

The background of the slide features a large, faint watermark of the University of Buffalo seal. The seal is circular and contains the text "UNIVERSITY OF BUFFALO" around the perimeter. In the center, there is a figure, likely a Native American, holding a bow and arrow. The watermark is light blue and yellow.

Community Development Block Grant (CDBG)

Design Phase 2024

CDBG Background

- Funds are released annually through a Notice of Funding Availability (NOFA).
- The next NOFA is expected to be released in late July.
- The primary federal objective of the CDBG program is the development of viable urban communities by providing decent housing and a suitable living environment and through expanding economic opportunities, principally, for persons of low- and moderate-income.
- “Persons of low and moderate income” are defined as families, households, and individuals whose incomes do not exceed 80 percent of the county median income, adjusted for family or household size.

Current Income Limits

Persons in Household	1	2	3	4	5	6	7	8
Extremely Low 30%	\$19,000	\$21,700	\$24,400	\$27,100	\$29,300	\$31,450	\$33,650	\$35,800
Low 50%	\$31,650	\$36,200	\$40,700	\$45,200	\$48,850	\$52,450	\$56,050	\$59,700
60% Limit	\$37,980	\$43,440	\$48,840	\$54,240	\$58,620	\$62,940	\$67,260	\$71,640
Moderate 80%	\$50,650	\$57,850	\$65,100	\$72,300	\$78,100	\$83,900	\$89,700	\$95,450

CDBG Requirements:

National Objectives

- All CDBG activities must meet one of the following National Objectives:
- (1) benefit low- and moderate-income persons;
- (2) aid in the prevention or elimination of slums and blight; or
- (3) meet certain urgent community needs.
- Depending on the type of project or program, benefit can be provided directly to low-moderate-income persons, or to a predominantly low-moderate income area

Matrix Codes

- Matrix Codes are assigned to different types of activities, and are used to determine what type of National Objective an activity can meet.

2024 Application

50% Rule: In order to apply for a like activity, a jurisdiction must have spent over 50% of any current award for a like activity.

- The City has spent over 50% of all open awards and will not be limited.

There are three types of applications:

1. **Over-the-Counter (OTC) Project:** Housing, Public Facilities, Infrastructure Projects
2. **Over-the-Counter (OTC) Program:** Housing and Economic Development Programs
3. **Competitive:** Public Services and Planning

Funding Limits

The total jurisdiction limit is \$3.6 million.

OTC Applications	Funding Limit
Public Facilities and Infrastructure (Projects)	\$3.3 Million*
Housing Programs (can include Code Enforcement, Homebuyer, and Rehab)	\$1.5 million
ED Programs (can include Microenterprise and For-Profit)	\$1.5 million

Competitive Applications	Funding Limit
Planning	\$300,000
Public Services	\$300,000

*Note: as the jurisdiction is limited to \$3.6 million total, the OTC amount may need to be reduced accordingly if applying for an OTC Project and two Competitive applications.

Potential Application Combinations

- 1 OTC Project + 1 OTC Program + 1 Competitive
- 1 OTC Project + 2 Competitive
- 1 OTC Program + 2 Competitive.
- Note: 2 OTC Project, 2 OTC Program, or 3 Competitive applications are NOT allowed.
- Listed in the table below are some potential application combinations, though the list provided is not exhaustive. Regardless of the combination, the total application amount must not exceed \$3.6 million:

	Application 1		Application 2		Application 3	
A	OTC Project	\$3 million	Competitive	\$300,000	Competitive	\$300,000
B	OTC Project	\$ 2.8 million	OTC Program	\$500,000	Competitive	\$300,000
C	OTC Project	\$ 1.8 million	OTC Program	\$1.5 million	Competitive	\$300,000
D	OTC Project	\$3.3 million	OTC Program	\$0	Competitive	\$300,000
E	OTC Program	\$1.5 million	Competitive	\$300,000	Competitive	\$300,000

Identified Potential Activities

OTC Projects	OTC Programs	Public Services	Planning
Fire Station Reconstruction	Business Assistance Loan Program	Utility Bill Assistance Program	City Hall East Planning
Broadband Infrastructure Construction	Housing Combination Program	Rental Assistance Program	CV Starr Planning
Parents and Friends Residential Care Facility for the Elderly (2 nd Unit)			Trash Capture Device Planning
Street Rehabilitation Project (Azalea Circle & Penitenti Way)			Fire Station Planning

Potential Application Combinations

Option A	Broadband Construction <i>\$3 million</i>	Utility Assist <i>\$300,000</i>	City Hall East Planning <i>\$300,000</i>	<i>\$3.6 million</i>
Option B	Broadband Construction <i>\$ 2.8 million</i>	Business Loan Program <i>\$500,000</i>	City Hall East Planning <i>\$300,000</i>	<i>\$3.6 million</i>
Option C	Fire Station Construction <i>\$ 1.8 million</i>	Business Loan Program <i>\$1.5 million</i>	CV Starr Planning <i>\$300,000</i>	<i>\$3.6 million</i>
Option D	PFI Construction <i>\$3.3 million</i>	N/A <i>\$0</i>	CV Starr Planning <i>\$300,000</i>	<i>\$3.6 million</i>
Option E	Housing Combination Program <i>\$1.5 million</i>	CV Starr Planning <i>\$300,000</i>	Fire Station Planning <i>\$300,000</i>	<i>\$2.1 million</i>

Program Income

- Program Income (PI), loan funds that have been repaid to the City, may be added to an application to increase the maximum, if available and desired.
- The City currently has the option to add approximately \$570,000 in PI to a 2024 application. Access to expending funds would follow the NOFA timeline.
- Alternately, the City could apply for a PI only project or program under the 2023 PI only solicitation, available now in HCD's application portal. Under this scenario, funds would be available for use sooner, likely before the end of 2024.
- A separate public hearing to discuss PI has been scheduled so that, if Council desires, a PI application may either be submitted separately or added to a 2024 NOFA application.

2024 NOFA Timeline (Subject to Change)

- July 31, 2024: NOFA Release
- August 19, 2024: Application Approval (Public Hearing + Resolution)
- August 30, 2024: Application Portal Opens (OTC submissions)
- October 31, 2024: Application Portal Closes
- December 31, 2024: Award Notification
- March 31, 2025: Executed Contract