

COMMUNITY DEVELOPMENT BLOCK GRANT – RECOVERY SUBSTANTIAL PROGRAM AMENDMENT

The City of Fort Lauderdale has been allocated \$557,744 in CDBG-R funds, however in order to receive these funds, eligible grantees must submit a substantial amendment to the 2008-2009 Annual Action Plan of the Consolidated Plan and the amendment must be approved by HUD.

The CDBG-R is authorized under Title XII of the American Recovery and Reinvestment Act of 2009 (“Recovery Act”). Congress has designated \$1 billion to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 on an expedited basis. The grant program under Title XII is commonly referred to as the CDBG Recovery (CDBG-R) program. The funding availability is administered by the U.S. Department of Housing and Urban Development.

Per the directives of the Recovery Act, the Housing and Community Development (HCD) Division will administer the CDBG-R funding to maximize job creation and economic benefit by:

- Preserving and creating jobs and promoting economic recovery; and
- Providing the investment needed to increase economic efficiency.

The activities undertaken to utilize the funds will include: Small Business Grants or Loans, and Technical Assistance grants for eligible micro enterprises and small for-profit businesses. HCD anticipates that these funds will allow for the creation and/or retention of up to 25 jobs within the City of Fort Lauderdale. City Departments or subrecipients will administer the activities. Housing and Community Development Division will administer a limited application process and select those applicants whose capacity and experience provide the highest number of jobs created or retained.

Funds requested under this program must be utilized for Special Economic Development Activities and job creation/retention as defined in the CDBG Regulations at 24 CFR 570. Specific activities that will be funded are: acquisition of real property and equipment; improvements to structures; infrastructure improvements; and new construction.

All awards will be in the form of grants, no-interest loans, low-interest loans, or a combination of each. At least one (1) full time equivalent (F.T.E.) job must be created or retained for every \$35,000 of CDBG funding applied for (*one full –time or equivalent job equals one job totaling 2,080 hours annually or two or more positions that together total at least 2,080 hours per year*). The applicant must be directly responsible for generating the jobs to be produced. At least fifty-one percent (51%) of all jobs created must be filled by persons of low and moderate income, as from time to time defined by the U.S. Department of H.U.D.

Except as described in the Notice of Program Requirements for Community Development Block Grant Program Funding Under the American Recovery and Reinvestment Act 2009 [Docket No. FR-5309-N-01], statutory and regulatory provisions governing the CDBG Program shall apply to the use of these funds.

Although the City’s 2008-2009 Annual Action Plan identifies the northwest quadrant of the City as in need of economic development assistance, the CDBG-R funds will be available for programs throughout the City that meet the criteria for CDBG funding and address the expedited directives of the Recovery Act.

Prior to amending the Annual Action Plan, the City established a 7-day public comment period from May 15, 2009 to May 21, 2009. No public comments were received. A Public Notice requesting comments was published in the Sun Sentinel on Friday, May 15, 2009. The publication included notice that an informational meeting open to the public was held on Tuesday, May 19, 2009 for questions regarding this program

The Commission-approved amendment and other required documents must be received by HUD by June 5, 2009 for review and approval before the City will receive funding for the CDBG-R Program.