

FY 2021
 ERIE COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
 PROGRAM GUIDELINES

The Commonwealth of Pennsylvania receives federal CDBG funds from HUD each year and distributes it to eligible counties, cities, boroughs, and townships according to the provisions of PA Act 179 of 1984. The funds are intended to help create viable communities by providing decent housing, a suitable living environment, and expanded economic activities.

Presently, 50 Counties are “entitled” to receive an annual allocation of CDBG funds from the state. Erie County is one of those counties and since 1985 it has received approximately \$13.8 million in CDBG funding. **The amount the County will receive for FY 2021 is still unknown but we anticipate it will be approximately \$325,000. Eighteen percent (18%) of the allocation will be set aside for administration leaving approximately \$266,500 for projects.**

The County’s “entitlement” monies are to be used to assist “non-entitlement” boroughs and townships. A “non-entitlement” is a municipality that does not receive an annual CDBG allocation from the state or HUD. Of the 38 municipalities in Erie County, 29 are designated as “non-entitlement” and therefore **can apply for a share of the County’s grant dollars.** The twenty-nine (29) non-entitlement municipalities include:

Albion Borough	Greenfield Township	Summit Township
Amity Township	Harborcreek Township	Union Township
Concord Township	Lake City Borough	Union City Borough
Cranesville Borough	Lawrence Park Township	Venango Township
Elgin Borough	LeBoeuf Township	Waterford Borough
Elk Creek Township	McKean Borough	Waterford Township
Fairview Township	Mill Village Borough	Wattsburg Borough
Franklin Township	North East Township	Wayne Townshoip
Girard Borough	Platea Borough	Wesleyville Borough
Green Township	Springfield Township	

(Note: See Map: “Erie County Non-Entitlement and Entitlement Municipalities”)

APPLICATION DEADLINE

The deadline to submit an application is Tuesday, May 25, 2021. A copy of the application should be emailed in WORD to jberdis@eriecountypa.gov. An original of the application should be forwarded to:

Erie County Department of Planning
 150 East Front Street, Suite 300, Erie, PA 16507
 Attention: Joseph T. Berdis

PUBLIC HEARINGS

In accordance with CDBG regulations, County Planning will conduct two (2) public hearings regarding the CDBG program -- the *first* to obtain information on municipal needs and whether CDBG funds can be utilized to address these needs, and the *second* to obtain comments on the activities the County proposes to fund.

The First Public Hearing is *tentatively scheduled* for 3:30 PM on Wednesday, March 31, 2021 at County Planning. A hearing notice will be advertised in the Erie Times News at least one week prior to the day of the hearing.

GENERAL REQUIREMENTS

- The maximum amount of funds that can be requested is \$100,000. Requests less than \$50,000 are discouraged.
- A match is not required, however, the municipality must pay for engineering and construction inspection costs, if applicable. The municipality is also expected to pay any costs above what is provided in CDBG funding.
- No more than one application may be submitted unless approved by County Planning.
- If funded, the project is expected to be engineered and ready to bid within six (6) months of the County receiving its contract with the State. The County's application is normally submitted to DCED in October and a contract is provided the following March.
- Projects are to be consistent with the County Comprehensive Plan as well as local municipal plans.
- Projects should be designed to serve the immediate benefit area. CDBG funds are not to provide for over-designed systems (i.e., water, sewer) for future extensions.

PROGRAM REQUIREMENTS

To qualify for funding consideration an applicant must show that its project is: (1) an "Eligible Activity"; and (2) is "Fundable" in that it meets one of the three (3) National Objectives of the program.

ELIGIBLE ACTIVITIES - CDBG funds can be used to undertake a wide array of activities that include, but are not limited to:

- Water, sanitary sewer, and storm sewer construction
- Street rehabilitation/reconstruction
- Sidewalk and curb replacement including removal/replacement of curb-cut ramps for ADA accessibility
- Park/recreation improvements
- Removal of architectural barriers to provide handicapped accessibility
- Single Family Housing Rehabilitation
- Homeownership assistance (i.e. assistance with down payment and closing costs) if coupled with housing rehabilitation
- Fair housing activities
- Public services (i.e. services to assist senior citizens, disabled persons, and those who are food insecure *(not to exceed 15% of the grant allocation)*)
- Program administration *(provided by the Erie County Department of Planning at a cost not to exceed 18% of the grant allocation).*

(Note: See List of projects funded over the last 4 fiscal years)

NATIONAL OBJECTIVES ("Fundability") - Each CDBG "eligible" activity must meet one (1) of the three (3) National Objectives of the program:

- ✓ Principally benefit low-to-moderate income (LMI) persons,
- ✓ Aid in the prevention or elimination of slums or blight, or
- ✓ Meet a community development need having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available to meet the need.

Of the three (3) objectives, the *primary objective* is to Principally Benefit Low- to-Moderate Income (LMI) persons. The other objectives are rarely if ever met.

"Principally benefitting" means that at least 51% of the persons to benefit from a project must be LMI. A LMI person is an individual whose income is no more than 80% of median income for the area as determined by HUD, based on a four-person family and adjusted upward or downward for larger or smaller families. The most current income limits are as follows:

FY 2020 Income Limits (Effective 4/07/2020)	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Low-to-Moderate (80% of Median Income)	\$40,050	\$45,800	\$51,500	\$57,200	\$61,800	\$66,400	\$70,950	\$75,550

Note: These income limits will likely change this April. If a survey is started before they are updated, the 2020 income limits will apply. If a survey has not been initiated and the new income limits are released, the new limits must be complied with.

CRITERIA ON HOW AN ACTIVITY MAY BE CONSIDERED TO BENEFIT LMI PERSONS

Four (4) categories can be used to meet the LMI national objective:

- Area benefit activities;
- Limited Clientele activities;
- Housing Activities; or
- Job creation or retention activities (Note: The County does not use its CDBG funding for job creation/retention)

Low Mod Area Benefit (LMA)

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 LMI persons. *Examples of Area Benefit activities include road reconstruction, water and sanitary sewer line replacement, and replacement of sidewalks and curbs.*

Low Mod Limited Clientele (LMC)

The “limited clientele” category is a second way to qualify specific activities under the LMI National Objective. LMC generally refers to a clientele who are *presumed by HUD to be principally low-to-moderate income persons*. This presumption covers abused children, battered spouses, elderly persons (62+ years of age), severely disabled adults, homeless persons, illiterate adults, persons living with AIDS and migrant farm workers. *Activities that would generally be expected to qualify under the LMI Limited Clientele category include installation of new ADA curb-cut ramps; construction/rehabilitation of a senior center; and public services for the homeless and elderly.*

Low Mod Housing Activities (LMH)

The “Housing” category of LMI National Objective qualifies activities that are undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by LMI households. *The most common LMH activity is single-family housing rehabilitation.*

HOW TO DETERMINE CONCENTRATIONS OF LMI PERSONS

Concentrations of LMI persons can be determined in one (1) of two (2) ways:

(1) American Community Survey (ACS) 2011-2015 Data: ACS data can be referenced when a project’s benefit area generally coincides with a census geographic area - census tract/block group - that has an LMI concentration of 51% or above. Based on recently released data, two (2) of the County’s 29 non-entitlement municipalities have community-wide LMI populations greater than 51%.

- **Springfield Township - 51.91% LMI**
- **Wattsburg Borough - 55.88% LMI**

Projects benefiting the entire municipality would meet the program “fundability” requirement in that the primary objective of principally benefitting LMI persons would be met. *Please note that this does not guarantee funding from the County, but only that the National Objective has been met which is a prerequisite for funding consideration.*

In addition to the above-noted municipalities, some communities (see below), while not having a community-wide LMI population, have a Census Block Group that is = to or > 51% LMI. As such, a project benefitting that Block Group would meet the “fundability” requirement. These municipalities include:

- Union City Borough - Block Group 2 - 55.87% LMI
- Lake City Borough - Block Group 4 - 55.21%
- Albion Borough - Block Group 2 - 52.11% LMI
- Harborcreek Township - Block Group 2 - 65% LMI
- Wesleyville Borough - Block Group 1 - 54.92%

Note: See Map -- Erie County CDBG Program Jurisdiction with LMI data

(2) Income surveys – Most project service areas do not coincide with a census geographic area that is 51% LMI and therefore it becomes necessary to undertake an *income survey* of the neighborhood/area that will benefit from the project to determine fundability.

County Planning must be contacted for assistance in the identification of the benefit/survey area and in undertaking an income survey. In the past, the ECDP would conduct the survey by mail, attempting a maximum of three (3) mail-outs to solicit a response, after which if additional surveys were needed, the applicant would go door-to-door. This is no longer the case, as the last few years have shown that people are unwilling to complete and return the mail survey form in a timely manner. As such, the applicant will need to go door-to-door to solicit responses.

Note: See Income Survey Form

SELECTION OF PROJECTS

Applications meeting the “eligibility” and “fundability” requirements will be forwarded to the Erie County Planning Commission (ECPC) for review and ranking. The project rankings and funding recommendations will be forwarded to the County Executive for review/selection. Once the projects are finalized, a second hearing will be scheduled to identify the proposed projects and to take public comment. Thereafter, at a time yet to be determined by DCED, the County will submit its application to the state.

Attachments:

- **Map - Erie County Non-Entitlement and Entitlement Municipalities**
- **List of projects funded over the last 4 fiscal years**
- **Map - Erie County CDBG Program Jurisdiction with LMI data**
- **Income Survey Form**