

DEPARTMENT: Management Administration

DATE ADOPTED: November 13, 1991

DATE OF LAST REVISION: N/A

202.01 Authority:

The Community Development Block Grant (CDBG) is authorized by Congress under Title I of the Housing and Community Development Act of 1974, as amended.

The City Commission has approved the following policies to carry out the Community Development Block Grant program within the City:

CDBG Advisory Committee Policy 12-13-83
CDBG Allocation Guidelines Policy 4-9-86
Small Business Program Policy 3-25-87

202.02 Scope and Applicability:

Community Development Block Grant (CDBG) funds awarded to the City must be administered according to guidelines established by the US Department of Housing and Urban Development (HUD). This policy governs the administration of these entitlement funds in accordance with HUD guidelines and City ordinances to improve the quality of life for low and moderate income citizens. Procedures have been developed to govern the review and allocation process of the Community Development Block Grant to assure compliance with HUD guidelines and provide for fair consideration and deliberation in the allocation of CDBG funds. Administrative procedures have also been developed to provide for adequate financial management controls and program monitoring under the CDBG program.

202.03 Policy Statement:

It is the policy of the City of Tallahassee to accept and make full use of Community Development Block Grant funds provided to the City by HUD for the purpose of improving the quality of life of low and moderate income citizens of the City. Activities carried out with CDBG assistance must benefit low and moderate income persons, eliminate slums and blighted conditions, or meet urgent community needs as defined by HUD.

NOTE: There are documents pertaining to the Community Development Block Grant developed in response to requirements of the program on file in the Community Development Section of the Department of Management and Budget. These documents set forth policies and procedures required of the CDBG program in the format required by HUD, and may be used as reference material in addition to the procedures set forth here. These documents include:

Community Development Plan
Citizen Involvement Plan
Small Business loan Guidelines
Community Development Advisory Committee Bylaws
CDBG Housing Rehabilitation Manual

202.04 Definitions:

- A. **CDAC** (Community Development Advisory Committee): a 21-member advisory committee which assists in fulfilling the citizen involvement requirements of the CDBG and recommends funding allocations to the City Commission.
- B. **CDBG** (Community Development Block Grant): funds awarded to the City annually by the Department of Housing and Urban Development for the purpose of improving the quality of life for low and moderate income citizens of the City.
- C. **CDBG Schedule**: prior to public notice of the beginning of the CDBG allocation process, a schedule of activities is drawn up to ensure the process is conducted in a timely manner according to the requirements for public notice, public hearings, and decision-making. This schedule is provided to the public and anyone participating in the process.
- D. **Final Statement**: a document submitted to HUD annually describing the uses of CDBG funds that have been awarded to the City for the following fiscal year. In the entitlement process this document serves to notify HUD of the uses for the funds and trigger release of the funds to the City.
- E. **GPR** (Grantee Performance Report): a document submitted to HUD annually which accounts for the funds awarded to the City by HUD, providing to HUD information about the actual expenditure of funds and the benefits derived from the use of these funds.
- F. **HUD** (United States Department of Housing and Urban Development): the federal agency which makes Community Development Block Grants available to the City through the entitlement process and governs their use by the City.
- G. **Low and moderate income persons**: the term "persons of low income" means families and individuals whose incomes do not exceed 50 percent of the median income of the area involved, as determined by the Secretary of HUD with adjustments for smaller and larger families. The term "persons of moderate income" means families and individuals whose income exceed 50 percent, but do not exceed 80 percent of the median income of the area involved, as determined by the Secretary of HUD, with adjustments for smaller and larger families.
- H. **Sub recipient**: for the purposes of the CDBG program, HUD has identified any city or urban county receiving a CDBG entitlement as a grantee and any entity awarded funds from the City's grant as a recipient.

202.05 Exceptions:

Under criteria set by the City following HUD guidelines, for minor amendments to the final statement that do not meet the citizen involvement threshold set by HUD, the City Commission may take final action upon request of the City Manager to amend the grant budget.

202.06 Action Sections:

- A. The Community Development Advisory Committee CDAC:

A committee shall be appointed by the City Commission to comply with citizen involvement requirements of the CDBG and to advise the City Commission in allocation decisions pertaining to the CDBG. The authority, composition, selection, and activities of this advisory body can be found in the CDAC bylaws first adopted by the City Commission December 13, 1983, and last amended November 22, 1988. These bylaws can be found in the Community Development Section files and are included here by reference.

The CDAC shall review all applications for CDBG funds, take public comment on the use of funds, and recommend to the City Commission a proposed allocation of funds. Integral to this process, the CDAC

shall approve the community development plan, the citizen involvement plan, the final statement, the grantee performance report, and any other documents requiring public comment.

B. Development of CDBG Allocation:

In development of the recommended allocation of funds, information about local priorities shall be gathered through a series of public hearings held to inform the public of the availability of CDBG funds and to hear from citizens about the needs of the community and the priorities citizens recommend for spending these funds. These hearings shall be held in places accessible to low and moderate income persons and at times convenient for their attendance. They shall be publicized in the local newspapers and direct notification shall be sent to persons who have expressed an interest in the process.

A deadline for the submission of project proposals shall be set. Staff shall be available to provide technical assistance in the development and preparation of proposals, and shall collect all proposals submitted in a timely manner. After the submission deadline, staff shall incorporate all eligible proposals into a set of Fact Sheets which shall be distributed to the members of the CDAC for their review.

The CDAC members shall divide themselves into subcommittees corresponding to the CDBG funding categories, and each subcommittee shall set at least two meetings to consider the project proposals submitted in its category. A meeting will be held to hear presentations from the agencies or individuals on behalf of each proposal, and a second meeting will be held to deliberate on the proposals and develop funding recommendations to be presented to the committee as a whole.

The full committee shall meet to hear the recommendations of the subcommittees and develop a recommendation which must not exceed the amount of funding available and must reflect the priorities set for the CDBG program through the community development plan and the comments received during the public hearings.

The recommendation developed by the CDAC is forwarded to the City Manager for consideration and suggestions, which are received by the CDAC in a meeting with the City Manager. When these comments have been heard, the CDAC develops the final recommendation on funding which shall be forwarded to the members of the City Commission.

The City Commission shall be provided the fact sheets and the recommendations of the CDAC in preparation for their deliberation on the CDBG funding allocation. The Commission shall conduct a public hearing on CDBG funding allocations to allow the public an opportunity to comment on the decisions made by the CDAC, and the Commission shall approve a funding allocation for CDBG funds at a later meeting.

C. Implementation of City Commission Decision:

To receive CDBG funds from HUD, certain actions must be carried out subsequent to the approval of the funding allocation by the City Commission. A final statement describing the uses, location of activity, and beneficiaries of the funding shall be developed. This final statement shall be submitted to intergovernmental review by the Florida State Clearinghouse and the Apalachee Regional Planning Council. An environmental review of each project shall be conducted by staff and published for comment. Finally, the final statement and the request for release of funds shall be submitted to HUD.

Community Development staff shall develop contracts for services to implement activities funded under the CDBG, and these contracts shall be approved by the City Commission prior to execution by the agency and the City. Once the contracts are approved and subsequently signed by the agency and the City, the agency shall be issued a notice to proceed as soon as the funds are released to the City by HUD.

Community Development staff shall monitor the implementation of the projects approved by the City Commission and HUD in several ways. Unless other arrangements have been approved, funds shall be distributed upon a request for reimbursement from the agency, which shall be reviewed and approved for compliance by staff. Monthly reports detailing activities accomplished, beneficiaries served, and funds expended shall be reviewed by staff, and technical assistance shall be provided when necessary to insure compliance with all pertinent regulations. Site visits to the agencies and/or projects shall be conducted to monitor activities and their fulfillment of the CDBG objectives, including program activity, financial management, data collection, and beneficiaries served.

D. Administration of the Housing Rehabilitation Program:

The City of Tallahassee carries out a housing rehabilitation program by means of a contract with the Tallahassee Urban League, which provides the professional services necessary to conduct the program. The procedures for this program can be found in the Housing Rehabilitation Manual adopted October 31, 1984. Created as a means to encourage the revitalization of the city's low and moderate income neighborhoods and to arrest and prevent further deterioration of the city's existing housing stock, this program provides deferred loans to homeowners to rehabilitate their substandard homes to meet the city's housing code. The program also provides for health and safety grants to correct immediate dangerous conditions existing in a home occupied by an eligible household.

E. Administration of the Small Business Loan Program:

The Small Business Loan program funded with CDBG monies shall be administered by the Community Development staff in accordance with the loan guidelines approved by the City Commission and using the funding designated for this purpose by the CDAC and approved by the City Commission. A loan review committee made up of CDAC members, city staff, and citizens with expertise in the field of banking shall review each loan application and forward those applications deemed acceptable for funding to the City Commission for approval. Loans approved by the City Commission shall be administered by Community Development staff, who shall close the loan, receive repayment of the loan as program income, monitor the activity generated by the loan, and report on this activity as required.

202.07 Procedures: Procedures implementing this policy shall be adopted by the City Commission coinciding with adoption of this policy, and shall be contained in the administrative procedures manual as section 202.

202.08 Administration: Department of Management and Budget, Community Development Section.

202.09 Sunset Review:

This policy shall be subject to sunset review November 13, 1996. The policy qualifies for automatic extension for the same sunset review period as set before unless terminated by the Commission, based on the requirements for the Community Development Block Grant imposed by the US Department of Housing and Urban Development.

Should the Community Development Block Grant program be discontinued by the federal government, this policy shall undergo the sunset review process to determine which sections of the policy have continued relevance to current City activity and should be retained.

202.10 Effective Date: Immediately upon City Commission adoption November 13, 1991.