



Community Services Division Office of Community Development

DATE: January 31, 2017

TO: Community Development Block Grant (CDBG) Community Development Program Recipients

FROM: Matt LaMantia,  Deputy Chief, Office of Community Development

SUBJECT: PY 2017 Community Development Program Application Information

The Community Development Program provides a flexible housing and community development resource to address locally identified needs that are eligible CDBG activities and qualify under the national objective of Low- and Moderate-Income (LMI) Benefit or Elimination of Slum and Blight. The Community Development Program also includes Neighborhood Revitalization and Downtown Revitalization competitive set-aside grants, and the open-cycle Critical Infrastructure program.

Neighborhood Revitalization projects are designed to improve the quality of life, livability and functionality of distressed areas and require that neighborhoods carry out a comprehensive revitalization strategy.

Downtown Revitalization projects are designed to improve Central Business Districts. Qualifying projects should aid in eliminating slums or blight and create and retain permanent, private-sector job opportunities for LMI households. This includes projects designed to rehabilitate deteriorated building facades and address code violations, and ancillary streetscape improvements in central business districts.

Critical Infrastructure projects are designed to assist eligible communities with high-priority, single-purpose infrastructure improvements that will alleviate failed or failing systems, including storm drainage and other public facilities.

Eligible communities interested in applying for one or more competitive set-aside grants must submit the application(s) with their community's Community Development Program Allocation application. The application(s) must be submitted through OCEAN by **Friday, June 16, 2017, at 11:59 p.m. EST.**

Critical Infrastructure funds will be administered as an open-cycle program. **Both odd and even year Community Development Allocation Program recipients may apply for Critical Infrastructure funds in PY 2017.** Applications will be accepted on an open-cycle basis, starting June 16, 2017, and ending when OCD awards all PY 2017 funds.

OCD proposed the following changes for administering the PY 2017 Community Development Allocation and Competitive Set-Aside Programs:

- Approximately 50 percent of eligible non-entitlement counties and small cities will receive funding in odd years (i.e. PY 2017, PY 2019); the remaining 50 percent will receive funding in even years (i.e. PY 2018, PY 2020)
- Counties that include a city that received a direct allocation in PY 2013, PY 2014, and PY 2015 will be required to undertake at least one project in that city in PY 2017 and PY 2018. There is no set dollar requirement.
- Communities may no longer hold over Allocation program funds to combine with a future grant award.
- Counties may apply for up to two (2) competitive set-aside awards annually. Cities may apply for one (1) competitive set-aside annually.
- If a community has an open competitive set-aside award on the application deadline, OCD will reduce the community's competitive set-aside eligibility by the number of open competitive set-aside grants. OCD will no longer consider Critical Infrastructure projects in calculating the number of open competitive set-asides at the time of application.

- Communities may apply for up to two (2) Critical Infrastructure awards annually.
- OCD will reduce the community's Critical Infrastructure eligibility by the number of open Critical Infrastructure grants.
- Direct cities may only have one (1) Downtown Revitalization program open at a time.
- Building rehabilitation is the primary Downtown Revitalization program activity; communities may only propose ancillary streetscape activities in conjunction with a comprehensive building rehabilitation program.
- Communities with open competitive set-asides projects can request that OCD monitor and close a competitive set-aside project if the project is complete with all funds drawn and expended by April 30, 2017. The community must submit the request to OCD by April 30, 2017.
- Communities with open Critical Infrastructure projects can request that OCD monitor and close a Critical Infrastructure project at any time during the year if the project is complete with all funds drawn and expended.
- Water or sanitary sewer projects with a total cost of \$600,000 or less and a grant request of less than \$300,000 or less are eligible for Critical Infrastructure program funding and do not require a consultation regarding Residential Public Infrastructure Grant Program eligibility.

More information regarding proposed changes is included in the accompanying Community Development Program Memorandum.

American Community Survey

Communities are required to use U.S. Department of Housing and Urban Development (HUD) issued 2006-2010 American Community Survey Low/Moderate Income Summary Data (ACS) to qualify low- and moderate-income (LMI) area benefit projects. This data is available on OCD's Technical Assistance Data web page, under Grant Administration. Applicants may also conduct income surveys to qualify areas as LMI. Income surveys must be less than five years old, use household randomization, comply with minimum sample size requirements, and be certified by the community CEO. **Income surveys may not be combined with ACS data to income qualify an area.**

Program Income

OCD required communities to consolidate Economic Development, Microenterprise Business Development, and Downtown Revitalization Revolving Loan Funds (RLFs) for the December 31, 2015 reporting period. Communities with high or stagnant Economic Development RLFs, will be required to substantially disburse any existing RLF balance prior to or in conjunction with submitting the PY 2017 application. OCD reserves the right to reduce competitive set-aside and Critical Infrastructure award amounts by the applicant's or benefitting jurisdiction's uncommitted Economic Development Revolving Loan Fund balance.

OCD Online Grant Management System

OCD developed OCEAN, an online grant management system that will allow grantees to submit program applications, manage required fiscal operations, and comply with reporting requirements. The online application section of the system will be available to applicants starting May 1, 2017. OCD will no longer accept paper applications or applications submitted on digital media. The recommended system requirements for the online grant management system are:

- High-Speed Internet Connection (test current internet speeds at: <http://www.speedtest.net/>)
 - 4 MB or greater download speeds
 - 1 MB or greater upload speeds
- Internet Explorer version 7 or greater

Internet Assistance

To assist applicants, the following documents are posted or will be available on or from the OCD's Technical Assistance web site or in the OCEAN Online Grant Management System help menu:

- Draft PY 2017 Ohio Consolidated Plan
- PY 2017 Community Development Program application attachments and guidance
- [Neighborhood Revitalization, Downtown Revitalization, and Critical Infrastructure Project Examples](#)
- Complete list of all activity names with outcome measurement names
- Environmental Review Process for General Administration, Fair Housing, and Planning Activities Funded with Administrative Dollars Policy (OCD Notice 06-01)
- Public Hearing Notification Requirements Policy (OCD Notice 07-01)
- National Objective Policy Notice (OCD Notice 15-05)
- Community Development Service Areas and Representatives map

Pre-Submission Consultations

To improve the Community Development Program application process, OCD will offer pre-submission consultation opportunities from April 12, 2017 to June 9, 2017. The pre-submission consultation enables the participating community to ask questions about the application and application process with an OCD Program Representative. The applicants can then make revisions, and gather required documentation before submitting a final application. Applicants should contact their Program Representative to schedule a consultation. Program Representatives are also available to provide general technical assistance at any time during the year.

ML/MRO/DG