



Mayor Steven M. Fulop

Technical Assistance Meeting

February 19, 2016

**Department of Housing,
Economic Development & Commerce**

Division of Community Development

Overview

- 2:00 PM Introduction
Presented by Ivan Freire
- 2:05 PM Welcome Remarks
*Presented by Gigi Gazon, Assistant Director Division of
Community Development*
- 2:10 PM Division of Community Development Presentation:
HUD Entitlement Grants Overview
Presented by Karen Parish, Mullin & Lonergan Associates
- 3:00 PM Grant Writing Best Practices
*Presented by Sharon Barker, Housing & Community
Development Network of New Jersey*
- 4:00 PM 5-Year Consolidated Plan & Annual Action Plan Objectives
Presented by Angela Russo, HOPWA/ESG Grant Manager
- 4:10 PM Public Hearing
- 5:00 PM Closing Remarks
*Presented by Carmen Gandulla, Director Division of Community
Development*

Funding

FY 2016 Allocation

| | |
|--|----------------|
| Community Development Block Grant (CDBG) | \$5,422,644 |
| HOME Investment Partnership (HOME) | 1,360,637 |
| Housing for Persons With AIDS (HOPWA) | 2,397,584 |
| <u>Emergency Solutions Grant (ESG)</u> | <u>463,919</u> |
| Total | \$9,644,784 |

CDBG National Objectives

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Benefit Low &
Moderate Income
Persons

Prevent or
Eliminate Blight

Meet Urgent
Health & Welfare
Needs

Meeting CDBG National Objectives

Benefit Low &
Moderate Income
Persons

Area Benefit: Serve a primarily residential geographic area with 51%+ low-moderate income persons

Limited Clientele:

1. Income Intake-income <80% AMI
2. Presumed Benefit-DV victims, homeless, persons living with AIDS, elderly, disabled, illiterate adults, migrant farm workers
3. Income restrictions by another program
4. Nature & Location of activity

Housing: Providing or improving permanent residential structures to be occupied by low-moderate income households

Jobs: Creation or retention involving employment of persons, a majority of whom are low-moderate income

Meeting CDBG National Objectives

Prevent or
Eliminate Blight

Spot Basis: elimination of specific conditions of blight and decay not located in a designated slum or blighted area

Area Basis: substantial number of deteriorated or deteriorating buildings as defined by N.J.S.A. 40A:12A, must be designated by the city

Urban Renewal: located within an urban renewal project area or neighborhood development plan area

Meeting CDBG National Objectives

Urgent Need

Serious and immediate threat to health and welfare of the community

Of a recent origin or recently became urgent

Grantee unable to finance activity on its own and no other funding is available

Low-Moderate Income Limits, 2015

| Family/Household Size | Low Income (80%) | Very Low Income (50%) | Extremely Low Income (30%) |
|------------------------------|-------------------------|------------------------------|-----------------------------------|
| 1 person | \$42,950 | \$26,850 | \$16,100 |
| 2 person | \$49,050 | \$30,650 | 18,400 |
| 3 person | \$55,200 | \$34,500 | \$20,700 |
| 4 person | \$61,300 | \$38,300 | \$24,250 |
| 5 person | \$66,250 | \$41,400 | \$28,410 |
| 6 person | \$71,150 | \$44,450 | \$32,570 |
| 7 person | \$76,050 | \$47,500 | \$36,730 |
| 8 person | \$80,950 | \$50,600 | \$40,890 |

CDBG Eligible Activities

CDBG Eligible Activities

- Housing Rehabilitation
- Homeownership Assistance
- Public Facilities and Improvements
- Blight Removal / Site Clearance
- Code Enforcement
- Economic Development
- Public Services
- Acquisition/Disposition Real Property

Public Services Eligible Activities

- Employment
- Crime Prevention
- Child Care
- Health
- Drug Abuse
- Education
- Energy Conservation
- Recreation Needs

Public Services not previously funded must be new or have an expanded level of service.

Public Facilities Rehabilitation Eligible Activities

- Acquisition of real property for an eligible use
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities

CDBG Ineligible Activities

- Political activities
- Construction of housing units by a unit of local government
- Operation and maintenance of public facilities/improvements
- General government expenses including construction of general government buildings
- Purchase of equipment
- Direct income payments

HOME Eligible Partnerships

HOME Eligible Partnerships

- New Construction
- Rehabilitation
- Reconstruction
- Conversion
- Site Improvements
- Acquisition of Property and Vacant Land
- Demolition
- Relocation Costs
- Refinancing
- Capitalization of Project Reserves
- Project-Related Soft Costs

HOME Ineligible Partnerships

- Project Reserve Accounts
- Development, Operations or Modernization of Public Housing
- Acquisition of PJ-Owned Property
- Project-Based Rental Assistance
- Pay for Delinquent Taxes, Fees or Charges

HOME Considerations

- Have 2 years to commit funds to activities
- Cannot commit HOME funds for a project consisting of new construction or rehab until:
 - All necessary financing is secured (minus GAP funding)
 - Construction must start within 12 months
- Project must be completed within 4 years
- Upon completion of homeowner units – Have 9 months to sell units
- Upon completion of rental project – Have 18 months to lease up units
- A project consisting 5 or more home assisted units at least 20% of the units must be for households at or below 50% AMI.

HOME Considerations

- Proof of site control
- Certification of additional properties owned by applicant
- A realistic project schedule/timeline
- Site photos
- Sources and Uses statement.
 - For rental housing – You must provide a 20 year operating budget.
 - For Sale housing – must have HOME affordability analysis

Other Considerations

- All federal funds used for physical improvements must follow federal guidelines for bidding and construction including Davis Bacon Wage rates and State Prevailing rates
- Identify MBE/WBE and Disadvantaged businesses to bid on project and provide information to General Contractors to encourage use of Subs

ESG Eligible Activities

ESG Eligible Activities

- Street outreach; engaging the unsheltered homeless and connecting to services
- Emergency Shelter; Operations and essential services, such as case management
- Rapid-Rehousing homeless individuals and families
- Prevent homeless families and individuals from becoming homeless

ESG Additional Requirements

Funding Caps

- No more than 60% of ESG funds are available for Emergency Shelter projects.
- The remaining 40% will be allocated across other eligible ESG activities in accordance with our Five-Year Consolidation Plan and Annual Action Plan.

Match!

- All applicants are required to provide 100% match for the ESG funds.

Continuum of Care (CoC): The Hudson County Alliance to End Homelessness

- ALL ESG projects MUST work with and participate in the HCAEH.

HMIS

- ESG supported programs are required to input program beneficiary data into the Homeless Management and Information System.

ESG Specific Application Considerations

- Pre-Application – Confirms intended participation in HCAEH prior to proceeding
- ESG Budget Template – Uploaded separately; “Attachments”
- Project Performance Tab – Must reflect the described goals detailed in question 13 of the application

HOPWA Eligible Activities

HOPWA Eligible Activities

- Acquisition, rehabilitation and/or new construction of housing units
- Costs for Facility Operations
- Rental Assistance
- Short-Term Payments to Prevent Homelessness
- Coordination and Delivery of Support Services (i.e. case management, substance abuse treatment, mental health, etc.) with housing assistance.

HOPWA Additional Requirements

- Participation with the Hudson County HIV Planning Council's Housing Committee
- County-wide grant - must reside in Hudson County
- Beneficiary income cannot exceed 80% of the area's medium income, established by HUD
- Funds for administration costs are capped at 7% of total grant application requests
- TBRA/STRMU/PHP activities must have 80% of their allotted to Direct Financial Assistance, with the remaining for administration and operating costs

Next Steps

2016 Schedule

| | |
|-----------------|---|
| 2/19 | Grant Applications Available on Zoomgrants.com |
| 3/11 | Grant Applications Due |
| 4/29 to 5/27 | Public Comment Period on 2016 Action Plan |
| 5/9 (estimated) | Second Public Hearing at Bethune Center |
| 6/15 | City Council Votes on Action Plan |
| 6/17 | Submit Annual Action Plan to HUD |
| 8/1 (estimated) | City Receives HUD Contract & Funding, Sub-Recipient Agreements Signed, Projects Begin |

Public Meeting:
5-Year Consolidated Plan
& Annual Action Plan

5-Year Consolidated Plan & Annual Action Plan

2015-2019 5-Year Consolidated Plan

Data-driven decision making is HUD's intention

- Preserve and increase affordable housing stock
- Housing/services for persons who are homeless
- Provide public services
- Improve public facilities and infrastructure improvements
- Provide housing and services for persons living with HIV/AIDS and their families
- Support Economic Development
- Planning and Administration

2016 Annual Action Plan

- Implements the goals established in the Five Year Plan
- Establishes the budget for funding

Contact Us



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Division of Community Development

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Sign up for DCD Program

Announcements at

<https://goo.gl/myaBcU>