

CDBG Times NEWSLETTER

CDBG congressional update

House approves appropriations compromise

On November 14, 2007, the House of Representatives approved the Conference Report, H.R. 3074, for the FY2008 Transportation, Housing and Urban Development and Related Agencies Appropriations Act (TTHUD). The report is the result of the House and Senate Appropriations conferees to reach a compromise between the two bills previously approved by their respective chambers. The bill provides a total of \$38.66 billion for HUD, about \$2.45 billion more than in 2007 and \$3.1 billion more than the administration's request for FY 2008. The total includes \$3.79 billion for CDBG.

The \$3.79 billion for CDBG formula funding is up just slightly from \$3.71 billion in FY07, but is nearly one billion more than the amount included in the Administration's FY08 budget proposal. Although the CDBG set-asides and earmarks have been decreasing over the past two years, they total \$183 million for FY08. The bill also includes \$3 million for CDBG training and technical assistance.

Anti-pirating rule

The Conference Report includes a provision instructing HUD to expeditiously issue guidance to CDBG grantees on complying with statutory restrictions related to "job pirating," i.e., using CDBG funds for business relocation. This provision appears to result from a recent Government Accountability Office (GAO) report that found that many grantees were not affirmatively implementing the intent of the statute. Grantees can now expect more guidance and vigilant monitoring on this issue.

Eminent domain

The bill also includes a prohibition on the use of any FY08 TTHUD funds, including CDBG funds, in projects where eminent domain is used, except for projects exclusively for public use. This is very similar to the provision included last year, and the intent is to prevent the use of federal funds for eminent domain on economic development projects that benefit private entities. The restriction **does not** apply to most mass transit, railroad, airport, seaport and highway projects; as well certain utility projects and structures designated for use by the general public. Projects that involve the removal of an immediate threat to public health and safety or brownfields would remain eligible for federal funds.

Next steps

The bill must face and clear numerous obstacles before enactment.

- 1) The bill has not been scheduled for consideration by the full Senate;
- 2) It is not yet known, if full Senate consideration will happen in the context of the larger debate between the Administration and Congress on funding domestic programs; and,
- 3) If the bill is approved by the Senate and sent to the President, it is likely that it would be vetoed due to the increase in overall funding. (It is important to note that although the House voted to approve the report, the final vote was short of the two-thirds that would be needed to override a presidential veto.)

It is not clear whether the Congressional leadership will continue to work on individual appropriations bills or combine them into some form of omnibus legislation. Federal programs are currently operating under a Continuing Resolution that expires on December 14.

2008 CDBG Method of Distribution finalized

On November 14, 2007, the state submitted to Housing and Urban Development (HUD) the CDBG program guidelines—known as the *Method of Distribution* (MOD)—for program year 2008. The MOD contains the CDBG program requirements, funding priorities, project and applicant eligibility information, application procedures and a description of project categories covered by the program. The department also provided to HUD and has posted on its web site a summary of comments received and responses to those comments. We appreciate all those who took time to review the proposed 2008 MOD and/or submitted comments. In December, the department will mail a copy of the 2008 MOD to all non-entitlement cities and counties and other interested parties. The 2008 MOD is also posted on the department's web site.

CDBG training is in the works for early 2008!

Mark your calendars for February 12 and 13, 2008! OECD will be holding a two-day CDBG workshop at the Oregon State Fairgrounds, 2330 NE 17th St, Salem, OR.

Day 1—Grant Management Workshop

On the first day, attendees will walk through the newly revised Grant Management Handbook that explains how to implement a CDBG-funded project from start to finish. This workshop is applicable to every city and county grant recipient (current and potential) and grant administrator. Staff from the U.S. Department of Housing and Urban Development who will be presenting include: Public Trust Specialist Joy Hirl; Financial Analyst Jan Olsen; Regional Labor Relations Officer James Harrell and Labor Relations Specialist Bill Toxvard. (ALL DAY SESSION)

Day 2—Applicant's Workshop, *Concurrent Session 1*

This session will provide an introduction to the state CDBG program, addressing topics such as applicant eligibility, project eligibility, the application process and key federal requirements. Any city or county considering applying for CDBG Assistance from the Oregon Economic and Community Development Department in 2008 is encouraged to attend this session. (AM SESSION)

Day 2—Labor Standards Training, *Concurrent Session 2*

This workshop, facilitated by the U.S. Department of Housing and Urban Development, will focus on federal labor standards compliance for contractors and grant recipients. If you have a CDBG-funded construction project that is currently or soon-to-be underway, this session is for you, your contractors and grant administrators. Please encourage their participation by sharing this workshop invitation with them as well. (AM SESSION)

Space is limited; the workshop will be capped at 75 attendees. Due to anticipated demand, OECD must limit attendance to no more than two from each agency/organization.

Limited scholarships available to help offset local costs

Stipends

Recognizing that many communities served by the CDBG program are very small and have limited resources for staff training, OECD is offering 28 stipends for communities that truly need assistance to offset the costs of attending the two-day CDBG workshop. The scholarships are designed to offset a portion of the costs. **The maximum scholarship per community is \$140** (covers two nights lodging in Salem at the government rate, plus room tax). The following scholarship criteria apply:

a) The attendee must attend both days of the workshop.

- b) The city or county must be located at least 50 miles from Salem and the attendee will be spending two nights at a motel.
- c) Cities have a population of less than 3,000, with 55 percent or more having a low- or moderate-income. The department's initial review indicates that the following cities would be eligible: Haines, Halfway, Unity, Prescott, Vernonia, Powers, Drain, Glendale, Riddle, Lonerock, Granite, Cascade Locks, Butte Falls, Cave Junction, Chiloquin, Malin, Merrill, Westfir, Vale, Rufus, North Powder, Shaniko, Mitchell and Spray.
- d) Counties must have a population of less than 50,000, with 40 percent or more having a low- or moderate-income. The department's initial review indicates that the following counties would be eligible: Baker, Clatsop, Curry, Grant, Harney, Lake, Lincoln, Malheur, Morrow, Wallowa and Wheeler.

The total amount available for stipends is \$4,000, which equates to **28 stipends**. Stipends will be available on a first-come, first-served basis. Pre-approval from the department is required. No more than one stipend will be awarded per city or county and reimbursements will only be disbursed after the completion of the workshop.

The workshop is free, but pre-registration is required. Complete and submit to OECD the registration form attached to this announcement for each individual that will be attending. For more information, questions and scholarship applications please contact Connie Brautigam by phone at 503-986-0126 or by email at connie.brautigam@state.or.us All attendees must register by no later than January 31, 2008.

GMH Workshop Registration Form

DEADLINE: Registration forms must be submitted no later than January 31, 2008!

No more than two may attend from each agency/organization. Complete a separate registration form for each attendee.

Attendee Name: _____

Representing: _____

Address: _____

Phone: _____

e-mail: _____

Sessions attending:

Grant Management Workshop—February 12, 2008

Applicants Workshop—Concurrent Session 1—February 13, 2008

Labor Standards Workshop—Concurrent Session 2—February 13, 2008

Names of Persons who would attend future Grant Management Workshops held regionally around the State during 2008:

Name: _____ **Representing:** _____

Name: _____ **Representing:** _____

Name: _____ **Representing:** _____

Name: _____ **Representing:** _____

Name: _____ **Representing:** _____

Submit: Completed form(s) to Connie Brautigam by January 31, 2008

Mail

Oregon Economic and Community Development Department

Attn: Connie Brautigam

775 Summer Street NE, Suite 200

Salem, OR 97301-1280

Fax: 503-581-5115

E-Mail: connie.brautigam@state.or.us

Preparing environmental assessments for CDBG projects

Many projects funded with CDBG grants require completion of an environmental assessment (EA) to document how potential environmental impacts of the project will be avoided or mitigated. In the development of an EA, the CDBG grant recipient must gather and analyze a variety of information to assess potential environmental impacts and determine compliance with a variety of federal statutes. When an EA is required, the environmental review record must contain, at a minimum, the following information (see 24 CFR Part 58 and the *Grant Management Handbook* Chapter 3 for more details):

- a) **Project Description/Location** (including maps)—provide a brief description and maps sufficient enough to allow the average reader a clear understanding of the project and its location
- b) **Statement of Process/Status of Environmental Review**—explain who's been involved in preparing the review record and discuss any relevant, prior environmental reviews
- c) **Project Site Description/Environmental Context**—summarize the existing environmental conditions at the project site(s), looking at potential impact areas including but not limited to land use, natural features and historic values
- d) **EA Checklist**—complete this to summarize project compliance with various federal statutes and document environmental impact analysis in seven key areas, indicating on the checklist where mitigation is needed to avoid/minimize impacts and providing references to information used to reach decisions about statutory compliance and project impacts
- e) **Alternatives Analysis**—provide a brief discussion of project alternatives considered, including a “no action” alternative
- f) **Analysis of Project Impacts and Mitigation Actions**—tied to the findings identified in the EA checklist, specifically discuss areas of potential impact that needed further study, permits, and/or mitigation. Include supporting documentation for conclusions drawn
- g) **Monitoring and Enforcement Procedures**—provide a description of proposed monitoring/enforcement procedures to be implemented for the project
- h) **Copies of Supporting Analyses/Studies/Information**—include any reports or other data used to support environmental review conclusions and decisions
- i) **Relevant Correspondence/Notices**—include copies of public notices, letters to agencies/organizations requesting review, comments received from the public or agencies/organizations, etc.

- j) **Record of Project Site Visits/Other Project Meetings**—include a list of key meetings and persons attending with meeting minutes where available
- k) **List of Participants in the EA Process**—include a list of agencies/organizations that participated or were at least invited to participate in the process
- l) **Finding/Signature by Certifying Officer**—a local elected official or formally designated staff of the local grant recipient must make a summary finding as to the significance of environmental impacts: (1) the project will have no significant impact on the environment or (2) the project will have a significant impact on the environment and requires further environmental review and documentation via an environmental impact statement.

CDBG Grant Management Handbook—2007 edition

OECD is pleased to announce that the CDBG *Grant Management Handbook* (GMH) has been completely updated for the first time since 2001. The 2007 edition of the GMH has been distributed to all non-entitlement cities and counties as well as other organizations and individuals interested in the CDBG. Copies also are available by contacting OECD (see contact information at the end of this newsletter).

The GMH is designed to help recipients of Oregon CDBG grants complete their projects while remaining in compliance with program regulations. The GMH contains the basic information that cities and counties need to begin, manage and close out a CDBG funded project. The handbook now contains 13 chapters, applicant checklists, numerous exhibits and voluntary CDBG tests for grant administrators. OECD also is working on an electronic version of the GMH for posting on the department's web site. We anticipate completion of the e-version GMH by early 2008.

**Program Year 2007—Performance Report
Outcomes of Projects Receiving CDBG Awards in 2007**

Funding Category	# Awards	Amount Awarded	Leveraged Funds	Performance Indicators	Expected Number	Total Persons	Total LMI Persons	# Communities Assisted
Economic Development	3: Milton Freewater, Pendleton, Hermiston	\$2,225,000	\$337,500	Jobs Created	90	90	46 (51%)	3
Microenterprise Assistance	7: Benton Co, Veneta, Independence, Maupin, Reedsport, Lincoln Co, Philomath	\$510,000	\$154,551	Microenterprises Assisted	198	198	158 (79.8%)	21—Allows regional partnerships (3 communities).
Water/Wastewater	6: Dayton, Powers, Halfway—Wastewater Facilities Plans, Haines—Wastewater Improvements, Mt. Angel—Water Master Plan, Adrian—Water System Improvements	\$2,362,500	\$175,635	Persons served	6,874	6,874	4200 (61.1%)	6
Downtown Revitalization	1: Woodburn	\$300,000	\$575,001	Persons served	20,100	20,100	11,175 (55.6%)	1
Brownfield Redevelopment	0	0	0	Acres Redeveloped	0	0	0	0
Community Facilities	4: Silverton, St. Helens—Senior Centers Myrtle Point, Warrenton—Food Bank Warehouses	\$2,522,000	\$1,359,273	Persons served	10,074	10,074	5,187 (51.5%)	4
Community Facilities	1: Coos Bay—Head Start	\$800,000	\$2,117,583	Persons served	160	160	82 (51%)	1
Community Facilities	1: North Bend—Domestic Violence Shelter	\$407,000	\$61,050	Persons served Beds created	12 beds	142	142 (100%)	1
Regional Housing Rehabilitation	9: Jackson Co, Sherman Co, Hermiston, Jefferson Co, Monmouth, Marion Co, Union Co, Benton Co, Coos Co.	\$2,810,219	\$579,000	Housing Units Rehabilitated	137	362	362 (100%)	27—Requires regional partnerships, of at least 3 communities.
Housing Resource Centers	8: The Dalles, Yamhill Co, Sutherlin, Coos Co, Vernonia, Jefferson Co, Baker Co, Lakeview	\$396,000	Not collected	Persons served	5,388	5,388	4,704 (87.3%)	24—Requires regional partnerships (3 communities.)
Partially funded projects	2: Idanha—Water System Improvements Newberg—Head Start	\$309,600	Expected Accomplishments Reported in Prior Year Reports					
	40 New Awards (+2 grant increases) OECD 2007 \$ 9,461,100 OECD PI \$0 OECD Re-capture \$0 OHCS 2007 \$ 3,206,219 Total \$12,667,319	\$12,667,319	\$5,359,593	Persons Served—42,596 Units Rehabed—137 (362 persons) Beds Created—12 (142 persons) Jobs Created—90 Acres Redeveloped—0 Microenterprises Assisted – 198		43,388	26,056 (60%)	88

Need more information about the program?

Check out the CDBG information on OECD's web site: econ.oregon.gov/ECDD/CD/index.shtml or call the department's regional coordinator for your area.

Oregon Economic & Community Development Department Staff				
(All categories, except Regional Housing Rehabilitation and Regional Housing Centers, see OHCS table 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	janet.a.hillock@state.or.us	503-229-5222
	Clatsop and Tillamook	Vicki Goodman	vicki.goodman@state.or.us	503-842-4045
Valley/Mid Coast	Marion, Yamhill	Michelle Billberry	michelle.billberry@state.or.us	503-986-0142
	Benton, Lincoln, Linn	Louise Birk	louise.r.birk@state.or.us	503-986-0130
	Lane, Polk	Jim Zelenka	jim.zelenka@state.or.us	503-986-0136
Southwest Region	Coos, Curry, North Douglas	Becky Bryant	becky.a.bryant@state.or.us	503-986-0096
	South Douglas, Jackson, Josephine	Fumi Schaadt	fumi.schaadt@state.or.us	503-986-0027
Central Region	Gilliam, Sherman, Wasco, Wheeler (Hood River)– Microenterprise projects statewide	Beverly Kupperman	beverly.kupperman@state.or.us	503-986-0133
	Crook, Deschutes, Jefferson, Klamath, Lake	Mike Solt	mike.solt@state.or.us	541-388-6201
Eastern Region	Baker, Grant, Harney, Malheur	Gary Viehdorfer	gary.w.viehdorfer@state.or.us	503-986-0099
	Hood River, Morrow, Umatilla, Union, Wallowa	Del Little	del.l.little@state.or.us	503-986-0261
Program and Policy Coordinators	Statewide non-entitlement areas	Mary Baker	mary.a.baker@state.or.us	541-779-9685
		Christine Valentine	christine.valentine@state.or.us	503-986-0132
Community Development Division Interim Manager	Statewide non-entitlement areas	Ann Hanus	ann.hanus@state.or.us	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	ernest.kirchner@state.or.us	503-986-2136
Regional Housing Centers		Julie Marshall	Julie.marshall@state.or.us	503-986-2090
Single-Family Programs Manager	Statewide	Dona Lanterman	dona.lanterman@state.or.us	503-986-2120