

**Community Development Block Grants (CDBG) Recovery Act
Program Implementation Plan
April 8, 2009**

Statement of Intent of Funds

The intent of these funds is to assist local governments in implementing additional community development projects in economic development, housing and infrastructure. As required by the Recovery Act, the state will prioritize the awarding of CDBG projects that are bid-based contractable within 120 days from date of funding availability.

Federal Agency in Charge – Housing and Urban Development, Office of Community Planning and Development (HUD).

Dollars Involved

Federal Funding - \$1 billion

Colorado total dollar available statewide - \$10,375,141

Colorado State Government share for competitive grants in non-entitlement communities - \$2,861,220

Remaining \$7,513,921 of CDBG dollars distributed to entitlement communities.

Conduit for distribution of state share – Department of Local Affairs (DOLA)

Susan Kirkpatrick, Executive Director

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Match Requirement

None

Competitive Process

Eligible Applicants for competitive grants include non-entitlement towns and cities with populations of less than 50,000 and counties with populations less than 200,000. For Public Facilities Projects a minimum of 51 percent of the project beneficiaries must be low/moderate income. Economic Development Projects must create jobs per normal CDBG criteria, with more than 51 percent of the jobs filled by persons of low and moderate income. Housing Projects must benefit households whose income is below 80 percent of Area Medium Income (A.M.I.).

Eligible Activities

Public Facilities, Housing, and Economic Development. For application and process for each activity click on the following: Public Facilities, Housing and Economic Development.

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Process Plan and Decision-Making

Proposed Operational Plan: Convene a working group which includes representatives from Colorado Municipal League (CML), Colorado Counties Inc. (CCI), Special District Association (SDA), and three representatives from non-entitlement communities.

Timeline

1. Funding announcement – April 9
2. Announcement with stakeholders (CML, CCI, and SDA) of the \$2,861,220 available, (date to be determined).
3. Current CDBG application process will be utilized.
4. As required by Recovery Act, the state will prioritize the awarding of CDBG projects that are bid-based contractable within 120 days of date of funding availability. Currently it is not known when the funds will be available.
5. Dollars must be spent by September 30, 2010.

Staff in Charge of Grant Process

- Housing projects: Division of Housing Regional Managers
- Public facility projects: Division of Local Government Regional Managers
- Economic development projects: Office of Economic Development and International Trade.

Federal Reporting Requirements

CDBG reporting requirements:

- a. Same as traditional program
- b. Include projected job retention and or generation based on demographer metrics. Actual job creation/retention requirements must be met or exceeded on economic development projects.
- c. Award and status of projects published on both DOLA and Colorado Recovery Act web site. Information must include the following:
 - Project awarded
 - Description of the project and applicant
 - Project outcome description
 - Location of the project by county and city
 - Estimate of number of jobs generated.
 - Project timeframe for completion

Legislative Action Needed

There is a need for state legislation to exempt state grants to local governments and non-profits from the requirements of legislation SB-07-228 which considers grants the same as contracts for personal services.

One way to assist in reducing the work load is to change the current interpretation that grants are considered the same as personal service contracts. The legislation, SB-07-228 passed and it did not specifically state that grants were considered similar to contracts for personal services and therefore the grant programs continued with the historic interpretation of being exempt. In 2008,

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this interpretation was changed and grants are considered similar to personal services which then requires significant additional recording, monitoring and reporting.

Communication plan

The Department of Local Affairs will contact the following stakeholders by March 31.

Colorado Municipal League (CML)

Colorado Counties Inc. (CCI)

Special District Association (SDA)

Regional Associations/Councils of Government

Communication Timeline

1. Executive Director of DOLA announces the availability of \$2,861,000 in partnership with Colorado Municipal League (CML) and Colorado Counties Inc. (CCI) and their key board members on April 9th.
2. The department posts and updates the CDBG Recovery Act info on the DOLA website.
3. The department partners with CML and CCI to publish articles in the association electronic newsletters in April.
4. DOLA Community Development Block Grant Team evaluates and recommends a prioritized list of projects to Executive Director for final decision on project(s) to award.
5. The department utilizes established email listserv tool to inform the fourteen regional local government associations on April 9.
6. DOLA partners with the Governor's Office of Economic Development and International Trade (OEDIT) to publish Community Development Block Grant Recovery Act information on their respective web sites.
7. DOLA and OEDIT Regional Managers and Business Representatives communicate the availability of CDBG dollars to communities and stakeholders.

Opportunity for Small Businesses, MBE/WBE

No opportunities for small business, MBE/WBE identified at this time in terms of the state's role. However, there may be opportunities in the future.

Special Media Announcement Opportunities

Media announcements are possible, especially when local government projects reach completion.

Lead Staff Responsible

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