

DRAFT
COMMUNITY DEVELOPMENT BLOCK GRANT
2018 BUDGET SUMMARY
January 1, 2018 – December 31, 2018

I.	2018 CDBG Allocation		\$5,249,506
	Projected CDBG Program Income	\$2,067,382	
	Total CDBG		\$7,316,888
II.	2018 HOME Allocation		\$2,293,057
	Projected HOME Program Income	\$ 841,455	
	Total HOME		\$3,134,513
III.	2018 ESGP Allocation		\$ 427,296
IV.	GRAND TOTAL		\$10,878,697

Program Income Information

<u>HOME Program Income Sources</u>	<u>Projected Amount</u>	<u>Disposition</u>
HOME Multi-Family Loan Repayment	\$ 742,350	HOME Investment Trust Account
HOME Recapture Funds	<u>\$ 99,105</u>	
Total HOME Program Income Sources	\$ 841,455	

<u>CDBG Program Income Sources</u>	<u>Amount</u>	<u>Disposition</u>
Recapture Funds	\$ 800,000	CDBG Capital Improvement Projects
Program Income (prior year)	\$1,020,030	
Program Income	\$ 175,000	
Program Income Projection	<u>\$ 72,000</u>	
Total CDBG Program Income Sources	\$2,067,030	

Program Policy for Program Income

1. Twenty percent of CDBG Program Income will be used for Planning and Administration. Up to 15% may be used for Public Service activities as outlined in the budget. The remaining balance will be used for other eligible activities.
2. Ten percent of the HOME Program Income will be used for Planning and Administration.
3. CDBG regulations require program income to be used before Treasury funds are expended. Program Income will be used for any approved eligible activity as outlined in the 2014-2018 Consolidated Plan.
4. If more program income revenue is received than anticipated for any activity, the additional funds will be appropriated to activities indicated in this policy.
5. The designated entity that the County contracts with to manage the Economic Development Revolving Loan Fund may retain the program income for approved loans programs for small businesses in DeKalb or return the funds to the County. The County must approved the loan fund programs that utilize County funds and program income generated from repayment of loans that were made with County funds.
6. Program income funds generated from the Housing Rehab Revolving Loan Fund will be returned to the County for other approved eligible activities.
7. HOME Program Income and Recapture amounts reflect availability as of the date of the development of this plan. Additional amounts received in 2018 will be reported in the 2019 Annual Action Plan and committed within 24 months of HUD allocation dates for 2019.
8. The County will commit its available HOME program income and recapture funds (\$841,455 as shown in the annual plan) for eligible projects. This commitment will occur within two years of the HUD allocation date for 2018 funds.
9. Program income receipts may vary widely from amounts projected due to any number of unanticipated factors. Regardless of the amount received, the Consolidated Plan will not need to be amended unless the funds are used for activities not outlined in the 2014-2018 Consolidated Plan or other approved eligible activities.

1. PUBLIC FACILITIES IMPROVEMENTS	\$3,864,391
A. Tobie Grant Recreation Center Construction	\$1,200,000
B. East DeKalb Senior Center Bruce Street	\$ 400,000
C. Decatur Christian Towers Parking Lot	\$ 203,000
D. City of Doraville – Honey Suckle Park	\$ 200,000
E. City of Chamblee Village Park ADA Improvements	\$ 150,000
F. City of Tucker – Peters Park	\$ 246,691
G. DeKalb County Parks – N.H. Scott Athletic Fields	\$ 150,000
H. Sheltering Arms Renovation Project	\$ 73,000
I. Homeless Assessment Center	\$1,000,000
J. Activity Delivery Cost	\$ 244,700
2. LOAN/BOND REPAYMENT	\$1,000,000
A. HUD Section 108 Loan Repayment – Estimated Annual Repayment Amount - \$1,000,000 (See additional CDBG recommendation #1 in Notes Section)	
3. ECONOMIC DEVELOPMENT	
A. Urban League- DeKalb Small Business Micro-Enterprise Training Program	\$ 90,000
B. ACE – Revolving Loan Fund for Small Business Initiative	\$ 125,000
C. Activity Delivery Cost	\$ 21,000

PUBLIC SERVICES

COC/Homelessness/Assistance

4. Africa's Children Fund, Inc.	\$23,000
5. CoC Coordinated Intake	\$25,000
6. Drug/Mental Health Court Housing Program	\$68,700
7. Furniture Bank of Metro Atlanta, Inc.	\$15,500
8. Jerusalem House, Inc.	\$30,000
9. Latin American Association, Inc.	\$23,000
10. Safe Haven Transitional, Inc.	\$10,000
11. TBRA Case Management	\$25,000
12. St. Jude's Recovery Center	\$42,000
13. Partnership for Community Action	\$20,000
14. Low Income Housing Assistance	\$30,000

Financial Literacy

15. New American Pathways	\$23,000
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Housing Counseling/Foreclosure Prevention

16. Atlanta Legal Aid Society, Inc.	\$60,000
17. Metro Fair Housing Services, Inc.	\$42,000

Sustainable Neighborhoods

18. Implementation of DSMI (Individual Clusters)	\$43,396
• Columbia Sustainable Initiative (\$8,000)	
• Cross Keys- CPACS, Inc. (\$8,000)	
• McNair –Habitat for Humanity DeKalb (\$8,000)	
• Towers –Partners in Action for Healthy Living, Inc. (\$8,000)	
• Expansion of DSNI (\$11,396)	

Youth/ Child Development

19. Our House, Inc.	\$ 75,000
20. Scottdale Early Learning, Inc.	\$ 23,000
21. Youth Voucher Set-Aside/Youth Programs	\$100,000

SUBTOTAL¹ \$678,596

¹ Amount cannot exceed 15% of the 2018 allocation amount of \$5,249,506 (\$787.425).

HOUSING ACTIVITIES

22. Tuscany Village Housing Services	\$ 30,000
23. Special Purpose Housing Repair Program	\$ 150,000
24. Demolition	\$ 150,000
25. Rehab Administration	\$ 100,000
26. Housing Activity Delivery Cost	\$ 58,000

PLANNING AND PROGRAM ADMINISTRATION²

27. Community Development Administration	\$1,049,901
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² Amount cannot exceed 20% of the 2018 allocation of \$5,249,506 (\$1,049,901)

ADDITIONAL CDBG RECOMMENDATIONS

1. **Section 108 Loan Program** – The Community Development Department will consider the use of Section 108 Loan Program to finance the building of large scale eligible Capital Improvement Projects. The mechanism for repayment of these projects will be from the County General Fund and not CDBG funds. Specific project include:
 - Construction of a New Senior Center in District 4
2. The following projects are a part of the 2014-2018 Consolidated Plan. If funds are available, these projects listed below will move forward in accordance with the County's priorities.
 - a. The Art Station Facility – Replacement of the existing roof on a County owned facility - \$273,000 (Since 2012)
 - b. Clarkston Community Center, Inc. – Assist in the completion of the renovation of the existing facility, leveraging other funds – \$628,060. Consideration of funding for the Clarkston Community Center facility expansion is contingent upon the agency's leveraging of \$628,060 through private foundation contributions and/or fundraising efforts. Based on the current funding level, we do not anticipate any HUD funding for this project in the immediate future. (Since 2012)
 - c. DeKalb Atlanta Senior Center – Possible acquisition or addition for the DeKalb Atlanta Center which is the first and oldest center in the County.
3. The Community Development Department Director may approve interchanging the use of HOME, CDBG, and ESG funds for projects as long as all program eligibility standards are met.
4. Any additional funding received may be used to assist with further implementation of the strategies outlined in the Quality of Life Plans (developed by the four clusters participating in the DeKalb Sustainable Neighborhoods Initiative) and/or actions that will focus on the five elements (Literacy, Job Readiness, Housing, Transportation or other Social Services) as defined in the PHLOTES report. Both initiatives will provide benefit to low and moderate income families in these areas.
5. CDBG funds will be used for any approved eligible activity as outlined in the 2014-2018 Consolidated Plan. Because CDBG regulations require program income to be used before Treasury funds are expended, flexibility with obligating program income is needed in order to comply with the HUD regulations.
6. The Community Development Director may approve the use of CDBG funds for eligible Capital Improvement Projects submitted by local municipalities and County Departments during the program year as long as they meet eligibility requirements.
7. The DeKalb Performing Arts and Community Center was financed with bonds issued by The DeKalb Development Authority and other approved sources, including CDBG funds. The primary resources for the repayment is the designated rental car tax revenue. CDBG and other County resources will be utilized as backup resources if the rental care tax revenue is not sufficient to pay the debt. There is no funding gap anticipated for the 2018 payment. If there is a need, the CDBG funds will be used to pay for a portion of the remaining balance of the bond repayment up to the allowed maximum. The Community Development Director will identify sources from eligible categories and transfer funds to the Finance Department to make payments.

8. The DeKalb County Community Development Department is authorized to reallocate funding of prior year projects that are no longer feasible or needed. Reallocating previously funded projects will allow for other approved projects to utilize prior year or current year funds. Through the reallocation process, the Community Development Department is allowed to utilize/reallocate funds immediately to ensure compliance with HUD guidelines and regulations.
9. The remaining Section 108 principle loan amount is approximately \$9.5 Million with an amortization period of 20 years (2011-2030), at an estimated fixed interest rate of 4%. The annual loan repayment amount will be approximately \$1,000,000.
10. The Community Development Department is working with the Parks Department to construct Tobie Grant Intergenerational Center. Community Development is paying for architectural and engineering services. Construction will be paid from County General funds and from 2018 and 2019 CDBG funding allocations.
11. If funds are available in the eligible category, they may be used to assist with providing services to fill the services gap in the DeKalb Continuum of Care for the Homeless and meet other needs in DeKalb neighborhoods. The DeKalb County Community Development Department will collaborate with DeKalb County Continuum of Care representatives and other service providers to identify and prioritize service gaps.
12. While adhering to the approved process for committing HOME funds to multi-family projects in 2007, we committed \$310,000 to the Tuscan Village Apartments project as part of the project's tax credit application. We later determined that a better funding approach was to use CDBG funding for the housing services portion of the project and HOME funds for the development of units. The County amended its commitment agreement and authorized the use of CDBG funds not to exceed \$30,000 per year (totaling \$300,000 for years 2009 – 2018 toward housing services) and HOME funds (with a one-time commitment of \$10,000) for unit development. These funds leveraged the affordable housing tax credits used to rehabilitate the 144 unit development. The total cost of the project was \$14,790,000.
13. At the direction of the Community Development Department Director, CDBG funds may be used to fulfill any eligible match requirements that are associated with ESG and/or CoC funding.
14. The Community Development Department Director is authorized to designate CDBG funds to an agency to administer case management services for the Tenant Based Rental Assistance Program.
15. The Community Development Department Director is authorized to designate CDBG funds to an agency to administer case management services for the Continuum of Care Coordinated Intake.

**HOME INVESTMENT PARTNERSHIPS PROGRAM - BUDGET SUMMARY
JANUARY 1, 2018 – DECEMBER 31, 2018**

2018 HOME Allocation \$2,293,057

31. HOME Program Administration (10% Set-Aside)	\$229,306
32. HOME CHDO Projects (15% Set-Aside)	\$343,958
33. HOME CHDO Operating (5% Set-Aside)	\$114,653
34. HOME-Eligible Projects	\$1,605,140

Funds are not designated for as specific project at this time. However, the following activities have been proposed and may be funded: Single-family Acquisition, rehabilitation and homebuyer sale of properties; Tenant Based Rental Assistance; Acquisition, rehabilitation or new construction of affordable rental housing; any other housing activities considered eligible under the HOME program regulations.

TOTAL HOME ALLOCATION **\$ 2,293,057**

NOTES:

1. Currently, there are five (5) certified DeKalb County Community Housing Development Organizations (CHDOs); ANDP, Inc., DeKalb Habitat Community Housing Development, The Alliance of DeKalb, Inc., Summech, and Resources for Residences. In addition to committing a minimum of 15% of our 2017 HOME allocations, the County may commit funds to CHDOs from its 2018 (\$343,958) allocation for the acquisition and/or rehabilitation of specific, eligible homebuyer properties or multi-family rental properties to be owned, developed or sponsored by qualified Community Housing Development Organizations (CHDOs). Funds in excess of the 15% minimum, may be committed if specific, eligible properties are identified and HOME funds are available. The County may allocate up to 5% (\$114,653) of its HOME allocation to eligible CHDOs for the operation of the CHDO. CHDOs will be selected during open application/certification processes. Selection may occur once or multiple times per year.
2. In order to ensure compliance with HUD's regulations regarding commitments and provide maximum flexibility in allocating HOME funds, the County only includes eligible categories of funding in the 2014-2018 Consolidated Plan rather than specific projects. The figures do not include prior year funds that may be available for these projects. If there is an increase in the HOME allocation and more CHDO funds are available, the funds will be designated for eligible uses as determined by the Community Development Department Director and the approval of the Chief Executive Officer.
3. The County will commit its available HOME program income and recaptured funds (\$899,105 as shown in the annual plan) for eligible projects. This commitment will occur within two years of the HUD allocation date for 2018 funds.

4. The County works closely with the DeKalb Housing Authority in the administration of its CDBG, HOME, NSP1 and NSP3 Program activities related to the development and implementation of affordable housing assistance programs and projects. **The Housing Authority acts as an agent and sub-recipient on a number of HOME activities.** Many of these activities are undertaken through the County's ongoing contract with the Housing Authority and are developed and implemented in accordance with the program descriptions executed by the Housing Authority Executive Director and the Community Development Department Director. The County may work with the DeKalb Housing Authority or other approved entities. The following is a listing of potential activities that may be undertaken by the County with HOME funds in the upcoming program year and details outlining how they may be administered.
 - a. Unless otherwise approved, all multi-family projects will be implemented under the Housing Authority's contract with the County following a competitive application process and thorough review of the project for compliance with the County's underwriting guidelines as outlined in the HOME application package. This includes multi-family developments using CHDO funds. The Community Development Department Director is authorized to commit funding amounts and determine loan terms for these projects.
 - b. Tenant-based Rental Assistance programs may be administered by the Housing Authority under its contract with the County or by other approved entities through separate agreements.
 - c. When the County pursues additional affordable housing initiatives in the County will partner with the DeKalb Housing Authority and/or other entities on development activities.
5. The Community Development Department Director may approve interchanging the use of CDBG, HOME, NSP 1, and NSP 3 funds for projects as long as all program eligibility standards are satisfied.
6. The County will consider Tenant-based Rental Assistance on special initiatives consistent with the needs identified by the DeKalb Continuum of Care or special needs that may be identified by the County.
7. The Community Development Department Director shall provide comments and letters of support to the Georgia Department of Community Affairs regarding Tax Credit applications or to other entities regarding potential funding for applicants.
8. The Community Development Department will work with the County Departments and the community to identify and prioritize distressed multi-family properties in the County and develop collaborative strategies to remove blight.
9. In an effort to stabilize neighborhoods, prevent and/or reduce blight, and increase the availability of standard, affordable housing, the County may acquire, demolish, and/or redevelop substandard apartment complexes or single family residences using eligible CDBG, HOME, NSP 1, NSP 3, Program Income, and other funds.

10. The Community Development Director will act as the primary contact for affordable housing initiative and collaborate with other County Departments and community representatives to develop affordable housing plans and strategies for the County.
11. If funds are available in eligible categories, they may be used to assist in providing housing and/or services to fill the housing/services gap in the DeKalb Continuum of Care for the Homeless. The County will collaborate with DeKalb CoC representatives and other providers to determine areas of need.

***EMERGENCY SOLUTIONS GRANTS PROGRAM - BUDGET SUMMARY
JANUARY 1, 2018 – DECEMBER 31, 2018**

2018 Allocation \$427,296

AGENCY	Rapid Re-Housing	Street Outreach	Emergency Shelter Operations & Services	Homeless Prevention	HMIS	Admin.	Total
35. Breakthru House, Inc.			\$7,000				\$7,000
36. Decatur Cooperative Ministry, Inc.	\$62,000		\$52,000	\$37,000			\$151,000
37. Living Room				\$7,000			\$7,000
38. Rebecca's Tent			\$7,000				\$7,000
39. HMIS					\$32,000		\$32,000
40. Salvation Army - Peachcrest				\$20,000			\$20,000
41. Salvation Army – Red Shield	\$15,000		\$52,000				\$67,000
42. Traveler's Aid / HOPE Atlanta	\$20,000	\$40,000	\$20,000	\$24,296			\$104,296
43. Local Admin						\$32,000	
TOTAL	\$97,000	\$40,000	\$138,000	\$88,296	\$32,000	\$32,000	\$427,296

*The Emergency Solutions Grants program was previously known as the Emergency Shelter Grants Program.

Activity	Maximum Eligible Expenditures	Proposed
Emergency Shelter + Street Outreach* (60% Cap)	\$256,377	\$138,000
Administrative Costs (7.5% Cap)	\$32,047	\$32,000

OTHER RECOMMENDATIONS AFFECTING EMERGENCY SOLUTIONS GRANTS PROGRAM PROVIDERS

1. HUD requires a 7.5% cap on the funds for Administration, and a 60% cap on Emergency Shelter + Outreach. There is no cap on any other component.
2. Representatives from the DeKalb County Continuum of Care (CoC) are assessing services to determine gaps and establish new DeKalb County priorities for serving the homeless population. The Community Development Department Director is authorized to make the required funding changes to fill service gaps, align ESG funding with newly formed priorities, and satisfy HUD's guidelines and regulations. Changes may include funding agencies that are not shown in the 2018 allocation but have been recommended by the DeKalb Continuum of Care.
3. If for any reason and for any year Emergency Solutions Grants funds have been received and service providers cannot utilize the funds allocated, the funds will be considered for reprogramming to any of the approved ESGP service providers or providers who can fill a service gap in a manner that is identified by the Community Development Department Director.
4. All approved ESGP funding will be contingent upon the agency being in compliance with all DeKalb County and statutory regulations.
5. The Community Development Department Director will be authorized to act on behalf of the County to provide certifications for non-profit agencies that must provide certification in order to receive from HUD, the Georgia Department of Community Affairs or other funders.
6. Any funds remaining from the previous year will be reprogrammed to agencies approved to receive FY 2018 ESGP funding or to providers who can fill a service gap in a manner that is identified by the Community Development Department Director with input from the DeKalb CoC.

OTHER

Point-In-Time Count

HUD mandates that each continuum of care conduct a biennial point-in-time count of homeless persons. To facilitate conducting this count and ensure that the County obtains information regarding its success in mitigating homelessness, the Community Development Department Director may authorize the use of CDBG or other eligible funds for the performance of the point-in-time count.

Re-Entry Program

The State provides short term financial assistance (\$600 per offender per month for three months) to help stabilize the re-entry process of newly released convicted felons and enhance their ability to remain crime free. Following an agency housing/services assessment process, the Community Development Department will recommend approval or disapproval for agencies wishing to provide housing for this program. The final determination will be made by the Chief Executive Officer.

DeKalb County Continuum of Care (CoC)

In compliance with the HEARTH Act of 2012, the DeKalb County Continuum of Care (CoC) has formed committees to develop an organizational structure, establish priorities, assess service gaps, and implement a coordinated intake and service delivery system. When completed, the delivery system will include uniform requirements for the provision of homeless programs and services in DeKalb County. The delivery system will move to a Housing First model of rapidly re-housing homeless individuals and households.

The County has agreed to perform the role of Collaborative Applicant for the DeKalb CoC. In this role, the County will receive the HUD Planning Grant, receive other funds that support the goals of the CoC and collaborate with the State to administer the Homeless Management Information System (HMIS). As the Collaborative Applicant, the county may receive additional funds and may apply to become the Unified Funding Agent for the DeKalb CoC. At the direction of the Community Development Department Director, eligible CDBG funds may be used to pay for Department personnel performing CoC or homelessness mitigation work and fulfill any eligible match requirements that are associated with CoC and/or ESG funding.