





400 La Crosse Street | La Crosse, WI 54601 | P: (608) 789-7512 | F: (608) 789-7318

## Staff Report Legislative File #18-1352

To: Community Development Block Grant Committee

From: Caroline Gregerson, CDBG Administrator

**Date:** 9/24/2018

Re: 2019 CDBG Allocation Guidelines and Funded Priorities

#### I. PRE-APPLICATION

All non-profit or non-City applications may only apply for funding if <u>CDBG Administrator</u> approves preapplication question responses. CDBG Administrator will approve of applicant's ability to apply for funds based on the following criteria:

- 1. Independently audited ever year or receives an independent financial statement. If applying for a loan, this requirement may be waived but will be subject to underwriting requirements and direct payment of loan funds to vendors.
- 2. CDBG funds and Grant to be kept in a segregated account
- 3. Board of Directors that exercises fiscal and programmatic oversight
- 4. Conflict of interest statement
- 5. Drug-free workplace policy/non-discrimination in service policy
- 6. Written policies and procedures for their program
- 7. Staff paid with CDBG funds complete hourly timesheets and approved by a supervisor
- 8. Adopted procurement procedures (if CDBG funds will be used for items other than salaries)
- 9. Maintain individual case files with documentation of eligibility for beneficiaries
- \*Some flexibility may be given if applicant is applying for a loan, as long as they meet underwriting criteria.

### II. EVALUATION OF APPLICATIONS

- For public service applications, minimum grant amount is \$10,000 maximum is \$25,000. A total of \$172,000 will be available.
- For non-public service applications, there will be a total of \$600,000 available.
- Public service funds will be guaranteed for two years, pending no significant cuts in HUD funding.







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- Applications will be ranked based on Committee and Administrative scores, once all funds have been allocated, the bottom tiered applications will not receive funding. Public service applications can expect to receive dollar amount requested or no more than a 5% cut to requested funds. Only one application per agency for public service funds.
- Economic development, housing, and public infrastructure applications will also be ranked. The
  Committee will have discretion as to the amount of cuts, although staff will provide a recommendation
  based on votes and scores
- This year, there will be a \$250,000 set-aside to support funding a multi-family affordable housing project associated with a Low-Income Housing Tax Credit Project. (More may be allocated). If no multi-family affordable housing projects are received, then the CDBG committee may choose to set that amount aside for a future RFP.

#### **III. Point Incentives**

- Projects that have never been funded before
- Projects taking place in a Neighborhood Revitalization Strategy Area (non-public service)
- Organizations with a good track record (on time grant spending, attended all required meetings, consistently and accurately completed performance reports). This is evaluated by Planning Staff.

## IV. Applications accepted for goals listed below.

### **PRIORITIES**

## **Neighborhood Revitalization**

- 1. Demolish dilapidated housing structures and replace with new, affordable housing.
- 2. Repair aging housing infrastructure
- 3. Improve livability, attractiveness, and safety through publically-owned infrastructure in target neighborhoods (Neighborhood Revitalization Strategy Areas).

High Priority: Storm water captured through green infrastructure

4. Increase health and safety of homes through code enforcement

### **Affordable Housing**

4. Increase mixed-income or mixed-use, affordable rental housing for low-income families, minorities, and persons with disabilities.\*\*\* (\$200,000 set aside)

High Priority: Permanent, supportive housing for the homeless







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This funding would be available only as a loan.

Economic Development

5. Increase economic opportunities for low- and moderate-income persons.

6. Support neighborhood-based businesses \*\*\*

This funding is available only as a loan.

Total Available: \$550,000

Anti-Poverty Services

7. Prevent and end homelessness in La Crosse.

8. Alleviate poverty and increase self-reliance

## V. Multi-Family Low-Income Housing Tax Credit Funding

The City is again looking to support a multi-family project that is in support of low-income housing tax credits or a developer willing to pursue a project with affordability requirements of 25 units or more. There is \$250,000 available for this project.

## **VI. Community Housing Development Organization**

\$45,000 of HOME funds will be set-aside for a Community Housing Development Organization Application. This is a special designation and the organization must be pre-certified by Planning and Development Staff.

<sup>\*\*\*</sup> Funded through City SBDL Loan Program, Not accepting new applicants







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## VII. Projects that received a 2-year funding commitment

These projects are already funded for the 2019/2020 year

CDBG 2019 - 2020 Funding (Pre-Approved Under 2018 RFP)		CDBG		HOME Funds	
City of La Crosse	Replacement Housing	\$	125,000	\$	225,000
	Habitat for Humanity (rehab +				
Habitat for Humanity	construction)	\$	120,000	\$	-
Commonbond	Red Cloud Apartments		\$203,232		
Couleecap	Focused Microenterprise	\$	25,000		
Wisconsin Womens					
Business Initiative Corp	Entrepreneurial Technical Assistance	\$	30,000		
Catholic Charities of the					
Diocese of La Crosse, Inc.	Collaborative Support for Families		\$25,000		
Couleecap, Inc.	Collaborative Support for Families		\$25,000		
		\$	553,232	\$	225,000