



**Community Development
Block Grant & Lead Hazard
Grant Programs - FY 2020**

Department Budget



FY2018 Service Summary – Program Year 2017

CDBG & LHC

- **Mission:**

Enhance affordable housing for low- and moderate-income households through rehabilitation and infill development; provide a suitable living environment by improving public facilities; and provide social services and enhance economic development for low- and moderate-income areas.

FY2018 Service Summary

Key Services Provided

CDBG Program Year/Activity	2013	2014	2015	2016	2017	5 yr. Total
Housing Rehab	22	25	26	32	28	133
Residential Lot Acquisition	1	2	5	2	0	10
Demolition/Clearance	0	2	0	2	2	6
New Residential Units	4	5	2	4	5	20
Sidewalk/ADA Projects	7	3	5	10	4	29

*Reflects activity for Program Year 2017 (4/1/17 – 3/31/18), the last complete CDBG year, half of which occurred in FY2017 and half in FY2018. Subrecipient projects were completed for Family Services Alliance and Aid For Friends.

Lead Hazard Grant*	2017	2018	2019	Grant to Date Total
Homes Completed	13			13

*This grant operates on a calendar year.

FY2018 Output Summary

- **Employees:**
- CDBG Manager*
- Grants Administrator/Compliance Analyst**
- Rehab Specialist**
- LHC Program Administrator**
- LHC Program Outreach Coordinator**
 - **TOTAL 4 (increase of two for duration of Lead Hazard Control Grant (LHC))**

* *Mix of General (2/3 salary support), CDBG, and LHC grant monies*

***Entirely grant monies*

Measures of Effectiveness, Key Accomplishments:

- Administration expense as percent of federal allocation: **14.92%**
 - *CDBG Benchmark:* 20% maximum (HUD standard)
- Administration expense as percent of federal allocation: **6.49%**
 - *LSHH Benchmark:* 10% maximum (HUD standard)
- Timeliness of spending: **1.01** x annual allocation unspent 60 days before end of program year (2017)
 - *CDBG Benchmark:* No more than 1.5 x annual allocation (HUD standard)

Measures of Effectiveness, Key Accomplishments:

- Almost **ONE-HALF MILLION** of private, federal, state, and other funding for CDBG-supported projects is leveraged annually.
- The CDBG-supported infill-housing program has added over **\$9 MILLION** in property valuation, an increase of over 600% from the original value of the properties.
- Several hundred thousand dollars in contracts are issued on CDBG-supported projects, most of which go to local contractors.

Issues and Concerns:

- **HUD Funding:** The federal allocation was released very late in our program year (in 2017 it was received in November where our program year begins April 1) dramatically cutting into the construction season. Several projects were delayed and will not be completed until spring. However, even with the delay in receiving funds, the spending timeliness improved over last year and is well within HUD standards. Also, future funding levels are increasingly uncertain.
- **Older Housing Stock:** Pocatello has one of the oldest housing stock in Idaho, meaning our community has a greater need for rehab assistance and creation of affordable housing.
- **Contractor Shortage:** The number of contractors and firms certified to do work in homes containing lead-based paint is very small. This significantly hampers our ability to do home rehabs. Further, the number of contractors interested in doing smaller jobs in general is down, making it difficult to complete work. The lead hazard control grant allows for training of additional contractors, helping to expand the pool of qualified contractors and providing additional volume of work.

Budget Comparison FY19 to FY 20 – Personnel

Community Development Block Grant (CDBG & LHC)	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference	
Personnel (wages, all types)	\$159,910	\$205,743	\$45,833	28.66%	
Benefits, Medical	\$56,970	\$70,317	\$13,347	23.43%	
Benefits, Other	\$40,606	\$53,042	\$12,436	30.63%	\$71,616

Community Development Block Grant (CDBG)	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Labor / Operating Split				
Labor (wages + all benefits)	\$257,486	\$329,102	\$71,616	27.81%
% of budget to labor	17.61%	21.86%		
Remainder (operating & capital)	\$1,204,691	\$1,176,641	-\$28,050	-2.33%
Employees	Budgeted FY19	Budgeted FY20	Difference	% change
Full Time	3	4	1	33.33%
Of Note				
CDBG manager = 66% Gen Fund / 34% CDBG				

Budget Comparison FY19 to FY 20 – Operating

Community Development Block Grant (CDBG & LHC)	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference	
Supplies	\$53,025	\$53,025	\$0	0.00%	
Professional Services	\$909,838	\$905,388	-\$4,450	-0.49%	
Repair Services	\$60,950	\$35,350	-\$25,600	-42.00%	
Utilities	\$0	\$0	\$0		
Property Services	\$32,000	\$32,000	\$0	0.00%	
Purchased Services	\$9,683	\$11,683	\$2,000	20.65%	
Loans / Subrecipient Grants	\$136,139	\$136,139	\$0	0.00%	
Capital Outlay	\$0	\$0	\$0		
Debt Service	\$0	\$0	\$0		-\$28,050

Budget Comparison FY19 to FY 20 – Revenue

Community Development Block Grant (CDBG & LHC)	Budgeted FY19	Budgeted FY20	\$ Difference	% Difference
Inter-Government	\$1,436,177	\$1,500,440	\$64,263	4.47%
Other Financing Sources	\$22,000	\$22,000	\$0	0.00%
Total	\$1,462,177	\$1,522,440	\$60,263	4.12%

Budget Authority Increase Request:

- Line items vary year to year depending on the allocations approved by the City Council as part of each Annual Action Plan.
- Bottom line total to be spent can be no more than the final allocation for the new program year (PY2019) plus any remaining funds from previous program years; sufficient budgetary authority is built to cover the entire year.
- There is only one year's experience on the Lead Hazard Control Grant. Bottom line total to be spent can be no more than the total grant award; sufficient budgetary authority is built to cover the entire year.
- One employee (LHC) plans to take classes toward an Associate's Degree. \$3,000

Proposed Fee Increases:

- No fees are charged for any CDBG- or LHC-funded projects.

City Council Guidance requested on:

- Approval of the PY2019 Action Plan was made in December, 2018.

