



*The city established a commission for the Northeast Area in 1996. A few years later, one of the region's prominent shopping venues, the Easton Town Center, located on its northern border, opened.*

---

## **COMMUNITY DEVELOPMENT BLOCK GRANT OPERATING FUND**

---

### **2017 Fund Balance Summary**

The Community Development Block Grant (CDBG) has been awarded to the City of Columbus through the U.S. Department of Housing and Urban Development (HUD) on an annual formula allocation basis since 1975. The City of Columbus uses the grant to address community development needs around four broad themes: affordable housing; housing for special needs populations; community and economic development; and health, recreational, and social services. At least 70 percent of the CDBG resources will be used for activities that benefit low-to moderate-income persons.

The CDBG fund typically realizes beginning year cash balances resulting from reprogramming of previous years' unspent funds and unappropriated cash balances held in reserve to offset revenue fluctuations. The amounts carried forward to 2015 and 2016 were \$3,111,029 and \$1,936,049, respectively. The 2017 beginning year cash balance is projected to be \$1,301,552.

The following table reflects the fund balance assumptions:

---

<b>2017 CDBG Fund</b>	
<b>Balance Summary</b>	
Unencumbered Cash Balance (January 1, 2017)	\$ 1,301,552
Plus Estimated 2017 Receipts	7,047,384
Plus General Fund Transfer	-
Plus Estimated Encumbrance Cancellations	<u>350,000</u>
Total Estimated Available Resources	\$ 8,698,936
Less 2017 Recommended Operating Budget	(7,767,585)
Projected Available Balance (December 31, 2017)	<u><u>\$ 931,351</u></u>

### **2017 Revenues**

The entitlement award from the U.S. Department of Housing & Urban Development (HUD) is expected to comprise 75 percent of all city CDBG resources. In 2017, the city is projecting a level entitlement allocation of \$6,501,384; entitlement allocations vary according to congressional legislative action.

Economic development loan repayments account for three percent of CDBG resources. Separately, the city contracts with sub-recipient agencies to implement economic development revolving loan programs; these loan repayments are retained by the agencies for additional loans.

Housing loan repayments are expected to be two percent of CDBG resources as a result of the use of grants, rather than amortized loans, in recent years.

Miscellaneous revenues include interest earnings on revolving loan funds (which must be remitted to HUD) and program income from activities such as the School's Out, Capital Kids, and Environmental Nuisance programs. Miscellaneous revenues are expected to account for one percent of CDBG resources.

The unencumbered cash balance, representing carryover and reprogrammed funds, will provide 15 percent of the available funding in 2017.

---

The following table summarizes CDBG revenues by type and year:

<b>2017 CDBG Fund</b>				
<b>Revenue by Source and Year</b>				
<b>Historical and Projected</b>				
<b>Revenue Summary</b>	<b>2014 Actual</b>	<b>2015 Actual</b>	<b>2016 Estimated</b>	<b>2017 Proposed</b>
Entitlement Award	\$ 6,681,968	\$ 6,453,359	\$ 6,501,384	\$ 6,501,384
Economic Development Repayment	380,803	322,673	281,612	300,000
Housing Loan Repayments	233,190	180,092	123,141	150,000
Miscellaneous Receipts	114,568	128,884	135,303	96,000
Encumbrance Cancellations	744,231	156,508	454,308	350,000
Unencumbered Cash Balance	2,821,758	3,111,029	1,936,049	1,301,552
<b>Total Resources</b>	<b>\$ 10,976,518</b>	<b>\$ 10,352,545</b>	<b>\$ 9,431,797</b>	<b>\$ 8,698,936</b>
Percent Change		-5.68%	-8.89%	-7.77%

## 2017 Proposed Operating Budget

The CDBG budget is a part of the larger annual Action Plan submitted to HUD. The Action Plan is the final step in the HUD-mandated Consolidated Planning process and uses priorities and goals established during the process to help determine program funding for the coming year. This planning process solicits significant citizen participation and consultation in the development of priority needs and goals. Twenty-one strategic goals were identified during the citizen participation/consultation process. As previously stated, these are grouped into four themes as follows: affordable housing; housing for homeless and special needs populations; community and economic development; and health, recreational, and social services. All activities satisfy one of two basic federal mandates: elimination of slum and blight or benefit to low- and moderate-income families and individuals.

The four themes and associated activities are further defined below:

### Affordable Housing

Activities focused on meeting the goals within this theme serve to conserve and improve existing affordable owner housing in targeted areas, increase opportunities for low- and moderate-income households to become and remain homeowners, and ensure equal access to housing.

The Affordable Housing Opportunity Fund includes four programs that directly support the goal of affordable housing. These programs provide home repair loans and grants to low- and moderate-income homeowners and enable accessibility modifications, minor home maintenance, and emergency repairs to homeowner and rental properties. CDBG is also used to fund contracts for fair housing services, and homebuyer counseling services. The affordable housing component includes a total of three activities totaling 16 percent of the CDBG budget.

### Housing for Homeless and Special Needs Populations

Special needs populations include those who are elderly, frail elderly, persons with disabilities, persons with substance abuse problems, persons living with HIV/AIDS, and victims of domestic violence. CDBG funds are used to fund activities that provide housing assistance and related services for these individuals. Programs provide senior citizen home maintenance and

---

**CDBG Fund**

---

emergency repairs, support for homeless programs, and support for HIV/AIDS housing programs.

Programs funding these activities include Emergency Repair, Chores, Rebuilding Lives, Deaf Services, and AIDS Housing. Five programs are funded, totaling 11 percent of the CDBG budget.

**Community and Economic Development**

Activities funded under this theme support ongoing efforts to revitalize neighborhoods through community-based and economic development activities. Specific programs seek to create and maintain a favorable business environment in low- and moderate-income areas and ensure a high quality of life for residents. Additionally, activities provide funding for neighborhood and target area revitalization programs, technical and financial assistance to community-based organizations, and improvement of the physical environment and infrastructure in Columbus' central city neighborhoods.

Notable activities include low- and moderate-income job creation opportunities, providing funds to neighborhood-based organizations and subrecipient agencies for economic development, acquiring vacant and abandoned properties, and maintaining safe and sanitary housing and vacant properties. These activities are funded with monies from Economic Development Loans, Neighborhood Commercial Development, Code Enforcement, Environmental Nuisance, and Business Development programs. These programs total 30 percent of the CDBG budget.

**Health, Recreational, and Social Services**

Activities conducted under this theme will continue to make Columbus neighborhoods safe places in which to live, work, play, and raise a family. Activities support comprehensive health needs, such as providing health management skills within neighborhoods and target areas, as well as a coordinated system of childcare, education, and recreational services for children, teens, and families.

Activities funded are Pregnancy Support, Sexual Health Awareness, Capital Kids, School's Out, and City Recreation Facilities. All activities funded under this theme require benefit to low- and moderate-income citizens; funding for these services totals 11 percent of the CDBG Budget.

**Program Management**

The CDBG budget provides funding for program management. This includes staff to support all housing, homeless, and economic development activities, as well as fiscal, legislative and administrative responsibilities. Funding for program management represents 41 percent of the CDBG budget.

**Non-Program Expenditures**

CDBG regulations require any interest earned on revolving loan funds be remitted to the U.S. Treasury. The estimate for interest earnings is \$16,000 and represents 0.2 percent of the total budget.

The following table summarizes the community development block grant fund recommended appropriation levels:

---

2017 CDBG Fund						
Proposed Operating Budget						
Division	Personnel	Supplies	Services	Other	Capital	Total
Development - Admin	\$ 255,892	\$ 2,789	\$ 2,000	\$ -	\$ -	\$ 260,681
Economic Development	840,229	2,250	632,750	-	-	1,475,229
Code Enforcement	895,151	12,000	160,000	-	-	1,067,151
Housing	1,305,487	22,400	1,559,100	-	-	2,886,987
Land Redevelopment	270,637	-	-	-	-	270,637
Finance & Management	465,855	2,500	109,109	16,000	-	593,464
Neighborhoods	318,339	-	-	-	-	318,339
Public Health	182,594	-	-	-	-	182,594
Recreation and Parks	670,103	2,600	39,300	500	-	712,503
<b>Total</b>	<b>\$ 5,204,287</b>	<b>\$ 44,539</b>	<b>\$ 2,502,259</b>	<b>\$ 16,500</b>	<b>\$ -</b>	<b>\$7,767,585</b>



This page has been intentionally left blank.

---