



# Community Development Block Grant (CDBG) Program

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Action Plan Amendment to include Purchase Assistance

# CDBG Program Non-Compliance

- Potential sanctions to reduce FY 2018 funding (\$350k)
- Program Timeliness Ratio
  - 60-day ratio 3.62 (program allows 1.5)
- Current Eligible Activities- Public Facilities/Minor Home Repair
  - Approximate 8-month process
  - Not conducive to the City's timeliness issue
  - Projects not to be supplanted from City budget
- Proposed Eligible Activities- Purchase Assistance
  - Approximate 2-month process
  - Strong interest in program
  - Only viable option to gain program compliance and achieve timeliness

# CDBG Purchase Assistance

- Who benefits from PA?
  - Educators, Nurses, First Responders, Retail employees, Admin/support specialists
- Pride of Ownership
  - Homeowners typically care for their property at a higher level than renters
  - Increased code compliance
- Disposal income spent at local businesses and restaurants

# CDBG Purchase Assistance

- Program is not for investors/house flipping
- Deferred Payment Loan (DPL)/Promissory Note
  - pay back grant if house is sold within 15 years
- Typical Program Recipients
  - Seeking long-term housing
  - Good credit (still need to qualify for mortgage)
  - Steady job/income (needed for mortgage)
  - Short on large sum of cash for down payment

# Affordable Housing in Broward County

- Most cost-burdened region in the nation
- 58% of residents spend more than 30% of income on housing
- Broward County Median Income- \$60,900
  - Able to afford a house valued at \$185,000

Source: <https://browardhousingtrust.com/>



# CDBG Action Plan Amendment

- Approval of Public Notice to Amend AP to include Purchase Assistance
- Minor Home Repair remains a program activity
- 30-day public comment period to begin tomorrow
- Commission will formally amend the AP in November