

**9-24-09, Office of Grants Management:
Community Development Block Grant-Recovery (CDBG-R) Recommended Projects
Under the American Recovery and Reinvestment Act (ARRA)**

HUD Requirements and Priorities for the CDBG-R

- City of Atlanta is receiving **\$2,249,040** in CDBG-R funding.
- CDBG-R is a Substantial Amendment to the 2008 Annual Action Plan of the Consolidated Plan.
- All regular CDBG activities are eligible but HUD is prioritizing job creation and retention, economic benefit, and energy efficiency.
- Quarterly performance reporting is required and must include funds obligated and expended by project; completion status of each project; and jobs created and retained.
- All funds must be under contract within 120 days of HUD's issuance of grant agreement (timing not yet known). For infrastructure projects, 50% of funds must be under contract within 120 days after February 17, 2009, or by June 17, 2009. (Effectively eliminates infrastructure projects from consideration.)
- Infrastructure projects are expected to use iron, steel, and manufactured goods produced in the United States; a HUD waiver can be requested (but realistically could not be granted within the CDBG-R timeline for contracting).
- All funds must be **expended by September 30, 2012.**

Timing for the CDBG-R process

- Substantial Amendment to the 2008 Consolidated Plan for CDBG-R due to HUD on **June 5, 2009.** The Amendment described the specific projects to be implemented.
- **Final project selection was determined by May 20, 2009.**
- Pending legislation before CD/HR Committee must be substituted for projects by May 20, 2009.
- Final legislation approving the projects and authorizing submittal of the CDBG-R Substantive Amendment was **adopted by full City Council on June 1, 2009.**
- An expedited citizen participation process is allowed, with 7 days for citizen review. NPUs were informed of recommended projects by May 25, 2009.

Parameters for City of Atlanta Project Selection

- Review limited to proposals already in hand. With application due on June 5, no new proposal solicitation could be conducted, or was expected by HUD.
- Must primarily benefit low/moderate income; HUD's 70% rule is in effect for CDBG-R funds.
- Review limited to organizations that have received ConPlan grant funding from City before and that have good track record of timely implementation, proper reporting, and grant compliance.
- Focus on projects that meet one of the following priorities: economic benefit, energy efficiency, and/or support for other Stimulus-funded activities.

Funded Projects

Municipal Market Improvements	\$789,040
Furniture Bank Acquisition	600,000
Housing Weatherization	500,000
Housing Demolition	190,000
Clean Street Team	<u>170,000</u>
TOTAL	\$2,249,040

Summary of Funded Projects

Project Name: Municipal Market Improvements
Non-Profit Organization: Municipal Market Company
Funding Amount: \$789,040
Activities: Roof replacement, bathroom renovations, interior and exterior signage, HVAC installation, plumbing, electrical and lighting improvements, security, fire safety and elevator upgrades, door replacements, design for improvements and energy audit assessment.
Why Selected for CDBG-R: Directly related to stated HPRP goals by providing investments needed to increase economic efficiency and to foster energy independence through interior and exterior improvements to the historic City-owned facility. Improvements contribute to the Market's self-sufficiency and improve economic viability by reducing energy costs, assisting 25 existing and 4 new tenants impacted by the economy by improving retail space, and creating 35 temporary constructions jobs. Serves low/moderate income shoppers in an area with no other food-shopping options.

Project Name: Furniture Bank Acquisition
Non-Profit Organization: Furniture Bank of Metro Atlanta, Inc.
Funding Amount: \$600,000
Activities: Acquisition of vacant warehouse to replace existing, smaller facility in gentrifying commercial area where Furniture Bank will soon lose its lease to higher-paying uses. Agency will provide moving costs, renovation (vacant facility has been stripped). Resources that have been used for rental fees will go instead to provision of furnishings for formerly homeless who are returning to stable market-rate housing. Freed-up funds will help offset loss of donated furnishings from commercial enterprises, which have dropped badly in current economic crisis; beds particularly are in very short supply and Furniture Bank is being forced to purchase these. Over 3,000 persons re-housed annually by Furniture Bank; 82% of these are families with children.

Why Selected for CDBG-R: Directly related to the City's ARRA Homelessness Prevention and Rapid Re-Housing Program (HPRP). Furniture Bank is the critical central resource for furnishings for households being placed under the HPRP, including persons recently evicted and quickly re-housed to minimize economic hardship. Will retain 7 jobs in City and allow 1 half-time job to become full-time; will reduce Furniture Bank operating costs long-term; will remove blighting influence of vacant, vandalized building and enhance volunteer presence at both the Furniture Bank and the nearby Food Bank. Renovation of warehouse will use energy-efficient lighting and HVAC.

Project Name: Housing Weatherization
Non-Profit Organization: Southeast Energy Assistance, Inc.
Funding Amount: \$500,000
Activities: Will weatherize approximately 600 homes occupied by low/moderate income families and individuals in the City of Atlanta over a 3-year period. City funding will support labor and program administration costs. Costs for materials in amount of approximately \$5,500,000 will be provided under Georgia's ARRA weatherization program.

Why Selected for CDBG-R: Energy efficiency project; City funding leverages State ARRA housing weatherization funds; improves City housing stock and benefits low/mod City homeowners; creates 30-35 local jobs over the 3-year life of the State weatherization program.

Project Name: Housing Demolition
Non-Profit Organization: DPCD/Bureau of Code Compliance
Funding Amount: \$190,000

Activities: Will pay for demolition and removal of asbestos of dilapidated residential and commercial structures that were ordered to be demolished by the City's In Rem Review Board; and will implement Review Board orders to clean and properly secure against unauthorized access vacant and unsecured structures. The In Rem program is designed to rid communities within the City of Atlanta of open and vacant and dilapidated structures, parcels littered with trash and debris, and similar conditions that create health and safety hazards and invite criminal activity. Priority will be given to areas targeted under the Neighborhood Stabilization Program (NSP) and in the Community Development Impact Area. Funds will demolish and clean/secure 24 dilapidated structures.

Why Selected for CDBG-R: Long-term economic benefit by eliminating vacant structures that are determined to be nuisances to residential and commercial communities. Assistance in stabilization of communities targeted under NSP. Timely contracting due to use of approved annual contractors. Supports 118 short-term construction jobs.

Project Name: Clean Street Team
Non-Profit Organization: Samaritan House, Inc.
Funding Amount: \$170,000

Activities: Will pay for labor costs to support employment-related program that provides litter cleanup within commercial and business corridors through employment of homeless adults. Under the supervision of Samaritan House the work crews, each comprised of 5 homeless adults and a crew supervisor, are deployed Monday-Friday, working at least 25 hours a week. Participants are required to attend semiweekly workshops and submit to weekly drug tests. Participants also have access to the wide array of services offered by Samaritan House. Each crew removes more than 6,000 pounds of garbage from City streets annually, and 1/3 of the participants transition to full-time employment.

Why Selected for CDBG-R: Supports economic development through targeting to commercial areas; provides temporary employment and a track to permanent employment for homeless persons, supporting both a ConPlan priority and an HPRP population.