2023 CDBG CDC Program



Vision

The Department of Community Development envisions a Cleveland where stakeholders are empowered to build the pathway to equity. This vision is realized by creating quality housing and vibrant neighborhoods that serve as the foundation for generational wealth and community prosperity.



CDBG funded CDC Program Objectives

- Reduction and Blend of Activities
 - Rolling similar activities into on HUD Matrix code for flexibility (rehab and rehab Referral)
 - Eliminating activities with little CDC interest or consistently resulted in zero accomplishments (new construction & Multi-Family Rehab)
 - On HUD guidance (Code Enforcement & Interim Assistance)
- Indirect Cost (memo 1/31/22)
 - Reduce contract complexity
 - Efficient processing of payments
 - Reducing paperwork that will need to be submitted monthly
- Consultant Support Services
 - Staff Augmentation for Compliance and Contracting
 - Technical Assistant
 - Project Services- Appraisals and Environmental Reviews
- Aligning Department with Housing Plan
 - Strategically addressing City needs
- Neighborly
 - Digitizing Department Programming
 - Clarifying Dollars -> Activity -> Outcomes









Activity Eligibility: Eligible

Core Activities

| 14H Rehabilitation: Administration (50% of total contract) |
|--|
| |
| DSS Single Family Substantial Rehabilitation |
| Housing Rehabilitation Referral (including Weatherization) |
| DSS Single Family Redevelopment of vacant substandard housing |
| Non-DSS single family exterior residential rehabilitation |
| Housing rehabilitation Referral |
| DSS Single Family Redevelopment of vacant substandard housing with green |
| building standards |
| Home weatherization (assistance) |
| Paint refund/rebate program |
| 18B Economic Development: Technical Assistance |
| Design review project coordination |
| General technical assistance: not related to expansion etc. |
| General technical assistance/Direct CDC assistance to business: expansion, |
| relocation, retention (positive outcomes) |
| |

Optional Activity

| 05 CBDO Public Services | |
|---|--|
| 05I Crime awareness/prevention | |
| Commercial security patrol and crime prevention | |
| 05V Neighborhood Cleanups | |
| 05V (Comprehensive) Graffiti Removal | |
| 05H Workforce development/hire local | |
| 05I Commercial Security Patrol and Crime Prevention | |
| O5X Financial Literacy in conjunction with Homebuyer Education | |
| 05Z Landlord Tenant Outreach, Mediation and Fair Housing | |
| 05Z Side Yard Expansion Assistance | |
| 0-6 Comprehensive Bulk Waste Removal and Intervention (Area Clean Up) | |

21C Public information*Eligible as direct activity tied to 14H or 18B

23 Activities can still be accomplished under the 3 Matrix Codes



Activity Eligibility: Ineligible

| Activity | Rationale |
|--|---|
| 14H Model Block: acquire/rehab/sale of vacant housing | Persistent Zero Accomplishments and little interest from CDCs |
| 18B Development/redevelopment of commercial real estate (in excess of \$500,000) | Persistent Zero Accomplishments |
| 18B Commercial retail marketing "input" and "outcome" activities | Persistent Zero Accomplishments |
| 0-6 Interim assistance | HUD Determined City Land Bank is an ineligible activity in 2021 |
| 0-6 Land (re)utilization program and area cleanup | HUD Determined City Land Bank is an ineligible activity in 2021 |
| 0-6 Area clean-up campaigns | HUD Determined City Land Bank is an ineligible activity in 2021 |
| 0-6 Greening Projects | HUD Determined City Land Bank is an ineligible activity in 2021 |
| 12 Construction of (New) Housing | Persistent Zero Accomplishments |
| 14E Storefront Renovation Program | Persistent Zero Accomplishments |
| 14B Rehabilitation: Multi-unit Residential | Persistent Zero Accomplishments |
| 03N Neighborhood Tree Planting | Persistent Zero Accomplishments |
| 15 Residential Code Enforcement | HUD determined code enforcement ineligible |
| Commercial Code Enforcement | HUD determined code enforcement ineligible |
| 20 Planning | Little interest from CDCs, given spending cap restrictions |



Why?

Since 2017, the Department has been actively working to address HUD's concern expressed on September 15, 2016 through and on-site Monitoring Review Letter.

Fourth, we reviewed the City of Cleveland's Department of Community Development Contract Amendment Policy and Procedures. As discussed in our monitoring exit conference, on June 11, 2015, it was HUD's issue that the city lacked budget control and many activities in subrecipient agreements were found to not have been completed or did not meet their projected outcome, mostly brick and stick type of activities; while other activities such as code enforcement and other administration type of activities incurred more expenses. <u>Therefore, it is unclear to our</u>

In reviewing the accomplishments from 2014 and 2015:

- 386 activities were funded across 21 Community Development Corporations (CDCs);
- <u>214 of those activities reported zero accomplishments (over 55%)</u>.



Questions?



CITY OF CLEVELAND Mayor Justin M. Bibb

601 Lakeside Avenue • Cleveland, Ohio, 44114

216.664.2000 | mayor.clevelandohio.gov