



Western Arizona Council of Governments

Community Development Block Grant (CDBG) FY 2023 Final Method Of Distribution (MOD)

Western Arizona Council of Governments (WACOG) was founded in 1971. The organization is a governmental non-profit that is dedicated to serving its local jurisdictions, income challenged households, and vulnerable populations in La Paz, Mohave, and Yuma, Counties.

WACOG works on a broad range of issues and programs including: the Community Development Block Grant (CDBG), Community Services Block Grant (CSBG), Early Childhood Education, Health, Low-Income Home Energy Assistance (LIHEAP), Nutrition, Services for Older Americans, Homelessness Prevention, Social Service Block Grant (SSBG), Transit and Transportation, Tax and Income Policies, Weatherization Assistance, and Housing Issues.

WACOG Executive Board Approval Date: March 23, 2023,

The Community Development Block Grant (CDBG) funds originated with the passage of the Housing and Community Development Act of 1974. The Arizona Department of Housing has been designated by the United States Department of Housing and Urban Development (HUD) to administer the small cities funding under the CDBG Program in Arizona. The regional account system is a method of equitably distributing CDBG funds to address local needs while having the local governments play an important role in the grant solicitation process. Western Arizona Council of Governments' (WACOG) Method of Distribution (MOD) recognizes that role by using County allocations as its basis for localizing these decisions.

WACOG's Method of Distribution is formulated with the understanding that all applicable regulations, State or Federal, included in the FY 2003 CDBG Application Handbook updates and adopted as the FY 2013-14 regulations, produced by the Arizona Department of Housing, are incorporated - as they apply - into the WACOG Funding Strategy and any updated regulations provided on the ADOH website.

All potential regional applicants will be notified of the MOD, by mail, fax or hand delivery, at least 90 days prior to the deadline of 5 P.M. ON FRIDAY, May 19, 2023 for the submittal of regional projects for 2023. Records of how that notice was provided will be kept by WACOG.

A. TYPE OF METHOD OF DISTRIBUTION

The WACOG MOD is primarily an entitlement system. The communities entitled to receive funds in a rotating yearly manner and the percent of the total county allocation each will receive are determined by the WACOG Executive Board. The entitlement component results in each County being allocated funds calculated on a weighted formula of 70% persons in poverty (based on the 2010 Census) and 30% population (using the most recent Arizona Population Technical Advisory Committee [POPTAC] estimates), excluding the Indian population living on reservations and the City of Yuma, which is an entitlement entity. The WACOG Executive Board may adjust the percentages to reflect the local need.

REGION IV: CDBG
REVISED WEIGHTED AVERAGE DISTRIBUTION
FY-23

Step #1

	<u>Mohave County</u>	¹ <u>Yuma County</u>	<u>Region IV</u>
Population per ADOH:	210,572	105,119	315,691
% of Total Regional Population	66.70%	33.30%	100.00%
Poverty as per ADOH*	33,822	20,341	54,163
% of Total Region Poverty	62.44%	37.56%	100.00%

Step #2

	<u>Mohave County</u>	<u>Yuma County</u>	<u>Region IV</u>
% of Total Region Population	66.20%	33.30%	100.00%
30% Weight	30.00%	30.00%	
Population % weighted @30%	20.01%	9.99%	30.00%

Step #3

	<u>Mohave County</u>	<u>Yuma County</u>	<u>Region IV</u>
% of Total Region Poverty	62.44%	37.56%	100.00%
70% Weight	70.00%	70.00%	
Poverty Weighted @70%	43.71%	26.29%	70.00%

Step #4

	<u>Mohave County</u>	<u>Yuma County</u>	<u>Region IV</u>
Population % weighted @30%	20.01%	9.99%	30.00%
Poverty Weighted @70%	43.71%	26.29%	70.00%
Weighted Averages	63.72%	36.28%	100.00%

	*Adjusted Weight		
By County	Distribution	%	CDBG Funds
La Paz County			\$232,618
Mohave County	63.72%		\$1,636,735
Yuma County	36.28%		\$933,275
<u>Region IV</u>	<u>100.00%</u>		<u>\$2,802,628</u>

* Based on WACOG Executive Board decision to provide a base amount for La Paz County of \$236,000 on 2/13/2003. Reductions have taken place since based on the reductions of CDBG funding.

* Revised Weighted Distribution based on La Paz County base amount, the 70/30 ratio applied to all counties to incorporate La Paz County into Regional increase for FY-23

¹ The Yuma County numbers exclude the City of Yuma, who is a CDBG Entitlement City.

MOD Calculations

FY 23 CDBG DISTRIBUTION:

FY 23 2/23/23

La Paz County				
	Town of Parker		100%	\$247,951
	Total La Paz County	8.3%		\$247,951
Mohave County				
	Bullhead City		50%	\$872,775
	Lake Havasu City		50%	\$872,775
	Total Mohave County	58.40%		\$1,745,550
Yuma County				
	City of San Luis		50%	\$496,929
	City of Somerton		50%	\$496,928
	Total Yuma County	33.3%		\$993,857
REGION IV TOTAL				
		100%		\$2,987,358

Application Cycle for FY2023 Funds: 100% \$2,987,358 (estimated)
 Based on 70% Persons in Poverty (2009-2013 5 yr. American Community Survey) and
 30% Population (2022 POPTAC Estimates).

Unless the Executive Board rules an entity's application ineligible, no substitution will be allowed. In the event that an entity should choose not to apply, those funds would remain within that entity's county and distribution would be determined by that county's entities under a special vote.

Entitlement applicants may choose to file a multi-jurisdictional application with another entitled or non-entitled applicant. An entitlement applicant may file a multi-jurisdictional application AND also file a second separate application, as long as the funds are within the total allocated amount. Entities within the same county may also agree between themselves to make up to a 10% adjustment in the funding amount to meet a local need (i.e., one entity agrees to reduce their request to satisfy a greater need of a neighboring applicant).

If an entitlement's regional account application is deemed non-fundable by WACOG staff, then that entitlement's backup application(s) will be given first preference to the funding.

If there is no backup application, then backup applications within the designated county will then be reviewed for funding. If there are no backup applications within the designated county, then backup applications within the WACOG region will then be reviewed for funding.

In the event that there are no RA backup applications, the funds will then be evenly distributed to all other entitlements within the WACOG Region. If the funds exceed 35% of the initial amount, the entities must go through the Public Participation process and publish Public Notice #3.

If the Arizona Department of Housing determines during its review process that a project is non-fundable, after the regional account applications have been submitted to the State, those funds would revert back to the WACOG regional funds. WACOG would then proceed to redistribute those funds based on the process described above.

B. SUBMITTAL OF APPLICATION

- I. All applications must be submitted to the **WACOG Executive Director, 1235 S. Redondo Center Drive, Yuma, Arizona, 85365; no later than: Five (5:00 p.m.), May 19, 2023.**
- II. All required application documentation must be submitted with the application no later than Five (5:00 p.m.), **May 19, 2023.** Refer to the Arizona Community Development Block Grant Program latest Application Handbook on the ADOH website, Application Review Forms, for a complete listing of all forms that must be submitted as applicable to each project.
- III. Applicants should adhere to all on-line application processes for Regional Applications established by the Arizona Department of Housing (ADOH), including deadlines and required documentation. **Failure to do so may result in the applicant being denied CDBG funding by ADOH.**

C. MINIMUM OR MAXIMUM APPLICATION OR ACTIVITY AMOUNTS

WACOG has no set minimum-funding amount for an activity. Maximum funding amounts are based on the percent of the total FY 2023 allocation that will be provided to each County, and then the percent of that County's share to which an entity will be entitled. However, an entity may choose to identify several activities to receive funding as long as the combined total of the activities does not exceed the maximum activities established by ADOH.

D. ALLOCATION METHOD REDISTRIBUTED DE-OBLIGATED FUNDS

The Arizona Department of Housing may re-obligate funds to the same community from which it was de-obligated to an existing or new contract of the same funding year based on the following criteria: 1) performance of the contract from which the funds were de-obligated; and 2) ability to commit de-obligated funds to another project that can immediately use the funds provided the new funds can be committed through a contract within 60 days, subject to ADOH rules governing on de-obligated funds.

If ADOH cannot reallocate de-obligated funds according to the above criteria the de-obligated funds will be redistributed by ADOH, to WACOG's Regional Account, if allowable.

E. SLUM BLIGHT (SB)/URGENT NEED (UN)/PUBLIC SERVICES AND NON PROFIT ACTIVITES

PROCEDURES TO ENSURE A MAXIMUM OF 30% IS RECOMMENDED FOR ACTIVITIES JUSTIFIED ON THE BASIS OF EITHER THE SLUM BLIGHT (SB) OR /URGENT NEED (UN) NATIONAL OBJECTIVES

The Region IV MOD allows for recommendations of activities justified on either the SB or UN national objectives to a maximum of 30% of its RA allocations, utilizing a first-come, first-served basis for both types of activities to ensure that the 30% limitation is not exceeded.

Approval is based on a first come, first serve basis for either funding so as to ensure the 30% limitation is not exceeded.

In the event that an Urgent Need issue should arise after the May 19, 2023 deadline, WACOG would review the request with the WACOG Executive Board and the ADOH CDBG Program on a case-by-case basis to determine how to proceed.

F. PROCEDURES TO IMPLEMENT THE MOD, INCLUDING ENSURING THAT NO APPLICANT EVALUATES ITS OWN APPLICATION, AND NOTIFICATION OF APPLICANTS

All potential regional applicants will be notified of the MOD, by mail, fax or hand delivery at least ninety (90) days prior to the deadline for submittal of regional projects for FY 2020 funding. Records of how that notice was provided will be kept by WACOG.

Applicants are requested to send in separate applications, one for each of their entitlement activities. All WACOG entity applications must be submitted to the **WACOG Executive Director, 1235 S. Redondo Center Drive, Yuma, Arizona, 85365; no later than: 5:00 p.m., May 19, 2023.**

All applications will be DELIVERED TO WACOG in the following ADOH prescribed manner:

1. Original and one copy of completed application, top two-holed punched with metal clasp.
2. The application shall be split into activities with the first activity packet containing Activity #1 Admin AND Activity #2, the Disclosure Report and all the required certifications and public notice information placed after the backup documentation for Activity #2. The administration charged to each activity will be no more than 18% of the total cost of that activity.
3. Each activity packet thereafter will have a Form 1 and a Form 3 (Activity Budget Page), then the applicable activity form (4, 5, 6, etc.) with maps and backup documentation, minus the certifications and public notice information which were placed with Activity #2 packet.
4. This will allow the State to issue a separate contract number for each activity to speed processing of funds and closeout, in an attempt to meet the federal requirements.

G. ENSURING WACOG RECEIPT AND REVIEW OF ALL APPLICATIONS PRIOR TO JULY 1, 2022

Applicants are instructed to send in separate applications, one for each entitlement activity. All WACOG entity applications must be submitted to the **WACOG Executive Director, 1235 S. Redondo Center Drive, Yuma, Arizona, 85365; no later than: Five (5:00 p.m.), May 19, 2023.**

Applications that contain non-fundable activities (i.e., activities that are ineligible or that do not meet a national objective) or is substantially incomplete (e.g., has no evidence of prior approval by Arizona Department of Housing of a special survey, or has no documentation of public participation requirements being met) will NOT be recommended by WACOG staff to the WACOG Executive Board for funding. WACOG will provide technical assistance and application review for all potential applications on a request basis prior to the WACOG formal application review process.

Applications will be delivered to the State on or before Friday June 30, 2023. The State will make every effort to have contracts to the communities as soon as possible.

H. COG CHARGES FOR TECHNICAL ASSISTANCE AND APPLICATION PREPARATION (TAAP)

A TAAP Fee that covers all indirect, direct (application review and GIN response time hours), and any other activity furthering the contract between the entity and state and does not exceed \$4,500.00 or 50 hours per entity, based on a rate of \$90 per hour, will be charged each applicant. Each applicant will allocate the TAAP fee in the Administration budget of the grant application. WACOG will back up the costs with documented time and financial records kept by WACOG in conformance with OMB Circular A87 and other appropriate Federal Regulations. Copies of said documented time and financial records will be provided to entities upon request.

Indirect costs for which each applicant will be billed are based on its proportionate share of those funded, i.e. all WACOG/CDBG meetings, workshops, training sessions, etc. that the WACOG staff are obligated or instructed to attend by the state/federal agencies.

I. SIGNED PARTNERSHIP AGREEMENT(S)

Based on WACOG Executive Board's decision, the CDBG Program understands that there will be no such agreement(s).

J. APPROVAL BY FORMAL ACTION OF THE REGIONAL COUNCIL PRIOR TO SUBMISSION OF THE APPLICATIONS TO THE CDBG PROGRAM

The WACOG Executive Board met on February 23, 2023 to review and approve the MOD for submission to the Arizona Department of Housing using funding amounts provided by ADOH.

K. DISCLAIMER

For years beyond FY 2023, the MOD reflects only a tentative funding commitment contingent upon federal and state requirements that might impact on this funding schedule, to include the Consolidated Plan, public participation process and HUD's approval of the MOD. Examples of potential federal and state changes could include: revised federal requirements as to MOD procedures, which entities are eligible to apply for CDBG funds, new entitlements, changes in the state RA process and allocation, and new incorporated entities.

- END OF MOD -