

Mayor Byron W. Brown
Welcomes you to the
City of Buffalo's
Application Workshop for the
2012-2013 Annual Action Plan

October 13, 2011

Delavan Grider Community Center

877 East Delavan Avenue



Office of Strategic Planning

Summary

The City of Buffalo, through the Office of Strategic Planning (OSP), shall prepare the Annual Action Plan for the City's annual funding from the U. S. Department of Housing and Urban Development (HUD) for four formula grant programs.

OSP has prepared an application for grant assistance for use by community based organizations (CBOs). The purpose of this workshop is to review the application, particularly with respect to changes from the prior year.



Federal Grant Funds

Applications are being accepted for funding for:

- Community Development Block Grant (CDBG)
- public services
- Emergency Solutions Grant (ESG) Funding
- Housing Opportunities for Persons With AIDS (HOPWA) Funding

Federal Grant Funds

Applications are **not** being accepted at this time for:

- HOME Investment Partnerships

Funding under this Program will be done through a separate Request for Proposal (RFP) later in the year.



Major Changes to this Year's Application

Application has been Streamlined for Efficiency And Greater Transparency.

- The budget format has been changed to mirror the budget format in the Scope of Work contained in the BURA subrecipient agreement. This will enable agencies to cut and paste the budget in the application to the Scope of Work in the event they are approved for funding.

Evaluation of the Application

- Applications will be evaluated for:
 - ✓ Threshold requirements (eligibility, meeting national objectives)
 - ✓ Deficiency issues
 - ✓ Organizational Capacity (what is the need or problem – connection between what they said they are going to do and the need in the community). Capacity to carry out the program.
 - ✓ Financial Capacity – Timely tax return filings, financial statements, submission of vouchers.

Consolidated Plan

- The Consolidated Plan is a five-year planning document that identified community development needs and outlines strategies to meet those needs.
- The Consolidated Plan also serves as the application mechanism and budgetary document for the CDBG, ESG, HOPWA, & HOME Programs.
- Projects and Programs funded in the Annual Action Plan must be consistent with the City's Consolidated Plan.

Statutory Program Goals of the Consolidated Plan

Goal 1: Provide a Suitable Living Environment

- Improve the safety and livability of neighborhoods;
- Eliminate blighting influences and the deterioration of properties and facilities;
- Increase access to quality public and private facilities and services;
- Revitalize deteriorating neighborhoods;
- Restoring and preserving properties of special historic, architectural, or aesthetic value; and
- Conserving energy resources.



Statutory Program Goals – Continued

Goal 2: Provide Decent Housing

- Assist persons at risk of becoming homeless.
- Assist homeless persons to obtain affordable housing.
- Retain the affordable housing stock.
- Increase the availability of affordable permanent housing in standard condition to low and moderate-income families, particularly to members of disadvantaged minorities;
- Increase the supply of supportive housing which includes structural features and services to enable persons with special needs (including persons with HIV/AIDS) to live in dignity and independence; and
- Provide affordable housing that is accessible to job opportunities.



Statutory Program Goals - Continued

Goal 3: Expand Economic Opportunities

- Job creation and retention;
- Promote Small Business Development;
- Promote Neighborhood Commercial Strip Development;
- Promote Workforce Development;
- Provide public services concerned with employment;
- Provide access to capital and credit for development activities that promote long-term economic and social viability of the community; and
- Promote mortgage financing for low-income persons at reasonable rates using non-discriminatory lending practices.



Emergency Solutions Grant Activities

- Renovation or conversion of buildings for use as shelters for the homeless
- Provision of essential services to the homeless (limited to 30% of grant)
- Payment of operating costs (limited to 10% of grant)
- Homeless prevention activities (30% limit)



HOPWA Grant Activities

- Provides tenant-based rental assistance for persons with HIV/AIDS and their families
- Short-Term Rent, Mortgage & Utility Payments
- Housing information services
- Supportive services including permanent housing placement, counseling, limited health services
- Acquisition, Rehab, Conversion, Lease & Repair of Housing Facilities
- New construction of SRO housing for persons with HIV/AIDS



ESG & HOPWA Priority Needs

- Support homeless housing programs, Develop mechanisms to shelter the persistent and behavioral problem homeless population.
- Provide housing support for the non-homeless special needs population in the two county areas of Erie & Niagara counties.
- Better coordinate human services delivery for special needs populations.

Community Development Block Grant (CDBG) Activities

Applications may be submitted for:

- **Public Services** including child care, health care, job training, pre-employment skills & placement, youth services (recreation, educational, after-school tutoring), services for senior citizens (recreation, educational, transportation, nutrition), services for the disabled, crime awareness programs, fair housing activities, legal services, services for homeless persons, drug abuse counseling & referrals, energy conservation and testing.



CDBG - Priority Needs

- Elderly/Seniors Maintain and/or Improve Healthy Lifestyles
- Citizens have equal access to homes (Fair Housing and Anti-Discrimination)
- Adults have Literacy Skills
- Employment Training is available for youth and adults ready to join the job market
- Communities are Safe and Supportive



Meeting a National Objective for the CDBG Program

The authorizing statute of the CDBG program requires that each activity funded except for program administration and planning activities must meet one of three national objectives.

The three national objectives are:

- ❖ Benefit to low- and moderate- income (LMI) persons;
- ❖ Aid in the prevention or elimination of slums or blight; and
- ❖ Meet a need having a particular urgency (referred to as urgent need).

An activity that does not meet a national objective is not compliant with CDBG requirements.

Low/Mod Area Benefit

The area benefit category is the most commonly used national objective for activities that benefit a residential neighborhood. An area benefit activity is one that benefits all residents in a particular area, where at least 51 percent of the residents are Low/Mod Income (LMI) persons.



Low/Mod Area Benefit (continued)

Criteria includes:

- Area must be primarily residential
- Must determine service area of activity. (see next slide)
- The service area must be occupied by at least 51% LMI Persons. This is determined by the most recently available decennial Census information for Census Tract and Block Groups.
- Typical activities: water/sewer, parks, playgrounds, streets/sidewalks, community centers

Low/Mod Area Benefit - Continued

Determining Service Areas:

- **Consider the nature of the activity** - In general, the size and the equipment associated with the activity should be taken into consideration. A small park with a limited number of slides and benches would not be expected to serve the entire neighborhood. In the same way, a larger park that can accommodate a considerable number of people would not be expected to service just the immediately adjacent properties.

Low/Mod Area Benefit (Continued)

- **Consider The Location of the Activity** - In general, the immediate area surrounding a facility is expected to be included in the service area. Additionally, when a facility is located near the boundary of a particular neighborhood, its service area could likely include portions of the adjacent neighborhood as well as the one in which it is located.
- **Boundaries for public services** - The service area for some services are determined based on specified and established boundaries or districts. Examples of such services and facilities are police precincts, fire stations, and schools.
- **The City will review and make the final determination if the Service Area is reasonable and meets HUD's criteria.**

Low/Mod Benefit Limited Clientele

- **Activities that benefit specific populations**
 - Presumed clientele (This presumption covers abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers)
 - 51% of participants are LMI persons
 - Participation limited to LMI persons only
 - Be of such a nature and in such a location that it can be concluded that clients are primarily LMI.

Low/Mod Benefit Limited Clientele

- Removal of architectural barriers (some activities);or
 - Microenterprise activities with LMI owners; or
 - Certain types of job training efforts.
- Typical activities: job training, youth services, senior services, facilities for persons with special needs

Other Information for the Application

- You will still need to complete an application for each program that you are requesting funding for. Example, if you request funding for both a senior and a youth program, you would need to complete two applications.
- There are Forms to provide statistical information for CDBG, ESG, & HOPWA that are located at the end of the Application. Complete the applicable form and attach to each application you are submitting.
- There are two maps contained in the Handbook that will also be available on the City's website. Please define your service area on the Census Tract Map.

Other Information for the Application

Please note the distinction between the Organizational Budget required in the “Organizational Assessment” and the Program Budget required in the Application.

The Organizational Budget is a comprehensive budget including revenues and expenses for all the agency’s programs. The Program Budget should include only those revenues and expenses for one particularly program, such as a senior program.

Other Information for the Application

For applicants submitting an ESG Application, you will need to include a \$500.00 fee in the budget for the licensing fee of the Homeless Management Information System (HMIS) software that is required for reporting purposes.

CBO Capacity

- Agency Capacity will be a major qualifier in receiving assistance in next year's funding.
- Major areas of capacity are Board capacity, Board performance, staff qualifications, policies such as conflict of interest, governance policies, admin and personnel and financial policies.
- The City will offer technical assistance for agencies that do not have adequate board structure, strategic plans, etc.
- Every applicant must complete an “Agreement of Understanding of Technical Assistance Requirements” for possible required technical assistance training/meeting seminars.



Allowable Costs

- The **total cost** of a grant award is the sum of the allowable direct and allocable indirect costs less any applicable credits.
- To be **allowable** under an award, costs must meet the following general criteria:
 - Be reasonable for the performance of the award
 - Conform to any limitations or exclusions set forth in OMB Circular A-122 (for not-for-profit organizations)
 - Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the organization.
 - Be determined in accordance with generally accepted accounting principles (GAAP).
 - Be adequately documented



Reasonable Costs

A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the costs. In determining the reasonableness of a given cost, consideration shall be given to:

- Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the organization or the performance of the award.
- Factors such as generally accepted sound business practices, arms length bargaining, & terms and conditions of the award.
- Whether the individuals concerned acted with prudence in the circumstances



Allocable costs

A cost is allocable to a particular cost objective, such as a grant, contract, project, service, or other activity, in accordance with the relative benefits received. A cost is allocable to a Federal award if it is treated consistently with other costs incurred for the same purpose in like circumstances and if it:

- (1) Is incurred specifically for the award.
- (2) Benefits both the award and other work and can be distributed in reasonable proportion to the benefits received, or
- (3) Is necessary to the overall operation of the organization, although a direct relationship to any particular cost objective cannot be shown.



Direct Costs

Direct costs are those that can be identified specifically with a particular final cost objective, i.e., a particular award, project, service, or other direct activity of an organization.

Costs identified specifically with other final cost objectives of the organization are direct costs of those cost objectives and are not to be assigned to other awards directly or indirectly.



Direct Cost Examples

- Program Director
- Fringe benefits & payroll taxes for direct program personnel
- Program consultants (e.g., teachers for tutoring, lifeguard for swimming program)
- Program supplies
 - Books for tutoring program
 - Basketballs for recreation activities



Indirect Costs

We need to stay away from indirect costs.

However, please note that operational and administrative costs are okay!



Budget Detail

There is a new form for Budget Detail. It includes:

Personnel/Fringe – Provide rate of pay (hourly/salary) and percentage of time spent on project or hours per week.

Operating Costs – Provide describe of how you arrive at total for each line item. Line items include: materials & supplies, rent/lease, utilities, printing, travel (auto allowance), insurance (specify).

Purchase of Services – Provide detail for each item.



2012-2013 Adoption Process

(Tentative Timeline)

Public Hearing	10/12/2011
Application Workshop	10/13/2011
Application Process	10/12 – 11/10/2011
Mayor Recommendation	12/02 – 12/29/2011
Common Council Review	1/3/2012 – 1/24/2012
Public Hearing(s)	2/7 – 2/15/2012
(30-Day Comment Period)	30 days after Public Hearing
BURA Approval	3/15/2012
Submission to HUD	3/16/2012 (on or before)
Contracts Prepared	March 17 – June 1, 2012
HUD Approval	May 1, 2012
Permission to Contract Sent To BURA Bd for approval	Beginning May 1, 2012



Office of Strategic Planning

Questions

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Thank You



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