

**CDBG PUBLIC HEARING**  
**Borough of Edinboro**  
**July 8, 2019**

**Welcome to the Public Hearing:**

Deputy Mayor Kiley opened the public hearing at 5:32 PM. Council members present were Mary Ann Horne, Fred Langill, Jim Kiley, and Alyssa Dobson. Absent were Aaron Gast, Nathan Latimer, and Pat Davis. Also present were Manager Kevin Oppe, Finance Director Jason Spangenberg, Solicitor Tim Wachter, Joe Berdis of Erie County Planning, Sam Comfort, Alex Topor, and Curtis Hals. The meeting was turned over to Joe Berdis.

**Purpose of Hearing:**

This public hearing is the first of two public hearings regarding the Borough's FY 2019 Community Development Block Grant (CDBG) funds from the PA Department of Community and Economic Development. Notice of hearing appeared in the Erie Times News on Tuesday, June 25, 2019 as well as posted on the Borough's website. No comments were received prior to this hearing. The second and final hearing will be scheduled at a date and time to be determined. This hearing is to provide information on the CDBG program, review/update the Three-Year CDBG Plan, and discuss how the Borough may want to utilize its CDBG funding.

**Background Information:**

The Borough is entitled to receive an annual allocation of CDBG funds from the PA DCED pursuant to PA Act 179 of 1984. Since 1985 the Borough has received approximately \$4.6 million in funding. Exhibit 1 was reviewed showing allocations from 1985 to 2019. The FY 2019 allocation of \$114,810 is an increase of \$2,882 from FY 2018. Approximately 11% of the allocation (\$12,500) will be set aside for administration. The submission deadline for the application to DCED requesting the funding November 1, 2019.

**Eligible Activities:**

CDBG funds can be used for a wide array of activities which include, but are not limited to: water, sanitary sewer, storm sewer, street reconstruction, sidewalk/curb replacement, recreation improvements, housing rehabilitation, homeownership assistance, property acquisition, fair housing activities, handicapped accessibility improvements, planning activities (subject to 15% cap), and administration (subject to 18% cap). Exhibit 2 was reviewed, which identified the eligible and ineligible activities. Exhibit 3 was also reviewed, which identified the Borough projects from the last 3 fiscal years that have been funded by CDBG.

**CDBG Program Requirements:**

Activities must meet one of the three National Objectives of the program:

- ✓ Principally benefit low-to-moderate income persons
- ✓ Aid in the prevention or elimination of slums or blight
- ✓ Meet a community development need having a particular urgency, because existing conditions pose a serious and immediate threat to the health and welfare of the community, and other financial resources are not available to meet the need

The primary objective is to benefit low-to-moderate income persons and at least 51% of the funds must go towards meeting this objective. That means 51% of the persons benefiting from an activity are of low-to-moderate income. An LMI person is an individual/family whose income does not exceed 80% of median income. Exhibit 4 was reviewed, showing current income limits. Fred Langill asked the definition of a family. Mr. Berdis responded that a family is a group of related individuals living together, and he noted that dependent students who are surveyed have to report the incomes of their parents rather than their individual incomes.

### **Determining concentrations of LMI persons in a community:**

Concentrations of LMI persons can be determined in one of two ways:

- ✓ American Community Survey (ACS) 2011-2015 Data: ACS data can be referenced when a project's benefit area coincides with a census geographic area - census tract/block group - that has an LMI concentration of 51% or above.
- ✓ Income Surveys – this is the most widely used method as most communities do not have census geographic areas that are 51% or above and most project benefit areas do not coincide with a census geographic area

DCED recently issued new LMI Census Data. The Borough's community-wide LMI population still remains below the 51% threshold but has increased from 43.6% to 48.12%. Nevertheless, projects which would benefit the entire community will not qualify for CDBG funding. Block Group 1 consisting of the Lakeside area remains LMI at 51.08%. Block Group 4 goes from 39.61% LMI to 62.41%, well above the 51% LMI threshold. The biggest and most significant change is Block Group 6 which drops from 74.84% LMI to 43.62% LMI, well below the 51% threshold for funding. This will negate the Borough's proposal to use CDBG funds to reconstruct Stonehaven Drive as well any plans to create/enhance a neighborhood park at the corner of Stonehaven and Madeline Drives. The only way to qualify these projects would be undertake an income survey of all the residents in the Block Group with the results being incomes = to or > 51% LMI.

There are activities which do not require a survey nor depend on census information to qualify for funding. These are activities which according to HUD will benefit clientele who are generally presumed to be principally low-to-moderate income persons. This clientele includes abused children, elderly persons, battered spouses, homeless persons, disabled adults, illiterate adults, persons living with the disease AIDS, and migrant farm workers. Examples of these activities include installation of curb-cut ramps, improvements to a senior center, and handicapped accessibility to a municipal building. Another activity which would not require a survey nor depend on census information to qualify for funding would be housing rehabilitation assistance for income qualified, single family, owner-occupied persons.

Mr. Berdis asked if there were any questions on what had been discussed to this point. Fred Langill asked about the potential for CDBG funds to be used for a boardwalk from Mike Onda Beach to the Sunset Grill. Mr. Berdis replied that most of that property is in Washington Township, and the Township has historically declined the use of CDBG funds, so it would not be likely. Jim Kiley asked if the eligible activity of historical preservation could be used to improve downtown buildings which have LMI rentals on the second floor. Mr. Berdis said that it could be possible to improve the portion of the building that is used as a rental, but funding for the commercial portion improvements would need to come from elsewhere.

**Review and update of three-year community development plan and discuss possible FY 2019 projects:**

The Borough's housing objectives were stated as follows, with Manager Oppe confirming there was no change from last year for this: the community's housing stock is relatively modern and there exists a well-established code enforcement program. As such, Borough officials contend there is no urgent need to undertake a single family and/or rental housing rehabilitation program. Continue to enforce building and related codes to promote sound maintenance and rehabilitation of existing housing units.

Mr. Berdis listed the public facilities needs and objectives. Street reconstruction or rehabilitation is an ongoing need of the Borough. Darrow Road will be paved in 2019, but the previously planned Stonehaven Drive paving project will no longer be eligible for CDBG funding. Milling and paving Waterford Street between Rt. 99 and Ontario Street would be added to the list of needs, as would sidewalk improvements along Rt. 99 from 6N to Onda Beach on both sides of the street and also along Lakeside Drive. It was determined through discussion that a sidewalk along 6N out to the post office would not make sense for inclusion in the CDBG projects list, but rather funding from other sources for that project. Recreation improvements to the existing Thompson Park including playground equipment and upgrades to the basketball courts was added to the list in the place of the previously discussed park on Stonehaven Drive, which was no longer eligible.

The block groups used to determine CDBG project eligibility were discussed, with Manager Oppe asking about what is used to shape the block groups. Mr. Berdis replied that the block groups are formed from census data, likely without the CDBG program in mind. Fred Langill asked if the recent change to the Borough's student rental ordinance would have any impact on CDBG funding, and Mr. Berdis replied that it would not.

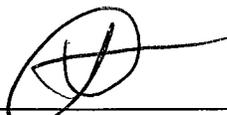
Mr. Berdis asked about the official plan for FY 2019 and beyond. Council discussed and determined that the short-term plan (2019 funds) would be to improve Thompson Park with playground equipment and upgrades to the basketball courts. The long-term plan (2020 and 2021 funds) would be to pave Waterford Street, followed by sidewalk work on Rt. 99 and Lakeside Drive.

**Adjournment:**

The public hearing was adjourned at 6:20 PM.

ATTEST:

  
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Manager Kevin Oppe

  
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Mayor Aaron Gast