



CITY OF MADISON

**Community
Development
Division**

CDBG

2013-2014

COMMUNITY DEVELOPMENT PROGRAM GOALS AND OBJECTIVES

Adopted by the Common Council on 03/20/2012

**CITY OF MADISON
COMMUNITY DEVELOPMENT DIVISION
2013-2014 COMMUNITY DEVELOPMENT PROGRAM
GOALS AND OBJECTIVES**

CONTENT

This two-year Goals and Objectives document is organized into six sections:

1. Executive Summary
2. A narrative explanation of the objectives and fundamental conditions
3. A table of target allocations, and a two-year implementation method
4. A description of the principal cross-cutting goals
5. A description of reserve funds and the Affordable Housing Trust Fund for certain housing, recreation/service facilities and experimental projects, and separate processes for State ESG-funded homeless services
6. A description, roadmap and checklist of the two major paths to apply for funds

SECTION 1: EXECUTIVE SUMMARY

The purpose of the Community Development program is to help make Madison “a more viable urban community by providing decent housing and a suitable living environment and by expanding the economic opportunities for low- and moderate-income persons (defined as individuals/households whose income does not exceed 80% of the area median income).” The program will work with primarily the non-profit community and neighborhood groups, and their associated business, resident, and neighborhood partners as well as other funding partners and labor unions to plan, develop and invest in projects which contribute to the 2010-2014 goals and objectives established by the CDBG Committee, Mayor, and Common Council in consultation with City of Madison citizens. Community Development staff and the CDBG Committee will also take into consideration the goals and objectives of the comprehensive plan and any applicable neighborhood plans.

Objectives and Funding Sources

The CDBG Committee has established five primary goals and eleven outcome objectives for the use of funds to be administered by the Community Development Division (CDD) in 2013 and 2014. These funds include three major Federal programs administered through the Department of Housing and Urban Development (Community Development Block Grant, HOME and Emergency Solutions Grant) several State-funded or administered programs and local City of Madison funds. The goals and objectives for this two-year period were established through the development of the 2010-2014 HUD Consolidated Plan and support other Department and Citywide strategic goals, objectives and allocation processes.

Copies of the Five-Year Consolidated Plan, or its summary, may be obtained from the CDD by calling 266-6520; copies of the executive summary are available on the City’s website at www.cityofmadison.com/cdbg.

The following pages include a summary chart of the 2013-2014 goals and objectives as well as a detailed narrative of each goal, objective and the fundamental conditions.

Primary goals	Product (Customer Group)	Nature of Project Achievement or Outcome
Improve and expand affordable housing options	A. Owner-occupied housing	Housing made accessible, brought to code, or made safer or more energy-efficient
	B. Housing for buyers	Households become homeowners
	D. Rental Housing	Housing units created, renovated to code or made accessible, better managed, and affordable; "fairly" sited
Expand businesses to create jobs and assist with the development of small businesses (microenterprises)	E. Business development and job creation	Jobs created which meet wage standard levels or create advancement opportunities, with 51% for LMI
	F. Economic Development of small businesses (microenterprises)	Businesses created and viable after 3 years
Strengthen neighborhoods through the operation of neighborhood centers, community gardens and implementation of strategic neighborhood revitalization efforts	G. Improvement of community focal points	Centers and community gardens operated, sustained, developed as neighborhood focal points
	L. Revitalization of strategic areas	Priority projects completed effectively in a three-year period in ways which support healthy neighborhoods; other activities may include a 4-5 year effort in areas which need a longer period of revitalization
Increase the access of low and moderate income households and community groups to resources through the improvement of community service facilities, enhancement of informational services and employment and training opportunities	J. Improvement of services to homeless and those with the potential of becoming homeless	Household informed, placed into housing, or helped to avoid homelessness
	K. Physical improvement of community service facilities	Adequate space acquired or improved for accessibility, energy, code or customer service improvements
	X. Expansion of individual choice and access to resources	Increase access to housing, information and other non-monetary resources and support for employment and training opportunities.
Administer the Community Development program to meet the community needs and funder requirements	Z. Overall program administration	Develop, guide and manage activities which generate long term impact and self-sufficiency, including the provision of fair housing services. Achieve National and local cross-cutting objectives.

The CDD will prioritize assistance to businesses located in areas of priority to the City, including Neighborhood Resource Team (NRT) areas. **GOAL CATEGORY THREE: STRENGTHENING MADISON'S NEIGHBORHOODS**
Strengthen neighborhoods through the operation of neighborhood centers, community gardens and implementation of strategic neighborhood revitalization efforts.

OUTCOME OBJECTIVE G: Improvement of Community Focal Points

Create, enhance, or sustain the operation of neighborhood centers, community gardens or other focal points that bring people of diverse backgrounds together, serve as neighborhood focal points, or provide residents with skills or opportunities that will lead to stronger neighborhoods.

Conditions

1. Projects must demonstrate coordination with other community groups and the support and participation of neighborhood residents.
2. Projects must demonstrate that their service area contains a minimum of 51% lower income individuals, or at least 51% of their participants are lower income individuals.
3. The Committee will consider funding centers, community gardens or other focal points in a manner that contributes to the predictability of funding and stability of centers, gardens or other facilities while still recognizing that over time the needs change within a neighborhood. The Committee shall consider the quality of the programming, needs of the neighborhood, other resources existing in the neighborhood, resident participation and center user satisfaction in recommending funding for the centers.

OUTCOME OBJECTIVE L: Revitalization of strategic areas

Assist residents of designated neighborhoods in identifying opportunities and promoting sustainable revitalization efforts.

The Committee will reserve funds solely for use within an eligible CDD designated neighborhood/ census tract. Designated neighborhoods/census tracts shall be selected by the Committee using a variety of criteria such as demographics of the neighborhood, other data from Neighborhood Indicators, other active initiatives, neighborhood changes and date of last plan (if one exists), existing neighborhood resources and potential opportunities.

The Committee will provide planning funds for a 1 year period for each designated neighborhood/census tract, to include appropriate technical assistance for increasing the capacity of the neighborhood, and planning assistance for

preparation of a neighborhood plan or assistance in updating an existing neighborhood plan followed by a period of project funding.

The Committee will provide project funds for a 2 year period, for proposals submitted by a qualified entity sponsored by a City designated neighborhood committee in the designated census tract(s) with a Council-approved neighborhood plan.

Conditions

1. The Committee will provide funds to capitalized projects which are either one-time or will demonstrate self-sufficiency after the period of CDBG assistance. Projects categorized by HUD as planning/administrative or “public service” are not eligible.
 2. Capital and infrastructure projects normally funded by the City as part of the capital budget process are not eligible except for projects addressing accessibility or provide the neighborhood share of Madison Arts Committee projects or neighborhood park improvements.
 3. Projects must be consistent with the neighborhood plan or update developed by the neighborhood committee and approved by the Common Council. Neighborhoods will be encouraged to recommend projects that address interrelated issues within a comprehensive strategy and which generate a long-term positive impact on the neighborhood.
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GOAL/Objective		RFP for 2011-2012			Other Potential or Existing Funding Sources			
		CDBG ¹	HOME ²	ESG ³	Federal	State	City	
HOUSING	A	Owner-Occupied Rehab	3 %	5 % ⁴		EECBG		
	B	Buyer		7 %	41 % (12 % ⁴ + 29 %)		HCRI	TIF
			Housing Development Reserve Fund	3 %	10 %			Housing Trust Fund, HOME Match
	D	Rental			0 %		Housing Trust Fund, HOME Match, Scattered Site	
			7 %	29 %		, SHP	HPP	TIF
BUSINESS DEVELOPMENT	E	Job Creation	8 %					
	F	Micro-enterprise	Economic Development Reserve Fund	7 %				
				4 %				
STRENGTHENING NEIGHBORHOODS	G	Centers / Gardens ⁵	15 %				City levy	
	L	Strategic Area Revitalization	Concentration Neighborhoods	4 %			City levy (Emerging Neighborhoods)	
			Neighborhood Strategy Areas	0 %				
ACCESS TO RESOURCES	K	Facilities	Acquisition/Rehab Reserve Fund	4 %		EECBG	City levy (Capital Budget projects)	
	J	Homeless			92.5 % ³		ESG, THP	City levy
	X	Access to Resources		1 %				City levy
			Futures Fund	1 %				
OVERALL PROGRAM ADMINISTRATION	Z	Direct Administration & Support Services	36 % (18 % ⁶ + 18 % ⁶)	15 % (10 % ⁶ + 5 % ⁶)	7.5 % ⁶	EECBG, SHP	ESG,	
SUBTOTALS			100 %	100 %	100%			

¹ CDBG funds are limited to 15% for “public services” and 20% for administrative/planning/fair housing activities.

² HOME funds are limited to 10% for administration. Also, a minimum of 15% of the total HOME allocation must be used for activities carried out by certified CHDOs (Community Housing Development Organizations).

³ Federal ESG funds are limited to 5% for administration, 30% for homeless “essential services” and 30% for homelessness prevention activities.

⁴ Of the City’s estimated total HOME allocation, 5% is earmarked for the CED Deferred Payment Loan program and 12% is earmarked for the American Dream Downpayment Initiative (ADDI) program.

⁵ A minimum of 1/15 of the Centers/Gardens category (or 1% of the City’s estimated total CDBG allocation) is earmarked for community gardens.

⁶ The Committee has reserved 18% of the City’s estimated total CDBG allocation, 10% of the City’s estimated total HOME allocation, and 5% of the City’s estimated total Federal ESG allocation for program administration. Due to the variable nature of program income figures used in the HUD formula for calculating annual CDBG and HOME administrative caps, an additional 18% in CDBG funds and 5% in HOME funds have been set aside as part of an administrative “contingent reserve”.

Contract Process

The Community Development program will issue two-year projects a contract for a two-year period contingent upon successful performance and receipt of similar funding from HUD for year two. The CD program may also issue certain projects contracts for a one-year period.

Fund Allocation

The CDBG Committee will allocate all funds for this two-year period except for the reserve funds. The Committee will reserve sufficient funds to allow for emergency or short-lived opportunities that arise during the year.

SECTION 4: GENERAL CRITERIA AND CROSS-CUTTING POLICY AND GEOGRAPHICAL GOALS

General Criteria

The CDD will require projects to meet these national, state and local cross-cutting regulatory requirements:

1. Serve low and moderate income persons.
2. Take affirmative steps to utilize disadvantaged, women and minority business enterprises (D/W/MBEs).
3. Comply with the goals and requirements of the City's Section 3 Program which seeks to extend employment, training and contracting opportunities to low-income people and businesses.
4. Promote affirmative action, non-discrimination and equal opportunity in each of its assisted programs.
5. Comply with physical accessibility standards.
6. Minimize negative environmental impacts, and meet environmental goals.
7. Reduce lead paint hazards using certified inspectors, supervisors, workers and companies, as well as established lead safe work practices when required.
8. Reduce hazards caused by asbestos and asbestos containing materials and/or remove asbestos and asbestos containing materials using a certified asbestos abatement supervisor and a certified asbestos worker.
9. Comply with Federal Fair Labor Standards, and local Living Wage requirements.
10. Minimize displacement in acquisition or rehabilitation projects.
11. Affirmatively further fair housing, housing diversity, and housing choices.
12. Minimize both the direct and indirect displacement of persons. Where appropriate, the Office will adhere to the state and federal benefit levels and procedures. The CDD will also use its funds only in projects that minimize the demolition or conversion of affordable housing units to another use.
13. Avoid conflict of interest situations, and comply with anti-lobbying requirements. Note: If a group is seeking approval of a development that has over 40,000 gross square feet of non-residential space, or a residential development of over 10 dwelling units, or if a group is seeking assistance from the city with a value of over \$10,000 (this includes grants, loans, TIF or similar assistance), then the group is likely to be subject to Madison's lobbying ordinance, sec. 2.40 MGO. The group is required to register and report its lobbying. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000.
14. Adhere to the constitutional and regulatory provisions of separation of church and state and avoidance of public funding of inherently religious activities.
15. Design program operations to safeguard vulnerable populations, such as young children and frail elderly people.