An informational report from the Interim Director, Department of Health and Human Services, regarding proposed timetable for the Milwaukee County Community Development Block Grant (CDBG) 2012 program year funds**

ISSUE

Current County and federal policy requires an annual public hearing soliciting comments on the County's housing and community development needs, and an annual solicitation of proposals for the use of Community Development Block Grant (CDBG) funds. This process is followed by consideration and approval of awards of those funds to successful applicants by the Economic and Community Development Committee and the Board. It is customary for staff to present the proposed timetable for this process to the Committee. That is the purpose of this report.

DISCUSSION

Each year, the Milwaukee County receives Community Development Block Grant (CDBG) program funding from the U.S. Department of Housing and Urban Development (HUD) to carry out a wide range of community development activities that revitalize neighborhoods, provide economic development opportunities, improve community facilities, and offer public/community services. The County receives an annual entitlement award from HUD, which has been approaching \$1.5 million annually over the past three years. We are anticipating and planning for a similar amount of funding for the 2012 program year. The entitlement award of \$1.5 million is then allocated, resulting in about \$600,000 available for County-Wide Non Profit projects and \$600,000 for municipality projects. The remaining balance is applied to Milwaukee County's administrative expenses.

As part of the cooperative agreement between Milwaukee County and non-entitlement municipalities in the County, County CDBG funds are to be used to assist non-entitlement municipalities undertake activities which address community development and /or housing

needs and which primarily benefit low-to-moderate income persons. Of the 19 municipalities in the County, 16 do not receive their own annual allocation, and therefore can apply for a share of the County's CDBG funds.

Eligible Use of CDBG Funds

To be considered for CDBG funding, a nonprofit or municipality must show that its proposed activity is "eligible" and "fundable". Eligible activities include, but are not limited to:

- water, sanitary sewer, and storm sewer construction
- street reconstruction, and sidewalk/curb replacement
- recreation improvements
- housing rehabilitation
- homeownership assistance
- acquisition of property
- fair housing activities
- handicapped accessibility improvements

"Fundable" refers to whether the activity meets the National Objective of the CDBG program of primarily benefiting low-to-moderate income (LMI) persons.

"Primarily benefiting" means that at least 51% of the persons benefiting from an activity are of low-to-moderate income.

A "LMI person" is one whose income is no more than 80% of median income established for the area. This percentage is determined by HUD based on a four-person family and adjusted upward or downward for larger or smaller families.

Certain groups of persons are "presumed" by HUD to be LMI and therefore activities to assist these persons automatically meet the fundability requirement. Groups presumed to be LMI include adults with physical disabilities, abused children, elderly persons, battered spouses, homeless persons, illiterate adults, persons living with aids, and migrant farmers.

Most projects do not solely benefit a "presumed" group of LMI persons, so the nonprofit or municipality has to show that its project will benefit an area or neighborhood where the concentration of LMI persons is at least 51%. Concentrations of LMI persons can be determined in one of two ways- HUD Census data and income surveys.

Application and Funding Process

County CDBG funds are awarded annually on a competitive basis. The process for gaining community input aims to be inclusive and transparent in order to maximize the quantity and quality of CDBG applications. To ensure broad participation throughout the process, the Housing Division of the Department of Health and Human Services will do the following:

- Contact all municipalities regarding important dates associated with the public hearing and application submittal timelines, and contact information.

- Advertise in local community-based publications regarding important dates associated with the public hearing and application submittal timelines.
- Notify all past applicants for CDBG funds regarding important dates associated with the public hearing and application submittal timelines.
- Solicit input from County Supervisors on community outreach opportunities.
- Ensure that the CDBG website is updated with current information on the CDBG application process.

Public Hearing

Milwaukee County will hold two public hearing on the CDBG process: The first public hearing will approve the CDBG timeline; the second public hearing will allow presentation of proposed CDBG projects for which funding may be applied for under the CDBG program in 2012. Outreach and promotion of public hearings is described above. See attached “Public Hearing Notice.”

Application Solicitation

Application packets are made available both online and at the CDBG office the day after the scheduled public hearing, in which the Milwaukee County Economic and Community Development Committee approves the CDBG Application Schedule (see attached, Instructions for accessing CDBG applications). Outreach and promotion of the application solicitation process is described above.

Application Review and selection

Milwaukee County staff evaluates applications and submits funding recommendations to the Milwaukee County Economic and Community Development Committee and the Milwaukee County Board for approval.

PROPOSED SCHEDULE

The proposed schedule for the public hearing, along with the solicitation, evaluation and selection of proposals seeking CDBG funding is as follows:

Monday, July 18, 2011

Public Hearing on Housing & Community Development General Needs.
(regularly scheduled committee meeting)

Tuesday, July 19, 2011

Applications will become available on-line.

Wednesday, August 17, 2011

Applications for 2012 CDBG will be due.

Monday, September 19, 2011

Public hearing for presentations of proposed projects (regularly scheduled meeting)

Monday, October 24, 2011

Committee on Economic & Community Development allocated CDBG and HOME Funds for 2012 Program Year activities (regularly scheduled meeting)

Thursday, November 3, 2011

County Board of Supervisors and County Executive approves CDBG and HOME funds for the 2012 Program year activities

Monday, November 14, 2011

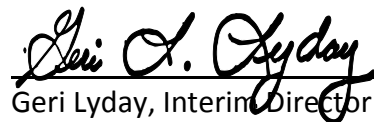
Milwaukee County's application for 2012 CDBG and HOME funds due to HUD

Monday, January 2, 2012

Start of 2012 CDBG Program Year

RECOMMENDATION

This report is for informational purposes only.



Geri Lyday, Interim Director
Department of Health & Human Services

attachments

Cc: Chris Abele, County Executive
Terrence Cooley, Chief of Staff - County Board
Cynthia Pahl, Acting Assistant Fiscal and Budget Administrator
Antionette Thomas-Bailey, Fiscal Management Analyst - DAS
Glenn Bultman - County Board Analyst
Linda Durham - Committee Clerk