

**2021/2022 (47<sup>th</sup>) CDBG  
PROGRAM YEAR  
BRIEFING  
INFORMATION**

# 47th CDBG PROGRAM YEAR BRIEFING INFORMATION TABLE OF CONTENTS

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## PROPOSED CDBG BUDGET

The 2021/2022 CDBG Program Year, which is funded by the U.S. Department of Housing and Urban Development (HUD), will begin on July 1, 2021. The Township's CDBG entitlement for the 2021/2022 CDBG Program Year will be \$375,405 and staff anticipates an estimated \$50,000 in Program income to be received during the 47th Program Year as income from payoffs of Deferred Payment Loans. In addition, the Township will re-allocate approximately \$116,310 of previous program years available funding. This will provide Waterford Township with a total of \$541,715 in new funding to be used through its Development Services Department to achieve the Township's community development goals during PY 2021/2022.

In order to maintain compliance with all of the grant requirements and submit the Township CDBG annual action plan prior to the beginning of the 2021/2022 program year start date, the following proposed CDBG Program Year 2021/2022 project budget is being submitted for your consideration and approval:

	PROJECT	PROPOSED BUDGET
(1)	HOUSING REHABILITATION (Urgent needs home and emergency repair services)	\$174,671*
(2)	CODE ENFORCEMENT	\$182,924*
(3)	PROGRAM ADMINISTRATION	\$67,810*
(4)	PUBLIC SERVICE	\$56,310**
(5)	PUBLIC IMPROVEMENT AND INFRASTRUCTURE	\$60,000**

**NOTES:** The project budgets proposed above are to be funded through the following sources: about \$375,405 is expected in new CDBG funds to be received by the Township after July 1, 2021 plus an estimated \$50,000 to be received during the 47<sup>th</sup> Program Year as income from payoffs of Deferred Payment Loans totaling \$425,405\* in new funds. In addition, the re-allocation of \$116,310\*\* of previous program years available funding.

HUD FUNDING APPROVAL PROCESS  
FOR  
CDBG 47th PROGRAM YEAR (2021/2022)

The following provides a concise timeline of the process necessary to obtain and expend the Township's CDBG funding for the 47th Program Year. The 47th Program Year covers the period July 1, 2021 through June 30, 2022.

- January-March, 2021:** HUD calculated CDBG entitlement grant amounts to be derived from the FY2020 HUD budget passed by Congress. It is anticipated that Waterford's CDBG Entitlement grant amount for 2020-2021 will be about \$375,405.
- February-July, 2021:** CDBG Program Environmental Review process begins. In accordance with HUD regulations, all projects to be funded through CDBG need to be reviewed and documented for their impact on the environment. Projects are either evaluated as being exempt from the environmental review, such as program administration and code enforcement; categorically excluded, such as housing rehabilitation; or requiring an environmental assessment or an environmental impact statement, which currently does not apply to Waterford's program.  
Legal Notice of the 47th CDBG Program Year Public Hearing and Program Statement is published. This legal notice includes a detailed description of activities, including the location of the projects and the proposed project funding level.  
Township Board conducts public hearing. If the Board approves the proposed project fund budget, the Board then adopts a resolution authorizing submission of this proposal to HUD for funding release.  
Legal Notice of the 47th CDBG Program Year Final Statement of Approved Projects and Funding is published.
- May 2021:** CDBG 47th Year Action Plan is sent to HUD for its acceptance.
- June 2021:** HUD transmits the 47th Year funding contract for the Township Supervisor's signature.
- July 1, 2021:** CDBG 47th Year Program begins. 47th Year projects can begin accruing expenses as of this date.
- July-September, 2021:** The Annual CDBG Performance Report for the prior 46th Program Year is prepared for submission to HUD.
- September 30, 2021:** Annual CDBG Performance Report due to HUD.

## CPD SALARY/BENEFIT FUNDING BREAKDOWN

The Development Services Department has utilized a portion of the Township's CDBG funding each year for program administration and project administration staff salaries and benefits.

The CDBG regulations provide for some helpful distinctions when it comes to administrative costs. For instance, there is a funding cap where Program Administration and Planning/Capacity Building costs cannot exceed 20 percent of the combined amount of new grant and program income in a given 12 month period. However, there are certain projects that HUD acknowledges require a large amount of staff time to effectively administer and produce successful results. Administrative costs for projects such as Housing Rehabilitation and Code Enforcement are exempt from the 20 percent funding cap and instead counted as part of the respective project costs.

HUD regulations also provide more latitude and reduced record-keeping for administrative staff costs versus direct project staff costs. For instance, administrative and clerical assistance for code enforcement covers code enforcement for the whole Township. HUD automatically assumes that this assistance includes coverage of the percentage of the Township that lies within the HUD Target Area boundaries. When we cover a portion of the salary/benefit costs for those staff persons providing administrative and clerical support, there is no need to document and verify the amount of time these staff members spend on Target Area vs. non-Target Area work. However, when staff members are working on activities directly related to the project, such as case work, all CDBG funding must be documented as being used solely for Target Area activities.

The following table shows the proposed percent allocation of funding for each department position funded in whole or in part with CDBG funds in 2020 and 2021. Each of these staff positions have or will be vested with some responsibility for achieving the Township's community development block grant goals.

### STAFF TITLE BREAKDOWN

### SALARY/BENEFIT

	General Fund (14100)	Accounts		
		CDBG Admin. (26352)	CDBG Housing Rehab (26351)	CDBG Code Enf. (26358)
Director	90%	10%	-	-
Superintendent of Planning & Zoning Planner II	80%	20%	-	-
Environmental & Housing Rehab Coordinator	60%	-	40%	-
Departmental Aide	60%	10%	10%	20%
Administrative Specialist	40%	-	30%	30%
Typist-Clerk I	60%	-	-	40%
Lead Code Enforcement Officer	60%	-	-	40%
Part-time/Seasonal Code Enforcement Staff	-	-	-	100%

## 47th YEAR HOUSING REHABILITATION

The Housing Rehabilitation Loan Program will continue in the coming year to provide minor home repair services to qualified low-and moderate-income citizens. Emphasis will continue to be placed on serving those low-and moderate-income citizens who are female heads of households, senior citizens, handicapped, and minorities.

The Charter Township of Waterford will again be using this project to address its CDBG homeless and affordable housing objectives. One of the main objectives of the Housing Rehabilitation Program has been, and will continue to be, improving and maintaining Waterford's affordable housing stock, in accordance with the objectives of Waterford's Consolidated Plan. Funds will be used for loans and costs related to administering the Housing Rehabilitation Program.

These costs include such items as supplies, capital expenses, services, and the wages and fringe benefits for the percentage of time spent by staff in implementing the Township's housing rehabilitation program functions.

## 47th YEAR PROGRAM ADMINISTRATION

Funds will be provided for the general administration of the CDBG Program and Fair Housing efforts. This will include necessary supplies, services, capital expenses, and the wages and fringe benefits for the percentage of time spent by staff in administering the overall CDBG Program. Further, a portion of the 45th PY administrative budget includes funds to offset any CDBG related employee training and/or computer hardware or software purchase associated with a new permitting, inspection, and code enforcement software solution.

## 47th YEAR CODE ENFORCEMENT

One goal of the CDBG program is to increase the viability and aesthetic quality of neighborhoods and areas where the residents are primarily low and moderate income. To help in accomplishing this goal for Waterford's CDBG Target Areas, it is proposed that CDBG monies once again be utilized to fund a portion of clerical and administrative costs necessary to maintain and oversee the responsibilities of the Township's code enforcement functions.

**47th YEAR  
PUBLIC SERVICE –  
SENIOR/DISABLED PERSONS CURB-TO-CURB  
TRANSIT SERVICE**

The re-allocation of previous program years available funding not to exceed an amount equivalent to 15% of the total 47th PY allocation will be used to support a curb-to-curb transit service currently administered by the Waterford Senior Center for seniors and disabled persons who live in Waterford. Clients are transported to any location in Waterford. Transportation will also be provided to medical appointments scheduled in surrounding areas on specific days and rides to nearby hospitals and other medical buildings directly surrounding the hospital are also provided on specific days.

**47th YEAR  
PUBLIC FACILITIES & INFRASTRUCTURE –  
SIDEWALK IMPROVEMENT PROJECT**

Safe, structurally-sound pedestrian walkways, particularly in urbanized areas, are important components in providing a safe and aesthetically-pleasing community. In order to reach the objective of providing a suitable living environment for citizens of a community, HUD allows CDBG funding to be used, among other public improvements, to install sidewalks. However, such funding can only pay for those sidewalk installations in areas comprised primarily of low- to moderate-income citizens. During the 42<sup>nd</sup> and 43<sup>rd</sup> PYs CDBG funds were used to support an inventory and analysis of all the non-motorized pathways located throughout the Township. Based on the findings of this analysis, staff proposes to allocate funds to support needed sidewalk improvements within Census Tract 1454 Block Group 1, Census Tract 1459 Block Group 1, and Census Tract 1449 Block Group 2. These funds are eligible in accordance with 24CFR570.201(c) and meets the national objective as describe in 24CFR570.208(a)(1).

Listed below are the proposed 47th Year CDBG Program activities. Following each activity is the HUD regulation that enables the Township to undertake the activity with CDBG funds.

### HOUSING REHABILITATION

24CFR570.202(b)(2)through(11)

- (2) Labor, materials, and other costs of rehabilitation of properties, including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors and dead bolt locks, and renovation through alterations, additions to, or enhancement of existing structures, which may be undertaken singly, or in combination;
- (3) Loans for refinancing existing indebtedness secured by a property being rehabilitated with CDBG funds if such financing is determined by the recipient to be necessary or appropriate to achieve the locality's community development objectives;
- (4) Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, and conversion, modification, or replacement of heating and cooling equipment, including the use of solar energy equipment;
- (5) Improvements to increase the efficient use of water through such means as water saving faucets and shower heads and repair of water leaks;
- (6) Connection of residential structures to water distribution lines of local sewer collection lines;
- (7) For rehabilitation carried out with CDBG funds, costs of:
  - (i) Initial homeowner warranty premiums;
  - (ii) Hazard insurance premiums, except where assistance is provided in the form of a grant;
  - (iii) Flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, pursuant to 570.605; and
  - (iv) Procedures concerning inspection and testing for the abatement of lead-based paint, pursuant to 570.608.
- (8) Costs of acquiring tools to be lent to owner, tenants, and others who will use such tools to carry out rehabilitation;
- (9) Rehabilitation services, such as rehabilitation counseling, energy auditing, preparation of work specifications, loans processing, inspections, and other services related to assisting owner, tenants, contractors and other entities participating or seeking to participate in rehabilitation activities authorized under this section, under section 312 of the Housing Act of 1964, as amended, under section 810 of the Act, or under section 17 of the United States Housing Act of 1937;
- (10) Assistance for the rehabilitation of housing under section 17 of the United States Housing Act of 1937; and
- (11) Improvements designed to remove material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to buildings and improvements eligible for assistance under paragraph (a) of this section.

### CODE ENFORCEMENT

24CFR570.202(c)

Costs incurred for inspection for code violations and enforcement of codes in deteriorating or deteriorated areas when such enforcement together with public or private improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.

### PROGRAM ADMINISTRATION

24CFR570.206

Payment of reasonable administrative costs and carrying charges related to the planning



and execution of community development activities assisted in whole or in part with funds provided under this part and, where applicable, housing activities (described in paragraph (g) of this section) covered in the recipient's housing assistance plan. This does not include staff and overhead costs directly related to carrying out activities eligible under 570.201 through 570.204 since those costs are eligible as part of such activities.

#### PUBLIC SERVICE – SENIOR/DISABLED PERSONS CURB-TO-CURB TRANSIT SERVICE

24CFR570.201(e)

*Public services.* Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under §570.207(b)(4)), homebuyer down payment assistance, or recreational needs. To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the unit of general local government.) The amount of CDBG funds used for public services shall not exceed paragraphs (e) (1) or (2) of this section, as applicable:

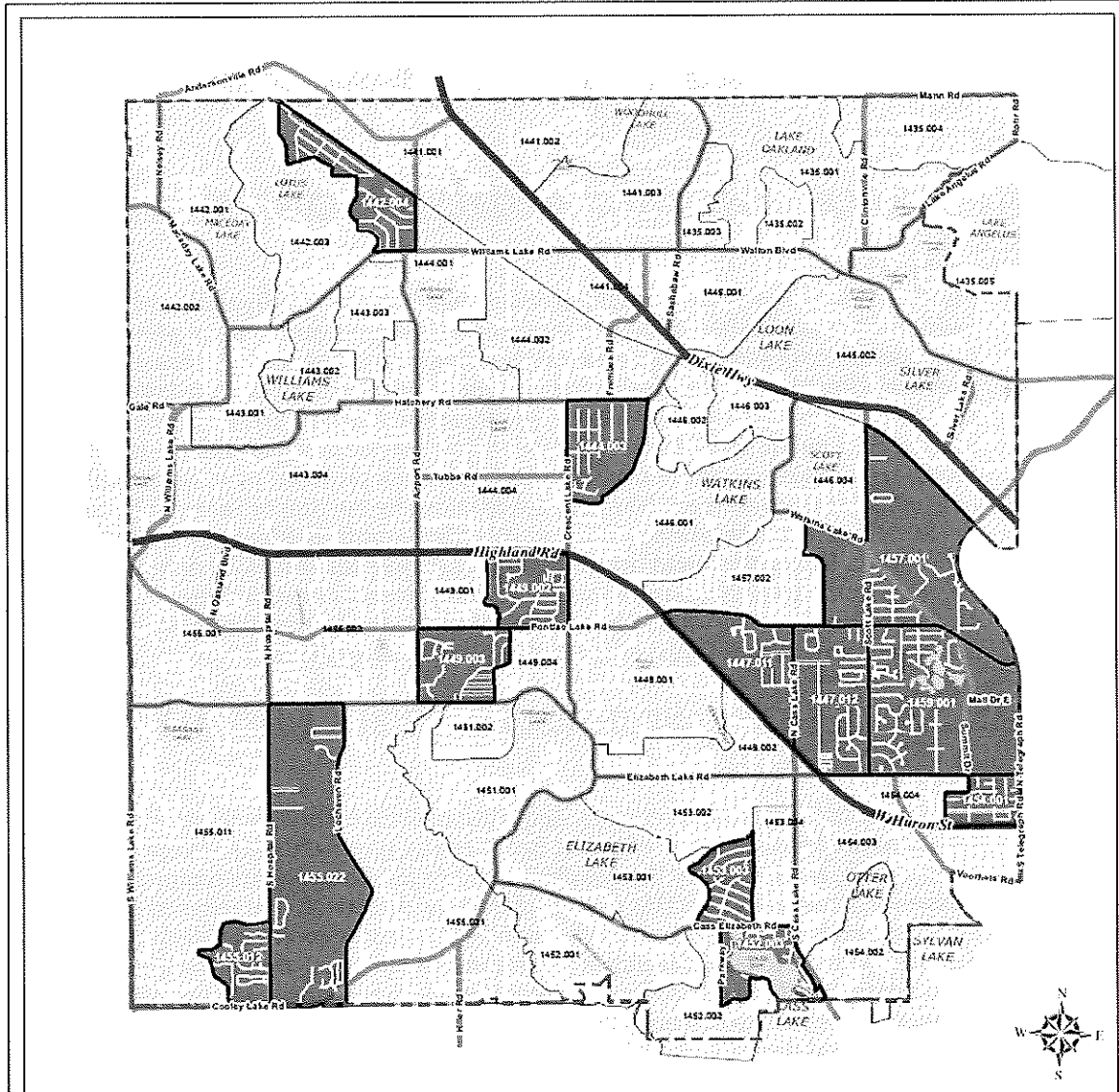
#### PUBLIC IMPROVEMENT AND INFRASTRUCTURE – SIDEWALK IMPROVEMENT PROJECT

24CFR570.201(c)



*Public facilities and improvements.* Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in §570.207(a), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in §570.207(a)(1).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in §570.207(b)(3). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims. In certain cases, nonprofit entities and subrecipients including those specified in §570.204 may acquire title to public facilities. When such facilities are owned by nonprofit entities or subrecipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in §570.200(b).

The Community Development Block Grant Program includes provisions allowing funding of public improvements as eligible activities, if such improvements are located within census tracts identified

by HUD as CDBG Target Areas.



## 2020 CDBG Eligible Target Areas

-  Eligible Target Areas
-  Municipal Boundary



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