Commonwealth of Massachusetts

Department of Housing &

Community Development

# Charles D. Baker, Governor ◆ Karyn E. Polito, Lt. Governor ◆ Chrystal Kornegay, Undersecretary

Massachusetts Seal.

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**CDBG One-Year Action Plan**

**FY 2017 Final Changes**

The Department of Housing and Community Development (DHCD) has contemplated several changes to the MA CDBG program for FY 2017. DHCD proposed the changes in order to simplify the application process and increase access to the program among eligible communities. A public input process was conducted including three public meetings and acceptance of written comments.

As a result of this process and consideration of all comments, DHCD will make the following changes to the CDBG program for FY 2017:

* Consolidation of Community Development Funds I and II and the Economic Development Fund. These components will be consolidated into a single general fund. All applicants will apply through the same application form.
* Elimination of all bonus points. This includes Multiple Activity Bonus Points, Non-CDBG Funded Bonus Points and Regional Activity Bonus Points.
* The Community Wide Needs score will not be used in the FY 2017 CDBG application except as part of the tie-breaking criteria.
* DHCD will revise and simplify its application which will use, in part, HUD LMI percentages in determining need. The revised application will be made available in early November.
* Communities in the Mini Entitlement Program will have a range of funding available to them with final award based in part on prior performance. There are no other changes proposed for the Mini Entitlement Program for 2017.
* For FY 2017, all municipalities participating in an application for CDBG funds will submit as part of the application, a copy of the municipality’s Americans with Disabilities Act (ADA) required Self Evaluation Survey and Transition Plan (Plan). If a municipality does not have a Plan, it will submit as part of the application a statement to this effect on Municipal letterhead. All municipalities that do not have a Plan will be referred to Massachusetts Office on Disability (MOD) for execution of a Memorandum of Understanding (MOU) toward the development of a Plan.
* All participants in a CDBG application will be required to have submitted a Community Development Strategy (CDS). DHCD will post a current list of approved CD Strategies. If a community is on that list, it does not need to submit a CDS with the application. If not on the list, a community must submit a CDS with the application. See the One Year Plan for requirements. DHCD intends to revise the CD Strategy prior to the FY 2018 funding round.
* For FY 2017, DHCD will not require communities in the competitive application to direct activities to an identified target area. DHCD intends to review the targeting requirement for FY 2018 along with review of the CDS.
* For FY 2017, DHCD will cap local administration at 15% of an award. DHCD will review administration percentages for the FY 2018 program.
* DHCD will maintain the same 11 Mini Entitlement communities for the FY 2017 program as participated in the FY 2016 program. DHCD will conduct a full review of the Mini Entitlement program prior to the FY 2018 program year.
* For FY 2018, DHCD will conduct a comprehensive review of the current structure of the CDBG program which will include but not be limited to consideration of activity funding, regional set-asides for rural communities, multiple year implementation periods and multiple year awards.

**ALLOCATION OF CDBG FUNDS (**projected based on FY 2016 allocation)

Community Development Fund $19,206,762

Mini Entitlement Program $ 9,075,000

Reserves $ 250,000

Section 108 Loan Repayments $ 347,000

DHCD Admin and Technical Assistance $ 993,158

Total Available $29,871,920

Maximum Grant Amounts:

* Single Community $800,000
* Two or Three Communities $1,000,000
* Four or more Communities $1,300,000
* Mini Entitlement $600,000 to $825,000

**AVAILABILITY OF CDBG PROGRAM FUNDS**

**Application Due Dates for CDBG FY 2017 Program**:

Community Development Fund: March 10, 2017

Mini-Entitlement Program: March 10, 2017

**EXHIBIT 2**

**MUNICIPAL ELIGIBILITY TO APPLY FOR CDBG PROGRAM FUNDS IN FY 2017**

Based on the FY 2016 One Year Action Plan, a single Community Development Fund I community may receive no more than $1.35 million from two successive years. Economic Development Fund and Reserves awards are not subject to the $1.35 million cap per community.

As a result, FY 2017 award limits apply to the following FY 2016 grantees, in the following amounts:

Amesbury - $639,297

Athol - $756,978

Buckland - $600,669

Clinton - $600,365

Fairhaven- $654,449

Hardwick - $468,112

Huntington - $384,414

Methuen - $537,175

Montague - $533,737

Oak Bluffs - $960,650

Palmer - $542,138

Rowe - $971,134

Sheffield - $834,000

Ware - $464,948

Warren - $909,878

Winchendon - $557,336

Based on the FY 2016 One Year Action Plan, a Community Development Fund II community that receives an award from the Community Development Fund is precluded from applying to the CDBG Program for the following federal fiscal year, except that a community previously awarded funds **solely** for an architectural/engineering design or planning project may apply in the next federal fiscal year for funding to implement the project. However, the maximum grant award for implementation will be reduced by the amount of the previous design or planning grant.

DHCD has identified the following communities as ineligible applicants (except as noted) for Federal Fiscal Year 2017; each may apply again in the fiscal year noted in parentheses:

Abington (2018) Rockland (2018)

Easthampton (2018) Southwick (2018)

Gill (2018) Westhampton (2018)

Granville (2018) Whitman (2018)

Merrimac (2018)