

Community Development Block Grant



Community Development and Finance Division

Georgia's State CDBG Program for Non-Entitlement Communities

Georgia's CDBG Program represents Federalism at work. Since 1982 when the Reagan Administration affirmed the concept of Federalism and gave States the responsibility for administering Non-Entitlement CDBG funds, the program has met President Bush's goals of leveraging "economic development, providing robust job opportunities and creating livable communities" for low- and moderate-income families.

Georgia's CDBG program relies on local governments to identify unmet

needs within low- and moderate-income communities and initiate strategies created in partnership with those communities. Local control routinely delivers innovative public-private solutions hard-

"Washington Knows Best" mode of community development policy would harm Georgia's rural and low- and moderate-income communities who are now using CDBG to initiate successful local partnerships.

While Georgia's rural communities continue to suffer from declines in traditional industries and face difficulties in arranging the resources to develop and attract the new economic engines of the 21st century, these commu-

nities' tenacity and innovation point the way towards successful concepts that can be cultivated and expanded.



State investment for local solutions

ly imaginable by federal analysts using centralized, top-down managed programs. Abandoning Federalism and returning to a top down

Revitalization Area Strategies

Over the summer of 2004, DCA convened an advisory committee made up of local officials, planners and practitioners to talk about changes to the State CDBG program. A major initiative that resulted was the Revitalization Area program to assist the poorest areas of the state. In cooperation with local governments, DCA designed a program to encourage planning for the revitalization of the state's neediest rural neighborhoods. The Revitalization Area program gives applicants bonus points, the ability to apply annually, and some planning funds for projects within the Revitalization Area.

This year, seven communities applied, and four application were approved. Each community's application showed a strong commitment to build partnerships that target low-income areas in need of resources. We applaud these cities and counties for their effort: **Ocilla, Waycross, Hall County, and Thomson/McDuffie County.**

"CDBG has played a critical role in rejuvenating distressed neighborhoods and alleviating economic decline in all types of communities. However, CDBG is not just a jobs creator or economic development incubator, it is also a catalyst for affordable housing and new public infrastructure."

James Hunt,
National League of
Cities, President

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CDBG Stories

In the stories that follow, the State CDBG Program is playing a pivotal role, providing the seed capital and leveraging of local private and public funds needed for these communities to create and implement their own local solutions. These stories illustrate the tremendous role CDBG plays in funding community development in Georgia's smaller communities. The following is a tiny sample of the types of assistance that CDBG funds in provide throughout the state.

CDBG for Public Facilities

In 2003, **West Point** residents packed City Hall to support construction of a new Boys & Girls Club. Members, parents and staff expressed compelling reasons for a new facility. The existing building was dilapidated and too small, with activities being held in crowded rooms and a kitchen. A converted closet served as the teen room, and the director's office was too small to have private meetings with families. Structural issues were reported also. One bathroom with poor lighting served 55-75 poor children on a daily basis. The leaky roof caused ceiling damage. Chairs constantly got stuck in deep holes in the tile floor, and the heat seldom

worked. A steep slope in front of the building caused mud to block the entrance when it rained. The poor location also created safety is-

locked doors.

The City asked DCA for a \$500,000 CDBG grant which they combined with \$221,500 in local funds for a larger facil-

ity to meet the club's needs. Thanks to the CDBG funding, the Boys & Girls Club of West Point is better able to meet youth needs. Of the 200 children, 180 come from low-to moderate-income families. The new, larger facility allowed for the expansion of existing programs and the creation of new ones. The facility opened in January, 2006, and includes a separate computer lab, multi-purpose room, game room, two break out rooms, arts and crafts room, reception area, and an ability for families to meet privately with staff.



Happy faces at the new West Point Boys and Girls Club

sues including criminal activity and police chases nearby. Staff members frequently kept children inside behind

locked doors. Thanks to the CDBG funding, the Boys & Girls Club of West Point is better able to meet

Since 1992, Georgia's State CDBG program has funded the creation, expansion or rehabilitation of **259** public facilities such as youth centers, shelters, senior centers, health centers, and the like. **518,619** people have been served by these centers, of which **93 percent** have low- to moderate-incomes.

CDBG for Emergency Relief

Valentine's Day 2000 was a day to remember for the people of **Camilla**. Not for the flowers and candy received, but for the brunt force of a destructive tornado that ripped through its neighborhoods. The storm destroyed both stick built and manufactured homes. One mobile home park in particular was completely demolished. In response, the City of Camilla approached DCA for assistance with urgent needs for shelter and construction.

Using CDBG funds, the state quickly put together a package of assistance

that included down payment assistance for those who lost their homes. The CDBG grant also allowed the construction of a new neighborhood

by financing the clearance of roads and the repair and installation of infrastructure such as streets and drainage. So far, 11 lots have

been developed in the Oak Hill subdivision with CDBG funds in cooperation with Habitat for Humanity. Further CDBG funding is being used for homeowner assistance for **29** low income families.



The destroyed neighborhood



New Oak Hill Subdivision

The State's program combines local government investments with CDBG to finance infrastructure that provides public water to replace contaminated wells, public sewer to remove sewage that ponds in families yards, and provide drainage improvements to keep floods out of neighborhoods. Since 1992, disaster assistance projects totaled 232 and benefited **200,273** needy persons.

CDBG for Support of Home Ownership

Portia works hard at a convenience store to support her 4 children ranging from age 10 to 14. She does not have a high paying job, and as a single parent and sole breadwinner, her choices were limited in what she could afford to pay for housing. Prior to a successful local housing program with CDBG funding, Portia and the kids lived in public housing. Now thanks to a **City of Douglas** affordable housing program that combines CDBG and HOME, Portia gave her children a chance to know what it is like to live in a home of their own.

She selected a new home in the Elisha Harrell Subdivision. The City purchased the land for the subdivision using



A place to call home made possible with CDBG

CDBG funds from DCA as a way to make building affordable by offering low cost lots to low- and moderate-income households. Portia also received CDBG-funded second mortgage down payment funds that leveraged a \$70,000 private mortgage from a local bank. Portia's 1,140 sq.ft. home has 3 bedrooms, 2 baths, a living room

and combo dining room-kitchen. Portia expresses deep appreciation for her new home and how happy

she is with it. "This is a dream come true for us," she says.

The State CDBG Program has financed hundreds of similar investments for projects where CDBG funds infrastructure, acquisition, clearance, and disposition activities. CDBG also funds homebuyer assistance through repayment deferrals and forgivable loans locally. CDBG has funded the removal of 495 "slum and blighted" units and funded the rehabilitation of 2917 units. CDBG grants have also provided direct homeowner assistance for 159 units.

CDBG for Jobs/Industrial Infrastructure

For decades, nothing has said Georgia quite like peanuts. In 2002, due to changes in federal payments to peanut farmers that promised to open up new markets for Georgia's number one crop, a group of **Tift County** farmers saw the potential for developing a new **grower-owned** peanut shelling plant. The shelling plant would make it possible for growers to expand their production of peanuts and develop **new markets** for the Georgia farm product.

A critical part of the project was a \$375,200 CDBG grant to construct a rail spur to allow shipment of the shelled peanuts. The CDBG funded "Employment Incentive Program" which funded the spur is designed to create and retain **jobs for low-and moderate-income persons.**



Part of the rail spur funded through EIP

The Tift Quality Peanuts shelling facility is now operational, and **106 peanut** grower/owners in eleven south central Georgia counties have committed to providing peanuts to this facility for not less than ten years. The level of investment and commitment

of these local area farmers is substantial with at least \$20,000,000 pledged in capital investment. The facility has created **55 jobs**, at least **41** of which will be filled by persons with low-to moderate-incomes.

*Since 1992, the State CDBG Program has funded 190 similar projects where the installation of "commercial and industrial infrastructure" initiated economic development in Georgia's rural, non-entitlement local governments. These project benefited Georgians by creating **19,665 jobs**, 77 percent of which went to low- to moderate-income persons.*



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Mike Beatty, Commissioner

The Georgia Department of Community Affairs (DCA) was created in 1977 to serve as an advocate for local governments. On July 1, 1996, the Governor and General Assembly merged the Georgia Housing and Finance Authority (GHFA) with the Department of Community Affairs. Today, DCA operates a host of state and federal grant programs; serves as the state's lead agency in housing finance and development; promulgates building codes to be adopted by local governments; provides comprehensive planning, technical and research assistance to local governments; and serves as the lead agency for the state's solid waste reduction efforts.

Georgia's State CDBG Program: Promoting Economic Opportunity and Ownership

Georgia's State CDBG Program, created as a result of "New Federalism" in 1982, has resulted in over 1,839 community development initiatives implemented by 502 separate, rural local governments with tangible, long-lasting benefits. The projects have revitalized communities and supported new homeownership, new or retained jobs, and new or consolidated public services to low- and moderate-income individuals and families. The State CDBG program rewards local leadership and partnerships that marshal the resources, initiative, and private capital to accomplish and sustain the complex "community building" required to revitalize and

redevelop locally. We recognize that local leadership plus local collaboration is crucial to any federal enterprise.

Georgia's CDBG success includes projects that not only improve living conditions for low- and moderate-income families, but also create employment opportunities, remove blighted structures, and provide workforce training through partnerships with private business, local technical colleges, labor departments, and other local collaborative partners. Since 1992, these activities have benefited over 1,151,957 individuals of whom approximately 76 percent were individually verified as low- to moderate-income before obtaining their employment, job training or other benefit.



Another community receives CDBG funds