Arizona Department of Housing Community Development and Revitalization Division



Financing Water Infrastructure Projects with CDBG



Community Development Block Grant

Primary Objective:
 Develop viable
 urban communities
 by providing decent
 housing, a suitable
 living environment
 and economic
 opportunities for
 low income
 persons.





CDBG Method of Distribution

- FY17 Anticipated Funding = \$10,578,395
- Administration: 2% + \$100,000 = \$311,568
- Technical Assistance: 1% = \$105,784
- Colonias: 10% = \$1,057,840
- After Administration and Set Asides
- Regional Account: 85% = \$7,737,723
- State Special Projects: 15% = \$1,365,480





CDBG Method of Distribution

- Anticipated FY17 Regional Account (noncompetitive annual funding)
 - CAAG: \$2,227,865
 - NACOG: \$2,004,302
 - SEAGO: \$1,138,343
 - WACOG: \$2,367,213
- State Special Projects (competitive available through NOFA)
 - 1 Application from each community, 3 per county: \$1,365,480



CDBG Access to Funds

- Regional Method of Distribution
 - Each region determines the frequency that their member communities and counties apply for their apportionment of funding.
- State Special Project
 - Annual competitive round with maximum application request of \$300,000.





CDBG Infrastructure Eligible Activities

- Public and Privately owned Water System Improvements:
 - Installation of new lines
 - Replacement of deteriorated or obsolete lines
 - Installation of larger capacity lines
 - Installation of fire hydrants
 - Construction of new intake stations
 - Drilling of new wells in conjunction with hydrology study
 - Plant expansions or modifications due to increased demand or source water quality
 - Replacement of major equipment
 - Construction of elevated or ground storage tanks



CDBG Infrastructure Eligible Activities

- Public and Privately Owned Wastewater System Improvements
 - Installation of new lines
 - Replacement of existing lines if deteriorated or obsolete
 - Installation of larger capacity lines
 - Construction of new lift station to expand capacity
 - Plant expansions or modifications due to changes in influent characteristics
 - Plant expansions or modifications due to increased influent where the existing facility is operating at or near capacity established by ADEQ
 - Construction of new sewage treatment plant



CDBG Infrastructure Eligible Activities

- Flood and Drainage Improvements
 - Permanent drainage facilities (storm sewer lines, concrete structures, culverts, related ditch grading, or curbs and gutters) where an engineering report indicates such is necessary to prevent flooding and drainage problems.
 - Acquisition of real property including Right of Way easements.





CDBG Public Process

 Applicant must hold 2 hearings prior to submission of an application to ADOH

 Public is given opportunity to comment on recommended projects at both hearings prior to selection of project for application by Council or Board of Supervisors



CDBG Project Benefit

- Project must meet a national objective
 - Low-mod income benefit
 - Service area must be at least 51% low-mod income.
 - Slum/blight (this objective is not typical for infrastructure projects)
 - Urgent need
 - Declared disaster by President or Governor
 - Letter from FEMA Regional Director or ADEQ Director.



CDBG Program Contacts:

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