PROGRAM DESCRIPTION

Department: Economic Development   HB Sections: 7.040
Program Name: Community Development Block Grant Program Federal Stimulus
Program is found in the following core budget(s): CDBG Program (Federal Stimulus)

1a. What strategic priority does this program address?

Customer Centric

1b. What does this program do?

The Community Development Block Grant- COVID (CDBG-CV) program provides funding and expertise to develop viable communities and build economic development capacity by leveraging resources and connecting stakeholders toward a common goal while meeting one or more of the following criteria:

(1) Benefit at least 51% low and moderate income (LMI) persons; (2) eliminate slum and blight; or (3) meet urgent threats to health and safety. CDBG is a federally-funded program that provides grants to "non-entitlement" communities, or municipalities with populations under 50,000 and counties with populations under 200,000 for preventing, preparing for, or recovering from COVID-19 impacts, but Federal Registers governing the use of CDBG special allocations allow a portion of funding to provide grants to entitlement communities.

The State administers multiple CDBG grants, many of which are reserved for specific purposes identified by federal register. This CDI is exclusivly for the 2020 CDBG-COVID (CDBG-CV) - $43,033,423 - to help communities prevent, prepare for, and respond to COVID-19 in a variety of ways.

2a. Provide an activity measure(s) for the program.

	FY2020		FY2021		FY2022		FY2023	FY2024	FY2025
	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Projected	Projected
CDBG-CV Funds Obligated	N/A	N/A	N/A	N/A	N/A	$41.4 M	$41.7 M	$41.7 M	$41.7 M
CDBG-CV Funds Expended	N/A	N/A	$23M	0	$20M	$ .36M	$10.8 M	$21.5 M	$6.5 M
Projects Closed	N/A	N/A	N/A	N/A	N/A	N/A	11	21	6

Note 1: Numbers are based on funds drawn on projects per Fiscal Year. Average period of performance for a CDBG project is 3 years; therefore, the annual expenditure and actual amount take into account each project spending a percentage of total allocation. A majority of project expenditures are anticipated to occur in FY24.
Note 2: CARES Act CDBG-CV Funds are projected to expend from FY2022 to FY2025.
Note 3: DED did not receive an executed grant agreement from HUD until June 2021 and delays were experienced in obligating funds. DED has since obligated nearly all non-administrative funds to local projects and anticipates no issue in meeting obligation or expenditures timeliness requirements from HUD.
Note 4: CDBG-CV is a one-time allocation resulting in 38 projects being awarded. This number is not expected to change, so Projects Closed will demonstrate activity under the program over time.

2b. Provide a measure(s) of the program's quality.

	FY2020	FY2021		FY2022		FY2023	FY2024	FY2025
	Actual	Projected	Actual	Projected	Actual	Projected	Projected	Projected
Customer Service Experience	87%	90%	74%	95%	85%	95%	95%	95%

Note 1: Percentage of customers who rated their experience as "very" or "somewhat" positive.
Note 2: FY2022 results based on August 2022 survey that included 33 respondents.
Note 3: Customer Service Experience includes feedback related to all CDBG programs.
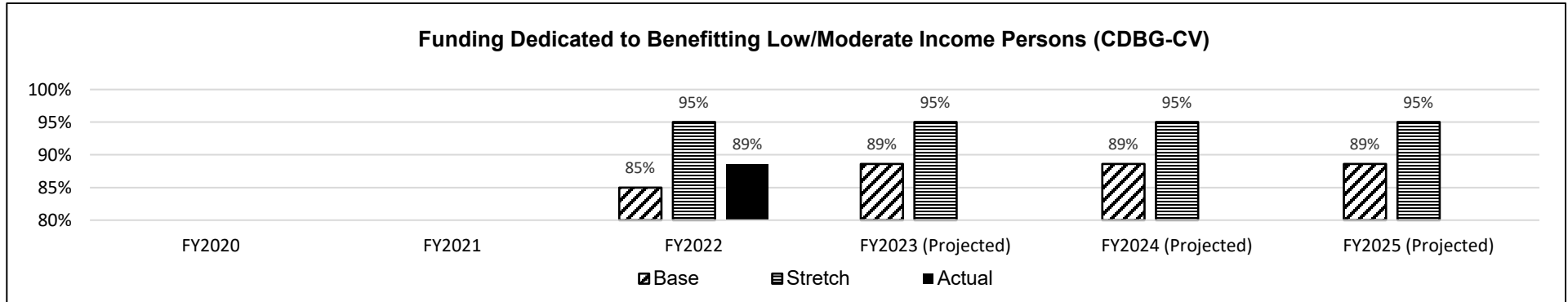
PROGRAM DESCRIPTION

Department: Economic Development 　　　　　　　　　　　　　　　　　HB Sections: _____7.040_____

Program Name: Community Development Block Grant Program Federal Stimulus

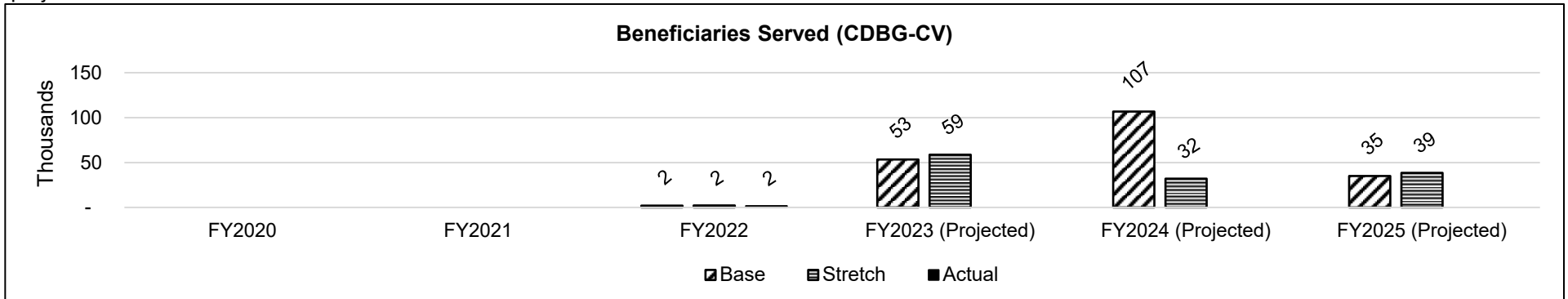**Program is found in the following core budget(s): CDBG Program (Federal Stimulus)**

2c. Provide a measure(s) of the program's impact.

Funding Dedicated to Benefitting Low/Moderate Income Persons (CDBG-CV)

Note 1: Calculated by dividing dollar amount of approved projects in a Fiscal Year that will benefit low and moderate income (LMI) persons by the total dollar amount of the grant.

Note 2: HUD requires that a minimum of 70% of the state's annual allocation be awarded for projects benefitting LMI persons; however, it is Missouri's goal that at least 85% of the projects will benefit LMI persons.

Note 3: Stretch target is set at 95% due to the fact that demolition (slum and blight national objective) and emergency (urgent threat national objective) projects might also need to be funded, and those national objectives do not require a 51% LMI benefit; therefore, Stretch includes a "cushion" for those emergency projects.

Beneficiaries Served (CDBG-CV)

Note 1: Beneficiaries Served are individuals directly or indirectly served by the project being performed. Current and past Beneficiaries Served are reported based on projects that are completed and closed within a fiscal year. Projected Beneficiaries Served are based on estimates included in proposals and applications.

Note 2: Beneficiaries Served is limited by the population characteristics of the applicant, including %LMI and HUD-identified disaster impact level. As such, stretch goal is inherently limited per population. To reflect this limitation, stretch targets are stated as 10% above base.

Note 3: Beneficiaries Served (CDBG-CV) has multiple variables since funds may be used for: (1) both entitlement (more densely populated) and non-entitlement (less densely populated) communities; and (2) infrastructure projects which indirectly affects a bigger population. Base and Stretch targets are considerably lower than FY2020 actuals since it is likely for recovery funds to be more weighted towards rural areas and housing than in FY2020.
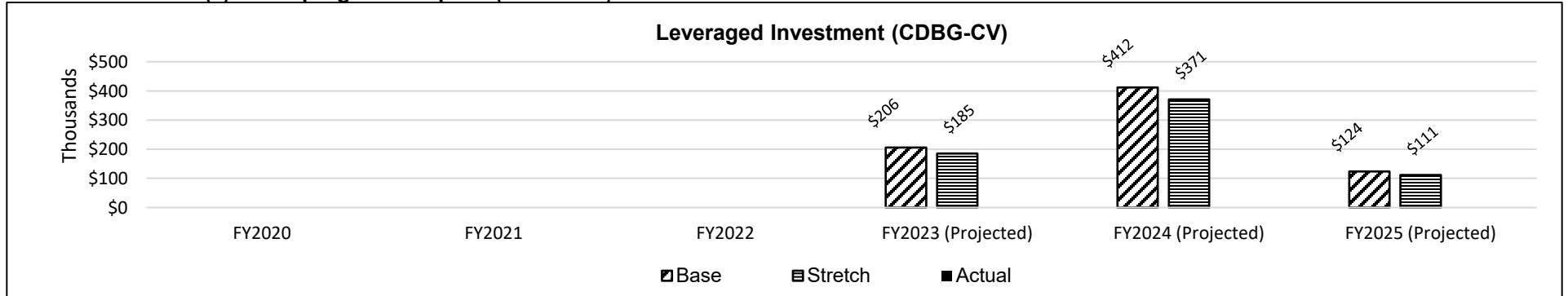
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2c.   Provide a measure(s) of the program's impact. (continued)

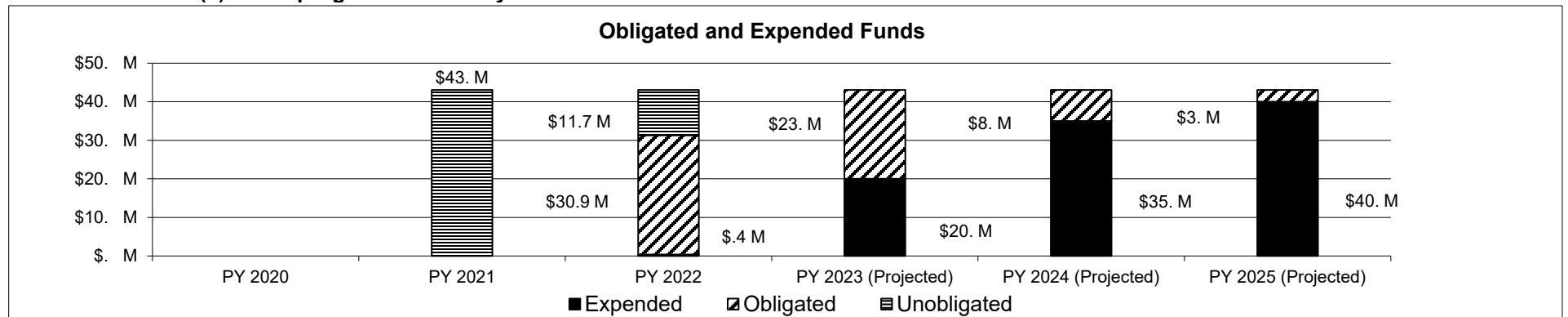### Leveraged Investment (CDBG-CV)

Note 1: CDBG does not require matching from subrecipients, as it acts as a gap financing tool. Leveraged funds vary by project based on the financial resources available to the subrecipient at the time of application, which is highly variable.

Note 2: Leveraged investment are non-CDBG-CV funds (local, state, or federal) that are used in conjunction with CDBG-CV funds to aid in financing a particular project.

Note 3: Leveraged investment calculation based on all CDBG projects except economic development which have high variations by project and year.

Note 4: Future projected Base is calculated using the average of previous years while the Stretch calculation utilizes this number and increases projection by 10%.

2d.   Provide a measure(s) of the program's efficiency.

Obligated and Expended Funds

Note 1: Missouri's CDBG - CV Grant Award was ~$43.0 M.

Note 2: Note 1: "PY" = Program Year April 1 - March 31.

Note 2: HUD requires all CDBG - CV funds to be expended by August 2026.

Note 3: FY2022 shows only 0.4M in unexpended funds as only one project had been obligated by FYE.

PROGRAM DESCRIPTION
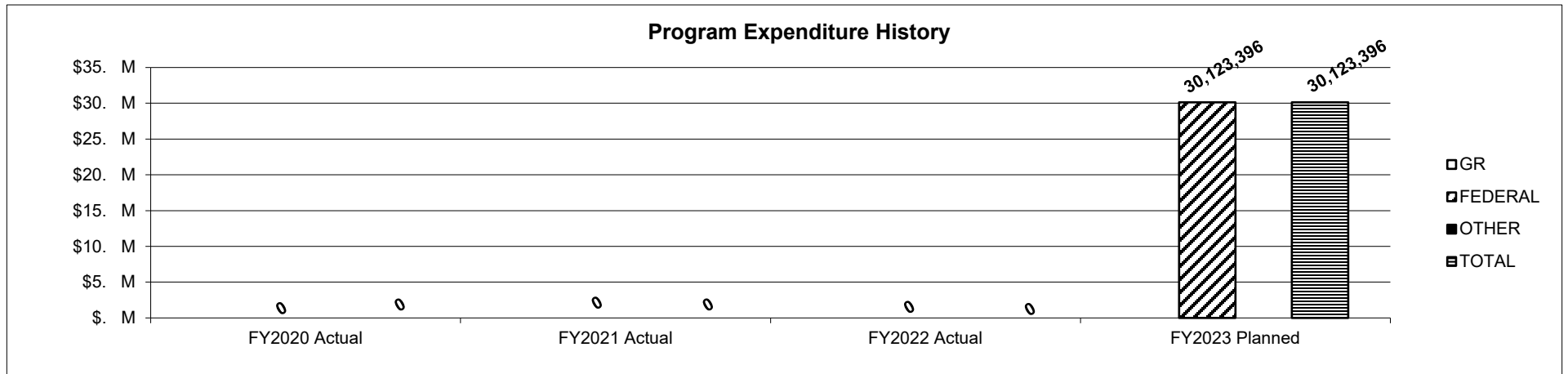
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3.   Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. *(Note: Amounts do not include fringe benefit costs.)*

Program Expenditure History

4.   **What are the sources of the "Other " funds?**
N/A

5.   **What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)**
42 USC Section 5301 et. Seq., 24 CFR Part 570, and the MO Consolidated Plan submitted to the US Dept. of Housing and Urban Development.

6.   **Are there federal matching requirements? If yes, please explain.**
No, the $1 for $1 match required for the State's administrative funds, after the first $100,000 was waived by federal register for the CV program.

7.   **Is this a federally mandated program? If yes, please explain.**
The program is a formula block grant provided to the State of Missouri, established by a federal register notice from Congress and implemented by HUD for the prevention, preparation, or recovery from COVID-19.