

*Our Mission: To improve the housing, neighborhood and economic conditions of Arlington County's low and moderate income residents by effectively administering the Community Development Block Grant (CDBG) program*

## FY 2007 PRIORITIES

The Community Development Block Grant program priorities are:

- To provide adequate housing; broaden housing choices; and minimize displacement for all persons, especially low and moderate income persons, minorities and persons with mental and physical disabilities.
- To plan and implement an array of housing, neighborhood improvement and special public service programs as part of strategic improvements in the Community Development Neighborhood Strategy Areas (NSAs) of Nauck, Columbia Heights West, Buckingham, Pike Village Center, Arlington View, Radnor/Ft. Meyer Heights, Long Branch Creek, Barcroft, Lyon Park, Penrose and Westover.
- To provide economic opportunities for low and moderate income persons.
- To undertake outreach and citizen involvement activities to ensure the participation of Arlington's low and moderate income and multi-cultural communities in the annual CDBG proposal process and in CDBG-funded programs.
- To implement the activities and programs identified in the Arlington County Consolidated Plan.

CDBG program staff undertake the following work items:

- Plan, develop, coordinate, implement and evaluate neighborhood improvement activities in the Neighborhood Strategy Areas.
- Provide technical assistance; and monitor and evaluate agencies and non-profit organizations implementing CDBG funded activities, including assisting subrecipients to develop and monitor performance measures.
- Develop the annual CDBG program, including soliciting proposals, coordinating interdepartmental review, evaluating proposals, and developing program and funding recommendations.
- Administer the CDBG program through financial management activities to ensure compliance with federal regulations (such as environmental assessments, labor standards, relocation, etc.) and submit of quarterly and annual reports to HUD.
- Provide information and technical assistance to citizens participating in the planning, implementation or evaluation of the CDBG program, including staff support for the Community Development Citizens Advisory Committee (CDCAC).

**COMMUNITY DEVELOPMENT BLOCK GRANT**

**PROGRAM FINANCIAL SUMMARY**

	FY 2005 Actual	FY 2006 Adopted	FY 2007 Proposed	% Change '06 to '07
Personnel	\$858,854	\$924,634	\$944,331	2%
Non-Personnel	1,210,268	1,247,838	872,594	-30%
<b>Total Expenditures</b>	<b>2,069,122</b>	<b>2,172,472</b>	<b>1,816,925</b>	<b>-16%</b>
Program Income	19,017	-	-	-
Grants	2,050,105	2,172,472	1,816,925	-16%
<b>Total Revenues</b>	<b>2,069,122</b>	<b>2,172,472</b>	<b>1,816,925</b>	<b>-16%</b>
<b>Net Tax Support</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Authorized FTEs	11.0	11.0	11.0	
Funded FTEs	11.0	11.0	10.0	

**SIGNIFICANT BUDGET HIGHLIGHTS**

Despite nationwide efforts to preserve the CDBG Program, the federal appropriation resulted in a 16% decrease in entitlement funds for FY 2007. Grant funding of the PRCR Summer Fun program was eliminated, funding was decreased for the Arlington Employment Center and administrative costs were reduced in order to absorb the total reduction. Because program income was unusually high over the past several years, the \$355,547 reduction is cushioned by reallocation of program income and unprogrammed funds. This will result in fewer dollars available in the future for several housing development programs. Future reductions to the entitlement grant will impact the County's ability to meet affordable housing goals, implement NSA activities, and administer the program.

The FY 2007 CDBG program budget includes \$1,816,925 in grant funds from the U.S. Department of Housing and Urban Development for Arlington and the City of Falls Church and an estimated \$1,786,000 of program income (from loan repayments and subrecipient revolving fund activity). The City of Falls Church will receive \$85,577 of the grant funds under a Cooperation Agreement with the County. The CDBG program for FY 2007, developed from proposals received in September 2005, will address the above priorities through a variety of programs for which detailed descriptions are provided on the following pages. Some activities are implemented directly by County staff; others by subrecipients.

The following criteria guided development of the FY 2007 CDBG recommendations: 1) proposal responds to a County Board CDBG priority of affordable housing development and housing support services, economic development and job training, or is targeted to NSAs; 2) proposal responds to targets established by the Partnership on Children, Youth and Families for health, safety and well-being of young people in Arlington; 3) proposal responds to needs identified in the Five -Year Consolidated Plan; 4) success of prior funded projects in meeting established performance outcomes; 5) length of time project has received CDBG funding and availability of other potential funding sources, i.e., General Fund, Arlington Affordable Housing Investment Fund, or foundations; and 6) extent to which the community was involved in proposal development.

- The grant amount for FY 2007 was reduced by 16% or \$355,547.
- ↑ Personnel costs increased (\$19,697) including normal salary increases, increases to retirement and healthcare and a decrease by not funding a 1.0 FTE, an Administrative Tech position.

**COMMUNITY DEVELOPMENT BLOCK GRANT**

- ↓ Decreased non-personnel (\$375,244) is in Program funding (\$378,579) reallocated to reflect the 16% reduction in the HUD CDBG grant and an increase in non-personnel administrative expenses (\$3,335).

**PERFORMANCE MEASURES**

	FY 2002 Actual	FY 2003 Actual	FY 2004 Actual	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2007 Goal
Single family households assisted to improve condition of their housing	55	64	54	43	50	53	55
Multi-family units occupied or completed	85	713	11	79	227	809	809
Percentage of acquired/completed units occupied by low/moderate income tenants	80%	100%	100%	100%	78%	69%	60%
Persons assisted through training and job placement	137	191	170	178	150	150	150
Persons assisted through training and job placement: Success rate	63%	85%	78%	84%	70%	70%	70%
Percentage favorable rating by CDBG applicants	N/A	N/A	N/A	88%	90%	95%	100%
Percentage of favorable rating by CDCAC members	N/A	N/A	N/A	100%	95%	95%	100%
Percentage of households satisfied with home improvements	96%	98%	92%	100%	95%	95%	100%
CDBG subgrantees/ CDBG- assisted activities	27/40	25/38	24/35	24/34	24/40	24/33	24/33
Households receiving counseling and referrals to meet housing needs	621	1,120	1,089	726	750	750	750
Households assisted through housing events, workshops, and materials	1,685	1,717	1,666	1,576	1,900	1,600	1,600
Persons assisted by bilingual, youth, and similar neighborhood activities	1,485	1,534	2,864	2,640	2,400	2,200	2,200

- The above measures are aggregated for similar Community Development funded programs and outcome performance measures are available for each individual program. Activities are implemented by County staff and subrecipients.
- Single-family households are assisted through the AHC, Inc. Home Improvement Program and the Robert Pierre Johnson Rebuilding Together Program. Satisfaction is measured by surveying program participants.
- ‘Units completed’ varies greatly from year to year. Multi-family projects in FY 2004 include APAH’s rehabilitation of Cameron Commons; FY 2005 includes AHC’s Hunter’s Park (74 units) and APAH’s Cameron Commons II (5 units). FY 2006 estimates Woodbury Park (108 units) and Rosslyn Ridge (238 units). CDBG funds support some of the housing development costs of non-profit sponsors.
- Job placement success rate measures the percentage of clients who remain employed 90 days after placement.
- Several customer measures are new. Data collection commenced in FY 2005.

**FUTURE BUDGET CONSIDERATIONS**

- CDBG grant amount may continue to decline, as CDBG formula changes are under consideration at the Federal level, impacting the County’s ability to meet affordable housing goals, implement NSA activities, and administer the program.

**DEPARTMENT OF COMMUNITY PLANNING, HOUSING AND DEVELOPMENT**  
**FUND BUDGET SUMMARY**

**COMMUNITY DEVELOPMENT BLOCK GRANT**

**FUND STATEMENT**

	FY 2005 Actual	FY 2006 Adopted	FY 2007 Proposed	% Change '06 to '07
Beginning Balance, July 1	-	-	-	
Program Income*	\$19,017	-	-	
Federal Revenue (Carryover)**	100,892	-	-	
Federal Revenue (New)	1,949,213	2,172,472	1,816,925	-16%
<b>Total, Balance and Revenues</b>	<b>2,069,122</b>	<b>2,172,472</b>	<b>1,816,925</b>	<b>-16%</b>
<b>Total Expenditures</b>	<b>2,069,122</b>	<b>2,172,472</b>	<b>1,816,925</b>	<b>-16%</b>
<b>Closing Balance, June 30</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* FY 2005 expenditures include \$19,017 in program income received during that year.

\*\* Federal Revenue Carryover funds for FY 2005 reflects unspent CDBG funds from prior years.