

Memorandum



Date: September 15, 2010
To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners
From: George M. Burgess
County Manager
Subject: Supplemental Information Regarding the Proposed FY 2011 Consolidated Planning Process Policies

HCD
Supplement to
Agenda Item No. 1(G)3

On June 9, 2010, a public hearing regarding the Proposed FY 2011 Consolidated Planning Process Policies (Policy Paper) was held before the Housing and Community Development (HCD) Committee. During the hearing, questions were raised by the public and the Committee members regarding four of the recommended policies presented in the document. Specifically, the committee requested additional information as to: 1) the increase of funding for County departments from 40 percent to 50 percent; 2) the proposed level of funding available for economic development activities in FY 2011; and 3) the elimination of the \$100,000 allocation for the Community Advisory Committees (CACs).

BACKGROUND

Miami-Dade County is required to submit an annual Action Plan to the United States Department of Housing and Urban Development (US HUD) for each of the calendar years in County's FY 2008-2012 Consolidated Plan. As required by federal regulations, the FY 2011 Action Plan must be filed with US HUD by November 15, 2010. The Policy Paper serves as the initial step in facilitating the submission of the annual Action Plan, and establishes the guidelines for how the County will allocate federal Community Development Block Grant (CDBG), Home Investment Partnerships (HOME), and Emergency Shelter Grant (ESG) funds through the annual Consolidated Request for Application (RFA) process. Specifically, the Policy Paper sets the basic parameters for the County to fund agencies within the Federal rules, and enter into viable contracts to carry out the activities in the annual Action Plan.

As indicated above, the sections that follow address the questions raised by the HCD Committee members at the June 9, 2010 public hearing regarding some of the proposed policies contained in the FY 2011 Policy Paper.

50 PERCENT FOR COUNTY DEPARTMENTS

The FY 2011 Policy Paper proposes to increase the percent of CDBG funds available to County departments from 40 percent to 50 percent, for an estimated increase of \$1.736 million in CDBG funds. Exhibit 1 provides a list of the activities to be funded, as recommended in the FY 2010-2011 Proposed Budget that was released on July 7, 2010.

It is important to note that 15 percent of the total entitlement is allocated to County departments for Public Service activities that serve low- to moderate-income residents. The remaining funds allocated to County departments carry out Housing, Public Facility Improvements, Historic Preservation, and Economic Development activities in the County's Neighborhood Revitalization Strategy Areas and other CDBG eligible areas. Such activities include the Elderly Residential Energy Program by the Community Action Agency (CAA), the Employment and Training Program by the Greater Miami Service Corps, and the Diversion Program by the Juvenile Services Department. For activities such as facility improvements, the work is performed by outside organizations selected through a competitive bid process and managed by County departments, therefore creating employment opportunities outside of the County. There is a misconception that funds allocated to County departments are used to support

administrative programs. As explained previously, that is not the case. Programmatic services provided by County departments target and support the same constituencies assisted by non-County entities.

The County programs identified to receive CDBG funding have a good track record of meeting the required CDBG spending ratio and have successfully met the national objectives. The \$1.736 million increase in funding proposed in the FY 2011 Policy Paper enables the County to carry out needed public facility and capital improvements. If the Board wishes to reduce the 2011 CDBG allocation for County departments below the recommended 50 percent, certain projects would be unfunded given the current budgetary constraints.

ECONOMIC DEVELOPMENT

During the June 9, 2010 public hearing, the HCD Committee and members of the public expressed a concern that the FY 2011 Policy Paper did not make enough funding available for economic development activities. Indeed, the proposed FY 2011 Policy Paper sets aside approximately \$2.5 million (or 14 percent) of CDBG funds for "Municipalities / Public Facilities / Capital Improvement / Economic Development." However, Economic Development activities are not limited to this category. Economic development may also be funded under the "NRSA High Priority Needs/Neighborhood Initiatives" category. The NRSA High Priority Needs identified in the Miami-Dade County Consolidated Plan include Economic Development as an activity which NRSA residents deemed to be a priority. Thus, the dollars available to fund economic development activities may also come from the \$2.7 million (16 percent) set aside for "NRSA High Priority Needs/Neighborhood Initiatives." In other words, economic development can be funded under more than one category. As such, funding for non-County Economic Development activities can potentially come from within the two categories that make up 30 percent (\$5.208 million) of the overall funds.

CDBG Entitlement		
Category	FY 2011 Estimated Funding	FY 2011 Percentage
Administration	\$3,472,000	20%
County Departments	8,680,000	50%
*Municipalities/Public Facilities/Capital Improvements/Economic Development	2,500,000	14%
*NRSA High Priority Needs/Neighborhood Initiatives (Eligible activities include Public Facilities, Capital Improvements/ Economic Development, and other eligible activities identified in the FY 2008-2010 Consolidated Plan)	2,708,000	16%
Total	\$17,360,000	100%

*These amounts may change since CDF allocations will not be known until applications are received, scored and ranked. CDF allocations can only be made to these two categories.

The actual amount allocated toward Economic Development activities in FY 2011 will be contingent on the number of viable applications received during the Consolidated Request for Application (RFA) process. In FY 2009, \$1.7 million was allocated for economic development and in FY 2010 the amount was \$1.5 million. Again, the capacity and eligibility of the organizations that apply dictates the amount of funding, but based on past funding history, 2011's allocation is expected to be in the same range as in the past years. To ensure quality applications, DHCD provides workshops and technical assistance to organizations that are interested in participating in the RFA process as well as throughout the year.

ELIMINATION OF CAC ALLOCATION

In the current year, each of the eight NRSA's receive \$100,000 to fund activities in their respective neighborhoods (for a total of \$800,000). The FY 2011 Policy Paper recommends that the \$100,000 set

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aside for each NRSA be eliminated. Instead, staff is proposing to set aside \$2.7 million to specifically address the priority neighborhood needs in the NRSAs and eligible block groups. This is \$1.9 million more for NRSAs next year over the current year. This increase was recommended based on comments from US HUD, which indicated that the County is not adequately investing funds in the NRSAs commensurate with the approved Consolidated Plan on file with US HUD. The proposed policy also addresses the concerns of the NRSA Community Advisory Committees (CACs) regarding the current funding process. Specifically, the existing RFA process does not yield enough eligible applications that serve the needs of the NRSAs. As a result, some CACs have had to allocate their funds to countywide or multi-district activities or they have had funds recaptured that may or may not have been reprogrammed in the underserved NRSA areas. Moreover, the \$100,000 set aside for the NRSAs is not sufficient to carry out the NRSA high priority needs identified in the Consolidated Plan.

To address the above issues, the FY 2011 Policy Paper calls for the CACs to identify the top three priority needs in their NRSAs. Through the advertised RFA, the NRSA High Priority Needs / Neighborhood Initiatives will be published (see Exhibit 2). The \$2.708 million set aside will be utilized specifically to address these needs, which again, is a significant increase from the \$800,000 available to the CACs in the current year. Through this process, the County will ensure its ability to more effectively meet the needs of the NRSAs identified in the Consolidated Plan.

In addition to identifying the high priority needs, staff welcomes and encourages the participation of the CACs in the RFA process. In FY 2011, organizations that apply for funding to carry out projects in the NRSAs will be required to make a presentation before the respective CACs. Based on the presentations, the CACs will provide a recommendation regarding the activities that they recommend for funding in their area. This information will be provided to County staff and the BCC to be considered in the development of the final funding recommendations. Finally, all organizations funded in FY 2011, for activities serving the NRSAs, will be required to provide a quarterly report in their progress. This report will be presented to the CACs during their regularly scheduled quarterly meetings. DHCD is also committed to providing CAC members with training and workshops that will help increase their understanding of federal regulations and enhance their capacity of serving their community.

ADDITIONAL INFORMATION

Commissioner Barbara J. Jordan asked for an opinion at the June 9, 2010 meeting of the HCD Committee from the State of Florida's Department of Community Affairs (DCA) on the information stating that members of the CACs had to be democratically elected versus appointed by County Commissioners. Conversations have been held with DCA, and they have indicated that an opinion will be forthcoming before the next meeting of the HCD Committee.

Attachments

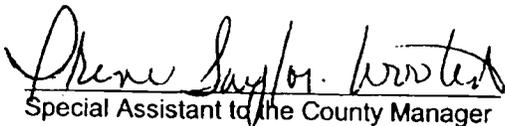

Special Assistant to the County Manager

Exhibit 1: FY 2011 Proposed Community Development Block Grant (CDBG) Funding Allocations for County Departments

Programs		Department	Category	FY 2011
Code Enforcement	Building Neighborhood and Code Compliance	Housing		\$ 429,000
Head Start Facility-Aroola Lakes	Community Action Agency	Public Facilities/Capital Improvements		\$ 367,000
Elderly Residential Energy Conservation Program	Community Action Agency	Public Facilities/Capital Improvements		\$ 100,000
Paint Program	Community Action Agency	Housing		\$ 322,000
Professional Services and Technical Assistance	Community Action Agency	Public Facilities/Capital Improvements		\$ 89,000
Employment Services and Technical Assistance	Community Action Agency	Housing		\$ 150,000
Employment and Training	CAA Greater Miami Services Corp.	Public Service		\$ 371,000
Graffiti Abatement Program	CAA Greater Miami Services Corp.	Public Facilities/Capital Improvements		\$ 170,000
Economic Development	Community Action Agency	Economic Development		\$ 146,000
Diversion Programs	Juvenile Services Department	Public Services		\$ 500,000
Facilities Improvements	Human Services	Public Facilities/Capital Improvements		\$ 2,190,000
Treatment Alternatives to Street Crimes	Human Services	Public Services		\$ 500,000
Advocates for Victims	Human Services	Public Services		\$ 500,000
Public Facility Improvement	Non-Departmental	Public Facilities/Capital Improvements		\$ 859,000
Historic Preservation-McFarlane	Planning and Zoning	Historic Preservation		\$ 125,000
Graffiti Removal	Public Works Department	Public Facilities/Capital Improvements		\$ 233,000
Immunization Van	State Department of Health	Public Service		\$ 74,000
Rodent Control Program	State Department of Health	Public Service		\$ 659,000
Facilities Improvements	State Department of Health	Public Facilities/Capital Improvements		\$ 896,000
Total County Programs				\$ 8,680,000

FY 2011 NRSA TOP PRIORITY NEEDS

NRSA Name	District	Priority #1	Priority #2	Priority #3
Opallocka	1	Provide local and neighborhood public service comprised of Job Training and Placement	Establish transit-oriented development with basic amenities (IE shops, cafes, anchor store, major grocery store)	Infrastructure improvements repave/resurface streets, drainage, water and sewer improvements and street lighting
West Little River	2	Construct 28,000 sq. ft. New Arcola Lakes Senior Recreational Facility with indoor pools, exercise room, kitchen Banquet hall.	Construct R-O-Ws, tree planting, landscaping and drainage improvements, Phase IVB and IVC and Phase V	Improve area by providing native shade trees over 25' to 30' O.C. along the 7'6" planning strip on both sides of the road along N.W. 95 Street, N.W. 7 Avenue, N.W. 27 Avenue, N.W. 103 Street, N.W. 22 Avenue, N.W. 81 Street, N.W. 87 Street, N.W. 12 Avenue and N.W. 17 Avenue, NW 88 Street between 12 th and 14 th Avenue
Model City	2,3	Develop Poinciana Industrial Park	Redevelop & Restore Hampton House	Establish an Entertainment -- Cultural Business District (18 Street Corridor)
Melrose	3	Street Improvements <u>Drainage & Sidewalk improvements</u> •NW 20 Street & Delaware Parkway East to NW 27 Ave/ AKA NW South River Drive <u>Street Lighting</u> •NW 29 Street from the West side of NW 27 Ave to NW 32 Ave. •NW 30 Street from the West side of NW from 27 Ave to 32 Ave. •NW 31 Street from NW 30 Ave. to NW 32 Ave. •NW 33 Street from NW 30 Ave. to NW 32 Ave	Economic Development Employment: create economic opportunities through job training and manufacturing.	<u>Street improvements and two welcome signs</u> • NW 27 Ave and NW 20 Street • NW 27 Ave and NW 38 Street <u>Tree Planting</u> • NW 35 Street as the Northern Border • NW 26 Street as the Southern Border • West side of NW 27 Ave as the Eastern Border • NW 32 Ave as the Western Border
South Miami	7	Construct Murray Park Swimming Pool by completing architectural, engineering design and construction plans for 67 feet wide by 82 feet long pool, complete with a new 2,600 square foot support equipment and storage building.	Establish a mixed-use development commercial center of approximately three stories with retail and parking on the ground floor, known as Madison Squares/South Miami Strip Mall, between S.W. 59 th Place and S.W. 64 th Street in South Miami	Promote the establishment of a Housing Rehabilitation programs that would identify properties for rehabilitation
Perrine	9	CAC meeting to select the high priority needs scheduled for July 15, 2010		
Goulds	9	Encourage development within the community while promoting transit ridership.	Improve drainage and install sewer system in West and East Goulds.	Encourage development within the community while promoting transit ridership.
Leisure City /Naranja	8,9	Sunny Haven Water/Sewer Connections		