

MILLCREEK TOWNSHIP
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Millcreek Township is “entitled” to apply for and receive an annual allocation of CDBG funds from the U.S. Department of Housing and Urban Development, under the provisions of Title I of the Housing and Community Development Act of 1974, as amended.

The Township was designated a HUD entitlement in 1998 when its population went over 50,000 persons. Since 1998 the Township has received approximately \$4.6 million in CDBG funds (*see Exhibit 1*). Millcreek’s CDBG program is administered by the Erie County Department of Planning.

CDBG funds are to be used to undertake activities which address community development and/or housing needs as identified in the Township’s Five Year Strategic Plan and which principally benefit low-to-moderate income persons.

The Township’s application is submitted to the HUD- Pittsburgh Office by May 15th each year with a program start date of July 1st.

ELIGIBLE APPLICANTS

Agencies, groups and organizations which assist residents of Millcreek can apply for a share of the grant dollars. **For more information please contact Joseph Berdis, Erie County Department of Planning, (814) 451-6016 or jberdis@eriecountygov.org.**

ELIGIBLE ACTIVITIES

CDBG funds can be used to undertake a wide array of activities (*Exhibit 2*) which include, but are not limited to:

- water, sanitary sewer, and storm sewer construction
- street rehabilitation/reconstruction
- sidewalk and curb replacement
- park/recreation improvements
- handicapped accessibility improvements
- housing rehabilitation
- homeownership assistance
- fair housing activities
- public services (*not to exceed 15% of the grant allocation*)
- program administration (*provided by the Erie County Department of Planning at a cost not to exceed 20% of the grant allocation*).

INELIGIBLE ACTIVITIES

Activities which cannot be assisted with CDBG funds include, but are not limited to:

- Acquisition of buildings, or the construction or rehabilitation of space in a building, or portion of a building, which is used for the general conduct of government. (*Note: This does not include the removal of architectural barriers for handicapped accessibility*)
- Payment of expenses required to carry out the regular responsibilities of a general unit of government.

- Financing of political activities.
- Purchase of equipment. However, the purchase of fire protection equipment is eligible.
- *Maintenance and repair* of publicly owned streets, parks, playgrounds, water and sewer facilities, etc. Examples include the filling of pot holes in street, repairing of cracks in sidewalks, mowing of recreational areas.

NATIONAL OBJECTIVE

Each CDBG-funded activity must meet one (1) of the three (3) National Objectives of the program:

- ✓ Principally benefit low-to-moderate income persons.
- ✓ Aid in the prevention or elimination of slums or blight.
- ✓ Meet a community development need having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available to meet the need.

Of the three (3) objectives, the *primary objective* is to Principally Benefit Low- to-Moderate Income (LMI) persons.

- A “LMI person” is one whose income is no more than 80% of median income, adjusted for family size. Income limits are determined annually by HUD and may be obtained at: <http://www.huduser.org/portal/datasets/il.html>
- “*Principally benefiting*” means that at least 51% of an activity’s beneficiaries must be low and moderate income. *HOWEVER*, HUD permits an “exception” to this requirement for municipalities that have few, if any, areas within their jurisdiction having 51% or more LMI residents. **Millcreek Township meets this “exception criteria”. HUD currently allows Millcreek Township to use 37.1% as the minimum LMI percentage to qualify projects on an area -wide basis.**
- Certain groups of persons are “presumed” by HUD to be LMI and therefore activities to assist these persons automatically meet the fundability requirement. Groups presumed to be LMI include adults with physical disabilities, abused children, elderly persons, battered spouses, homeless persons, illiterate adults, persons living with aids, and migrant farmers.
- Most projects do not benefit a “presumed” group of LMI persons, so it must be shown that the project will benefit an area or neighborhood where the concentration of LMI persons is at least 37.1%. Concentrations of LMI persons can be determined in one of two ways- HUD Census data and income surveys. *Exhibit 3 and the enclosed Map* identify the total number and percentage of LMI persons in each of the Township’s census tracts and block groups. In those cases where a project’s service area does not coincide with a census area, an income survey may be undertaken to determine fundability. County Planning is to be contacted for assistance in undertaking a survey.

IDENTIFIED COMMUNITY NEED

As a HUD entitlement community, the Township is required to develop a Five Year Consolidated Plan (CP) which identifies the community's needs and a Strategic Plan for addressing those needs. The Township's most current CP was completed in 2013 and covers Fiscal Years 2013, 2014, 2015, 2016 and 2017. In submitting an application for funding consideration, an applicant should make sure the proposed project addresses a need/objective as identified in the Strategic Plan, a summary of which can be found as Exhibit 4.

Time Frame

Generally speaking a First Public Hearing to discuss possible projects is held in January. Applications for funding consideration are usually due into the ECDP by the end of February. The ECDP reviews the applications for programmatic acceptability and then forwards them to the Township Supervisors who select the projects to be funded. The Township usually makes its decision in early March with a Final Public Hearing to follow shortly thereafter. The Township's application requesting its CDBG funding allocation is submitted to HUD by May 15th with a program start date of July 1st.

EXHIBIT 1
MILLCREEK TOWNSHIP HUD CDBG ALLOCATIONS
(FY 1998 through FY 2014)

GRANT YEAR	ALLOCATION	+/- (\$) DIFFERENTIAL	% DIFFERENCE
1998	\$307,000	-	-
1999	\$309,000	(+) \$2,000	+ 0.65%
2000	\$306,000	(-) \$3,000	- 0.97%
2001	\$316,000	(+) \$10,000	+ 3.27%
2002	\$306,000	(-) \$10,000	- 3.16%
2003	\$311,000	(+) \$5,000	+ 1.63%
2004	\$302,000	(-) \$9,000	- 2.89%
2005	\$283,944	(-) \$18,056	- 5.98%
2006	\$254,483	(-) \$29,461	-10.38%
2007	\$252,478	(-) \$2,005	- 0.89%
2008	\$241,989	(-) \$10,489	- 4.15%
2009	\$242,161	(+) \$172	+ .007%
<i>2009 (Stimulus \$)</i>	<i>\$65,721</i>	-	-
2010	\$260,948	(+) \$18,787	+ 7.76%
2011	\$217,656	(-) \$43,292	-16.59%
2012	\$195,478	(-) \$22,178	-10.19%
2013	\$210,482	(+) \$15,004	+ 7.68%
2014	\$207,716	(-) \$2,766	- 1.31%
TOTAL	\$4,590,056		

EXHIBIT 2

CDBG ELIGIBLE ACTIVITY CATEGORIES

1. **Acquisition of Real Property** –Acquire real property in whole or in part by purchase, long-term lease, donation, etc.
2. **Disposition** –Pay for costs incidental to disposing of real property acquired with CDBG funds. Disposition costs include fees paid for: appraisals, surveys, marketing, legal services, financial services, transfer taxes, and other costs involved in the transfer of ownership of property.
3. **Public Facilities and Improvements** –Acquisition, construction, reconstruction, rehabilitation or installation of public improvements or facilities (except for buildings for the general conduct of government). Public facilities and improvements include, but are not limited to: water, sanitary sewer, and storm sewer facilities; parking areas; sidewalks and curbs; parks and playgrounds; senior citizen centers.
4. **Privately Owned Utilities** –Acquire, reconstruct, rehabilitate, or install distribution lines and facilities of privately owned utilities.
5. **Clearance** –Clearance, demolition, removal of buildings and improvements, and movement of structures to other sites.
6. **Public Services** - Provide public services (including labor, supplies and materials) with the public service being either a new service or a quantifiable increase in the level of a service. Public services include, but are not limited to: childcare, job training, public safety services, fair housing activities, etc.
7. **Interim Assistance** –Make limited improvements to a deteriorating area as a prelude to permanent improvements and also to alleviate an emergency condition which threatens the public's health and safety.
8. **Relocation** –Relocation payments and assistance to displaced persons where required under Section 570.606 of HUD's regulations.
9. **Loss of Rental Income** –Pay housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by CDBG – assisted activities.
10. **Removal of Architectural Barriers** –Remove material and architectural barriers which restrict the ability and accessibility of elderly and handicapped persons to publicly or privately-owned buildings and facilities. Architectural barrier removal includes the installation of ramps, curb cuts, wider doorways, elevators, and physical modifications to buildings, facilities and improvements to make them accessible.
11. **Housing Rehabilitation** –Finance the rehabilitation of any publicly or privately owned residential property, including the conversion of non-residential property for housing.
12. **New Housing Construction** –Finance or subsidize the construction of new permanent residential structures if the funds are used by the following: Local Development Company; Small Business Investment Company; or Neighborhood-based nonprofit organization, for the construction of housing which the grantee has determined is necessary or appropriate to achieve its community development activities.
13. **Code Enforcement** –Payment of salaries and overhead costs directly related to the enforcement of local codes. CDBG funds may be used for code enforcement only in deteriorating or deteriorated areas where such enforcement, together with public improvements, rehabilitation and services to be provided may be expected to arrest the decline of the area.
14. **Historic Preservation** –Rehabilitate, preserve, and restore publicly or privately owned historic properties.
15. **Commercial or Industrial Rehabilitation** –Finance the rehabilitation of commercial or industrial buildings.
16. **Planning and Capacity Building** –Pay for studies, analyses, data gathering, preparation of plans and the identification of actions that will implement plans. The types of plans which may be paid for with CDBG funds include, but are not limited to: comprehensive plans; community development plans; capital improvement programs; functional plans (such as plans for housing, land use, energy conservation), etc.
17. **Program Administration Costs** –Pay reasonable program administration costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under the CDBG or Urban Development Action Grants programs.

**EXHIBIT 3
MILLCREEK TOWNSHIP -- LOW/MODERATE INCOME SUMMARY DATA**

Census Tract/ Block Group	Total Persons / Low-Mod Universe*	Total Persons/ LMI	Percent of LMI Persons
CT 104.00	5,225	1,490	28.52%
BG 1	1,430	650	45.45%
BG 2	1,950	375	19.23%
BG 3	1,845	465	25.20%
CT 105.00	4,570	1,620	35.45%
BG 1	1,940	760	39.18%
BG 2	1,850	570	30.81%
BG 3	780	290	37.18%
CT 107.00	4,045	830	20.52%
BG 1	1,485	280	18.86%
BG 2	1,055	235	22.27%
BG 3	1,505	315	20.93%
CT 108.00	3,510	1,190	33.90%
BG 1	1,475	580	39.32%
BG 2	915	210	22.95%
BG 3	1,120	400	35.71%
CT 109.02	4,120	1,075	26.09%
BG 1	980	330	33.67%
BG 2	830	260	31.33%
BG 3	1,625	80	4.92%
BG 4	685	405	59.12%
CT 109.03	6,595	1,360	20.62%
BG 1	1,580	105	6.65%
BG 2	625	55	8.80%
BG 3	2,210	430	19.46%
BG 4	2,180	770	35.32%
CT 109.04	4,750	320	6.74%
BG 1	1,610	160	9.94%
BG 2	1,775	80	4.51%
BG 3	1,365	80	5.86%
CT 110.01	6,450	1,655	25.66%
BG 1	1,840	240	13.04%
BG 2	1,140	155	13.60%
BG 3	1,925	275	14.29%
BG 4	535	200	37.38%
BG 5	1,010	785	77.72%
CT 110.02	3,645	1,465	40.19%
BG 1	1,750	660	37.71%
BG 2	875	230	26.29%
BG 3	1,020	575	56.37%
CT 111.01	4,890	1,210	24.74%
BG 1	2,290	905	39.52%
BG 2	1,640	140	8.54%
BG 3	960	165	17.19%
CT 111.02	3,090	780	25.24%
BG 1	2,125	480	22.59%
BG 2	965	300	31.09%
CT 124.00	1,445	455	31.49%
BG 1	1,445	455	31.49%
TOTALS	52,335	13,450	25.69%

***The *Low/Moderate Income Summary Data (LMISD)* issued by HUD indicates that the Township has a “total low and moderate income universe/population” of 52,335 persons. The Total Low/Mod Universe is not necessarily the total population as based on the U.S. 2010 Census, but the maximum number of persons that have the potential of being classified as low/mod using 2006-2010 ACS data. Additionally, HUD’s formula for calculating low-moderate income persons excludes persons residing in group quarters. The group quarter population includes persons under formally authorized supervised care or custody such as correctional institutions, nursing homes and juvenile institutions. It also includes non-institutionalized persons living in group quarters such as college dormitories, military quarters, and group homes.**

INSERT MAP



Five Year Strategic Plan Summary

Millcreek Township, Pennsylvania has prepared a new Five Year Consolidated Plan (FY's 2013, 2014, 2015, 2016 and 2017) in order to strategically implement federal programs that fund housing, community development, and economic development activities within the municipality. Through a collaborative planning process, involving a broad range of public and private agencies, the Township has developed a single, consolidated planning and application document for the use of federal entitlement funds available through the Community Development Block Grant (CDBG) Program.

The Five Year CP for Millcreek Township serves the following functions:

- A planning document that enables the Township to view its HUD funding, not in isolation, but as one tool in a comprehensive strategy to address housing, community development, and economic development needs.
- An application for CDBG Program funds under HUD's formula grant.
- A strategy document to be followed in carrying out HUD programs.
- An action plan that provides a basis for assessing performance in carrying out use of CDBG Program funds.

Community Development Block Grant (CDBG) funds to address the needs outlined in the Strategic Plan is anticipated to be approximately \$200,000 for each of the next five years. ***The three overarching objectives guiding the proposed activities are:***

- Providing Decent Affordable Housing
- Creating Suitable Living Environments
- Creating Economic Opportunities

Outcomes show how programs and activities benefit a community or the people served. ***The three outcomes that will illustrate the benefits of each activity funded by the CDBG program are:***

- Improve Availability/Accessibility
- Improve Affordability
- Improve Sustainability

All future activities funded in the next five years will support at least one objective and one outcome. ***The Township's framework for realizing the objectives and outcomes include the following goals:***

- Provide decent, affordable housing
- Provide a suitable living environment
- Expand economic opportunities
- Increase homeownership
- End chronic homelessness

During the five year period (2013-2017) covered by the Consolidated Plan and contingent on funding availability, Millcreek Township proposes to undertake the following activities to address its housing and community development needs.

HOUSING NEEDS

1. Housing Improvements

- Single Family Housing Rehabilitation; Rental Housing Rehabilitation; Adaptive Home Modifications.
Goal: Make improvements to five (5) units.

2. Support Efforts to Expand the Supply of Assisted Rental Housing.

Goal: Provide funding to undertake a planning study to determine the potential for affordable housing developments for seniors and special needs populations.

COMMUNITY DEVELOPMENT NEEDS

1. Infrastructure

- Sidewalk Accessibility Improvements
Goal: Construct approximately 275 – 300 handicapped accessible curb-cut ramps.
- Flood Drain Improvements
Goal: Construct one (1) flood drainage facility.
- Water/Sewer Improvements
Goal: Replace or extend one (1) water/sanitary sewer line.
- Street/ Improvements
Goal: Reconstruct/rehabilitate (1) street and replace existing sidewalk.

2. Public Facilities

- Recreation
Goal: Improve one (1) park.

3. Public Services

- Senior Services
Goal: Assist in the establishment of a senior center and/or assist in paying for operating expenses.
- Fair Housing
Goal: Address impediments to fair housing as identified in the Fair Housing Analysis.
(Note: A new Fair Housing Analysis is currently being developed)