WEST VIRGINIA DEVELOPMENT OFFICE

1900 Kanawha Boulevard East • Charleston, WV 25305-0311
(304) 558-2234 • (800) 982-3386 • WVDO.org

MEMORANDUM

TO: Regional Planning and Development Councils
Mayors, County Commissioners

FROM: Todd Goddard, CDBG Program

DATE: May 31, 2018

RE: **Program Year 2018 CDBG Application and Guidelines**

Application forms for the Community Development Block Grant (CDBG) program are posted to the WVDO website and distributed to the State's 11 Regional Planning and Development Councils. Applications forms are available at WVCAD.org, www.wvdo.org/downloads, or by calling 304-558-2234.

Public Infrastructure and General Community Development applications are due on or before July 31, 2018. Technology and Innovation/Broadband applications are due on or before October 30, 2018. Economic Development, Self-Help Water Projects are accepted as year-round.

Each project must meet one of the following National Objectives, specified by the U.S. Department of Housing and Urban Development (HUD), as follows: (1) Benefit low- and moderate-income persons; (2) Eliminate slums or blight; or (3) Address urgent community development needs.

The complete State of West Virginia PY 2018 Consolidated Annual Action Plan for the use of program funding will be posted to WVCAD.org, or www.wvdo.org/downloads.

The State intends to dedicate approximately 15 percent of its PY 2018 CDBG allocation to broadband development. Broadband projects will be coordinated with the Broadband Enhancement Council and the West Virginia Geological and Economic Survey, Office of GIS Coordination.

IJDC Technical Review for Infrastructure Projects

All water and sewer infrastructure projects must be reviewed by the West Virginia Infrastructure and Jobs Development Council (IJDC), and be found technically feasible. All IJDC applications should be submitted to the IJDC by **April 10, 2018.** Note following details concerning IJDC's timelines and processes:

- Projects submitted to IJDC by April 10 will usually have a complete review. The IJDC determination letter and technical review memo should be submitted with the application.

- Projects submitted to IJDC after April 10 may not have a complete review in time for the CDBG application deadline. These applications will be accepted, but will not be eligible for funding unless and until the IJDC documentation is submitted to WVDO. The determination letter and technical review memo must be submitted to WVDO by **August 31, 2018**.

- Project numbers issued by IJDC in 2016 and 2017 will be accepted with a proper cost estimate update. IJDC Project Numbers dated 2015 or earlier will diminish the competitiveness of the application due to the age of project data. Applications must include rates based upon the 2010 MHI and 3,400 average gallon usage data, regardless of when the application was reviewed by the IJDC.

- **Projects submitted to IJDC after May 10 may not be considered for PY 2018 funding.**

Engineering Cost Estimates

Engineering cost estimates must be dated within 12 months of the application date and must be certified by the project engineer. Applications accompanied by cost estimates more than 12 months old will not be considered for funding. Estimates can be updated by submitting a memo to the WVDO and to IJDC, accompanied by current cost estimates, as certified by the project engineer. The memo should address any material changes in cost and scope, and be included in the application submitted to the WVDO. Substantial changes in either cost or scope will require IJDC review.

Project/Service Area

Each application must provide information for the Census Tract(s) and Block Group(s) most closely approximating the project area. Income survey results must be compared to the most recent LMISD percentage for the census geography that most closely matches the service area. The difference between the LMISD and the Income Survey data must be explained in the application.

Income Eligibility: Area-Wide Benefit to Low and Moderate Income Individuals

The Area-Wide Benefit to Low and Moderate Income Individuals category includes activities that benefit all residents in a specific area or neighborhood, where at least **51 percent** of the residents are LMI persons. LMI determination is based upon the income of a family, household, or individual living in the project area whose household income does not exceed **80 percent** of the median income for the area, with adjustments for smaller and larger households or families (HUD generated LMISD data).

Eligibility must be verified by one of the following methods:

1. **ACS/Census: 2018 HUD Income Summary Data/LMISD in compliance with HUD CPD Notice 14-10:**
   To qualify by Census, the census blocks/areas must closely align with the service area and have a 51 percent or greater LMI population, according to HUD generated census data.

   The 2018 HUD Income Summary Data/LMISD data, based upon the American Community Survey (ACS), is available at www.hudexchange.info/manage-a-program/acs-low-mod-summary-data-block-groups-places. If the project area is a census tract(s), select ALL BLOCK GROUPS. If the project area is a whole town or county, select LOCAL GOVERNMENT SUMMARIES.

2. **2018 Income Survey: In compliance with HUD CPD Notice 14-013:**
   To qualify by Income Survey, review HUD CPD Notice 14-013 available at www.hudexchange.info/resource/4103/notice-cpd-14-013, and the **WVDO Income Survey Guide** available at www.wvcommerce.org.

   The 2018 HUD Income Limits are available at:
   https://www.huduser.gov/portal/datasets/il/il2018/select_Geography.odn

   Choose West Virginia at this link and identify the proper County or Metropolitan Statistical Area. The **most current HUD Income Limits** must be used for an income survey.

   Review the WVDO Income Survey Guide and contact the WVDO prior to conducting an Income Survey. The Income Survey should include detailed descriptions of the project area, sample, methodology, tabulations and results. Verify that income surveys are conducted using true **random** sample. Previously completed income surveys should be no more than **three** years old. Applicants with surveys exceeding three years may request a waiver.

State of West Virginia

Demographic Data Guide

HUD has adopted the ACS as the primary data source for Census information. ACS data may be more readily available for towns and counties than smaller geographic areas and rural locations.

Use the ACS Five-Year Estimates (2012-2016). If data is not available, use the 2010 Census data. If this data is not available in either the ACS or the 2010 Census, the applicant may cite the 2000 Census.

- ***Note:* The 2000 Census should only be cited as a source if data is not contained in the ACS or the 2010 Census.**

- **Disability data was recently added to the ACS Five-Year Estimates, but may not be available for all project areas.**

Section 4: Fair Housing/Equal Opportunity

Use *"the most recent ACS/Census data (Census.gov or factfinder2.census.gov)* to complete Section 4 of the 2018 application, for Section 4: Fair Housing/Equal Opportunity Items 1 and 2:

- Item 1: Total population, minority population, percentage of minority population of the applicant; and
- Item 2: The defined minority composition of the census area most closely related to the project area.

The 2010 Decennial Census did not capture data regarding incomes, disability status, poverty status, education, occupation and other demographic data. As a result, multiple demographic data sources may be used as part of the application, as follows:

- 2012-2016 ACS Data
- 2010 Decennial Census *(Use only if data is not available in ACS)*
- 2000 Decennial Census *(Use only if data is not available in ACS or 2010 Census)*

ACS data may be more readily available for towns and counties than smaller geographic areas and rural locations. These estimates encompass the smallest county, place or block groups and can be retrieved on an annual basis by accessing the U.S. Census Bureau main page (www.census.gov) and/or the U.S. Census Bureau's American FactFinder (https://catalog.data.gov/dataset/american-factfinder-ii.)

Additional Resources

1. The **WV State Data Center Guide to Demographic Data** is available at www.wvcommerce.org

2. The **2018 CDBG-Small Cities Application Forms and Instructions** are available at www.wvcommerce.org.

We appreciate your assistance in the administration of the CDBG program in the State of West Virginia. For additional information, contact Todd Goddard, James Bush, Kelly Workman, or Tony O'Leary at 304-558-2234.