

# DCED Update

Regional Housing Advisory Committee  
Meeting

**November 2009**

## Agenda for RHAC Meeting

- Updates from DCED and PHFA
- DCED Update
  - Significant Changes / State Budget
  - Federal Programs
  - Recovery Act (ARRA) Programs
- Discussion / Q&A on Implementation of ARRA Programs
- Dept of Health – Lead Paint and Lead Poison Programs
- Focus on Furthering Fair Housing

## Changes

Jackie Parker, Appointed Deputy Secretary for Community Affairs and Development

Upgrades to DCED's Single Application

New Approach to Provide Information to Grantees:  
***Community Development and Housing Practitioners:  
Alerts & Updates***

## State Community Development 2009-10 Budget

Housing and Redevelopment Assistance: \$20 million  
(Down from \$32,058,000)

New Communities (Main St., Elm St., EZ): \$11.25 million  
(Down from \$15,305,000)

PA Accessible Housing Program: \$1,111,000  
(Down from \$2,961,000)

## Federal Programs (FY 2009 Funding)

- Community Development Block Grant: \$46,555,566  
1.6% Increase (Potential 12.6% Increase for 2010)  
Section 108 Loan Funds – Active Use in Past Year
- HOME: \$29,248,014 – 10.4% Increase (9.7% w/ ADDI)  
(Potential 9.5% Increase for 2010)
- Emergency Shelter Grant: \$3,245,519  
0.1% Increase (Potential 11.8% Increase for 2010)
- Continuum of Care (for Homeless): \$14,403,186 (2008)

## HUD Programs Authorized Under ARRA

DCED administers the following HUD Programs:

- Community Development Block Grant-Recovery (CDBG-R)
- Homelessness Prevention and Rapid Re-housing Program (HPRP)
- Neighborhood Stabilization Program (NSP) 1 and 2

DCED administers DOE: Weatherization Program

## CDBG-R Overview

### Federal Entitlements

\$46,378,308 to 47 of the largest counties & local gov'ts  
(Direct From HUD – DCED does not administer or oversee)

### DCED Allocation

\$12,434,921 to smaller communities and rural areas  
(Not Available to Federal Entitlements)

State Statutory Restriction: DCED can be no more restrictive on its grantees than HUD is on direct CDBG recipients

## CDBG-R Use of Funds

**Eligible Uses:** Virtually Any Regularly Eligible CDBG Activity

### Activities Proposed by DCED Grantees Include:

- Housing Rehabilitation
- Water, Sanitary Sewer, and Stormwater Infrastructure
- Street, Road, and Streetscape/Sidewalk Infrastructure
- Public Facilities
- Recreation Improvements
- Economic Development
- Demolition

## CDBG-R Overview (Cont'd)

### DCED State Act 179 Formula Allocations:

- 27 Cities: \$93,960 each
- 120 Boroughs & Townships: \$33,470 each
- 50 Counties: \$80,320 each
- \$1,616,903 Competitive Grants: 4 grantees

### Program Status and Critical Dates:

- HUD Notice Issued: May 4, 2009
- Applications Due: May 29, 2009
- HUD Approval of Action Plan: Sept 21, 2009
- Contracting: October 2009
- All Funds Must Be Expended: Sept 30, 2012

## HPRP Overview

### Direct Allocation Recipients

\$66,572,167 to 33 of the largest counties & local gov'ts  
(Direct From HUD – DCED does not administer or oversee)

### DCED Allocation

\$23,411,484 to smaller communities and rural areas  
(Available Statewide – Including within Direct Allocation Recipients)

## HPRP Eligible Uses / Households (Formula & Competitive)

### Eligible Uses of HPRP Funds

- Financial/Rental Assistance (18-month limit)
- Relocation and Stabilization Services  
(case management and legal services)
- Data Collection/Evaluation  
(Homeless Management Information System – HMIS)
- Administration

**Household Eligibility:** <50% of Area Median Income & Homeless or At-Risk of Homelessness (Doubled Up, Leaving Prison, State Hospital, or Child Welfare System)

**Priority:** New Homeless & Newly At-Risk

## HPRP Overview – Cont'd

### Components of DCED Action Plan

- County Housing Partnerships (\$20,065,428) - Formula
- Underserved Pop. & Pilot Initiatives (\$1,800,487) - Competitive
- Legal Services (\$585,287)
- Data Collection / HMIS Costs (\$375,000)
- Admin (\$585,282 DCED; \$585,287 Local – 2.5% each)

## HPRP Overview – Cont'd

### Program Status and Critical Dates

- HUD Notice Issued: March 19, 2009
- Action Plan: May 18, 2009 (Submitted)  
July 2, 2009 (Approved)
- Subrecipient Awards Made: Sept 15, 2009 (Comp.)  
10 of 26 Apps Awarded  
Sept 17, 2009 (Formula)  
63 Apps Awarded
- Deadline to Obligate Funds: Sept. 30, 2009
- Deadline to Expend Funds: August 12, 2012

## NSP Overview

### HUD Administers Two Programs

#### Housing and Economic Recovery Act of 2008 (Formula)

**NSP1:** \$28,491,489 to Allegheny County, Allentown, Philadelphia, Pittsburgh, and York County  
(DCED does **not** administer or oversee)  
\$59,631,318 formula allocation to DCED  
(All areas eligible statewide)

#### American Recovery & Reinvestment Act–2009 (Competitive)

**NSP2:** ½ Amount of NSP1 Appropriated  
DCED submitted Consortium Application  
Other Direct Applicants: Allegheny County, Erie City, Oil City, Philadelphia, Pittsburgh and Reading

## NSP Overview – Cont'd

### NSP Eligible Uses/Activities

- Financing Mechanisms (Foreclosed Homes)
- Acquire, Rehab, Resale (Foreclosed Residential Properties)
- Land Banks (Foreclosed Residential Properties)
- Demolition (Blighted Properties) \*\*10% Limit for NSP2\*\*
- Redevelopment including new construction & housing counseling (Vacant or Demolished Properties)

\*\*Limited to residential construction for NSP2\*\*

## NSP1 Overview – Cont'd

### Application Quick Facts

- 57 applications received; \$173.5 million requested
- 30 applications approved; \$57.2 million (as of August 3, 2009)
- 630+ housing units assisted; 300+ units demolished

### Program Status and Critical Dates

- HUD Notice Issued: Sept 29, 2008
- Action Plan Submitted: Dec 1, 2008
- Applications Due: Feb 6, 2009
- Announced Awards June 10, 2009
- Deadline for Local Obligation: Sept 20, 2010
- Deadline for Expenditure: Mar 19, 2013

## NSP2 Overview

### Application Quick Facts

- DCED established instructions and minimum standards for participation in Consortium application
- Consortium Included: PHFA (for HEMAP), Allentown, Butler City, and Luzerne County
- Application Total Request: \$13,144,000

### Program Status and Critical Dates

- HUD Notice Issued: May 4, 2009
- Application Submitted: July 15, 2009
- Deadline for Fiscal Contracts: Dec 1, 2009
- Deadline for Expenditure: 3 Years from Contract Start

## ARRA Reporting

- Quarterly – started 3<sup>rd</sup> Quarter 2009 (ending 9/30/09)
  - Cumulative Reports
  - Monthly Items: To Be Determined (Jobs/Contracts Issued)
- Issues / Concerns
  - Counting Jobs at Subrecipient Level
  - MBE / WBE Goals set higher by Executive Order
  - Buy America provisions
  - Payments during quarter over \$25,000
  - Infrastructure projects
  - Highly Compensated Officers Affidavit
- Community Development and Housing Practitioners:  
Alerts & Updates

## Weatherization Assistance Program

The American Recovery & Reinvestment Act (ARRA)

- Provides \$252.8 Million for weatherization services
- Is designed to help low-income households decrease energy consumption & costs
- Weatherize at least an additional 29,700 housing units over the next 2-3 years, in a cost effective and safe manner (Reduce Pennsylvania energy usage by the equivalent of providing total household energy to 7,000 homes a year)
- Puts 1,000 Pennsylvanians to work by increasing demand for skilled weatherization professionals