

## CDBG Times NEWSLETTER

### Federal congressional continuing resolution impact's states CDBG program:

After three continuing resolutions by the 109th Congress, the 110th Congress took action on the Transportation Treasury-HUD (TTHUD) bill that provides funding for U.S. Department of Housing and Urban Development (HUD). The result of the continuing resolutions will be a delay in the receipt of the Federal Fiscal Year (FFY) 2007 CDBG allocation. This means OECDD may not receive the funds until June or July of 2007, which is 3-4 months later than normal. Cities and counties planning to submit applications during the first quarter (January 1–March 31) competitive application round in 2007 should anticipate a corresponding delay in their project timelines.

The FFY 2007 federal appropriation to the CDBG program was \$3.711 billion nationally. This appropriation is approximately 1 percent less than what was received in FFY 2006 of \$3.748 billion. The proposed FFY 2008 presidential budget recommendation for the CDBG formula grants program is \$2.974 billion, nearly a 20 percent reduction from the FFY 2006 appropriation. OECDD continues to track federal appropriations and will report updates in future newsletters.

### OECDD first quarter competitive application round

**The application deadline is March 31, 2007, and the awards will be announced no later than May 31, 2007.**

The department will hold a first quarter competitive application round for 2007. The following plan will hopefully result in moving projects along as quickly as possible once the state receives the FFY 2007 CDBG federal allocation from Housing and Urban Development (HUD).

- OECDD will accept CDBG applications in the first quarter of 2007 but no later than March 31, 2007.
- OECDD will revise the award letter to be contingent upon receipt of the 2007 allocation from HUD.

- The award letter will inform recipients that no costs can be incurred until after the state receives the grant from HUD, the recipient has fully executed a grant contract with the department, and the proper federal environmental clearance has been completed.  
**Note: No pre-award or pre-agreement expenses will be allowed in 2007.**
- Recipient grant contracts will be processed internally at OECDD and will await the arrival of the grant from HUD prior to issuance to the recipients.
- Awards will be announced by May 31, 2007.

### Draw down of CDBG funds must increase

HUD tracks performance by measuring the timeliness in which funds are actually drawn from the federal treasury, using a ratio of the unexpended funds in the federal treasury to the states most recent annual allocation to judge how successful the states program is in completing projects.

In January 2007, Oregon's ratio of unexpended funds to the FFY 2006 annual allocation was 2.74. HUD has determined that states operating at a ratio of 2.5 and above should make improvements to operate more efficiently. This ratio fluctuates depending upon the date the annual allocation is received and the rate at which funds are drawn from the federal treasury. Oregon's ratio has been fairly consistent at 2.47, 2.43, 2.39, etc. Diane Lobasso, Director of HUD's State and Small Cities Division states, "I am concerned about those states with a Ratio of Unexpended to Grant that exceeds 2.5 and especially concerned about the handful of states that exceed 3.0. My office will be in touch with the applicable field offices/states to discuss the matter further."

Oregon needs the assistance of all grant recipients to help Oregon demonstrate good performance in accomplishing projects in a timely manner. In order to improve performance under this performance measurement, all funded CDBG projects must start drawing funds. Please contact the department's Regional Coordinator for your area to assist in the development of plan to expend project funds in a timely manner or to help with any project related issues.

### Proposed outcome/use of the FFY 2006 allocation:

Every year the state is required to report on the proposed accomplishments/outcomes for the use of each annual allocation. The following table summarizes how the FFY 2006 funds were awarded by the state. Overall, the awards made under the state's CDBG program is anticipated to assist:

- 24,853 persons, of which 17,971 will be considered low and moderate income
- 148 low and moderate-income owner occupied housing units will be rehabilitated
- 22 beds will be created
- 30 jobs will be created/retained
- 0.9 acres will be redeveloped
- 110 Microenterprises will be assisted

### Performance Report-2006 Community Development Block Grant (CDBG) Program

Funding Category	Award Type /Recipients	Amount Awarded	Leveraged Funds	Performance Indicators	Expected Number	Expected Total Persons	Expected Total LMI Persons (Percent LMI)
<b>Economic Development</b>	Revolving Loan Fund–Klamath County	\$750,000	\$291,000	Jobs Created	30	30	16 (53%)
<b>Microenterprise Assistance</b>	Microenterprise Assistance-Benton County, Elkton, Philomath, Sutherlin	\$223,225	\$93,415	Micro-enterprises Assisted	110	110	110 (100%)
<b>Public Works - Water and Wastewater</b>	Water System Improvements–0 Wastewater System Improvements–Chiloquin, Douglas County, Drain, Glendale, Mill City, Stanfield, Tillamook, Vernonia	\$5,523,623	\$20,575,098	Persons Served	13,647	13,647	8,455 (62%)
<b>Public Works - Downtown Revitalization</b>	0	0	0	Persons Served	0	0	0
<b>Public Works – Brownfields</b>	Brownfield Redevelopment–Detroit	\$206,925	\$36,300	Acres Redeveloped	0.9	N/A	N/A
<b>Public Community Facilities</b>	Mental Health Facility–Josephine County Head Start–Lincoln County Library–Oakridge Food Bank Study–Yamhill County Fire Hall–Cascade Locks Domestic Violence Shelter–Tillamook	\$3,403,445	\$3,140,300	Persons Served; Beds Created	7,315 22	7315 22	5,582 (76.3%)
<b>Housing Rehabilitation</b>	Rehabilitation Projects–Astoria, Drain, Independence, Josephine County, Lebanon, Lincoln County, Madras, Oakridge, Umatilla Co	\$2,896,376	\$877,472	Housing Units Rehabilitated	148	371	371 (100%)
<b>Housing Resource Centers</b>	Resource Centers–Astoria, Baker County Coos County, Drain, Jackson County, Madras, The Dalles, Yamhill County	\$363,637	Not collected	Persons Served	3,891	3,891	3,437 (88%)
<b>Partially funded projects.</b>	Brownfield Redevelopment–Roseburg Community Center–Falls City Wastewater System–Monroe Health & Human Services Bldg–Yamhill County Detoxification Center–Umatilla County	\$997,041					
	<b>42</b>	<b>\$14,364,272</b>	<b>\$25,013,585</b>		<b>N/A</b>	<b>25,364</b>	<b>17,971 (70.8%)</b>

## Changes to the 2007 CDBG program:

The following table summarizes the most significant changes to the 2007 program.

Category	Description
Public/Community Facilities	Under special circumstances, OECDD may consider funding combination facilities: if an applicant demonstrates a past history of successfully administering CDBG projects; and, the facility must house only eligible community facility activities identified within the <i>2007 Method of Distribution</i> . These grants will only be awarded at OECDD's discretion. Senior centers will now qualify for 50 points rather than 25 points.
Age and Expenditure Requirements for open projects	The age and expenditure requirement for 2005 multi-year grants has been reduced from 75% to 60%. The age and expenditure requirement for 2006 microenterprise projects has been reduced from 90% to 70%.
Public Works–Off-Site Infrastructure	The off-site infrastructure category was added into the Method of Distribution. However the category has been revised to assist in meeting the numerous federal requirements.
Microenterprise Assistance	Microenterprise assistance projects no longer have to meet the 100% LMI requirement, but must still meet the 51% LMI requirement. The funding for this category increased by 1% (an estimated \$137,083) in 2007.
Grant Administration	The maximum allowed for grant administration was increased from \$20,000 to \$25,000.
Regional Housing Rehabilitation	The new application timeline is January 8 through March 1.

## Need more information about the program?

The *2007 Method of Distribution (MOD)* is available on OECDD's web site at [econ.oregon.gov/ECDD/programs/07CDBGguidelines.pdf](http://econ.oregon.gov/ECDD/programs/07CDBGguidelines.pdf) or by calling the department's Regional Coordinator for your area. The MOD contains the CDBG program requirements, funding priorities, project and applicant eligibility information, application procedures and a description of the project categories.

Oregon Economic & Community Development Department Staff				
(All categories, except Regional Housing Rehabilitation and Regional Housing Centers, see OHCS table below for contact information about these categories.)				
Region	Counties	Coordinator	E-mail	Phone
Northwest Region	Clackamas, Columbia, Multnomah, and Washington ( <i>non-entitlement areas only</i> )	Janet Hillock	<a href="mailto:Janet.A.Hillock@state.or.us">Janet.A.Hillock@state.or.us</a>	503-229-5222
	Clatsop and Tillamook	Vicki Goodman	<a href="mailto:Vicki.Goodman@state.or.us">Vicki.Goodman@state.or.us</a>	503-842-4045
Valley/Mid Coast	Marion, Yamhill	Michelle Billberry	<a href="mailto:Michelle.Billberry@state.or.us">Michelle.Billberry@state.or.us</a>	503-986-0142
	Lincoln, Benton, Linn	Louise Birk	<a href="mailto:Louise.R.Birk@state.or.us">Louise.R.Birk@state.or.us</a>	503-986-0130
	Lane, Polk	Jacki Yoder	<a href="mailto:Jacki.K.Yoder@state.or.us">Jacki.K.Yoder@state.or.us</a>	503-986-0067
Southwest Region	Coos, Curry, North Douglas	Becky Bryant	<a href="mailto:Becky.A.Bryant@state.or.us">Becky.A.Bryant@state.or.us</a>	503-986-0096
	Jackson, Josephine, South Douglas	Vacant		
Central Region	Gilliam, Sherman, Wasco, Wheeler (Hood River) – <i>Microenterprise projects state wide.</i>	Beverly Kupperman	<a href="mailto:Beverly.Kupperman@state.or.us">Beverly.Kupperman@state.or.us</a>	503-986-0133
	Crook, Deschutes, Jefferson, Klamath, Lake	Mike Solt	<a href="mailto:Mike.Solt@state.or.us">Mike.Solt@state.or.us</a>	541-388-6201
Eastern Region	Baker, Grant, Harney, Malheur	Gary Viehdorfer	<a href="mailto:Gary.W.Viehdorfer@state.or.us">Gary.W.Viehdorfer@state.or.us</a>	503-986-0099
	Hood River, Morrow, Umatilla, Union, Wallowa	Del Little	<a href="mailto:Del.L.Little@state.or.us">Del.L.Little@state.or.us</a>	503-986-0261
Program and Policy Coordinator(s)	Statewide non-entitlement areas	Mary Baker	<a href="mailto:Mary.A.Baker@state.or.us">Mary.A.Baker@state.or.us</a>	503-779-9685
		Christine Valentine	<a href="mailto:Christine.Valentine@state.or.us">Christine.Valentine@state.or.us</a>	503-986-0132
Community Development Division Interim Manager	Statewide non-entitlement areas	Ann Hanus	<a href="mailto:Ann.Hanus@state.or.us">Ann.Hanus@state.or.us</a>	503-986-0135

Oregon Housing and Community Services (OHCS) Staff				
Program	Counties	Coordinator	E-mail	Phone
Regional Housing Rehabilitation	Statewide non-entitlement areas	Ernest Kirchner	<a href="mailto:Ernest.Kirchner@state.or.us">Ernest.Kirchner@state.or.us</a>	503-986-2136
Regional Housing Centers		Julie Marshall	<a href="mailto:Julie.Marshall@state.or.us">Julie.Marshall@state.or.us</a>	503-986-2090
Single Family Programs Manager	Statewide	Dona Lanterman	<a href="mailto:Dona.Lanterman@state.or.us">Dona.Lanterman@state.or.us</a>	503-986-2120