

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

Meeting Date: October 28, 2008      ☐ Consent    ☐ Regular ☒ Workshop

Department: Housing & Community Development

Submitted by: Housing & Community Development

**I. EXECUTIVE BRIEF**

**Motion and Title:** Staff recommends motion to approve the following Community Development funding priorities for FY 2009-2010: A) Continuation of the Special Area of Hope Program for the Glades municipalities; B) Continuation of the 10% set-aside for local Economic Development activities; C) Continuation of the competitive funding process for the unincorporated area designated funds; D) Setting aside 50% of CDBG Public Service funding for homeless and housing counseling services; and E) Expanding the CDBG Evaluation Process to include agency certification by the "Nonprofits First Agency".

**Summary:** Palm Beach County receives annually an average of \$7.4 million in CDBG funds (based on past 5 fiscal years' entitlements). Historically funds have been allocated among the following major categories, based on the CDBG Local Entitlement Methodology: Administrative and Implementation Costs, Grants to Participating Municipalities, Public Services (cannot exceed 15% of the annual grant), 10% Set-aside for Economic Development, and Unincorporated Area Projects. Continuation of the Special Area of Hope Program (SAHP) will allow each of the three Glades municipalities to receive \$400,000 on a rotating basis. The receipt of the SAHP funds is in addition to their annual local entitlement. Under the Local Entitlement Methodology, participating municipalities with CDBG Target Areas receive an annual allocation provided an application is submitted to HCD. The 10% set-aside for local economic development activities is utilized and administered by the Office of Economic Development. The unincorporated area allocation is allocated via a competitive process. On average, funds under the Public Service category have been allocated among eight subcategories as follows: 21% towards homeless related services, 14% towards special needs services, 13.6% towards youth services, 13% towards abused and neglected children, 10.6% towards housing and financial counseling, 10.1% towards fair housing, 9.2% towards victims of domestic abuse, and 7.7% towards health services. Due to the current housing market, staff recommends redistributing the Public Service funding as follows: 25% towards homeless related activities, 25% towards housing counseling activities, and the remaining 50% to be distributed among the remaining aforementioned subcategories. Staff also recommends expanding the CDBG Evaluation Process to require non-profit agency applicants to either be certified by the "Nonprofits First Agency" or to have initiated the certification process by October 1, 2009. A transition period of no more than 3 years would be incorporated into the Evaluation Process to provide greater flexibility to new applicants that may require additional time in meeting the requirements of the "Nonprofits First Agency" certification process. Countywide (TKF)

**Background and Policy Issues:** Palm Beach County receives from the U.S. Department of Housing and Urban Development an annual entitlement under the Community Development Block Grant (CDBG) Program. The County currently distributes its CDBG entitlement funds through what is known as the Local Entitlement Methodology. This methodology provides for local municipalities  
(Continued on Page 3 of 3)

**Attachments:**

A. Report on Historical Allocation of CDBG Funds

Recommended By: Edward W. Gomp

Department Director

10/23/08  
Date

Approved By: John B.

Assistant County Administrator

10/27/08  
Date



## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:


<u>Fiscal Years:</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Capital Expenditures:	_____	_____	_____	_____	_____
Operating Costs:	_____	_____	_____	_____	_____
External Revenues:	_____	_____	_____	_____	_____
Program Income (County):	_____	_____	_____	_____	_____
In-Kind Match (County):	_____	_____	_____	_____	_____
NET FISCAL IMPACT:	<u>-0-</u>	_____	_____	_____	_____
# OF ADDITIONAL FTE POSITIONS (Cumulative):	<u>N/A</u>	_____	_____	_____	_____

Is Item Included In Current Budget? Yes \_\_\_\_\_ No \_\_\_\_\_

Budget Account #: Fund \_\_\_\_\_ Agency \_\_\_\_\_ Unit various Object \_\_\_\_\_ ProgramCode/Period \_\_\_\_\_

### B. Recommended Sources of Funds/Summary of Fiscal Impact:


### C. Departmental Fiscal Review:

 10-22-08  
Shairette Major, Fiscal Manager, HCD

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Administration Comments:

No fiscal impact to the current budget.

 10-23-08  
10/23/08 OFMB CN  
10/23/08

 10/24/08  
10/24/08 Contract Administration

### B. Legal Sufficiency:

 10/27/08  
Senior Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_  
Department Director

This summary is not to be used as a basis for payment.

**Background and Policy Issues** (continued from Page 1)  
participating in the County's CDBG Program to receive an annual local CDBG entitlement grant and for the Glades municipalities to receive funding under the Special Area of Hope/Glades Program allocation (\$400,000). In addition, funds are set aside to cover HCD's Administrative and Implementing Costs.

Staff has analyzed the last five fiscal years' CDBG funding allocations among categories of eligible activities as summarized in the following pages of this item, and as detailed in the attached report. Allocations have been historically distributed among the following categories and subcategories as identified in the Palm Beach County Five Year Consolidated Plan:

Annual Average Grant: \$7,422,156
Annual Average Administrative Costs: Admin/Indirect Costs – 20% (per regs) Project Implementation - 11%

ALLOCATIONS BY MAJOR CATEGORIES – FIVE YEAR TREND\*

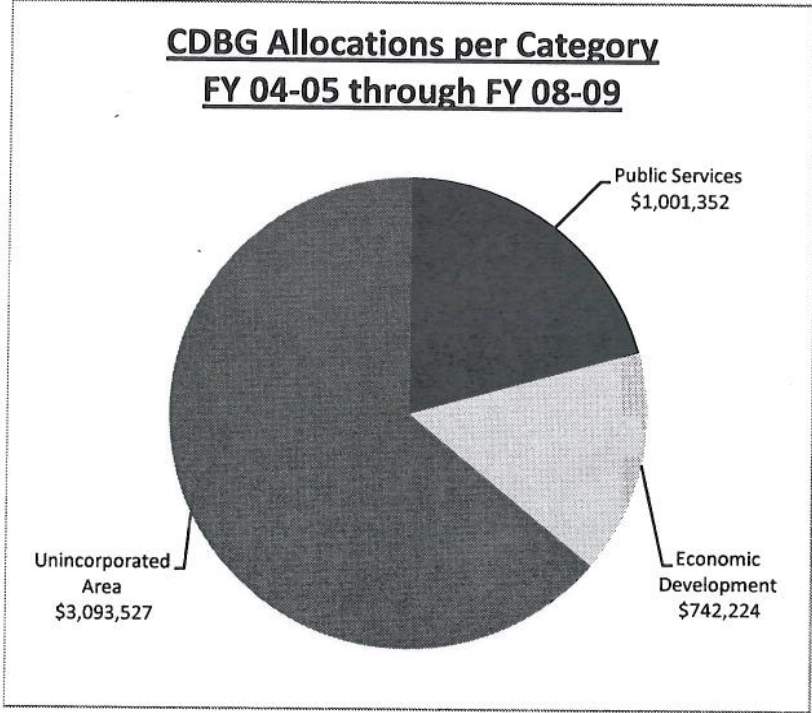
ACTIVITY CATEGORY	5-YEAR TOTAL ALLOCATION	% of Allocation	AVERAGE ANNUAL ALLOCATION	5-YEAR PLAN PRIORITY
PUBLIC SERVICES				
Homeless Services	\$ 1,047,240	6.4%	\$ 209,448	High
Youth Services	\$ 714,477	4.4%	\$ 142,895	High
Special Needs Services	\$ 711,537	4.4%	\$ 142,307	High
Abused and Neglected Children	\$ 651,381	4.0%	\$ 130,276	High
Housing and Financial Counseling	\$ 530,238	3.3%	\$ 106,048	Medium
Fair Housing	\$ 505,800	3.1%	\$ 101,160	Medium
Victims of Domestic Abuse	\$ 460,000	2.8%	\$ 92,000	High
Health Services	\$ 386,086	2.4%	\$ 77,217	Medium
TOTAL PUBLIC SERVICES	\$ 5,006,759	30.8%	\$ 1,001,352	
ECONOMIC DEVELOPMENT				
Set-Aside Program	\$ 3,711,119	22.8%	\$ 742,224	High
TOTAL ECONOMIC DEVELOPMENT	\$ 3,711,119	22.8%	\$ 742,224	
UNINCORPORATED AREA PORTION				
Housing	\$ 3,062,519	18.8%	\$ 612,504	Medium
Infrastructure	\$ 2,630,461	16.2%	\$ 526,092	High
Demolition	\$ 700,000	4.3%	\$ 140,000	Medium
Special Populations Facilities	\$ 491,489	3.0%	\$ 98,298	High
Community Centers	\$ 505,489	3.1%	\$ 101,098	High
Parks and Recreational Facilities	\$ 152,986	0.9%	\$ 30,597	High
Other	\$ -	0.0%	\$ -	High
TOTAL UNINCORPORATED AREA PORTION	\$ 7,542,944	46.4%	\$ 1,508,589	
TOTAL*	\$ 16,260,822	100.0%	\$ 3,252,164	

\* Excludes Administration, Implemenation, Contingency Reserves, Municipal Entitlement, and Special AOH

Allocation to Participating Municipalities	\$ 7,924,693	32.8%
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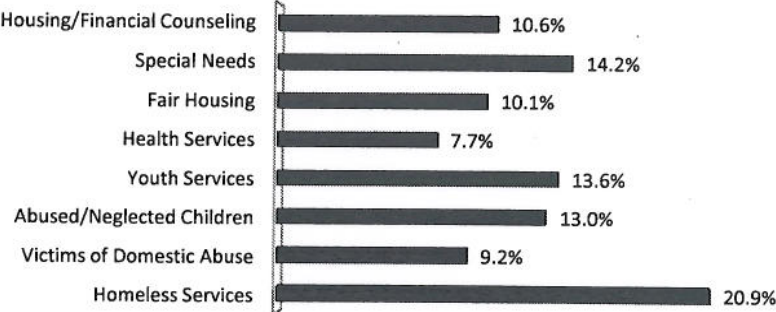
Approval of staff recommendations will allow staff to proceed with the Notice of Funding Availability for the FY 2009-10 CDBG Program to be published within the next 2-3 weeks. Staff will bring FY 2009-10 CDBG funding recommendations to the BCC for approval in June 2009 in the form of the Draft Action Plan.



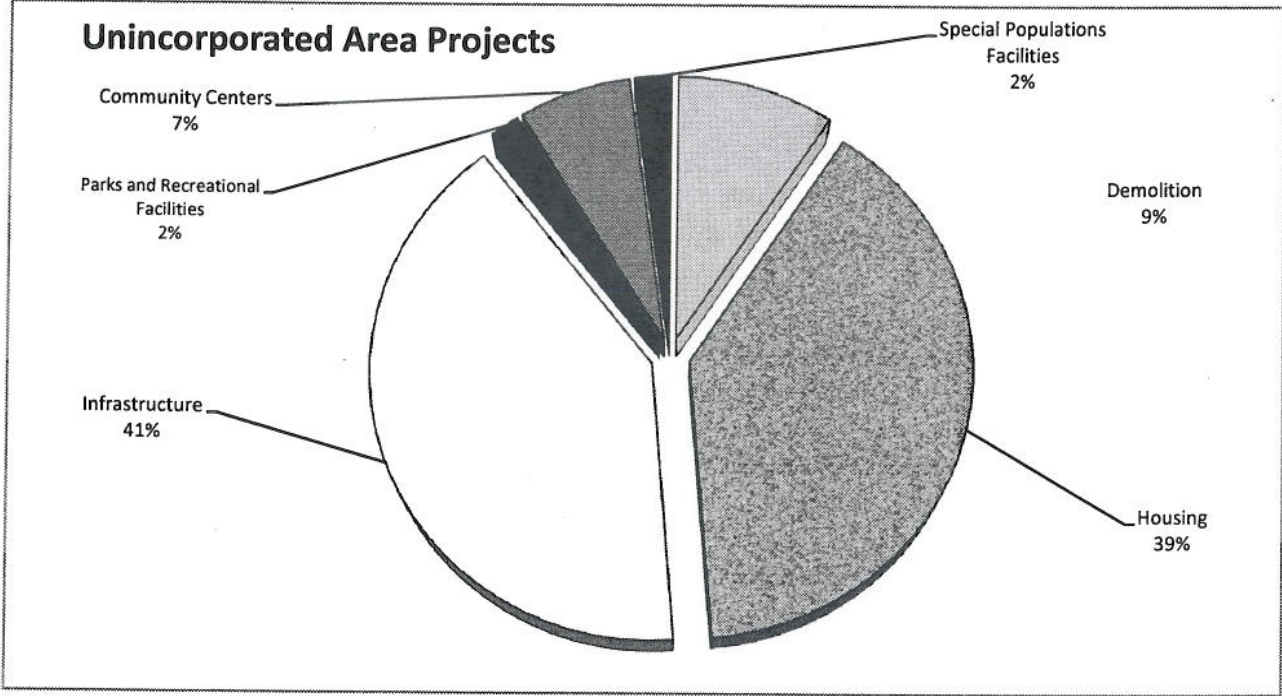


ACTIVITY CATEGORY	5-YEAR TOTAL ALLOCATION	AVERAGE ANNUAL ALLOCATION
PUBLIC SERVICES	\$ 5,006,759	\$ 1,001,352
ECONOMIC DEVELOPMENT	\$ 3,711,119	\$ 742,224
UNINCORPORATED AREA PROJECTS	\$ 15,467,637	\$ 3,093,527
TOTAL	\$ 24,185,515	\$ 4,837,103

**Public Services Funding**  
**FY 04-05 through FY 08-09**



PUBLIC SERVICES	5-YEAR TOTAL ALLOCATION	% of Category
Homeless Services	\$ 1,047,240	20.9%
Victims of Domestic Abuse	\$ 460,000	9.2%
Abused and Neglected Children	\$ 651,381	13.0%
Youth Services (includes child care)	\$ 714,477	13.6%
Health Services	\$ 386,086	7.7%
Fair Housing	\$ 505,800	10.1%
Special Needs Services (disabled persons, substance abuse, mental health, HIV)	\$ 711,537	14.2%
Housing and Financial Counseling	\$ 530,238	10.6%
TOTAL PUBLIC SERVICES	\$ 5,006,759	100.0%



UNINCORPORATED AREA PORTION	5-YEAR TOTAL ALLOCATION	% of Allocation
Demolition	\$ 600,000	9%
Housing	\$ 2,551,150	39%
Infrastructure	\$ 2,630,461	41%
Parks and Recreational Facilities	\$ 118,091	2%
Community Centers	\$ 434,747	7%
Special Populations Facilities	\$ 141,489	2%
Other		
TOTAL UNINCORPORATED AREA PORTION	\$ 6,475,938	100%



**PALM BEACH COUNTY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

ACTIVITY CATEGORY	FY 2004-05	FY 2005-06	5-YEAR TOTAL ALLOCATION	MUNICIPALITIES 5- YEAR TOTAL ALLOCATION	5-YEAR UNINCORPOR. ALLOCATION	% of Allocation	AVERAGE ANNUAL ALLOCATION
<b>PUBLIC SERVICES</b>							
Homeless Services	\$ 190,000	\$ 251,280	\$ 441,280	\$ -		2.9%	\$ 88,256
Victims of Domestic Abuse	\$ 65,000	\$ 140,000	\$ 205,000	\$ -		1.3%	\$ 41,000
Abused and Neglected Children	\$ 170,000	\$ 50,000	\$ 220,000	\$ -		1.4%	\$ 44,000
Youth Services	\$ 91,000	\$ 93,000	\$ 184,000	\$ -		1.2%	\$ 36,800
Health Services	\$ 75,000	\$ 40,000	\$ 115,000	\$ -		0.8%	\$ 23,000
Fair Housing	\$ 90,000	\$ 111,000	\$ 201,000	\$ -		1.3%	\$ 40,200
Special Needs Services	\$ 167,432	\$ 194,705	\$ 362,137	\$ -		2.4%	\$ 72,427
Housing and Financial Counseling	\$ 146,500	\$ 176,500	\$ 323,000	\$ -		2.1%	\$ 64,600
<b>TOTAL PUBLIC SERVICES</b>	<b>\$ 994,932</b>	<b>\$ 1,056,485</b>	<b>\$ 2,051,417</b>	<b>\$ -</b>		<b>13.4%</b>	<b>\$ 410,283</b>
<b>ECONOMIC DEVELOPMENT</b>							
Set-Aside Program	\$ 827,400	\$ 786,862	\$ 1,614,262	\$ -		10.5%	\$ 322,852
<b>TOTAL ECONOMIC DEVELOPMENT</b>	<b>\$ 827,400</b>	<b>\$ 786,862</b>	<b>\$ 1,614,262</b>	<b>\$ -</b>		<b>10.5%</b>	<b>\$ 322,852</b>
<b>UNINCORPORATED AREA PORTION</b>							
Demolition	\$ 200,000	\$ 100,000	\$ 300,000	\$ 45,000	\$ 255,000	2.0%	\$ 60,000
Housing	\$ 1,424,787	\$ 1,097,452	\$ 2,522,239	\$ 849,286	\$ 1,672,953	16.5%	\$ 504,448
Infrastructure	\$ 2,022,611	\$ 1,712,873	\$ 8,113,738	\$ 5,483,277	\$ 2,630,461	52.9%	\$ 1,622,748
Parks and Recreational Facilities	\$ 116,343	\$ 79,347	\$ 195,690	\$ 1,187,234	\$ (991,544)	1.3%	\$ 39,138
Community Centers	\$ 250,000	\$ 34,786	\$ 284,786	\$ 105,528	\$ 179,258	1.9%	\$ 56,957
Special Populations Facilities	\$ 36,000	\$ -	\$ 36,000	\$ -	\$ 36,000	0.2%	\$ 7,200
Other	\$ -	\$ 206,968	\$ 206,968	\$ 254,368	\$ (47,400)	1.4%	\$ 41,394
<b>TOTAL UNINCORPORATED AREA PORTION</b>	<b>\$ 4,049,741</b>	<b>\$ 3,231,426</b>	<b>\$ 11,659,421</b>	<b>\$ 7,924,693</b>	<b>\$ 3,734,728</b>	<b>76.1%</b>	<b>\$ 2,331,884</b>
<b>TOTAL*</b>	<b>\$ 5,872,073</b>	<b>\$ 5,074,773</b>	<b>\$ 15,325,100</b>	<b>\$ 7,924,693</b>	<b>\$ 3,734,728</b>	<b>100.0%</b>	<b>\$ 3,065,020</b>
CDBG Entitlement	\$ 8,274,000	\$ 7,868,623	\$ 16,142,623				\$ 3,228,525
<b>* Excludes Administration, Implementation, and Contingency Reserves</b>							