



MEMO FROM COUNCIL OFFICE:

To: Members of the Common Council

From: Ash Kulak, Deputy Council Administrator/Attorney

Date: January 12, 2024

Re: Resolution 2024-01 - To Approve Recommendations of the Mayor for Distribution of Community Development Block Grant (CDBG) Funds for 2024

Synopsis

The City of Bloomington is eligible for a Community Development Block Grant (CDBG) from the U.S. Department of Housing and Urban Development estimated to be \$855,868. This resolution outlines program recommendations by the Mayor with input from the Citizen's Advisory Committee and the Redevelopment Commission. Pursuant to federal regulations, CDBG allocations are made across the following general program areas: Social Services Programs, Physical Improvements, and Administrative Services.

Relevant Materials

- Resolution 2024-01
- Staff Memo - Anna Killion-Hanson, Interim Director, Housing and Neighborhood Development Department
 - Includes Project Summaries and CAC membership
- Redevelopment Commission Resolution 23-104
 - Exhibit A - Physical Improvement Recommendations by Citizens Advisory Committee
 - Exhibit B - Social Service Recommendations by Citizens Advisory Committee
- Citizens Advisory Committee Materials
 - CDBG Eligibility Guidelines
 - Social Services - Application Scoring Criteria
 - Social Services - Final Allocation Worksheet
 - Physical Improvements - Final Allocation Worksheet

Summary

Resolution 2024-01 approves the Mayor's recommendations for allocating Community Development Block Grant (CDBG) funds for 2024. Information and resources related to the CDBG Program can be found on the [HUD Exchange Explore CBDG Programs webpage](#). More information about eligibility and requirements can be found in the CDBG Program's [Entitlement Program Fact Sheet](#) and a general overview fact sheet [About the CDBG Program](#).



As an “entitlement” city, the City of Bloomington receives CDBG funds from the U.S. Housing and Urban Development Department (HUD). HUD determines the amount of each entitlement grantee’s annual funding allocation by a statutory formula that uses several objective measures of community needs, including the extent of poverty, population, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas. The City expects to receive approximately \$855,868 in CDBG funding this year.

Citizens Advisory Committees

HUD administers and regulates CDBG funds. HUD requires that funding for all projects and programs be tied to HAND’s [Consolidated Plan](#). Additional information made available to applicants can be viewed online at [CDBG Application Information page](#).

The *2020-2024 Consolidated Plan* was used to inform this round of allocations. The City also relies on a CDBG Citizens Advisory Committee (CAC), which is divided into two subcommittees: Social Services and Physical Improvements. The membership of CAC is as follows: two City Council members, two Redevelopment Commission members, and up to 18 community members appointed by the Mayor. The CAC meets as a whole committee only at the beginning of the process for an Organizational meeting. After that, each subcommittee meets separately. These two subcommittees review applications and make recommendations for the allocation of funds.

Process

The CDBG funding process spans about 10 months from September/October of one year to June/July of the next. Council consideration of allocations has often occurred in February/March and funds may become available in June/July. In the months prior to that, the following occurs:

- In September, application and submission information becomes available for interested agencies.
- In October, agencies must submit a letter of intent outlining their proposal and attend a mandatory training.
- In late November/early December, completed applications are due.
- In January, CAC holds public hearings to consider and make recommendations.
- In February, the Redevelopment Commission reviews the recommendations of CAC and forwards its decision to the Mayor, who then forwards them to the Council.

Note that this year, the Council is being asked to consider allocations earlier than normal, since the CAC met and made its recommendations for allocations for both social services and physical improvements at the end of November of 2023, and the RDC reviewed and approved those recommendations in early December of 2023.



City of Bloomington Indiana

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Eligibility and Allocation

HUD regulations require that the city use at least 70% of CDBG funds for the benefit of low-to-moderate income persons. The remaining funds may be used to prevent or eliminate blighted areas or to address community development needs arising from serious and immediate threats to the health or welfare of the community. HUD regulations also require that CDBG funds be allocated among three categories according to the following formula: no more than 15% may be allocated for social service programs; no more than 20% may be used for administrative costs; and at least 65% must be used for physical improvements. The allocation of funds in this resolution is split along those exact criteria.

As noted in the opening paragraph, the funding figure of \$855,868 is an estimate and HUD may send the city more or less than the expected amount of funds. For that reason, the recommendations and resolution specify how funds will be allocated in the event of a surplus or shortfall.

Contact

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