



U.S. Department of Housing and Urban Development
Office of Community Planning and Development

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1988

**Community Development
Programs: State Reports**

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1988 Community Development Programs: State Reports

This report is prepared in conjunction with the following
statutorily-mandated reports to Congress:

Community Development Block Grant Program
Urban Development Action Grant Program
Rental Rehabilitation Program
Section 312 Rehabilitation Loan Program
Urban Homesteading Program
Emergency Shelter Grant Program

U.S. Department of Housing and Urban Development
Office of the Assistant Secretary for Community Planning and Development
Office of Program Analysis and Evaluation

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U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY
WASHINGTON, D.C. 20410-0001

March 11, 1988

TO OUR COMMUNITY DEVELOPMENT COLLEAGUES:

The success of the Federal Government's community development programs in the States and cities of America is an achievement made possible by the increasing cooperation among and between all levels of the public and private sectors. The Federal role is played by the **U.S.** Department of Housing and Urban Development which provides funds and establishes program guidelines for community development. States and cities, with Federal support, then use the funds to promote development in ways that are adapted to local conditions and needs. Often the public funds leverage significant amounts of private investment, forging a strong public/private partnership in these locally designed and administered projects.

Since 1974, the legislated mandate for the Federally supported community development activities has called for:

Systematic and sustained action by the Federal, State, and local governments to eliminate blight, to conserve and renew older areas, to improve the living environment of low- and moderate-income families, and to develop new centers of population growth and economic activity.

We are meeting these goals through the activities of the following six programs: Community Development Block Grants, Urban Development Action Grants, Rental Rehabilitation, Section 312 Rehabilitation Loans, Urban Homesteading, and Emergency Shelter Grants.

The report that follows describes how States, local governments, and private partners are using community development programs. For all **50** States, the District of Columbia, and the Commonwealth of Puerto Rico, the report summarizes local efforts to revitalize America's communities and neighborhoods. These efforts include such activities as housing rehabilitation, repairs and improvement to the infrastructure, and the creation of jobs through the promotion of investment by private business.

I believe this report accurately and effectively conveys to the reader a sense of the extensive efforts that are taking place to rebuild our cities. The employees of the U. S. Department of Housing and Urban Development, the staffs of the States, cities, and counties, and the private sector partners are all working together to meet the needs of our cities. The energy, creativity, and commitment that are focused on community development across this land are truly worthy of our appreciation and respect.

Very sincerely yours,

A handwritten signature in dark ink, reading "Samuel R. Pierce, Jr.", is written over a horizontal line. The signature is fluid and cursive, with the first name "Samuel" being the most prominent part.

Samuel R. Pierce, Jr.

1988 Community Development Programs: State Reports

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The foundation for community development supported by the U.S. Department of Housing and Urban Development is a partnership involving: Federal, State, and local governments; private investors; and, community and non-profit groups. These partners have joined forces to work for better housing, revitalized neighborhoods and downtown commercial centers, renewed infrastructure, and more jobs. This spirit of cooperation enhances the capacity of communities to devise innovative solutions to development problems -- solutions that are flexibly adapted to local conditions.

Improved Housing. Community development programs have significant impact on local efforts to upgrade inadequate houses and improve blighted neighborhoods. Programs help support building renovation, building code enforcement, and housing construction.

Renewed Infrastructure. Decaying, obsolete, and inadequate infrastructure is a serious problem in many cities and is often an obstacle to job creation and community revitalization. Community development programs help cities, counties, and States construct and improve streets, roads, water and sewer facilities, and community centers.

More Jobs. Community development funds help attack the long-term problems of unemployment and fiscal decline in our nation's cities, counties and States making direct loans and grants to businesses, by investing in the infrastructures needed for industry, and by acquiring and clearing land in preparation for industrial and commercial development.

Responsive Public Services. Community development funds are used by communities to support public services, including programs for the homeless, drug and alcohol counselling, food and transportation services for the elderly, housing and fair housing counselling, and neighborhood crime watch services.

The Basic Programs

The U.S. Department of Housing and Urban Development's community development assistance is organized into nine basic programs.

The Community Development Block Grant Entitlement Program gives larger communities, generally those over 50,000 in population, grants with which to carry out a wide range of activities directed toward neighborhood revitalization, the rehabilitation of housing, economic development, and improved community facilities and services proved that the activity meets one or more of the program's three National objectives -- benefitting low- and moderate income persons; preventing or eliminating slums and blight; or meeting urgent community development needs.

State and Small Cities Community Development Block Grants offer assistance to smaller communities, those not

entitled to direct Federal community development assistance. In all but two States and in Puerto Rico, State governments select which communities will receive funds. The activities pursued have the same objectives as in the larger cities.

Urban Development Action Grants assist economically distressed cities, towns, and counties to foster economic development. Action Grant funds are used to leverage, or stimulate, private investments many times greater than the public investment. In this program, funds are awarded to the most competitive projects submitted by local communities.

Rental Rehabilitation grants to cities, counties, and States help finance, at reduced rates, the rehabilitation of sub-standard rental housing for lower-income renters. Tenants of such housing are assisted with rent subsidies in the form of Housing and Urban Development's Section 8 Certificates and Housing Vouchers.

The **Section 312 Rehabilitation Loan Program** makes direct low interest, loans to low- and moderate-income persons and certain investors owners. These loans finance the rehabilitation of single family and multifamily residential, mixed use, and nonresidential properties.

The **Urban Homesteading Program** seeks to revitalize declining neighborhoods and increase homeownership among low- and moderate-income people. Vacant and unrepared, Federally-owned, single-family properties are transferred free of charge through participating local government to new homeowners for rehabilitation.

Emergency Shelter Grants are the newest category of community development funds from the U.S. Department of Housing and Urban Development. The program is designed to improve the quality of emergency shelters, to make available additional shelters, and to provide essential social services to the homeless. Grants go to large cities, urban counties, and to the States which awards the funds on to smaller communities.

The **Section 108 Loan Guarantee Program** allows communities to borrow against future Block Grant Entitlement receipts to finance large development projects that might otherwise take an abnormally high share of a current year's Block Grant allocation.

The **Secretary's Discretionary Grant Fund** provides community development funding to Indian and other Native American communities and to Insular Areas. It also provides funds to other communities for Technical Assistance and for Special Projects. In all cases, the funds must be used for Block Grant eligible activities. Housing rehabilitation, economic development, improvements to the infrastructure, and community facilities are the most common projects.

Community Development

Funding Summary by State

FY 1987 (Dollars in Thousands)

State	Entitle- ment CDBG	State CDBG	UDAG	Rental Rehab	Emerg. Shelter	Section 312 Rehab	Urban ⁽¹⁾ Home- steading	Indian CDBG	CPD Total
Alabama	\$ 21,359	\$25,443	\$3,339	\$2,588	\$953	\$504	\$249	\$250	
Alaska	1,636	1,526		239	65	316		2,719	
Arizona	22,771	5,610		1,925	579	32	144	5,089	
Arkansas	6,197	18,120		1,339	496	150			
California	279,856	21,851	9,848	26,549	6,139	4,357		4,501	
Colorado	17,991	7,824	410	2,401	526	2,107	154		
Connecticut	24,871	9,111	950	2,722	691	111	28		
Delaware	5,047	1,442	7,120	324	132	275	36		
Dist. of Columbia	16,922			1,231	344	51			
Florida	96,318	21,291	11,640	8,413	2,395	333	1,422		
Georgia	29,206	31,586	10,880	4,063	1,238	278			
Hawaii	11,435	2,299		858	280				
Idaho	805	6,505		483	149	349	82		
Illinois	131,371	28,903	1,435	11,664	3,262	3,537	729		
Indiana	32,813	25,201	6,430	3,280	1,181	778	521		
Iowa	11,511	21,754	139	1,623	677	1,434	302		
Kansas	8,765	14,249	650	1,359	468	516	178	200	
Kentucky	17,401	25,328	11,614	2,090	870	1,768	140		
Louisiana	32,357	23,528		3,566	1,138	416		275	
Maine	4,306	9,880	964	835	289	240			
Maryland	40,709	7,015	18,573	3,436	971	1,176	262		
Massachusetts	65,016	24,177	4,251	6,625	1,815	932			
Michigan	91,947	27,879	12,523	6,274	2,439	224	347	750	
Minnesota	29,823	18,219	6,070	2,476	978	1,609	257	250	
Mississippi	4,862	27,243	15,434	1,354	654	402		158	
Missouri	41,988	21,133	9,331	3,473	1,284	869	562		
Montana	1,247	5,463		508	137			2,013	
Nebraska	5,513	10,522		899	327	2,317	144	47	
Nevada	5,788	1,489		721	149			424	8,571
New Hampshire	3,160	5,845		621	184	1,543			11,353
New Jersey	87,579	7,581	17,351	7,324	1,935	1,881	219		123,870
New Mexico	5,110	8,278	10,000	854	273			1,869	26,384
New York	277,978	36,108	22,747	29,081	6,391	11,704	308	250	
North Carolina	16,011	37,533	1,440	3,127	1,090	1,586		250	
North Dakota	1,250	4,703		291	121			466	
Ohio	101,473	37,717	23,278	8,716	2,833	3,784	618		
Oklahoma	10,639	14,218	267	1,984	507	134		3,751	
Oregon	14,010	9,988		2,203	499	748	562	198	
Pennsylvania	152,961	38,466	65,895	10,040	3,895	2,897	509		
Puerto Rico	54,913	48,140	25,630	2,656	2,098	390	125		
Rhode Island	10,910	3,561	8,803	1,200	294				
South Carolina	9,065	23,127	330	1,755	659	350	332		
South Dakota	1,116	6,054		399	146			1,782	
Tennessee	23,331	23,842	2,845	3,013	960	1,257	97		
Texas	120,215	54,056	1,867	9,980	3,548	1,609	257	302	
Utah	11,039	4,574	1,100	992	318	654			
Vermont	688	4,929	3,845	305	114	180			
Virginia	28,377	19,784	3,622	3,393	981	925			
Washington	32,188	9,570	3,358	3,331	850	7,210	277	1,313	
West Virginia	6,777	14,962	479	851	443	59			
Wisconsin	30,070	22,610		2,999	1,072	2,212	1,170	97	
Wyoming	709	2,363		31	63			58	
Total	\$2,059,400	\$882,600	\$ 324,458	\$198,464	\$59,900	\$64,199	\$10,028	\$27,011	\$3,626,060

⁽¹⁾ FY 1986 Funds

Community Development

National Performance

Programs	FY1987	Lifetime
Entitlement Community Development Block Grants	Appropriations: \$2 billion. Housing: \$876 million mainly for rehabilitation. Jobs: \$254 million. Public Works: \$536 million. Public Services: \$242 million. Assistance to Homeless: Community expenditures total more than \$46 million.	Appropriations: \$31.6 billion since 1974. Housing: \$9 billion, mainly for rehabilitation. Jobs: \$2.0 billion on economic development, 90% of benefits to low- and moderate-income persons. Public Works: \$9 billion for public facilities and improvements.
State and Small Cities Community Development Block Grants	Appropriations: \$883 million to communities.. Infrastructure: \$121 million, mostly water, sewers, streets. Housing: \$69 million, mainly for rehabilitation. Jobs: \$26 million, principally assistance to non-mofits.	Appropriations: \$10.2 billion since 1974. Infrastructure: \$3.9 billion for public facilities, improvements. Housing: \$2.3 billion, mainly for rehabilitation. Jobs: \$1 billion. Total benefits: 97% of benefits to low- and moderate-income persons since 1982.
Indian Community Development Block Grants	Appropriations: \$27 million. Housing: \$10.1 million, 80% for rehabilitation. Jobs: \$6.6 million. Community Facilities: \$4.9 million Infrastructure: \$4.7 million.	Appropriations: \$276.4 million since 1976. Housing: \$95.9 million. Jobs: \$54.1 million. Community Facilities: \$65.2 million. Infrastructure: \$57.6 million.
Urban Development Action Grants	Expenditures: \$325 million; 187 projects. Economic Development: Will leverage \$2.2 billion private investment. Jobs: 38,140 permanent jobs created. Housing: 19,553 units completed. Taxes: Revenues exceed \$225 million appropriation.	Expenditures: \$4.4 billion since 1978. Economic Development: Leveraged \$27.3 billion private investment. Jobs: 311,713 permanent jobs created, 62% to low- and moderate-income persons. Housing: 79,533 units completed. Tax Revenues: \$620 million annually.
Rental Rehabilitation	Appropriations: \$200 million. Housing: Rehabilitation initiated on 28,291 units of which 23,864 were completed; 51% of cost from public sources and 49% from private investors.	Appropriations: \$572 million since 1983. Housing: Rehabilitation initiated on 85,594 units of which 37,652 have been completed; 49% of cost from public sources and 51% from private investors.
Section 312 Rehabilitation Loans	Amount of New Loans: \$64.2 million. Housing: 1,699 loans to rehabilitate 3,093 units.	Amount of New Loans: \$1.4 billion since 1964. Housing: 100,274 loans for housing rehabilitation.
Urban Homesteading	Appropriations: \$12 million. Housing: 769 properties acquired; rehabilitation begun on 782 properties at an average cost of \$21,500.	Appropriations: \$114.4 million since 1975. Housing: 12,305 properties acquired; 80% have completed restoration.
Emergency Shelter Grants	Appropriations: \$60 million. Assistance to the Homeless: 54% of initial \$10 million allocation directed to the rehabilitation of buildings; 40% to help meet operating costs of shelters; 6% for social services.	Appropriations: \$60 million since 1986. Assistance to the Homeless: Designed to help local communities and States improve quality and quantity of shelters, to help meet operating costs, and provide social services.
Section 108 Loan Guarantee	Amount of Approved Loan Guarantees: \$30 million. Assistance to Entitlement Communities: Secured funding for 21 projects.	Amount of Guarantees: \$918 million since 1974. Assistance to Entitlement Communities: Secured funding for over 260 projects.

Alabama



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Alabama's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Alabama amounted to \$54 million.

Community development funds are channeled through several programs, each designed to provide local communities with flexible and creative approaches to development.

Alabama's State Community Development Block Grant Program

The largest category of community development funds to Alabama in FY 1987 was administered by the **State Block Grant** program. In FY 1987, more than \$25 million in State Block Grant funds helped the communities of Alabama. Approximately \$299 million have been awarded to the State since 1975 for assistance to its smaller communities, those under 50,000 persons and not otherwise entitled to Block Grant funds.

Community Development Block Grant Entitlement Program

Almost \$413 million have been awarded to the **Community Development Block Grant Entitlement** communities in Alabama since 1975. These cities and counties generally consist of more than 50,000 in population. In FY 1987, more than \$21 million in Block Grant Entitlement funds were distributed in Alabama.

Urban Development Action Grant Program

More than \$3 million in **Urban Development Action Grants** to Alabama's cities and towns leveraged almost \$27 million in private funds in FY 1987. Since 1979, \$359 million in private investments have been leveraged and 8,424 jobs created with the \$55 million in Action Grants awarded to Alabama's communities.

Housing Rehabilitation Programs

To promote better housing, more than \$3 million were obligated in FY 1987 for housing rehabilitation and related programs: **Rental Rehabilitation**, **Section 312 Rehabilitation**, and **Urban Homesteading**.

Emergency Shelter Grant Program

To aid the homeless, \$953,000 in **Emergency Shelter Grant** funds have been awarded to Alabama's communities in FY 1987.

Community Development Funding to Alabama Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$413
Small Cities/State Grants	299
Section 108 Loan Guarantees	3
Jobs Bill	21
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	1
Special Projects (FY '85-'87)	
Urban Development Action Grants	55
Rental Rehabilitation Program Grants	8
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$803



Revitalization of Tuscaloosa's "Original City"

In the spring of 1980, the City of Tuscaloosa began its first organized, sustained effort to arrest and reverse the decline of its central core known as the Original City. Calling on the private sector to help, Tuscaloosa tailored its planning strategies to its local situation and once again made the Original City a socio-economic focal point for the city.

Tuscaloosa had been having difficulty in its efforts to turn around this area. Among other problems, the makeup of the downtown was in transition from a retail to a financial center. To confront the area's problems, an **Original City Commission** was appointed. It was through this Commission that the **Original City Revitalization Program** began.

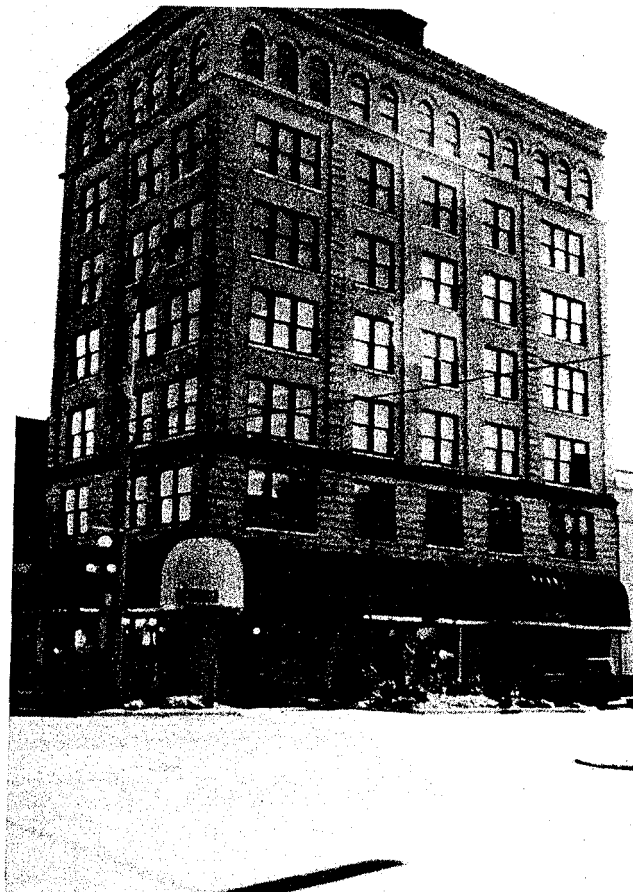
Using \$2 million in Entitlement Block Grant funds, \$619,000 in Block Grant Jobs Bill monies, \$1.8 million in other public funds, and \$2.6 million in private investment, several major accomplishments have been effected in the Original City:

- The purchase of an entire block of Central Business District property, using Block Grant Entitlement funds, for the development of a 200-room hotel and conference center.
- Establishment of an off-street parking system with the use of Block Grant Entitlement funds for acquisition of two parking lots. Over 120 spaces are available for rent by the month. The proceeds are put back into Original City projects.
- Construction of new public bus shelters, using Entitlement Block Grant funds, downtown in conjunction with one of the off-street parking lots.
- Development of a short-term, low-interest loan program to businesses for acquisition and renovation of buildings for office space.



- Replacement and repair to the infrastructure with Entitlement Block Grant funds and \$619,000 in Block Grant Jobs Bill funds.
- Installation of public improvements including streetscaping, new planter boxes, and lighting with \$1.5 million in local funds.
- Construction of new pedestrian walkways and replacement of traffic lights with \$300,000 from the State of Alabama.
- Establishment of a National Register Historic District when the Alston Building was restored using \$1.4 million in private funds. Its renovation is the stimulus to further redevelopment in the downtown area.
- Replacing a downtown gas system and the renovation of four commercial buildings using \$1.2 million in private monies.

Plans are now underway to make further public improvements. A non-profit economic development corporation is being formed to continue the efforts of the Original City Commission and to pursue further revitalization. Through the cooperative efforts of public and private sectors, Tuscaloosa is giving new life to its Original City.





The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Alabama. Several local ventures illustrate the creativity and commitment present in Alabama's community development efforts.

Auburn (pop. 22,767) revitalized its downtown using \$1.3 million in Urban Development Action Grants to leverage more than \$23 million in private investment. The two Action Grant projects, Magnolia Plaza, a multi-use office/residential complex, and a Hotel Conference Center, created 236 new jobs, the majority going to low- and moderate-income persons. Following on these efforts, several other projects are springing up in the downtown area. The Action Grant loans, when repaid to the city, will be used for a Revolving Loan Fund for more economic development projects.

Anniston (pop. 30,000) is developing a 150-acre, \$825,000 industrial park subdivision to augment the industrial base of the community and to recapture lost jobs. Using \$42,000 in Entitlement Community Development Block Grant funds for infrastructure improvements, and with the help of several other groups, two manufacturers have built new plants. An estimated 100 new jobs will be created, with approximately 50 for low- and moderate-income persons.

Dothan (pop. 48,750) was faced with frequent and major flooding of its streets, yards, and homes due to improper drainage in an area of mainly low-income and minority residents known as the Montana Street Drainage Basin. With \$1.6 million in Block Grant Entitlement funds, the city was able to undertake extensive measures to correct its flooding problem through acquisition of land, relocation of families, and construction of new drainage structures, including a series of retention ponds.

Huntsville (pop. 142,513) leveraged \$6 million in private investment by lending \$625,000 in Action Grant funds to Gold Star of America, a major manufacturer of consumer electronics products. The company used the money to increase its Industrial Revenue Bond ceiling to \$20 million, permitting construction of a second plant. This facility, now producing 500 color television sets per day, created 250 jobs.

Jefferson County (pop. 671,324), in a joint venture with the City of Rosedale's Community Development Corporation, Southtrust Mortgage Company, and Aetna Life and Casualty Insurance Company, provided housing by rehabilitating eleven existing units for community residents in the city of Rosedale. The County loaned the Rosedale Community Development Corporation \$53,000 in Rental Rehabilitation funds for the renovation. The funds were used to leverage \$150,000 from the Southtrust Mortgage Company for acquisition and construction.

Leighton (pop. 1,218), a rural community, built its first sewer system. Through the cooperative efforts of the town, which contributed \$40,000, a \$648,000 grant from the Environmental Protection Agency, and \$226,500 in State Block Grant funds, the entire town is now provided with water and sewer service.

Harmon (pop. 4,352), in cooperation with Royal Harvest Foods, turned a vacant meat processing plant into a going concern, creating 75 new jobs, the majority for lower-income persons. The City used \$160,000 in State Block Grant money to provide sewer service to the vacant facility where waste water problems had made the project prohibitively expensive.

Mobile (pop. 200,396), through the combined efforts of several Federal programs, has revitalized its low-income neighborhoods by helping homeowners improve utility systems and weatherize homes. With \$760,000 in Entitlement Block Grant funds and \$830,000 from the Block Grant Jobs Bill, 139 homes were repaired or weatherized.

Mosses (pop. 649) attacked its widespread substandard housing conditions using \$968,000 in State Block Grants for public works and to rehabilitate or replace 58 substandard dwelling units during the years 1981-1986. In a joint venture with General Electric and the Lowndes County Board of Supervisors, the city plans to add 25 new housing units, upgrade another 25 units to standard condition, and provide water and sewer facilities to the new units with \$611,750 in State Block Grant funds, \$200,000 in private investment, and \$90,000 in borrowed funds. Approximately 225 lower-income and minority persons will benefit.

Selma (pop. 26,287) gave new life to its downtown using \$700,000 in State Block Grant money to acquire property for an observation park, brick the sidewalks, landscape the area, and provide business loans for the restoration of buildings. To complement the public investment, \$1 million in private monies were invested for facade improvement and \$544,000 in local funds were used for the renovation of the Walton Theatre.

Tuscaloosa (pop. 75,211) has used Block Grant Entitlement funds since 1977 to fund a Housing Counseling Program. The funds, which totaled \$45,000 in FY 1986, pay counselors to assist homeless persons, renters, homeowners, and any other persons having housing related problems. More than 10,000 lower-income households have received counseling and other assistance since the program began.

Community Development

Funds to Alabama

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY87	Indian CDBG FY 78-87	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Addison			\$256,000						\$480,000
Andalusia			200,000						306,000
Anniston	\$10,191,000		585,000				\$ 150,000		10,926,000
Atmore			391,200						681,200
Auburn			2,688,942						2,893,942
Bessemer	4,746,000		1,760,530	\$22,950			125,000		6,654,480
Birmingham	109,971,000	\$ 1,497,450	18,416,466	931,100	\$ 116,000			\$43,000	132,054,836
Boligee			1,579,800						1,579,800
Brent			150,000						358,000
Bridgeport			774,350						774,350
Calera			500,000						584,000
Centreville			106,240						106,240
Clanton			250,000						263,000
Dadeville			731,100						731,100
Dothan	2,762,000	53,000					100,000	30,000	2,945,000
Eufaula			397,000						792,000
Florence	9,278,000			23,250					9,301,250
Fort Deposit			950,000						950,000
Fort Payne			315,000						424,000
Gadsden	16,642,000		2,291,697						18,933,697
Geneva			200,000						393,000
Greenville			400,000						833,000
Guntersville			183,750						699,750
Gurley			160,000						293,000
Huntsville	29,952,000	378,750	1,400,000		26,000			43,000	31,799,750
Jefferson County	50,565,000	577,730		19,300	48,000				51,210,030
Lafayette			275,400						487,400
Livingston			820,000						820,000
Marion			820,000						1,061,000
Mobile	50,718,000	527,050	2,507,188		48,000			43,000	53,843,238
Montgomery	41,185,000	683,740		234,150	45,000				42,147,890
Northport							10,000		265,000
Ozark			387,600						387,600
Phenix City			1,465,000						1,765,000
Poarch Band Creek						\$750,000			750,000
Prichard			363,350				117,500		480,850
Reform			615,000						771,000
Selma			2,865,000	208,000			431,500		3,562,500
Sheffield			3,365,000						3,365,000
Sulligent			822,285						930,285
Talladega			2,762,000						2,792,000
Tallassee			1,000,000						1,000,000
Troy			373,948						373,948
Tuscaloosa	19,565,000	362,600	1,200,000	56,800					21,184,400
Tuskegee			158,367						167,367
Uniontown			125,000						125,000
West Blocton			105,000						105,000

⁽¹⁾ Due to lack of space, this table does not include Urban Homesteading grantees and funds for FY 1975-'86 totaling \$ 1,079,820 and State CDBG grantees and funds for FY 1985 totaling \$29,102,000.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Alaska's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Alaska amounted to \$6.3 million.

Community Development Block Grant Entitlement and State Programs

In Fiscal Year 1987, approximately \$3.1 million were distributed to Alaska's communities through the Community Development Block Grant Entitlement and State Block Grant programs. The City of Anchorage was awarded an Entitlement grant of \$1.6 million and Alaska distributed the remaining funds to small cities with populations under 50,000 persons and not otherwise eligible for Entitlement Block Grant funds.

Cumulatively, more than \$52.3 million has been awarded to Alaska's communities under these programs since 1975. Of that amount, \$21.7 million was awarded to the City of Anchorage and Alaska's smaller communities received \$31 million.

From FY 1982 to FY 1987, the State of Alaska awarded approximately 76.5 percent of State Block Grant funds made available for public works, 11.9 percent for economic development, and 11.6 percent for housing rehabilitation. In FY 1987, the State of Alaska awarded 65 percent of State Block Grant funds for public works and 35 percent for economic development activities.

Indian Community Development Block Grant Program

In 1987, approximately \$2.7 million was distributed to Indian Tribes and Alaskan Native Villages in the State of Alaska. Of that amount, approximately 33 percent was used for community facilities, 32 percent for housing rehabilitation, 18 percent for local infrastructure improvement, and 17 percent for economic development activities.

Since 1978 \$28.66 million has been awarded to Indian Tribes and Alaskan Native Villages in the State with approximately 41 percent of that amount used for community

facilities, 27 percent for infrastructure improvements, 23 percent for housing, and 9 percent for economic development activities.

Housing Rehabilitation Programs

In FY 1987, \$211,000 was allocated to Alaska's communities through the Rental Rehabilitation program. Cumulatively, more than \$570,000 has been awarded to Alaska's communities under this program since 1984.

From 1985 through 1987, the City of Anchorage has been awarded \$510,450 in Section 312 funding authority. Of that amount, approximately \$316,150 was made available in FY 1987. Priority for Section 312 loans, which are made for the rehabilitation of residential and commercial properties, is given to low and moderate income owner-occupants whose incomes are at or below 80 percent of the median income for the metropolitan area.

Community Development Funding to Alaska Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$36
Small Cities/State Grants	17
Section 108 Loan Guarantees	0
Jobs Bill	1
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	29
Special Projects (FY '85-'87)	0
Urban Development Action Grants	0
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$83

(Note: Detail may not add to total due to rounding.)



Hydaburg Fish Processing Plant

One of the principal industries in the State of Alaska is the catching and processing of fish. Hydaburg, which is located on Prince of Wales Island near the southern tip of the Southeast Alaska Panhandle, is only 600 miles north of Seattle, Washington and is ideally located for processing the increasing volume of domestic catch found in the waters off the shore of Alaska.

The development of a modern seafood processing facility to meet the needs of the fishing industry has long been a number one priority of the city. Since 1974, Hydaburg has attempted to meet those needs by developing harbor, dock, and warehouse facilities with the assistance of several federal programs. The site of the new fish processing plant is located on an industrial landfill and seawall constructed on city-owned tidelands under an agreement with the Hydaburg IRA Tribal Council. The landfill was developed with the assistance of a \$430,000 grant from the Department of Commerce's Economic Development Administration in 1981. Access to the site from the state highway system was made possible with a \$250,000 grant from the Department of Interior's Bureau of Indian Affairs. Water and sewer improvements were made using a \$100,000 grant from the United States Public Health Service.

Sources of Funds

State of Alaska	\$1,374,540
Economic Development Administration	1,373,000
HUD Community Planning and Development	705,000
Bureau of Indian Affairs	500,000
Public Health Service	100,000
City of Hydaburg	<u>77,905</u>
Total	\$4,130,445

On October 15, 1982, the Department of Housing and Urban Development approved a \$500,000 Indian Community Development Indian Block Grant for construction of the 12,600 square foot fish processing plant building containing space for three 20 square foot blast freezers, a 361 square foot chill room, and a processing area of approximately 3,150 square feet. An additional grant of \$205,000 from the State Block Grant program was approved in 1986 for the sanitary facilities, a waste discharge system, and a generator system. Both the State of Alaska and the Economic Development Administration provided approximately \$1.4 million each to assist in the construction of this \$4.1 million project.

The fish processing plant operates year-round and provides a significant boost to the economy. The facility will provide the community and the immediate area with approximately 45 jobs. The project contributes to the employment of 100 persons in the boat fleet which supports the fish processing plant. It is estimated that approximately 80 of the people hired will meet low- and moderate-income guidelines. JTPA funds will be used to bring instructors in to train these employees in the fish processing business.

As a jointly owned facility of the Hydaburg IRA Tribal Government and the City of Hydaburg, this project will provide additional income to the city and tribe through lease or operation of the facility. The city will use the income to offset the loss of state and federal revenue and to provide essential services for the operation of the city government and the school district.

Residents of Hydaburg benefit from the project through direct employment, the creation of new jobs and tax revenues, and the fuller utilization of the existing boat fleet. This plant will also provide Hydaburg an opportunity to expand the harvest of under-utilized fish and shellfish species during off-season months. Successful operation of the plant, either directly by the community, by leasing to another operation, or a combination of the two, will enable Hydaburg to achieve its goal of self-sufficiency and will enhance the economic development of the community and the surrounding area.



HUD's community and economic development programs support a broad range of local projects in the State of Alaska. The following local ventures illustrate the diversity and creativity of Alaska's projects:

In 1986, the Anchorage (pop. 174,431) Fire Marshall closed down the food service training and preparation program at the Alaska Specialized Education and Training Service (ASETS) facility which trains and serves developmentally disabled adults. The city helped reopen the facility by making \$25,600 in Community Development Block Grant Entitlement funds available for rehabilitation to remove code violations, replace outdated equipment, and to conduct a market survey to determine the feasibility of increasing income by expanding its training program with more varied food services.

The Boys and Girls Club gymnasium which serves hundreds of children from low-and moderate-income households in the Anchorage area was closed due to exposed asbestos in the ceiling. The City of Anchorage helped reopen the facility by making \$340,000 in Block Grant Entitlement funds available to remove the asbestos and upgrade the building's old and inefficient heating system.

Anchorage used \$400,000 in Block Grant Entitlement funds to build a barrier free wheelchair fitness course at Mulcahy Track and Field, thus providing the city's active disabled population with access to this large, well-used sports facility.

The North Mountain View Recreation Center in Anchorage was in an old building that had fallen into a state of disrepair and was in need of improvements to remedy flooding, pavement breaks, poor heating, and a deteriorating internal structure. Anchorage used \$60,000 in Block Grant Entitlement funds and \$100,000 in local funds to upgrade and renovate the building. Working closely with the local community council, the city prepared a three-phased design that included various mechanical and structural improvements. The center now sports all new windows, a kitchen sufficient to host fee-paying events, secure equipment storage, and a clean, efficient heating system.

In 1986, the local fishing fleet of Juneau (pop. 19,528) and the surrounding service area lost ice service due to the closure of the Juneau Cold Storage ice machine. The City obtained \$150,000 in State Block Grant funds to refurbish and relocate the ice machine which began operating on September 1, 1987 at the University of Alaska marine site. Capital Seafoods, Inc., which signed a five year lease to operate the ice machine, began employing 20 low-and moderate-income persons during the month of September and plans to hire up to 80 persons annually.

The Quinhagak IRA Council used \$379,214 in Block Grant Indian program funds to purchase surplus refrigerator boxcars that provide onsite subsistence freezers and food preparation facilities for four of its villages. The surplus boxcars are less costly than new construction of a central unit and **can** be relocated more readily if the need arises.

The City of St. Paul (pop. 551) obtained \$105,000 in State Block Grant funds for vital public services. The City used these **funds** to purchase and rehabilitate a Search and Rescue boat, to purchase and install S&R and Emergency Medical Service equipment, and to train volunteers to provide vital emergency service to predominantly low-and moderate-income City residents.

Stevens Native Village obtained a \$482,000 Indian Block Grant for the acquisition of a community freezer and food preparation facility. Lower operating costs will be achieved through the use of a passive thermal storage approach within the freezer building. The community freezer project will also contain a food preparation room to **assist** in the proper processing and packing of subsistence foodstuffs prior to storing them in the freezer lockers.



Community Development

Funds to Alaska

Name	Indian CDBG FY 78-87	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Total ⁽¹⁾
Akhiok Tribal Council	\$210,000					\$210,000
Akiachak Traditional Council	584,786					584,786
Akiak Native Community	500,000					500,000
Akutan Traditional Council	199,100					199,100
Alatna Village	78,000					78,000
Aleut Community St. Paul Island	770,000					770,000
Allakaket Village Council	361,000					361,000
Ambler Traditional Council	105,000					105,000
Anaktuvuk Pass Village Council	127,000					127,000
Anchorage		\$ 21,723,000	\$517,013	\$510,450	\$28,000	22,778,463
	466,849					466,849
	739,000					739,000
	500,000					500,000
	688,000					688,000
	281,000					281,000
	140,000					140,000
	453,151					453,151
	324,000					324,000
	98,000					98,000
	60,000					60,000
	72,000					72,000
	850,000					850,000
	365,000					365,000
	50,000					50,000
	550,000					550,000
	560,000					560,000
	54,000					54,000
	230,000					230,000
	496,000					496,000
	121,000					121,000
	150,000					150,000
	30,000					30,000
	120,000					120,000
	310,000					310,000
	531,163					531,163
	812,000					812,000
	40,000					40,000
	75,000					75,000
	24,000					24,000
	201,000					201,000
	182,500					182,500
	77,000					77,000
	52,000					52,000
	62,000					62,000
	684,000					684,000
	485,000					485,000
	98,000					98,000
	410,000					410,000
	325,000					325,000
	350,195					350,195
	47,000					47,000
	1,000,000					1,000,000
	412,000					412,000
	15,000					15,000
	200,000					200,000
	458,000					458,000
	500,000					500,000
	491,000					491,000
	350,000					350,000
	294,300					294,300
	500,000					500,000
	425,000					425,000
	1,073,552					1,073,552
	550,000					550,000
	70,600					70,600
Pilot Station Traditional Council	243,000					243,000

⁽¹⁾ Does not include State CDBG grantees and funds for FY 1985 which totaled \$ 1,706,000.

Community Development**Funds to Alaska**

Name	Indian CDBG FY 78-87	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Total⁽¹⁾
Platinum Traditional Council	\$500,000					\$500,000
Port Graham Village Council	70,000					70,000
Port Heiden Village Council	82,000					82,000
Port Lions Tribal Council	161,000					161,000
Quinhagak IRA Council	379,214					379,214
Ruby Village Council	150,000					150,000
Russian Mission Traditional Council	228,000					228,000
Savoonga Native Village	252,000					252,000
Saxman IRA Council	74,450					74,450
Scammon Bay Traditional Council	160,000					160,000
Selawik IRA Council	34,000					34,000
Shishmaref Native Village	250,000					250,000
Shumagin Corporation	131,650					131,650
Sitka Community Association	475,000					475,000
St. George Village Council	175,000					175,000
Stebbins Native Village	528,000					528,000
Stevens Village	905,000					905,000
Tanacross Native Village	127,000					127,000
Tanana Chiefs Conference	423,000					423,000
Tatitlek Native Village	113,000					113,000
Teller Traditional Council	60,000					60,000
Tetlin Village Council	110,000					110,000
Tlingit Haida Center Council	710,000					710,000
Toksook Bay Traditional Council	265,000					265,000
Tuluksak IRA Council	148,802					148,802
Tununak Native Village	186,000					186,000
White Mountain Native Village	53,305					53,305
Wrangell Coop Association	238,000					238,000

⁽¹⁾ Does not include State CDBG grantees and funds for FY 1985 which totaled \$ 1,706,000.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Arizona's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Arizona amounted to \$36.1 million.

Community Development Block Grant Entitlement Program

The major source of Housing and Urban Development funding in Arizona, the Block Grant Entitlement program, provides about \$22.8 million to the State annually. HUD awards these funds to large cities and counties based on a formula that measures community need. Phoenix has elected to support economic development to a greater extent than the national average, mainly by packaging land for economic development purposes. Pima County, in contrast, has budgeted most of its recent grant to improve water and sewer facilities, improve streets, provide neighborhood facilities, and develop other public facilities.

Arizona's State Community Development Block Grant Program

In FY 1987 HUD granted Arizona \$5.61 million to award to its small communities for a variety of projects that they selected.

Between 1982, when the State first administered the program, and 1986, Arizona awarded more than \$23 million to 63 communities, including eleven counties. More than 71 percent of these funds have been used to support infrastructure projects, such as developing water and sewer facilities or building roads and community facilities. Lesser amounts have funded economic development projects (15 percent) and housing rehabilitation (13 percent). Arizona's spending pattern in this program is similar to the national average - most States have emphasized capital improvements projects and have devoted smaller portions of program funds to housing and economic development.

Indian Community Development Block Grant Program

In FY 1987, Housing and Urban Development's Indian Community Development Block Grant program made grant awards totalling \$9.33 million to ten Arizona Indian tribes. The grants ranged from \$51,000 to the Ak-

Chin Indian Community to build a fire station to a \$2.97 million grant to the Navajo to develop a shopping center. Other FY 1987 awards included four housing projects, two community centers, a water facility project, and a project to renovate a recreational vehicle park.

Rental Rehabilitation Program

In FY 1987, Housing and Urban Development made available just over \$2 million in Rental Rehabilitation Program funds to Arizona communities for rehabilitating housing to rent primarily to lower-income households. Since this program was begun in 1984, seven Arizona communities have rehabilitated 171 projects containing 564 housing units. The construction work on these projects cost \$4.2 million (\$7,447 per unit), of which \$1.9 million came from Rental Rehabilitation Program funds. Some 450 of these homes are reported as being occupied with very favorable results. Of families residing in these projects, 86 percent had very low incomes, 77 percent had women heading the household, and 72 percent were minorities. Additionally, about 79 percent of these residents received rent subsidies from Housing and Urban Development in the form of Section 8 Housing Certificates or Vouchers to help them afford living in these newly-renovated homes

Community Development Funding to Arizona Since 1974 (\$ In Millions)

<u>Program</u>	<u>Amount</u>
Community Development Block Grant Program	
Entitlement Grants	\$284
Small Cities/State Grants	67
Section 108 Loan Guarantees	21
Jobs Bill	12
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	50
Special Projects (FY '85-'87)	0
Urban Development Action Grants	18
Rental Rehabilitation Program Grants	5
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$460



Chinle, The Navajo Nation

Many of the residents of the Navajo Nation in Arizona faced a substantial problem - the nearest facilities offering necessary consumer products were more than 100 miles away. Some 30,000 of the reservation's 160,000 residents had to travel this distance each way to the nearest grocery store, just off the reservation.

Effective use of a Block Grant enabled the Navajos to transform this problem into an important tribal development. The first step was to set up a tribal community development corporation to analyze and coordinate the response to the problem. This entity, Dineh Cooperatives, Inc. (DCI) ~~was~~ created in 1976 to address the difficulty of obtaining needed goods and services. After conducting several economic studies and hearing extensive debate within the tribe, DCI set out to build the reservation's first full-fledged shopping center in Chinle.

Despite the large unmet demand in the market area, developing a major shopping center proved difficult. Usually it is critical to the success of such a facility that it be "anchored by major national or regional chains. This can be a problem on a reservation where the "trust" status of the land prevents sale to potential entrepreneurs. The relatively isolated location and low incomes in the market population also combined to make the eventual attraction of two anchor stores difficult.

Hard work by DCI eventually overcame these problems and development of the Tseyi Shopping Center on a 15-acre site in Chinle, at the mouth of the Canyon de Chelly National Monument began in late 1977. It was tackled in two phases. The first, completed in 1981, created 49,133 square feet of retail space for a supermarket, bakery/delicatessen, post office, variety store, fast food shop, laundromat, dry cleaners, and a video store. Several additional shops were added in Phase II, which was completed in 1986. With the exception of two chain outlets, all shops are operated by Navajo entrepreneurs.

To date, Tseyi Shopping Center represents a \$7.2 million investment, a mix of tribal loans, tenants' funds, cash flow, and Block Grant funds. The center has provided 177 permanent jobs with an annual payroll of more than \$2 million. Given the location, there's not much chance of running out of parking space, but Tseyi is now a regular stop for 30,000 reservation customers.

Through this project, the tribe not only has provided its members with access to essential services, it also has provided jobs for residents and enabled members of the tribe to spend their money on the reservation in Indian-owned enterprises. The impact of this development on the tribal economy has been substantial.



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Arizona. The following brief descriptions of some local ventures can serve to illustrate the creativity and commitment present in Arizona's community development efforts.

Bisbee (pop. 7,154), matching \$15,000 in State Block Grant funds with \$18,000 in local revenues, hired a coordinator to run their Main Street program. This program will bring together a variety of resources to revitalize the town's central business district. Planned program activities include assisting local businesses, preserving the historic architecture, promoting tourism, and eliminating litter from the area.

Glendale (pop. 97,172) made major improvements in its central business district through the use of \$450,000 in Block Grant Entitlement program funds. The city renovated the city park that is the focal point of the downtown area, and improved access to the park from the major office buildings nearby. Local officials attribute more than \$2 million in subsequent private investment in the area to this highly visible project.

Guadalupe (pop. 3,506) in Maricopa County used \$202,000 in Block Grant Entitlement funds to provide the infrastructure on land to accommodate a 45-unit lower-income housing development. Guadalupe is a Yaqui Indian and Hispanic community with a great need for standard housing. This use of block grant funds enabled the city to transform land donated by a benefactor into a site suitable for the needed development.

Phoenix (pop. 789,704) developed the Arizona Recreation Center for the Handicapped (ARCH) with \$361,000 in Block Grant Entitlement funds. This facility already is serving 350 persons per month, and a \$30,000 addition is underway. The long-term plans for ARCH include constructing an \$800,000 gymnasium.

Pima County (pop. 468,810) purchased an 8,000 gallon truck to provide a reliable water supply to three of its rural subdivisions. This truck, purchased with \$100,000 in Block Grant Entitlement funds, delivers water to individual households twice weekly. Residents of these subdivisions formed a non-profit corporation to pay for the operating and maintenance costs of this service.

Safford (pop. 7,010) used \$182,296 in State Block Grant funds and \$46,000 in local funds to fund a joint project with Graham County to construct a water line in an incorporated area called San Jose, with an 80 percent low- and moderate-income population.

Tohono O'odham Reservation (pop. 8,204) is expanding the existing telephone system on the Reservation from 310 subscribers to about 1,400 over a five-year period. This \$8.1 million project including \$1.135 million in Indian Block Grant funds is administered by a tribally-based authority. It will acquire and expand existing Mountain Bell facilities and will create 15 new permanent jobs.

Tonto Apache Tribe, through a tribally-based non-profit corporation, is using a \$267,000 Indian Community Development Block Grant to build five new homes on its small reservation, just south of Payson. These new homes will expand a 22-home subdivision that was started in 1981. All five families that move into these homes will have low to moderate incomes. Supplementing the CDBG grant will be a \$16,000 Indian Health Services grant to improve water and sewer facilities for the development and a \$30,000 Bureau of Indian Affairs grant to cover building inspection services.

Tucson (pop. 330,537) used \$500,000 in Block Grant Entitlement funds for the construction of the Metropolitan Independent Living Center near downtown and the University of Arizona on land donated by the city. The center was designed to provide job training and social services to individuals who are wheelchair-bound. The center expects to serve 2,500 persons and provide a means to increase and consolidate handicapped services within the city.

White Mountain Apache Tribe (pop. 6,985) constructed a cattle feed facility, complete with fencing, feed bunks, waterers, silage pit, grain storage bins, and water supply system, with a \$650,000 Indian Block Grant. The feed lot will accommodate 1,000 head of cattle a day. The tribe will benefit from this project through the income the feed lot generates, controlling grazing on Tribal lands, and the four full-time jobs the project created.

Community Development

Funds to Arizona

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Ak-Chin Indian Res.			\$958,700	\$394,000					\$1,352,700
Apache County							\$ 104,895		104,895
Benson							138,700		138,700
Bisbee			915,000				351,024		1,266,024
Bullhead City							499,062		499,062
Casa Grande					\$ 109,050		150,000	\$ 6,000	265,050
Cochise County							117,459		117,459
Cocopah Indian Res.				850,350					850,350
Colorado River Ind. Res.				2,237,140					2,237,140
Coolidge							195,030		195,030
Cottonwood							146,867		146,867
Douglas							165,000		165,000
El Mirage			4,584,500						4,584,500
Eloy							165,000		165,000
flagstaff							294,555		294,555
Florence							49,028		49,028
Fort McDowell Ind. Res.				1,025,786					1,025,786
Gila County								2,550	2,550
Gila River Indian Res.				3,733,044					3,733,044
Glendale	\$9,867,000	\$207,700			19,350				10,094,050
Globe							140,845		140,845
Greenlee County							100,000		100,000
Havasupai Indian Res.				2,242,356					2,242,356
Hopi Indian Res.				1,976,470					1,976,470
Hualapai Indian Res.				410,545					410,545
Jerome							135,000		135,000
Kaibab-Paiute Ind. Res.				401,166					401,166
Kearny							42,084		42,084
La Paz							100,000		100,000
Mammoth							77,290		77,290
Maricopa County	35,620,000	309,712				\$ 56,000			35,985,712
Mesa	16,696,000	446,060				26,000		11,000	17,179,060
Miami							165,000		165,000
Navajo Indian Res.			595,000	22,808,175					23,403,175
Nogales			157,000				50,503		207,503
Papago Indian Res.				1,898,105					1,898,105
Pascua Yaqui Ind. Village				2,090,681					2,090,681
Payson							80,000		80,000
Payson-TontoApache				582,782					582,782
Phoenix	120,220,000	2,287,300	2,895,000		536,200	185,000		16,276	126,996,776
Pima							194,623		194,623
Pima County	8,050,000	445,000				32,000			8,527,000
Prescott							100,000		100,000
Quechan Tribe				863,378					863,378
Salt River Indian Res.				2,554,658					2,554,658
San Carlos Indian Res.				1,410,787					1,410,787
San Luis							214,140		214,140
Santa Cruz County							179,211		179,211
Scottsdale	13,395,000								13,395,000
Show Low							118,177		118,177
Somerton							200,000		200,000
South Tucson			3,225,000						3,225,000
St. Johns			100,000						100,000
Surprise			817,000						817,000
Taylor							65,300		65,300
Tempe	13,396,000								13,396,000
Tucson	66,960,000	1,191,300	1,175,000		195,200	76,000		28,000	69,625,500
Wellton			700,000						700,000
White Mountain Apache Tribe				3,138,400					3,138,400
Williams			54,000				200,000		254,000
Winkelman							70,000		70,000
Winslow							118,178		118,178
Yavapai Apache Tribe			1,075,000	776,000					1,851,000
Yavapai Prescott Ind. Res.			1,120,000	516,000					1,636,000
Yuma		52,078					120,000	2,174	174,252
Yuma County							150,000		150,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Arkansas communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Arkansas amounted to \$26.3 million.

Arkansas' State Community Development Block Grant Program

In FY 1987, the largest component of community development assistance to Arkansas was the State Community Development Block Grant Program that provides aid, through the State, to communities under 50,000 persons, not otherwise eligible for Block Grant support. Funding under the program was \$18.1 million in FY 1987 and \$218 million cumulatively since FY 1975. Until FY 1982, the U.S. Department of Housing and Urban Development distributed money directly to the small cities; since that date, these funds have been distributed to the small cities by the State.

- In FY 1985, the State funded 32 small cities and 14 counties, with grants averaging \$270,974.
- From FY 1983 to FY 1985, 81 percent of State Block Grant funds were spent on public facilities and 17 percent on housing.

Community Development Block Grant Entitlement Program

The second largest community development program in the State is the Block Grant Entitlement program which provides aid directly to larger communities, generally those with populations greater than 50,000 persons.

- In FY 1987, \$6.1 million went to nine Entitlement Cities in Arkansas for an average grant of \$688,555.
- Since FY 1975, \$160 million of Entitlement funds have been distributed in the State.

As an illustration of the use of Entitlement funds, in FY 1986, Little Rock reported plans to use most of its share of these funds for public works, public services, and housing rehabilitation.

Urban Development Action Grant Program

Since FY 1978, \$10.3 million have been awarded to 11 communities in Arkansas under the Urban Development Action Grant Program. These funds triggered \$66.5 million in private investment and have generated 2,500 new, permanent jobs in the State.

Community Development Housing Assistance

From FY 1984 to FY 1987, HUD obligated \$4.1 million for housing projects in the State under the Rental Rehabilitation Program. During this same period, it obligated over \$600,000 for communities to make rehabilitation loans to homeowners under the Section 312 Rehabilitation program.

Community Development Funding to Arkansas Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 160
Small Cities/State Grants	218
Section 108 Loan Guarantees	0
Jobs Bill	9
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	10
Rental Rehabilitation Program Grants	4
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$403

(Note: Detail may not add to total due to rounding.)



Fort Smith Regional Playground for Handicapped and Mentally Impaired Children

Because of their inability to use playground equipment designed for non-handicapped persons, handicapped and mentally impaired children in Fort Smith and other areas of the State of Arkansas were essentially segregated into non-public play areas. To change this, The Fort Smith Regional Playground for Handicapped and Mentally Impaired Children was built, becoming one of the first facilities in the nation designed for use by the handicapped and the elderly, as well as by the able-bodied.

The Public Private Partnership

The creation of this innovative facility involved a partnership of local individuals, organizations, and all levels of government. Participant groups included the Rotary Club, the City, the University of Arkansas School of Architecture, the local chapter of the American Institute of Architects, and a non-profit coordinating body. Phases I and II of the project were funded by \$142,000 in Block Grant Entitlement funds and \$25,000 in private donations. An additional \$67,000 in Block Grant Entitlement funds were used for a fitness trail in the park.

Chronology of Development

The concept of the playground was developed in 1981 in response to the unmet recreation needs of 2,500 "special" children living near an existing city park which they could not fully use. The Fort Smith Rotary Club adopted the playground as a project. They were soon allied with senior citizens interested in creating an area for older persons in the Park. Both groups incorporated as the Fort Smith Regional Playground for All Ages. This organization applied to the local government for assistance in developing the playground. Fort Smith responded by using Block Grant Entitlement funds to finance the project.

Because of the special needs of the handicapped, the design for the playground was a real challenge. The coordinating group turned to the University of Arkansas Landscape Design class for design assistance. The class adopted the playground as a class project and conducted a detailed site inspection. After numerous design submissions and a competition, plans of two students were selected for the project. Bid documents and construction details were prepared by local architects. The Fort Smith Chapter of the American Institute of Architects supervised the construction of the project and coordinated the donation of labor and materials.

As work proceeded on the playground, it became evident that there was a need for a special walking, jogging, and exercise trail to connect the play area and senior citizens' area with the rest of the park. The Rotary Club joined efforts with city staff and a group of local engineers to plan and design the fitness trail.

The Facilities

The result of these labors is an innovative playground blended into Fort Smith's largest park. It meets the needs of the children by providing a common play area accessible to and usable by the physically and mentally handicapped without segregation from the able-bodied. The playground includes: a maze for the blind; wheelchair paths; and workout equipment designed for therapy and recreation.

A second phase of the playground project includes a basketball court for children in wheelchairs, a railcar modified for recreational use, a play maze for the blind and other innovative equipment.

Connected to the playground is the fitness trail, designed with a wheelchair sports course, a senior citizen walking course, and jogging exercise equipment.

Benefits

In summary, the Fort Smith Regional Playground For Handicapped and Mentally Impaired Children has met the recreation needs of at least 2,500 special needs children, handicapped adults, and senior citizens, as well as the able-bodied. One of the founders of this project reports that the facility is well used even on week days and has many out-of-town visitors. The success in Fort Smith may spread to other areas; playground designers interested in meeting the needs of handicapped persons in other communities have requested copies of the park's plans.





The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Arkansas. A number of local ventures illustrate their diversity.

Augusta (pop. 3,490) was the site of the expansion of a minority-owned company, Morrilton Plastics. The plant expansion was funded by a \$278,000 loan from the State Block Grant program, combined with \$400,000 in local assistance and \$134,846 from the plant owner. The plant, which manufactures plastic hoses for the automotive industry, as a result of the expansion has a work force of **200** persons, double what was originally expected. This should make a significant contribution to the welfare of the county which has an unemployment rate of 11.7 percent.

Rohr Industries, a manufacturer of aircraft parts, will locate in hvocounties, Cleburne (pop. 16,909) and Grant (pop. 13,008) with assistance from a \$500,000 State Block Grant triggering a private investment of **\$12** million. The grant funds will be used to assist the counties in providing infrastructure to service the industry. The company will have a payroll of \$6 million for 400 workers, 200 in each county. The public cost per job is only \$1,250.

Fayetteville (pop. 35,709) has built the Children's House with Block Grant Entitlement funds totaling **\$175,000**. The facility is a day-care center for abused and neglected children from 6 to 18 years old. The Children's House program includes family counseling; language, speech, and psychological testing; and pre-physical health examinations.

The historic resort of Hot Springs (pop. 20,819), which had been in decline for many years, received \$500,000 for the revitalization of its downtown from the State Block Grant program. These Federal funds were supplemented by \$250,000 from the Local Tourism and Promotion Commission and \$60,725 from the City. Included in the revitalization effort were the development of a plan for the area, relocation of utilities, and the installation of landscaping, street furniture, and lighting. The revitalization effort was needed because many of the formerly elegant historic buildings were vacant or condemned because of the decline in tourism and the shift of retail trade to other parts of the city.

The small town of Manila (pop. 2,553) made double use of a \$315,000 State Block Grant. Initially, funds were used for a loan to Parker Hannifan, a manufacturer of brake shoes. Subsequently, when the loan was repaid, the repayment was used to help Manila Industries, a non-profit industrial development corporation. The initial industrial project resulted in 81 jobs for this small community.

The City of Pine Bluff (pop. 56,576) had a large neighborhood of low income and elderly persons clustered along a narrow street. This cramped avenue was disfigured by an open drainage ditch, numerous dilapidated structures, junk piles, and overgrown vacant lots. The city upgraded the neighborhood with \$1.8 million from Block Grant Entitlement funds and \$700,000 of its own money. Among

the improvements were widening the street and placing drainage underground. As a result, **21** new homes have been built and **20** homes rehabilitated, several businesses have expanded, and \$750,000 have been added to the city tax base.

The Pope County (pop. 39,003) Housing Renovation Project at Pea Ridge consisted of a self-help program that provides "hands on" experience for low income homeowners to rehabilitate 63 substandard houses. Many of the assisted families are elderly, handicapped, and female-headed. Funding was provided by a State Block Grant of \$432,600; and private efforts consisted of sweat equity and donated materials valued at \$121,000.

West Memphis (pop. 28,138) has used community development programs for code enforcement and demolition of run-down houses to create affordable housing on lots scattered throughout the community. It has also upgraded neighborhoods by making street improvements. Since 1975, code enforcement and demolition were among the activities funded by \$7.6 million under both the State and Entitlement Block Grant programs, as the city made the transition to an Entitlement community.

Community Development

Funds to Arkansas

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY a7	State CDBG FY a5	State Emerg. Shelter FY a7	Total
Alicia						\$ 198,656		\$ 198,656
Arkadelphia			\$ 752,000				\$ 5,000	757,000
Batesville							5,000	5,000
Bearden						405,270		405,270
Black Rock						352,402		352,402
Blytheville				\$ 36,350				36,350
Booneville						256,200		256,200
Bradley County						96,475		96,475
Cabot						113,506		113,506
Calico Rock						115,325		115,325
Carroll County						318,000		318,000
Clarendon						673,000		673,000
Cleburne County							5,000	5,000
Conway		\$ 100,000				500,000	5,000	605,000
Cotter						224,341		224,341
Cove						149,729		149,729
Crossett						500,000		500,000
De Valls Bluff						15,000		15,000
Decatur			700,000					700,000
Delaplaine						6,786		6,786
Dermott							5,000	5,000
Drew County						319,641		319,641
Dyess						350,058		350,058
El Dorado		54,177						54,177
Emmet						322,500		322,500
England						472,098		472,098
Eudora						21,000		21,000
Faulkner County						15,000		15,000
Fayetteville	\$ 8,113,000						5,000	8,118,000
Forrest City							5,000	5,000
Fort Smith	13,258,000	228,400					10,000	13,496,400
Garland County						78,000		78,000
Gentry			2,225,000					2,225,000
Gravette						176,365		176,365
Green Forest						500,000		500,000
Harrell						490,600		490,600
Harrisburg						272,177		272,177
Harrison			2,987,000					2,987,000
Helena						500,000		500,000
Holly Grove						296,800		296,800
Hope						288,838	5,000	293,838
Hot Springs		630,500				500,000		1,130,500
Jacksonville	1,069,000	219,800						1,288,800
Jonesboro		841,000					7,535	848,535
Lake Village			230,000					230,000
Lee County						424,955		424,955
Lincoln County						401,250		401,250
Little Rock	44,058,000	681,040		221,200	\$ 33,000		22,465	45,016,305
Lonoke County						433,000		433,000
Malvern			1,300,000					1,300,000
Marmaduke						500,000		500,000
McCrory						62,500		62,500
McRae						477,411		477,411
Nevada County						129,500		129,500
North Little Rock	20,670,000	725,400						21,395,400
Paragould			414,000					414,000
Phillips County						331,280		331,280
Pine Bluff	20,920,000	270,640		344,050			3,000	21,537,690
Plainview			390,000					390,000
Pulaski County						116,000		116,000
Scranton						300,000		300,000
Sharp County						7,500		7,500
Springdale	5,606,000							5,606,000
St. Francis County						151,000		151,000
Stuttgart			693,000					693,000
Success						196,396		196,396
Texarkana	10,774,000	350,000						11,124,000

Community Development**Funds to Arkansas**

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Trumann			\$280,000					\$280,000
Van Buren			300,000					300,000
Warren						\$259,260		259,260
West Memphis	\$5,186,000	\$ 80,000						5,266,000
Wheatley						42,000		42,000
Yell County						105,000		105,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to California's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of California amounted to \$353.1 million.

Community Development Block Grant Entitlement Program

The Block Grant Entitlement program provides about \$280 million to the State annually -- 13.5 percent of the national total. HUD awards these funds to 118 California cities and counties based on a formula that measures community need. Participating communities have broad discretion over the activities to support. Program budgets in 1986 for Los Angeles and San Francisco illustrate how this program has been implemented in two of California's largest cities.

Los Angeles' high level of housing assistance mainly helped homeowners rehabilitate their houses, but also rehabilitated rental housing. San Francisco also operated a housing rehabilitation program and used a substantial portion of housing funds to modernize public housing. Public facilities, such as parks, recreational facilities, centers for seniors and the handicapped, and street improvements also received considerable funding in San Francisco.

State Community Development Block Grant Program

Since 1983, the State of California has administered this program, in which it makes grants to smaller communities for community development efforts. With its approximately \$22 million annual funding, California has made grants to some 122 small communities, including 36 counties, since 1983. California has emphasized housing in its small cities CDBG program -- 68 percent of its funds went to housing rehabilitation programs. Lesser amounts provided assistance for economic development (16 percent) and for public improvements (15 percent).

Rental Rehabilitation Program

Since its inception in 1983, this program has enabled California communities to rehabilitate 5,040 units of rental housing principally to rent to families with lower incomes. Program funds of about \$15 million have leveraged

another \$28 million from other sources to finance work on these projects. Work has begun on another 7,008 housing units.

To help lower income renters to be able to afford to live in these newly renovated buildings, HUD provides rental assistance to eligible households. About 58 percent of the residents of California's Rental Rehabilitation projects receive such assistance, either through a Housing Voucher or a Section 8 Certificate.

Indian Community Development Block Grant Program

In FY 1987, this program awarded about \$4.5 million in grants to 23 Indian tribes in California. Thirteen of these projects helped to rehabilitate or construct housing for tribal members. Other grants helped improve public facilities on tribal lands (road construction and a solar electricity project), promote economic development and construct community Centers for tribal use.

Community Development Funding to California Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$3,746
Small Cities/State Grants	271
Section 108 Loan Guarantees	116
Jobs Bill	117
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	38
Special Projects (FY '85-'87)	
Urban Development Action Grants	206
Rental Rehabilitation Program Grants	73
Section 312 Rehabilitation Loans (FY '84-'87)	15
Urban Homesteading	3
Emergency Shelter Grants	6
Total	\$ 4,591

**Monrovia Commercial Revitalization**

Monrovia, California has used Housing and Urban Development's Community Planning and Development funds and other Federal programs (Department of Transportation and Economic Development Administration) along with local redevelopment funds and private sector investment to revitalize the community's primary commercial arterial, Huntington Drive.

Funding from Housing and Urban Development has supported three major development projects along Huntington Drive. One of these is the East Huntington Drive Light Industrial Development Project, consisting of two buildings containing 48,000 square feet. This project used a \$400,000 Action Grant together with private investment of \$2,510,000 and \$725,000 in other public investment to create the facilities and 131 new jobs.

Huntington Oaks Shopping Center with 390,000 square feet of retail space was the second HUD-backed project along Huntington Drive. More than 1,100 new permanent jobs will be created in stores there, which include a Safeway (grocery store), Mervyn's (soft goods retailer), Builder's Emporium (building supplies), and five restaurants. Private investment of \$23,008,634 was leveraged by a \$4 million Action Grant and \$6 million in other public funding.

A Holiday Inn at the western end of Huntington Drive represents the third major development supported by the Department of Housing and Urban Development. A \$1 million Action Grant, along with \$13.9 in private investment and \$630,000 in other public funds financed this 180 room hotel, which provided 138 new jobs.

As a result of these major HUD-funded developments, private developers operating exclusively with private financing have begun three other major projects along Huntington Drive. These include 530,000 square feet of space in two research and development office building complexes and 100,000 square feet of space in a retail commercial project.

**Salinas: Hebbbron Heights
Neighborhood Revitalization**

The Hebbbron Heights Neighborhood of Salinas, California originally was settled by Dust Bowl refugees in the 1930s, and ever since has been populated by successive waves of poor farm families, with its latest residents being primarily Hispanic.

Beginning in 1978, the City undertook a major campaign to foster revitalizing investment in the area. It started by

improving the public infrastructure on which development depends, when it gave the neighborhood a new water and sewer system, sidewalks, and new streets, some of which were paved for the first time. In 1980, the City contracted with CHISPA, a neighborhood group, to take the lead in a public/private partnership to revitalize Hebbbron Heights.

CHISPA identified various potential sources of financing for neighborhood projects, and so far has raised about \$26 million in investment in the neighborhood. The City has contributed \$2.4 million in Block Grant Entitlement funds and \$5.2 million in mortgage revenue bonds, and \$8.9 million in investment came from other public sources. Private investment of \$9.6 million has come from bank financing and contributions from foundations and non-profit groups.

Much of CHISPA's focus has been on developing affordable housing. They have developed three housing projects containing 158 units. Of these homes, 115 are cooperatives and 43 are rental. Many have three or four bedrooms to accommodate larger families, and all are occupied by low- and moderate-income households. CHISPA has developed the financing techniques to enable lower income families to buy the cooperative units, and also has provided training in home ownership and maintenance for the buyers.

The Hebbbron Heights Revitalization Project, using building trades trainees in a CHISPA employment training program, currently is restoring a commercial office building. It also has ready to go a scheme to rehabilitate a full block of commercial buildings in the heart of the neighborhood.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in California. A number of ventures illustrate the creativity and diversity of California's community development efforts.

Big Lagoon Rancheria's Hotel Arcata Restoration project was among the first completed Indian Action Grant projects. **The 34-room hotel, which is on the National Register of Historic Places, is a cornerstone in the City of Arcata's town square redevelopment.** Big Lagoon Rancheria, located approximately 12 miles from Arcata, was awarded a \$350,000 Action Grant, which leveraged \$1.23 million in private and other public funds. In addition to the repayment of the Action Grant by the developer, the Tribe will receive participation in the Hotel's cash flow and residuals on resale or refinancing. Thirty-five permanent new jobs are projected to result from this project.

Cuyapaipe Reservation has begun to construct a full service health clinic that will be operated by the Southern Indian Health Council to serve all seven Indian Tribes in southern San Diego County. Indian Block Grant funds totaling \$447,000 were matched by an \$88,000 Bureau of Indian Affairs grant to finance this project, that will replace the present clinic which is operating out of temporary trailers.

Morro Bay (pop. 9,064) has developed a senior housing project for 40 low-income residents. The project is located in California's coastal zone, a strip of land normally affordable only to the wealthy. A State Block Grant of \$545,000 helped pay for land acquisition and infrastructure improvements, while other sources of project funds included: a State of California Predevelopment loan; a grant from the California Coastal Conservancy; a Section 202 loan (\$2.5 million); a People's Self Help Housing Grant (\$121,000); and a low interest loan from the Commercial Bank of San Luis Obispo (\$450,000).

Orange County (pop. 1,932,709), an Urban County in the Block Grant Entitlement program, and 12 Block Grant Entitlement Cities in the County together are developing a \$7.5 million facility to provide emergency housing, care, and recreational facilities for abused, abandoned, or neglected children. Most of the funding has come from private sources, matched by \$891,700 from the Block Grant program. When completed, Orangewood will house about 4,800 dependent children annually on its seven-acre site.

Richmond (pop. 74,676), working through the West Contra Costa Community Health Corporation, developed an 8,000 square foot health care center that currently serves 100 lower income patients a day. Using more than \$335,000 in Block Grant Entitlement funds in this \$8.9 million project, the corporation rehabilitated and equipped a previously abandoned building that the City had donated. In addition to meeting health care needs in the inner city of Richmond, the

facility provides employment to local residents -- 75 percent of the support staff came from the City's manpower training program

San Bernardino County (pop. 895,016), working with the Copper Mountain Mesa Community Association, constructed a badly needed 3,000 square foot community center to serve a remote desert area of the County. The County purchased construction materials with \$50,000 in Block Grant Entitlement funds, and local volunteers built the facility. Most of the users of this facility, indeed many who built it, are elderly residents of Copper Mountain Mesa who have low- and moderate-incomes.

San Diego County (pop. 1,861,836) has created a Mobilehome Occupant Assistance Program (MOAP) with Block Grant Entitlement funds to help keep down the cost of renting space in mobilehome parks. Under the MOAP program, resident associations become "neighborhood-based nonprofit" corporations eligible for Block Grant assistance. So far, MOAP has provided \$569,000 in Block Grant funds to enable 1,077 residents to purchase the six mobile home parks in which they reside. The program has leveraged nearly \$30 million in private investment.

Thousand Oaks (pop. 77,072) through a local public-private partnership, developed 180 new affordable housing units for sale to low- and moderate-income homebuyers. Thirty-six of the units were purchased by low income families (those with incomes at 80 percent or below the area median) and 142 units were purchased by families qualifying as moderate income under the State of California definition (those with incomes between 80 percent and 120 percent of the area median). In ensuring that the low- and moderate-income buyers would pay not more than 33 percent of their income for housing, the City first used \$409,000 in Block Grant Entitlement funds to acquire a former blighted site on which to build. A City-sponsored "Blue Ribbon" committee provided project planning and architectural and engineering assistance, and the City contracted with a private developer to construct the housing. By raising \$850,000 through mortgage revenue bonds, the City was able to offer home purchase financing affordable to low- and moderate-income buyers. Private investment of \$13.4 million completed the financing.

Visalia (pop. 49,729) and Visalians Interested in Affordable Housing (VIAH), a neighborhood non-profit organization, pooled their resources and began constructing 220 units of single-family housing for low- and moderate-income households. An additional 109-unit mobile home subdivision is also under construction. Approximately \$552,000 in Block Grant Entitlement funds leveraged \$9.6 million in private investment to construct the units.

Community Development

Funds to California

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	Total ⁽¹⁾	Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	Total ⁽¹⁾
Alameda	\$ 12,890,000	\$ 247,200	\$ 15,018,450	Napa City	\$ 13,531,000		\$ 13,531,000
Alameda County	32,103,000	485,700	32,691,500	National City	6,339,000		6,416,500
Alhambra	10,683,000	94,000	13,127,000	Newport Beach	5,380,000		5,380,000
Anaheim	26,328,000	942,300	27,475,400	Norwalk	16,369,000	\$ 172,000	16,541,000
Bakersfield	15,189,000	424,320	15,613,320	Oakland	138,371,000	2,705,690	164,780,099
Baldwin Park	6,109,000		11,687,000	Oceanside	9,800,000	268,962	10,068,962
Bellflower	8,090,000	71,000	8,161,000	Ontario	13,973,000	176,000	14,149,000
Berkeley	41,068,000	814,100	43,409,461	Orange	10,162,000	208,800	10,370,800
Buena Park	8,819,000	265,000	9,084,000	Orange County	59,121,000	1,487,460	60,841,460
Burbank	15,941,000	104,000	16,045,000	Oxnard	22,149,000	230,000	22,797,300
Butte County		50,000	470,000	Palm Springs	1,938,000		1,938,000
Camarillo		50,000	50,000	Palo Alto	7,765,000	55,000	7,851,850
Carson	14,191,000		14,191,000	Pasadena	33,099,000	502,300	33,727,650
Cerritos	2,459,000		2,459,000	Pico Rivera	11,403,000		11,503,000
Chico	2,734,000		3,429,000	Pittsburg		600,000	3,473,250
Chula Vista	11,700,000	193,541	11,893,541	Pomona	18,905,000	360,700	19,297,700
Compton	38,385,000	521,300	41,891,450	Porterville	1,855,000		1,855,000
Concord	9,995,000	13,009	10,008,009	Rancho Cucamonga	2,556,000		2,556,000
Contra Costa County	44,152,000	779,260	45,033,260	Redding	2,743,000	697,500	3,485,500
Costa Mesa	10,500,000	309,900	10,809,900	Redondo Beach	10,901,000	166,000	11,067,000
Daly City	10,402,000		10,402,000	Redwood City	7,196,000	218,900	7,414,900
Davis	2,480,000	150,000	2,630,000	Richmond	25,799,000	410,640	33,832,180
Downey	10,655,000		10,655,000	Riverside	26,397,000	564,160	31,148,247
El Cajon	9,799,000	238,798	10,037,798	Riverside County	73,975,000	996,800	75,396,400
El Centro		333,902	1,164,802	Roseville	463,000		653,419
El Monte	19,553,000	353,100	21,438,100	Sacramento	55,221,000	1,208,400	59,677,289
Escondido	6,451,000	177,682	6,628,682	Sacramento County	58,867,000	1,136,600	61,311,113
Eureka		625,000	1,165,650	Salinas	14,213,000	266,800	14,479,800
Fairfield	7,697,000		7,697,000	San Bernardino	30,264,000	430,900	33,596,800
Fountain Valley	3,545,000		3,545,000	San Bernardino County	92,503,000	937,500	93,557,500
Fremont	13,130,000	176,800	13,306,800	San Diego	141,987,000	3,411,700	151,756,850
Fresno	69,319,000	1,202,640	72,483,850	San Diego County	73,840,000	1,367,600	75,375,500
Fresno County	63,900,000	652,500	66,696,000	San Francisco	318,104,000	4,829,100	336,752,755
Fullerton	11,873,000		11,873,000	San Joaquin County	7,138,000	205,000	7,454,673
Garden Grove	16,534,000	277,700	16,865,700	San Jose	87,832,000	1,444,900	89,388,900
Glendale	22,130,000	653,500	29,515,800	San Leandro	8,929,000	400,000	9,370,750
Hawthorne	7,979,000		7,979,000	San Mateo	9,146,000	416,680	9,596,180
Hayward	14,297,000	361,020	14,691,520	San Mateo County	41,529,000	700,200	42,537,600
Huntington Beach	16,421,000	448,363	16,869,363	Santa Ana	38,799,000	896,870	40,504,770
Inglewood	20,729,000	423,200	21,180,200	Santa Barbara	13,229,000		13,513,450
Irvine	2,156,000		2,156,000	Santa Barbara County		37,500	442,500
Kern County	61,687,000	754,800	63,013,300	Santa Clara	11,082,000	242,800	11,324,800
La Mesa City	4,502,000		4,502,000	Santa Clara County	40,767,000	585,600	41,398,600
Lakewood	9,003,000		9,003,000	Santa Cruz	6,993,000	175,000	7,201,500
Lancaster	1,427,000		1,427,000	Santa Cruz County		125,000	125,000
Livermore	966,000		966,000	Santa Maria	8,831,000	50,000	8,881,000
Lodi	393,000		393,000	Santa Monica	15,325,000	490,750	15,815,750
Lompoc	4,324,000		4,461,590	Santa Rosa	14,386,000	299,954	14,964,154
Long Beach	73,567,000	1,935,100	86,591,100	Seaside	12,214,000		12,214,000
Los Angeles	682,950,000	19,166,172	757,487,686	Shasta County		150,000	628,271
Los Angeles County	379,566,000	5,231,000	387,933,676	Simi Valley	7,383,000		7,383,000
Lynwood	3,664,000		3,664,000	Sonoma County	14,297,000	607,540	14,940,540
Marin County	23,783,000	818,760	24,627,760	South Gate	12,696,000	144,050	21,734,949
Merced	1,600,000	160,000	1,760,000	South San Francisco	1,536,000	150,000	1,686,000
Modesto	13,142,000	201,000	13,343,000	Stockton	29,625,000	638,400	35,857,452
Montebello	4,833,000		4,833,000	Suisun County		50,000	50,000
Monterey	3,364,000		3,364,000	Sunnyvale	11,329,000	92,511	11,475,011
Monterey County		270,000	297,000	Thousand Oaks	4,896,000		4,896,000
Monterey Park	7,115,000	259,050	7,374,050	Torrance	15,151,000		15,151,000
Mountain View	7,364,000		7,364,000	Tulare	4,372,000	500,000	4,872,000

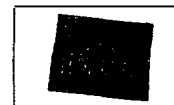
⁽¹⁾ The Total includes Urban Homesteading funds for FY 1975-86 and Formula Emergency Shelter Grant funds for FY 1987.
The Total also includes funds from the following programs which, for lack of space, the Table does not list all grantees:
Urban Development Action Grant funds which totaled \$205,726,341 for FY 1978-87;
Section 312 Rehabilitation Loans funds which totaled \$ 15,405,410 for FY 1984-87;
State CDBG funds which totaled \$ 27,028,000 for FY 1985; and
State Emergency Shelter Grant funds which totaled \$ 1,993,000 for FY 1987.
The Table excludes Indian CDBG grantees and funds for FY 1978-87 totaling \$38,200,449.

Community Development

Funds to California

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	Total ⁽¹⁾
Turlock	\$ 1,442,000		\$ 1,466,300
Vacaville		\$ 350,000	350,000
Vallejo	14,092,000	38,800	14,638,450
Ventura	11,854,000	182,500	12,036,500
Ventura County	4,919,000		4,954,000
Visalia	6,122,000	375,000	6,497,000
Walnut Creek	1,928,000		1,928,000
Watsonville		350,000	350,000
West Covina	8,533,000		8,533,000
Westminster	8,955,000		8,955,000
Whinier	8,607,000	9,471	8,616,471
Woodland	1,338,000		1,338,000
Yuba	1,336,000		1,336,000

- ⁽¹⁾ The Total includes Urban Homesteading funds for FY 1975-'86 and Formula Emergency Shelter Grant funds for FY 1987. The Total also includes funds from the following programs which, for lack of space, the Table does not list all grantees:
- Urban Development Action Grant funds which totaled \$205,726,341 for FY 1978-'87;
 - Section 312 Rehabilitation Loans funds which totaled \$ 15,405,410 for FY 1984-'87;
 - State CDBG funds which totaled \$ 27,028,000 for FY 1985; and
 - State Emergency Shelter Grant funds which totaled \$ 1,993,000 for FY 1987.
- The Table excludes Indian CDBG grantees and funds for FY 1978-'87 totaling \$38,200,449,



U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Colorado's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Colorado amounted to \$31.4 million.

Community Development Block Grant Entitlement Program

More than \$17.9 million were distributed to the State of Colorado's Entitlement communities in FY 1987 and, since 1975, more than \$276 million have been awarded to these communities. In FY 1987, 12 cities with populations over 50,000 and participating jurisdictions in Adams County received Entitlement funds.

The largest Entitlement grants went to Denver (\$7.8 million), Colorado Springs (\$2.0 million), Pueblo (\$1.2 million), Aurora (\$1.1 million), and Adams County (\$1.6 million).

Colorado's State Community Development Block Grant Program

The second largest amount of community development funds in the State of Colorado went to the State Block Grant program. In 1987, a grant of \$7.8 million was made to the State for assistance to communities with populations under 50,000 and not otherwise eligible for Entitlement Block Grant funds. Since 1975, more than \$95.4 million has gone to Colorado's small cities through this program.

From FY 1982 through FY 1986, \$36 million was expended on community development under the State program. Of this amount, 36 percent went for housing rehabilitation, 32 percent went for public works, and 32 percent for economic development.

Indian Community Development Block Grant Program

Since 1975, the Southern Ute and Ute Mountain Indian Reservations received 30 Indian Block Grants totaling \$5.2 million. Of that amount, approximately \$2.6 million was used for housing rehabilitation, with \$1.6 million used for infrastructure improvements, \$675,000 for community facilities, and \$330,000 for economic development activities.

Emergency Shelter Grant Program

In FY 1987, \$526,000 was awarded to the State of Colorado for the Emergency Shelter Grants program. Of that amount, \$394,000 was awarded directly to Colorado Springs, Denver, and Adams County, with the remaining \$332,000 being distributed by the State of Colorado.

Urban Development Action Grant Program

In FY 1987, the Action Grant program provided a \$410,000 grant to Canon City. Since 1978, more than \$20 million in Action Grant funds to the State have attracted more than \$72 million in private investments and resulted in the creation of 76 permanent jobs.

Rental Rehabilitation Program

In FY 1987, \$1.8 million were allocated to nine Colorado Cities and Adams County through the Rental Rehabilitation Program. An additional \$603,000 was allocated to the State of Colorado for distribution to smaller jurisdictions.

Community Development Funding to Colorado Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$276
Small Cities/State Grants	95
Section 108 Loan Guarantees	3
Jobs Bill	8
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	4
Special Projects (FY '85-'87)	0
Urban Development Action Grants	20
Rental Rehabilitation Program Grants	7
Section 312 Rehabilitation Loans (FY '84-'87)	3
Urban Homesteading	*
Emergency Shelter Grants	1
Total	\$419

(Note: Detail may not add to total due to rounding.)



Meeting the Economic Development Challenge of Colorado

The State of Colorado has used its State Community Development Block Grant program to meet the economic development needs of its smaller jurisdictions. The State recently increased its emphasis on economic development as a result of the impact of an international decline of oil prices on the State's energy industries.

One example of an early state project to help spur regional economic development occurred in Montrose County. The State provided Block Grant funds in 1984 and 1985, totalling \$1,055,000, to Montrose County for the operation of an economic development revolving loan fund. So far, the fund has assisted 17 businesses and leveraged \$4.5 million in private investments. The businesses have created 163 jobs - of which 142 or 87 percent were made available for lower-income persons.

Economic Development on the Western Slope

Mesa also used State Block Grant program funds to stop a threat to its declining economic base. Mesa County, with its principal city of Grand Junction, is located in the heart of the western slope area of Colorado. The area's economic well-being was devastated by the recent international drop in energy prices. The decline in business of the western slope's key energy-related industries -- oil shale, oil, and natural gas -- severely affected local communities. Unemployment climbed to 15, 20, and even more than 25 percent in many areas. Businesses failed at an alarming rate, as unemployed workers in the energy industries were unable to purchase new goods. The Department of Housing and Urban Development's inventory of foreclosed properties climbed to more than 1,000 houses.

To help meet this economic challenge, Mesa County received \$900,000 from the State Block Grant program in 1985. The county used the grant to implement a revolving loan fund to spur economic development. The program makes low interest loans to businesses. The principal and interest repayments are then used to capitalize a revolving loan fund that provides the county with a long term financing source for furthering the economic development of the area.

The revolving loan program has funded ten businesses. Mesa used the \$900,000 State Block Grant to leverage \$3.6 million in private investments and created 173 jobs. The amount of assistance provided through these loans ranges

from a low of \$6,000 to a high of \$120,000. The average Block Grant investment per job is \$5,202. Sixty-two percent (107) of the new jobs have gone to low- and moderate-income persons. The businesses assisted have been mostly small, light industrial operations. The types of businesses assisted ranged from cabinet construction, to companies manufacturing housing trusses, stoves, radiation assessment tools, pop-up campers, and socks, to a firm that makes machines for gluing packing materials.

New Economic Development Emphasis

In 1986, the State sought to further increase the flexibility of its Block Grant program to respond to economic development opportunities. It did this to increase economic stimulation and diversity in the State's economy.

One program change to meet this new priority was the institution of a \$2 million set-aside for economic development. A second modification in State policy permitted economic development proposals to be submitted throughout the year. The State also encouraged multi-jurisdictional grants where existing expertise could be shared by several rural communities experiencing common problems. Finally, the State is developing innovative approaches to grants management, such as the short-term financing of eligible projects, to increase the effectiveness of using its Federal funds.

In 1986, the State funded 11 projects for \$2.3 million and leveraged \$7.6 million in other public and private financing. These projects are expected to create or retain 176 jobs.



The Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of Colorado. The following local ventures illustrate the diversity and creativity of Colorado's projects:

While doing an environmental assessment for a housing rehabilitation program, the State of Colorado realized that **Alamosa** (pop. 3,910) was in a flood plain area. By combining \$490,000 in State Block Grant funds in 1984 and \$760,000 in State Block Grant funds in 1986, together with \$200,000 in State Impact funds, \$145,000 from the Governor's Emergency Fund, and \$150,000 in local funds, the State is completing the first two phases of a **flood control project** that should help remove a large area of the county from the flood threat. An additional \$2 million grant from the Corps of Engineers is expected to fund the final phase of the project. Approximately 60 percent of area residents, who live in the floodway path of the Rio Grande River, are low- and moderate- income. Once the flood control project is complete, the State plans to carry out the housing rehabilitation program.

Denver's (pop. 501,156) community development program is built on both small ideas and large-scale projects. The city has spent more than \$5.5 million in Block Grant Entitlement funds in low- and moderate-income neighborhoods for new sidewalks, trees, and sod. These individual projects come from the initiative of the residents, rather than any remote central planning staff. Moreover, residents often participate in the planting of the trees and sod. It's this grass-roots approach that makes the **Residential Neighborhood Small Projects** so special. Here are some examples:

- To the many elderly homeowners on the 1400 block of north Utica, the new sidewalks are a real benefit. This modest neighborhood of small brick bungalows is the result of the work already completed and **will look** even better as the many recently planted trees mature.
- Another area to benefit is north Umatilla from 39th to 41st Avenues. The area is an interesting mixture with both small and larger homes, Italian and Hispanic, and the young and old. The work done so far has inspired residents to spruce-up and fix-up too. Overall, there is an increasing sense of care and pride in this predominately lower- income neighborhood.

Lamar (pop. 7,713) received a \$300,000 Block Grant from the State to help finance an elderly housing project. The project involved the **renovation of the old Alamo Hotel into 22 units of lower-income elderly housing**, owned and

operated by the Lamar Housing Authority. The State's grant was combined with \$300,000 in private sector financing to make the project possible.

Southwestern Colorado communities have received State Block Grant funds totalling \$1.231 million over four years to meet local housing rehabilitation needs. The State began the project in 1984 by funding **LaPlata** County for **\$150,000**. In 1985, the State funded LaPlata County and the Town of **Archuleta** for \$450,000. The program was expanded to a five county area in 1986 with grants of \$250,000 in 1986 and \$181,000 in 1987. The Archuleta Housing Revolving Loan Fund is administered by **Southwest Community Resources**, a nonprofit organization. **The program uses Section 8 limits to qualify homeowners and gives priority to the elderly, very low-income families, single-parents, and owners or tenants of severely sub-standard housing.** The loans are based upon the applicants' ability to pay and includes deferred loans and interest bearing loans over long terms.

Manassa (pop. 945) had a sewage treatment facility that was rated as one of the worst situations in the State for water quality. In addition, a high water table created serious infiltration problems. Once the infiltration problems were corrected, the State of Colorado awarded \$358,000 in State Block Grant funds and \$20,000 in State Impact funds to **repair the treatment facility**, thus removing a serious health threat to residents, 63 percent of whom had low- and moderate- incomes.

The **Southern Ute Tribe** (pop. 1,098) recently profited from its earlier use of a Indian Block Grant program **economic development grant**. In 1983 the Tribe received a \$330,000 grant to start a convenience store. In June 1987 the Tribe leased the business to the Thriftway Corporation. The Tribe has entered into a 20-year lease which provides for lease payments and a percentage of the profits. The store now employs 6 persons.

Community Development

Funds to Colorado

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Adams County	\$3,177,000	\$ 100,000							\$3,304,000
Arvada	6,133,000								6,133,000
Aurora	12,513,000	274,100						\$ 10,000	12,797,100
Bent County						\$200,000			200,000
Boone						148,000			148,000
Boulder	11,379,000	460,000							11,839,000
Brighton						288,000			288,000
Calhan						394,000			394,000
Canon							\$ 5,000		86,000
Canon City			\$813,710	\$73,800		250,000			1,137,510
Clear Creek County						250,000			250,000
Colorado Springs	29,028,000	572,000	275,000	2,750,650				20,000	32,679,650
Commerce City							100,166		100,166
Denver	147,805,000	2,853,800	16,092,732	1,368,750					168,406,969
Denver County								37,500	37,500
Durango			150,000						150,000
Eagle County						300,000			300,000
Englewood						5,671			5,671
Florence			400,000						400,000
Fort Collins	7,832,000	166,000							7,998,000
Greeley	8,426,000	248,760							8,674,760
Gunnison						78,000			78,000
Hooper			682,000						682,000
Huerfano County						210,000			210,000
La Junta			1,100,000			300,000			1,400,000
La Plata County						450,000			450,000
Lake County						200,000			200,000
Lakewood	10,190,000	115,700					150,000		10,455,700
Lamar						500,000			500,000
Larimer County						300,000			300,000
Las Animas County						249,000			249,000
Longmont	4,832,000						150,000		4,982,000
Loveland	958,000								958,000
Manitou Springs			274,000						274,000
Mesa County						900,000			900,000
Monte Vista						400,000			400,000
Montrose County						650,000			650,000
Otero County						231,500			231,500
Otis						400,000			400,000
Ouray						33,169			33,169
Pueblo	20,186,000	471,840	250,000	162,700				20,500	21,091,040
Pueblo County						1,300,000			1,300,000
Rocky Ford			274,430						274,430
Saguache						200,000			200,000
Southern Ute Reservation					\$1,890,205				1,890,205
Trinidad						250,000			250,000
Ute Mountain Reservation					2,320,700				2,320,700
Weld County							29,834		29,834
Westminster	2,134,000								2,134,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86 and Formula Emergency Shelter Grant for FY 1987.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Connecticut's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, of the U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Connecticut amounted to \$38.4 million.

Community Development Block Grant Entitlement Program

The largest source of Housing and Urban Development, community development funding in Connecticut is the Community Development Block Grant Entitlement Program. It allotted nearly \$25 million to 22 of the larger communities throughout the State in 1987, or 62 percent of all CPD funding in Connecticut during that year. Cities in the Entitlement program plan their own patterns of activities to meet their particular community development needs. Connecticut's Entitlement cities put more of their Block Grant dollars into housing rehabilitation than any other activity. Infrastructure and public services are the next most prominent activities among Entitlement cities in the State, and economic development follows them.

State Community Development Block Grant

State Block Grant dollars make up the second largest source of HUD community development funding in the State. In 1987, over \$9 million in State Block Grant funds were allocated to Connecticut on the basis of a formula; the State, in turn, sets program direction and solicits applications for particular community development projects from the smaller cities and counties within the State. Since 1982, the first year the State administered the program, 60 communities have received assistance at one time or another in meeting their developmental needs. Over that period, the main focus of State Block Grant projects has been housing rehabilitation; about 59 percent of the money has gone toward that purpose. Public works (25 percent) and economic development (15 percent) are the next highest priorities of State Block Grant support.

Rental Rehabilitation Program

The third largest source of Housing and Urban Development's community development program assistance to Connecticut in 1987 was the Rental Rehabilitation program with \$2.7 million allotted to the State and entitled communities within the State. Since 1984, 12 cities and towns in the State have been awarded nearly \$7.8 million for rehabilitation of rental units.

Thus far, 64 projects with 385 units have been completed using \$1.7 million of Rental Rehabilitation grant funds and \$4.4 million in private and other public resources. Eighty-six percent of the tenants in those units are low-income households, and another 11 percent are moderate income. Of all tenants, 58 percent have received either Rental Rehabilitation-related vouchers or certificates. Another 16 percent got non-Rental Rehabilitation-related vouchers or certificates.

Urban Development Action Grant

Since its inception, the Action Grant program has been a large contributor to the community and economic development of the State's cities. Thirty-three grants totalling almost \$85 million have gone to 12 Connecticut communities since 1978. Those grants have leveraged more than \$448 million in private investment and are expected to produce over 6,000 new jobs and retain over 2,000 others. Thus far, half of the projected jobs have been forthcoming. In addition, housing-related Action Grants have rehabilitated almost 2,000 units and constructed nearly 200 others. In 1987, one Action Grant grant of \$950,000 was awarded in the State, to the City of Bridgeport.

Community Development Funding to Connecticut Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$510
Small Cities/State Grants	101
Section 108 Loan Guarantees	2
Jobs Bill	9
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	*
Special Projects (FY '85-'87)	0
Urban Development Action Grants	84
Rental Rehabilitation Program Grants	8
Section 312 Rehabilitation Loans (FY '84-'87)	2
Urban Homesteading	*
Emergency Shelter Grants	1
Total	\$717



Downtown Development Church Street Reconstruction

The City of Norwich (pop. **38,074**) found itself in an unenviable position. Its 250-year old central business district had deteriorated substantially. Businesses were abandoning the downtown, and tax revenues were declining. In 1981, a group of business leaders and city officials shared their alarm about the situation. They formed a citizen committee which, in turn, hired an urban planner to develop a downtown plan.

The plan pointed to several large areas for development and identified one as Norwich's chief asset -- an extraordinary grouping of eighteenth century structures in the downtown, especially a line of deteriorating residential and commercial structures along Church Street.

With a solid plan and substantial public support, the City Council, working with the Norwich Community Development Corporation, proposed formation of the Downtown Development Committee to coordinate the public-private activity. The Council also made Block Grant Entitlement funds totalling \$820,000 available for ongoing facade restoration grants.

The pivotal challenge in the entire process was how to acquire all the properties on Church Street in an orderly fashion, since total acquisition was deemed critical for the project to proceed. Option funds of \$125,000 were provided by three local financial institutions and a private foundation. The Community Development Corporation and the Downtown Development Program succeeded in securing the options over a six-month interval.

In early 1984, the developers requested City Council support for the Church Street Project. With private financing of \$9 million arranged through the cooperation of six local banks, the Council allotted a total of \$650,000 in public funds, \$298,000 of which was Block Grant Entitlement funding, for streetscape, streets, and utility improvements. Block Grant Entitlement funding was an essential piece in the entire revitalization effort. In all, Block Grant Entitlement funds constituted **\$1.1** million of the **\$2.8** million in public assistance that made the project work.

To date, the Norwich project has resulted in the restoration of 20 commercial and residential structures that contain 101 housing units and 40,000 square feet of commercial space. In addition, the Church Street Reconstruction has set the tone for the revitalization of the rest of the central business district. Already, municipal legislation has been enacted for tax deferrals, vigorous code enforcement, apartment conversions, and the development of the city's marina. City tax rolls have increased by \$350,000 per year, and private investment of another \$20 million in 12 additional projects in downtown Norwich has been forthcoming.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Connecticut. A number of ventures illustrate the creativity and diversity in Connecticut's community development efforts.

Bridgeport (pop. 133,000). Hall Neighborhood House is a social service agency located in the lower East Side of Bridgeport adjacent to the City's largest public housing complex. **Hall Neighborhood House provides daycare, Headstart, senior citizen, and youth programs at more than 30 sites throughout the City.** When Hall embarked on a \$2.5 million physical development drive, they appealed to City government and the community to help. The City of Bridgeport committed \$740,000 in Block Grant Entitlement funds and more than \$100,000 from other sources to the project. The certainty of long-term funding from Block Grant Entitlement monies created an environment in which multiyear giving from local businesses and corporations could be generated.

Greenwich (pop. 58,704) and **Stamford** (pop. 101,917). Greenwich and Stamford used Block Grant Entitlement funds in a cooperative venture to meet a common challenge, helping troubled teenagers, particularly runaways. **After a pilot shelter program had proven successful, local towns, businesses, and community service groups came together to acquire and rehabilitate a permanent shelter.** Greenwich Youth Center, Inc. assumed responsibility for acquisition, raising \$206,000 from private sources. Greenwich and Stamford put up \$110,700 in Emergency Job funds for internal renovation. While internal work proceeded, youths were sheltered in Greenwich's town nursing home. Greenwich also provided \$73,000 in Housing and Urban Development funds for external shelter improvements. Cooperation between communities has produced shelter, 24-hour crisis intervention, and counselling for the troubled children of suburban Connecticut.

Hartford (pop 136,390). The Capital Housing Corporation (CHC) is a significant part of the community's response to a shortage of decent housing for low- and moderate-income families. The Corporation was formed through an agreement among Hartford's business community, government, and community organizations. In its first phase, the Corporation served as a catalyst **in bringing the Hartford Housing Authority together with neighborhood groups, individuals, developers, and nonprofit organizations to create 1,260 affordable units.** Under Phase II, which began in 1983, CHC established a sister corporation, the Capital Housing Finance Corporation, **to finance projects at below-market rates.** Hartford has used \$5 million in public monies--\$2 million from Block Grant Entitlement and \$3 million from city revenue funds--to leverage \$9 million in loan commitments from 13 local corporations, enough for the moderate rehabilitation of 1000 units for moderate-income families.

Hartford. In 1983 and 1984, the only two supermarkets in the Asylum Hill section of Hartford closed, leaving high priced "mom and pop" groceries **to provide food for the residents of the predominantly elderly and low-income neighborhood.** In response, residents considered development of a consumer cooperative. With technical assistance from several private sources, Hartford Food System recruited 700 coop members in three months a guarantee led the landlord of one of the former supermarkets to sign a lease agreement with the cooperative. Finally, the City offered an Urban Development-funded loan guarantee that reduced lender risk sufficiently and several corporations were willing to lend money to the venture. The result is that Our Store is providing food at prices 10 to 30 percent lower than surrounding stores for a yearly saving of \$250,000-\$750,000 for Asylum Hill residents.

Stonington (pop. 36,500). Stonington is a small city that molded an effective public-private partnership with State Block Grant money. For many years, the fishermen of Stonington had suffered nearly overwhelming competition from foreign fishing fleets, with resulting deterioration of the town's commercial fishing docks. With the expansion of the territorial limits to 200 miles, Stonington's fleet regained its competitive advantage, but the poor quality of the piers prohibited further growth. **The Town, in partnership with the Fisherman's Association, which put up \$250,000 of its own money, obtained a mixture of loans and grants from a variety of sources (including a Block Grant Entitlement funds) to rebuild the docks and rehabilitate an icehouse and packing house.** The Fisherman's Association agreed to target at least half of the new jobs to low-income households and the Block Grant Entitlement Neighborhood Strategy Area.

Community Development

Funds to Connecticut

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Ansonia			\$205,000			\$500,000			\$705,000
Beacon Falls Town						295,000			295,000
Berlin Town						300,000			300,000
Bridgeport	\$ 54,456,000	\$936,240	6,769,746	\$127,500				\$ 40,000	62,388,486
Bristol	11,393,000						\$200,000		11,593,000
Coventry Town						300,000			300,000
Danbury	10,416,000	58,000					50,000		10,524,000
Derby						500,000			500,000
East Hartford	6,258,000								6,258,000
East Haven Town						300,000			300,000
Ellington Town						300,000			300,000
Enfield Town						500,000			500,000
Fairfield	5,471,000								5,471,000
Golden Hill Paugusset Tribe					\$114,000				114,000
Greenwich	8,281,000								8,281,000
Groton						475,000			475,000
Hamden Town	4,780,000								4,780,000
Hartford	85,625,000	1,383,550	29,241,755	987,500				40,000	117,371,604
Jewett City			145,000						145,000
Killingly Town						500,000			500,000
Manchester Town	5,621,000								5,621,000
Mansfield Center						300,000			300,000
MashantucketW Pequot Tribe					306,404				306,404
Meriden	9,678,000	57,000		13,200					9,748,200
Middlebury Town						269,500			269,500
Middletown	2,788,000				30,000				2,818,000
Milford	6,367,000								6,367,000
New Britain	34,339,000	437,710	375,000	57,900					35,237,610
New Haven	114,339,000	1,327,820	40,620,608					35,000	156,456,528
New London	33,233,000		564,500	134,850					33,932,350
New Milford Town						200,000			200,000
Newington						165,957			165,957
Newtown						81,000			81,000
Norwalk	11,570,000	77,000	1,275,000						12,922,000
Norwich	14,004,000		1,000,000	14,000					15,018,000
Plainfield Town						270,000			270,000
Portland Town						300,000			300,000
Putnam			235,000			500,000			735,000
Schaghticoke Indian Tribe					41,720				41,720
Stamford	19,277,000	324,500		25,100					19,626,600
Sterling Town						300,000			300,000
Stratford Town	5,968,000								5,968,000
Thomaston Town			283,500			500,000			783,500
Thompson Town						500,000			500,000
Torrington						500,000	47,400		547,400
Vernon Town						500,000			500,000
Waterbury	44,573,000	625,520	3,550,000	245,700					49,029,220
West Hartford Town	12,161,000						100,000		12,261,000
West Haven	8,703,000	57,000							8,760,000
Wethersfield Town						299,250			299,250
Winchester Center						251,500			251,500
Windham County						500,000			500,000
Windsor Town						500,000			500,000
Wolcott Town						260,000			260,000

(1) Includes Urban Homesteading funds for FY 1975-1986 and
Formula Emergency Shelter Grant for FY 1987.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Delaware's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year **1987**, Housing and Urban Development's community development support to the cities and counties of Delaware amounted to **\$14.3** million.

Community Development Block Grant Entitlement

Since its initiation in **1974**, the Block Grant Entitlement program has been the largest source of Housing and Urban Development-supported community development funding in Delaware with more than **\$88** million in public assistance to the State's most populous communities. It was the second largest source of Community Planning and Development funding in **1987**, accounting for **35** percent of CPD's presence in Delaware for that year. The program allocated more than \$5 million to Wilmington and New Castle County. Communities in the Entitlement program plan their patterns of activities to meet locally defined community development needs. Delaware's Entitlement communities put more of their block grant dollars into housing rehabilitation than any other activity, as do most Entitlement communities.

Urban Development Action Grant

The Action Grant program has been a major source of economic development assistance in Delaware since **1978**. In **1987**, it comprised the largest single source of CPD funding in the State, with two grants to Wilmington totalling almost **\$7** million. Wilmington and three smaller communities have received Action Grants totalling **\$49.6** million over the life of the Action Grant program. That public commitment has led to private investment of more than **\$217** million with an anticipated **4,057** jobs created, 55 percent of which are expected to go to low- and moderate-income people, and 2,856 jobs retained. So far, **3,412** jobs have actually been created. In addition, Action Grant-supported housing projects have produced 66 new and **114** rehabilitated housing units.

State Community Development Block Grant

State Block Grant dollars made up the third largest source of Housing and Urban Development community development funding in Delaware for **1987**. In that year, **\$1.4** million was allocated to the State for its smaller communities on the basis of a statutory formula for its smaller communities. In **1985**, **13** small cities and two non-urban counties received State Block Grant funds. Delaware communities have used **61** percent of their State Block Grant money for housing-related activities since **1982**. Public works-related activity has accounted for the rest of State Block Grant funding in Delaware over that period.

Rental Rehabilitation

The State of Delaware and two formula communities received over **\$379,000** in Rental Rehabilitation program funds in **1987**.

Community Development Funding to Delaware Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$88
Small Cities/State Grants	17
Section 108 Loan Guarantees	1
Jobs Bill	2
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	50
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	1
Emergency Shelter Grants	*
Total	\$160

(Note: Detail may not add to total due to rounding.)



Independent Living, Incorporated

Independent Living, Incorporated (ILI) is a private non-profit agency located in Wilmington, Delaware, serving people with physical, mental, emotional, and/or psychiatric disabilities. Its primary goal is to help multi-handicapped people attain greater self-sufficiency, thereby permitting them to live as independently and productively as possible within their own community. ILI does so by providing its clients with a continuum of housing options and related services tailored to their individual needs. It is a comprehensive program embracing both public and private sector participation. Block Grant Entitlement program funds, in addition to other HUD funds, have been central to the operation of this program.

ILI was founded in the late 1970s by parents of multi-handicapped adults who were concerned about their children's welfare when the parents would be unable to care for them at home. They had discovered through difficult experience that services for the handicapped were inadequate or nonexistent; moreover, they found no systematic provision of service for those with multiple handicaps. What was needed was an agency to provide its own services through professional case management and to obtain other services from local agencies. In this way, existing and new services could be brought to bear for those to be helped.

Services to the Handicapped

ILI serves a diverse population. Some clients come from homes in which parents have aged or home life has disintegrated. Others have been deinstitutionalized and have never had a life outside an institution. Others have been cared for through youth programs for which they are no longer eligible. Still others are the State's homeless.

To address the needs of such a varied group, ILI has developed a continuum of housing options for its clients. Two group homes provide close supervision on a 24-hour basis for those in need of such supervision. A congregate living facility owned by ILI offers seven-day extended coverage in a less restrictive setting than the group homes. For clients who are able to live on their own, albeit with continued assistance, ILI sublets apartments in four private-market complexes. In most cases, two persons share a two-bedroom unit and all the responsibilities and costs (with Section 8 assistance) of living in that apartment. Finally, for those clients who are genuinely ready to go out on their own, ILI helps them to find permanent housing within their means. In addition, ILI offers follow-up ser-

vices, as needed, to ensure that clients can continue to live independently in their own communities.

Stability, Comfort, and Hope

In order to place clients in the right environment, ILI profiles their physical capacities and ability to perform particular tasks and places them into one of the four settings described above. Within those settings, clients are taught in individual and group circumstances to master living skills to the best of their abilities. The expectation is that many people served by the program will move progressively to more independent lives. On the other hand, others, because of certain physical or mental limitations, will never be able to move beyond the group home or congregate living setting. For them and their families, ILI offers stability, comfort, and hope.

Independent Living, Inc. served two patients in 1977, its first year of operation. In 1985, 164 disabled adults were served by the program throughout the State. Of those, 53 clients graduated to the most independent setting, the In-Home Program. Over 90 percent of the current clients are low and moderate income, and all but two of the 50 apartments leased by ILI are subsidized through Section 8.

Block Grant Entitlement funds have been used in two ways to assist Independent Living, Inc. and its clients. The City of Wilmington has provided a total of \$39,000 in Entitlement funding to support rehabilitation of a retirement home into a congregate living facility for 12 disabled adults. New Castle County also used Block Grant Entitlement funds to support renovation of a group home in which ILI clients reside and continues to support the services of the agency. In all, the County has provided \$63,196 in Entitlement program funds. Block Grant funding thereby enhanced the quality of services to those affected by multiple handicaps in Delaware.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Delaware. A number of ventures illustrate the creativity and diversity in Delaware's community development efforts.

Dover (pop. 23,512). Dover has used \$1.5 million in State Block Grant funds since 1981 to support a deferred loan program for housing rehabilitation in the community. If a resident rehabilitates a property using a loan and remains in the property for ten years, the loan is forgiven. Thus far, 110 homes have been rehabilitated in the program at about \$9,800 per unit.

New Castle County (pop. 309,000) administers a housing rehabilitation financing program with Block Grant Entitlement funds. Operation Home **Fix-Up** was designed to preserve existing housing stock and to encourage citizens to make necessary repairs to their homes. The program was geared primarily to lower-income homeowners, and has helped to **fix 1300** houses from 1976 through 1986. While the program originally corrected housing code violations only, it was revised in Spring 1987 to allow other exterior improvements.

New Castle County also uses Block Grant Entitlement funds to support the "Community Improvement Company" program of the County Vocational Technical School District. This program teaches construction trades to disadvantaged youth aged **16 to 21** while they complete actual jobs on public and private non-profit facilities throughout the County. Work included repairs and cosmetic improvements. This program not only offers employment and meaningful job training, but also provides a source of free labor to accomplish construction tasks which would otherwise go undone.

New Castle County and Wilmington initiated Project Self-Sufficiency early in 1986. The project helps single parents who are highly motivated to become self-supporting by pooling resources from a variety of sources to permit them to hold down a job and hold together a family. For families to qualify, they must have no more than two children and meet the Section 8 income guidelines. In its **first** year, the project attracted Block Grant Entitlement funding from both County and City, State support from the Department of Education, and private aid from various sources. In addition, Housing and Urban Development committed 80 Section 8 Housing Certificates to the effort. The resulting provision of education, child care, employment, and housing assistance produced visible benefits. Of the project's 64 participants, 32 obtained full-time jobs, 32 gained part-time jobs, 42 enrolled in formal vocational/technical training programs, and 14 no longer required public assistance payments.

Wilmington (pop. 70,195). The School Board of Wilmington sold the historic but empty Lore School to a developer for conversion into **62** one-bedroom apartments for retired senior citizens. A \$1 million Action Grant provided a limited partnership with the financial assistance necessary, to support rehabilitation and to make

the **project** economically feasible. In effect, it led to \$3.4 million in private investment in the project. The excellent condition of the school, its wide hallways, and light, airy apartments, contribute to its attractiveness as a non-profit congregate facility.

Wilmington provided \$204,000 of Block Grant Entitlement funding to a developer for acquisition of a site known as Wilson Place. Once acquisition has occurred, the developer will clear derelict structures, rehabilitate five existing dwelling units, and erect **17** new modular housing units on the site. The City received an Action Grant of \$310,000 that provided second mortgage financing for low- and moderate-income families to purchase housing units in Wilson Place. Each second mortgage, averaging \$14,100 for a 30-year term at three percent, will give a low- and moderate-income family the opportunity for homeownership.

Community Housing, Inc., a non-profit developer, is currently building **116** new rental units in Asbury Heights, a residential area immediately adjacent to Wilmington's central business district, using a combination of Block Grant Entitlement funds, an Action Grant and private resources. Twenty-three of the units will be reserved for low-income renters, and ten units will be set aside for moderate-income residents. The other 83 units will rent at market rates. Block Grant Entitlement funds amounting to \$200,000 will provide for site improvement, and an Action Grant of \$1.3 million will make the project feasible. Private monies totalling \$4.8 million have been committed to the project. The Asbury Heights project is restoring a blighted area of the City and adding much needed rental units to Wilmington.

Community Development

Funds to Delaware

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Urban Home- steading FY 75-86	Section 312 Rehab FY 84-87	Small Cities/ State CDBG FY 75-86	State Emerg. Shelter FY 87	Total
Blades							\$1,147,387		\$1,147,387
Bowers Beach							103,200		103,200
Bridgeville							380,260		380,260
Camden							164,024		164,024
Cheswold							241,547		241,547
Clayton							440,237		440,237
Dagsboro							44,559		44,559
Delmar							799,278		799,278
Dover							1,153,988		1,153,988
Ellendale							132,876		132,876
Felton							174,988		174,988
Frankford							531,385		531,385
Frederica							147,415		147,415
Georgetown							132,332		132,332
Greenwood							178,324		178,324
Harrington			\$124,650				389,552		514,202
Kent County							788,830		788,830
Laurel							2,221,121		2,221,121
Leipsic							75,000		75,000
Lewes							402,359		402,359
Magnolia							318,225		318,225
Milford			594,585				527,531		1,122,116
Millsboro							300,000		300,000
Milton							561,667		561,667
New Castle County	\$34,497,000	\$630,070		\$41,000					35,168,070
Newark								\$22,000	22,000
Rehoboth Beach							59,983		59,983
Seaford							613,031		613,031
Selbyville							538,688		538,688
Smyrna			250,000				690,185		940,185
Sussex County							1,109,882		1,109,882
Wilmington	46,288,000	492,300	48,582,916	45,000	\$640,882	\$ 620,400			96,669,498
Woodside							57,413		57,413
Wyoming							61,939		61,939



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to the District of Columbia. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the District of Columbia amounted to \$18.5 million.

Community Development Block Grant Entitlement

By far the largest source of Housing and Urban Development community development funding in the District of Columbia is the Block Grant Entitlement program. It allotted almost \$17 million to the District in 1987, or 91 percent of all CPD funding to the city in that year. Communities in the Entitlement program plan their patterns of activities to meet local community development needs. In 1986, Washington put more of its Block Grant dollars into economic development than any other activity. Housing rehabilitation was the next largest activity category, and public services was third.

Urban Development Action Grant

Over the life of the Urban Development Action Grant program, the District of Columbia has received five Action Grants totalling \$8.3 million. That public commitment has led to private investment of \$35 million with an anticipated 709 jobs created, 77 percent of which are expected to go to low- and moderate-income people, and 375 jobs retained that otherwise would have been lost. So far, 630 jobs have actually been created. The District of Columbia received its last Action Grant in 1985.

Rental Rehabilitation

The Rental Rehabilitation program was the second largest source of Housing and Urban Development community development funding to the District of Columbia in 1987. The \$1.2 million allocation comprised seven percent of all community development support to Washington in that year.

Emergency Shelter Grant Program

The District will use its initial 1987 Emergency Shelter Grant allocation of \$57,000 to purchase furnishings and make minor bathroom renovations to a facility being prepared for occupancy by 60 homeless women who need transitional experience before moving into a permanent living situation.

Community Development Funding to District of Columbia Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$348
Small Cities/State Grants	0
Section 108 Loan Guarantees	0
Jobs Bill	5
Secretary's Discretionary fund	
Indian Tribes	0
Special Projects (FY '85-'87)	
Urban Development Action Grants	8
Rental Rehabilitation Program Grants	4
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$361
(Note: Detail may not add to total due to rounding.)	



East River Park

Washington's Ward 7 is a mostly black and middle-to-lower income area lying east of the Anacostia River. Despite the fact that it is not among the City's poorest areas, there has been very little commercial investment in the area in many years. As a result, residents travel outside the ward -- and the District of Columbia -- to shop. A study found that Ward 7 residents spent \$133 million a year, but \$100 million of that outside the District. How to revitalize an area in the absence of commercial investment and business confidence was the crux of the problem faced by the Marshall Heights Community Development Organization (MHCDO), a well-established nonprofit community development corporation in Ward 7.

Neighborhood Business Venture

The opportunity to do something arose when the Executive Director of MHCDO learned of the possible sale of the area's only major shopping center, the Minnesota Business Shopping Center, for \$2.7 million. MHCDO began its effort to purchase the shopping center with a \$25,000 Block Grant Entitlement-funded venture capital loan from the City. Within two years they were able to parlay the \$25,000 into the \$3.2 million needed to purchase and renovate the badly dated and rundown center, now known as ~~East~~ River Park.

Perhaps the most striking feature of the project was the capacity of a small minority community development corporation to tap the expertise of a range of architects, planners, and financial advisors such that it could use a little money to buy into a major revitalization project. There were any number of setbacks, but the eventual success worked this way:

MHCDO used its \$25,000 as a deposit on a contract to buy the property from its owner. The owner agreed to take a second deed of trust at 12 percent for 20 years, with payments of interest only, for the first five years; then principal and interest payments for 15 years. After a months-long search failed to turn up an equity partner, MHCDO went back to the owner with a limited partnership proposal. MHCDO would take a 27.5 percent ownership interest and the owner would retain a 72.5 percent interest and receive 95 percent of the losses and tax benefits with MHCDO having an option to buy out the owner in two years. With this agreement in hand, the organization was able to find a bank as first trust lender for \$885,000. The District's Department of Housing and Community Development committed the Block Grant funds that

closed the remaining gap of \$725,000. At about that time, the organization established a subsidiary organization, East River Park, Inc., to own and manage the center. The center itself was completely renovated and landscaped and reopened in June 1985 with 15 shops and stores.

At this point MHCDO has paid all mortgage payments and bills on time and has exercised its option to buy out its partner. In fact, MHCDO increased its share of ownership from 27.5 to 40 percent and successfully refinanced the center in order to pay all earlier lenders.

Meanwhile, the shopping center is flourishing and has brought 80 new jobs to an area with little commercial activity. All in all, the public-private partnership brought together \$750,000 in public funds and \$2.4 million in private investment to create a center that was recently appraised at \$5 million.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in the District of Columbia. A number of ventures illustrate the creativity and diversity in the District of Columbia's community development efforts.

First Right Purchase Program. The First Right Purchase Program offers lower-income people and groups the opportunity to **own** their own homes or apartments in a City in which housing affordability is a major issue. In the program, which is funded out of Block Grant Entitlement funds, a community-based or organization provides short-term (18 month) direct loans to low- and moderate-income individuals and tenant groups who choose to exercise their right to buy their homes when faced with a notice of sale under the District's First Right to Purchase Law. Thus far, 448 individuals or tenant groups have been assisted by the program.

Furniture Storage Program. The Furniture Storage Program offers an emergency service for low- and moderate-income families who have been evicted from privately-owned housing throughout the city. The program provides for pickup and temporary storage of furniture until a family can stabilize its situation. So far, 2,839 families have taken advantage of this Block Grant-supported service.

Gallery Row. Gallery Row is a mixed-use project with an emphasis on galleries, arts-related uses, active retail, and office space. The project is a Federal/local/private partnership, with the federal partner, the Pennsylvania Avenue Development Corporation, participating in the joint venture. The buildings comprising Gallery Row -- constructed between 1860 and 1883 -- were part of a thriving commercial center at 7th and D Streets, N.W., in 19th century Washington. Due to structural damage brought on by subway construction, the five historically significant facades were dismantled brick by brick for storage, then reconstructed on the original site using photographs and documentation to achieve an historically accurate restoration. The City received a \$1.25 million Action Grant for the project. The Action Grant, in turn, contributed to the commitment of \$4.6 million in private and \$675,000 in other public funds. The project has led to 120 new permanent jobs and an annual tax increase of over \$888,000 for the City.

Fourth and Rhode Island Shopping Center. A \$2.7 million Action Grant and \$800,000 in Block Grant Entitlement Funding -- which led to the commitment of \$13 million in private investment -- set the ground work for construction of a new shopping center in a minority neighborhood which was previously severely underserved by commercial establishments. The center, on which construction was completed in December 1987, contains a discount department store, a food store, and a drug store plus other food and retail businesses. It has led to the production of 300 new jobs, 275 of which were made available to low- and moderate-income people. Moreover, an outreach effort was directed to the neighborhood to **max-**imize the number of jobs going to neighborhood residents,

Housing Assistance for the Handicapped. The District of Columbia has undertaken a new program with the support of Block Grant Entitlement money to offer housing assistance to the handicapped. The effort involves grants of up to \$8,000 per dwelling unit to handicapped homeowners, to operators of residential facilities or rental housing, and to landlords on behalf of handicapped tenants to improve accessibility and to remove barriers limiting the mobility of the handicapped. Barriers eligible for removal or modification are limited to those necessary to permit the person with a disability to perform day-to-day functions and to live in a safe environment.

Poor Peoples Development Foundation, Inc. This Block Grant-assisted demonstration training project provides public housing residents with the tools needed to form cooperative businesses, industries, and services to meet their needs. Block Grant funds supported six positions at the foundation. So far, 30 public housing residents have been given training over a four-month period, and cooperative associations have been incorporated at 12 public housing sites.

Public Housing Modernization. The District **has** undertaken comprehensive modernization of vacant, uninhabitable public housing units and general repair of public housing facilities. Thus far, 19 public housing developments have undergone major rehabilitation of damaged units with the help of Block Grant funds. The District has also used Block Grant funds to acquire 66 public housing units scattered throughout the City.

Community Development**Funds to the District of Columbia**

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Total
Washington	\$348,126,000	\$3,774,730	\$8,303,000	\$ 344,000	\$ 240,700	\$ 360,788,430



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Florida's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year **1987**, Housing and Urban Development's community development support to the cities and towns of Florida amounted to **\$142 million**.

Community Development Block Grant Entitlement Program

More than **\$96 million** were distributed to 34 Florida Entitlement communities and **11 urban counties** in **FY 1987**, a dollar amount exceeded by only five States. Since **1975**, **\$1.2 billion** have been awarded to these communities. The Community Development Block Grant Entitlement program provides funding directly to larger communities, generally those over **50,000** in population. The plans of nine Florida communities illustrate the use of the Block Grant Entitlement program. For **1986**, these communities planned to use **30 percent** of the funds for housing rehabilitation, **26 percent** for economic development and **16 percent** for administration and planning.

Florida's State Community Development Block Grant Program

The second largest amount of community development funds in Florida went to the State Block Grant Program. In **FY 1987**, a grant of **\$21 million** was made by the U.S. Department of Housing and Urban Development to the State for assistance to communities under **50,000** persons, not otherwise eligible for Block Grant Entitlement assistance.

- Cumulatively since **1975**, **\$237 million** have been awarded to Florida's small cities.
- From **FY 1983** to **FY 1985** the State reported that **45 percent** of the expended funds were used for public works, **43 percent** for housing and **11 percent** for economic development.
- In **FY 1985**, the State allocated funds to 32 small communities and eight counties for an average grant of **\$515,548**.

Housing Rehabilitation

From **FY 1984** through **FY 1987**, **\$23.1 million** were obligated by Housing and Urban Development for projects in the State under the Rental Rehabilitation program and **\$1.6 million** for the Section **312** Rehabilitation program which provided loans to homeowners. In addition, housing rehabilitation has been funded under the Block Grant Entitlement program. In **1986**, for example, **\$11.3 million** were planned for housing rehabilitation, according to reports from a sample of nine Florida Entitlement Cities.

Urban Development Action Grant Program

In **FY 1987**, the Urban Development Action Grant program provided **\$11.6 million** to communities in Florida. Since **1978**, **\$62.6 million** in Action Grant funds have attracted **\$420 million** in private investment which has created **2,689 jobs**. The Action Grant projects also resulted in the construction of **241 housing units** and **\$1.4 million** in new taxes annually to local governments.

Community Development Funding to Florida Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 1,213
Small Cities/State Grants	247
Section 108 Loan Guarantees	35
Jobs Bill	31
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	1
Urban Development Action Grants	63
Rental Rehabilitation Program Grants	23
Section 312 Rehabilitation Loans (FY '84-'87)	2
Urban Homesteading	11
Emergency Shelter Grants	2
Total	\$1,630



Jacksonville Landing: New Life for the Center City

In June 1987, the Jacksonville Landing Project was opened on a site formerly occupied by a City parking lot on the downtown riverfront. The project, developed by the Rouse Company, is an attractive U-shaped festival shopping center facing the water. It **was** built to reverse the decline of Jacksonville's retail areas and to make better use of prime waterfront land.

Fostering Private Investment

The City's plan for making Jacksonville Landing a reality and revitalizing the downtown area **was** funded with help from the Block Grant Entitlement Program which provided \$10 million for a permanent loan. An additional \$3 million in Block Grant funds have been used for an interim construction loan. The City also contributed \$5.7 million for improvement to the infrastructure and financed a \$12 million parking garage with general revenue bonds.

One of the objectives of community development programs is to foster economic development by using public funds to leverage a far greater amount of private investment. In the Landing, the private developer invested \$34 million to complete building improvements; tenant investment in finishing costs has amounted so far to \$12 million.

Increasing Tax Revenues

Another major benefit of these community development activities is that the Landing project should produce \$975,000 each year in tax revenue for the City, including: \$600,000 from ad valorem taxes; \$286,000 from sales tax; and \$71,000 from utility taxes. Additional taxes will come

from the \$8 million payroll spent by the project's 1,076 employees.

Benefitting Minorities

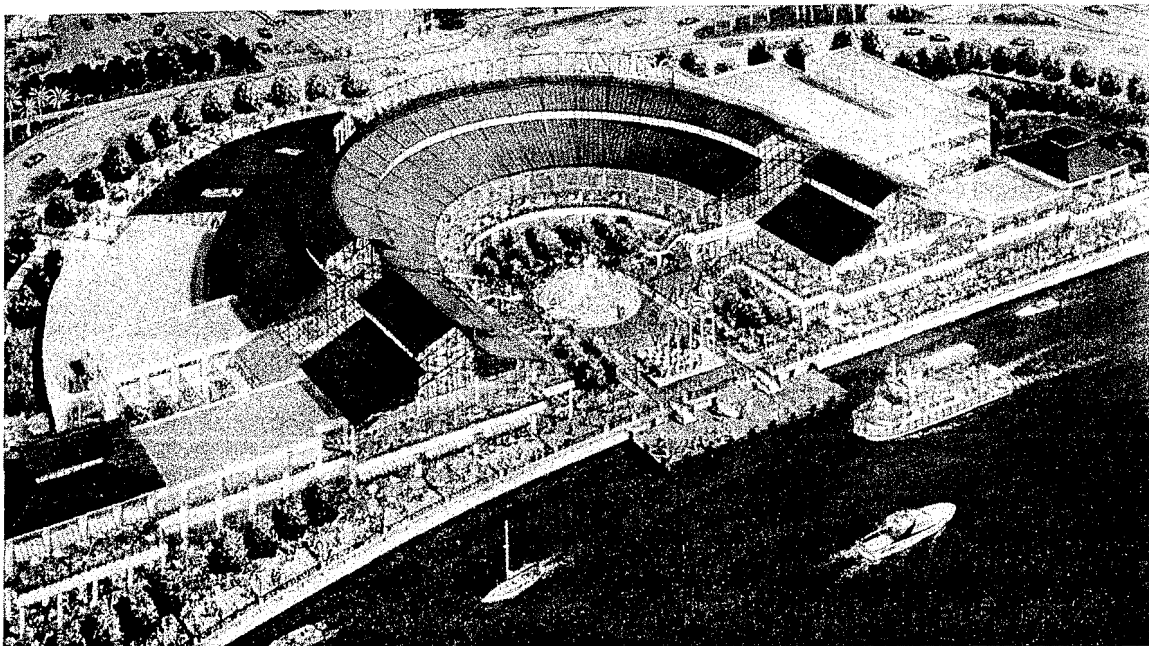
The project has been of special benefit to minorities and low- and moderate-income persons. Fifty-eight percent of the employees have low- or moderate-incomes and 37 percent are minorities. Twenty-seven percent of the businesses in the center are minority-owned, 12 percent more than initially projected.

The level of achievement in minority business **was** attained with help from the Minority Opportunity Near Equity Effort project. It was funded by \$200,000 from a Special Projects grant and \$238,000 in local Block Grant funds. The Minority Opportunity project provides financial **as-**sistance to minority and female entrepreneurs who need financing for the creation of new businesses. Initial loans have been issued to five minority businesses at the Landing for a total of \$420,000. Loans are administered by the Jacksonville Local Development Corporation.

Stimulating Further Development

Another measure of the Landing's success has been the announcement that a new hotel and several office buildings are to be built nearby. In addition, the City has agreed to extend its Riverwalk to tie in this development with other parts of the City.

The Landing had a respectable \$3 million in sales during the month of July. Currently, 57 shops and restaurants operate in the center and 31 more businesses are to open soon employing 256 additional persons.





The U.S. Department of Housing and Urban Development supports a broad range of local projects in Florida. A number of ventures illustrate the creativity and diversity in Florida's community development efforts.

State Block Grant funds were used for a grant to construct improved utilities and for a loan to acquire plant equipment to permit the construction of a household linens plant in the small town of Chipley (pop. 3,330). The 165,000 square foot plant, owned by the West Point Pepperell Company, employs 250 persons and has an annual payroll of \$3.5 million. This should make an important contribution to the economy of the area which has had one of the highest unemployment rates in Florida. The \$500,000 in State Block Grant assistance was supplemented by a \$4.2 million private investment.

Metropolitan Dade County (pop. 1,085,9078) instituted a new property sales surtax program in 1984 that has resulted in \$9 million additional annual revenue to be **used** for assisting low- and moderate-income housing. Under the program, 536 units have been built and 415 units rehabilitated for low- and moderate-income persons. To supplement tax revenues, \$3.1 million in Block Grant Entitlement funds were used for program administration and land acquisition. Currently, 20 financial institutions and **six** local community development corporations are participating in the program.

In April 1987, the Bayside Marketplace in Miami (pop. 372,450) was opened to the public. The market is part of the entire Bayside Project which includes an adjacent 110-acre park redeveloped with assistance from a \$6 million Action Grant. The park has been redesigned by the internationally known artist, Isamu Noguchi. The Bayfront Park will feature a concert amphitheater, outdoor cafes, a huge fountain, a laser light tower, a bayfront promenade, and children's play sculptures. The park will serve as a magnet to attract business to the Marketplace, which has 180 shops, restaurants and nightspots, clustered around a city marina overlooking the Port of Miami. A total of \$78 million in private funds will be invested in the project.

The development of the Edison Plaza Shopping Center in the Liberty City neighborhood (Miami), which was torn by riots in 1980, is viewed as a key element in revitalizing the commercial core of the community. Block Grant Entitlement funds were used to support the Tolcoly Economic Development Corporation, a non-profit, community-based organization which spearheaded the development of the center. This assistance was supplemented by an Economic Development Administration grant of \$1.3 million and private funds of \$1 million.

The City of Orlando (pop. 137,145) has joined forces with Orange County (pop. 381,809) to address the homeless problem by providing shelter for 250 single men and women, teenagers, and families with children. The County has pledged \$450,000 in Block Grant Entitlement funds

to help build a 250-bed facility that will be leased to the Coalition for the Homeless for operations. The coalition **will** raise the balance of the \$2.5 million needed to complete the project. The City of Orlando contributed \$500,000 of general revenue funds for acquisition of land for the new shelter. As an interim facility, an existing structure on the site will be rehabilitated with Funds from a \$80,000 Emergency Shelter Grant from the State's Emergency Shelter Grants Program.

With Entitlement Block Grant funds and other public assistance, Community Equity Investments, Inc. has developed a loan program for small and minority businesses within a low-income target area in Pensacola (pop. 61,995). Making use of \$1 million in public and private funds, the investment company has made 32 loans, creating 132 jobs at less than \$7,500 per job, with a default rate of only 4.4 percent.

In October 1986, work was completed on the renovation and expansion of a vocational training center for handicapped persons in Pinellas County (pop. 382,537). Sponsored by an innovative charitable organization, Abilities Inc., the center was opened in 1961, and was critically overcrowded by 1984, resulting in a waiting list of over **six** months for training. With a \$276,483 Entitlement Block Grant and \$1 million of private donations, they were able to refurbish existing space and expand the facility by 12,000 square feet, bringing all programs under one roof and eliminating the waiting list. The new space permits the center to train an additional 200 disabled persons.

The Pepperidge Farm project created hundreds of new job opportunities in Polk County (pop. 278,054) by purchasing 29.7 acres of land and building a bread and roll factory and cookie and cracker bakeries. The facility now employs 125 persons and, when the bakeries are completed, will employ 450. Polk County provided \$300,000 with a State of Florida Transportation Grant and \$30,000 of Entitlement Block Grant funds to make highway intersection and infrastructure improvements at the plant site. The City of Lakeland (pop. 54,355) provided \$300,000 in assistance to relocate water lines on the plant site.

Community Development

Funds to Florida

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	State CDBG FY a5	State Emerg. Shelter FY a7	Total ⁽¹⁾
Alachua							\$ 565,000		\$ 565,000
Arcadia							575,000		575,000
Archer							499,200		499,200
Baldwin							500,000		500,000
Belle Glade			\$ 5,660,000						5,660,000
Boca Raton	\$ 4,981,000	\$ 17,772							4,998,772
Bradenton	6,813,000	95,300							6,908,300
Brevard County	2,983,000	90,000		\$25,000					3,098,000
Broward County	74,361,000	1,360,402		96,000				\$70,000	76,831,593
Bunnell							500,000		500,000
Calhoun County							573,000		573,000
Cape Coral	1,766,000								1,766,000
Caryville							362,136		362,136
century							500,000		500,000
Chattahoochee							500,000		500,000
Citrus County							489,622		489,622
Clay County							485,000		485,000
Clearwater	10,079,000	280,553			\$ 11,300				10,370,853
Cocoa	3,658,000	302,900							3,960,900
Columbia County							644,000		644,000
Dade County	213,973,000	2,603,330		304,000					220,034,628
Daytona Beach	13,130,000	346,900							13,476,900
De Funiak Springs			198,000						198,000
Delray Beach	1,443,000	142,900							1,585,900
Escambia County		630,170							630,170
Eustis							369,173		369,173
Fort Lauderdale	28,130,000	643,600	192,000	36,000					29,231,100
Fort Myers	8,392,000								8,392,000
Fort Pierce	4,313,000				47,600				4,360,600
Fort Walton Beach	3,486,000								3,486,000
Gainesville	16,489,000	484,540	2,000,000					18,150	18,991,690
Green Cove Springs							396,391		396,391
Greenville							500,000		500,000
Gretna							500,000		500,000
Hastings							500,000		500,000
Hialeah	33,337,000	490,119		65,000	57,850				33,949,969
High Springs							500,000		500,000
Hillsborough County	47,966,000	346,000		66,000				45,800	48,538,200
Hollywood	17,222,000	371,567							17,593,567
Indian River County		195,300							195,300
Interlachen							500,000		500,000
Jacksonville	112,693,000	1,938,910	2,270,000	119,000	160,600				118,068,310
Key West		514,200	1,100,000				650,000		2,264,200
Lake City							440,000		440,000
Lake County							586,512		586,512
Lakeland	9,230,000	248,624	4,700,000						14,178,624
Largo	3,137,000								3,137,000
Lawtey							500,000		500,000
Live Oak							575,000		575,000
MacClenny							555,933		555,933
Madison							475,000		475,000
Martin County							650,000		650,000
Melbourne	7,733,000	352,900							8,085,900
Miami	133,522,000	2,797,800	24,572,160	244,000					161,135,960
Miami Beach	25,527,000	1,262,100		33,000					26,822,100
Miccosukee Indian						\$720,276			720,276
Monroe County		392,000							392,000
Mount Dora							575,000		575,000
Naples	397,000								397,000
Ocala	3,992,000	190,600							4,182,600
Orange County	46,993,000	527,553	282,070	62,000					47,864,623
Orange Park							575,000		575,000
Orlando	25,404,000	381,625		31,000				79,280	25,895,905
Palatka								30,000	30,000
Palm Bay	349,000	102,400							451,400
Palm Beach County	56,763,000	818,490		74,000					59,101,012
Palmetto							650,000		650,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.

Community Development

Funds to Florida

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Panama City	\$ 6,906,000	\$ 517,900			\$27,250				\$7,451,150
Pasco County	3,787,000			\$ 32,000					3,819,000
Pensacola	14,705,000	478,880	\$ 760,000		56,600				16,000,480
Perry							\$ 495,000		495,000
Pinellas County	38,689,000	528,672		45,000	204,750			\$64,770	39,683,122
Polk County	37,757,000	404,800		54,000					38,215,800
Pompano Beach	6,443,000				163,000				6,898,875
Riviera Beach			5,975,000						5,975,000
Sanford							650,000		650,000
Sarasota	10,596,000	69,000			37,900				10,702,900
Sebring							565,000		565,000
Seminole County	3,285,000	103,000		28,000					3,416,000
Seminole Indian			1,930,000			\$ 1,634,000			3,564,000
Sopchoppy							500,000		500,000
St. Johns County							649,950		649,950
St. Petersburg	42,667,000	817,440	4,280,000	47,000	790,250				51,094,321
Starke							575,000		575,000
Sumter County							496,011		496,011
Tallahassee	18,435,000	509,900	67,185	25,000					19,037,085
Tampa	76,338,000	903,075	8,600,000	69,000	172,600				87,165,450
Titusville	7,296,000	119,100			19,150				7,434,250
Volusia County	13,664,000	310,862		36,000					14,010,862
Webster							500,000		500,000
Welaka							500,000		500,000
West Palm Beach	13,478,000	272,617							13,750,617
Wewahitchka							500,000		500,000
Winter Haven	4,164,000	119,100							4,283,100

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Georgia's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Georgia amounted to over \$77 million.

Georgia' State Community Development Block Grant Program

The Department of Community Affairs administers the State Block Grant program. In FY 1987, it received \$31.6 million from the U.S. Department of Housing and Urban Development for distribution to local jurisdictions under 50,000 population not otherwise eligible for Block Grant Entitlement funds. The main expenditures planned by these communities for FY 1987 were: public works and facilities -- \$15.4 million; housing rehabilitation -- \$5.7 million; economic development -- \$3.8 million; and land acquisition, clearance, and relocation -- \$3.4 million.

Community Development Block Grant Entitlement Program

In FY 1987, the Block Grant Entitlement program provided \$29.2 million to larger communities in Georgia, generally communities over 50,000 in population. The recipients were nine metropolitan cities and four urban counties. The two principal expenditures reported by Block Grant Entitlement communities during the past year were for public works and facilities (\$8.5 million), and housing rehabilitation (\$7.5 million). Lesser amounts were spent on land acquisition, relocation, economic development, public services, and administration.

Urban Development Action Grant Program

In FY 1987, seven projects received \$10.9 million from the Urban Development Action Grant program, and those monies in turn stimulated \$46 million in private investment. These public and private monies were spent to help cities and urban counties in Georgia suffering from severe economic distress. Indicators of this distress include: aging housing stock, low per capita income, a high percentage of poverty, loss of population and jobs, and high un-

employment. The Action Grant projects designed to help alleviate these problems represent a range of economic development approaches: four deal with commercial concerns, two are neighborhood projects and one is for industrial development. On completion, current plans estimate that 1,054 jobs will be created.

Community Development Housing Assistance Programs

During FY 1987, Georgia communities planned or received assistance in the rehabilitation of 1,456 housing units and other housing related activities as a result of the following programs: Rental Rehabilitation -- \$4.1 million; State and Entitlement Block Grants -- \$10 million; Emergency Shelter Grants -- \$1.2 million; Section 312 Rehabilitation -- \$278,000.

Community Development Funding to Georgia Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$499
Small Cities/State Grants	370
Section 108 Loan Guarantees	10
Jobs Bill	15
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	1
Urban Development Action Grants	77
Rental Rehabilitation Program Grants	12
Section 312 Rehabilitation Loans (FY '84-'87)	2
Urban Homesteading	4
Emergency Shelter Grants	1
Total	\$991



The U.S. Department of Housing and Urban Development's community development programs help support a broad range of local community and economic development projects in Georgia through the cooperation of the City, County, State, and Federal Governments, as well as public/private partnerships.

In the northwest quadrant of Atlanta, an area with the largest concentration of unemployed residents and public housing units in the City, the fundamental need as the 1980's began was jobs. To meet that need, the 330-acre **Atlanta Industrial Park** was designed to offer developed sites, underground utilities, protective covenants, and tax incentives to business and industry. The project was undertaken by the **Atlanta Economic Development Corporation** in 1983, which had been founded as a private, non-profit corporation in 1977 by the City of Atlanta and Central Atlanta Progress, another non-profit corporation that promotes economic development projects in the City.

For two decades prior to the development of this first-class Industrial Park, the property was a barren, clay-borrow pit, once used in manufacturing bricks. The transformation began with the acquisition and development of the land with assistance from several sources: a Section 108 Loan Guarantee -- \$2.5 million; Entitlement Block Grant funds -- \$2.4 million; Economic Development Administration assistance -- \$1 million; 1983 Jobs Bill -- \$789,000; and local funds -- \$7 million.

To help attract industry to the newly acquired and developed land, the Atlanta Industrial Park adopted critically acclaimed architectural standards for both buildings and their surroundings. In addition, the Park was the first industrial venture in the State of Georgia to receive Urban Enterprise Zone classification designed to encourage businesses to locate in areas of traditionally high unemployment and economic decline.

To date, 26 businesses have settled in the Park, including:

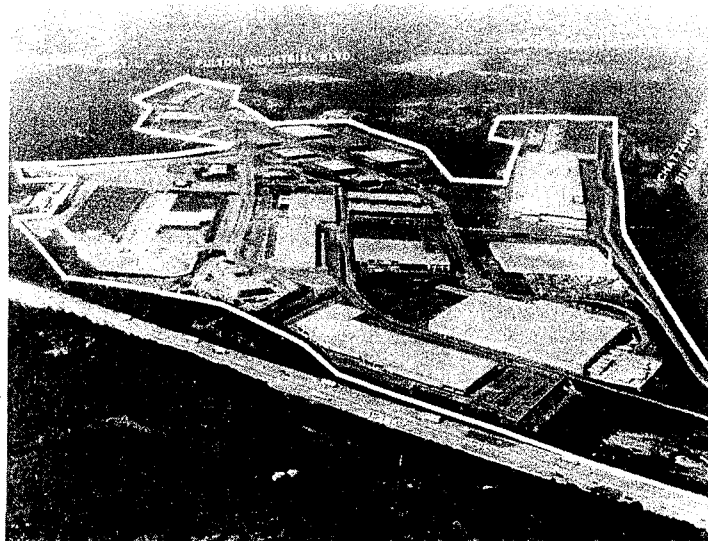
Toys-R-Us 440,000-square foot distribution center serving the southeast United States with planned jobs for 350 employees.

- Circuit City, a large electronics distributor, in a 250,000 square foot facility, with 70 employees.
- Purolator-Courier, an express-mail delivery firm, in an 80,000 square foot facility, employing 90 persons.
- Sanderson Industries, a minority-owned auto parts manufacturing business, with 70 employees.

The estimated market value of all this private investment in real estate improvements for the Atlanta Industrial Park is \$75 million, representing a ratio of 11.2 private dollars to each public dollar invested in the project.

Many of the new jobs in the Industrial Park have gone to low-income and minority residents living nearby. To assist them in getting these jobs, Block Grant funds were used to establish the Support to Employment Program, located close to 1,600 public housing units. Currently, the companies in the Park are providing 1,113 jobs. About 44 percent of these jobs are filled by city residents and 41 percent of the jobs are taken by minorities. It is expected that 2,000 jobs will be created by the time the Park is completed.

Today, the Atlanta Industrial Park stands as an example of successful public/private partnerships, having involved the City of Atlanta, Fulton County, private developers, real estate brokers, and financial institutions. Through the use of Federal, State, and public-private funds, Atlanta is demonstrating how a commitment to economic development activities can create jobs and improve the living environment for low- and moderate-income and minority residents.





Albany (pop. 84,771) is promoting better healthcare with a Block Grant Entitlement loan of \$205,000 to five minority physicians for construction of a Family Medicine Center. At a total cost of \$465,000, the facility includes four medical offices, a pharmacy and a medical laboratory. It serves the South Central Redevelopment Area, a low- and moderate-income neighborhood.

Atlanta (pop. 428,153) is renovating and expanding Underground Atlanta with a \$10 million Action Grant, **\$8.5** million in Block Grant Entitlement funds, and more than \$120 million from private sources. The office-entertainment shopping center will create 3,000 jobs after its scheduled opening in late 1988.

Augusta (pop. 46,449) received Action Grant funds to assist a developer in converting the previously abandoned historic Partridge Inn into 106 apartments, 18,000 square feet of commercial space, a swimming pool, and a parking garage. The \$1.4 million Action Grant leveraged **\$3.9** million in private investment and created about 40 new jobs.

Columbus (pop. 175,241) received two Action Grants totaling \$3 million that are helping to provide low- and moderate-income home buyers with an interest free, second mortgage of \$10,000 on properties throughout the City. Private lending institutions loaned 23 builders approximately \$12 million, giving each a commitment for a specific amount of construction financing. The money the City receives in second mortgage payments from the home buyers is then available for recycling to other economic development projects, thereby establishing a "Mini-Action Grant Program."

DeKalb County (pop. 435,991) brought new life to a severely blighted section of the Candler Road area, creating about 40 jobs and stimulating further private development nearby. This resulted from the work of the Candler Road Redevelopment Corporation, a non-profit entity using a \$280,000 Action Grant and \$1.2 million in private investment to build a medical/retail complex in the area.

Macon (pop. 118,730), using Block Grant Entitlement assistance along with Housing and Urban Development's Section 8 Moderate Rehabilitation program, renovated a deteriorated, eight-block row of houses in the Pleasant Hills Historical District. The houses have been rehabilitated to a higher standard than their original condition 80 years ago.

Pearson (pop. 1,884), as an economic development venture, provided low-interest loans with State Block Grant money to Cady Bag Company for the purchase of machinery and equipment. Where **64** jobs had been anticipated, the actual result was **82**. Cady Bag has been able to continue and expand its successful manufacture of mesh bags.

Unadilla (pop. 1,540), with State Block Grant low-interest loans, helped a beginning business, the Kalco East Company, which manufactures residential light fixtures. Jobs were created for **35** young, minority females who previously received public assistance.

Webster County (pop. 2,341) built a Health and Human Services Building with State Block Grant funds, to house the Health Department/Health Access Station, Department of Family and Children Services, and a private physician's office. Its services go beyond Webster County to over 3,300 persons-94 percent with low- and moderate-income. Before this health facility was built, no private physician served the County, and the Health Department's existing space was so inadequate that the Department of Human Resources had suggested closing the offices.

Community Development

Funds to Georgia

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	Total
Adairsville			\$ 720,000				\$ 720,000
Albany	\$22,815,000	\$ 393,613		\$26,000			23,234,613
Alma			200,000				200,000
Americus			579,000				579,000
Athens	15,705,000		1,751,519				16,456,519
Atlanta	176,103,000	2,472,700	16,256,280	196,000	\$620,550	\$1,881,200	197,529,730
Augusta	28,190,000		11,929,594	31,000			40,150,594
Braselton			978,500				978,500
Brunswick			3,395,000				3,395,000
Calhoun			339,000				339,000
Carrollton			206,000				206,000
Claxton			137,668				137,668
Cobb County	11,798,000	420,390		31,000			12,249,390
Columbus	45,600,000	721,630	5,686,000	39,000			52,046,630
De Kalb County	41,274,000	969,100		56,000	345,950	482,138	43,127,188
Decatur			2,625,000			813,828	3,438,828
Douglas			593,225				593,225
Douglas Consort			890,000				890,000
Fort Gaines			950,000				950,000
Fulton County	12,296,000	233,000		31,000			12,560,000
Gwinnett County	2,459,000	60,000					2,519,000
Hartwell			849,000				849,000
Hawkinsville			1,900,000				1,900,000
La Grange			938,236				938,236
Louisville			154,350				154,350
Macon	32,823,000	563,600	8,229,379	33,000			41,648,979
Marietta	3,466,000						3,466,000
Milledgeville			1,131,184				1,131,184
Montezuma			5,772,278				5,772,278
Quitman			1,020,000				1,020,000
Rome			485,000				485,000
Savannah	57,095,000	746,080	2,456,416	39,000	893,150		61,229,646
Sylvania			865,000				865,000
Tallapoosa			246,000				246,000
Thomaston			1,000,000				1,000,000
Thomson			311,080				311,080
Unadilla			422,000				422,000
Valdosta			1,226,250				1,226,250
Villa Rica			625,000				625,000
Wadley			313,000				313,000
Warner Robins	1,757,000				94,450	334,073	2,185,523
Warrenton			2,050,000				2,050,000
Wavcross			211,745				211,745

Name	State CDBG FY85	Name	State CDBG FY85	Name	State CDBG FY 85
Adairsville	\$374,025	Carroll County	\$394,230	Dawson County	\$356,800
Alma	472,611	Cecil	196,104	Doerun	341,763
Americus	700,000	Chattahoochee County	181,184	Dooly County	394,270
Argyle	333,590	Chattooga County	38,000	East Dublin	651,128
Baldwin County	400,000	Clayton County	400,000	Eastman	699,167
Ben Hill County	383,798	Cleveland	690,390	Ellenton	411,100
Brooks County	262,634	Clinch County	537,951	Fairmount	200,000
Bryan County	99,850	Coffee County	400,000	Fannin County	61,200
Buchanan	384,375	Coolidge	200,000	Flowery Branch	396,000
Buena Vista	312,500	Cordele	700,000	Forsyth County	400,000
Buford	200,000	Covington	398,888	Georgetown	315,094
Butts County	80,630	Coweta County	396,258	Girard	351,712
Byron	400,000	Crawford	385,540	Grady County	313,175
Cairo	200,000	Crisp County	200,000	Hancock County	394,443
Camden County	400,000	Culloden	173,584	Hawkinsville	577,419
Carnesville	79,802	Damascus	202,000	Hephzibah	50,000

Community Development**Funds to Georgia**

Name	State CDBG FY85	Name	State CDBG FY 85	Name	State CDBG FY 85
Irwin County	\$339,634	Montrose	\$20,000	Social Circle	\$ 672,897
Jackson County	400,000	Mountain City	397,280	Statesboro	232,708
Jones County	600,000	Nashville	350,200	Surrency	101,771
La Grange	375,555	Nicholson	399,193	Terrell County	400,000
Lakeland	367,074	Ochlocknee	385,640	Thomasville	80,740
Lanier County	20,000	Ocilla	400,000	Tift County	700,000
Cavonia	90,500	Oxford	109,200	Tifton	395,698
Liberty County	622,222	Pearson	200,000	Tiger	264,000
Lumpkin	618,046	Pelham	200,000	Turner County	285,500
Lumpkin County	100,000	Perry	694,822	Union Point	226,000
Macon County	387,097	Preston	81,600	Uvalda	400,000
Mansfield	425,025	Pulaski County	400,000	Valdosta	675,440
Marion County	281,250	Reidsville	400,000	Vienna	400,000
Marshallville	700,000	Ringgold	256,000	Warwick	647,416
McDonough	400,000	Rome	200,000	Waverly Hall	324,710
Meriwether County	541,564	Rutledge	217,512	Waynesboro	127,297
Metter	294,000	Sasser	118,170	Worth County	9,520
Midville	139,529	Shellman	209,201	Wrens	200,000
Molena	203,107	Siloam	377,772	Wrightsville	238,435
Monticello	125,641	Smithville	371,208	Zebulon	107,609

Hawaii



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Hawaii's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Hawaii amounted to \$14.8 million.

Community Development Block Grant Entitlement Program

Most of CPD's assistance to Hawaii comes through its \$11.4 million Block Grant Entitlement grant to the City and County of Honolulu.

In its 1986 Block Grant Entitlement budget, Honolulu emphasized housing programs. More than one-half of its funds went toward rehabilitating single-family housing, providing assistance to non-profit corporations to develop housing for lower-income families, or assisting in other housing-related activities. The City also budgeted a considerable portion of funds for public works and property acquisition and clearance.

Rental Rehabilitation Program

The Department's major program for rehabilitating rental housing for lower-income tenants provided Hawaii \$858,000 for rehabilitation financing in 1987. Since this program began in 1984, it has completed 220 apartments in the State, 20 in three projects in Waianae and 200 in a project in Waipahu. These four projects used more than \$1 million in program funds and \$1.5 million from other sources to finance the construction.

Before these buildings were rehabilitated, only 46 of the 220 units were occupied. Now, with 216 units occupied the vacancy rate is just two percent. Moreover, these projects clearly have benefitted Hawaii's lower-income renters -- 83 percent of the resident households have incomes below 80 percent of the area median income. Post-rehabilitation rents are kept low through the subsidy of construction financing, but to ensure that very low-income tenants can afford even these rents, the program offers housing vouchers or Section 8 certificates to help eligible tenants. Seventy-three percent of the residents of these 220 apartments receive HUD's rent assistance.

Housing and Urban Development Administered Small Cities Program

Hawaii has three jurisdictions that are not eligible to receive Block Grant Entitlement grants -- the counties of Hawaii, Kauai, and Maui. They participate in the Block Grant program through the Small Cities program, administered by the Department of Housing and Urban Development. In FY 1987, these three counties received a total of \$2.3 million in funding. The Hawaii counties receiving Small Cities Block Grants use their funds for a variety of community development activities. Developing or rehabilitating housing for people with low- and moderate-incomes usually receives the largest portion of funds. The counties also construct public facilities and provide social services through their Small Cities grants.

Community Development funding to Hawaii Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 162
Small Cities/State Grants	18
Section 108 Loan Guarantees	0
Jobs Bill	3
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	0
Rental Rehabilitation Program Grants	2
Section 312 Rehabilitation Loans (FY '84-'87)	0
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$186
(Note: Detail may not add to total due to rounding.)	



Hale Pauahi Development Project

A Community Development Problem

Honolulu's Chinatown Urban Renewal Area and Historic District is a congested area of the City with little space available for building and little available parking. In deciding what to do with one of the few remaining parcels in this urban renewal area, the City chose to construct Hale Pauahi, a mixed-use facility that would provide 396 units of rental housing, six stories of parking, and space for commercial businesses. Its Entitlement Block Grant played an important role in planning and financing this development.

The City's top priority was to provide housing units that would rent at rates affordable to families with low- and moderate-incomes. However, it also wanted to minimize the public subsidy so that funds would be available for other similar projects in Honolulu.

Nonprofit Construction

Honolulu developed the project through a local development corporation, which in turn funded a non-profit construction company to do the actual construction. The City provided \$13 million from its Block Grant Entitlement program for construction financing for the parking lot. A City bond issue of \$21 million, which was loaned to the non-profit company under a Section 221(d)(3) insured mortgage, repaid the construction loan to the City as program income eligible to be reused for other projects. The bond also provided long-term financing for the residential portion of the development.

When the project was completed, the non-profit company deeded the six-story parking lot to the City to be operated as a public facility. It operates at a profit despite being available to residents of the housing development at below market rates.

In the housing development, 51 percent of the apartments are rented to low- and moderate-income tenants at below market rates. The public subsidies for construction in conjunction with the rental of the remaining 49 percent of the units at market rates enabled this result. In addition to many of the apartments renting at below market rates, tenants of these units frequently receive assistance in making their rent payments through the Section 8 Housing

ing Certificate program and the Section 8 Housing Voucher program.

Currently, profits from the parking facility are income for Honolulu. However, the project is structured so that if additional assistance for subsidizing the rents of low-income tenants is needed, these profits can be used for rent subsidies.

Project Accomplishments

The Hale Pauahi project has been quite a success. It enhances the physical appearance of Chinatown and provides sorely needed rental housing for 202 low- and moderate-income families, most of whom are minorities. Rents for these residents are below market and many are further subsidized through the Section 8 program. Parking is provided at below-market cost. Part of the parking platform itself provides a safe open-space park for the residents and their children. The commercial space in the building will fit in with the present commercial character of the area. The presence of the parking garage helps relieve the congestion in the neighborhood and helps to promote the vitality of small businesses in the area.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Hawaii. A number of ventures illustrate the creativity and diversity in Hawaii's community development efforts.

County of Kauai. (pop. 39,082) funded an Alzheimer's Disease Care Center as a public service activity under its Housing and Urban Development-Administered Small Cities program. This nonprofit operated project provides services to 10 persons afflicted with Alzheimer's Disease. Previously, there were no programs available on Kauai to assist these patients, who did not fit into a regular Adult Day Care program. Rather than institutionalize these patients, the County provided services for their care during the day, thus relieving the families from caring for them on a 24-hour basis. The County expended \$35,600 in Block Grant funds and \$21,600 from private sources for this project.

County of Hawaii. (pop. 92,053) awarded a grant of \$150,000 from the Housing and Urban Development-Administered Small Cities program to a subrecipient to market a State-owned industrial park called Hawaii Ocean Science and Technology (HOST) Park. The HOST Park is accessible to cold ocean water rich in nutrients and free of pathogens. The subrecipients' task is to attract to the park companies that can make use of this unique environment. When fully developed, the HOST Park will add between 400 and 2,200 jobs to West Hawaii. Planners estimate that two-thirds of all jobs to be created will be for individuals with low- and moderate-incomes.

Honolulu (pop. 762,565) enabled 225 lower income families to acquire homes on a former sugar plantation through its Block Grant Entitlement program. The plantation offered the homes to qualified tenants at no cost. The City used Block Grant Entitlement funds to acquire the land and improve the infrastructure needed to support the housing development and to provide financing of the sale of the improved lots and the rehabilitation of the substandard 50 year old housing of the tenants.

Honolulu, using \$650,000 in Block Grant Entitlement as loan funds, also leveraged \$1.2 million in private investment to renovate the Oahu Market in the historic Chinatown District. This saved the historic structure from planned demolition. A corporation was formed by 22 minority tenants to acquire and save the 50-year old historic landmark that houses their fish, meat, and produce businesses. The project also created five permanent jobs.

Honolulu transformed unused sugar plantation land into a self-help community for the developmentally disabled. Using \$1.5 million in Block Grant Entitlement funding, \$440,000 HUD Section 202 directions, and \$1.8 million in State, City, and private contributions, the Helemano Plantation now contains two farms devoted to truck gardening and commercial flower growing, a 12-unit group home, a learning center, a bakeshop, country store, giftshop, and restaurant and a 20,000 square foot Learning Center. The

Learning Center houses a sheltered workshop and a vocational training facility for handicapped persons.

Through services provided at the Center about 150 handicapped persons are placed in competitive jobs annually. Each year, more than 1,500 persons receive counseling, training, testing, and referrals here to the job market. All of these facilities are operated by members of the self-help community.

Honolulu developed a 89 unit owner-occupied townhouse project through a non-profit local development corporation. The Acacia project was built on City-owned land and leased to individual buyers. The Block Grant Entitlement subsidy wrote down the cost of fifty-one percent of the units so that at a cost of \$61,000 and \$71,000 for two and three bedroom units they were affordable to low- and moderate-income buyers. The City's Block Grant Entitlement funds, which financed project construction, quickly were repaid from the permanent mortgage financing associated with each unit.

County of Maui (pop. 70,991) used \$322,000 of its Housing and Urban Development-Administered Small Cities Program grant to fund the Kaunakakai Regional Park on Molokai, one of the islands under its jurisdiction. Molokai an economically distressed community with an unemployment rate of 14 percent had only one ball park to accommodate the needs of the community and team sports. This project enabled the County to address the need posed by the growing number of little league teams and men's and women's softball teams, while ensuring the safety of the participants, many of whom have low- or moderate-incomes.

Community Development**Funds to Hawaii**

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	Formula Emerg. Shelter FY 87	HUD Admin. Small Cities FY 85	State Emerg. Shelter FY 87	Total
Hawaii County	\$ 3,319,000	\$ 107,000		\$1,181,000		\$4,607,000
Honolulu	158,331,000	2,150,000	\$233,000		\$8,000	160,722,000
Kauai County				477,000		477,000
Maui County	1,924,000	79,000		940,000		2,943,000



The U.S. Department of Housing and Urban Development's (HUD) community development programs are an essential part of Federal assistance to Idaho's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Idaho amounted to \$8.3 million.

Community Development Block Grant Program

In FY 1987, more than \$6.5 million was allocated from HUD to the State of Idaho for distribution to communities with populations under 50,000 persons not otherwise entitled to Block Grant funds. Since 1975, more than \$67.6 million have gone to Idaho's smaller cities through this program.

From FY 1982 to FY 1986, the State of Idaho reported expenditures of \$16.3 million for economic development activities, \$13.8 million for public facilities, \$1.2 million for housing rehabilitation and \$702,000 for the construction or renovation of community centers. These funds leveraged more than \$49.5 million in private investment and \$23.7 million in local public funds to create 2,837 permanent jobs.

In FY 1987, \$805,000 was awarded to Boise, the only Block Grant Entitlement community in the State. Under the Block Grant Entitlement program communities over 50,000 in population receive an annual grant from HUD based on a formula which measures community need. Since 1975, Boise has received more than \$29.4 million in Block Grant Entitlement funds.

Housing Rehabilitation

In FY 1987, \$483,000 was allocated to the cities of Boise, Lewiston, and Pocatello through the Rental Rehabilitation program. Since 1983, more than \$1.3 million have been awarded to these Idaho communities under this program.

From 1985 through 1987, the city of Boise was awarded more than \$1 million in Section 312 funding authority. Of that amount, \$348,000 were made available in FY 1987. Priority for Section 312 loans, which are made for the rehabilitation of residential and commercial properties, is given to low- and moderate-income owner occupants

whose incomes are at or below 80 percent of the median income for the metropolitan area.

In 1987, Boise also received a \$250,000 Urban Homesteading grant.

Urban Development Action Grant Program

Caldwell, Glenns Ferry, and the Kootenai Indian Tribes were awarded three UDAG grants totaling more than \$1.8 million since 1980. These projects attracted more than \$6.1 million in private investment and created 223 new permanent jobs. The UDAG program is designed to assist economic growth and development in distressed areas.

Emergency Shelter Grants Program

In FY 1987, \$149,000 was awarded to the State of Idaho under HUD's Emergency Shelter Grants program. Of that amount, the State received an initial allocation of \$25,000 in the Spring and a supplemental allocation of \$129,000 in the Fall to assist homeless persons.

Community Development Funding to Idaho Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 37
Small Cities/State Grants	68
Section 108 Loan Guarantees	0
Jobs Bill	2
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	4
Special Projects (FY '85-'87)	0
Urban Development Action Grants	2
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	*
Emergency Shelter Grants	*
Total	\$115



Boise Home Development Program

Boise initiated its Home Development Program to address two troublesome problems. One was the blighting influence of vacant lots in the City's neighborhoods. The second was the lack of affordable housing for low and moderate income families.

The objective of the Boise Home Development Program was to initiate new infill housing which was affordable to low and moderate income families. The solution involved the innovative use of "blended" loans whereby Idaho Housing Authority, conventional, and Community Development Block Grant Entitlement loans were combined to provide low cost financing.

Preparing Loan Packaging

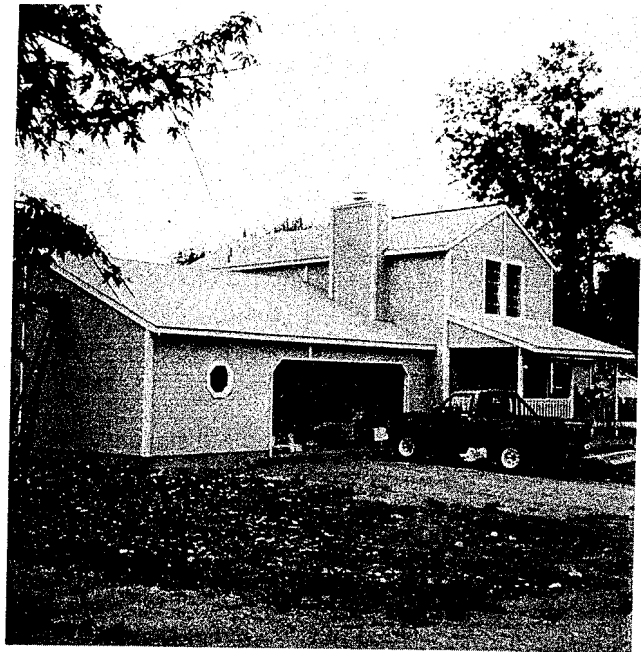
In 1985, the City created the Boise Home Development Corporation (BHDC), a local non-profit development corporation to initiate and administer the demonstration program. The City awarded BHDC \$154,000 in Block Grant Entitlement funds for the construction of nine infill homes. BHDC negotiated with the Idaho Housing Agency (IHA) to provide 30-year first mortgage loans for 70 percent of the loan amount at IHA's 10.75 percent annual interest rate. The BHDC provided 30-year second mortgage loans at 30 percent of the loan amount. These loans, made from Block Grant funds, were issued at three eighths of one percent interest. Thus, the "blended interest rate was 6.9 percent on a 30 year mortgage. BHDC limited the maximum selling price of the homes to \$50,000 and the homes had to be built within specified low and moderate income neighborhoods.

During the first year of the demonstration program, nine infill homes were constructed on sites scattered throughout the program area. The average home had three bedrooms and one bath and sold for approximately \$46,000. The homes were designed to blend in with the existing homes within the neighborhoods, while at the same time raising property values and providing incentives for neighborhoods to upgrade their existing properties.

Attracting Private Sector Investors

The first year program was judged a success and in 1986 the City budgeted an additional \$175,000 in Block Grant Entitlement funds for ten additional infill dwelling units. In keeping with its intent to research, develop, demonstrate, and incubate the BHDC program for eventual transfer to the private sector, the City looked for an agency with the capacity and expertise to take over administration of the program. The Greater Boise Development Corporation (GBDC), also a non-profit local development corporation and subsidiary of Boise Neighborhood Housing Services, Inc., was selected since it already had an experienced staff and was operating a similar "problem properties" program funded partially by the Neighborhood Reinvestment Corporation. Due to bond issue problems, however, IHA financing was not available for the second year of the program. Negotiations were

held with local private lenders who provided first mortgage financing at 10.5 percent for 15 years based on a 60-40 split of conventional and Block Grant funds. GBDC required a down payment of five percent and BHDC's second mortgage would remain at .375 percent for 30 years.



Constructing New Homes

To date, sixteen houses have been constructed and three are underway. The houses that sell for \$50,000 are three bedroom, two bath, single-family homes and average 1300 square feet. Several of the second-year dwelling units are twin homes or townhouses with selling prices ranging from \$39,900 to \$44,500. These 967 - square foot units are owner-occupied and feature fireplaces, air conditioning, and front yard landscaping. Two homes were built partially with sweat equity and one, now under construction, is owner-built.

"Typical" Homebuyers

The typical homebuyer of a \$50,000 home under the BHDP is a family of four earning about \$20,000 per year with a 29 percent total debt/income ratio. The average first mortgage amount on a \$50,000 loan is \$29,000 and the GBDC second mortgage is \$19,000. Thus, the mortgage payment of \$345 on a FHA/GBDC loan is usually less than what the family had been paying for rent. This payment represents about 21 percent of a family's gross monthly income.

HUD's community and economic development programs support a broad range of local projects in the State of Idaho. The following local ventures illustrate the diversity and creativity of Idaho's projects:

Fremont County (pop. 10,813) used a \$600,000 State Community Development Block Grant to eliminate a health hazard by constructing a new pressure gravity sewage collection system and a sewage treatment facility in the Last Chance area of the county.

Glenns Ferry (pop. 1,374) assisted Magic West, Inc. to reopen a potato processing plant by obtaining a \$350,000 Urban Development Action Grant in December 1985. The plant, which opened in May 1986, provided initial employment for 66 persons. So many orders were received that an additional processing line was needed for hashbrowns. The city obtained an additional \$200,000 State Block Grant for the expansion and the company now provides employment for 128 local residents.

Jerome City (pop. 6,891) helped a local cheese dehydrating company purchase an empty building to expand its operations with a \$363,660 loan from the State Block Grant program.

The Kootenai Tribe of North Idaho (pop. 134) had an unemployment rate of 78% in 1982 and 95 percent of its population was low- and moderate-income. In 1985, the Tribal Council combined a \$250,000 Indian Community Development Block Grant, a \$750,000 Action Grant, and \$1.971 million in private funds to purchase land and construct a 48 room resort motel and convention center at Bonners Ferry. The motel, which opened in December 1986, now employs 80 people and has substantially reduced both the Tribal and non-Tribal unemployment rate in the area.

Lava Hot Springs (pop. 957) eliminated a health threat and provided safe culinary water to residents and visitors of the town by using a \$33,323 State Block Grant to improve its water system.

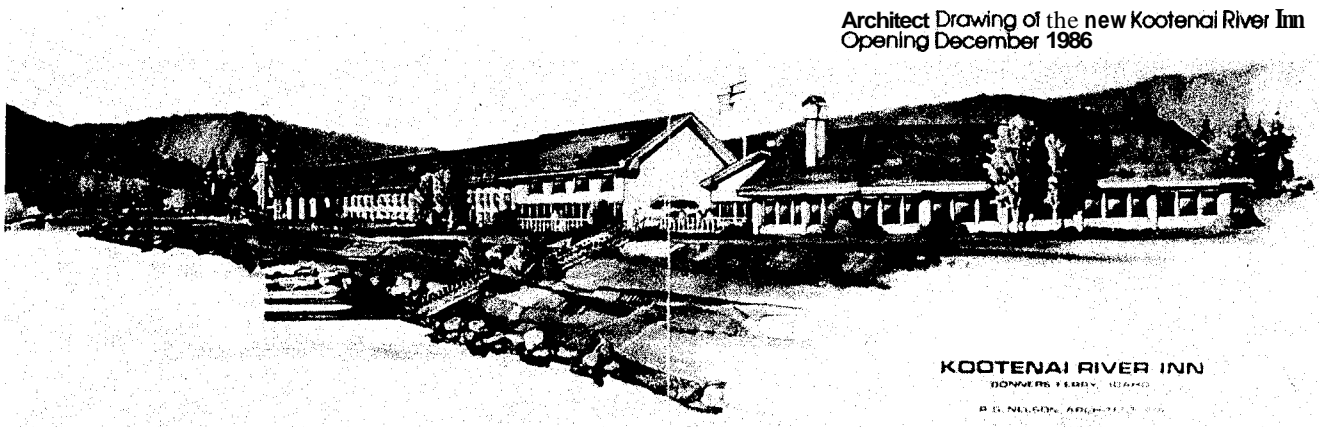
Middleton (pop. 1,901) used a \$336,823 State Block Grant and \$41,966 in local public funds to pave streets and install curbs and gutters in a low and moderate income neighborhood.

Nampa (pop. 25,112) suffered from the presence of a number of deteriorated structures within the Central Business District, along with defective street design, poor accessibility and unsafe pedestrian/auto conditions. With the investment of \$700,000 from a State Block Grant and \$840,000 in local improvement district funds over a three year period, the city eliminated the deteriorated structures and improved the streets in the core downtown area. As a result, private investment in numerous downtown buildings was stimulated.

Priest River (pop. 1,639) used a \$342,000 State Block Grant to extend water and sewer lines to an industrial park where Advanced Input Devices contributed \$1.4 million toward construction of a 10,000 square-foot building. The high-tech company created 400 jobs in this rural community which has traditionally had high unemployment due to its dependence on the lumber industry.

Ririe (pop. 3,308) combined a \$48,000 State Block Grant with \$49,000 in local funds to construct a 40-foot by 80-foot senior citizens center that now provides social, physical and nutritional benefits to elderly persons in the area.

Salmon (pop. 3,308) used a \$50,000 State Block Grant to fund construction of the Salmon Senior Center. The senior center will be part of the Salmon Valley Center Complex which is designed to initiate the rejuvenation of the downtown area into a focal point for tourism, commercial, and social activities in the valley.



Community Development

Funds to Idaho

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Arco							\$100,000		\$100,000
Boise	\$29,465,000	\$ 331,690			\$1,102,200	\$82,000		\$25,000	31,005,890
Buhl							58,600		58,600
Burley							300,000		300,000
Caldwell			\$700,000						700,000
Cassia County							175,000		175,000
Coeur d'Alene Ind. Tribe				\$591,827					591,827
Fremont County							250,000		250,000
Glenns Ferry			360,000				210,000		570,000
Hagerman							50,600		50,600
Idaho City							123,282		123,282
Kootenai Indian Tribe			750,000	250,000					1,000,000
Lewiston		630,500					500,000		1,130,500
Mccall							393,000		393,000
Menan							100,000		100,000
Meridian							279,388		279,388
Middleton							111,707		111,707
Montpelier							500,000		500,000
Moscow							200,000		200,000
Nampa							350,000		350,000
Nez Perce Indian Tribe				1,554,345					1,554,345
Payette							9,600		9,600
Payette County							380,000		380,000
Pocatello		355,256			73,480		499,990		928,726
Power County							215,000		215,000
Priest River							17,447		17,447
Rathdrum							100,000		100,000
Rexburg							819,651		819,651
Rupert							100,000		100,000
Salmon							50,000		50,000
Shoshone County							350,000		350,000
Shoshone-Bannock Ind. Tribe				1,121,000					1,121,000
St. Anthony							404,513		404,513
Teton							98,700		98,700
Tetonia							248,700		248,700
Twin Falls							176,412		176,412



The U. S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Illinois, communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibilities for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Illinois amounted to \$205.3 million.

Community Development Block Grants

The most important contributors to the development of Illinois' large and small communities and counties have been the Community Development Block Grant Entitlement program and the State Block Grant program. Since FY 1975 the Entitlement program has made available grants totalling more than \$1.9 billion to Illinois' central cities, cities over 50,000 population and urban counties. The State program allocated grants totalling more than \$343 million in the same time period to jurisdictions under 50,000 population and those not otherwise eligible for Entitlement grants. In FY 1987, Entitlement funds allocated to eligible Illinois communities and urban counties amounted to more than \$160 million. Small cities and counties, received over \$28.9 million from the State Block Grant program. Block Grant funds are used by recipients for a variety of purposes, including improving local infrastructure, rehabilitating housing, providing public services, and encouraging economic stimulation and development. Within community development requirements, all funds are earmarked by the community according to its own determination of priorities and needs.

Urban Development Action Grants

The Urban Development Action Grant program has contributed \$171.8 million since FY 1978 through 112 grants to Illinois jurisdictions. Action Grant projects are designed to stimulate job creation and retention in distressed areas. The new and/or revitalized small and large business, hotels, malls, business districts and other

enterprises assisted through Action Grants are projected to have created 28,322 jobs projected and retained 1,924 jobs. Another objective of Action Grants is to stimulate private investments in development projects. Between FY 1975-1978, private investments in Action Grant projects totalled seven times more than the \$1.2 billion in Action Grant contributions.

Emergency Shelter Grant

In FY 1987 communities in Illinois assisted homeless persons by using \$3.3 million in Emergency Shelter grants.

Community Development Funding to Illinois Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$1938
Small Cities/State Grants	343
Section 108 Loan Guarantees	22
Jobs Bill	66
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	3
Urban Development Action Grants	172
Rental Rehabilitation Program Grants	33
Section 312 Rehabilitation Loans (1984-'87)	11
Urban Homesteading	8
Emergency Shelter Grants	3
Total	\$ 2599



The Chicago Theatre Restoration Project

The Chicago Theatre Restoration Project succeeded in preserving two of the city's historic structures. By restoring the theatres to productive use, the City nudged a neighborhood towards rehabilitation and provided jobs for low-income persons. The Chicago Theatre, one of the City's last remaining grand movie palaces of the twenties era, and the adjoining Page Brothers building are architecturally grand structures that played important roles in Chicago's history. Built in 1921, the Theatre is now included in the National Register of Historic and Architectural Landmarks. The 3,800 seat theatre stood for almost fifty years as a landmark of the City's tourist and entertainment industries.

Shortly after it was built the Chicago Theatre was ranked by critics and theatre-goers as among the Nation's most impressive. It boasts a colorful Baroque style ballroom and an impressive collection of statuary, ornate pillars and posts. It has been described by one observer as "part Versailles, with a touch of Roman bath and Greek temple added for good measure. No matter what's playing, it's worth attending a movie just to observe the opulent atmosphere." The superb organ is the featured instrument for occasional theatre organ concerts, drawing aficionados from great distances.

Chicago residents join forces to renovate theatre.

In 1983 the owners of the then run-down Theatre and adjacent Page Brothers Building filed suit, requesting issuance of a demolition permit. City officials, public and private organizations, and highly motivated citizens responded. Many local theatrical, arts, and civic groups were joined by concerned citizens, downtown corporations, and surrounding neighborhood residents and businessmen determined to restore the theatre through renovation and rehabilitation. Four city agencies worked together to encourage involvement from a newly formed private sector development corporation, the Chicago Theatre Preservation Group, by guaranteeing low-interest public financing in addition to available historic preservation tax incentives. The City anticipated that these financial incentives would make the otherwise risky project economically feasible.

The Preservation Group proposed acquisition and restoration of the old structures. They estimated that rehabilitation and full entertainment, business and professional utilization of both the Theatre and the Page Building would generate at least 730 permanent jobs. Federal jobs program-eligible persons would fill at least 15 percent of these jobs and approximately 55 percent would be offered to low- and moderate-income per-

sons. Minorities would be hired for 30 percent of the jobs.

City Financing Project Through Community Development Funds.

The City of Chicago made available \$1 million in Community Development Block Grant Entitlement funds and \$12.5 million in Section 108 loan guarantees all provided by the U.S. Department of Housing and Urban Development. The Theatre renovation project marked Chicago's first use of Section 108 guarantees. Housing and Urban Development also contributed \$2.5 million in Urban Development Action Grant funds that were matched by \$4.1 million in additional public and \$23.9 million in private investments.

Revitalization of the Surrounding Neighborhood.

Restoration of the Chicago Theatre for live shows and continuing cinematic performances and of the Page Brothers Building as a major center for entertainment offices, stimulated both day and nighttime and pedestrian street traffic. The restoration effort served to revive the neighborhood.

The project represents an excellent adaptive response to local needs. The City accented the 3,800 seat restored theatre by constructing 24,820 square feet of professional commercial and 37,200 square feet of office space. As a result of the impetus provided by the Theatre restoration, twelve nearby architecturally and historically significant buildings were later restored by their owners.

City authorities believe the restoration helped "anchor" the northern section of Chicago's Central Business District. They anticipate that revival of the northern neighborhood will initiate a reversal of the district's current economic decline. Eventually, the project will result in the retention of established businesses that might otherwise move elsewhere. New shops, offices and small-scale industry are encouraged to locate in the area because of increased pedestrian traffic and renewed demand for products and services. Resulting job creation, increased street traffic and the introduction of commerce will change the character of an otherwise deserted neighborhood. Chicago earned a Certificate of National Merit in the Housing and Urban Development National Recognition Program for Community Development Excellence for the Theatre project, competing against hundreds of other communities.



Chicago (pop. 3,005,000) joined with the Illinois Housing Development Authority and Continental Illinois National Bank and Trust Company to **establish a Home Improvement program for low- and moderate-income home owners.** By using \$3.4 million in Community Development Block Grant funds, **the Partnership will provide more than \$25.6 million in Home Improvement loans.** The program is administered by non-profit Neighborhood Lending Services, Inc., with administrative costs provided by the Housing Development Authority. Each Federal dollar stimulated \$6.50 in local public grants and private funds.

Chicago also encouraged important private sector participation from the Community Investment Corporation (CIC), a not-for-profit public/private group created by the City government and financial community to stimulate home ownership and improve housing in inner-city neighborhoods. Conventional lenders pledge CIC investment capital and CIC then makes loans aided by City Block Grant Entitlement funds. This combination of private/public funds makes it possible to write-down interest rates, minimize private sector risk, and support the City's rehabilitation lending operations. CIC blends the funds to **provide low-equity combined purchase and rehabilitation mortgages and low-interest single- and multi-family rehabilitation loans.** CIC used \$2.9 million in Block Grant Entitlement funds to stimulate the investment of more than \$13.3 million in private capital. Additionally, more than \$50,000 annually in in-kind assistance from local financial institutions provided backup services to loan applicants. More than 50 percent of applicants thus far have been minority group members and almost all low- or moderate-income persons. A Model Block Revitalization Project was also begun, combining public and private capital to provide affordable rehabilitation funding in a depressed neighborhood. Increased fee income and contributions from other private and foundation sources have begun to reduce the level of public support required for future activities and help to sustain CIC's overhead expenses.

DuPage County (pop. 658,835) loaned a nonprofit corporation (Metropolitan Housing Development Corporation) \$875,000 of its Entitlement Block Grant funds to **refurbish 203 housing units that have Section 8 certification and to convert a community eyesore into an attractive housing complex.** DuPage County Entitlement Block Grant loans also aided non-profit Franciscan Ministries, Inc. in **purchasing and rehabilitating 25 units in five buildings.** The units will be rented to low-income families. **Flora** (pop. 5,379) **stimulated economic growth through its Industrial Park.** Three completed Urban Development Action Grants totalling \$1.38 million leveraged an additional public-private sector investment of \$6.36 million. Flora benefited through the creation of 428 permanent jobs. The spin-off created a 26 job business in the nearby community of Xenia and a new plant employing 108 people in the town of Salem.

Joliet (pop. 77,956) created a strong public/private relationship with the Home Savings and Loan Associa-

tion to establish a loan fund to be used for the rehabilitation of residential and commercial structures. The City contributed \$300,000 in Block Grant Entitlement funds, matched by \$2 million in private funds from the Association and other local banking institutions. Funds were used to provide low-interest loans to low- and moderate-income persons and a full range of services to applicants. Single-family rehabilitation loans were allocated (\$700,000), multi-family (\$600,000), and commercial \$1 million. Thus, every Federal dollar invested resulted in allocation of approximately \$13 in private funds. Joliet also tied the project to its Housing Authority's Section 8 Moderate Rehabilitation Program, stimulating additional investment in an east side neighborhood and encouraging purchase or rehabilitation of either abandoned and/or fire-burned properties that would not otherwise have been repaired. Local churches, schools, minority associations, financial and other institutions cooperated by publicizing the programs and offering free counseling to prospects. Approximately 27 percent of the rehabilitated properties were owned by minority persons and most were rented or sold, after improvements, to low- and moderate-income persons or small businesses.

Monmouth's (pop. 10,970) **Business Technical Center** used \$555,000 in State Block Grant funds and \$580,000 in donations and City funds to **renovate a multi-store warehouse.** This facility houses several small manufacturing firms and includes additional space for tenant expansion and new businesses. The project resulted in the creation of 53 permanent jobs.

Peoria (pop. 124,160) **assisted in the expansion and modernization of Keystone Consolidated,** the largest wire mill facility in the Nation. Using a \$2.5 million Urban Development Action Grant, the City leveraged an additional \$9.9 million in private matching funds for the project, which enabled Keystone to purchase and install capital equipment. Local tax revenues have increased and almost 200 permanent jobs were created, for persons of low- and moderate income.

Rockford's (pop. 139,712) **Project Self-Sufficiency,** a community-wide effort designed to assist single parents dependent on the welfare system or underemployed get out of poverty and back into the mainstream, has enrolled 71 participants since its creation in 1986. The City supported the program with \$5,000 in Entitlement Block Grant funds and \$40,000 in additional public and private contributions.

Community Development

Funds to Illinois

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY a7	Urban Home- steading FY 75-86	Total
Alton			\$575,000				\$575,000
Anna			140,000				140,000
Arlington Heights	\$4,550,000						4,550,000
Aurora	12,155,000	\$224,120					12,379,120
Berwyn	15,733,000						15,733,000
Bloomington	15,183,000			\$92,300			15,275,300
Carbondale			2,071,000				2,071,000
Centralia			2,500,000				2,500,000
Champaign	9,991,000	329,700	750,000	371,650			11,442,350
Chicago	1,216,722,000	20,365,900	98,949,736	5,282,600	\$ 1,720,000	\$3,683,017	1,346,723,253
Chicago Heights	1,578,000						1,578,000
Cicero	20,759,000	88,000			29,000		20,876,000
Cook County	164,455,000	1,722,360		173,050	214,000		166,564,410
Danville			6,273,462	97,350			6,370,812
Decatur	16,329,000	382,540		681,400		629,850	18,022,790
Des Plaines	4,674,000						4,674,000
Dixon			179,760				179,760
Du Page County	41,111,000	202,000			56,000		41,369,000
Du Quoin			331,800				331,800
East St. Louis	40,013,000	440,800	212,000	623,075	38,000	1,069,276	42,396,151
Elgin	8,970,000	54,000					9,024,000
Evanston	20,637,000	230,000			27,000		20,894,000
flora			2,093,000				2,093,000
Galena			1,200,000				1,200,000
Galesburg			4,000,000				4,000,000
Georgetown			918,000				918,000
Goreville			44,000				44,000
Greenville			1,606,000				1,606,000
Harvey				126,350		205,850	332,200
Jerseyville				103,450			103,450
Joliet	14,063,000	322,640	1,000,000	589,300		579,207	16,554,147
Kankakee	6,816,000		3,709,008	12,500			10,537,508
Lake County	34,806,000	488,720		195,000	39,000		35,528,720
Madison County	41,231,000	265,000	3,140,000		46,000		44,682,000
Maywood			100,000				100,000
Metropolis			682,620				682,620
Moline	9,243,000						9,243,000
Momence			455,000				455,000
Mound City			410,000				410,000
Mount Prospect	3,260,000						3,260,000
Normal	4,225,000						4,225,000
Oak Lawn	5,688,000						5,688,000
Oak Park	18,998,000			8,700	26,000		19,032,700
Olney			2,750,000				2,750,000
Pana			253,100				253,100
Pekin	1,321,000						1,321,000
Peoria	26,389,000	488,210	13,233,100		27,000		40,137,310
Quincy			8,600,000				8,600,000
Rantoul	3,612,000						3,612,000
Rock Island	19,639,000		667,000	692,600		101,790	21,100,390
Rockford	28,536,000	578,980	488,325	1,478,950	29,000	1,353,030	32,464,285
Salem			2,860,000				2,860,000
Sandoval				60,450			60,450
Schaumburg Village	1,892,000						1,892,000
Skokie	5,231,000						5,231,000
Springfield	32,960,000	415,280	3,100,000	128,150			36,603,430
St. Clair County	36,114,000	559,760		14,050	36,000		36,723,810
St. Elmo			539,500				539,500
Ullin			158,500				158,500
Urbana	5,833,000		300,000	26,000			6,159,000
Vienna			129,600				129,600
Waukegan	10,732,000	62,000	925,000				11,719,000
Will County	10,521,000				25,000		10,546,000
Woodlawn			6,433,000				6,433,000

Community Development

Funds to Illinois

Name	State CDBG FY 85	Name	State CDBG FY 85	Name	State CDBG FY 85
Albion	\$ 285,000	Fairfield	\$300,000	North Utica	\$225,100
Alexander County	147,675	Fairmount	105,000	Oakford	77,730
Algonquin	125,000	Farmersville	300,000	Oglesby	75,000
Arcola	620,422	flora	219,000	Okawville	42,842
Arrington	243,900	Forrest	114,040	Olmstead	52,500
Ashton	355,000	Fulton	442,340	Olney	52,000
Athens	40,000	Fulton County	100,000	Palmyra	103,500
Atkinson	116,750	Galva	92,000	Pana	150,000
Bartelso	327,475	Granville	564	Paris	590,000
Bartonville	600,000	Grayville	26,000	Peoria County	109,000
Bone Gap	80,000	Greenup	100,000	Peoria Heights	855,000
Breese	464,000	Hardin	144,500	Percy	250,000
Brookport	60,000	Harvard	150,000	Peru	50,000
Canton	66,000	Harvel	35,000	Polo	221,000
Capron	300,000	Hoopeston	500,000	Pontiac	75,000
Carbondale	132,000	Iola	201,000	Princeton	100,000
Carlinville	500,000	Iroquois County	19,000	Quincy	359,800
Carlyle	250,000	Jacksonville	155,450	Rankin	150,000
Cary	215,000	Jerseyville	231,750	Rochelle	200,000
Cads County	100,000	Johnston City	200,000	Rock Falls	236,000
Central City	1,500	Kampsville	324,540	Sadorus	200,000
Centralia	343,100	Kankakee County	250,000	Saline County	435,000
Champaign County	367,500	Keensburg	60,000	Sandoval	185,175
Charleston	341,000	Kendall County	500,000	Sangamon County	93,000
Chillicothe	65,405	Kewanee	1,192,300	Scales Mound	462,525
Christian County	100,000	La Salle	232,500	Senachwine Twp	51,000
Clark County	250,000	Lacon	75,110	Sesser	80,000
Clinton	60,000	Lawrence County	100,000	Sims	16,000
Columbia	169,000	Litchfield	100,000	Spring Valley	125,000
Crystal Lake	50,000	Loves Park	400,000	St. Johns	67,500
Dahlgren	36,677	Mackinaw	78,900	Streator	50,000
Dallas City	485,000	Macomb	153,000	Sun River Terrace	200,000
Dalton City	72,000	Marion	344,000	Sunnyside	74,000
Danville	694,000	McHenry County	250,000	Thebes	200,000
Dixon	200,000	McLeansboro	100,000	Tilton	40,000
Du Bois	350,000	Milan	100,000	Tower Hill	64,300
Du Page County	97,000	Milton	85,000	Ursa	136,200
Dwight	200,000	Minier	300,000	Vandalia	440,000
East Dubuque	63,425	Minonk	75,000	Warrensburg	50,000
East Peoria	206,000	Monmouth	500,000	Watseka	100,000
Effingham	500,000	Mound City	33,825	Winchester	300,500
Elburn	200,000	Mount Carmel	255,000	Winnebago County	162,000
Eldorado	457,937	Mount Vernon	340,000	Winslow	428,400
Elmwood	469,000	Murphysboro	150,000	Witt	170,000
Eureka	96,000	Newton	20,000	Woodford County	255,000
Ewina	86,656	Nokomis	450,000	Woodstock	625,000



The U. S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Indiana communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Indiana amounted to \$70.2 million.

Community Development Entitlement and State Block Grant Programs

The two most important Housing and Urban Development community development programs in Indiana, in terms of funding, are the Community Development Entitlement and State Block Grant programs. Since its inception in FY 1974, the Entitlement program has made \$496.5 million available to Indiana's larger cities, generally those with more than 50,000 population, and urban counties. In FY 1987, more than \$58 million in Block Grant Entitlement funds were distributed to all eligible Indiana jurisdictions.

The State Block Grant program contributed \$292.3 million, from FY 1975-1987, to smaller communities, those under 50,000 population and not otherwise entitled to Block Grant funds. In FY 1987, Indiana's State program was allocated more than \$25.2 million. The State program operates on the basis of priorities set by the State administering agency.

Block Grant programs assist local governments in supporting a broad spectrum of activities targeted at the needs of low- and moderate-income residents. Development goals include revitalizing neighborhoods and stimulating urban economic growth. More than 90 percent of all State and Entitlement Block Grant funds were certified by recipient communities as benefiting low- and moderate-income persons.

Urban Development Action Grant Program

The Action Grant program is designed to stimulate economic growth and development in distressed areas, to encourage the retention of jobs that might otherwise be lost, and to create new jobs. Most jobs retained and/or created are for low- and moderate-income persons. From

FY 1978 to FY 1987, Indiana received 56 Action Grants, totalling \$88.8 million. Grants to Indiana communities in FY 1987 exceeded \$5 million. Another Action Grant objective is to encourage private investment. In Indiana every Federal dollar expended in Action Grant projects has leveraged 7.2 private dollars. Action Grant projects were estimated to have created 10,880 new jobs and retained 4,600 positions.

Rental Rehabilitation, Section 312, and Urban Homesteading Programs

The Rental Rehabilitation and Section 312 programs support the rehabilitation of substandard properties. From FY 1984 to FY 1987, more than \$9.2 million were allocated to Indiana for Rental Rehabilitation projects. Many communities combine Entitlement or State Block Grant-funded rehabilitation projects with Rental Rehabilitation assistance. In FY 1987, through the Urban Homesteading program, Indiana turned over 65 properties to low-income persons for refurbishing.

Community Development Funding to Indiana Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$497
Small Cities/State Grants	292
Section 108 Loan Guarantees	45
Jobs Bill	26
Secretary's Discretionary Fund	
Indian Tribes Special Projects (FY '85-'87)	0
Urban Development Action Grants	89
Rental Rehabilitation Program Grants	9
Section 312 Rehabilitation Loans (FY '84-'87)	3
Urban Homesteading	5
Emergency Shelter Grants	1
Total	\$967



Indianapolis Renovates Union Station

Using a U.S. Department of Housing and Urban Development Action Grant, Indianapolis renovated its Union Station. By creating a Festival Marketplace, Indianapolis revived a decaying neighborhood, preserved an important part of the City's heritage, and created a more viable downtown area. Union Station consists of two historic buildings, a brick Station House completed in 1888, and a Train Shed and concourse built from 1916-1922. At its peak, more than 200 trains used the Station daily and 500,000 passengers monthly.

The Union Station/Head House Renovation Process

In 1972 a group of local investors/developers purchased the Head House, planning to convert it into a retail specialty shopping center. Later in that year they withdrew from the (venture due to the City's declining economic conditions. Seeking to encourage an adaptive reuse of the historically significant structures, the City purchased Union Station. In 1982, a partnership was selected by the City to redevelop the Station and its massive train sheds. By this time, both the interiors and exteriors of the two buildings were in extreme disrepair.

Financing the Renovation Using Public and Private Funds

In a "textbook example of a partnership between the public and private sector, an intricate joint financing scheme was arranged between the City and the developers. Funding involved use of Federal grants, developer money, and conventional financing.

In April 1984, Indianapolis received a \$4.9 million Action Grant for the renovation project. The City leveraged more than \$7 in private investments for each Action Grant dollar contributed. Indianapolis also received a \$9.9 million Federal Urban Mass Transit Administration grant to create a transportation center at the west Train Shed location. Local private involvement included loans from the City's three major banks, each investing equal sums in the project. The developers provided equity and debt service financing. More than \$36 million in private investments have been made to date.

The Functioning Transportation Center

Because the Station is a designated local historic district, all work was subject to review and acceptance by the Indianapolis Historic Preservation Commission. A Federal Advisory Council on Historic Preservation review was also required under the National Historic Preservation Act. Construction began in October 1984, and the grand opening of Festival Marketplace was held in April 1986.

More than 60 specialty shops and restaurants are now located in Head House. Restaurants range from elegant, full-service establishments to smaller specialty eateries. What was once an active rail bed has become a "food court" complete with a stage area where entertainers perform for lunch patrons. In keeping with the Station's transportation roots, the transportation center in the west Train Shed serves passengers of Amtrak trains, Trailway buses, and taxi services. Private sources also constructed a 270-room Holiday Inn adjacent to the transportation center.

The redevelopment of Union Station is expected to generate almost 2,000 jobs in property management, food, retail, and hotel services. Payroll will exceed \$13 million, resulting in an increase of approximately \$365,000 in annual income tax revenues. An average of \$900,000 in other revenues will be added to the local tax base annually, even with the 10-year tax abatement offered to the developers by the City. Festival Marketplace will also generate \$118,000 in personal property taxes and sales taxes are expected to exceed \$2 million annually.

On repayment of the Action Grant loans by the development partnership, Indianapolis will receive ten percent participation in Marketplace cash flow, annually. The repayment, that already exceeds \$750,000, will enable the City to undertake other redevelopment projects.

In addition to these economic "plusses," the Station enhances Indianapolis' ability to attract conventions and provides dining, entertainment facilities and employment opportunities for local residents.



The U.S. Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of Indiana. The following local ventures illustrate the diversity, and creativity of Indiana's projects:

Anderson (pop. 69,695) used \$150,000 in Community Development Block Grant Entitlement funds to consolidate several county service organizations into one service facility for the developmentally disabled. The newly constructed \$3.3 million facility offers educational and physical therapy for pre-schoolers as well as adults and has stimulated \$3 million in additional investments from private as well as other public sources.

Evansville's (pop. 130,496) Second Chance Paint Program is a unique venture that hires ex-offenders who live in halfway houses to paint the homes of low-income and elderly residents. This project was funded by \$138,000 in Block Grant Entitlement funds. Thus far, fifty ex-offenders have painted 165 homes.

Evansville (pop. 130,496) transformed a blighted, 44-acre area near its central business district into the Walnut Center Industrial Park. In the first phase of the Center project, nine industries purchased property through private investments of \$19.8 million. Three service corporations -- Development Business, Small Business Assistance, and the Enterprise Zone Association -- were formed to provide services attracting businesses to the Park. Evansville also relocated 112 households to decent, safe and sanitary housing. The City financed the development with \$1.6 million in Block Grant Entitlement funds and \$2.3 million in local Economic Development Bonds.

Fort Wayne (pop. 172,196) has supported the Lincoln Life improved Housing project with Block Grant and Action Grant funds since its creation in 1973. A total of \$1.6 million has been used to acquire property and install neighborhood capital improvements, while Lincoln finances rehabilitation of the vacant homes. They are leased to low- and moderate income families who will ultimately become homeowners. Approximately 110 units have been rehabilitated.

Hammond (pop. 93,714) rehabilitated a vacant downtown five-story building that is the flagship improvement in its plan to redevelop its commercial center. Holman Square received \$230,000 in Block Grant funds as well as private financing from six lenders to complete this \$1.3 million renovation. The City expects this project to

encourage other investors to reconsider this area for development.

Jasper's (pop. 9,097) assistance to a manufacturer of fine pianos and furniture led to the creation of over 340 new jobs. The City constructed an access road and installed new water lines, using \$238,400 in State Block Grant funds. This project stimulated more than \$20 million in corporate investments in existing plant facilities,

Mishawaka's (pop. 40,201) Redevelopment Department works with ACCESS (A Concerned Community Enhancing Social Services) to provide emergency home repair assistance and other social services for lower income persons. The Department receives referrals for "emergency home repairs through a "Helpline," and refers cases to ACCESS for repair work of homes owned by elderly and low-income persons. Mishawaka contributes City staff time funded indirectly by Entitlement Block Grant program funds.

Terre Haute (pop. 61,125) transformed 300 acres of a vacant military installation donated to the City into a flourishing Industrial Park. Using \$889,000 in Block Grant Entitlement funds, two Urban Development Action Grants totalling \$875,000, and an Economic Development Administration grant of \$984,000, the packaging and printing machinery companies refurbished and re-equipped buildings in the Park. Companies located in Fort Harrison Industrial Park now employ over 1,000 persons.

Terre Haute. As a result of a special public service partnership agreement between the City of Terre Haute, the Public Housing Authority and United Cerebral Palsy, \$86,000 in Block Grant Entitlement and \$45,000 Rental Rehabilitation funds were used to purchase and rehabilitate nine dwelling units in eight houses. The Housing Authority manages the units for United Cerebral Palsy, which is able to pay the mortgages with Entitlement Block Grant and Section 8 Housing Certificate Aid. The units are occupied by persons with Cerebral Palsy and are scattered throughout Terre Haute's Block Grant investment area.

Vanderburgh County (pop. 167,515) used State Block Grant funds to assist a manufacturing corporation by constructing a \$394,000 storm sewer system. The corporation responded by investing \$45 million in the plant and equipment. This resulted in a 780,000 square foot facility that supports 6,000 low- and moderate-income resident jobs.

Community Development

Funds to Indiana

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter N 8 7	State CDBG FY 85	State Rental Rehab FY85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Adams County						\$100,000			\$100,000
Anderson	\$12,295,000	\$132,390		\$20,000			\$126,695	\$ 6,033	12,580,118
Attica						140,200			140,200
Bedford						100,000			100,000
Bloomington	10,907,000	283,455		19,850				5,796	11,216,101
Boonville						499,000			499,000
Carmel						467,800			467,800
Clark County						384,300			384,300
Clay County						99,100			99,100
Clinton						99,890			99,890
Colfax						253,600			253,600
Columbus			\$ 1,834,632			693,500			2,528,132
Crawfordsville			1,177,600						1,177,600
Dearborn County						500,000			500,000
Dekalb County						414,100			414,100
East Chicago	25,019,000		400,000	21,100	\$25,000				25,655,100
Elkhart	10,013,000		61,800	28,450			23,595	5,991	10,132,836
Elkhart County								6,500	6,500
Elwood			1,105,000			164,700			1,269,700
Evansville	41,395,000	467,500	5,102,200	57,100	45,000			6,616	47,073,416
Fort Wayne	34,372,000	526,945	6,059,028		44,000			13,200	41,015,173
Fountain County						100,000			100,000
Frankfort						549,250			549,250
Frankton						395,000			395,000
French Lick						582,000			582,000
Gary	62,271,000	548,200	1,000,000	456,175	58,000			13,965	65,669,648
Goodland						103,300			103,300
Goshen	1,024,000						150,000		1,174,000
Grant County								15,000	15,000
Greencastle						276,900		14,344	291,244
Greensburg			94,500			100,000			194,500
Greenwood						102,000			102,000
Hammond	28,789,000	281,310	3,824,240	181,850	36,000				33,112,400
Harrison County								2,000	2,000
Hartford City						300,000			300,000
Hudson						264,500			264,500
Huntingburg						68,840			68,840
Huntington			1,397,500						1,397,500
Indianapolis	139,657,000	2,155,000	24,480,880	1,091,900	139,000			34,957	170,145,138
Jasonville						79,700			79,700
Jay County						100,000		15,000	115,000
Jeffersonville						403,550		5,000	408,550
Kendallville						108,100			108,100
Kokomo	9,455,000		4,000,000						13,455,000
La Porte						351,800			351,800
La Porte County						180,448		5,300	185,748
Lafayette	8,411,000		760,000				100,000	5,668	9,276,668
Lake County	8,532,000	205,100		604,250	26,000				9,367,350
Leavenworth						14,755			14,755
Logansport								1,955	1,955
Lynn						121,700			121,700
Madison			1,160,000			594,500			1,754,500
Madison County						207,700			207,700
Marengo			35,000						35,000
Markle						177,500			177,500
Michigan City			415,000			210,400			625,400
Milford						288,750			288,750
Mishawaka	8,578,000			22,350			40,000		8,640,350
Mitchell			980,000						980,000
Monroeville						234,700			234,700
Montpelier						450,000			450,000
Muncie	15,304,000	334,000							15,638,000
New Albany	2,727,000			29,400			460,000	4,500	3,220,900
New Castle			1,319,700						1,319,700
North Vernon			1,577,972			165,000			1,742,972
Orland						158,100			158,100
Osgood			3,205,000						3,205,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.

(Continued on Page 8.)

Community Development

Funds to Indiana

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Ossian						\$260,000			\$ 260,000
Peru			\$54,000						54,000
Plymouth			2,100,000			500,000			2,600,000
Porter County						72,000			72,000
Richmond			500,400			600,000	\$93,000	\$ 13,950	1,207,350
Rockville			116,025			100,000			216,025
Rome City						475,300			475,300
Rosedale						28,000			28,000
Salem			1,251,000			39,400			1,290,400
Scott County								2,000	2,000
Scottsburg			725,000						725,000
Seelyville						39,700			39,700
Seymour						738,439			738,439
Shelby County						105,000			105,000
Shelbyville			2,250,000			229,000			2,479,000
South Bend	\$43,589,000	\$309,700	19,063,000	\$ 295,400	\$46,000			14,225	63,999,934
Spencer						208,035			208,035
Spencer County						100,000			100,000
St. Joseph County						629,000			629,000
Tell City						335,000			335,000
Terre Haute	24,211,000	222,900	1,875,000	30,050	31,000			5,000	26,374,950
Topeka						314,250			314,250
Union City						268,802			268,802
Upland						288,500			288,500
Valparaiso						52,000			52,000
Vanderburgh County						204,000			204,000
Versailles						405,800			405,800
Vigo County						100,000			100,000
Vincennes			776,600			100,000			876,600
Wabash						110,500			110,500
Wakarusa						104,700			104,700
Warren County						100,000			100,000
Warrick County						100,000			100,000
Warsaw						100,000			100,000
Washington			89,250						89,250
Wayne County						97,968			97,968
Waynetown						100,000			100,000
Wells County						100,000			100,000
West Lafayette	3,275,000								3,275,000
Winamac						190,000			190,000
Wolcott						159,500			159,500

(1) Includes Urban Homesteading funds for FY 1975-'86.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Iowa's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Iowa amounted to \$37.4 million.

Iowa's State Community Development Block Grant Program

The largest component of community development assistance to Iowa in recent years has been the State Community Development Block Grant program administered by the State of Iowa. The program provides aid to communities under 50,000 persons, not otherwise entitled to Block Grant support.

- Assistance totaled \$21.7 million in FY 1987 and \$242.8 million since FY 1975.
- In FY 1985, funds were distributed to 87 small communities and 15 counties for an average grant of \$231,261.
- From FY 1982 to FY 1986, 72 percent of the funds expended were used for public works, 17 percent for housing rehabilitation, and 11 percent for economic development.

Community Development Block Grant Entitlement Program

The Block Grant Entitlement program provides aid directly to larger cities, generally those with more than 50,000 persons. In FY 1987, the U.S. Department of Housing and Urban Development distributed \$11.5 million of Block Grant funds to nine Iowa cities: Cedar Falls, Cedar Rapids, Council Bluffs, Davenport, Des Moines, Dubuque, Iowa City, Sioux City, and Waterloo. As an illustration of a city's use of these funds, Council Bluffs has planned to use 60 percent of one recent year's award for public facilities (street improvements, water and sewage treatment, neighborhood facilities, etc.) and 22 percent on housing rehabilitation.

Urban Development Action Grant Program

Since 1978, \$43.4 million have been granted to 39 projects in Iowa under the Urban Development Action Grant program. Action Grant awards are only used when they can leverage private funds and, in Iowa, Action Grants made feasible \$242 million in private investment. The main outcome of the investment is 3,447 new jobs. In addition, 275 new and rehabilitated housing units have been planned as part of Action Grant projects.

Community Development Housing Assistance

From 1984 to 1987, \$4.7 million were obligated by Housing and Urban Development for projects in the State under the Rental Rehabilitation program. During this same period, the Section 312 Rehabilitation program provided \$6.6 million in housing rehabilitation loans to homeowners.

Community Development Funding to Iowa Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$206
Small Cities/State Grants	243
Section 108 Loan Guarantees	3
Jobs Bill	9
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	1
Special Projects (FY '85-'87)	
Urban Development Action Grants	43
Rental Rehabilitation Program Grants	5
Section 312 Rehabilitation Loans (FY '84-'87)	7
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$519



Flint Hills Neighborhood Strategy Area Program

In the city of **Burlington** (pop. 29,529), the Flint Hills Neighborhood has been the principal site of lower cost rental housing since its construction in 1941 by the Federal government. The housing was sold to private organizations and individuals in 1955. As time went on, the area began to deteriorate and finally reached a point in 1977 where the City recognized the need for a comprehensive redevelopment program. Over the next eight years, the Flint Hills Neighborhood Strategy Area Program made use of \$2.1 million in State Block Grant funds, \$1.1 million in local funds and \$6.5 million in private funds to carry out several phases of a neighborhood redevelopment program. This summary highlights two of the three phases of the program

Background

The initial 750-unit Flint Hill development had been built by the Federal government to meet the housing needs of a World War II Iowa weapons plant three miles from Burlington. When the Federal government disposed of the property in 1955, 406 units were sold to a private rental firm and the remaining 350 units to owner occupants and small landlords.

By 1977, it was widely recognized that the area was rapidly declining and needed aggressive local action to prevent total ruin. This proved to be a challenge. Initial attempts to develop a comprehensive neighborhood improvement program in 1978 and 1980 ran into difficulties because of costly funding requirements. Finally in 1982, an agreement was reached to carry out an overall plan for the project in stages. A private firm agreed to acquire all of the property in three of the four project areas in the neighborhood and either to rehabilitate or demolish all of the dilapidated buildings, using a combination of Housing and Urban Development's Section 8 substantial rehabilitation assistance, tax increment financing, State Block Grant loans, and private resources. The City committed its three-year State Block Grant funds to the program and agreed to create a special urban revitalization district. The City decided to use tax increment financing for infrastructure replacement. This is a technique where bonds are sold,

pledging as security a future stream of tax revenues to be generated by the project.

Housing Rehabilitation

The first phase of the program consisted of a 134-unit rehabilitation project for low- or moderate-income persons. The \$4 million cost of the project would be paid for with funds from the Housing and Urban Development Section 8 Substantial Rehabilitation Housing Program. More than \$500,000 of State Block Grant and local tax increment bond funds were spent to replace public facilities in the area. The City provided a short term loan of \$400,000 to the developer to pay for certain rehabilitation costs during the first phase, with the understanding that the repayment would be recycled to finance a portion of a later phase of the program.

Neighborhood Improvements

The last phase of the Flint Hills Neighborhood Strategy Program contained several components: the further acquisition and clearance of structures; the relocation of tenant households; upgrading streets and storm drainage systems; and the renovation of a park. This phase was paid for with City funds, State Block Grant assistance and income from the repayments of the prior State Block Grant loan. Loan repayment funds were used for park improvements.

Summary of Benefits

Among the benefits of this long term neighborhood strategy program has been general community improvement and preservation of a portion of Flint Hills as a permanent source of rental housing. Under the first phase of the program, 134 rehabilitated units have been reserved for low- and moderate-income families. As a result of all phases of this neighborhood improvement, there has been a four-fold increase in property taxes, from \$32,000 to \$120,000 annually, and the City has been able to reduce the cost of municipal maintenance in the area.



The U.S. Department of Housing and Urban Development's programs support a broad range of local projects in Iowa. A number of local ventures illustrate the diversity of these projects.

The City of Centerville (pop. 6,531) made a 20-year \$889,100 loan from an Action Grant as a critical element in solving a transportation problem that was impeding industrial development in the City. The loan, offered at zero percent interest, helped a developer to acquire and repair a 15-mile abandoned rail spur. The spur will give local industries better access to customers and sources of supply. Several businesses in the area are making capital equipment expansions as a result of the rail improvement.

A cooperative store specializing in salvaging and recycling architectural components from older homes was opened in Davenport (pop. 102,129) with help from a **\$14,000** State Block Grant rehabilitation loan and a **\$40,000** Neighborhood Reinvestment Corporation grant. The cooperative, administered by a local non-profit organization, serves as a clearinghouse for buyers and donors of doors, windows, woodwork, plumbing fixtures and other housing components from older properties in the community. Since its opening in July, 1986, the store has been self-sustaining with no further need for financial assistance from public sources.

A **\$1.5** million construction loan paid for with an Action Grant award helped build a 209-car parking garage and finance the conversion of an historic warehouse into office and retail space in Des Moines (pop. 201,404). The private investment in this project was \$6.9 million. When construction is complete, the loan will be converted to a 30-year permanent loan at three percent interest. Thirty percent of the jobs provided in the project will be for low- and moderate-income persons.

Des Moines was also the location of the award-winning job training and home improvement New Horizons Program. The program was funded, in part, with \$250,000 from the Block Grant Entitlement program. New Horizons provides job training to high-school age youth through on-the-job training, where they learn several useful skills: making minor home repairs, providing services to the elderly and handicapped, and remodeling abandoned homes to be sold to low- and moderate-income families. The program received an award from the National Community Development Association.

A deteriorated building was acquired and renovated for use as an emergency shelter for 20 homeless persons in Iowa City (pop. 50,984) with \$10,000 in Entitlement Block Grant funds, **\$155,000** from Housing and Urban Development's Jobs Bill, and \$15,000 in church donations. The Ecumenical Council and the Crisis Center formed the corporation which manages the shelter.

Operating costs are shared by the church and the Federal Emergency Food and Shelter Program.

The Nelson Adult Center in Iowa City is a day-care and training center for developmentally-disabled adults. The project was funded with **\$50,000** in Block Grant Entitlement funds and by a \$255,000 grant from the local Association For Retarded Citizens.

The sagging rural economy of Northwood (pop. 1,193) was helped with the expansion of the Fieldstone Cabinet Company and improvements to the Viking Industrial Park. The project will provide an additional 103 jobs and an annual tax increase of **\$850,000**. This was made possible through a \$141,000 State Block Grant, supplemented by \$1.9 million in private capital and funds from the Farmers Home Administration, the Environmental Protection Agency, and the Small Business Administration.

The Penn Central Mall in Oskaloosa (pop. 11,224) will provide 225 jobs when completed. The developer of the 171,000 square foot enclosed mall is contributing \$9.8 million to the project with \$3.2 million coming from an Action Grant to the City. A major portion of the Action Grant was used to create a deferred payment construction loan to the developer. When construction is completed, the loan will be converted to a 20-year permanent loan at five percent interest. The repayments of the permanent loan will be available for use by the City for other development projects.

Sioux Center (pop. 4,588) is benefiting from the expansion of EMW Groschopp. The expansion was funded with a **\$248,000** in State Block Grant program funds and a **\$1.6** million private investment. The expanded facility employs an additional 34 persons.

Low- and moderate-income persons in a five-county area of northwest Iowa will receive assistance from the Assistance Information Directory Center in Sioux City (pop. 85,925). Among the sources of support for the Center is a \$36,250 grant from the Entitlement Block Grant program. The Center provides a number of services including crisis intervention, emergency financial assistance, housing counseling, and distribution of food for the poor.

Community Development

Funds to Iowa

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	Formula Emerg. Shelter FY a7	Indian CDBG FY 78-87	Total
Albia			\$ 825,000					\$825,000
Burlington		\$197,000						197,000
Cedar Falls	\$ 4,264,000	158,000						4,422,000
Cedar Rapids	17,404,000	293,420						17,697,420
Centerville			2,324,100					2,324,100
Cherokee				\$ 20,550				20,550
Clinton		75,000	330,000					405,000
Council Bluffs	12,971,000	52,000						13,023,000
Creston			125,000					125,000
Davenport	17,956,000	390,750		1,986,250	\$310,094			20,643,094
Des Moines	58,226,000	885,840	10,505,900	3,628,650	510,012	\$63,000		73,819,402
Dubuque	11,768,000	63,000	4,250,000					16,081,000
Eldora				50,950				50,950
Evansdale		75,000						75,000
Fairfield			1,381,600					1,381,600
Fort Dodge		150,000	1,030,000	19,100				1,199,100
Hamburg			955,000					955,000
Hawarden			126,833					126,833
Iowa City	13,171,000	288,950	2,081,000					15,540,950
Iowa Falls			1,760,670					1,760,670
Marcus			265,740					265,740
Marengo			616,300					616,300
Mason City			385,000					385,000
Mount Pleasant			453,700					453,700
Newton			336,643					336,643
Oelwein			397,182	86,000	15,520			498,702
Oskaloosa			3,522,500					3,522,500
Ottumwa			335,000					335,000
Panora			521,000					521,000
Red Oak			441,303					441,303
Ruthven			143,756					143,756
Sac and Fox Tribe of Mi							\$694,308	694,308
Sergeant Bluff		167,000						167,000
Sioux City	35,481,000	297,240	2,000,000	872,400	491,182	31,000		39,172,822
Tama			250,000					250,000
Waterloo	15,673,000	222,160	7,948,500					23,843,660
Winterset			138,941					138,941

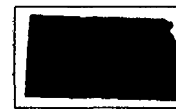
Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY a7	Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY a7
Algona	\$348,666			Creston	\$ 372,171		
Allamakee County	65,000			Dayton	115,110		
Ames			\$ 10,500	Delta	200,000		
Atlantic	350,000			Denison	152,807		
Belle Plaine	300,000			Des Moines			\$20,600
Black Hawk County	15,000			Dubuque		\$ 136,030	
Blockton	200,000			Duncombe	200,000		
Boone	350,000			Eagle Grove	290,334		
Burlington	600,000	\$125,000		Eddyville	300,000		
Centerville	595,000			Eldon	200,000		
Cerro Gordo County	350,000			Estherville	350,000		
Chariton	346,350			Evansdale	472,802	35,986	
Charles City	536,997			Farnhamville	200,000		
Charter Oak	146,000			Fort Dodge	488,888	154,651	
Cherokee	384,000			Franklin County	250,000		
Cincinnati	200,000			Garden Grove	200,000		
Clarke County	300,000			Garner	70,000		
Clayton County	78,672			Grand Junction	514		
Clear Lake City	375,000			Guttenberg	247,568		
Clinton		50,000	20,600	Hampton	330,000		
colfax	300,000			Hartford	200,000		
Corwith	25,433			Hedrick	200,000		

Community Development

Funds to Iowa

Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87
Henderson	\$31,475			Northwood	\$441,177		
Humboldt	3,207			Onawa	86,000		
Independence	124,637			Osage	268,000		
Iowa City			\$ 20,600	Osceola	50,000		
Iowa County	85,420			Oskaloosa	111,076		
Iowa Falls	203,880			Ottumwa	500,000		
Jackson County	350,000			Parkersburg	250,000		
Jasper County	284,000			Perry	350,000		
Jones County	53,392			Plymouth County	120,667		
Kamrar	200,000			Redfield	200,000		
Kensett	100,000			Reinbeck	27,733		
Keokuk	238,000		20,100	Ringsted	200,000		
Lamoni	350,000			Russell	200,000		
Le dyard	200,000			Sac City	34,119		
Lenox	389,106			Sergeant Bluff		\$82,328	
Lisbon	129,450			Shenandoah	350,000		
Logan	180,422			Sigourney	300,000		
Maquoketa	266,981			Sioux Center	256,005		
Marathon	140,000			Sioux city			\$20,600
Marion	622,013			Smithland	118,700		
Marshall County	290,000			Stanley	41,433		
Marshalltown	484,667	\$ 40,000		Tama	350,000		
Mason		75,000		Tipton	132,000		
Mason C i	616,550			Traer	300,000		
Milford	50,936			Van Buren County	46,000		
Missouri Valley	251,333			Webster	95,940		
Mitchellville	87,780			Weldon	187,000		
Monroe County	203,000			West Branch	46,000		
Morning Sun	26,709			West Liberty	338,000		
Mystic	200,000			Winneshiek County	338,096		
Nevada	350,000			Winterset	193,167		
New Hampton	220,000			Woodburn	2,000		
New Sharon	31,220			Woolstock	185,027		

Kansas



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Kansas' communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Kansas amounted to more than \$26 million.

Kansas' State Community Development Block Grant Program

In FY 1987, the largest component of community development assistance to Kansas was the State Community Development Block Grant program administered by the State of Kansas. The program provides aid to communities under 50,000 persons, not otherwise entitled to Block Grant support. Assistance totaled \$14.2 million in FY 1987 and \$167 million since FY 1975. Over a recent two-year period, FY 1984 and FY 1985, funds were distributed to 111 small communities and 17 counties for an average grant of \$265,000. From FY 1982 to FY 1986, 60 percent of the funds expended were used for public works, 31 percent for economic development, and 7 percent for housing rehabilitation,

Community Development Block Grant Entitlement Program

The Community Development Block Grant Entitlement program provides aid directly to larger cities and urban counties, generally those with more than 50,000 persons. In FY 1987, \$8.8 million were distributed to seven Kansas communities: Johnson County, Kansas City, Lawrence, Leavenworth, Overland Park, Topeka, and Wichita. The most recently available data from Wichita can illustrate how Block Grant funds are used: 27 percent for single-family housing rehabilitation; 18 percent for public services; 12 percent for streets; and 17 percent for planning and administration of community development activities.

Urban Development Action Grant Program

Since 1978, \$16 million have been granted to projects in Kansas under the Urban Development Action Grant program. Action Grants are only made when they can stimulate private investment in distressed areas in amounts substantially greater than the public expense. In Kansas, Action Grants have made feasible \$74.6 million in private

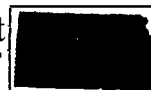
funding for development. The main outcome of this investment will be 1,368 new jobs.

Community Development Housing Assistance

From FY 1984 through FY 1987, \$3.8 million were obligated for projects in the State under the Rental Rehabilitation program. Its purpose is to increase the supply of affordable, standard housing for lower-income tenants by subsidizing the rehabilitation of rental properties and offering Section 8 housing vouchers or certificates to building tenants. During those same four years, the Section 312 Rehabilitation program provided \$1 million in housing rehabilitation loans to homeowners. Substantial additional amounts are spent on housing by the State and Entitlement Block Grant programs. The most recent form of housing assistance is the Emergency Shelter Grant program. During its first year of operation, FY 1987, Kansas received \$468,000 to help the homeless.

Community Development Funding to Kansas Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$216
Small Cities/State Grants	167
Section 108 Loan Guarantees	0
Jobs Bill	6
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	
Urban Development Action Grants	16
Rental Rehabilitation Program Grants	4
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	*
Emergency Shelter Grants	*
Total	\$41.3
(Note: Detail may not add to total due to rounding.)	



Manhattan Town Center Project: Worth Waiting For

The main street of Manhattan (pop. 32,644) is lined with two-and three-story commercial buildings built in the 19th century out of native **Kansas** limestone. Unlike the fate that has befallen some other small cities in the Farm Belt, Manhattan's downtown shopping district is now the active hub of the community, largely **as** result of a long-term revitalization effort. Visitors find not only the old buildings preserved, and fully used, but at one end of the main street stands a 300,000 square foot shopping mall. Downtown Manhattan is an attractive blend of old and new, drawing shoppers and visitors from a region 200 miles in diameter.

This vital downtown was not created by accident or overnight. The City transformed an unattractive and dull central area through the application of a comprehensive revitalization program with five primary components: (1) a long-term plan; (2) funding assistance from several sources including the U.S. Department of Housing and Urban Development's Office of Community Planning and Development; (3) major improvements to the transportation system; (4) the renovation of the older buildings in the downtown; and (5) the inhibition of competing suburban shopping centers.

Leaders with Vision

Since 1968, the City has sought to maintain the downtown **as** a regional center. This policy was tested several times over the years **as** developers sought to build suburban shopping centers. The City actively defended its long range plans by refusing to rezone outlying parcels for commercial and retail malls. In 1978, the City moved from a defensive posture to one of active promotion. A report entitled "Downtown Manhattan, Yes!" recommended the development of a retail shopping complex in an enclosed mall to be built in the heart of the City. The City entered into a partnership with a private developer, one that had an established history of successful projects.

The Urban Development Action Grant

In return for a \$9 million Urban Development Action Grant for land acquisition, demolition and relocation, the private sector was committed to spending \$26 million on other project improvements. Because the City is leasing the land to the developer, the full amount of the Action Grant funds will be recaptured by the City **as** lease payments and then reused for other development projects.

The Southern Arterial Project

To make sure that shoppers can easily reach the new and renovated commercial developments in downtown Manhattan, the City has constructed the Southern Arterial, a new boulevard on a former railroad right-of-way. It altered several existing streets, and upgraded utilities, at a total cost of \$28 million. The Southern Arterial is a joint venture, funded with City bond issues and **\$3** million in Federal pass-through money from the State of Kansas. The City will payoff the bonds using two sources: the lease payments from the mall developer and gasoline tax reimbursements from the State.

Original Beauty Restored and Enhanced

A few decades ago, the original limestone facades of the commercial buildings lining the main street were "modernized" with coverings of uncoordinated, multi-colored aluminum siding. An unsightly confusion of uncontrolled store-front advertising added to the visual distress. This did not make for an attractive complement to the new mall.

The City is working in cooperation with **Kansas** State University and the National Trust for Historic Preservation to beautify the buildings west of the mall along the main street. Gradually, the original limestone is emerging **as** the aluminum siding is removed. Garish and unsightly store-front advertising is being replaced with more contemporary and appealing facades. A new public plaza serves the meeting place of the old commercial district and the new mall. The **Cost** of the improvements in Manhattan total over \$50 million. In return for this investment, the City believes that it has not only saved its downtown, but it has turned Manhattan into a major regional center for north central Kansas. Furthermore, when all the retail space is leased in the mall, the project will have generated 774 new jobs and \$470,000 in additional tax revenue.



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in **Kansas**. The following brief descriptions illustrate the creativity and commitment present in Kansas' community development efforts.

Thirty-nine low- or moderate-income residents of Burlington (pop. 2,901) **are new employees** of an expanded manufacturing facility producing stuffed toys under the label "Country Critters." A State Block Grant of \$125,000 to the City was loaned to the manufacturer for the expansion.

State Block Grant funds totaling \$76,000 were awarded to the **City of Kinsley** (pop. 2,074) for **construction of a Senior Citizen Center** next to the City Hall. The Center provides the elderly easy access to shops and stores, the library, and the post office.

Upgrading a neighborhood and providing affordable housing were the motives behind the East Lawrence Development (Homestead) Project in **Lawrence** (pop. 52,738). The City bought eight residential lots scattered throughout the neighborhood. A lottery was held for income-eligible applicants. Each winner received a free lot in return for agreeing to own and occupy the house he or she built on the lot. Entitlement Block Grant funds of \$58,000 were used to buy the lots.

The old Union Railroad Station in **Leavenworth** (pop. 34,000) was offered to the City as a gift from a private developer who had converted it into office and storage space. The gift was conditioned on the **renovation and conversion of the railroad station to a convention, recreation, and senior citizens center**. The City used \$87,000 from the Entitlement Community Development Block Grant program to relocate the nine businesses in the Station. A \$3.5 million bond issue was approved by the voters for renovation.

McDonald (pop. 239) averted a waste-treatment crisis. Residences were all on aging septic systems which began to collapse. One septic tank caved in, forcing part of the elementary school playground to be closed. With a \$453,875 grant from the State Block Grant program and \$126,925 from homeowners, the **town was able to install a municipal sanitary sewer system**.

The State Block Grant program awarded \$499,400 to **Osawatomie** (pop. 4,459) for two projects: the **restoration of the City auditorium which is used as a multi-purpose community center; and a city-wide housing rehabilitation and demolition program**. In all, the City renovated 19 houses of which nine were occupied by female-headed households,

Pittsburg (pop. 18,770), with a \$400,000 grant from the State Block Grant program, was able to make a loan to a local manufacturer for the purchase of machinery and equipment needed in a plant expansion. The firm was able to obtain \$3.8 million in private financing needed for materials and operating expenses. **The project created 151 new jobs, 147 of which were filled by low- and moderate-income persons.**

Saint John (pop. 1,501) rehabilitated 20 homes, at an average cost of \$5,300, in a target area of 37 substandard homes. This was accomplished with a State Block Grant of \$57,600 and \$48,000 from other public sources. Overall, 53 people benefitted, including 8 minority persons, 7 handicapped, and 3 female-headed households.

In **Topeka** (pop. 115,266), **low- and moderate-income persons are earning credits toward the purchase of building materials to rehabilitate their homes**. Each low- or moderate-income household may earn up to \$500 credit by donating their time to assist elderly or handicapped homeowners with home rehabilitation. The materials for rehabilitation are being paid for with \$60,000 in Entitlement Block Grant funds.

Topeka also showed creativity in **promoting neighborhood rehabilitation by targeting one residential block for general upgrading**. Residents, the County Litter Control Board, and 80 volunteers from IBM combined forces to solicit money and materials for rehabilitation work. Their efforts were complemented with \$30,000 from Entitlement Block Grant funds for sidewalk improvements.

Jobs for the handicapped and lower-cost homes are the joint outcomes of the Affordable Housing Project in **Wichita** (pop. 279,835). The City granted \$17,000 in Entitlement Block Grant funds to the Kansas Elks Training Center for the Handicapped for setting up a training and manufacturing facility to produce prefabricated wall panels. A contractor assembled the panels into single family homes on vacant City-owned land. Low-interest loans and token charges for building lots made the homes affordable to low- and moderate-income persons.

Community Development

Funds to Kansas

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Allen County								\$4,300	\$4,300
Atchison			\$882,000						882,000
Baxter Springs			404,000				\$ 178,000		582,000
Bourbon County							40,000		40,000
Butler County							65,000		65,000
Caldwell							129,000		129,000
Carbondale							13,000		13,000
Chanute							710,000		710,000
Clay County							99,000		99,000
Concordia							400,000		400,000
Crawford County								5,100	5,100
De Soto							200,000		200,000
Denison							220,000		220,000
Dodge City							222,000		222,000
Dorrance							400,000		400,000
Edgerton							7,000		7,000
El Dorado							150,000		150,000
Emporia							650,000		650,000
Fort Scott							148,000		148,000
Garden City							369,600		369,600
Geary County							100,000	14,725	114,725
Geuda Springs							297,000		297,000
Goodland							100,000		100,000
Grainfield			26,000						26,000
Green							375,000		375,000
Harvey County							60,000		60,000
Haven							70,000		70,000
Hays							400,000		400,000
Hillsboro							75,000		75,000
Horton							400,000		400,000
Hutchinson		\$109,000	650,000				400,000		1,159,000
Iowa Tribe of Kan & Neb						\$ 631,500			631,500
Johnson County	\$2,017,000	73,000						36,711	2,126,711
Junction City							80,000		80,000
Kanorado							400,000		400,000
Kansas City	48,748,000	237,000	1,810,000	\$ 291,900	\$ 33,000				51,199,900
Kickapoo Tribe						224,000			224,000
Kinsley							76,000		76,000
Kiowa County							160,000		160,000
La Cygne							50,000		50,000
Labene County							400,000		400,000
Lawrence	8,893,000	377,200							9,270,200
Leavenworth	4,833,000	595,000							5,428,000
Liberal							365,000		365,000
Lucas							295,000		295,000
Manhattan		26,311	10,000,000						10,026,311
Moline							112,000		112,000
Muscotah							222,000		222,000
Narka							396,000		396,000
Nemaha County							400,000		400,000
Norton County							400,000		400,000
Olathe	5,649,000	241,289		55,200					5,945,489
Onaga							12,000		12,000
Osage City							495,000		495,000
Osawatomie							400,000		400,000
Ottawa							400,000		400,000
Overland Park	5,935,000								5,935,000
Oxford							400,000		400,000
Parsons			532,500	37,900					570,400
Pittsburg		392,000					400,000		792,000
Prairie Bd Ponawatomi						986,000			986,000
Prairie View							349,000		349,000
Prescott							42,000		42,000
Princeton							100,000		100,000
Quinter							355,000		355,000
Republic County							377,000		377,000
Rexford							244,000		244,000

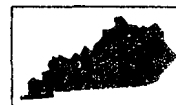
⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.

Community Development

Funds to Kansas

Name	HUD					Indian CDBG FY 78-87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
	Entitle- ment CDBG FY 75-87	Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87				
Riley County							\$ 20,000	\$250	\$ 20,250
Sac & Fox Tribe of Kansas						\$70,000			70,000
Salina							800,000	5,070	805,070
Saline County							105,000		105,000
Sedgwick							400,000		400,000
Sedgwick County								11,844	11,844
Shawnee							233,000		233,000
Solomon							270,000		270,000
Spearville							250,000		250,000
St. John							58,000		58,000
Sterling							223,000		223,000
Thayer							281,000		281,000
Topeka	\$ 25,765,000	\$502,000		\$ 1,007,100	\$ 29,000				27,472,100
Victoria							100,000		100,000
Wellington							101,000		101,000
Wichita	76,494,000	596,300	\$1,331,288	36,700	45,000				78,503,288
Winfield			350,000						350,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Kentucky's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Kentucky amounted to \$59.2 million.

Kentucky's State Community Development Block Grant Program

In FY 1987, the largest component of community development assistance to Kentucky was the State Community Development Block Grant program administered by the State. The program provides aid to communities under 50,000 persons, not otherwise eligible for Entitlement Block Grant support. Assistance totaled \$25.3 million in FY 1987 and \$300.9 million since FY 1975. From FY 1982 through FY 1986, funds were distributed to 117 small communities and 70 counties. Funds were expended on public works (37 percent), housing rehabilitation (34 percent), and economic development (26 percent).

Community Development Block Grant Entitlement Program

Under the Community Development Block Grant Entitlement Program, \$17.4 million were distributed in FY 1987 to seven communities: Ashland, Covington, Hopkinsville, Lexington-Fayette, Louisville, Owensboro, and Jefferson County. The program provides aid directly to larger jurisdictions, generally those with more than 50,000 persons.

As an illustration of how Block Grant funds are used, Louisville received \$9.2 million in FY 1986. Louisville planned to use its award to promote economic development (40 percent), housing (19 percent), and for the support and improvement of parks and recreation centers (10 percent).

Urban Development Action Grant Program

Since 1978, \$61.8 million have been granted to projects in Kentucky under the Action Grant program.

Action Grant awards are only made to distressed areas when they can stimulate private investment in amounts

substantially greater than the public expense, and the awards to Kentucky have made feasible \$405.2 million in private investment. The main outcomes have been 4,386 new jobs, 194 new housing units, and \$1.6 million annually in additional local tax revenues.

Community Development Housing Assistance

From FY 1984 through FY 1987, \$6.3 million were obligated for projects in the State under the Rental Rehabilitation program, aimed at increasing the supply of affordable, standard housing for lower-income tenants. In the same period, the Section 312 program made available \$854,000 for housing rehabilitation loans to homeowners. Additional funds are spent on housing by the larger State and Entitlement Block Grant programs. The most recent form of housing assistance from CPD is the Emergency Shelter Grant program. During its first year of operation, FY 1987, Kentucky received \$870,000 to help the homeless.

Community Development Funding to Kentucky Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$307
Small Cities/State Grants	301
Section 108 Loan Guarantees	25
Jobs Bill	16
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	68
Rental Rehabilitation Program Grants	6
Section 312 Rehabilitation Loans (FY '84-'87)	4
Urban Homesteading	2
Emergency Shelter Grants	1
Total	\$736
(Note: Detail may not add to total due to rounding.)	



Lexington-Fayette County's Victorian Square

Citizens of **Lexington** and **Fayette County** have always taken great pride in the natural and manmade beauty of their locale. Lexington is an old community, founded shortly after the arrival of Daniel Boone and located in the heart of the Bluegrass Region. In the past two decades, the community has experienced rapid population growth and the downtown has become a prime target for commercial developers. In spite of the progress made, one deteriorated historic area, Victorian Square, seemed to resist all efforts at improvement. The local government and private developers finally found a solution by making use of Federal and local funds to achieve a balance of historic preservation and commercial improvement.

The Challenge of Decay

In the midst of Lexington's rejuvenated downtown stood an entire square block of 18 deteriorating Victorian era commercial buildings, all of which were on the National Register of Historic Places. For several years, this complex of old structures defied every renovation attempt. At commercial interest rates, potential developers could not put together the financing needed to undertake the buildings' preservation and restoration.

Disappointed by many failed proposals, the Mayor of Lexington-Fayette County (an urban county government) proposed the formation of Victorian Square Associates, consisting of local entrepreneurs willing to provide the equity needed to get the development going. These developers believed that only with the support of Federal community development funds could a way be found to preserve the beauty of the old buildings while, at the same time, making their use financially profitable.

Creative Financing

With thoughtful and careful planning, the urban county government and Victorian Associates put together a financial package with these components:

- The Urban Development Action Grant program awarded the urban county \$3.1 million to assist the developer in acquisition of the buildings and to cover part of the costs of buying the land for a 400-space parking structure.
- The urban county government used \$445,000 in local funds and \$330,000 from their Block Grant Entitlement account to provide the local 20 percent match to acquire land for the parking structure.

- Parking revenue bonds totalling \$3 million were issued to finance the parking facility.
- The private associates in the project raised \$2.8 million cash equity, and \$10 million in industrial revenue bonds were sold to help pay for the necessary renovations.

Victorian Elegance Preserved

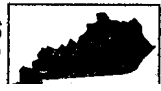
The developers invited restoration experts from around the country to work with the Kentucky Heritage Commission and local architects to ensure that the exteriors of the buildings were restored as closely as possible to their original condition.

The most challenging aspect of the restoration involved linking the interiors of the two- and three-story buildings when each had been built at different elevations. The solution came through the construction of an intricate internal system of walkways and the location of a large covered atrium at the center of the block. Glass elevators and escalators make 95 percent of the space accessible to the handicapped.

Victorian Square now contains 35 shops and restaurants, filling about 65 percent of the 150,000 square foot commercial space. While somewhat slower to lease than had been anticipated, the developers are confident that it will fill up in the near future. The likelihood of high occupancy was recently improved by the completion of a new 200-unit apartment complex nearby and the purchase of an option to buy the eighteenth and final structure in the block.

Community Benefits

In addition to preserving the beauty of the restored historic buildings, the \$20 million project should result in 460 new jobs when completed. Most of these jobs will go to low- and moderate-income workers. Also, the urban county government will benefit from \$203,000 additional annual tax revenue.



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Kentucky. The following brief descriptions of some local ventures can serve to illustrate the creativity and commitment present in Kentucky's community development efforts.

The City of **Covington** (pop. 49,563) will be receiving annually an additional \$57,000 in property taxes and \$100,000 in other taxes for the school system as a result of the construction of a residential project along the banks of the Ohio River, directly across from Cincinnati. The Action Grant Program awarded \$432,600, the City raised \$1.2 million by issuing industrial revenue bonds, and developers put up \$1.3 million to construct 84 new townhouses and condominiums. **The City's goal was to reverse the flow of migration and attract middle and upper-middle class households to a revitalized innercity.** The project, known as the Riverside Terrace, was completed in 1986.

Covington is working also to rehabilitate older homes through its Urban Reclamation program, a locally created activity designed to foster urban homesteading and to improve blighted properties. Using \$583,000 from the Section 312 and Block Grant Entitlement programs in conjunction with \$619,000 in private financing, 34 housing units have been rehabilitated and four new units constructed. Low-income households occupy 23 of the units.

An abandoned and deteriorating school in Dayton (pop. 6,979) **has been converted into 33 apartments with the majority of units reserved for low- and moderate-income persons.** The rehabilitation of Dayton Square was made possible with a \$550,000 loan from State Block Grant funds to the developer and \$700,000 private capital. In keeping with Dayton Square's listing on the National Register of Historic Places, renovation was carried out to preserve the original appearance and minimize interior demolition.

The last undeveloped piece of mid-1960's urban renewal land in Frankfort (pop. 25,973) **was finally used in 1984, adding a 195-room, eight-story hotel to the Capital Plaza complex.** With support from a \$750,000 State Block Grant award making the investment economically feasible, several other sources came together to finance the \$12.6 million endeavor: the Kentucky Economic Development Commission -- \$3 million for economic development bonds; the Kentucky Development Finance Authority -- \$750,000 for a second mortgage; and private financing -- \$7 million mortgage and \$1.1 million equity.

In Knox County (pop. 30,239) **a new facility manufacturing electric household appliances and employing 350 workers has risen from the ashes of a plant which had been totally destroyed by fire.** Former managers of the burnt out plant worked with the City of **Barbourville** and the county to secure \$3.2 million in private investment with the help of \$750,000 from the State Block Grant program, \$800,000 from the Action Grant program, and \$250,000 from the Kentucky Development Finance Administration.

Louisville (pop. 278,000) is using a \$51,000 grant from the new Emergency Shelter Grant program in combination with \$145,000 from their Block Grant Entitlement funds **to provide temporary housing for homeless families.** The funds have been awarded to the Volunteers of America Property Holding Corporation of Louisville, Inc., which is using the money to renovate part of the former Red Cross Hospital. In return for the financial support, the VOA must operate the facility for ten years and provide Counseling, supervision, and training to the residents. Seven units are being refurbished, and it will have the capacity to shelter 96 homeless persons annually.

Another project in **Louisville combines the goals of historic preservation, housing rehabilitation, and housing low- and moderate-income persons.** The Limrick **His** toric District is the site for the renovation of five historic buildings and their conversion into 16 apartment units. The project was funded with \$157,000 from the Rental Rehabilitation program, \$130,000 from the city's Block Grant Entitlement funds, and \$486,000 from other sources.

An expanded and modernized wastewater treatment facility is now serving the City of Owensboro (pop. 54,450). The plant uses the most advanced technology, meets all Environmental Protection Agency requirements governing discharge into the Ohio River, and allows for easy expansion. The project was funded in part with a \$1.5 million Action Grant award that leveraged \$19.8 million in private investment by the Glenmore Distilleries. Additional support came from the Environmental Protection Agency (\$10 million) and from local public sources (\$3 million). The enlarged treatment capacity was initially planned as support for the expansion of the distillery, but it has also permitted the growth of the Ragu Foods plant and the construction of two new commercial laundries. In all, 77 new jobs have been added to the community.

Community Development

Funds to Kentucky

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shetter FY 87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shetter FY 87	Total ⁽¹⁾
Adairville						\$237,695			\$237,695
Ashland	\$9,455,000			\$171,200					9,626,200
Ballard County						176,600			176,600
Barbourville			\$ 3,020,000						3,020,000
Beattyville						128,000			128,000
Bellevue							\$ 75,000		75,000
Berea						500,000			500,000
Booneville						700,000			700,000
Bowling Green			206,000	18,200		104,500	200,000		528,700
Brodhead			433,125						433,125
Bullitt County						742,500			742,500
Burkesville						745,000			745,000
Cadiz						69,050			69,050
Calloway County						300,000			300,000
Catlettsburg			2,250,000				75,000		2,325,000
Christian County						719,913			719,913
Covington	25,375,000		8,848,600	1,043,500	\$29,000		215,000	\$20,000	35,531,100
Cumberland County						157,000			157,000
Cynthiana			183,658			125,000			308,658
Danville						750,000			750,000
Dayton			8,000,000			585,000			8,585,000
Eminence						679,490			679,490
Fleming County						225,000			225,000
Floyd County						248,400			248,400
Frankfort								20,000	20,000
Franklin County						403,000			403,000
Glasgow			910,740			397,500			1,308,240
Grand Rivers						177,259			177,259
Grayson						400,000			400,000
Greensburg						189,200			189,200
Hancock County						551,500			551,500
Hardinsburg						420,000			420,000
Harrison County						750,000			750,000
Harrodsburg						152,500			152,500
Hazard						505,000			505,000
Henderson County						181,045			181,045
Hickman				26,200		745,000			771,200
Hodgenville						735,500			735,500
Hopkinsville	6,378,000		621,320						6,999,320
Horse Cave						745,591			745,591
Jackson County						585,000			585,000
Jamestown			5,073,000						5,073,000
Jefferson County	44,405,000	\$542,520		706,750	46,000			15,000	47,207,658
Jenkins						750,000			750,000
Kenton County						113,000			113,000
Knox County						751,500			751,500
Laurel County						750,000			750,000
Lee County						66,000			66,000
Lewisburg						455,554			455,554
Lexington-Fayette Cnty.	33,349,000	898,400	5,170,000	169,750	37,000			30,000	39,654,150
Livermore						662,500			662,500
Louisville	141,285,000	1,634,365	14,150,000	1,675,450	187,000			29,000	159,807,065
Manchester						750,000			750,000
Mayfield			105,000						105,000
Middlesborough			3,000,000						3,000,000
Montgomery County						740,802			740,802
Morgantown			758,600						758,600
Mount Vernon			208,500						208,500
Muldraugh						213,044			213,044
Murray			400,000			550,000			950,000
New Haven						38,000			38,000
Newport			4,397,793			500,048			4,897,841
Nicholasville						400,000			400,000
Owensboro	9,822,000	58,000	1,500,000				238,000		11,618,000
Owenton						453,620			453,620
Paducah			2,900,000						2,900,000
Paris			314,880						314,880

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-1986.

Community Development

Funds to Kentucky

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Pike County						\$ 750,000			\$750,000
Pikeville			\$4,500,000						4,500,000
Pineville			214,000						214,000
Richmond						253,000	\$50,000		303,000
Russell Springs						470,000			470,000
Russellville						739,500			739,500
Shelbyville						908,000			908,000
Somerset			417,120						417,120
Springfield						553,000			553,000
Stanford						750,000			750,000
Vanceburg			570,000						570,000
Whe Grove						750,000			750,000
Wickliffe						727,556			727,556
Williamsburg						299,000			299,000
Wolfe County						255,000			255,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Louisiana's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Louisiana amounted to \$61 million. These funds are channeled through several programs, each designed to provide local communities with flexible and creative approaches to development.

The Community Development Block Grant Entitlement Program

The largest source of community development funds to Louisiana is the Community Development Block Grant Entitlement program. Since 1975, more than \$491 million have been awarded to the twelve cities and one urban county (parish) that qualify under the terms of this program, which is limited generally to jurisdictions with more than 50,000 in population. In FY 1987, \$32.4 million in Block Grant Entitlement funds were distributed within Louisiana.

Localities use their grants to undertake a broad range of eligible activities. In FY 1986, the largest portion of Block Grant Entitlement funds in Louisiana, 39 percent, was planned for public improvements and infrastructure. Housing rehabilitation was the next most prevalent use, 23 percent.

Louisiana's State Community Development Block Grant Program

More than \$295 million has been awarded to Louisiana in State Block Grant funds since 1975. The State Block Grant program provides assistance to smaller communities, those under 50,000 persons that are not eligible for Entitlement grants. In FY 1987, \$23.5 million in the State program was available to help the communities of Louisiana. Since 1975, 164 cities, towns, and parishes have received assistance through the State Block Grant program (or its predecessor, the Housing and Urban Development's Small Cities program). From FY 1982 to FY 1986, public improvements and facilities were the principal activity funded by this program, 64 percent, with housing activities second, 28 percent.

Urban Development Action Grant

Since 1978, almost \$80 million have been granted to Louisiana's communities by means of 39 Urban Development Action Grants. Nearly \$508 million in private investment have been leveraged - a ratio of 6.4 private dollars to every public dollar. As a result, more than 10,000 jobs have been created, 695 housing units built or rehabilitated and \$9.6 million in local taxes generated annually.

Community Development Housing Assistance

To promote better housing, almost \$9 million were obligated by Housing and Urban Development for the State from FY 1984 to FY 1987 under the Rental Rehabilitation program. During this same period, almost \$1 million dollars were obligated for the Section 312 Rehabilitation Loan program that offers loans to homeowners for property rehabilitation.

Community Development Funding to Louisiana Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$491
Small Cities/State Grants	296
Section 108 Loan Guarantees	12
Jobs Bill	19
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	
Urban Development Action Grants	80
Rental Rehabilitation Program Grants	9
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	0
Emergency Shelter Grants	1
Total	\$911



Historic District Revitalization in the Town of Independence

The historic district in the **Town of Independence** (pop. 1,684) was rejuvenated by the creation of low- and moderate-income housing in conjunction with the commercial redevelopment and revitalization of the area. For the past 20 years, the Town's historic commercial district suffered stagnation and decline due to population decrease and increasing economic competition from nearby communities. By 1982, nearly 70 percent of the commercial buildings in Independence were vacant and beginning to deteriorate. Local community leaders, recognizing the need for an organized effort to eliminate existing blight and to prevent its further spread, decided to reverse this trend by revitalizing the town's central area.

In a cooperative planning effort involving property owners, merchants, and local government, it was agreed that most of the historic district to be revitalized should include housing, maintaining the historic tradition of this mixed-use area. Placing the emphasis on housing, rather than creating new commercial establishments, would avoid competition with nearby malls and generate demand for the remaining commercial enterprises. Initial fears of vacant housing units were overcome when the Town agreed to help locate tenants for the renovated buildings and to finance renovation work with long-term loans from a revolving fund supported by loan paybacks, lowering the rent to below-market rates.

The Town used \$553,720 in State Community Development Block Grant funds to make direct low-interest (3 percent) loans to property owners within the historic area, rather than reducing the principal on bank loans. This direct lending simplified the administration of the loans. All property owners were eligible for the loans if they agreed to follow some basic requirements. Low-income property owners could receive loan-grant combinations that were paid through the program. The Town is now receiving approximately \$2,000 per month in paybacks from the loans. These funds are put into a revolving fund for rehabilitation efforts in other community development target areas that contain over 75 percent of low- and moderate-income households.

At first, the local people did not believe that the program could be successful, but as the program made improvements to the historic district, attitudes started to change. Residents now find the historic district to be more lively and visually appealing as more families reside there and new businesses move in. Seventeen housing units have been rehabilitated and four new housing units have been built. Independence experienced a 17 percent annual sales tax increase after the revitalization program and 25 new jobs have been created.

Because Independence is a small city, local technical capacity was lacking, but the Town was able to rely on assistance from State agencies and lending institutions at minimum costs to the program. The local capacity of the Town staff to administer Federal funds was greatly increased through direct involvement with the program. In addition, the initial State Block Grant of \$600,000 and the paybacks to the revolving account are expected to have great local impact because of the size of the town.

The program achieved considerable success through the cooperative efforts of many participants: consultants, the local Chamber of Commerce, the State of Louisiana Department of Urban and Community Affairs, the local residents, the Mayor, and the Town Board. The impact on this small town has been extensive, although the target area is only four city blocks. This national and State recognized Historic District has been revitalized and the local citizens have achieved a new degree of pride in their community.



The Department of Housing and Urban Development's Office of Community Planning and Development programs support a broad range of local projects in Louisiana. A number of local ventures illustrate the creativity and commitment in Louisiana's community development efforts.

Bossier City (pop. 50,861) established a Small Business Incubator program using \$60,000 in Community Development Block Grant Entitlement funds. Other assistance came from the Louisiana Institute of Technology's Small Business Institute, which has made many contributions to the incubator program. The program, which offers training for businessmen, advisory services, a library, and business information, has helped start six new businesses in the area.

Delhi (pop. 3,223) was able to buy a closing industrial plant, maintain control during a search for a private investor, and then assist a buyer in reopening the facility. The funding mix included \$500,000 in State Block Grant funds, \$750,000 in industrial revenue bonds, \$1 million in general obligation bonds, and a \$200,000 loan from the Economic Development Administration. This cooperation between public and private sectors has helped save 300 jobs.

New Orleans (pop. 557,515) leveraged \$22 million in private monies with a \$130,000 of Entitlement Block Grant funds to revitalize a commercial neighborhood, known as Magazine Row, which had been deteriorating for several years. The Block Grant funds were used primarily to provide low-interest loans for business revitalization. As a result of the revitalization efforts, more than 25 businesses have either moved back to or opened in the area, creating approximately 165 jobs and substantially reducing crime.

New Orleans faced a severe problem with school drop-outs, compounded by an extremely high unemployment rate and low level of learning skills of minority youth. To address these problems, the City funded two projects for disadvantaged youths with \$662,000 in Entitlement Block Grant funds. A tutorial education program, involving 1,600 students, concentrated primarily on improving reading and computation skills. Approximately 1,300 youth participated in a program to improve their basic sports skills. The Shell Oil Company cooperated in this effort by donating several hundred tennis rackets to the sports program. Also, five faculty members from local colleges and public schools provided tutorial services.

Ouachita Parish (pop. 139,241) loaned \$317,000 in State Block Grant funds at six percent interest rate for ten years to West Packaging Company. This meat processing facility matched the loan with \$326,888 in private investment to expand the company's existing production capacity. The expansion is projected to create 24 jobs.

The River City Trading Company, a clothing manufacturing firm, was able to expand its production capabilities when Rayville (pop. 4,610) loaned the company \$349,000 in State Block Grant funds, leveraging \$698,000 in private investment to create 180 jobs.

Shreveport (pop. 205,776) is revitalizing a deteriorated neighborhood, Ledbetter Heights, with \$250,000 in Entitlement Block Grant funds for a low-interest loan to project developers to rehabilitate 71 rental housing units. These funds leveraged \$410,000 in private investment and \$1,350,000 in bank financing, including tax exempt industrial revenue bonds. This revitalization effort has been supported by the U.S. Department of Housing and Urban Development in other ways, including the issuance of Section 8 Certificates to most of the tenants of the rehabilitated units. The positive results have been achieved through the cooperation of property owners and developers with the local housing program and the extensive participation of the private sector financing.

Tallulah (pop. 11,634) made a loan to RMA, Inc. with \$350,000 in State Block Grant funds at five percent interest rate for ten years, leveraging more than \$1 million in a bank loan to help finance construction of a motel, and has created 24 new jobs.

A loan for \$689,000 in State Block Grant funds made by Tangipahoa Parish (pop. 80,698) and \$711,000 in private monies were used to finance the establishment of Gourmet Fresh Mushroom Company. This mushroom packaging facility is expected to bring 121 jobs to the area when completed, sixty jobs have been created thus far..

Winnfield (pop. 7,257) helped finance the start-up of PBS Lumber Company in 1983 by providing a loan using \$168,000 in State Block Grant funds to partially match \$485,000 in private monies. In 1987, a major expansion of the facility was accomplished with another loan made to the company, again using \$700,000 in State Block Grant funds, and \$700,000 in private investment. The expansion of this firm, which produces wood products, is projected to create a total of more than 75 new jobs.

Community Development

Funds to Louisiana

Name	Entitled CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Alexandria	\$ 15,773,000	\$247,933	\$4,975,000					\$ 45,017	\$ 21,040,950
Arcadia						\$372,700			372,700
Ashland						488,096			488,096
Baton Rouge	65,920,000	658,000	2,794,144	\$ 75,000				98,000	69,573,994
Bogalusa						749,910			749,910
Bossier City	3,666,000					722,229	\$ 172,667		4,560,896
Bossier Parish						722,229			722,229
Caldwell Parish						750,000			750,000
Carencro						572,200			572,200
Chitimacha Tribe					\$ 250,000				250,000
Clarence						749,800			749,800
Clarks						750,000			750,000
Coushatta Alliance					902,000				902,000
Crowley			780,000						780,000
Delhi			2,300,000						2,300,000
Dry Prong						224,700			224,700
East Carroll Parish						341,330			341,330
Fenton						573,627			573,627
Ferriday			230,000						230,000
Fordoché						540,243			540,243
Franklinton						747,950			747,950
Gramercy						290,120			290,120
Hammond			4,477,000						4,477,000
Homer			2,089,340			750,000			2,839,340
Hornbeck						750,000			750,000
Houma	4,884,000								4,884,000
Iota						748,893			748,893
Jefferson Parish	60,067,000	569,000		66,000				53,000	60,755,000
Jennings						165,000			165,000
Jonesboro			242,280						242,280
Kenner	5,939,000						182,668	47,097	6,168,765
Lafayette	18,468,000	300,174	3,703,385					92,355	22,563,914
Lake Charles	20,173,000	256,533	4,637,000						25,066,533
Lecompte						455,000			455,000
Lincoln Parish						89,739			89,739
Madison Parish						750,000			750,000
Many						749,990			749,990
Monroe	19,949,000	305,050	1,183,000					46,569	22,231,969
Morehaus Parish						748,786			748,786
Mooringsport						290,698			290,698
Natchez						743,100			743,100
Natchitoches			996,251			180,794			1,177,045
Natchitoches Parish						380,000			380,000
New Orleans	225,010,000	3,518,145	43,454,023	281,000				147,962	272,411,130
Newellton						78,732			78,732
Oakdale			217,866						217,866
Oak Ridge						245,379			245,379
Oil City						693,030			693,030
Ouachita Parish						832,000			832,000
Pearl River						750,000			750,000
Plaquemine						708,400			708,400
Plaucherville						129,260			129,260
Pollock			150,000						150,000
Ponchatoula						366,357			366,357
Rayne						750,000			750,000
Ruston						750,000			750,000
Shreveport	49,467,000	666,600	6,279,190	51,000				135,000	56,679,540
Sibley						750,000			750,000
Slidell	1,010,000								1,018,550
St. Charles Parish						140,008			140,008
St. Mary Parish						749,000			749,000
South Mansfield						502,151			502,151

⁽¹⁾ Includes Section 312 Rehabilitation Loan funds for FY 1984-'87.

Community Development

Funds to Louisiana

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Sunset						\$ 750,000			\$ 750,000
Tangipahoa Parish						689,000			689,000
Thibodaux	\$992,000								992,000
Tunica-Biloxi of Louisiana					\$ 501,000				501,000
Vidalia			\$ 1,000,000						1,000,000
Vivian						345,594			345,594
Waterproof						730,000			730,000
West Monroe							\$152,667		152,667
Westlake						470,256			470,256
Winnfield						725,000			725,000

(1) Includes Section 312 Rehabilitation Loan funds for FY 1984-'87.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Maine's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year **1987**, Housing and Urban Development's community development support to the cities and towns of Maine amounted to **\$16.5 million**.

Maine's State Community Development Block Grant Program

Of particular importance to Maine - a State containing a large number of cities with populations under 50,000 - is Housing and Urban Development's support to small cities. The State Block Grant Program represents over 60 percent of total Housing and Urban Development funding to Maine.

During the past five years, Maine has distributed Block Grant funds to a variety of small city activities designed to achieve purposes that range from the development of public facilities to aiding local businesses and small cities in economic development activities.

In Fiscal Year **1986**, the State of Maine distributed over **\$9.5 million** to small cities through a variety of special programs:

Community Revitalization Grants (**\$5,286,946**) for cities and towns to undertake general development activities.

Reserved Grants (\$2,825,000) for cities and towns in the second-year of two-year programs.

Development Loan Funds (**\$750,000**) for cities and towns seeking to aid a particular business or housing developer.

Planning Grants (\$150,000) for cities and towns needing help in developing local strategies.

Interim Finance Program grants to eligible communities seeking to promote business or housing development through short-term, low-interest loans. The amount of funds available for this program is dependent on the minimum level of funds in the State's letter of credit with HUD at any one time.

Port Facilities Development (**\$574,874**). The town of Searsport received this special set-aside for job-creation activities at the Sears Island Cargo facility.

Urban Development Action Grants

Since the inception of this program in **1978**, Maine has had **37** projects approved for **\$32.9 million** in Federal funds and has leveraged private investment of **\$136 million** and created **4,100** new permanent jobs..

Community Development Funding to Maine Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$86
Small Cities/State Grants	105
Section 108 Loan Guarantees	0
Jobs Bill	3
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	0
Urban Development Action Grants	38
Rental Rehabilitation Program Grants	3
Section 312 Rehabilitation Loans (FY '84-'87)	4
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$240

(Note: Detail may not add to total due to rounding.)



Portland Fish Pier Project

Portland was once the fish trading center of Maine. In recent years, however, condominium development encroached on the marine character of the harbor. In response, Portland initiated the Fish Pier Project to stimulate marine development in the harbor and invigorate the waterfront.

The Portland Fish Pier Project began in 1981 when City leaders hired a project director to secure over \$15 million in needed project funding. Aided by \$1,157,508 in Block Grant Entitlement funds, the City obtained an additional \$1,912,085 in City funds, \$6,300,000 in Economic Development Administration funds, and \$6,231,303 in State bond funds.

The Process

In March 1982, the City began three projects designed to attract marine development in the harbor and promote the Portland Fish Exchange: clearing of a landfill area in preparation for marine or other port-related development by filling in steel cribs and creating several new acres of land; establishing a more competitive fish exchange by requiring that bidders buy seats at the fish auction; and building several service structures to augment the newly established fish exchange.

Landfill Area Development

The City developed several parcels in the landfill area for fish processing or other port-related development at a cost of \$4.3 million. One fish processing plant has been constructed and is operating in the landfill area. Several more parcels are cleared and ready for future development. Future location of industries on these parcels will create additional permanent marine-related jobs.

Development of the landfill area has resulted in the creation or retention of 284 jobs on the waterfront. Of the 185 permanent jobs created, 61 percent are held by persons of low and moderate income.

Portland Fish Exchange

Portland instituted an innovative fish exchange process that attracted large numbers of buyers and sellers to its market. By establishing a fish auction where buyers owning seats on the Exchange could view fish before purchase, the City could ensure the quality of fish purchased.

Before establishment of the auction, fish were bought "sight unseen" at prices set by the Boston Exchange. The "fair auction," where fishermen get a higher price for better quality fish, has drawn fishermen to Portland's exchange.

Establishment of the auction has resulted in a significant increase in volume at the fish exchange. Before the auction, fish sold on Portland's waterfront averaged 300,000 pounds per year. Between May and September 1987, fish sold at the auction have averaged 2 million pounds per month.

Service Structures

Portland constructed several service structures to augment the thriving Fish Exchange. The City acquired several dilapidated piers and replaced them with two new piers and constructed a fish auction house and cooler, an ice and fuel building, and the Marine Trades Center office building. Each structure complemented the newly established fish exchange process.

By using over \$1 million in Block Grant Entitlement funds, Portland made land improvements, constructed two new piers, subsidized operation of a fish auction house and cooler, and leveraged an additional \$14 million in public funding. The \$15.6 million project resulted in the establishment of a thriving fish exchange, construction of a fully operating fish processing plant and clearance of several parcels for future marine-related development. City residents also have voiced their support for preserving marine development on the waterfront. In 1986, residents passed by a large margin a local referendum placing a moratorium on non-marine development for five years.

The "working waterfront" benefits residents by making the area more accessible and by stimulating fish trading. By stimulating fish trading and by making the exchange more visible to residents and visitors, the City has reinvigorated the waterfront.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Maine. A number of ventures illustrate the creativity and diversity in Maine's community development efforts.

Auburn (pop. 30,000) used \$1,048,000 of bond financing and a \$1,000,000 Action Grant to convert a four-story, 115-year old factory building into 74 units of elderly housing, 12 units of market-rate housing, and approximately 7,500 square feet of commercial space. In addition to providing new housing and creating 27 permanent jobs, the project has become a focal point of the area with the introduction of needed public improvements. City annual tax revenues have increased by \$54,785.

Avon (pop. 475) a small impoverished community, received a \$240,000 Action Grant, which it loaned to Lauri, Inc. for the construction of an 18,000 square foot manufacturing facility and the purchase of capital equipment. The new facility, which replaced a severely deteriorated structure, employs an additional seven permanent employees from the community while retaining 34 permanent positions, and adds \$4,088 to annual tax revenues.

Caribou (pop. 9,916) loaned Northern Plastics \$100,000 of its State Block Grant funds for the acquisition, renovation, and installation of production equipment into a vacant industrial building. Northern Plastics leveraged an additional \$100,000 from a New Jersey venture capital company and received a \$162,000 loan from Caribou Development Corporation. This project created 70 new permanent jobs, 46 more than originally estimated.

Eastport (pop. 1,982) provided a private agriculture company with a \$350,400 State Small Cities Block Grant award and a \$600,000 Action Grant to buy an existing fish processing plant and new equipment. Funds were also used to buy an existing salmon hatchery and the development of a second hatchery. The project involves the growth of Atlantic Salmon in sea cages in a cove just off Eastport, which is located on the Bay of Fundy. To date, the City has leveraged an additional \$12.5 million in private investment, partially through three separate sales of stock in the private company. The project, still underway, has

created 58 new permanent jobs and increased annual tax revenues by \$37,765.

Eastport also used a \$1,150,000 State Block Grant to stabilize its shoreline and to construct a 1,000 foot granite seawall in front of the central business district. The project has protected the central business district against flooding since 1980. The City secured an additional \$1,200,000 from the State of Maine for construction of a fish pier that uses the seawall as a base and accommodates fish sales and processing in Eastport.

Machias (pop. 2,458) used an \$828,350 State Block Grant to initiate a major downtown revitalization project by acquiring 11 parcels, demolishing dilapidated structures, and rehabbing 16 housing units. The City established a loan program for commercial owners and leveraged an additional \$1,250,000 in private funds for the upgrading of commercial properties. The project has resulted in the creation of 130 new jobs in downtown Machias.

Portland (pop. 61,572) provided \$33,000 in Block Grant Entitlement funds to a low-income neighborhood organization for the installation of creative structures in two children's school playgrounds. The neighborhood organization was able to leverage an additional \$50,000 in neighborhood donations and to solicit volunteer services and equipment from a local contractor and the Maine National Guard. The project saved the City \$40,000 in installation costs through the use of donated labor.

Community Development

Funds to Maine

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Alfred								\$4,250	\$4,250
Auburn	\$8,823,000		\$1,000,000					3,500	9,826,500
Augusta							\$480,000	1,250	481,250
Avon			246,000						246,000
Bangor	11,121,000		1,641,000					2,000	12,764,000
Biddeford			1,465,000				348,250		1,813,250
Bradford							9,900		9,900
Brewer							340,928		340,928
Bridgewater							5,000		5,000
Brunswick Town								1,250	1,250
Calais			125,000				466,464		591,464
Canton							355,550		355,550
Caribou							500,250		500,250
Danforth							350,000		350,000
Easton			940,000						940,000
Eastport			609,950				444,873		1,054,823
Fairfield Town							224,639		224,639
Farmington Town			156,000				10,000		166,000
Fort Fairfield Town			1,170,000				347,750		1,517,750
Fort Kent Town							355,872		355,872
Frenchboro							366,830		366,830
Gardiner			1,007,000						1,007,000
Gorham Town							420,650		420,650
Greenville Town							6,400		6,400
Greenwood							107,000		107,000
Hallowell							4,940		4,940
Hancock County							5,000		5,000
Houlton Bd Maliseet Ind.				\$250,000					250,000
Houlton Town								1,800	1,800
Indian Township				597,596					597,596
Jay Town							107,000		107,000
Kittery Town							9,250		9,250
Leeds								3,325	3,325
Lewiston	18,544,000		3,472,500		\$762,000			2,000	22,780,500
Limestone Town							342,408		342,408
Lisbon Town							467,160		467,160
Livermore Falls Town							58,150		58,150
Machias Town							433,350		433,350
Madawaska Town							10,440		10,440
Madison Town							14,000		14,000
Mechanic Falls Town							471,477		471,477
Mexico							478,080		478,080
Newport Town							192,336		192,336
Norway Town							9,500		9,500
Old Orchard Beach								4,250	4,250
Old Town			900,000						900,000
Orono Town							14,000		14,000
Penobscot Ind Isl Ind Reser			1,448,000	199,800					1,647,800
Pittsfield Town			1,232,463						1,232,463
Pleasant Point Reservation			839,500	705,480					1,544,980
Portland	39,323,000	\$471,100	10,976,000		1,584,750	\$32,000		5,560	52,392,410
Presque Isle			3,515,300				587,000	4,500	4,106,800
Princeton							5,200		5,200
Randolph Town							450,950		450,950
Rockland			1,155,000				96,600		1,251,600
Rumford Town			775,600					1,815	777,415
Saco			2,230,000		1,500,000		405,600		4,135,600
Sanford Town			2,070,500				479,971	3,500	2,553,971
Skowhegan Town							374,000		374,000
Somerset County								5,000	5,000
South Portland			650,000				465,914	4,000	1,119,914
St. Agatha							4,250		4,250
Stonington							2,965		2,965
Strong			308,000						308,000
Van Buren Town							383,750		383,750
Vinalhaven							8,155		8,155

Community Development

Funds to Maine

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Waterville							\$ 327,221		\$ 327,221
Westbrook							10,000		10,000
Whiting							235,000		235,000
Wilton Town							10,000		10,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Maryland's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Maryland amounted to \$72.1 million.

The Community Development Block Grant Entitlement Program

By far the largest source of Housing and Urban Development community development funding in Maryland is the Community Development Block Grant Entitlement program. It allotted almost \$41 million or 57 percent of all CPD funding in Maryland in 1987, to five Entitlement Cities and four Urban Counties throughout the State. Communities in the Entitlement program plan their own patterns of activities to meet locally defined community development needs. Maryland's Entitlement communities put more of their Block Grant dollars into housing rehabilitation than any other activity, just as Entitlement communities in the U.S. as a whole do. Acquisition/clearance, public improvement, and public services are the next largest funding categories in the State. Of course, there may be considerable divergence from this pattern from community to community.

Urban Development Action Grant Program

The Action Grant program has been a major source of economic development assistance in Maryland since its inception. In 1987, it comprised the second largest source of Housing and Urban Development community development funding in the State, with seven grants of almost \$18.6 million going to the City of Baltimore. Over the life of the program, seven Maryland communities have received Action Grants totalling over \$105 million. This public commitment has led to an expected private investment of \$481 million with an anticipated 7,491 jobs created, 74 percent of which are expected to go to low- and moderate-income people, and 2,774 jobs that otherwise would have been lost are now retained. So far, 4,405 jobs have actually been created. In addition, Action Grant-supported housing

projects have produced 1,212 new and 647 rehabilitated housing units.

Maryland's State Community Development Block Grant Program

State Block Grant dollars made up the third largest source of Housing and Urban Development community development funding in Maryland for 1987. In that year, \$7 million was allocated to the State for its smaller communities on the basis of a statutory formula. This was the first year in which the State elected to administer the State Block Grant program for smaller communities. Before FY 1987, Housing and Urban Development administered the program. In 1985, 12 small cities and eight non-urban counties received HWD-administered CDBG grants.

Rental Rehabilitation

The State of Maryland and five formula communities received \$3.4 million Rental Rehabilitation program funds in 1987.

Community Development Funding to Maryland Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$607
Small Cities/State Grants	94
Section 108 Loan Guarantees	11
Jobs Bill	14
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	105
Rental Rehabilitation Program Grants	10
Section 312 Rehabilitation Loans (FY '84-'87)	7
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$ 850



York Road Planning Area Committee, Inc

Commercial strips present a set of distinct problems for those who might revitalize them. Frequently they are long and wind through numerous neighborhoods and jurisdictions. In these instances, not only is the revitalization task substantial but the fragmentation of political and citizen support for the effort makes mobilization of the resources and commitment needed to do the job very difficult. Moreover, when commercial strips abut residential areas, not only is physical redevelopment of the commercial area more complicated but antagonism between businesses and residents is more likely. With the assistance of City funds provided through the Block Grant Entitlement program, the York Road Planning Area Committee, Inc. (YRPAC) overcame these obstacles to execute a major strip revitalization project.

York Road is the backbone of the City of Baltimore, a commercial strip corridor that celebrated its 200th birthday in 1987. Thirteen years ago York Road was in grave trouble. Caught between the beginnings of a dramatic inner city renaissance on the south and the boom expansion of a small county town to the north, its outlook for the future was grim. Businesses were failing or moving out, leaving behind empty, boarded-up storefronts. Traffic congestion, litter, inadequate parking, and a general air of blight caused even local residents to avoid the commercial area.

Community activists decided that, instead of fighting battles piecemeal up and down the corridor, they would bring together residents, businesses, churches, and the City to make positive, long-term plans to revitalize York Road.

Coordinating Interests

The obstacles were significant. For one thing, the sheer size of the endeavor was daunting: two-and-a-half miles of narrow commercial strip development backed right up to residences, enormously complicating redevelopment. Additionally, the formation of a new umbrella group to spearhead the effort was perceived by many community associations (more than 25 surround the commercial area) as threatening. Several businesses saw the organization as "for" the residents while many residents felt that their concerns and protection were secondary.

The situation was critical. Community leaders went to the Neighborhood Design Center, a volunteer organization of professional architects and planners, for help in formulating long-term plans. After a year of work, the Neighbor-

hood Design Center and the City Department of Planning presented their ideas at major community meetings. Impressed by the commitment and professionalism of the proposals, the community began to develop an organizational structure that would involve community groups, residents, businesses, property owners, institutions, and city agencies.

Taking Action

The York Road Planning Committee, Inc. was incorporated in July 1975. A unique two-tier organization consisting of three semi-autonomous Action Areas was established in order to create groups of a workable size and to ensure that the interests of various communities along the corridor were represented. Officers of the Action Areas report monthly to the Board of Directors made up of representatives from local businesses, financing and development professionals, area churches, and city government. A full-time professional staff provides technical backup and continuity.

Though YRPAC's early years were unspectacular, each area along the route had its share of success. Moreover, an educational process occurred. Members were learning to balance local advantage against the good of the whole corridor. Developers slowly became convinced to invest, and local businesses began to see the advantages of renovation and rehabilitation.

Today, YRPAC's impact on the immediate area, consisting of a population of 45,000, is highly visible. For example, a new shopping center, Belvedere Square, a \$9.5 million development which includes a \$1.8 million Action Grant, has been completed. It brings more than 400 new jobs into the area, many of them entry-level, and has provided goods and services previously unavailable on York Road.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Maryland. A number of ventures illustrate the creativity and diversity in Maryland's community development efforts.

Anne Arundel County (pop. 357,027) combined \$70,000 from the U.S. Department of Defense, State funds, and \$100,000 of Block Grant Entitlement and Emergency Shelter Grant funds to renovate three vacant army barracks at Fort Meade. Sarah's House will provide emergency shelter for 68 men, women, and children. A nonprofit group is operating this federally-owned facility.

Baltimore (pop. 763,570) leased an urban renewal parcel to a developer and used a \$10 million Urban Development Action Grant to revitalize its downtown Inner Harbor. Private development included a 500-room hotel, as well as 575,000 square feet of office and retail space. The project leveraged private investment of \$73.4 million, created over 1,600 jobs, generated \$3.3 million in new local taxes, and led to substantial spinoffs in additional hotel and retail construction. The Action Grant loan has already been paid off out of project cash flow; the City continues to profit through rent proceeds from the hotel site.

Baltimore encouraged the rehabilitation of the aging 28-building, 321-unit Waverly Apartments by providing a \$1,605,000 Rental Rehabilitation Loan that, in turn, leveraged a \$5,467,800 Industrial Revenue Bond. The provision of 290 Section 8 Housing Vouchers and 19 Section 8 Housing Certificates will ensure that low- and moderate-income project occupants can afford the renovated units. Improvements included the upgrading of exterior landscaping, modernization of parking areas, elimination of deteriorated walkways, and the installation of exterior security lighting.

Cambridge (pop. 11,703) used HUD-administered CDBG Small Cities funds to lend \$229,700 to the Commander Garment Company. Block Grant funds will be used to renovate a vacant building and purchase equipment. In return, the company will give priority in hiring to city residents. It is anticipated that within one year 100 jobs will be available to low- and moderate-income persons.

Denton (pop. 1,927) boosted commercial development in the town using an Urban Development Action Grant. Action Grant funds were used to provide water and sewer facilities to the site of the proposed development. The \$659,000 grant leveraged \$3,636,700 in private funds. The commercial complex, which includes a McDonald's, a Pizza Hut, and a 10,000 square foot health facility, is expected to create 71 new jobs and provide about \$68,000 in property and other taxes.

Garrett County (pop. 26,490) and the Community Action Committee, a local nonprofit organization, pooled their resources and commitment to achieve a major rehabilitation effort throughout the county. The effort included rehabilitation of substandard multi-family units and the conversion of properties from nonresiden-

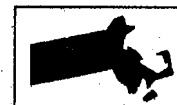
tial to residential use. Twenty-eight rental units were renovated under this program, utilizing \$222,000 of HUD-administered CDBG Small Cities funds and \$680,396 in private, State, and local funds. A vacant elementary school in Accident, Maryland, for instance, was converted into seven rental units for lower-income persons.

Snow Hill (pop. 2,192) provided the Snow Hill Citizens for Decent Housing, a nonprofit organization, with \$321,000 in HUD-administered CDBG Small Cities funds to assist in the construction of a 28-unit low- and moderate-income housing project and two additional single-family homes. The Block Grant funds were used for site preparation for the Farmers Home Administration-insured project and to purchase an annuity whose income will be used to lower rents for some units and thus make them available to very low-income people. Two single-family homes are being built for large families by Vocational Education students from the local high school.

Community Development

Funds to Maryland

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Urban Home- steading FY 75-86	HUD Admin. Small Cities FY 85	State Emerg. Shelter FY 87	Total
Aberdeen							\$572,000		\$572,000
Allegheny County							300,000		300,000
Annapolis	\$4,935,000							\$12,000	4,947,000
Anne Arundel County	35,760,000	\$424,900			\$36,000				36,220,900
Baltimore	373,538,000	4,922,300	\$100,252,216	\$4,772,200	469,000	\$720,000			484,673,716
Baltimore County	34,580,000	1,011,200			68,000				35,659,200
Cambridge							165,000		165,000
Carroll County								5,000	5,000
Charles County							485,000		485,000
Chestertown			403,986						403,986
Crisfield							300,000		300,000
Cumberland	15,302,000			38,950					15,340,950
Delmar							230,000		230,000
Denton			1,523,732						1,523,732
Dorchester County								8,000	8,000
Frederick	1,363,000								1,363,000
Garrett County							324,000		324,000
Hagerstown	6,089,000		575,000	45,000				7,800	6,716,800
Havre De Grace							400,000		400,000
Kent County							500,000		500,000
Kitzmillerville							500,000		500,000
Montgomery County	49,807,000	1,101,405		25,550	60,000			14,000	51,007,955
North Beach							570,000		570,000
North East			605,840				169,000		774,840
Pocomoke City							300,000		300,000
Prince George's Cnty.	76,865,000	1,292,910		1,662,650	91,000	648,947		17,200	80,577,707
Queen Anne's County							500,000		500,000
Rdgely							394,000		394,000
Seat Pleasant			906,050						906,050
Snow Hill							520,000		520,000
St. Mary's County							453,000	10,000	463,000
St. Michaels							357,000		357,000
Washington County							500,000		500,000
Westernport			1,005,000						1,005,000
Wicomico County							500,000		500,000
Worcester County								10,000	10,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Massachusetts' communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Massachusetts amounted to \$102.8 million.

Community Development Block Grant Entitlement Program

The largest source of Housing and Urban Development community development funding in Massachusetts is the Entitlement program. In 1987, \$65 million (or 63 percent of all CPD funding to the State in that year) was provided to the State's 31 largest communities primarily to address the community development needs of their low- and moderate-income people. Cities in the Entitlement program plan their own patterns of activities to meet their particular community development needs and opportunities. Massachusetts' Entitlement cities put more of their CDBG dollars into housing rehabilitation than any other activity. Public services are the next most prominent activity among Entitlements in the State, and infrastructure and economic development follow.

State Community Development Block Grant Program

State Block Grant dollars make up the second largest source of HUD community development funding in the State. In 1987, over \$24 million in State Block Grant funds were allocated to Massachusetts on the basis of a formula. The State sets program direction and solicits applications for particular community development projects from the smaller cities and towns within the State. Since 1982, the first year the State administered the program, 99 smaller communities have received assistance at one time or another in meeting their developmental needs. Over that period, the main focus of State Block Grant projects in Massachusetts has been housing rehabilitation; about 58 percent of the money has gone toward that purpose. Economic development (22 percent) and public works (19 percent) are the next highest priorities of State Block Grant support.

Rental Rehabilitation Program

The third largest source of CPD program assistance to Massachusetts in 1987 was the Rental Rehabilitation program with \$6.6 million allotted to the State and entitled

communities within the State. Since 1984, 26 cities and towns in the State have been provided \$18 million for rehabilitation of rental units.

Thus far, 252 projects with 980 units have been completed using \$3.9 million of Rental Rehabilitation grant funds and \$12.9 million in private and other public resources. Sixty-three percent of the tenants in those units are low-income households, and 27 percent are moderate-income. Of all tenants, 36 percent have received either Rental Rehabilitation-related vouchers or certificates. Another 26 percent have received some other form of rental assistance, including non-Rental Rehabilitation-related vouchers or certificates.

Urban Development Action Grant

One hundred and fifty-one Action Grants of more than \$270 million have gone to 36 Massachusetts communities since 1978. Those grants have leveraged more than \$1.7 billion in private investment and are expected to produce over 40,173 new jobs and retain over 10,000 others. In addition, housing-related Action Grants have rehabilitated more than 1,500 units and constructed more than 2,500 others.

Community Development Funding to Massachusetts Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$1061
Small Cities/State Grants	250
Section 108 Loan Guarantees	45
Jobs Bill	22
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	3
Urban Development Action Grants	270
Rental Rehabilitation Program Grants	18
Section 312 Rehabilitation Loans (FY '84-'87)	4
Urban Homesteading	1
Emergency Shelter Grants	2
Total	\$1,676



The Boston Housing Partnership, Inc.

In Boston (pop. 563,000), affordable housing, especially for low- and moderate-income people, is probably the major community development challenge. Rapid escalation in housing costs, a large student population making demands on existing housing, gentrification, and an absence of developable land for new housing have combined to reduce the amount of affordable lower-income housing in Boston. Housing abandonment and deterioration in some lower-income parts of the City are particularly distressing. The Boston Housing Partnership evolved out of discussions during late 1982 among City officials, private business leaders, and representatives of the neighborhood organizations about a public and private response to housing affordability by targeting soft markets for affordable housing development. The strategy utilizes acquisition, rehabilitation, and new construction as necessary elements.

Community-based Ownership

The first project undertaken by the Partnership involved the acquisition and rehabilitation of 69 buildings with 700 units in ten different neighborhoods of the City. A community development corporation (CDC) in each of the ten areas acquired the properties through the Partnership. Each CDC assumed responsibility for supervising construction on its properties. They selected architects, engineers, attorneys, and contractors. As sponsors, these organizations renovated the buildings, set up the tenant selection process, managed the properties, and will own the buildings after 15 years. Community-based ownership of such properties ensures that the process of rehabilitation is undertaken with a long-term commitment to maintaining properties as resources of the community.

The Partnership serves as a catalyst for the accumulation and coordination of public and private resources for community-based non-profits that want to acquire and develop significant numbers of rental housing units for low- and moderate-income families. The Partnership provides ad-

vantages of scale not available to individual community development corporations. It has ready access to the Boston business and political communities, it possesses technical and political sophistication that individual CDCs cannot match, and the Partnership can bring together large financing packages.

In its first project, the Partnership brought together the skills and resources of 11 City departments, six State agencies, six foundations, six banks, and four financial agencies to accomplish its program. It arranged \$22.3 million of first mortgage financing, \$10.7 million in equity financing, \$4.5 million in Block Grant Entitlement funding from the City, \$630,000 of private foundation grants, and \$3.4 million in annual subsidy payments for the ten community-based non-profits. Altogether, \$8.5 million of Block Grant funding has supported the operation of the Partnership and project rehabilitation financing.

Model Affordable Housing

At this point, the efforts of the Partnership have produced 700 units scattered throughout the city. Most of the units were once abandoned and/or deteriorated and now are decent, safe, and affordable for lower-income households. The Partnership is now well into a second major project - the purchase and renovation of 1,100 units of Housing and Urban Development foreclosed property in very poor condition -- for lower-income rental.

The Partnership's ability to address affordable housing issues in Boston by combining private and public commitments is considered a model for local financing of affordable housing in a complex and costly housing market.



Brockton (pop. 95,892). The plight of homeless women with children was addressed by the David Jon Louison Child Center in Brockton. **The Center acquired a large residential facility to be used for temporary housing for single or separated pregnant and/or parenting young women without homes until they can find permanent housing.** \$40,000 in Block Grant Entitlement funding contributed to building renovation and underwrote part of the administrative costs of the operation. The facility provides 12,000 bed days per year to homeless women with children.

Chicopee (pop. 56,484). Many cities in New England face the question of what to do with the big, old textile mill complexes that once formed the economic heart of the communities, but now are empty and deteriorating relics of the past. **The City of Chicopee decided to use a vacant mill building strategically located in the center of downtown as a small business incubator.** With \$200,000 in Block Grant Entitlement funds and additional private funding, the City was able to retrofit the structure as 43,000 square feet of light manufacturing space with low rent, shared services, and technical business assistance to startup firms. So far, the project has been instrumental in the creation of 74 jobs, 48 of which are available to low- and moderate-income persons.

Lowell (pop. 92,418) The Acre neighborhood of Lowell had deteriorated badly over the last 20 years with blocks of burned-out three-deckers, vacant lots, garbage, junk, and abandoned cars. Crime and drug dealing were prevalent. One statistic was especially telling -- only one percent of the buildings in the neighborhood were owner-occupied. The strategy chosen to revitalize the area was lower-income homeownership. The Lowell Department of Planning and Development assembled a \$435,000 Action Grant, \$711,000 in Block Grant Entitlement funding, and \$1 million from other public sources **to construct 20 new and 17 rehabilitated units to be sold to low-income residents (chosen by lottery) who will live in the houses.** Also supported by the public dollars were off-street parking spaces, a park, a playground, clearance of burned-out buildings, and reconstruction of streets and sidewalks. The First Bank and Trust provided construction financing, and AETNA Life and Casualty Company provided mortgages.

Lowell Further decline of downtown Lowell appeared inevitable as recently as 1975. There was little or no capital investment there, property values were falling, and the City tax foreclosures were rising. At the request of the local Congressman, nine banks set up the Lowell Development and Financial Corporation (LDFC). The goal of the LDFC was straightforward: **to revitalize downtown Lowell by giving building owners the incentive to borrow at low-interest rates to restore their properties and offering banks the incentive to lend.**

All nine local banks provided the initial capital by purchasing stock. A revolving loan fund was established which offered up to 30 percent of a project's appraised completion value at an interest rate of about 40 percent of the prime lending rate. The City of Lowell supplements LDFC's capital base by funneling Action Grant paybacks through the LDFC. The LDFC, in turn, reloan the money in the community.

LDFC currently has over \$10 million in assets, and all local banks participate. Thus far, the LDFC has made 85 loan commitments totalling over \$3 million in downtown Lowell. The City has made a comeback.

Quincy (pop. 84,783). The City of Quincy initiated a housing rehabilitation program targeted to the special needs of people with handicaps. Using \$93,500 in Block Grant Entitlement funding, **the city provided rehabilitation grants to homeowners and modernization grants to the housing authority to increase handicapped access.** During 1986-87, 25 private units and eight units in public housing projects were rehabilitated for those having handicaps.

Community Development

Funds to Massachusetts

Name,	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	State CDBG FY 85	State Rental Rehab FY 85	Total
Adams Town							\$668,500		\$668,500
Arlington	\$ 12,071,000								12,071,000
Athol Town							599,500		599,500
Attleboro	1,734,000		\$165,800						1,899,800
Ayer Town			4,928,000				585,000		5,513,000
Beverly			2,600,000				15,000		2,615,000
Blackstone							565,360		565,360
Boston	321,692,000	\$4,618,920	72,938,763	\$381,000	\$2,153,250	\$387,065			402,170,998
Brockton	17,984,000	340,520	1,062,600						19,387,120
Brookline	181,185,000	181,050			114,950				18,481,000
Cambridge	45,120,000	691,000	13,093,600	50,000					58,954,600
Charlton							175,000		175,000
Charlton Town							646,366		646,366
Chelsea			9,563,500				749,950	\$ 250,000	10,563,450
Chicopee	14,772,000	59,000	1,500,000					100,000	16,431,000
Clinton			1,075,000				428,325		1,503,325
Colrain							456,814		456,814
Easthampton							538,276	100,000	638,276
Everett			3,176,200				700,000		3,876,200
Fall River	46,572,000	716,070	15,269,752	43,000	222,600				62,823,422
Fitchburg	14,346,000		625,000					100,000	15,071,000
Framingham	6,842,000	62,000							6,904,000
Franklin Town							10,000		10,000
Gardner			246,000				715,000		961,000
Gloucester	6,984,000								6,984,000
Great Barrington Town							500,000		500,000
Greenfield Town			750,000				660,000		1,410,000
Hardwick Town			420,000						420,000
Haverhill	19,173,000		6,229,000					200,000	25,602,000
Holbrook							575,000		575,000
Holyoke	25,749,000		3,316,000						29,065,000
Hudson Town							15,000		15,000
Huntington							366,839		366,839
Lancaster Town							30,000		30,000
Lawrence	26,914,000	596,890	13,800,000	31,000	53,350				41,395,240
Leominster	5,722,000								5,722,000
Lowell	34,344,000	435,200	13,435,000	33,000					48,247,200
Lynn	40,995,000	428,240	7,567,000	42,000					49,032,240
Malden	32,018,000	144,500	7,714,703		135,950				40,013,153
Marshfield Town							215,875		215,875
Maynard							558,484		558,484
Medford	18,657,000	62,000		25,000	51,600				18,795,600
Melrose							637,118		637,118
Methuen Town							463,000	40,000	503,000
Middleboro Town							265,000		265,000
Millbury							9,000		9,000
Monson Town							316,878		316,878
New Bedford	66,145,000	820,300	3,970,363	44,000	123,450				71,103,113
Newburyport							12,000		12,000
Newton	23,378,000			32,000					23,410,000
North Adams							89,598		89,598
Northampton	2,626,000						520,000		3,146,000
Northbridge Town							627,525		627,525
Norton Town							435,000		435,000
Norwood							42,500		42,500
Orange Town							393,500		393,500
Oxford Town							388,700		388,700
Palmer Town							244,520		244,520
Peabody			16,330,000				538,800		16,868,800
Pittsfield	19,057,000	218,940	556,000						19,831,940
Plymouth Town					69,850				69,850
Provincetown Town							345,800		345,800
Quincy	23,269,000	302,700	6,790,000	31,000	99,900				30,492,600
Revere			7,019,400				720,000	100,000	7,139,400
Salem	8,081,000		3,593,596					250,000	11,924,596
Saugus							10,000		10,000
Somerville	34,468,000	511,300	8,280,000	45,000					43,304,300

Community Development

Funds to Massachusetts

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	State CDBG FY 85	State Rental Rehab FY a5	Total
Southbridge Town			\$508,873				\$363,500		\$872,373
Spencer Town							20,000		20,000
Springfield	\$ 75,355,000	\$ 1,053,600	31,576,671	\$ 66,000	\$ 263,900	\$ 181,800			108,496,971
Stoneham							265,500		265,500
Taunton			365,000				745,176	\$65,000	1,175,176
Templeton Town							10,000		10,000
Wakefield							15,000		15,000
Waltham	11,778,000		575,000		67,100				12,420,100
Ware Town							495,000		495,000
Webster Town			610,000		298,700		740,000	200,000	1,848,700
West Springfield			2,040,000				655,300		2,695,300
Westfield	1,537,000								1,537,000
Weymouth	7,156,000				26,600				7,182,600
Winchendon Town							525,000		525,000
Winthrop							685,000		685,000
Worcester	70,262,000	961,320	8,700,000	75,000					79,998,320

Michigan



The U. S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Michigan's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibilities for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Michigan amounted to \$168.5 million.

Community Development Block Grant Entitlement Program

Since the program was initiated in FY 1975, community development support to Michigan's larger cities of over 50,000 in population through the Block Grant Entitlement program has totaled \$1.4 billion. In FY 1987, Entitlement grantees were allocated \$91.9 million and used the funds for activities benefitting primarily low-income residents. Entitlement grantees' budgeting patterns in FY 1986 demonstrated their commitment to housing rehabilitation. An average of 41 percent of Entitlement funds were budgeted for housing rehabilitation by a sample of 14 Michigan Entitlement cities and urban counties.

Michigan's State Community Development Block Grant Program

State Block Grant funds are administered by the State government, which makes grants to communities with less than 50,000 population and not otherwise eligible for Entitlement funds. The State-administering agency sets priorities that meet national requirements, simultaneously stressing needs unique to Michigan. The State Block Grant program is the major source of urban aid to Michigan's small towns, villages, and counties. Since FY 1975, \$324.5 million has been allocated to Michigan's small communities and \$27.9 million was allocated in FY 1987.

Urban Development Action Grant Program

The Urban Development Action Grant program encourages private investments for promoting economic development in distressed areas. Grants totalling \$299.7 million were made to 119 eligible Michigan communities since initiation of the program. Private investments in these projects totalled \$3.2 billion or 10.1 private dollars for each Action Grant dollar. More than 15,500 jobs were

created and more than 8,000 jobs were retained as a result of Action Grant projects. In FY 1987, ten grants totalling \$8.2 million were made.

Housing Rehabilitation

Recipients of unoccupied properties owned by Housing and Urban Development, transfer the properties at nominal or no cost to homesteaders who agree to repair them within three years and to live in them for a minimum of five years. In FY 1987, 44 properties valued at \$568,131 were transferred to new owners for rehabilitation.

The Rental Rehabilitation program seeks to increase the supply of affordable housing for low-income housing. In FY 1987, \$6.5 million was allocated to Michigan for the Rental Rehabilitation program.

Community Development Funding to Michigan Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$1,402
Small Cities/State Grants	325
Section 108 Loan Guarantees	212
Jobs Bills	56
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	4
Special Projects (FY '85-'87)	0
Urban Development Action Grants	300
Rental Rehabilitation Program Grants	16
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	4
Emergency Shelter Grants	2
Total	\$ 2,323
(Note: Detail may not add to total due to rounding.)	



From the Ashes: Detroit's Virginia Park Project

In 1967 riots reduced Detroit's Virginia Park neighborhood to rubble, destroying almost totally its commercial and economic base and severely crippling morale and neighborhood identity. Events in Virginia Park resembled problems in other inner-city areas. When black residents moved into the area, whites moved out. City government services were reduced and crime rose. Absentee landlords discontinued maintenance and raised rents. The difference between Virginia Park and other neighborhoods was that, working with the City, the State, and the private sector, residents were determined to reverse their deteriorating conditions. The U.S. Department of Housing and Urban Development's Community Development Block Grant program funds became an important part of both the City and residents' plans for revitalization.

City Initiation of the Virginia Park Project

The Virginia Park project was conceived prior to the riots in 1966 by a group of concerned residents and businessmen. These persons united to establish a community organization called the Virginia Park Rehabilitation Program. The group's mission was to resurrect a 500-acre area. That same year they requested and received Housing and Urban Development grants through the City of Detroit to plan their community rehabilitation efforts. Work on planning began immediately with the objective of reducing blighting influences; rezoning land for new construction that included housing, a commercial center, parks and playground; installing new streets, street lights, and a community center. Also included, was a plan to aid homeowners in rehabilitating existing dwellings through low-interest loans and grants.

The "Snag" in City's Planning Efforts

On July 23, 1967, a riot erupted in Virginia Park. About 90 percent of the commercial establishments and many residential units were destroyed. As a result of the riot, planning was accelerated. The Virginia Park Citizens' District Council, established in 1968 to continue planning and oversee its implementation, has been a constant advocate for neighborhood revitalization. Initial support for the Council came from a City commitment of \$188,000 in Community Development Block Grant Entitlement funds.

Other Financial Contributions

Henry Ford Hospital joined with Virginia Park in 1974 through the Virginia Park/Henry Ford Hospital Joint Venture, investing \$50 million for the construction of a new clinic. The Venture also included new housing for low- and moderate-income families. A total of 350 units of housing including 66 garden apartments, 84 townhouses, and 200 senior citizen highrise units were

erected at a total cost of \$16 million. The units were completed and fully occupied one year later. In 1982, Block Grant Entitlement funds totalling \$8.5 million were committed to various Virginia Park projects by the City, largely for infrastructure and housing-related support.

Adjacent to the Village residential complex, vacant land was designated for single-family detached housing development. Public facilities improvements were made using \$90,000 in Block Grant Entitlement funds. This project marked a milestone for the City -- the first single family housing development in 20 years.

Service Support to Housing Development

The Virginia Park Non-Profit Housing Corporation, incorporated to develop the first 86 townhouse units, completed 86 units in 1978 at a cost of \$3.2 million. All are now fully occupied.

Virginia Park Community Investment Associates organized to redevelop a neighborhood shopping center and replace many of the commercial services and jobs lost due to the riot. Most of the funds for financing the development of service support were raised by selling stock to community residents. Though initial sales were hardly brisk, they believed in what they were doing and stuck with the project. The shares are now worth considerably more than the \$100 original investment. On a six-acre site a shopping center with two anchor stores, a supermarket, drugstore, and six smaller stores were constructed. An Urban Development Action Grant of \$750,000 stimulated the additional private sector investment that made the shopping center a reality.

The new developments in Virginia Park are impressive, but even more dramatic is the revitalization of existing housing. The old, stately houses in Virginia Park have been renovated through self-help efforts and Block Grant program assistance. The pride of individual homeowners is evident, as well-maintained yards and flowers reflect their success in defeating the forces of deterioration that are frequently evident in inner-city neighborhoods.



The U.S. Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of Michigan. The following local ventures illustrate the diversity and creativity of Michigan's projects:

Battle Creek (pop. 56,339) major employer, Kellogg Corporation, was making a decision on whether to stay in Battle Creek or move elsewhere. In an unusual agreement, Kellogg agreed to stay and expand if the City and township of Battle Creek would merge. Voters in both localities agreed. **Battle Creek** revitalized their Central Business District, using a \$10.5 million Urban Development Action Grant. Kellogg invested \$63 million in the **construction of a new World Headquarters Building that employs 250 new staff members**. Retention of the company in Battle Creek preserved 600 positions.

Detroit (pop. 1,203,339) and **Hamtramck** (pop. 21,300) found themselves in a crucial economic situation, resulting in a **cooperative decision to provide the General Motors Corporation with a development site for construction of an automobile assembly plant employing over 3,000 people**. The input of feeder plants and local service industries resulted in retention and creation of many thousands of jobs, new tax revenues, and overall enhancement of Detroit's economic base. The cities invested \$8.5 million in Community Development Block Grant Entitlement funds and a \$30 million Action Grant, stimulating investments of \$21 million by CONRAIL for rail facilities, \$500 million by General Motors for plant construction, and a \$15 million Economic Development Administration grant for site preparation.

Kalamazoo (pop. 79,722) established **Center City Housing, Inc. which provides assistance to families and individuals without decent housing** and especially hard-to-serve groups such as the homeless. The Center provides assistance to people who otherwise may not be eligible for housing assistance and related services. Center City is funded through \$18,440 in Block Grant Entitlement funds and \$90,850 in other public funds and private aid.

Kalamazoo Township (pop. 22,000) using \$1.1 million in State Block Grant funds initiated the revitalization of several neighborhoods. Rehabilitation of 87 homes, energy conservation measures, public facilities improvements, water/sewer replacement, substandard building demolition/clearance, and development of strong neighborhood associations led to the **upgrade of many substandard sections of the Township and subsequent voluntary upgrading of nearby neighborhoods**.

Houghton (pop. 7,512) developed a master plan to implement substantial improvements in the downtown area and the city made redevelopment of its Central Business District a priority. The City has already constructed a mooring dock facility to encourage tourist boat traffic, a waterfront park, and street and parking improvements. By establishing interior corridors, Houghton created a mall-effect in two downtown blocks and encouraged pedestrian traffic. The \$423,000 State Block Grant invest-

ment resulted in more than \$3.8 million in matching State, and county grants and private sector financing.

Meridian Charter Township (pop. 28,754) found a **solution to the seriously blighted housing that deterred developers and prospective homeowners from constructing new housing in the Township**. The area had been "redlined" by lending institutions guaranteed by Housing and Urban Development's Federal Housing Agency. Meridian put together a package that included housing rehabilitation, demolition of substandard dwellings, and upgrading of several neighborhoods. The entire area was revitalized without displacing any homeowners. Developers cooperated, donating a bikeway path and vacant lots for recreational purposes. By investing \$1 million in State Block Grant funds, Meridian, succeeded in removing the "redline" and created a renewed local 'pride of place.' Other public and private sector investments totalling nearly \$7 million were made by State and County agencies and local companies.

The Sault Ste. Marie Tribe of Chippewa Indians (pop. 14,224) formed a joint-venture company with a **solar heating device manufacturer. The Tribe entered the private sector through this investment and reduced many reservation residents' heating costs**. Housing and Urban Development housing loan subsidies of \$98,000 plus aid from the National Congress of American Indians Conservation Bank Program established the Sunburst Joint Venture and resulted in installation of solar heating systems in 30 tribal homes. Sunburst also receives orders from other tribes and private citizens.

Community Development

Funds to Michigan

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Urban Home- steading FY 75-86	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	Total ⁽¹⁾
Ann Arbor	\$ 21,546,000	\$510,500						\$22,056,500
Bad Axe			\$400,000					400,000
Bangor			645,000					645,000
Baraga			300,000					300,000
Battle Creek	15,018,000	1,925	22,708,000					37,727,925
Bay City	20,034,000		390,000					20,424,000
Bay Mills Reservation						\$664,320		664,320
Benton Harbor	8,854,000		1,702,000	\$61,950				10,617,950
Cadillac			1,200,000					1,200,000
Clinton Twp	11,073,000							11,073,000
Coldwater			785,000					785,000
Dansville			914,000					914,000
Dearborn	26,407,000				\$ 34,000			26,441,000
Dearborn Heights	11,657,000							11,657,000
Detroit	630,059,000	4,236,500	130,072,455	1,154,906	879,000			766,401,861
Douglas			827,000					827,000
Dowagiac			35,000					35,000
East Lansing	8,018,000	113,200						8,131,200
East Tawas			449,000					449,000
Edmore			650,000					650,000
Escanaba			1,175,000					1,175,000
Farmington Hills	4,236,000							4,236,000
Flint	76,523,000	790,400	34,916,975	1,261,656	71,000		\$346,400	113,909,431
Genesee County	32,942,000	153,200		266,276	37,000		199,500	33,597,976
Grand Haven			367,782					367,782
Grand Rapids	55,120,000	955,609	6,060,000	167,788	57,000			62,360,397
Grand Traverse Bd of Ch						1,129,750		1,129,750
Grayling			70,397					70,397
Greenville								90,000
Hamtramck			32,700,000					32,700,000
Hancock			75,000					75,000
Hannahville Indian Res.						107,690		107,690
Hazel Park				62,167				62,167
Highland Park			225,000	180,755				405,755
Hillman			2,987,000					2,987,000
Holland	1,388,000							1,388,000
Houghton			1,741,598					1,741,598
Inkster				31,369				31,369
Ionia			950,000					950,000
Iron River			584,000					584,000
Jackson	19,742,000			165,356			357,000	20,264,356
Kalamazoo	22,029,000	409,533	650,000	34,600	28,000			23,151,133
Keeweenaw Bay Indians						1,388,334		1,388,334
Kent County	9,146,000							9,146,000
Kinross Twp			500,000					500,000
Lansing	41,387,000	662,800	15,385,000	80,518	25,000		111,100	57,651,418
Lincoln Park	10,370,000							10,370,000
Livonia	9,712,000							9,712,000
Mackinac Island			600,000					600,000
Mackinaw City			342,670					342,670
Macomb County	10,491,000	78,600						10,569,600
Madison Heights				33,319				33,319
McMillan Twp			1,425,000					1,425,000
Midland	986,000							986,000
Monroe			150,500					150,500
Muskegon	16,232,000		9,034,071					25,266,071
Muskegon Heights	8,046,000		450,000					8,496,000
Niles			143,000					143,000
Norton Shores	2,221,000							2,221,000
Oakland County	51,756,000	467,279			56,000		77,900	52,357,179
Owosso			446,000					446,000
Pontiac	28,850,000	298,300	11,925,721		26,000			41,100,021
Port Huron	6,761,000		3,327,000	53,926				10,141,926
Portage	3,396,000							3,396,000

(1) Due to lack of space, this table does not include State CDBG grantees and funds for PI 1985 which totaled \$ 32,140,000, State Rental Rehabilitation grantees and funds for PI 1985 which totaled \$ 1,557,000, or State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$ 1,128,000.

Community Development

Funds to Michigan

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Urban Home- steading FY 75-86	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	Total ⁽¹⁾
Potawatomi Ind. Res.						\$ 48,500		\$48,500
Redford	\$ 10,776,000							10,776,000
River Rouge			\$2,500,000					2,500,000
Roseville	7,457,000							7,457,000
Royal Oak	13,828,000							13,828,000
Saginaw	39,597,000	\$ 451,600	2,657,500	\$843,087	\$40,000			43,589,187
Saginaw-Chippewa Tribe						289,000		289,000
Sault Ste. Marie Tr. Chip.						619,250		619,250
Sault Ste. Marie			685,000					685,000
Southfield	6,035,000							6,035,000
St. Clair Shores	10,026,000							10,026,000
Sterling Heights	7,637,000							7,637,000
Taylor	10,359,000							10,359,000
Troy City	3,935,000							3,935,000
Warren	20,571,000							20,571,000
Waterford Twp	6,899,000							6,899,000
Wayne County	54,119,000	740,700			58,000			54,917,700
Westland	13,458,000							13,458,000
Wheatland Twp			84,000					84,000
Wyandotte			4,035,000					4,035,000
Wyoming	7,209,000							7,209,000
Ypsilanti			2,353,025					2,353,025

⁽¹⁾ Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$ 32,140,000, State Rental Rehabilitation grantees and funds for FY 1985 which totaled \$1,557,000, or State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$1,128,000.



The U. S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Minnesota's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibilities for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Minnesota amounted to \$76.2 million.

Community Development Block Grant Entitlement Program

In dollar contributions-- \$504 million since 1975-- the Entitlement program is the largest provider of aid to Minnesota central cities and urban counties, generally those over 50,000 in population. In FY 1986, Bloomington budgeted 37 percent of its Block Grant Entitlement funds for improving public facilities and 28 percent for rehabilitating single-family dwellings. Minneapolis also devoted a large portion of its Block Grant Entitlement funds for the rehabilitation of single-family (12 percent) and multi-family dwellings (15 percent).

State Block Grant Program

Since 1975, \$218 million from Housing and Urban Development have been distributed from the State Block Grant program to Minnesota's smaller cities, generally those with populations under 50,000 and not otherwise eligible for Block Grant funding. Through State-administered programs, Block Grant funds aid low- and moderate-income persons, retain and create jobs through economic development, and provide infrastructure support and services.

Urban Development Action Grant Program

Action Grants help eligible communities stimulate their local economy and assist in the creation and retention of jobs in distressed areas, particularly for low- and moderate-income persons. From FY 1975-1987, 74 grants were made to Minnesota's cities, totalling \$128.8 million. These funds leveraged public-private contributions amounting to \$896 million--a ratio of seven non-Federal dollars for every Federal dollar invested. More than 15,500 new jobs were created in Minnesota and more than 8,100 jobs retained through Action Grants.

Rehabilitation and Homesteading

The Urban Homesteading program provides for the transfer of substandard properties at no cost to homesteaders who agree to repair them in three years or live in them for a minimum of five years. In FY 1986, 148 property transfers valued at \$2.3 million had taken place in Minnesota communities. The Rental Rehabilitation program provides funds by formula to the State and cities with populations of 50,000 or more, urban counties and other local governments. The funds are used to rehabilitate existing private rental housing units and to offer rental assistance to eligible lower-income tenants through housing voucher and Section 8 certificates. In FY 1987 \$2.6 million was made available to eligible cities and counties for distribution to owners of rental properties.

Community Development Funding to Minnesota Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$504
Small Cities/State Grants	218
Section 108 Loan Guarantees	6
Jobs Bill	14
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	6
Special Projects (FY '85-'87)	0
Urban Development Action Grants	129
Rental Rehabilitation Program Grants	9
Section 312 Rehabilitation Loans (FY '84-'87)	5
Urban Homesteading	2
Emergency Shelter Grants	1
Total	\$893
(Note: Details may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of Minnesota. The following local ventures illustrate the diversity and creativity of Minnesota projects:

Adrian's (pop. 1,336) central business district was deteriorated and in need of revitalization. Businesses had been closing at a steady pace for over five years, retail trade was leaving town, jobs were being lost, and residents and shoppers had grown weary of a rundown and untidy main street. Adrian **took** the problem in hand and using \$600,000 in State Block Grant funds and \$600,000 in other public funds, **relocated and rebuilt four existing main street businesses and rehabilitated a major existing business.** Also, a hotel was renovated into housing for the elderly. The project resulted in an annual increase of \$26,800, in local tax revenue, the creation of 24 new permanent jobs, the construction of 16 new housing units, and the renovation of seven businesses.

Cass Lake (pop. 1,001) is a small city in southern Minnesota that found itself confronted by a seriously depressed economy and a blighted east-side neighborhood. Using \$1.4 million in State Block Grant funds and \$60,000 in other public-private funds, **the City rehabilitated 56 dwellings, extended sewer and water infrastructure to previously unserved dwellings, improved streets, and renovated a dilapidated old building into a senior citizen center.** Increased tax revenues now bring \$25,000 annually to the community and 300 temporary construction jobs were created.

Duluth's (pop. 92,811) Community Enterprises Venture Capital/Revolving Loan Fund is a **business loan program for new and existing businesses designed to create jobs for low- and moderate-income persons.** The Fund also provides business development assistance. Thus far, 14 businesses ranging from manufacturing to service and employing over 60 new staff have been created. Fifty more jobs are expected to be created by the 14 original small enterprises and all participating companies are making timely loan repayments. Duluth used \$200,000 in Block Grant Entitlement funds, \$659,622 in other public-private funds, and \$6,000 in donations to initiate the loan fund.

Gully (pop. 125) is a small town that turned things around despite increasing economic troubles and one setback after another. The town's leaders **renovated a vacant**

school building to house a post office, grocery store, restaurant, children's clothing shop, laundromat and eight units of housing for low-income elderly. Rather than allow themselves to be overwhelmed by declining economic conditions, townspeople sought and received a \$122,960 State Block Grant and \$28,000 in other Housing and Urban Development funds, augmented by \$56,000 in other public and \$150,000 in private funds. Today, the Gully Mall is a successfully operated private venture that adds \$4,600 in annual tax revenues and employs nine persons in new jobs.

Minneapolis (pop. 345,000) found itself with a problem--how to finance rehabilitation of the Phillips Neighborhood -- an area of the City constructed largely to house railroad workers in the 1880's, now the neighborhood with the largest urban Native American population in the nation. A Neighborhood Trust was formed with the City as a participant and a letter of credit secured from Honeywell Corporation, one of the town's leading industries. Block Grant Entitlement funding provided a base of \$135,263 in aid, and \$1 million in private financing, some with Federal Housing Administration underwriting, was secured. Using these funds, **35 units (with Housing and Urban Development Section 8 Housing Certificates) were renovated and provide affordable housing to low-income and minority tenants.**

St. Paul (pop. 270,230) established an **Energy Park as a model of an energy-efficient urban environment.** Structures in the Park must demonstrate the most innovative energy conservation and usage techniques and technologies and apply them to the needs of urban living. **The Park is a comprehensive inner-city development effort, providing St. Paul with new housing, businesses, industries and services for residents, employees and businesses.** It was designed, developed, and now operates in a manner which fully integrates today's requirements for an energy-efficient physical plant with urban needs. Thus far, 60 low-income residents and 49 minority persons have secured jobs in the Park. The City used a \$3.4 million Action Grant to leverage \$39.2 million in private funding -- almost twelve public-private dollars were invested for each Federal dollar.

Community Development

Funds to Minnesota

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	Urban Home- steading FY 75-86	Formula Emerg. Shelter FY 87	State CDBG FY 85	Total
Red Lake Indian Reservation					\$250,000				\$250,000
Remer								\$308,000	308,000
Rice								491,000	491,000
Rice Lake Twp-St. Louis Cty								700,000	700,000
Rochester	\$6,959,000	\$52,000		\$228,700					7,239,700
Rush City			\$544,000					700,000	1,244,000
Russell								472,000	472,000
Ruthton								412,000	412,000
Sandstone			105,000						105,000
Shakopee-Mdewakanton I R					80,000				80,000
Sibley County								466,000	466,000
Spring Grove								300,000	300,000
St. Cloud	6,903,000		1,343,700						8,246,700
St. Paul	150,435,000	1,336,580	52,503,000	1,066,300		\$ 505,355	\$115,000		205,961,235
St. Paul Park								350,000	350,000
Stephen								75,000	75,000
Strathcona								139,000	139,000
Trimont								201,000	201,000
Two Harbors			1,455,000						1,455,000
Upper Sioux Reservation					128,750				128,750
Virginia			3,666,731					227,000	3,893,731
Wabasso			137,750						137,750
Waltham								165,000	165,000
Washington County				126,200					126,200
Wendell								306,000	306,000
White Earth Reservation					550,000				550,000
Willmar								376,000	376,000
Winona			550,000					464,000	1,014,000
Worthington								250,000	250,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Mississippi's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Mississippi amounted to \$50 million.

Community Development Block Programs

Through the years, the two major community development programs in Mississippi have been the Community Development Block Grant Entitlement program and the State Block Grant program. The Entitlement program provides funds directly to communities with populations generally greater than 50,000. The State program assists communities under 50,000, not otherwise eligible for Block Grant assistance. In FY 1987, grants of \$27.2 million in community development funds were made to the State of Mississippi for the State Block Grant program and \$4.9 million directly to cities for the Entitlement program.

Mississippi's State Urban Development Action Grants

Seeking to more aggressively promote economic development in its most distressed areas, in FY 1987 Mississippi's communities competed with the largest cities in the nation for their share of the \$235 million available from the Urban Development Action Grant program. Mississippi was successful, receiving awards totalling almost \$16 million and ranking sixth in the Nation in total Action Grant dollars awarded. In the previous nine years of the program, Mississippi's awards averaged \$2.6 million annually and had never exceeded \$10 million.

This outcome was not accidental. It came about through the concerted and cooperative efforts of the U.S. Department of Housing and Urban Development's Field Office in Jackson, the Mississippi Power and Light Company, and the Mississippi Research and Development Center. Working together, they targeted 25 of the most economically distressed cities in the State, offering them intensive assistance through mini-workshops and one-on-one contact with teams of economic development specialists.

The concept underlying the Action Grant program is that economic development can be undertaken in areas normally unattractive to private investors by using Federal support to make projects financially feasible. The idea of a public/private partnership to create jobs for Mississippians was promoted through such organizations as the Mississippi Municipal Association, Mississippi Industrial Council, the Legislative Committee for Economic Development, and the Planning and Development Districts Directors' Association.

The \$16 million awarded in FY 1987 is going to nine Action Grant projects. These Federal dollars will make feasible a private sector investment of over \$315 million, for a ratio of twenty private dollars to every one public dollar. To Mississippi, this means 1,564 new jobs. For more detail on Mississippi Action Grants, some of the individual projects are profiled on page 131.

Community Development Funding to Mississippi Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$142
Small Cities/State Grants	322
Section 108 Loan Guarantees	4
Jobs Bill	10
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	1
Urban Development Action Grants	39
Rental Rehabilitation Program Grants	4
Section 312 Rehabilitation Loans (FY '84-'87)	1
Urban Homesteading	0
Emergency Shelter Grants	1
Total	\$ 524
(Note: Detail may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Mississippi. A number of local ventures illustrate the diversity and creativity of Mississippi's projects:

In Biloxi (pop. 49,311), a new waterfront area called the Seafood Harbor and Marketplace has replaced a sorry and decaying port facility. With the help of \$549,000 in Entitlement Block Grant funds and an additional \$1 million from other Federal, State, and local public sources, developers have put in new docking facilities, improvements to streets and lighting, a new seafood market and a restaurant. Total private project costs now exceed \$9.4 million and 117 new jobs have been created.

Ninety rundown housing units in the Roundyard Redevelopment Area of Clarksdale (pop. 21,137) were acquired and either rehabilitated or replaced with the aid of a \$3 million U.S. Department of Housing and Urban Development Small Cities Program Grant (now administered by the State as the State Block Grant Program). In all, 30 new units were constructed and 72 were rehabilitated, a result which has brought new life to a very substandard neighborhood.

As part of an Enterprise Zone in Bolivar County, the City of Cleveland (pop. 14,524) obtained a \$1.6 million Urban Development Action Grant to assist in the expansion of the DuoFast Corporation facility. Other public contributions included an income tax credit from the State and a property tax exemption from the County. DuoFast put \$8 million into the project which has produced 120 new full time jobs and added \$1.5 million to the area's payroll.

The construction of a new, wood chipping plant and barge loading facility in Columbus (pop. 27,383) was made possible through a \$700,000 Urban Development Action Grant. Due to be completed in December, 1987, this project will create 122 new permanent jobs and add \$21,000 annually to the tax base of Columbus.

Just approved in September, 1987, Action Grant funds will assist in the construction of a state-of-the-art newspaper mill in Grenada (pop. 12,641). A large project, \$8.5 million from the Action Grant program, will leverage over \$275 million in private investment. This facility will result in significant economic benefits to the area. Not only will the project add 229 jobs to the economy, the plant will use timber grown by local producers.

Another forest products facility has recently been completed in Leakesville (pop. 1,120), where a \$490,000 Action Grant coupled with \$612,500 from the State Block Grant program leveraged \$2 million in private money to construct a lumber processing plant. This totally new plant is designed to produce timber in metric sizes for European and Far Eastern markets. The 105 new jobs created by the plant are badly needed in Greenup County, which has one of the highest unemployment rates in the State.

In Natchez (pop. 22,015), \$1.2 million in 1981 from the U.S. Department of Housing and Urban Development's Small Cities Program (now administered directly by the State as the State Block Grant program) was used to redevelop the St. Catherine Street area: 20 dilapidated housing units were demolished; 18 owner-occupied units were rehabilitated; 15 new units were constructed; a new park was built; and a residence of historical significance was rehabilitated for use as a neighborhood facility.

The City of Pascagoula (pop. 29,318) has created a model recreation area for play and therapy with the help of \$44,000 in Entitlement Block Grant money. Starting with a local commission's desire to build a playground for the handicapped, adding an undeveloped land site donated by a local family, the ultimate result was made possible only through the volunteer contributions of private sector contractors who gave grass seed, asphalt paving, conduit and culverts, Teachers and therapists donated their expertise to design the equipment and program.

Tutwiler (pop. 1,174), with the help of \$80,000 from the State's Block Grant program, was able to renovate and expand the town-owned health clinic housing the community's only doctor. In addition, the State Block Grant Program provided \$62,600 to replace a dangerously deteriorated bridge.

The City of Winona (pop. 6,177) plans to use \$295,000 of State Block Grant money as a loan to a local industry for the purchase of equipment. The firm will in turn build a new facility and create 200 full-time jobs in an area of the State suffering from chronic unemployment.

Community Development

Funds to Mississippi

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Mathiston						\$95,000			\$ 95,000
McComb			\$717,500			788,000			1,505,500
Mendenhall						89,000			89,000
Meridian								\$ 18,353	18,353
Metcalfe			832,546						832,546
Mize						108,000			108,000
Monroe County						119,000			119,000
Montgomery County						852,000			852,000
Moss Point	\$4,223,000								4,223,000
Mount Olive						119,000			119,000
Natchez			136,000						136,000
Nettleton						124,000			124,000
Oxford						82,000			82,000
Paden						20,000			20,000
Panola County						101,000			101,000
Pascagoula	5,880,000						\$231,000		6,111,000
Petal						751,000	34,363		785,363
Philadelphia						95,000			95,000
Picayune			257,000						257,000
Pope						381,000			381,000
Poplarville						1,082,000			1,082,000
Prentiss County						148,000			148,000
Quitman County						147,000			147,000
Rolling Fork						451,000			451,000
Shannon						172,000			172,000
Silver City						385,000			385,000
Smithville						232,000			232,000
Starkville						601,000			601,000
Stone County						293,000			293,000
Summit						132,000			132,000
Sunflower			1,650,000						1,650,000
Tallahatchie County						68,000			68,000
Tchula						426,000			426,000
Tunica						902,000			902,000
Tupelo								11,261	11,261
Tutwiler						143,000			143,000
Wicksburg						245,000	61,595	11,711	318,306
Winstonville						24,000			24,000
Woodville						272,000			272,000
Yazoo City			290,000			221,000			511,000

(1) Includes Formula Emergency Shelter Grant funds for FY 1987.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Missouri's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Missouri amounted to \$78 million.

Entitlement Community Development Block Grant Program

Nine metropolitan cities and one Urban County in Missouri qualify to receive annual grants for community development projects under the Community Development Block Grant Entitlement program, which provides direct aid to larger cities (generally those with 50,000 or more population) and Urban Counties. They are the cities of Columbia, Florissant, Independence, Joplin, Kansas City, St. Charles, St. Joseph, St. Louis, Springfield and St. Louis County. In FY 1987, these grants totaled \$41.9 million. An analysis of program spending in a sample of these communities indicates that the largest portion of the funds, 39 percent, has been used for housing rehabilitation projects.

State Community Development Block Grant Programs

In Missouri, the State Block Grant program is administered by the Department of Economic Development and is intended for use in local jurisdictions under 50,000 population not otherwise eligible for Block Grant Entitlement funds. In FY 1987, Missouri received \$21.1 million for its State Block Grant program. From FY 1982 through FY 1986, funds were used primarily for public works (66 percent), economic development (21 percent), and housing (12 percent).

Urban Development Action Grant Program

Since FY 1978, Missouri has been awarded 73 Urban Development Action Grants totalling \$134.7 million.

As a result of this funding, \$670.9 million in private funds have been leveraged, contributing greatly to improved economic conditions in the 30 communities receiving awards. On completion of these Action Grant projects, it is projected that 8,745 new jobs will have been created,

1,827 housing units will be built or rehabilitated, and \$1.6 million in annual local tax revenues will have been generated.

Community Development Housing Programs

To improve substandard housing conditions, Missouri was allocated \$3.5 million from the Rental Rehabilitation Program in FY 1987. From FY 1984 to 1987, this program has provided Missouri with \$9.9 million for housing rehabilitation. During this same period, \$3.5 million were obligated under the Section 312 Rehabilitation Program to provide loans to homeowners for housing rehabilitation. In addition, in FY 1986, \$562,000 were allocated for the Urban Homesteading Program for the purchase and renovation of deteriorating Federally-owned homes. Also, communities in the State received \$1.3 million in FY 1987 under the new Emergency Shelter Grant program to help the homeless.

Community Development Funding to Missouri Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$709
Small Cities/State Grants	254
Section 108 Loan Guarantees	38
Jobs Bill	18
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	1
Urban Development Action Grants	135
Rental Rehabilitation Program Grants	10
Section 312 Rehabilitation Loans (FY '84-'87)	3
Urban Homesteading	5
Emergency Shelter Grants	1
Total	\$1,175
(Note: Detail may not add to total due to rounding.)	



The U. S. Department of Housing and Urban Development's Community Planning and Development programs in Missouri play an important role in helping to support economic and community development projects as shown by the following brief descriptions.

In 1986, Cuba (pop. 2,120) received \$900,000 in State Block Grant funds and other public and private funds (\$1.7 million) for the development of Bailey's Industrial Park. The funds provided streets, water supply, electricity, sanitary sewer collection and treatment, parking, building renovations, and the purchase of equipment, land, and buildings. The entire industrial site was designed so that all tenant industries would be highly visible to visitors. This helped draw several additional tenants to the Park. Designation of the area as a State Enterprise Zone also served to bring in new businesses.

To rehabilitate the deteriorated Delta Children's Home for needy and troubled children, Dunklin County (pop. 36,324) used \$47,000 in State Block Grant funds, along with other public and private assistance. The home provides short-term shelter for abused children. They are allowed to remain there until they can return home or are placed elsewhere.

To replace a bridge that was condemned after many years of use, Joplin (pop. 39,023) used \$425,000 in Entitlement Block Grant funds, \$246,000 from the 1983 Jobs Bill and \$1.8 million from the Department of Transportation to construct the four-lane Vernon Sigers viaduct. Construction of this vital thoroughfare established a link between the eastern and central section of the City. It made downtown shopping and governmental facilities more accessible to a minority neighborhood.

In 1987, an Action Grant award amounting to \$2,560,000 went to Kansas City (pop. 448,159) for further development of Quality Hill. This expansion, adjacent to an earlier Action Grant project, will include 44 apartments, and 34,000 square feet of retail and office space. In addition, it will create 204 permanent and 170 construction jobs for area residents. The earlier Action Grant award for Quality Hill had already created 385 housing units. The new project will include the rehabilitation of historic and architecturally significant residential structures. On completion of the project, there will be over 52,000 square feet of commercial space complementing the residential development.

Kansas City received a \$925,000 Action Grant award in 1984 for development of the Linwood Shopping Center, a minority-owned enterprise, to be located in the central part of the City. The project was designed to provide retail and office space, a drug store, and two restaurants and has already created 196 jobs. The Country Mart Grocery, the anchor store, is bringing in \$100,000 more a week in sales than anticipated. In FY 1984, the project leveraged \$4.7 million in private investment and the estimated annual increase in local tax revenue is \$75,000.

Lebanon (pop. 9,507) received \$941,000 in State Block Grant funds and \$437,000 in other public funds for a Neighborhood Development Project. These funds provided for clearing large areas of dilapidated buildings, rehabilitating private dwellings, and relocating several families. This area will now be used to construct low-income and elderly housing.

In Memphis (pop. 2,105), the Water Storage Dam was restored in 1985 using \$208,000 in State Block Grant funds. Prior to the restoration, the dam, which impounded the City's water supply, was about to collapse due to a leaking metal spillway. Had it burst, the released water would have washed away a highway and destroyed farmland, endangering the lives of rural residents and livestock.

Mexico (pop. 12,276) in 1986 used State Block Grant funds (\$475,000) to help construct an industrial park site. The funds provided for water storage and distribution, as well as street improvements, for the site. The project leveraged \$9 million in private investment and \$278,344 in public funds. The Japanese firm Dai-icho Optec located on the site and erected the buildings.

In 1987, Troy (pop. 2,634) received \$316,800 in State Block Grant funds for an industrial park. The city made use of the Block Grant as a loan to the industry for acquisition of land and buildings and street improvements. It also leveraged \$7.6 million in private investment and \$11,180 in public funds.

State Block Grant funds (\$123,000) and private monies are being used for a downtown revitalization project in Weston (pop. 1,440). The town is making street improvements, erecting street lights, renovating buildings, and building a new parking lot. This is greatly improving the City's living environment and has created 12 new permanent jobs for lower-income residents.

In 1987, State Block Grant funds of \$9,900 helped Wheatland (pop. 364) with an Emergency Sewage Project, involving the quick replacement of a sewer system pump. Failure of the only other working pump and the resulting discharge of raw sewage into the community would have endangered lives. The new pump helped the City because it was financially strapped due to a lawsuit regarding earlier sewer discharge caused by the same problem.

Community Development

Funds to Missouri

Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87
Galt	\$216,000			O'Fallon	\$500,000		
Goodman	97,000			Oronogo	316,000		
Greenwood	122,000			Osceola	90,100		
Harrison County	247,000			Owensville	128,000		
Hermann	135,000			Palmyra	123,000		
Homestead	42,000			Perryville	664,000		
Hunnewell	398,000			Pierce City	146,000		
Independence			\$26,500	Pilot Knob	182,000		
Jasper County			25,000	Princeton	56,000		
Jefferson City	205,000			Pulaski County	47,000		
Joplin		\$125,000		Queen City	41,000		
Junction City	407,000			Renick	387,000		
Kansas City			22,200	Rich Hill	450,000		
Keytesville	204,000			Richland	221,000		
Kirksville	434,000			Russellville	488,000		
Laredo	74,000			Salem	203,000		
Lebanon	291,000			Salisbury	181,700		
Liberty		225,000		Sedalia	435,000		
Macqn County	580,000			Sedgewickville	71,000		
Mexico	419,000			Seymour	493,000		
Millard	98,000			Sikeston	251,000		
Mindenmines	121,000			St. Charles		\$350,000	
Moberly	400,000			St. Charles County			\$ 5,000
Montgomery City	322,000			St. Genevieve	166,000		
Montrose	328,000			Stover	82,000		
Mound City	73,000			Sullivan	138,000		
Neelyville	422,000			Texas County	460,000		
Neosho	372,000			Thayer	219,000		
Nevada	497,000			Troy	317,000		
New Bloomfield	43,000			Versailles	173,000		
New Cambria	131,000			Warrenton	77,000		
New Haven	301,000			Waverly	30,000		
New London	39,000			Weston	98,000		
North Lilbourn	442,000			Wheeling	454,000		



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Montana's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Montana amounted to \$9.4 million.

Montana's State Community Development Block Grant Program

In FY 1987, Montana received \$5.5 million for its State Block Grant Program. Since 1975, \$62 million has been allocated to meet the needs of smaller cities in Montana. Approximately \$36 million of this amount was distributed to 51 different Montana jurisdictions by the State government since it assumed the administration of the program in 1982. Of the \$23.9 million expended between 1982 and 1986, about 44 percent was spent on economic development, 43 percent on public works, and 12 percent on housing activities.

Indian Community Development Block Grant Program

Seven Indian tribes in Montana have received 75 grants totaling \$18.6 million since 1975. These funds were spent on housing rehabilitation (75 percent), infrastructure (15 percent), economic development (11 percent), community facilities (6 percent), and other projects (3 percent). Six tribes received \$2.01 million in FY 1987.

Urban Development Action Grant Program

Four Montana cities, Chinook, Great Falls, Kalispell, and Missoula, have been awarded six UDAG grants totalling \$7.34 million since 1980. These projects generated \$38.3 million in private investment, created 858 jobs, and

retained 356 other jobs that would have been lost. Action Grants are used to promote economic development in distressed areas.

Other Programs

Since 1984, the State and local governments have received \$1.259 million in Rental Rehabilitation funds to assist the housing needs of lower-income persons. The State also allocated its initial \$23,000 of Emergency Shelter Grant funds in Fiscal Year 1987 to assist the homeless in three counties: Lewis and Clark, Missoula, and Yellowstone.

Community Development Funding to Montana Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 38
Small Cities/State Grants	62
Section 108 Loan Guarantees	0
Jobs Bill	2
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	15
Special Projects (FY '85-'87)	0
Urban Development Action Grants	7
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	0
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$ 125



Bozeman (pop. 21,645) received a \$162,000 grant from the State Community Development Block Grant program in FY 1986 for an **economic development project**. In addition, the City loaned Schnee's Boot Works the \$162,000 plus other private funds to relocate to a new and more convenient city location. The move will enable Schnee to add eight full-time jobs and expand its mail order, retail, and repair footwear operations.

Butte-Silver Bow (pop. 37,205) has instituted a two-year multi-purpose project for **revitalizing the northside neighborhood**. The area has 375 households of which 83 percent are lower-income families. The neighborhood is designated a blighted area, with 76 percent of the housing found substandard and 95 percent built before 1910. Approximately \$1.6 million has been obtained, including \$114,000 from the State Block Grant program, \$120,000 from RIT funds, \$100,000 from local revenues, \$100,000 from Anaconda Mineral Company, \$55,000 from the Rental Rehabilitation Program, and \$50,000 from the Montana Department of State lands. The housing component of the project includes the rehabilitation of 50 owner-occupied units, 19 rental units, and the demolition of 10 units. The public facilities aspect of the project involves reclamation of two abandoned mines, improvements to the storm sewer system, sidewalks, alleys, surface drainage, street lighting, and parks.

Chinook (pop. 1,660) is implementing a \$635,000 **neighborhood revitalization project** which combines a State Block Grant award, a FMHA Housing Preservation Grant, private bank financing for rehabilitation, and City funds. Two-thirds of the neighborhood's housing stock is substandard and 54 percent of its 249 households are low- and moderate-income. The City will acquire and demolish an abandoned and blighted apartment building and rehabilitate 46 houses, or 29 percent of the neighborhood's substandard housing stock owned or rented by lower-income persons.

Great Falls (pop. 56,725) has focused its Block Grant Entitlement funds on the needs of several lower-income neighborhoods. Some \$831,000 have been directed toward housing rehabilitation, infrastructure improvement's and public services. **Rehabilitation loans or grants were given to 103 lower-income households since 1985.** Infrastructure improvements were completed in four target areas and services provided to 26,000 persons, a majority of whom are lower-income.

Lewistown (pop. 7,104), using a \$175,435 State Block Grant will assist Mountain Meadows Products, Inc., in **rehabilitating an existing building, constructing a 2,160**

square foot steel structure, and acquiring a pelleting mill. Eight jobs will be made available to lower-income persons in the first year and seven in the second year,

Malta (pop. 2,367) is undertaking a **housing rehabilitation project** in a neighborhood with 76 percent substandard housing and 129 lower-income households. The City is combining a \$368,000 State Block Grant, \$150,000 in private bank financing, \$32,000 in local revenues, a FMHA Housing Preservation Grant, and \$20,000 from Montana Dakota Utilities to finance the rehabilitation. The project will involve 51 homes owned or rented by families with low incomes. These homes represent 55 percent of the substandard units suitable for rehabilitation.

Sanders County (pop. 8,675) is undertaking an \$835,000 **water system project** utilizing \$350,000 in State Block Grant funds and other State, Federal, and private funds. This project will assist 95 lower-income families residing in the unincorporated community of Paradise by providing major improvements to the existing water system recently acquired from private owners. The project will **improve the water system through construction of a new storage tank, pumps and pump-house, and the installation of new water distribution lines.** In addition, Block Grant assistance will be provided to approximately 30 low- and moderate-income households for service line hookups to the new water system.

The **Salish-Kootenai Indian Tribe** (pop. 3,225) received a Block Grant Indian program grant of \$400,000 to **help a recently established Tribal-owned business, S & K Electronics**, construct a building to start work on a Department of Defense contract. After completion of the building in 1985, S&K Electronics began manufacturing M3 heaters for tanks for the Army and circuit cards for the Post Office and Army. The company is presently employing 75 people.

The Assiniboine and Sioux Tribes (pop. 5,419) of the Ft. Peck Reservation have received grants totaling \$905,000 to expand **A & S Industries** which manufactures Department of Defense equipment.

The Northern Cheyenne Tribe (pop. 3,197) has received grants totaling \$575,000 to start up businesses in the area of construction, transportation, convenience storage/gas station.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Nebraska's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Nebraska amounted to \$19.7 million.

Nebraska's State Community Development Block Grant Program

In FY 1987, the largest component of community development assistance to Nebraska was the Community Development Block Grant program administered by the State of Nebraska. The program provides aid to communities under 50,000 persons that are not otherwise eligible for Block Grant Entitlement support

- Assistance amounted to \$10.5 million in FY 1987 and \$118 million since 1975.
- In 1985, funds were distributed to 41 small communities and three counties for an average grant of \$267,204.
- From FY 1982 to 1985, 43 percent of the small cities funds spent were used for public works, 29 percent for housing, and 18 percent for economic development.

Community Development Block Grant Entitlement Program

The second largest community development program in the State is the Block Grant Entitlement program through which the U.S. Department of Housing and Urban Development provides aid directly to larger cities, generally those of more than 50,000 persons. In FY 1987, \$5.5 million went to the two Entitlement cities in the State, Lincoln and Omaha. Based upon the most recent data available, it is anticipated that the two cities will spend most of their Block Grant funds on housing rehabilitation (approximately 60 percent) and economic development (20 percent).

Urban Development Action Grant Program

Since 1978, \$10.4 million have been awarded to six communities in Nebraska under the Urban Development Action Grant Program. Action Grant awards are used only when they can leverage private funds for development in distressed cities, and Nebraska Action Grant awards have made feasible \$83.5 million in private investment. A primary outcome of Nebraska's Action Grant projects will be the creation of an estimated 1,369 jobs.

Community Development Housing Assistance

From FY 1984 to FY 1987, \$2.6 million were obligated by Housing and Urban Development for projects in the State under the Rental Rehabilitation Program. During this same time, over \$5 million were obligated under the Section 312 Rehabilitation Program to provide loans to homeowners for housing rehabilitation.

Community Development Funding to Nebraska Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$90
Small Cities /State Grants	118
Section 108 Loan Guarantees	4
Jobs Bill	4
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	3
Special Projects (FY '85-'87)	2
Urban Development Action Grants	10
Rental Rehabilitation Program Grants	3
Section 312 Rehabilitation Loans (FY '84-'87)	5
Urban Homesteading	1
Emergency Shelter Grants	*
Total	\$239
(Note: Detail may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Nebraska. A number of ventures illustrate the diversity of Nebraska projects.

Bellevue (pop. 21,813) has financed a housing rehabilitation and neighborhood revitalization program with a \$277,000 State Block Grant and \$225,000 in private funds. Rehabilitation loans are made directly to low- and moderate-income families. Under this program, 75 housing units have been rehabilitated.

The construction of a year-round recreational facility and industrial water reservoir has resulted in 175 new permanent jobs in the City of Columbus (pop. 18,063). The reservoir will supply water for industrial fire protection to Becton-Dickinson (a pharmaceutical firm), permitting it to build a 120,000 square foot plant. Recreational uses will also provide benefits to a nearby mental institution. A \$300,000 grant from Housing and Urban Development's Secretary's Discretionary Fund for the project leveraged over \$600,000 in local, public, and private investment.

Kearny (pop. 21,751) used \$142,000 in Action Grant funds, \$1.6 million in other Federal assistance, and \$538,000 in private investment for a downtown revitalization effort. The project included rehabilitation of storefronts and interiors of 34 small businesses and the improvement of streets, sidewalks, curbs, and gutters. In the process of this downtown renovation, 21 new jobs have been created.

In Lincoln (pop. 180,378), funds from several Federal programs, supplemented by private donations, are being used to restore the 1879 City Hall, which has stood vacant for the past nine years. The project has helped restore civic pride in Lincoln's past and provided training to lower income persons in the construction process. Among the sources of public funding are the Entitlement Block Grant program, the Comprehensive Employment Training Act, the Economic Development Administration Public Works Program, and the National Endowment for the Arts Historic Preservation Program. At present, the Lincoln Youth Employment Services and the Community Arts Council are occupying offices in the partially restored building. To complete restoration, now scheduled for 1990, another \$192,000 in private donations are needed.

The Homebuyers Assistance Program in Lincoln provides a means by which low- to moderate-income families can purchase and rehabilitate substandard structures and become owner-occupants. Under the program, \$178,000 in Entitlement Block Grant assistance and other funds from the Nebraska Investment Finance Authority are available to homeowners for first mortgages.

The West Central Nebraska Development District in Ogallala (pop. 5,638) received a \$350,000 Secretary's Discretionary Fund grant to establish a Municipal Bond Bank whereby small communities could pool their debt into one large bond issue to increase capital availability

for public works projects. This covers several small rural towns in a 17-county area. The Development District is also preparing an economic development plan.

In Omaha (pop. 334,016), an Urban Homesteading program, funded with \$432,128 in Entitlement Block Grant assistance, \$60,000 in Urban Homesteading acquisition funds, and \$206,000 in private funds, has resulted in the purchase and renovation of 28 housing units. Improvements before the homeowner moves in are financed with a low-interest loan; in return, the homeowner agrees to finance further renovation with market-rate loans when the unit is occupied.

Omaha was also the site for construction of The 16th Street Mall on the traditional main shopping street of the City, along with the development of a new 100,000 square foot retail center. The project will produce 200 jobs and \$150,000 in annual tax increases for the City. The retail center will be financed by a \$1.8 million Action Grant loan, \$3.3 million in tax exempt bonds, and equity from the developer. The Mall will be built with \$350,000 in Entitlement Block Grant funds, tax increment financing, and transportation bond funds.

The South Sioux City (pop. 9,339) Rental Rehabilitation/Energy Conservation project was initiated to encourage the restoration of existing rental properties and improve the living conditions of low- and moderate-income households. An education program in energy conservation associated with the project has helped homeowners reduce utility costs. Seventy-six properties will be rehabilitated with Rental Rehabilitation Program loans of \$267,700 and private funds totalling \$332,559. These funds are supplemented by housing vouchers to make the housing more affordable.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Nevada's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Nevada amounted to \$8.5 million.

Community Development Block Grant Entitlement Program

Reno, Las Vegas, and Clark County are Block Grant Entitlement communities. They are awarded a portion of the national program total allocation based on a formula that measures community need. In 1987, the Block Grant Entitlement program contributed \$5.7 million to these three communities. Entitlement recipients have broad discretion over the shape of their community development programs, and may choose from many eligible activities as long as they meet National Program objectives.

State Community Development Block Grant Program

For its communities that do not qualify for Block Grant Entitlement funding, Nevada operates a Small Cities Block Grant program. Since 1982, when the State took over this program, it has made grants to 27 communities, including 12 counties.

In the State Small Cities Block Grant program, Nevada has emphasized improving its infrastructure. Since 1982, about 86 percent of its funds have been used in public works projects. The preponderance of these projects are to develop water and sewer facilities. Nevada has made more than \$4.4 million in State Block Grant awards to small cities for this activity. The State has allocated its remaining CDBG funds for economic development projects (10 percent) and housing rehabilitation (4 percent).

Indian Community Development Block Grant Program

In FY 1987, the Block Grant program for American Indians and Alaskan Natives made grants totalling \$409,000 to three Nevada tribes. In addition to the Pyramid Lake

project described at page 5, one grant is to build a community center and the other will support improvements to roads and water facilities.

Rental Rehabilitation Program

Since this program began in 1984, its funds have enabled Nevada communities to rehabilitate 68 buildings containing 286 housing units to rent primarily to families with lower incomes. After rehabilitation, 215 of these homes were occupied (75 percent). Eighty-five percent of the resident families had low- to moderate incomes and 51 percent had female heads of household. So that they could afford the rent in these newly renovated apartments, 46 percent of the tenants received rental assistance from HUD, either through Section 8 Housing Vouchers or certificates.

Community Development Funding to Nevada Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$56
Small Cities/State Grants	18
Section 108 Loan Guarantees	0
Jobs Bill	4
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	12
Special Projects (FY '85-'87)	0
Urban Development Action Grants	0
Rental Rehabilitation Program Grants	2
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$93
(Note: Detail may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Nevada. A number of ventures illustrate the creativity and diversity in Nevada's community development efforts.

Gerlach and Empire (pop. 550) in Washoe County, used a \$40,750 State Block Grant to enable a non-profit rural health consortium to construct a community health facility. The consortium contributed \$40,000 to the effort. This new facility houses an examination room and x-ray facilities, and it replaces a small trailer that had provided the only regular medical care in these isolated communities. The new health center now serves the entire local population, of whom 55 percent have low- and moderate-incomes.

Golconda (pop. 110) in Humboldt County, is a small railroad and mining community 60 miles east of Winnemucca. The water system suffered from a variety of problems, the most serious of which was a level of nitrates that may be fatal to infants (known as the "Blue Baby Syndrome"). Well water was also vulnerable to septic tanks and leach fields. **Using a \$100,000 State Block Grant and a grant from the Farmers Home Administration, Golconda developed a new potable water system.** The system includes a water tank, distribution network, and fire hydrants. Community residents now have a safe and dependable water source.

Las Vegas (pop. 164,674) loaned Rowe, Inc. \$335,000, through its Block Grant Entitlement program, to construct a new facility. **The company hired 30 new full-time employees to work under contract to the U.S. Navy to refurbish aircraft tow tractors.** All of these new workers had low and moderate incomes. When repaid, the Block Grant Entitlement loan will replenish the City's revolving economic development loan fund and will be used in similar projects in the future.

Pyramid Lake Paiute Tribe (pop. 736) has used Indian Block Grant program funding to develop a very successful commercial enterprise, including a campground/recreational vehicle park and convenience store. The store was developed in part with CDBG funds and has been in operation for several years. Recently, a \$204,000 Indian Block Grant, in conjunction with a \$144,000 loan from the Valley Bank of Nevada and a tribal cash contribution of \$70,000, is being used to construct the campground/recreational vehicle park adjacent to the store. It is anticipated that the campground/recreational vehicle park will provide income and employment beyond that already produced by the convenience store.

Reno (pop. 100,756) constructed a community center in the 49-acre Paradise Park with \$300,000 of Block Grant Entitlement funds. This regional park serves the Northeast Reno area, which has the City's highest concentration of low-income residents. The community center was designed to promote energy efficiency and reduce maintenance costs. It contains a large central meeting area, a smaller conference area, and complete kitchen facilities.

The City Park District provided funds to develop the center parking lot and upgrade the landscaping.

Ruth (pop. 371) suffered a great loss when a major mining company discontinued operations in White Pine County in eastern Nevada in the late 1970's. The town needed a community meeting space, and the fire department needed additional space to garage trucks and gear. The mining company gave the City the structure that had been its administrative building. **Using volunteer help from the town and 1986 State Block Grant funds (\$27,819) for the materials, the community remodeled the building, inside and out. It now contains a full kitchen, large meeting room, bathrooms, and storage space for the fire equipment.** The community center and fire shed benefits the entire community of Ruth, where 79 percent of the residents have low- and moderate-incomes. The building now serves as the focal point for community activities.

New Hampshire



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to New Hampshire's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of New Hampshire amounted to \$11.3 million.

Housing and Urban Development's community development funds are channeled through several programs, each designed to provide local communities with flexible approaches to development that are responsive to local conditions and needs.

New Hampshire's State Community Development Block Grant Program

In Fiscal Year 1987, the State of New Hampshire distributed over \$5.8 million in State Block Grants funds to its small cities by making grants for feasibility studies, emergency purposes, and general community development. The latter grants give priority to housing rehabilitation, economic development, and public facility activities.

The Community Development Block Grant Entitlement Program

This program targeted \$3 million in formula grants in FY 1987 to New Hampshire's five largest cities: Dover, Manchester, Nashua, Portsmouth, and Rochester. New Hampshire's cities use Entitlement funds for purposes ranging from economic development loans to housing code enforcement.

Urban Development Action Grant Program

Since the inception of this program in 1978, twelve New Hampshire projects have been approved for \$27.5 in Federal grants, generating \$122.4 million in private investment and 4,600 new permanent jobs.

In Fiscal Year 1987, New Hampshire received \$621,000 in Rental Rehabilitation Program funds and more than \$1.5 million in Section 312 loans for the rehabilitation of single- and multi-family, rental- and owner-occupied units. Section 312 loan program funds awarded to New Hampshire communities represent the fourth largest amount of all States with communities taking part in the program.

To aid the homeless, \$184,000 in Emergency Shelter Grant Program funds were awarded for New Hampshire communities in FY 1987. The State made four grants primarily for the rehabilitation of existing homeless shelters.

Community Development Funding to New Hampshire Since 1974 (\$ in Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$54
Small Cities/State Grants	61
Section 108 Loan Guarantees	0
Jobs Bill	2
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	29
Rental Rehabilitation Program Grants	2
Section 312 Rehabilitation Loans (FY '84-'87)	6
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$1 53
(Note: Detail may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development supports a broad range of local projects in New Hampshire. A number of ventures illustrate the creativity and diversity in New Hampshire's community development efforts.

Berlin (pop. 13,084) joined with other public and private entities to complete a \$3 million revitalization project that pulled the downtown out of economic stagnation. Using a \$3 million State Block Grant grant and an additional \$5,350,000 in public and private funding, **the City routed heavy truck traffic around the downtown, rebuilt the downtown street and sidewalk systems, and instituted business and housing loan programs.** Since 1979, the City has rehabilitated 117 housing units and created 350 jobs, a 50 percent increase in downtown employment.

Canaan (pop. 2,456) recently **converted the local Grange Hall into a senior center** using a \$200,000 State Block Grant grant. The center, owned and operated by a non-profit organization, operates a meals-on-wheels program that serves 50 elderly clients on a daily basis.

Concord (pop. 30,400) recently completed a \$17,599,576 **redevelopment of the downtown During block area.** This project used a \$1,600,000 Action Grant loan to leverage an additional \$2.7 million in public and \$13 million in private funding. The project resulted in the retention of 269 jobs, creation of 39 new jobs, and a \$287,200 increase in City tax revenues.

Nashua (pop. 67,865) joined with a non-profit organization, the Plus Company, **to construct a 22,000-square foot sheltered workshop facility that houses 60 handicapped individuals.** The job training center, constructed with \$106,000 in Block Grant Entitlement funds and \$394,000 in other public and private funding, provides various services to local industries.

Portsmouth (pop. 30,000) worked with private enterprise to develop a 127-acre industrial park. **The City loaned a local developer \$300,000 in Block Grant Entitlement funds for the construction of a 1,600-foot access road and installation of infrastructure improvements on the site.** Since Heritage Industrial Park opened in 1977, nine firms have located there and created 580 new jobs. In addition, the park, which is scheduled to be filled in 1987, has increased the City's tax base by \$8.1 million and brought in

\$1.1 million in new tax revenues. The City has recovered \$208,000 of the \$300,000 Block Grant loan.

Portsmouth provided Crossroads, a non-profit organization, with \$13,000 in Block Grant Entitlement funds and a \$7,500 State shelter grant for **operation of a 20-room and four-dwelling-unit shelter for the homeless.**

Portsmouth also loaned \$200,000 in Block Grant Entitlement funds to Shaftmaster Fishing Company for **construction and operation of an 82-foot offshore lobster boat.** The \$50,000 economic development and the \$150,000 working capital loans helped secure an additional \$200,000 in SBA "504 funds and \$355,000 in private funds. During the first year of operation, the boat generated an additional \$762,300 in revenues for the firm and employed 14 low- and moderate-income persons.

Suncook (pop. 4,861) combined a \$1,727,000 Section 312 loan and a \$150,000 State Block Grant-funded **deferred loan to convert a vacant historic mill into 71 apartments.** In addition, the City leveraged \$1,073,000 in private funding and expanded its property tax base by \$39,288. Fourteen of the 70 units are rented to low- and moderate-income individuals at affordable rents.

Wolfeboro (pop. 3,968) assisted a local non-profit organization with a \$300,000 State Block Grant. The Wolfeboro Area Children's Center, Inc. raised an additional \$258,000 in private contributions **to construct a two-story, 8,200-square foot facility where they provide special education and child care to 115 children.** The Center, located in the Main Street area, employs 30 persons on a permanent basis.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to New Jersey's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of New Jersey amounted to \$123.8 million.

Community Development Block Grant Entitlement Program

The largest Housing and Urban Development program in New Jersey, in terms of funding, is the Block Grant Entitlement Program. In FY 1987, Housing and Urban Development distributed more than \$87 million to New Jersey's larger communities. A community's Block Grant Entitlement amount is determined by one of two allocation formulas that incorporate population trends, persons in poverty, and local housing conditions.

In FY 1986, thirty-two of New Jersey's cities 12 urban counties chose to participate in the Block Grant Entitlement program and exercised broad discretion in distributing program funds. For example, Parsippany-Troy Hill budgeted a large portion of its Entitlement funds for single-family rehabilitation (37 percent), while Vineland budgeted 12 percent of its grant for the removal of architectural barriers and New Brunswick budgeted 18 percent of its Block Grant funds for housing code enforcement.

State Community Development Block Grant Program

In FY 1986, New Jersey distributed more than \$8 million in State Block Grant funds to its smaller communities. Thirty-one projects were conducted by small cities ranging from street improvements and sanitary sewer construction to renovating a fire house. New Jersey's pattern of distributing funds to its smaller communities demonstrates its commitment to improving infrastructure support services. While 14 percent of State Block Grant funds were used for economic development and 22 percent for housing rehabilitation projects, 58 percent were used for improving public facilities.

Rental Rehabilitation Program

In FY 1987, Housing and Urban Development provided New Jersey's cities, towns, and urban counties with more than \$7 million to help increase the supply of affordable housing for lower-income tenants. Through 270 projects, New Jersey completed rehabilitation of 993 rental units -- 67 percent of which are occupied by low- and moderate-income households. These rehabilitation projects also attracted more than \$6 million in private investments.

Urban Development Action Grants

Since its inception in 1978, the Action Grant program has provided New Jersey's communities with more than \$252 million through 156 economic development projects. Completed projects have generated more than 10,000 new permanent jobs, 46 percent of which were for persons of low and moderate income. New Jersey's Action Grant projects helped construct more than 1,000 and rehabilitate more than 4,000 housing units.

Community Development Funding to New Jersey Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$1,285
Small Cities/State Grants	104
Section 108 Loan Guarantees	15
Jobs Bill	26
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY'85-'87)	0
Urban Development Action Grants	252
Rental Rehabilitation Program Grants	20
Section 312 Rehabilitation Loans (FY'84-'87)	10
Urban Homesteading	2
Emergency Shelter Grants	2
Total	\$1,715
(Note: Detail may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development supports a broad range of local projects in New Jersey. A number of ventures illustrate the creativity and diversity in New Jersey's community development efforts.

Bridgeton (pop. 18,263) received a \$300,000 Section 108 loan guarantee to acquire and develop waterfront property along the Cohansey River. The development, started and completed in 1983, attracted a chicken processing plant. Of the 310 persons employed at the facility, 282 are low- and moderate-income minorities.

Clifton (pop. 75,404) helped private enterprise purchase capital equipment and rehabilitate a 50,000 square foot manufacturing facility. The City used a \$2.5 million Action Grant to leverage \$2.5 million in owner's equity and \$5 million in State industrial revenue bonds. The expansion has generated 70 new permanent jobs -- 56 (80 percent) held by lower-income persons.

Hoboken (pop. 41,824) provided homeownership opportunities to 20 lower middle-income families who otherwise would not qualify for mortgage financing. Using a \$315,000 Action Grant, the City leveraged an additional \$1.8 million in bank financing and \$200,000 in purchaser down payments. Purchasers acquired the two-unit homes for \$120,000, assisted by a 10-year \$15,000 loan bearing no interest if the purchaser continues to reside in one unit and rents the other to a Section 8 eligible tenant.

Middlesex County (pop. 284,666) joined with a local non-profit organization to extend vocational training to an additional 220 handicapped persons. Using \$121,500 in Block Grant Entitlement funds the public/private partnership repaired and expanded a training facility. Since project completion the center has trained 646 handicapped persons for job placement at the Johnson and Johnson corporation.

New Brunswick (pop. 40,697) convinced private enterprise to rehabilitate the State Theatre, one of four structures included in a \$20 million arts and cultural center. Funded by \$2 million in Action Grant loan repayments and \$225,000 in Block Grant Entitlement funds, the center has leveraged large amounts of private contributions. The City expects the center to serve as an educational resource by day and an economic stimulus by night.

Passaic (pop. 53,653) initiated a \$2.5 million, three-year revitalization of its historic East Side. The City plans to combine \$13 million in Block Grant Entitlement funds

and \$1.2 million from New Jersey's Balanced Housing Program to rehabilitate 100 residential units and 50 storefronts. Passaic also has applied for Section 312 loan funds.

Woodbury (pop. 10,353), as part of a public-private partnership, converted the Wood Theatre into 4,800 square feet of retail space and 18 units of low- and moderate-income housing. By using \$166,000 in Block Grant Entitlement funds from Gloucester County and a \$500,000 State Block Grant grant, the City leveraged more than \$10 million in private investments. Since it began in 1985, the project has generated 20 new permanent jobs, 15 held by lower-income persons. The City expects the project to increase annual tax revenues by \$25,000 when complete in December, 1987.

Newark (pop. 314,387) assisted a public/private partnership in an economic development project. Through a \$15 million Block Grant Entitlement float loan from the City, and \$69 million in private investment; the partnership financed the construction of a fifteen-story office building. The City expects the project to generate 425 total jobs, 340 for persons of low- and moderate-income.

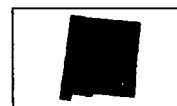
Union Township (pop. 50,799) helped Memorial General Hospital and the Board of Education develop an innovative approach to daycare services for the elderly. Using \$4,000 in Block Grant Entitlement funds, the Hospital trained students in health care and gerontology. The students are expected to provide supervisory and daycare services to elderly persons residing at the Union Township High School care facility.

Union City (pop. 56,679) used \$220,000 of its Block Grant Entitlement funds and an additional \$120,000 in parent donations to convert a vacant building into the Union City Daycare Center. The Center opened in October 1987 and provides State-certified preschool and kindergarten education to 100 children from lower-income families.

Community Development

Funds to New Jersey

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Orange Twp			\$1,929,800						\$ 1,929,800
Parsippany-Troy Hills Twp	\$4,115,000								4,115,000
Passaic	18,513,000	\$593,905	575,760						19,682,665
Paterson	50,779,000	1,129,400	12,885,808	\$57,000	\$ 498,000	\$80,321			65,429,529
Paulsboro			68,025						68,025
Penns Grove			80,000						80,000
Pennsauken Twp			1,146,270						1,146,270
Perth Amboy	14,366,000		2,120,000						16,486,000
Plainfield			653,750		32,400	180,482			866,632
Pleasantville							\$85,000		85,000
Princeton							46,000		46,000
Red Bank			4,431,499						4,431,499
Salem			3,234,000						3,234,000
Salem County							265,000		265,000
Sayreville	2,867,000								2,867,000
Somerset County	5,573,000	216,400							5,789,400
Trenton	52,131,000	656,450	5,485,158	52,000	375,650	23,721		\$ 35,000	58,758,979
Union City	17,892,000	658,160							18,550,160
Union County	52,965,000	832,600	4,000,000	75,000					57,872,600
Union Twp	8,436,000								8,436,000
Vineland	12,485,000		2,974,925						15,459,925
Warren County							350,000		350,000
West New York			398,500						398,500
West Windsor Twp							350,000		350,000
Wildwood							355,000		355,000
Woodbine							350,000		350,000
Woodbridge Twp	8,647,000								8,647,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to New Mexico's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of New Mexico amounted to \$26 million.

State Community Development Block Grant Program

The largest category of community development funds to New Mexico is administered by the State Community Development Block Grant program. Approximately \$97 million have been awarded to the State since 1975 for assistance to its smaller communities, those under 50,000 persons and not otherwise eligible for Entitlement Block Grant support. In FY 1987, more than \$8 million in State Block Grant funds helped the communities of New Mexico.

In New Mexico, the State has allocated the State Block Grant funds to a broad range of eligible activities that benefit low- and moderate-income persons. The largest proportion of these funds, 61 percent, has gone to improve public facilities and infrastructure.

Housing was the next most prevalent use, 20 percent, of State Block Grant funds, followed by economic development, 17 percent.

Entitlement Community Development Block Grant Funds

Almost \$114 million have been awarded to the Entitlement Block Grant communities in New Mexico since 1975. These cities and counties generally consist of more than 50,000 in population. In FY 1987, more than \$5 million in Entitlement Block Grant funds were distributed to communities in New Mexico.

Urban Development Action Grants

Urban Development Action Grants totaling \$23 million have been received by New Mexico's communities since 1978, leveraging more than \$151 million in private investment and creating 3,000 new jobs. The \$10 million in Action Grant funds awarded to Albuquerque in FY 1987 helped to leverage more than \$83 million in private investment.

Community Development Housing Assistance

To promote better housing, \$2.6 million were obligated by Housing and Urban Development for the Rental Rehabilitation Program from FY 1984 through FY 1987. To aid the homeless, \$273,000 in Emergency Shelter Grant funds have been awarded to New Mexico's communities in FY 1986 and FY 1987.

Indian Community Development Block Grants

Indian tribes, bands, groups, or nations are eligible for assistance through the Indian Block Grant program.

The funds provide support for several activities including housing rehabilitation, economic development, infrastructure, and public facilities. In New Mexico, nine tribes received more than \$1.8 million in FY 1987. The average grant amounted to approximately \$204,000, most of which were spent on housing rehabilitation. Other funds were used for infrastructure and historic preservation.

Community Development Funding to New Mexico Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$114
Small Cities/State Grants	97
Section 108 Loan Guarantees	0
Jobs Bill	5
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	26
Special Projects (FY '85-'87)	0
Urban Development Action Grants	2
Rental Rehabilitation Program Grants	3
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$ 268



The Department of Housing and Urban Development's Community Planning and Development programs support a broad range of local projects in New Mexico. Several local ventures illustrate the creativity and commitment in New Mexico's community development efforts.

El Encanto, a Mexican food products company in Albuquerque, (pop. 332,786) built a new and expanded processing plant using \$453,000 in Urban Development Action Grant funds, \$152,000 in Community Development Block Grant Entitlement funds, and almost \$4 million in private monies. The minority-owned and operated company has been in business for more than 30 years, but its outmoded manufacturing plant could not handle the growing demand for the company's products. The new facility has created 94 new jobs.

Las Vegas (pop. 14,322) leveraged more than \$2 million in private monies with \$195,000 in Action Grant funds to renovate a closed hotel and part of the City's plaza park, a commercial area since the mid-1800's known as "Old Town." The Plaza Hotel was constructed in 1881 and is located in a National Register Historic District. When it was reopened for business, 33 new jobs had been created.

With \$500,000 in State Block Grant funds, an \$835,000 commercial bank loan, \$720,000 in private monies, and a Small Business Administration loan guarantee, Marino Service Company expanded its facilities in Lordsburg (pop. 3,195). The Victorio Homes Modular Home Manufacturing Plant, which manufactures home and commercial structures in a plant and transports them to a site, will eventually provide 41 new jobs, mostly for local low- and moderate-income persons.

Pojoaque Pueblo Indian Tribe (pop. 150) received \$328,000 in Indian Block Grant Program funds to prepare 61 housing sites in Phase IV of its mobile home park. The project will provide housing for low- and moderate-income families in an area where housing is either costly or unavailable. The mobile home park has stimulated the development of other tribal commercial enterprises, including a grocery store and office building.

Roswell (pop. 39,676) used \$500,000 in State Block Grant funds to help a bus manufacturing facility purchase equipment for an expansion of its plant, leveraging more than \$8 million in private investment. The expanded facility and additional equipment will be used to produce intra-city coaches. Approximately 500 new jobs, both skilled and unskilled, will be created; 77 percent of these jobs will be reserved for low- and moderate-income persons. Eastern New Mexico University, with the aid of Job Training Placement Act funds, is providing training to workers.

San Juan Pueblo Indian Tribe (pop. 1,821) is using \$225,000 in Indian Block Grant funds, \$33,000 from the Bureau of Indian Affairs, and \$5,000 in local funds to renovate its old central plaza area. The plaza, which is the cultural center for the Pueblo, has been in decline for several years. The project will provide needed housing,

primarily for elders in the community, by rehabilitating 15 housing units, as well as preserve the Pueblo's historic architectural heritage.

Sandia Pueblo Indian Tribe (pop. 244) expanded an enterprise that grows Kentucky Bluegrass sod for the Albuquerque market. The expansion was paid for with \$127,500 in Indian Block Grant funds, \$10,000 in private monies, and more than \$61,000 in contributions. The sod farm, expanded from 60 to 90 acres, created eight jobs.

Santa Fe (pop. 48,953) provides services and shelter for the homeless at Saint Elizabeth Shelter with \$20,000 in Entitlement Block Grant funds and \$110,000 in local monies. In an eleven-month period Saint Elizabeth's has provided shelter to approximately 1,783 people and served more than 15,000 meals. In addition to shelter, the facility provides services such as laundry, clothing, transportation, medical aid, case management bus tickets, cash, and haircuts to the homeless.

Medical and dental services are being provided to low- and moderate-income persons by the City of Santa Fe with \$65,000 in Entitlement Block Grant funds, \$380,000 in City funds, and \$120,000 in State money. The amount of payments for medical services depends on the ability of the client to pay and the services include routine physical examinations, care of chronic and acute illnesses, child care, obstetrical care, 24-hour emergency calls, family planning and more. The facility served more than 12,000 people in 1987 and has a registered patient list of approximately 5,000 people, 14,000 medical encounters and 98 percent very low-income persons.

Community Development

Funds to New Mexico

Name	Entitle- ment CDBG FY 75-87	Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Taos			\$1,653,200						\$1,653,200
Taos County							\$190,000		190,000
Taos Pueblo				\$2,288,853					2,288,853
Tesuque Pueblo				937,266					937,266
Torrance County							12,500		12,500
Truth or Consequences							200,000		200,000
Tucumcari			2,720,000				590,000		3,310,000
Tularosa							138,500		138,500
Union County							260,000		260,000
Valencia County							200,000		200,000
Zia Pueblo				1,222,305					1,222,305
Zuni Pueblo Indian Res.				1,677,000					1,677,000



The U.S. Department of Housing and Urban development's community development programs are an essential part of Federal assistance to New York's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of New York amounted to \$384.6 million.

Community Development Block Grant Entitlement Program

New York State's largest community development program, in terms of funding, is the Block Grant Entitlement program. Compared with Block Grant funding to all other States' Entitlement communities, CPD funding to New York State's Entitlement communities ranks second.

Through the Block Grant Entitlement Program, Housing and Urban Development provides aid to larger communities, generally those with populations greater than 50,000 persons. A community's Block Grant Entitlement amount is determined by one of two allocation formulas, that incorporate population trends, persons in poverty, and characteristics of the local housing stock. Consequently, 34 of New York's communities, which are experiencing significant population losses, a relatively large number of persons in poverty, and a large number of homes built before 1940, received more than \$277 million in Block Grant Entitlement funds in FY 1987.

New York's Entitlement communities exercise considerable discretion in deciding how to spend their Block Grant funds. Although New York's communities budgeted most of their FY 1987 Entitlement funds to improve housing, others funded public facility improvements and economic development activities.

HUD-Administered Small Cities Program

In FY 1987, New York State's Small Cities Program, administered by Housing and Urban Development field offices in New York City and Buffalo, distributed more than \$36 million to smaller communities using a competitive application process. One-hundred and two grants were awarded in FY 1987 with grant amounts averaging \$250,000 and \$370,000 in the New York regional and Buffalo field offices, respectively. New York's smaller communities planned to use a majority of their Block Grant

funds to improve housing (56 percent) while 16 percent of Block Grant funds were targeted to improving local infrastructure. This planned spending is similar to FY 1986 actual spending levels. In FY 1986, New York State's smaller communities spent 52 percent of Block Grant funds on housing improvements.

Urban Development Action Grants

The Action Grant program assists economic development activities in a large number of cities and counties in New York State. Since the program began in 1978, more than \$531 million has been distributed to 21 Entitlement cities and counties. In FY 1987, more than \$22 million in Action Grant grants were awarded to 17 of New York's communities. Action Grant projects enhance the quality and quantity of the housing stock and improve job opportunities throughout the State. Since the programs first year, completed Action Grant projects generated more than 19,500 new permanent jobs, and led to the construction of 502 new and the rehabilitation of 4,102 housing units.

Community Development Funding to New York Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$4,199
HUD Small Cities Grants	402
Section 108 Loan Guarantees	85
Jobs Bill	79
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	5
Urban Development Action Grants	531
Rental Rehabilitation Program Grants	84
Section 312 Rehabilitation Loans (FY '84-'87)	40
Urban Homesteading	10
Emergency Shelter Grants	6
Total	\$5,444
(Note: Detail may not add to total due to rounding.)	



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in New York. A number of local ventures illustrate their diversity.

Albany (pop. 101,727) constructed Steuben Place, an office and retail center, by using an \$855,000 Action Grant, \$65,000 in Block Grant Entitlement funds, and \$5.55 million in private sector loan investments. The project created 80 new permanent jobs, 60 held by low- and moderate-income persons and resulted in an annual tax revenue increase of \$144,000.

Auburn (pop. 32,548), in conjunction with the New York State Affordable Housing Program, used \$194,000 of Housing and Urban Development-administered Small Cities grant funds to provide temporary financing for the construction of 20 single-family homes. The City facilitated the construction of ten units in 1986 and expects to enable ten units to be completed by December 1987. In addition, grants and closing costs will be provided for Section 8 income eligible homeowners.

Buffalo (pop. 357,780) is expanding the redevelopment of its Downtown Entertainment District to several adjacent sites. This project, expected to be completed in early 1990, will utilize \$3.6 million in Action Grant funds to leverage an additional \$11.8 million in private funds and \$2.7 million in public funds from a City development corporation. The City expects the project to generate 500 new permanent jobs, 200 for low- and moderate-income persons and 223 construction jobs.

Ellenville (pop. 4,405) will use \$75,000 of its Housing and Urban Development-administered Small Cities grant to assist in the rehabilitation of five homes for low- and moderate-income, first-time homebuyers. Recently, a private developer committed \$600,000 for the rehabilitation of 39 structures. The Farmers Home Administration will provide permanent financing to owners of five of the 39 units.

Jamestown (pop. 35,775) has recently completed the Chadakoin Industrial Revitalization Program. Using a \$150,000 Housing and Urban Development-administered Small Cities grant the City rehabilitated housing in the industrial area and constructed a parking lot and industrial facility. In addition, the City used a \$600,000 Action Grant to renovate the Zinc and Brass Foundry and to leverage more than \$1.14 million in private equity and bank loans. The total project generated 566 new permanent jobs, 430 held by persons of low and moderate income.

Rochester (pop. 241,741) used \$138,500 in Block Grant Entitlement funds to reconstruct Orleans Street. By applying the Dutch concept "woonerf" and paving the street with brick and concrete rather than more frequently used paving materials, the City de-emphasized auto use, reduced traffic speed, and encouraged sharing of space between vehicles and pedestrians. In addition to install-

ing special street signs and landscape, the City provided exterior improvements to residences along one block of Orleans Street.

Shandaken (pop. 3,000) is utilizing a \$165,000 Housing and Urban Development-administered Small Cities grant to promote small business enterprise and increase its attraction as a tourist center. By leveraging an additional \$100,000 in private funds, the town has expanded and renovated a second-generation restaurant and hotel and constructed a 30-space parking lot. The project resulted in the creation of 14 service jobs all held by low- and moderate-income persons.

New York City (pop. 8 million) coordinated a \$134 million renovation of One Pierrepont Plaza - a 19-story office building in Downtown Brooklyn that provides an attractive alternative to companies seeking inexpensive space for their back-office operations. The City used a \$5 million Action Grant to leverage an additional \$8 million in developer's equity and \$10 million in Public Development Corporation funds. The project, to be completed by September 1989, also is financed by more than \$11 million in industrial revenue bonds. The City expects 845 jobs to be generated for persons of low and moderate income.

Two projects exemplify the use of Block Grant funds for successful transfer of City-owned buildings to low- and moderate-income persons. The first of these projects involved the City's rehabilitation of a 60-unit building on Spofford Avenue in the Bronx. By combining \$120,000 in Block Grant Entitlement funds, \$131,000 in NYC capital budget funds and \$87,000 from the State Weatherization Fund, the City made 54 units available for occupancy by low- and moderate-income persons. The City expects to pass ownership to a committed landlord by December 1987.

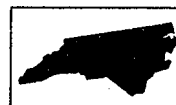
The second project is the City's use of \$63,000 in Block Grant Entitlement funds to rehabilitate 15 housing units on West Farms Road in Manhattan. In 1985, the tenants formed an association to purchase and manage the building. Currently, thirteen of the building's 15 units are occupied by persons of low and moderate income.

Community Development

Funds to New York

Name	Entitle- ment CDBG FY 75-87	UDAG FY 78-87	Total ⁽¹⁾	Name	Entitle- ment CDBG FY 75-87	UDAG FY 78-87	Total ⁽¹⁾
Waverly		\$1,430,000	\$2,030,000	Windham		\$ 50,000	\$ 50,000
Wellsville		425,000	425,000	Yonkers	\$ 54,935,000	11,376,000	67,539,700
West Seneca Town	\$ 4,234,000		4,234,000				
Westchester County	43,318,000		44,138,000				
White Plains	24,938,000		24,985,000				
Whitehall Town		433,400	433,400				

- (1) The Total includes Entitlement Rental Rehabilitation funds for FY 1984-'87 and Formula Emergency Shelter Grant funds for FY 1987. The Total also includes funds from the following programs which, for lack of space, the Table does not list all grantees:
- Section 312 Rehabilitation Loans funds which totaled \$40,297,700 for FY 1984-'87
 - Urban Homesteading funds which totaled \$ 10,411,888 for FY 1975-'86;
 - HUD Administered Small Cities which totaled \$ 41,460,000 for FY 1985;
 - State Rental Rehabilitation which totaled \$ 1,998,000 for FY 1985; and
 - State Emergency Shelter Grant which totaled \$ 1,227,000 for FY 1987.
- The Table excludes Indian CDBG grantees and funds for FY 1978-'87 totaling \$2,148,778.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to North Carolina's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year **1987**, Housing and Urban Development's community development support to the cities and towns of North Carolina amounted to **\$61 million**.

North Carolina's State Community Development Block Grant Program

In FY **1987**, the largest component of community development assistance to North Carolina was the State Block Grant program, administered by the State. The program provides aid to communities under 50,000 persons, not otherwise eligible for Entitlement Block Grant support.

- Assistance totaled **\$37.5 million** in FY **1987** and **\$448.5 million** since **1975**.
- In **1985**, funds were distributed to **74** small communities and **24** counties for an average grant of **\$449,571**.
- From FY **1982** to **1985**, **59** percent of the funds expended went for housing (over \$100 million), **24** percent for public works and **13** percent for economic development.

Entitlement Community Development Block Grant Program

Under the Block Grant Entitlement Program that provides aid directly to larger cities, generally those with more than **50,000** persons, **\$16 million** were granted to 17 communities in FY **1987**. As an illustration of the use of Entitlement funds, in **1986**, six Entitlement cities planned to spend a majority of Entitlement Block Grant funds in North Carolina, **57** percent, for housing rehabilitation and **19** percent for the acquisition and clearance of land.

Urban Development Action Grant Program

Since FY **1978**, **\$56 million** were granted to **40** communities in North Carolina under the Urban Development

Action Grant Program. These awards are in distressed areas only used when they can leverage private funds and, in North Carolina, Action Grants made feasible **\$381 million** in private investment. Major outcomes of the investment are **5,985** new jobs and **\$2.3 million** in annual taxes to local governments.

Community Development Housing Assistance

From FY **1984** to FY **1987**, **\$9.2 million** were obligated for projects in the State under the Rental Rehabilitation Program. During this same period, **\$4.7 million** were obligated for housing rehabilitation loans to homeowners under the Section **312** Rehabilitation Loan Program,

Community Development Funding to North Carolina Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$350
Small Cities/State Grants	449
Section 108 Loan Guarantees	7
Jobs Bill	15
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	0
Urban Development Action Grants	56
Rental Rehabilitation Program Grants	9
Section 312 Rehabilitation Loans (FY '84-'87)	5
Urban Homesteading	0
Emergency Shelter Grants	1
Total	\$893

(Note: Detail may not add to total due to rounding.)



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in North Carolina. A number of local ventures illustrate the diversity of the North Carolina projects.

Burke County (pop. 72,504) made use of \$171,663 in State Block Grant funds, \$40,781 in other public assistance and private funding to provide sewer connections so that Neuville Industries could expand its plant and provide an additional **50** jobs. The company had planned an \$800,000 expansion to its facility, but the proposed wastewater disposal methods violated State environmental regulations. The county was able to overcome this problem by expanding the existing sewer system and connecting the plant to it.

The Highland Park area in Gastonia (pop. 47,333) is a residential development consisting of new and rehabilitated low- and moderate-income housing units. It replaced one of the worst slums in the City, where no new single-family homes had been built for the past **50** years. To finance the project, a small State Block Grant was supplemented with assistance from the Section 312 Rehabilitation Program, the Rental Rehabilitation program, the State Home Improvement Loan program and private funding. These houses are now priced from \$34,000 to \$44,000, depending upon the family's income. This project has encouraged surrounding areas to initiate rehabilitation.

At the request of local citizens to remove a blighted commercial area, the site of drug-dealing and violence, the City of Greensboro (pop. 159,314) made use of several community development programs for clearance and replaced the rundown area with a new minority-owned neighborhood shopping center. The project, the Lincoln Grove Shopping Center, was funded by \$235,000 in Entitlement Block Grant funds, a \$135,280 Action Grant, and \$877,306 in private equity and loans. The Center's owner and developer, the Lincoln Grove Corporation, is minority-owned and there are 11 minority-owned firms in the project. Several existing firms have moved into the Center, retaining 19 jobs and creating 13 new ones.

Another economic development project is bringing 125 new jobs to Lee County (pop. 36,718). A poultry plant is being built with support from a \$750,000 State Block Grant, a \$16 million Economic Development Administration grant, and other funding from a public utility. Economic Development Administration funding was used for water supply lines and related public facilities and State Block Grant funds for the construction of a water tank and other costs. A total of \$11.5 million in private funds is being invested in the plant, which will open in 1989.

Macon County's Program for Progress, consisting of self-help housing renovation, has resulted in **200** improved homes since 1967. This effort was made possible by \$435,933 in State Block Grant funds and a variety of Federal housing programs: the Section **202** Housing for

the Elderly, Section 8 Moderate Rehabilitation Program, and others.

The Town of Pembroke (pop. 2,698) used \$603,663 from the State Block Grant Program and \$35,000 in local funds to rehabilitate thirty deteriorated housing units, relocate seven units and clear eight units, and make general street improvements to revitalize the Jones Street area. Homeowner contributions to rehabilitation varied depending upon income, with their contributions ranging between four and thirty percent of the total renovation costs. Ninety-six percent of the residents of the area are either Black or American Indian and 82 percent have low or moderate incomes. All of the contracting, legal, and appraisal firms were American Indian-owned.

A \$750,000 State Block Grant helped the town of Tarboro (pop. 10,987) get a new Sara Lee baking plant. The State Block Grant supplemented \$2 million in other public funds and \$36 million in private funds to construct the plant. The Federal funds were used for water and sewer lines, an elevated water tank storage and electric distribution facilities. The plant, to be completed in 1989, will employ 250 persons and provide an expected \$53,000 in taxes to the local community.

Housing rehabilitation is the focus of a \$2 million multi-year State Block Grant to Wilson (pop. 34,424) with the result that 180 substandard units have been renovated. The City's rehabilitation loan program is administered directly by the municipality, giving the City greater flexibility than might be found with private lending institutions. The program works by making low interest rehabilitation loans to owners.

Community Development

Funds to North Carolina

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	Total
Ahoskie			\$391,400				\$391,400
Asheboro				\$341,100			341,100
Asheville	\$24,680,000	\$260,400	4,935,500	149,500			30,025,400
Beaufort			280,000				280,000
Burlington	9,790,000			144,500			9,934,500
Burnsville			988,000				988,000
Carthage			322,450				322,450
Chapel Hill	3,130,000						3,130,000
Charlotte	78,146,000	1,234,800	4,636,046	305,550	\$59,000		84,381,396
Cherokee Ind. Res.						\$ 2,057,000	2,057,000
Clinton			105,000				105,000
Concord	1,979,000						1,979,000
Davidson			800,000				800,000
Dortches Town			299,000				299,000
Durham	26,140,000	528,000	2,729,000	218,250			29,615,250
Fairmont			361,200				361,200
Fayetteville	17,053,000	257,950	2,606,000				19,916,950
Fuquay-Varina			950,000				950,000
Gastonia	12,531,000						12,531,000
Greensboro	27,684,000	470,600	135,280	149,600	28,000		28,467,480
Hamlet			275,000				275,000
Hickory	4,423,000						4,423,000
High Point	23,514,000	226,120	1,700,000	70,950			25,511,070
Jacksonville	1,679,000						1,679,000
Jonesville			1,183,100				1,183,100
Kannapolis	946,000						946,000
Lenoir			540,000				540,000
Lumberton			61,800				61,800
Mayodan			460,000				460,000
Monroe			1,100,000				1,100,000
Mooreville			200,000				200,000
Mount Airy			480,000				480,000
New Bern			1,996,000				1,996,000
Norwood			1,425,000				1,425,000
Plymouth			440,000				440,000
Raleigh	22,436,000	401,050		524,500	26,000		23,387,550
Rockingham			1,515,000				1,515,000
Roxboro			4,667,050				4,667,050
Salisbury	4,272,000						4,272,000
Shelby			200,000				200,000
Siler City			156,600				156,600
Spruce Pine			600,000				600,000
Statesville			471,500				471,500
Stoneville			610,000				610,000
Sylva			2,750,000				2,750,000
Tarboro			2,660,000	198,050			2,858,050
Warsaw			1,340,000				1,340,000
West Jefferson							350,018
Wilkesboro			1,030,000				1,030,000
Wilmington	13,706,000		6,798,849	2,359,650			22,864,499
Winston-Salem	40,086,000	537,700	3,340,000	236,150	29,000		44,228,850

Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87
Alamance County	\$758,000			Caldwell County	\$ 17,800		\$5,225
Alexander County	104,200			Carrboro	735,200	\$75,000	5,000
Alleghany County			\$4,000	Carteret County	10,000		6,057
Ashe County			4,000	Chadbourn	308,200		
Asheboro			5,000	Chapel Hill		75,000	5,000
Avery County			4,000	Charlotte			11,781
Ayden	702,400			Chatham County	402,000		
Beaufort	300,000			China Grove	561,000		
Belmont	510,000			Claremont	346,160		
Beulaville	668,500			Clay County	400,000		
Brookford		\$50,000		Clinton	750,000		
Brunswick County	735,000			Columbia	834,200		
Burgaw	700,000			Conover	312,000		
Burke County	150,500			Craven County	717,500		5,000
Burlington		250,000	6,339	Dover	747,500		

Community Development

Funds to North Carolina

Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87
Drexel	\$ 167,000			Mooreville	\$200,000		
Duplin County	725,000			Morehead City	765,050		
Durham County			\$6,339	Morganton	550,000		
East Arcadia	38,000			Morrisville	255,000		
Edgecombe County	618,400			Mount Pleasant	273,400		
Ellerbe	475,000			New Bern	691,000		
Enfield	740,900			Newton	552,000		
Everetts	7,000			Norlina	750,100		
Fair Bluff	431,300			Orange County			\$ 5,000
Farmville	791,000			Oxford	731,500		
Fayetteville			6,339	Pender County	607,300		
Fountain	329,100			Pinetops	730,200		
Garysburg	670,400			Pitt County	792,300		
Gaston County			6,339	Princeville	10,000		
Gastonia		\$ 125,000	6,339	Raleigh	782,000		6,339
Graham County	671,800			Richmond County			6,483
Greene County	809,200			Roanoke Rapids	208,000		6,339
Greensboro			7,025	Rockingham	621,200		
Greenville		150,000		Rocky Mount	743,000		
Halifax	9,300			Ronda	7,200		
Hamilton	352,000			Roseboro	290,000		
Harnett County	651,000			Roxobel	7,000		
Hickory		125,000	6,339	Rutherford County			5,000
Hoffman	4,500			Rutherfordton	694,000		
Holly Springs	745,200			Sanford			6,339
Hudson	181,000			Shelby	800,000		6,339
Iredell County	750,000			Stantonsburg	684,900		
Jamesville	407,250			Statesville	115,000	\$100,000	6,339
Kannapolis	9,900			Stovall	698,400		
Kelford	7,000			Swansboro	9,500		
Kenly	670,900			Tabor City	40,000		
Kinston		138,000		Tarboro	370,500		
La Grange	749,900			Troy	749,900		
Lansing	453,000			Turkey	6,000		
Laurinburg	738,000			Valdese	325,000		
Lexington			6,339	Wake Forest	639,600		
Liberty	10,000			Warsaw	758,000		
Lincolnton	7,800			Washington			6,339
Long Mew		50,000		Watauga County			5,000
Magnolia	662,000			Waynesville	460,900		
Marshall	146,100			Wilkes County	618,000		
Marshville	640,500			Williamston	750,600		
McDowell County	10,000			Wilmington		150,000	
Mecklenburg County			5,683	Wilson	710,100	65,000	6,339
Mitchell County	316,800		4,000	Woodland	270,000		
Mocksville	400,000			Yadkin County	80,000		
Montgomery County	635,660						
Moore County	70,000						

North Dakota



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to North Dakota's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, of the U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of North Dakota amounted to \$6.8 million in community development assistance.

North Dakota's State Community Development Block Grant Program

The largest amount of community development assistance in FY 1987 was allocated to the State Block Grant Program (\$4.7 million).

Since 1975, \$56 million was allocated for the needs of small cities in North Dakota. Approximately \$26.7 million of this amount was distributed to 168 different jurisdictions by the State government since it assumed administration of the program in 1982. Under the State program, 42 percent of the funds have been expended for housing activities, 30 percent for economic development, and 27 percent for public works.

Community Development Block Grant Entitlement Program

Three North Dakota communities, Bismark, Fargo and Grand Forks have been eligible to receive Community Development Block Grant Entitlement funds since 1975 because of their central city status. These three communities have received nearly \$21.5 million in Block Grant Entitlement program funds. In FY 1987, Bismarck received \$310,000, Fargo \$552,000, and Grand Forks \$388,000.

Indian Community Development Block Grant Program

Since 1975, five Indian Tribes in North Dakota have received 43 grants totalling \$9.4 million. These funds were spent on housing (65 percent), infrastructure (13 percent), community facilities (21 percent), and economic development (1 percent). In 1987, the Mandan, Hidata, and Arikara Tribe received a Block Grant of \$141,443, the Tuttle Mountain Chippewa Tribe \$100,000, and the Devils Lake Sioux Tribe \$325,000.

Urban Development Action Grant Program

Five communities, Cando, Devils Lake, Dunseith, Fredonia, and Walhalla have received Action Grants totalling \$6.87 million since 1978. These grants have leveraged \$44.8 million in private financing and created 317 jobs. Action Grants are intended to promote economic development in distressed areas.

Emergency Shelter Grant Program

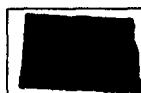
The State of North Dakota received an initial Emergency Shelter Grant of \$20,000 in the Spring and another \$101,000 in the Fall of 1987. The initial \$20,000 grant was allocated to Fargo to fund the rehabilitation and operation costs of a homeless shelter.

Rental Rehabilitation Program

Since 1984, \$1.1 million in Rental Rehabilitation grants were allocated to the State and the local governments. These funds have been used to help renovate rental properties for occupancy by lower income persons.

Community Development Funding to North Dakota Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$34
Small Cities/State Grants	56
Section 108 Loan Guarantees	0
Jobs Bill	2
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	7
Special Projects (FY '85-'87)	0
Urban Development Action Grants	7
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$ 107

**North Dakota: An Example of Transition from Federal to State Program Administration**

The State Community Development Block Grant program is HUD's principal vehicle for assisting communities under 50,000 population that are not central cities or in urban counties. From 1974 to 1982, the program was administered through Housing and Urban Development's field offices. North Dakota cities applied for funds from HUD and received 97 grants totalling \$24.5 million between 1974 and 1982. Beginning in 1982, States were offered the option of assuming responsibility for the program. North Dakota was one of the first states to accept administration of the program.

State Administration

In 1982, the first year of the State Block Grant program, North Dakota focused on encouraging local governments to apply for all eligible activities and manage their own programs. The program also promoted the leveraging of other public and private funds. Sixty-five percent of the funds went for housing, 27 percent for public facilities, and eight percent for economic development. Because of the size of the towns assisted and the part-time nature of local officials, the State found that, since 1982, few small jurisdictions chose to administer their programs. Most administration is done through Regional Planning Councils. The State also found that its leveraging goal was advanced in public facilities projects by local communities using the Block Grant funds to pay the special assessments of lower-income people related to the communities' share of an Environmental Protection Agency grant.

Program Refinements

From its basic program directions established in 1982, the State has sought to refine its administrative structure and selection system. The State's grants for local housing efforts have focused on rehabilitation of owner-occupied housing. The State has increased its targeting criteria to ensure that predominately lower-income persons benefit from housing activities.

While the portion of money devoted to public facilities has gone down substantially, water and sewer activities benefiting lower-income persons continue to have a high priority. One of the pressing needs of rural cities is potable water and sanitary waste water facilities to prevent groundwater and aquifer contamination.

In 1987 the State funded 14 public facility grants directed to this end. These projects involve small rural communities comprised of predominantly lower-income persons. Grants of \$136,000 to Adams, \$35,293 to Kindred, and \$308,619 to Lidgerwood corrected problems involving leaking sewage effluent, inadequate sewer services, and separation of sewer and storm drain systems.

Problems involving potable water resulting from encrusted waterlines 40 or more years old, or inadequate water service, were addressed using a State Block Grant of \$149,000 to Bowman, \$258,000 to Flasher, and \$118,200 to New Rockford. Flooding and water drainage problems were overcome by making grants of \$239,000 to Lincoln, \$40,920 to South Heart, and \$47,548 to Walcott.

New Directions in Economic Development

One major change after 1982 was a new emphasis on encouraging economic development. The State has set aside 50 percent of its Block Grant allocation for economic development projects. This pattern of allocating funds reflects the State's commitment to eradicating the economic problems facing the State as a result of deterioration in the agriculture and energy industries. In 1987, the State emphasized economic development grants to primary industries rather than retail businesses. The State also has tightened its leveraging and review standards for economic development projects.



The Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of North Dakota. The following local ventures illustrate the diversity and creativity of North Dakota's projects:

Carpio (pop. 244) used a \$37,815 State Community Development Block Grant to help **correct a sewage disposal problem** contaminating the wells. Leaking sewer holding ponds were found to be polluting the aquifer which supplied city wells. The \$96,800 project converts sewage disposal to a mechanical treatment system and is the first of its kind in North Dakota.

The **Devils Lake Sioux Tribe** (pop. 3,162) received a \$325,000 State Block Grant in 1987 to help **construct a \$1.4 million industrial building**. The 50,000 square feet building will house the Dakota Tribal Industries (DTI) manufacturing business. This construction will replace a building DTI is leasing. The business is owned by the Tribe and employees (140 people) and does \$15 million of business yearly. It has contracts with the Department of Defense, Brunswick Corporation and Devils Lake Sioux Manufacturing Corporation to produce netting, repair cases, and screen cases.

Fargo (pop. 61,303) received a \$20,000 Emergency Shelter Grant in 1987 from the State **to meet the needs of the Chronically Mentally Ill (CMI) segment of the homeless population**. The funds were used to renovate a space for CMI people and to help meet the facility's operating costs.

Block Grant Entitlement funds helped **save Fargo's historic Northern Pacific Railroad depot from demolition**. The railroad donated the building and leased the land to the City for one dollar per year. Fargo utilized \$540,000 in Entitlement Block Grant funds, \$450,000 in private donations, \$180,000 from the State Historical Office, \$100,000 from the Fargo Parks budget, and \$18,000 from the State Commission on Aging to renovate the structure and grounds. About two-thirds of the facility is occupied by a senior center, which serves 70-125 meals a day, and conducts recreation activities, as well as other community programs for senior citizens.

Grand Forks (pop. 43,765) uses a small amount of Block Grant Entitlement funds to **generate summer employment for lower-income youth and to clean up its riverbank**. The banks of the Red River have been used for years as a home for transients and as a dumping place for construction and other waste. For several years, the City has utilized a portion of its Block Grant (\$25,000 in 1987) to fund a youth project to eliminate this deterioration and its effect on the downtown and the surrounding neighborhoods.

Grand Forks has utilized Block Grant Entitlement and Rental Rehabilitation programs funds to **improve the**

quality of rental stock available to lower-income persons. With \$300,000 in Block Grant Entitlement funds and \$291,000 in Rental Rehabilitation grants, the city renovated 200 units, in **36** projects, to Section **8** housing standards and has won wide support for the program in the community.

Solen (pop. 138) a small town that borders the Standing Rock Indian Reservation, contains a high percentage of Native Americans in need of housing assistance. Through the State Block Grant program, a grant of \$125,856 was provided to the town to **rehabilitate 13 houses and relocate two households**.

Wallhalla (pop. 1,429) received an Urban Development Action Grant totalling \$4,644,000 to assist in the **acquisition of land and the purchase of equipment** for an ethanol-producing plant. The total cost of the project was \$46 million. More than nine private dollars was invested for each dollar of public Action Grant funds. The project created seventy-one permanent jobs. Forty-six percent of these new jobs were filled by low- and moderate-income persons. At present, efforts are underway to produce a high-protein feed for livestock using the by-product of ethanol production.

Community Development

Funds to North Dakota

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	State CDBG FY 85	State Rental Rehab FY85	Emerg. Shetter FY87	Total
Argusville						\$6,600			\$6,600
Bismarck	\$7,721,000								7,721,000
Bonineau County						80,000			80,000
Brinsmade						6,195			6,195
Cando			\$ 1,476,812			88,995			1,565,807
Carson						91,770			91,770
Casselton						120,146			120,146
Cooperstown						50,000			50,000
Crary						45,549			45,549
Devils Lake			500,000						500,000
Drayton						68,985			68,985
Dunseith			180,980						180,980
Edinburg						115,500			115,500
Elgin						101,144			101,144
Enderlin						238,769			238,769
Fargo	8,975,000	\$158,000						\$20,000	9,153,000
Fessenden						25,308			25,308
Finley						63,000			63,000
Flaxton						133,500			133,500
Fort Berthold Reservation				\$1,148,018					1,148,018
Fort Totten Reservation				1,175,810					1,175,810
Fredonia			25,000			25,000			50,000
Gardner						49,846			49,846
Grand Forks	9,086,000	577,720					\$265,600		9,929,320
Grand Forks County						120,000			120,000
Hanon						44,100			44,100
Hoople						96,758			96,758
Kindred						179,440			179,440
Kulm						28,680			28,680
Lansford						80,046			80,046
Leonard						113,230			113,230
Lisbon						56,700			56,700
Mandan						110,000			110,000
McClusky						23,642			23,642
McVillie						143,220			143,220
Mountain						50,447			50,447
New Salem						40,180			40,180
New Town						182,700			182,700
Noonan						1,000			1,000
Oakes						42,920			42,920
Park River						202,500			202,500
Pekin						61,885			61,885
Regent						60,000			60,000
Riverside						26,426			26,426
Rugby						259,150			259,150
Sargent County						258,460			258,460
Sharon						119,700			119,700
St. John						93,363			93,363
Standing Rock Reservation				1,915,180					1,915,180
Stanley						138,830			138,830
Surrey						36,287			36,287
Sykeston						20,402			20,402
Thompson						25,000			25,000
Trenton				705,000					705,000
Turtle Mountain Reservation				2,817,322					2,817,322
Tuttle						49,800			49,800
Upham						36,940			36,940
Valley City						78,390			78,390
Velva						176,362			176,362
Wahpeton					\$21.150	540.446			561,596
Walhalla			4,689,000			191,000			4,708,000
Walsh County						72,000			72,000
Ward County						83,000			83,000
Williston						184,634			184,634



The U. S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Ohio communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibilities for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Ohio amounted to \$191.8 million.

Entitlement Block Grant Program

From FY 1975-1987 Ohio received more than \$1.6 billion in Block Grant Entitlement funding. In FY 1987, Ohio larger cities and urban counties were granted \$139.2 million. These funds are used, according to local determination, for eligible projects primarily helping low- and moderate-income residents. In FY 1986 Entitlement jurisdictions budgeted Entitlement funds for revitalizing rundown and economically depressed neighborhoods, encouraging economic development through stimulation of the local economy, improving infrastructure including the repair of local water and sewer systems and roads, and rehabilitating housing. Local needs predominated in local governmental recipient decisions that followed the broad range of eligible activities permitted in the Entitlement program.

State Block Grant Program

The State Block Grant program is administered by Ohio's State government. Since FY 1975 Ohio communities, and counties under 50,000 population and not otherwise given Entitlement Block Grant funds, were allocated a total of \$429.2 million. Small jurisdictions find the State Block Grant program of great value in rounding out otherwise scarce tax resources, and for meeting urgent local needs similar to those just described for the Entitlement program. Many small jurisdictions, through the State Block Grant program, emphasize job retention and business encouragement and development, while others have stressed housing rehabilitation or infrastructure requirements. In FY 1987, Housing and Urban Development granted the State \$37.7 million for distribution to eligible counties, towns, villages and cities.

Urban Development Action Grants: Promoting Jobs in Ohio

An objective of the Urban Development Action Grant program is to create and retain jobs. Through imaginative projects, communities attract private investments to match Federal contributions upon the ability of the community to encourage private investments. From FY 1975-1987, Action Grants totalling \$289.7 million, to Ohio cities and counties were used to leverage an investment of \$1.5 billion in other public funds and private dollars. Data indicate that 32,354 new jobs were created, and almost 10,000 retained, in Ohio as a result of Action Grant-assisted projects.

Rehabilitating Substandard Housing

Ohio residents have been able to rehabilitate substandard dwellings as a result of Rental Rehabilitation and Section 312 rehabilitation grants made to Ohio communities. In FY 1987, \$8.7 million in Rental Rehabilitation funds were made available. The Urban Homesteading program also turned over 43 properties worth more than \$617,000 to new owners who agreed to rehabilitate the dwellings and bring them up to local code standards.

Community Development Funding to Ohio Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$1,597
Small Cities/State Grants	429
Section 108 Loan Guarantees	33
Jobs Bill	60
Urban Development Action Grants	290
Rental Rehabilitation Program Grants	25
Section 312 Rehabilitation Loans (FY '84-'87)	12
Urban Homesteading	13
Emergency Shelter Grants	3
Total	\$2,461
(Note: Detail may not add to total due to rounding.)	



City Initiation of Operation Weather Beater

Central Ohio in midwinter can be a cold place, indeed. Aided by Community Development Block Grant Entitlement funds, Columbus set-up Operation Weather Beater to help low-income, elderly and minority residents "beat the cold." Under the direction of the City's Department of Energy and Telecommunications and in cooperation with other city and county government agencies, various community centers and churches, local businesses (both profit and non-profit), and many volunteers, Operation Weather Beater provides low cost/no cost weatherization assistance to thousands of low- and moderate-income households.

Operation Weather Beater was developed in conjunction with a Weatherization Task Force and the Columbus Energy Council to deal with problems created by the high cost of home heating. Other partners include twenty community centers and churches serving as workshop sites and providing staff support for registration, publicity assistance, storage, and meeting facilities. The We Care Health Facility, a nursing home, involves its clients in helping with materials preparation. The partnership that brings together two utility companies helps customers save money through education about energy conservation methods.

Volunteer Support

Volunteer involvement is a key ingredient in the success of Weather Beater. More than 70 volunteers work in teams as workshop leaders responsible for instruction and the distribution of materials. Other volunteers include employees of Columbia Gas of Ohio. Their time is donated as an in-kind corporate contribution. Experienced Weather Beater staff instruct volunteers prior to their involvement.

Even more volunteers were involved through partnerships between the City and the private sector in the installation phase. More than 300 persons from Columbus and Southern Ohio Electric Co., Columbia Gas of Ohio, and Columbus Presbyterian Churches installed low-cost weatherization materials and provided conservation tips for senior citizens and handicapped persons. Cooperation between corporations and the City, and enthusiastic support from all participants involved, has contributed to the success of Weather Beater.

In the initial phase, \$140,000 in Block Grant Entitlement funds and private sector contributions estimated at \$48,150 (many in-kind, derived from contribution of the time of private corporate employees) were used. Cooperation between corporations and the City made possible extremely efficient use of Block Grant funds. For example, last year's project provided \$50 worth of weatherization materials to each low- and moderate-income household at a cost of only \$35 per household in Block Grant funds. Projected statistics for this year indicate that up to \$80 worth of materials will be provided at a Block Grant cost of approximately \$56.

Benefits of Operation Weather Beater are many and far-reaching. A broad sampling of Columbus' population attends the workshops or have materials installed in their homes. The program has helped low- and moderate-income households including homeowners, tenants, landlords, female heads of households, college students, the aged, the handicapped, Southeast Asian refugees, high school students, and the unemployed.

An evaluation of statistics from last year's workshop participants noted a 13 percent average yearly energy savings. This translates into average household savings of \$107.26 and a natural gas conservation of 17,010 cubic feet annually. As participants (3,000 per year) become aware of the future savings from energy conservation and weatherization, large amounts of energy will be conserved.



The U.S. Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of Ohio. The following local ventures illustrate the diversity and creativity of Ohio's projects:

Cleveland (pop. 573,822) joined with a neighborhood-based non-profit group and an experienced developer to build a 183-unit rental housing project. **The project is the first market-rate housing built in the City's Hough neighborhood in more than fifty years and represents a model of public-private cooperation between the City and developers.** Twenty-three private entities cooperated by participating in the financing package. Central to the project was \$1.7 million in Community Development Block Grant Entitlement funds, and \$2.7 million in Urban Development Action Grant grants. Other public and private funds contributed to the project totalled \$9.9 million.

Euclid (pop. 60,000) used \$655,000 in Block Grant Entitlement funds and \$53,200 in local contributions to initiate the Commercial Redevelopment Program. Euclid's comprehensive program was designed to **counteract the gradual decline of the City's older commercial areas** through legislative and administrative initiatives, planning, communication with the private sector, and prudent use of other public funds.

Ironton (pop. 14,290) **found a solution to the imminent loss of a foundry and stopped a downturn in the local economy.** The City used an Action Grant of \$1 million, added \$340,000 in State Block Grant funds, and \$6.5 million in additional public-private funds, to purchase a closed foundry from AMCAST Industrial Corporation. Reopened as Ironton Iron and now operated by former AMCAST employees, the City saved 179 jobs.

Montgomery County (pop. 316,975) **prevented the closing of a declining industrial firm,** by creating a complex and unusual partnership between a nonprofit development corporation, the State, private lenders, and an enterprising local entrepreneur. This partnership, aided by \$100,000 in Block Grant Entitlement funds and \$1.7 million in public-private funds, revived the company. The project **has** resulted in the creation of 70 new jobs -- 47 of which were filled by lower-income persons. In addition to increasing the local tax revenues by **\$23,000** annually, the projects set the stage for continued growth in a highly competitive small business.

Norwalk (pop. 14,500), combined \$235,000 in State Block Grant funds with \$94,000 in other State funds and \$1.8 million in private funds to expand the **Janesville** Products and Industrial Power Coatings companies.

Anticipating economic problems because two local plants might close unless they found a way to expand, the City formed "Public-Private Partnerships -- It Works!". Through the project, 175 new jobs, many for low-income residents, were created.

Putnam County (pop. 33,307) and the State of Ohio **developed a public-private financing package which persuaded the Phillips ECG Corporation to consolidate its TV picture tube production facilities in the County.** The \$115,000 State Block Grant was added to \$2.75 million from other State and \$3.94 million in private financing to aid Phillips. The project resulted in the retention of 1,640 jobs and the creation of 300 jobs, many for low-income residents.

Richland County (pop. 131,205) helped Mansfield Ferrous Castings prevent the closing of its manufacturing facility. Aided by \$130,000 in State Block Grant funds and \$85,000 in other public funds, Mansfield purchased a new heating system. By preventing closure of this facility, 165 jobs were saved.

Toledo (pop. 354,635) **developed a comprehensive plan to revitalize its Warren-Sherman neighborhood.** Using \$5.5 million in Entitlement Block Grant funds, a \$5.5 million Action Grant, \$300,000 in Rental Rehabilitation funds and \$9.4 million from other Housing and Urban Development sources, matched by \$29 million in private financing, the City constructed new housing for low- and moderate-income persons, a shopping mall, an industrial park, and an office building.

Community Development

Funds to Ohio

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	Formula Emerg. Shelter FY 87	Total ⁽¹⁾
Akron	\$ 111,860,000	\$925,200	\$32,045,500	\$1,346,250	\$267,932	\$ 110,000	\$146,554,882
Alliance			5,854,199				5,854,199
Ashtabula			277,850				277,850
Athens			2,353,862				2,353,862
Barberton	2,097,000		145,000				2,242,000
Bellevue			1,844,156				1,844,156
Bowling Green	1,355,000						1,355,000
Bucyrus			200,000				200,000
Cambridge			1,151,265				1,151,265
Canton	37,615,000	379,600	4,386,900	807,650	30,500	47,000	43,266,650
Cincinnati	215,436,000	2,760,500	30,586,121	1,045,150	1,797,752	258,000	251,883,523
Cleveland	367,532,000	4,041,347	93,609,031	1,748,200	787,452	499,000	468,217,030
Cleveland Heights	17,578,000		249,550				17,827,550
Columbus	109,609,000	2,742,970	16,140,000	1,341,010	5,922,266	113,000	135,868,246
Crestline			505,034				
Cuyahoga County	41,725,000	605,910		273,950	92,000	52,000	
Dayton	99,113,000	1,099,400	12,440,000	901,650	1,366,442	111,000	
East Liverpool			781,000				
Edgerton			103,000				
Elyria	11,204,000		579,080				
Euclid	9,594,000						
Fostoria			1,725,000				
Franklin County	30,462,000	201,953		15,000		31,000	
Galion			81,700				
Greenfield			1,415,000				
Hamilton	19,512,000	179,045		353,350			
Hamilton County	46,831,000	594,400				51,000	
Hicksville			1,565,840				
Hillsboro			320,000				
Ironton			1,025,000				
Kent	1,356,000		1,845,000	75,800			
Kettering	5,702,000			24,350			
Lake County	3,683,000						
Lakewood	20,218,000	191,400		26,950		28,000	
Lancaster	1,813,000						
Lima	14,814,000		175,000	438,000	152,026		
Lincoln Heights			1,263,400				
Lockland			1,270,000				
Logan			400,000				
Lorain	15,232,000	252,030	250,000	277,850			
Malinta			525,000				
Mansfield	10,704,000	216,390	2,100,000				
Marietta	5,054,000			15,000			
Marion			532,000				
Martins Ferry			530,000				
Massillon	4,091,000		1,461,941				
Middleport			128,000				
Middletown	27,876,000		300,000				
Monroeville			1,000,000				
Montgomery County	32,016,000	433,200		627,000	598,735	36,000	
Nelsonville			232,000				
New Boston			342,984				
Newark	5,268,000						
Norwood			695,820				
Parma	7,915,000						7,915,000
Piqua					15,000		15,000
Portsmouth			469,400				469,400
Ravenna			691,000				691,000
Sandusky			3,155,000				3,155,000
Springfield	25,719,000	200,500	2,756,300	204,900	410,169	33,000	
Stark County	24,965,000	267,500		59,700			25,292,200
State of Ohio				729,700	41,000		770,700
Steubenville	14,154,000						14,154,000
Summit County	26,573,000	272,730		120,700			26,966,430

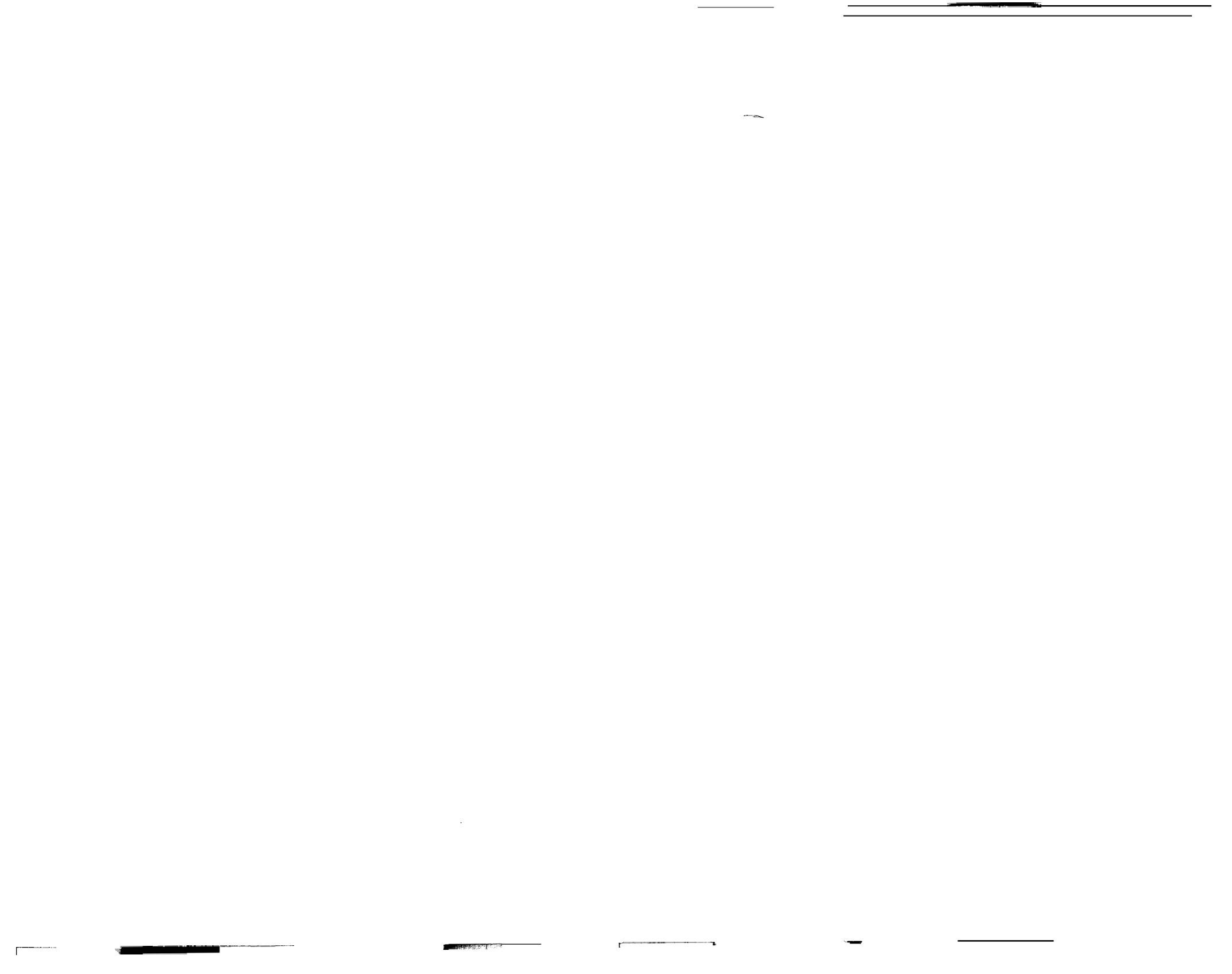
(1) Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$ 45,516,000, State Rental Rehabilitation grantees and funds for FY 1985 which totaled \$2,163,000, or State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$ 1,282,000.

Community Development

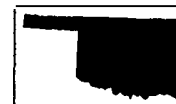
Funds to Ohio

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	Formula Emerg. Shelter FY 87	Total ⁽¹⁾
Toledo	\$ 102,876,000	\$ 1,588,525	\$48,201,890	\$782,400	\$838,119	\$ 108,000	\$154,394,934
University Heights				15,100			15,100
Warren	15,251,000	63,000	5,084,088		286,574		20,684,662
Wauseon			179,375				179,375
Wellston			682,140				682,140
Willard			214,000				214,000
Wilmington			469,600				469,600
Xenia			1,010,000		35,718		1,045,718
Youngstown	63,735,000	400,912	4,594,120	85,850	190,622	74,000	69,080,504

⁽¹⁾ Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$ 45,516,000, State Rental Rehabilitation grantees and funds for FY 1985 which totaled \$ 2,163,000, nor State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$ 1,282,000.



Oklahoma



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Oklahoma's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Oklahoma amounted to more than \$35 million.

Oklahoma's State Community Development Block Grant Program

The State Block Grant Program, which assists smaller communities under 50,000 population and not otherwise eligible for Entitlement Block Grant funds, is the largest community development program in Oklahoma. The cities and towns of Oklahoma received \$14.2 million in funds in FY 1987 and a total of \$177 million since 1975.

Entitlement Community Development Block Grant Program

The second largest amount of community development funds to Oklahoma's communities comes through the Entitlement Block Grant Program, which provides aid to larger communities, generally those over 50,000 persons. These larger cities received \$10.6 million in 1987 and, since 1975, almost \$249 million. Illustrative of the use of these funds are the programs of four communities in the State: Lawton, Oklahoma City, Tulsa, and Enid. Most of the funds were programmed for public facilities (32 percent), housing rehabilitation (23 percent), administration and planning (18 percent), and economic development (15 percent).

The Block Grant Program for Indian Tribes

Indian tribes, bands, groups, or nations are eligible for Community Development Block Grant funds through the Indian Community Development Block Grant Program. Funds for the program are allocated based on a formula using the factors of population, overcrowded housing, and extent of poverty within each of the HUD Indian Regions.

In Oklahoma, eleven tribes received thirteen Block Grant awards totaling almost \$3.8 million in FY 1987. The average grant amounted to approximately \$281,000. Of the thirteen grants made to the tribes of this State, the majority were economic development projects including convenience or grocery stores, an industrial building, and a travel center. Other projects have included housing rehabilitation and community services such as a nursing home and a water system.

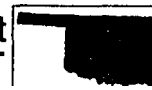
Other Programs

Since its beginning in 1978, the Urban Development Action Grant Program, has provided over \$32 million in grants for communities in Oklahoma. These grants have leveraged \$140 million in private funds, creating 1,603 new jobs and generating \$1.5 million in taxes annually to local governments.

From FY 1984 to 1987, \$5.4 million were obligated by Housing and Urban Development in the State under the Rental Rehabilitation Program for upgrading existing rental housing.

Community Development Funding to Oklahoma Since 1974 (\$ In Millions)

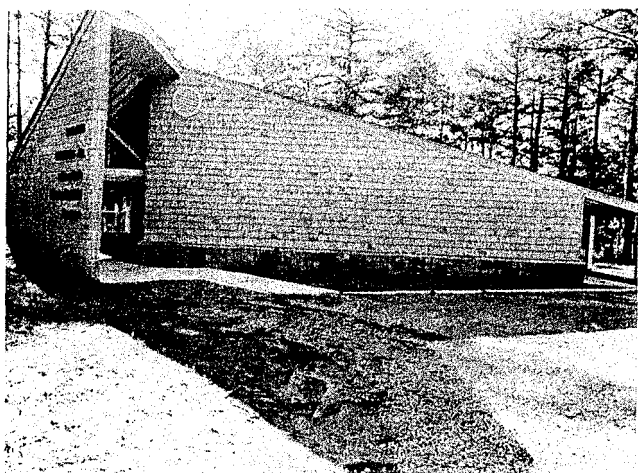
Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$249
Small Cities/State Grants	177
Section 108 Loan Guarantees	0
Jobs Bill	7
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	41
Special Projects (FY '85-'87)	
Urban Development Action Grants	32
Rental Rehabilitation Program Grants	6
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	1
Total	\$513



The Choctaw Nation's Hospitality House

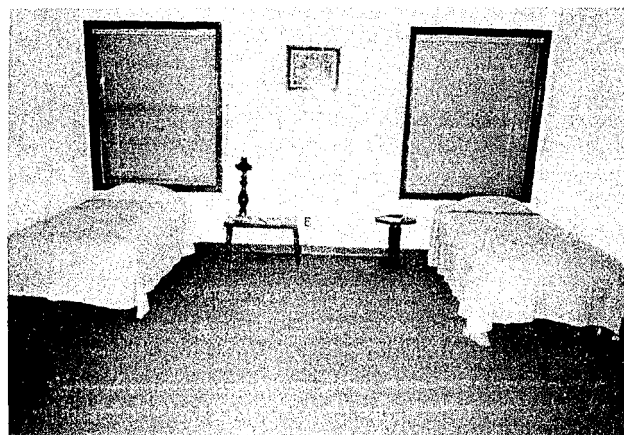
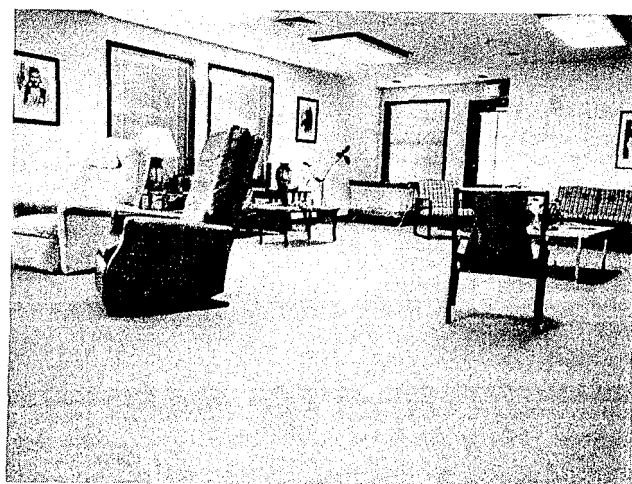
The Choctaw Nation Indian Hospital in **Talihina** is the major Indian hospital for a ten-county region in rural Southeastern Oklahoma. Many of the patients must travel long distances, as far as 100 miles, to use the hospital, preferring it over other facilities because some patients are eligible for free services and it is Indian owned and operated. To meet the need for temporary housing for the visiting relatives of hospital patients, the **Gabe Paxton Choctaw Hospitality House** was created. Similar in concept to the "Ronald McDonald Houses", the Choctaw Hospitality House offers patients' families, and patients who need to report early for next-day medical appointments, a place to stay free-of-charge.

Talihina is a very isolated area with few motels. In addition, most of the relatives of the patients are unable to afford lodging. When coming to stay near a patient in the hospital, the relatives would often camp out in the hospital lobbies. With guidance from the Department of Housing and Urban Development Office of Indian Programs staff in Oklahoma City, the Choctaw Nation built this hospitality house for those Indians unable to afford temporary lodging.



The Hospitality House was constructed using \$258,000 in Indian Community Development Block Grant funds on land donated by the Choctaw and Chickasaw Nations, and furnished with \$10,000 worth of housewares donated by private citizens. This furniture is going to be replaced soon with furnishings from a motel, recently acquired by the Tribe (another Indian Block Grant paid for the motel's renovation). Hospitality House is owned and operated by the Choctaw Nation. The **4,500** square foot facility has two dormitory rooms and three private rooms. No kitchen facilities are available, but the house is only for short-term stays; most guests remain no longer than three or four days.

Between its opening in March and the end of October 1987, the facility has provided temporary housing to approximately 523 guests, most of whom are low- and moderate-income Indians. The Hospitality House has proven to be beneficial and a worthwhile service to the many Indians of this area.





The Department of Housing and Urban Development's Community Planning and Development programs support a broad range of local projects in Oklahoma. A number of local ventures illustrate the diversity in the Oklahoma projects:

The Alabama-Coushatta Tribe (pop. 501) plans to use **\$274,000** in Community Development Block Grant Indian Program funds to rehabilitate approximately **45** houses to meet Federal housing quality standards in the Section 8 Rental Assistance Program. This rehabilitation project will provide decent, safe, and sanitary housing to approximately 180 low- and moderate-income tribal members.

A new gas system was constructed in Avant (pop. 459) with **\$109,687** in State Block Grant funds, **\$275,182** from the Farmers Home Administration, and **\$47,008** in local monies. The City now is accumulating the necessary matching funds for another State Block Grant to construct a sewer treatment facility that will rectify a severe water treatment problem.

Chandler (pop. 2,926) invested **\$2.7** million from an Action Grant award and **\$142,000** in State Block Grant funds to leverage **\$13.7** million in private investment to assist Farm Fresh Dairy, Inc. in building a **146,000** square-foot dairy products manufacturing plant. This plant will generate 298 new jobs, primarily for low-income and minority persons, and provide an industrial base for the City.

Lawton (pop. 80,054), home of Ft. Sill, United States Army Field Artillery Center, rehabilitated **53** housing units and is in the process of renovating **27** more. The rehabilitation of the 80 units is being aided by **\$230,800** in Rental Rehabilitation funds. This program has helped to meet the continuous demand for rental housing in a transient community.

Muskogee (pop. 40,011) used an \$11.7 million Urban Development Action Grant to leverage \$43 million in private funds for the development of a **409,000** square foot mall. The Action Grant funds were used to clear approximately 50 acres of land in the downtown area and to relocate 95 businesses and 103 families. Over 1,400 jobs will be created by this development.

In Oklahoma City (pop. 403,213), the rehabilitation of **154** dwelling units and the construction of **24** new units was made possible with **\$326,000** in Entitlement Block Grant funds within one twelve-month period. During this time period, the City processed 178 applications for its two ongoing Block Grant Housing Rehabilitation programs, which have been successfully helping both lower-income and elderly persons.

The Osage Indian Tribe (pop. 6,274) combined **\$198,000** in Action Grant funds, **\$227,000** in Indian Block Grant funds, and **\$300,000** in State Block Grant funds to leverage \$350,000 of developer funds to build a housing component factory utilizing state-of-the-art computer

design. The factory currently employs 39 low-income minority persons. The factory will pay back the Tribe for the Action Grant loan and the resulting revenues will be used to implement further economic development.

An existing garment manufacturing plant in Pawhuska was acquired and expanded by the Osage Indian Tribe using **\$480,000** in Indian Block Grant funds. The tribal-owned business will create 30 new jobs and retain **46** permanent jobs, the majority of which are slated for Indian and non-Indian low- and moderate-income people.

State Community Development Block Grant funds stimulated several redevelopment activities in Pauls Valley (pop. 5,664). The City upgraded its housing stock and constructed drainage facilities to eliminate a public health hazard with **\$325,000** in State Block Grant funds and **\$57,000** in local funds. Seeking to aid low- and moderate-income persons, and with the help of community volunteers, Pauls Valley rehabilitated 18 substandard houses, replaced seven owner-occupied houses with new units, and demolished **22** abandoned structures. In addition, the contractors hired eight lower-income residents of the area to work on the project.

Tulsa (pop. 360,919) hopes to improve a neighborhood with **\$80,000** in Urban Homesteading funds which were used to acquire four properties. A drawing was held to determine which of 67 applicants would receive conditional title and the right to renovate and occupy the vacant units. Because of initial demand, Tulsa plans to expand the program which is designed to help provide homeownership opportunities for individuals and families, preserve existing housing stock, prevent decline of the neighborhoods, and return housing units to the tax rolls.

Community Development

Funds to Oklahoma

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Total
Absentee Shawnee Tribe				\$760,000			\$760,000
Apache Tribe				1,354,907			1,354,907
Caddo Tribe				550,000			550,000
Chandler			\$ 3,535,846				3,535,846
Checotah			525,000				525,000
Cherokee Nation				4,280,657			4,280,657
Cheyenne-Arapahoe Tribe				1,223,700			1,223,700
Chickasaw Nation				4,084,730			4,084,730
Chickasha			254,000				254,000
Choctaw Nation				3,376,930			3,376,930
Citizen Band/Potawatomie				1,190,268			1,190,268
Coalgate			146,900				146,900
Comanche Tribe				793,000			793,000
Creek Nation				4,160,857			4,160,857
Delaware Tribe of West OK.				1,256,000			1,256,000
Durant			230,600				230,600
Eastern Shawnee Tribe				452,000			452,000
Enid	\$3,950,000				\$67,950		4,017,950
Fort Sill Apache Tribe				175,000			175,000
Frederick			800,000				800,000
Guthrie			3,763,469				3,763,469
Hartshorne			700,000				700,000
Hominy			90,000				90,000
Iowa Tribe of Oklahoma				1,048,320			1,048,320
Kaw Tribe				815,000			815,000
Kickapoo Tribe				780,000			780,000
Kiowa Tribe				1,319,452			1,319,452
Lawton	36,241,000	\$338,700	170,075		89,900		36,839,675
Miami Tribe				832,600			832,600
Midwest City	6,246,000				7,800		6,253,800
Modoc Tribe				160,400			160,400
Muskogee			11,750,000				11,750,000
Norman	9,329,000	285,400			12,050		9,626,450
Oklahoma City	83,580,000	1,237,900	697,600			\$74,000	85,589,500
Osage Tribe			198,000	1,883,050			2,081,050
Otoe-Missouria Tribe				625,000			625,000
Ottawa Tribe				475,000			475,000
Pawnee Tribe				686,500			686,500
Peoria Tribe				200,000			200,000
Ponca Tribe				546,000			546,000
Quapaw Tribe				587,204			587,204
Ringling			68,190				68,190
Sac & Fox Tribe of OK.				2,221,922			2,221,922
Seminole			650,000				650,000
Seminole Nation				2,033,785			2,033,785
Seneca-Cayuga Tribe				1,125,000			1,125,000
Shawnee	4,608,000		525,000		73,700		5,206,700
Stilwell			4,171,000				4,171,000
Sulphur			1,350,000				1,350,000
Tecumseh			240,000				240,000
Thlopthlocco Tribal Twn.				124,000			124,000
Tonkawa Tribe				949,025			949,025
Tulsa	72,344,000	768,300	240,000		59,550	57,000	73,468,850
Walters			115,000				115,000
Wichita Tribe				322,600			322,600
Wilburton			1,930,000				1,930,000
Wyandotte Tribe				643,093			643,093

Community Development

Funds to Oklahoma

Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Name	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87
Ada	\$449,291			Howe	\$101,700		
Afton	24,500			Hulbert	77,000		
Aline	200,000			Hunter	4,025		
Alva	325,000			Kaw City	200,000		
Ardmore	500,000			Kingfisher	325,000		
Atoka	304,390			Krebs	18,095		
Avant	200,000			Lawton			\$ 10,000
Beggs	11,200			Lindsay	38,315		
Bethany	209,432			Locust Grove	200,000		
Binger	79,824			Madill	317,451		
Blackwell	316,965			Manchester	5,000		
Braman	113,746			McCloud	12,495		
Bristow	42,000			Miami	878,200		
Broken Bow	14,700			Muskogee	483,700		
Canadian	3,500			Muskogee County	97,000		
Chandler	313,641			Noble	48,541		
Checotah	202,300			Oklahoma City			32,500
Clayton	200,000			Okmulgee County	139,720		
Craig County	200,000			Paden	175,000		
Davenport	195,650			Pawhuska	259,245		
Durant	350,000			Ponca City		\$ 100,000	
Edmond	304,878			Pushmataha County	158,900		
El Reno		\$ 150,000		Salina	7,000		
Enid		300,000	\$ 10,000	Sayre	18,200		
Eufaula	215,040			Sequoyah County	325,000		
Faxon	100,271			Shawnee		216,000	
Fletcher	123,000			Skiatook	319,000		
Fort Gibson	350,000			Spavinaw	38,220		
Gate	135,972			Strang	118,939		
Glencoe	7,301			Thackerville	200,000		
Gotebo	120,660			Tillman County	267,647		
Grandfield	115,500			Tishomingo	261,625		
Greenfield	17,124			Tulsa			32,500
Helena	45,360			Vinita	318,176		
Hendrix	183,400			Westville	154,572		
Hobart	325,000			Woodward	350,000		
Holdenville	350,000						



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Oregon's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Oregon amounted to \$27 million.

Community Development Block Grant Entitlement Program

More than \$14 million was distributed to the State of Oregon's Entitlement communities in Fiscal Year 1987, and more than \$208 million since 1975. In FY 1987, Community Development funded five cities with populations over 50,000 and participating jurisdictions in Clackamas and Washington counties.

The largest Entitlement grants went to Portland (\$7.9 million), Clackamas County (\$1.7 million), and Washington County (\$1.7 million). In 1986, Entitlement cities budgeted approximately 42 percent of available Block Grant funds for housing rehabilitation, 25 percent for economic development, 18 percent for public facilities and improvements, and 14 percent for public services. Entitlement counties budgeted 52 percent of available Block Grant funds for public facilities and improvements, 37 percent for housing rehabilitation, 6 percent for public services and 5 percent for economic development in FY 1986.

Oregon's State Community Development Block Grant Program

The second largest amount of Community Development funds went to the State Block Grant program. In FY 1987, a grant of \$10 million was made to the State for assistance to communities with populations under 50,000 persons and not otherwise entitled to Block Grant funds. Since 1975, more than \$106 million has gone to Oregon's smaller cities through this program.

From FY 1983 to FY 1986, the State of Oregon reported expenditures of \$19 million for public works, \$8.7 million for housing rehabilitation, and \$8 million for economic development. More than 512 units of housing were rehabilitated and an additional 465 homes were weatherized. Approximately 810 jobs were created through loans to 28 businesses. Eight centers providing services for seniors, childcare or the community at large were constructed or rehabilitated.

Housing Rehabilitation Programs

From 1984 through 1987, \$6.2 million was obligated for projects in the State under the Rental Rehabilitation program. Of that amount, more than \$2.2 million was awarded in FY 1987. More than 1,240 units of housing are scheduled for rehabilitation by local jurisdictions participating in this program.

Since 1975, localities in the State of Oregon were awarded more than \$1.6 million under the Urban Homesteading program. Of that amount, approximately \$469,000 was awarded in FY 1987. 170 abandoned properties were acquired and sold at nominal cost to lower-income "homesteaders" who contract to repair and occupy them for a period of at least five years.

From 1985 through 1987, communities in the State of Oregon have been awarded \$26 million in Section 312 low interest rate financing authority. Of that amount, approximately \$335,000 was made available in FY 1987.

Community Development Funding to Oregon Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$208
Small Cities/State Grants	106
Section 108 Loan Guarantees	0
Jobs Bill	12
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	1
Special Projects (FY '85-'87)	0
Urban Development Action Grants	18
Rental Rehabilitation Program Grants	6
Section 312 Rehabilitation Loans (FY '84-'87)	3
Urban Homesteading	2
Emergency Shelter Grants	*
Total	\$357
(Note: Detail may not add to total due to rounding.)	



Portland's Home Repair Training Program

Wielding paint rollers and hammers, electric saws and sandpaper, 65 Portland high school students are learning a trade while improving inner-city housing. The young men and women, ranging in age from 16 to 21 are enrolled in the City's Home Repair Training Program which is available to public and private school students who have a sincere interest in learning carpentry, roofing and painting skills. The trainees learn to replace roofs, hang doors, make cabinets, lay flooring and paint walls in the homes of elderly, handicapped, and disadvantaged Portland homeowners who apply for assistance through the Portland Development Commission.

The Home Repair Training Program operates under a partnership agreement between Portland Public Schools and the City of Portland's Bureau of Housing and Community Development. This unique vocational training program is aimed at providing youth with "hands-on" experience while helping young people acquire a knowledge of the world of work (including the attitudes, skills, abilities, and values needed to function adequately as a worker in society) and become economically self-supporting.

Developing Vocational Skills

The program is designed primarily for students interested in the construction trades. The Home Repair Training Program also serves at-risk youth who are not successful or who are not interested in a standard academic program. The freedom from classroom restrictions and the ability to apply the skills learned make it possible for many students to complete the requirements for graduation. Because the program is open-entrance, open-exit, it is possible for a student to participate in the Home Repair Training Program for only part of the year, with one elective credit earned for each 150 hours of on-the-job participation. This often helps to fill a gap when students drop other classes or enroll late in the term.

During the school year a student works under the supervision of an instructor-craftsman for 3 hours each morning or afternoon. Students who have completed the first year of the program are eligible to participate in a six-week summer employment program that provides a work/training experience identical to what they could expect in any entry-level position as a carpenter or laborer.

Blending City Programs with Block Grant Support

Since 1984, the budget for Portland's Home Repair Training Program has risen from \$300,000 to almost \$400,000 a year. Expenditures made by the school district have been matched by the City using Community Development Block Grant Entitlement funds. A portion of the assistance provided by the Block Grant program is also used to fund the summer employment program.

Many of the homes referred to the Home Repair Training Program are in poor condition. Without this program low-income homeowners would not be able to afford urgently needed rehabilitation. Through Portland's Deferred Payment Loan Program, which is also funded using Block Grant Entitlement funds, homeowners *can* obtain no-interest loans of up to \$7,500 for such major items as plumbing and electrical work, but many homes require more work than that amount can provide.

The Home Repair Training Program makes those improvements free of charge to eligible homeowners. Thus, the combined use of the Deferred Payment Loan and Home Repair Training Programs provides a complete home rehabilitation package.

Rehabilitating Homes

Since the beginning of the program in 1974, approximately 500 student trainees have completed major and minor repairs to almost 750 Portland homes. In recent years, participants have also rehabilitated seven abandoned homes purchased by first-time homebuyers under the Urban Homesteading program. During the last three years 204 trainees have completed the rehabilitation of 114 homes.

The Home Training Program provides benefits not only to the students and homeowners of Portland, but also to the neighborhood and community. Without this program, the properties (and to a lesser degree the surrounding neighborhoods) would fall into further deterioration. The skills learned can benefit any student wishing to get into the remodeling industry after graduation. Those not interested in a remodeling career will, at the very least, be capable of maintaining and fixing up their own future homes.



HUD's community and economic development programs support a broad range of local projects in the State of Oregon. The following local profiles illustrate the diversity and creativity of Oregon's projects.

Boring (pop. 500) obtained \$500,000 in Community Development Block Grant Entitlement funds from Clackamas County, since 1978, to implement a comprehensive program of infrastructure improvements that reversed a declining neighborhood and encouraged private investment in the community. Completed improvements include drainage facilities, sidewalks, street resurfacing, traffic control, parking facilities, a park, water lines, the rehabilitation of commercial and residential buildings, and the development of a long-awaited public sewer system.

Clackamas County (pop. 241,919) used \$2.6 million in Block Grant Entitlement funds received since 1978 to create a model network of ten senior centers. Six new centers were constructed, one center was expanded and renovated, and three others received minor renovations.

Eugene (pop. 105,664) utilized \$23 million in Block Grant Entitlement funds to make loans to 41 new and expanding businesses, ranging from a landscape maintenance service to a manufacturer of fluorescent dyes. These loans leveraged more than \$19 million in private investment and resulted in the creation of 300 jobs, a majority of which were made available to low- and moderate-income residents.

Hood River (pop. 4,329) obtained a State Block grant of \$40,000 to assist Dominquez Family Enterprises, Inc. purchase new chip line equipment used in the production of Mexican food products. This assistance helped the minority-owned business create eight full-time equivalent jobs that were filled by low-income minority persons in the community.

Multnomah County (pop. 557,500) used \$95,000 in Block Grant Entitlement funds to assist in the acquisition and rehabilitation of an eleven-unit apartment complex. Four of these units have been reserved to provide transitional housing to homeless families. In addition, \$225,000 in Block Grant Entitlement funds were used to develop architectural designs for a 30-unit townhouse complex that will provide home ownership opportunities for low-income families.

Polk County (pop. 45,203) obtained a State Block Grant of \$224,632 to assist the Dallas Childcare Center acquire and rehabilitate a vacant warehouse for use as a community and childcare center. Public services provided at the center include a foster grandparents program, dental and vision screenings, handicapped identification, and emergency childcare. More than 400 families use this facility each year.

Portland (pop. 365,000) budgeted \$250,000 in Block Grant Entitlement funds to assist the Northeast Community Development Corporation rehabilitate vacant and abandoned single-family homes so that they may become available for rent or purchase by low-income families. Vacant and abandoned homes are being sought for purchase or donation to the project. Rehabilitation is being provided using low-income residents participating in a pre-apprenticeship training program supported by Block Grant and JTPA funds. Permanent positions in three-year apprenticeship programs are guaranteed for successful participants in the training program.

The Confederated Tribes of Warm Springs Reservation in Central Oregon used a \$130,141 Indian Tribes Block Grant to open a garment manufacturing plant producing recreational clothing and equipment. The project has provided 38 jobs to low-income persons and is a source of continuing revenue to the Tribe. The Block Grant funded addition to an existing building was completed by the Warm Springs Tribal Construction Company.

Washington County (pop. 245,860) spent \$136,130 in Block Grant Entitlement funds in 1979 to purchase a large home for use as the WCCAO Emergency Shelter for homeless persons. In 1983, \$17,000 in Block Grant funds were allocated to add a fire escape and handicap access to the facility. In 1985, an additional \$25,000 of Block Grant funds were used to provide emergency housing counseling and housing related services to clients of the facility. This total Block Grant investment has permitted the agency to shelter 2,498 families since the facility opened in the Summer of 1981.

Community Development

Funds to Oregon

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY78-87	Section 312 Rehab FY84-87	Indian CDBG N78-87	Formula Emerg. Shelter FY87	State CDBG FY85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Adams							\$6,000		\$6,000
Albany							8,950		8,950
Astoria							238,250		238,250
Baker			\$ 1,094,141				408,700		1,502,841
Bend								\$9,447	9,447
Benton County							8,500		8,500
Burns-Paiute Ind. Tribe					\$106,000				106,000
Carlton							9,500		9,500
City of the Dalles							255,275		255,275
Clackamas County	\$20,806,000	\$368,354		\$431,600		\$28,000		6,927	21,640,881
Coburg							4,500		4,500
Columbia City							3,200		3,200
Columbia County							9,000		9,000
Condon							227,000		227,000
Coos Lower Umpqua Siuslaw					197,600				197,600
Coquille			156,000				75,500		231,500
Corvallis				112,750			322,500	12,868	448,118
Cottage Grove							7,000		7,000
Cow Creek Bd Umpqua Tribe					34,400				34,400
Creswell							365,000		365,000
Curry County							9,500		9,500
Dayton							27,500		27,500
Depoe Bay							254,000		254,000
Deschutes County							510,000		510,000
Douglas County							10,000		10,000
Elgin							8,500		8,500
Enterprise							8,500		8,500
Eugene	14,797,000	520,500	83,000	300,000					15,700,500
Florence							473,500		473,500
Gates							163,752		163,752
Grants Pass							124,000		124,000
Independence			784,416						784,416
Irrigon							260,000		260,000
Island City							9,500		9,500
Klamath Falls							104,000		104,000
Lake County							10,000		10,000
Lakeside							8,480		8,480
Lakeview							367,000		367,000
Lane County							385,000	13,528	398,528
Lebanon							309,400		309,400
Lincoln County							73,635		73,635
Malheur County				27,800					27,800
Medford	2,599,000								2,599,000
Monroe							8,500		8,500
Multnomah County	5,226,000	341,000		419,850		26,000		10,061	6,122,911
Newport							152,000		152,000
North Bend								13,000	13,000
Nyssa							66,016		66,016
Oakland							7,500		7,500
Ontario							4,000		4,000
Pendleton								1,340	1,340
Polk County							244,632		244,632
Portland	118,809,000	1,992,100	14,759,150	1,020,850		134,000			138,304,600
Powers							50,600		50,600
Richland							8,500		8,500
Roseburg							206,500		206,500
Salem	21,301,000	260,500		131,900					21,693,400
Scio							6,000		6,000
Seaside			162,000						162,000
Siletz Indian Confed.					250,000				250,000
Sisters							52,235		52,235
Springfield	5,669,000								5,669,000
St. Helens							205,000		205,000
Tangent							477,050		477,050
Tillamook County							551,000		551,000
Toledo							476,000		476,000
Umatilla Indian Tribe					76,500				76,500

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.

Community Development

Funds to Oregon

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Vale			\$698,500						\$698,500
Vernonia				\$ 53,950			\$ 500,000		553,950
Waldport							10,000		10,000
Warm Springs Ind. Tribe					\$380,141				380,141
Washington County	\$ 16,967,000	\$471,900		144,850		\$ 28,000		\$ 10,000	17,621,750
Westfir							302,000		302,000
Woodburn							252,297		252,297
Yamhill			280,000						280,000
Yamhill County							476,000	5,829	481,829

(1) Includes Urban Homesteading funds for FY 1975-'86.

Pennsylvania



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Pennsylvania's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Pennsylvania amounted to \$214.6 million.

Community Development Block Grant Entitlement

By far the largest source of Housing and Urban Development community development funding in Pennsylvania is the Community Development Block Grant Entitlement program. Through this program almost \$153 million, or 56 percent of all CPD funding in Pennsylvania in 1987, has been allotted to 30 Entitlement Cities and 12 Urban Counties throughout the State. Communities in the Entitlement program plan their own programs to meet local community development needs. Pennsylvania Entitlement communities put more of their Block Grant dollars into housing rehabilitation than any other activity, just as Entitlement communities in the U.S. as a whole do. Infrastructure improvements, the next largest activity category, is an especially prominent priority of Pennsylvania's Urban Counties. Economic development and planning and administration also receive large amounts of funding.

Urban Development Action Grant

The Action Grant program has been a major source of economic development assistance in Pennsylvania since its inception. In 1987, it comprised the second largest source of CPD funding in the State, with 21 grants totaling almost \$66 million. The grants went to seven Entitlement communities and seven Small Cities. Over the life of the program, 95 Pennsylvania communities have received Action Grants totalling \$371 million. That public commitment has led to private investment of almost \$1.9 billion with an anticipated 35,188 jobs created, 60 percent of which are expected to go to low- and moderate-income people, and 5,376 jobs retained that otherwise would have been lost. So far, Action Grant-supported housing

projects have produced 1,800 new and 1,905 rehabilitated housing units.

State Community Development Block Grant

State Block Grant dollars made up the third largest source of HUD community development funding in Pennsylvania for 1987. In that year, \$38.4 million was allocated to the State for its smaller communities on the basis of a statutory formula. The State, in turn, distributed about 88 percent of the allocation (minus State administrative costs) on the basis of a State formula and the rest through a competition. In 1985, 148 small cities, boroughs, towns, and townships and 48 non-urban counties received State Block Grant funds. Pennsylvania communities have used half of their State Block Grant money for public works and facilities since 1982. Housing rehabilitation is the next most prominent activity, and economic development is third.

Community Development Funding to Pennsylvania Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$2,400
Small Cities/State Grants	427
Section 108 Loan Guarantees	51
Jobs Bill	71
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	1
Urban Development Action Grants	371
Rental Rehabilitation Program Grants	28
Section 312 Rehabilitation Loans (FY '84-'87)	17
Urban Homesteading	3
Emergency Shelter Grants	4
Total	\$3,372
(Note: Detail may not add to total due to rounding.)	



me Johnstown Corporation

The people of the City of Johnstown (pop. 35,000), scene of the famous flood, have faced their share of disasters over the years. Perhaps no disaster has been more tragic and prolonged than the closing of its major industry, steelmaking, over the last twenty years and the resulting unemployment and civic distress.

The latest episode in this process was U.S. Steel's decision to close its Johnstown plant in 1983, with a resulting loss of 400 jobs in an area with an employment rate already above 25 percent. In response, the City was able to mobilize Urban Development Action Grant funding, State assistance, and private cooperation to save the plant and redeem the situation.

Organizing Business Leadership

The initial challenge was to find a competent, experienced developer to organize reclamation of the plant. The Mayor found a developer with local roots who was able and willing to take on that challenge. Then it was necessary to convince local banks that they should make a major commitment to this particular project. Third, a loan from the Pennsylvania Industrial Authority had to be negotiated. Finally, a UDAG was essential to complete the financing package. In all, the Action Grant contributed \$4 million for purchase of the steel plant and equipment from U.S. Steel. The Pennsylvania Industrial Authority provided a \$1 million loan to the Johnstown Corporation, the firm established to take over operation of the steel mill. The developer and a consortium of four local banks, acting as private partners, invested \$10.5 million into the project.

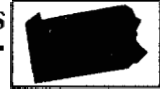
The final piece in the plant reclamation was a labor agreement. Before production could resume, a new contract had to be negotiated. That contract was worked out very carefully and departs significantly from traditional steel management-labor agreements in Western Pennsylvania by providing for employee participation in management decisions and profit-sharing.

Community Renewal

The impact of the recaptured industry in Johnstown's life was immediate and significant. The Johnstown Corporation saved 165 jobs and expects to create 200 new ones in the immediate future; the firm projects upwards of 700 employees in the more distant future. Its current payroll is \$7 million. In an area with a declining tax base, the infusion of additional real estate taxes, occupational

privilege taxes, and earned income taxes has been a very positive contribution. The City finance office estimates that the City, County, and School District will receive in excess of \$300,000 per year in tax revenues because of the plant's existence. Moreover, the project has stimulated the growth of small businesses in the Moxham area where the plant is located.

The Johnstown Corporation case illustrates the possibilities of concerted efforts by the public and private sectors in the saving and expansion of a large industrial plant in a depressed area.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Pennsylvania. A number of ventures illustrate the creativity and diversity in Pennsylvania's community development efforts.

Pittsburgh (pop. 402,583) received an Urban Development Action Grant of \$17 million to aid construction of a **650,000 square foot office building and the expansion and renovation of the old Stanley Theater into the Benedum Theater for the Performing Arts**. This project leveraged \$115 million in private investment and \$7.5 million of other public funds. The Benedum Theater and the nearby Heinz Hall will serve as the cornerstones of a new downtown cultural district. A unique feature of the project is the way in which the Action Grant loan will be repaid. The developer of the office building will make its loan repayment directly to the Pittsburgh Trust for Cultural Resources, which will use the funds to carry out eligible Title I activities. The Pittsburgh Trust (operator of the Benedum Theater) will repay its portion of Action Grant funds through reduced ticket prices and special free performances for elderly and low- and moderate-income persons and by making the theater available 15 days a year on a rent-free basis for civic events. A total of 1,185 new jobs are expected as a result of this project.

Pittsburgh used the Section 312 Rehabilitation Loan program and Block Grant Entitlement funding in concert to **convert a vacant YMCA and Polish Falcon Lodge into 25 (including 12 handicapped) and 21 apartment units, respectively**. The City used \$878,000 in Section 312 loans and \$922,000 in CDBG assistance to support renovation. Pittsburgh thereby succeeded in expanding the availability of housing to lower-income people while preserving two unique structures.

Reading (pop. 78,364) provided a \$150,000 loan from its Block Grant Entitlement grant to the local nonprofit Economic Development Council. The Council, in turn, **loaned the money to a developer to construct a \$1.5 million, 50-unit apartment complex for moderate-income families on vacant urban renewal land**.

Reading is in the process of providing its third Block Grant Entitlement loan (\$150,000) to Sweet Street Dessert, Inc. **for an expansion of a growing business which started as a small cookie shop**. The present expansion will increase the dessertmaker's operation from 100 employees up to 200.

Sharon (pop. 17,014) was recently awarded a \$2 million Urban Development Action Grant to undertake the South Flats Industrial Park Development. Action Grant funding **will support the construction of three new light industrial facilities**. Olsten Metals will build a tin mill processing center with two facilities, and

Nick Strimber, Inc. will construct a trucking center on the site. The Action Grant leveraged \$9.5 million in private and other public funding and will create 200 new jobs in the Shennango Valley, an area which has the highest unemployment rate in Pennsylvania.

The Borough of Swissvale (pop. 11,345) in **Allegheny County** (pop. 921,661) recently completed a successful in-fill housing project using nearly \$300,000 in Action Grant funding and \$249,000 in Allegheny County's Block Grant Entitlement funds to leverage \$1.5 million in private investment. **The former Denniston School, eligible for the Historic Register, was converted into 18 apartments for low- and moderate-income residents**. Adjacent land was developed into 16 owner-occupied townhouses at an average cost of \$65,000 each. To date, this project has produced an additional \$6,180 in property taxes returned to the Borough and has complemented a neighboring Rental Rehabilitation project which involved rehabilitation of 19 commercial and 70 residential units.

Westmoreland County (pop. 333,280) combined \$1 million in Block Grant Entitlement funds with \$3 million from other public sources to **plan and build a waste-to-energy facility**. **The facility is located on County-owned property that also houses a County geriatric care facility, a 400-unit elderly high-rise, a juvenile correction center, and a State prison complex**. All of these buildings are customers of the steam produced by the co-generating waste-to-energy plant. The fact that the plant provides services only to the available customers rather than to a specific utility company makes it distinctive. The project meets the low- and moderate-income criteria by benefitting the residents of four State and county facilities.

Wilkes-Barre (pop. 49,316) used \$2.1 million of Block Grant Entitlement monies to **develop a Community Development Revolving Loan Fund**. It was decided that the long-term economic interests of the City, which were formerly based on industry, could best be served by encouraging the growth of service industries. So far, 11 loans have been made to firms out of the fund, contributing to the creation or retention of 907 jobs.

Community Development

Funds to Pennsylvania

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY84-87	UDAG FY 78-87	Section 312 Rehab FY84-87	Formula Emerg. Shelter FY87	Urban Home- steading FY 75-86	Total ⁽¹⁾
Allegheny County	\$ 7,464,000						\$ 7,464,000
Allentown	180,247,000	\$ 2,346,860	\$ 1,505,000	\$ 3,938,800	\$264,000		188,301,660
Altoona	35,429,000	394,100	6,265,000	2,217,100	40,000	\$84,500	44,429,700
Arnold	26,520,000	308,640	531,946		32,000		27,392,586
Beaver County				53,900			53,900
Bensalem Twp	39,870,000	396,000	2,901,949	95,700	54,000		43,317,649
Berks County	2,793,000						2,793,000
Berwick	30,379,000	277,200			40,000		30,696,200
Bethlehem			1,025,000				1,025,000
Bloomsburg	20,285,000		792,500	1,139,400			22,216,900
Bradford			1,280,000				1,280,000
Bradford City			2,482,460				2,482,460
Bradford Twp				120,650			120,650
Bristol			628,465				628,465
Bristol Twp	8,586,000		3,649,500				3,649,500
Brownsville			2,550,000				11,136,000
Bucks County	36,692,000	473,100		144,800			144,800
Canonsburg			300,900		38,000		37,203,100
Carlisle	1,301,000						300,900
Chambersburg			638,000				1,301,000
Charlertoi			1,585,000				1,585,000
Cherry Twp			590,000				590,000
Chester	29,143,000		2,484,000	185,300	29,000	145,400	31,986,700
Chester County	33,914,000	591,550			40,000		34,545,550
Chester Twp			5,050,000				5,050,000
Clairton			3,000,000				3,000,000
Clearfield			184,000				184,000
Clover Twp				66,000			66,000
Coal Twp			538,000				538,000
Conshohocken			14,895,000				14,895,000
Cressona			3,370,000				3,370,000
Delaware County	41,428,000	801,160			51,000		42,280,160
Donora			320,000				320,000
Du Bois			891,000				891,000
East Lansdowne			205,000				205,000
Easton	21,823,000		1,460,000	307,350			23,590,350
Edwardsville			266,826				266,826
Erie	49,689,000	593,600	13,932,285	68,700	53,000		64,336,585
Exeter			113,000				113,000
Farrell			7,012,900	13,750			7,026,650
Fayette County				57,050			57,050
Ford City			517,272				517,272
Franklin			600,000				600,000
Glassport			724,000				724,000
Hanover Twp			104,300				104,300
Harrisburg	38,494,000	389,630	14,459,911		40,000		53,383,541
Haverford	8,845,000						8,845,000
Hazleton	10,771,000		776,126				11,547,126
Indiana County				28,950			28,950
Jeannette			182,000				182,000
Johnstown	22,893,000		13,044,000	41,450	28,000		36,006,450
Kingston Twp			1,515,909				1,515,909
Lancaster	31,926,000	410,080			26,000		32,362,080
Lancaster County	38,390,000	451,300			49,000		38,890,300
Lansford			1,713,040				1,713,040
Larksville			222,480				222,480
Lebanon	8,883,000		397,800				9,280,800
Lebanon County				205,350			205,350
Lock Haven			2,378,449				2,378,449
Lower Merion Twp	11,818,000						11,818,000
Luzerne			500,000				500,000
Luzerne County	53,325,000	596,590	6,361,000		73,000		60,355,590
McKees Rocks			689,309				689,309
McKeesport	4,391,000						4,391,000
Meadville			1,372,000				1,372,000
Mercersburg			205,000				205,000
Meyersdale			240,145				240,145
Milton			500,000				500,000
Monessen				341,750			341,750
Montgomery County	41,998,000	692,900			53,000		42,743,900
Morrisville			775,000				775,000
Nanticoke			515,000				515,000
New Castle			1,015,250				1,015,250
New Kensington			108,160				108,160
Newport Twp			400,000				400,000
Norristown	2,958,000		1,723,490				4,681,490
Northumberland			2,000,000				2,000,000

(1) Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$44,334,000, or State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$1,231,000.

Community Development

Funds to Pennsylvania

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Urban Home- steading FY 75-86	Total ⁽¹⁾
Northumberland County				\$ 26,250			\$26,250
Old Forge			\$505,000				505,000
Olyphant			1,200,000				1,200,000
Oxford Twp			269,000				269,000
Penn Hills	\$ 6,084,000			396,850			6,480,850
Philadelphia	800,566,000	\$7,875,600	86,189,346	2,269,989	\$ 1,064,000	\$2,291,802	900,256,737
Pittsburgh	261,887,000	2,357,940	63,573,783	3,372,350	343,000		331,534,073
Plymouth Twp-Luzerne Cnty			82,000				82,000
Plymouth Twp-Montgomery Cnty			196,875				196,875
Pottstown			2,993,130				2,993,130
Pottsville			2,458,000				2,458,000
Punxsutawney			603,631				603,631
Quemahoning Twp			68,200				68,200
Reading	47,734,000	591,700	14,965,940	560,050	49,000		63,900,690
Saltsburg			3,267,000				3,267,000
Sayre			1,696,000				1,696,000
Scranton	64,698,000	352,900	24,812,509		54,000		89,917,409
Shamokin			137,000	407,600			544,600
Sharon	7,754,000		7,090,000	20,500			14,864,500
Shippensburg Twp			556,826				556,826
Slatington			1,682,000				1,682,000
South Union Twp			258,500				258,500
State College	4,062,000						4,062,000
Sunbury			347,860				347,860
Swissvale			1,681,606				1,681,606
Swoyersville			186,958				186,958
Tamaqua				173,400			173,400
Upper Darby Twp	21,276,000	178,330			30,000		21,484,330
Washington			1,197,600				1,197,600
Washington County	49,564,000	499,400	1,868,900	135,750	64,000		52,132,050
West Chester			95,000				95,000
West Middlesex			231,910				231,910
West Pittston			248,000				248,000
West View			2,500,000				2,500,000
Westmoreland County	46,996,000	531,499	2,525,000	119,250	55,000		50,226,749
Wheatland			131,000				131,000
Wilkes-Barre	50,561,000	194,320	3,708,750	417,550	31,000		54,912,620
Wilkesburg			1,788,000				1,788,000
Williamsport	17,957,000		850,000				18,807,000
Wyalusing			1,950,000				1,950,000
Wyoming			130,475				130,475
York	22,537,000		4,333,000		26,000		26,896,000
York County	26,789,000	467,440	1,000,000		38,000		28,294,440

(1) Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$44,334,000, nor State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$1,231,000.

Puerto Rico



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Puerto Rico's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Puerto Rico amounted to \$133 million.

Community Development Block Grant Entitlement Program

Puerto Rico receives its largest share of Housing and Urban Development funds through the Block Grant Entitlement program (\$60 million).

State Community Development Block Grant Program

Puerto Rico provides development assistance to its smaller communities through the State Community Development Block Grant program. Since 1982, when Puerto Rico first began to administer the program, it has distributed more than \$262 million to at least 67 non-Entitlement communities. In Fiscal Year 1987, Housing and Urban Development awarded more than \$48 million to Puerto Rico for distribution to its smaller communities.

Puerto Rico's small cities use their Block Grant funds for a variety of purposes ranging from improving public facilities (81 percent) to rehabilitating housing (9 percent). Puerto Rico's pattern of spending from 1982-1985 is similar to State Block Grant program spending at the national level. States in the program spend most of their State Block Grant funds on public facility improvements, placing secondary emphasis on housing rehabilitation and economic development. Puerto Rico's Block Grant spending pattern demonstrates its commitment to improving the quality of its streets and sewer and water systems in its smaller communities.

Urban Development Action Grant

In FY 1987, the Commonwealth of Puerto Rico received \$25.6 million in Action Grant program funds. This amount is larger than Action Grant funds awarded to all but one of the 50 states and the District of Columbia. Since the program began in 1978, Puerto Rico's Action Grant projects have benefitted persons of low- and moderate-income by generating Permanent jobs and providing housing units through rehabilitation and construction. Completed UDAG projects in Puerto Rico have resulted in the creation of 3,185 permanent jobs - 2,116 held by persons low- and moderate-income. To date, tax revenues and payments in lieu of taxes have increased \$308,000 as a result of completed or closed Action Grant projects in Puerto Rico.

Community Development Funding to Puerto Rico Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$641
Small Cities/State Grants	511
Section 108 Loan Guarantees	59
Jobs Bill	27
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	192
Rental Rehabilitation Program Grants	7
Section 312 Rehabilitation Loans (FY '84-'87)	2
Urban Homesteading	2
Emergency Shelter Grants	2
Total	\$1,442

(Note: Detail may not add to total due to rounding.)



San Juan: The Old City Core Revitalization

Old San Juan, the City's historic trading center, was in decline in the 1970's. Residents were moving away from the Center's deteriorated housing conditions to more affluent city wards such as Rio Piedras and Santurce. Additionally, newly developed shopping centers in nearby areas also attracted tourists who traditionally shopped at the Old City core's retail trading center. By targeting more than \$8 million in Housing and Urban Development program funds to Old San Juan, the City is on the way to a total revitalization of the Old City core that has been in use since the 16th century.

In 1979, the municipal government joined with the private sector and began developing short- and long-term plans for revitalizing the Old San Juan and attracting the City's most important source of income, tourism, to the retail center. The Corporation for the Economic Development of the Capital City and other local development corporations that planned the revitalization of adjacent Santurce contributed their experience and expertise to the revitalization effort. Private non-profit organizations, such as the Merchant Association, joined once the revitalization effort began. Together, these groups initiated the upgrading of housing, transportation, and economic conditions in Old San Juan.

Housing Rehabilitation

The City established the Old San Juan Rehabilitation Loan Program to provide owners with loaned financial incentives to upgrade their dilapidated structures. By combining \$1.6 million in Section 312 loan funds with \$656,750 in Block Grant Entitlement funds, the City loaned the owners the funds needed to rehabilitate their properties. In combination with the Loan program, \$1.1 million in Section 8 Substantial Rehabilitation funds are committed to upgrading properties in the core each year and local commercial banks have approved \$7.5 million in construction and permanent loans to owners.

The City's housing initiatives have paid off. Since the project began in 1985, owners in the City core have rehabilitated 273 rental units for occupancy by low- and moderate-income persons. Housing and Urban Development funds also have attracted an additional \$8 million in private investments. Thus, every Housing and Urban Development dollar committed to a rehabilitation project leveraged an additional dollar in private investments. In

addition to leveraging substantial private investment, the City has used Housing and Urban Development funds to increase tax revenues and create jobs for its residents. So far, these housing rehabilitation projects have resulted in a \$4 million expansion in San Juan's property tax base and the creation of 213 construction and 16 permanent jobs.

Renovation of Public Buildings

To make Old San Juan more attractive to tourist ships and other visitors, the City initiated the renovation of several historic public buildings along the waterfront and within the city core. By using a \$2.5 million Block Grant Entitlement Loan Guarantee and \$5 million from the Economic Development Administration the City not only preserved historic City Hall but improved several plazas and other public areas.

Old San Juan's Transportation Terminal

Beginning in 1985, the City began construction of a multi-use building and a transportation terminal located near the southern waterfront area. Assisted by \$3 million in Block Grant Entitlement funds and \$5.5 million from the Urban Mass Transit Administration, the City constructed a 500-car parking and taxi area, a commercial center, and a pedestrian bridge connecting the transportation center to the bus terminal. By providing landscaping and additional parking, the City not only made Old San Juan more accessible to visitors but revitalized the waterfront's southern end.

San Juan has taken the lead in revitalizing the Core and convincing private, non-profit corporations, businesses, and other government agencies to join in this endeavor. To decrease further reliance on Federal funding, the City recently formed a local development corporation whose key job is to create public/private partnerships, and, by recycling Housing and Urban Development funds, allow work to progress with less Federal assistance and more private investment.



Housing and Urban Development Community Planning and Development programs support a broad range of local projects in Puerto Rico. These local ventures illustrate the creativity and commitment present in Puerto Rico's community development efforts.

Bayamon (pop. 202,507) combined \$145,000 in Section 8 Existing Housing certificates through the Rental Rehabilitation Program and an additional \$400,000 in private funds to rehabilitate 21 units of rental housing. Owners of the properties were subsidized through a bank loan to encourage the rehabilitation of those units.

Caguas (pop. 121,127) used a \$1,046 million Action Grant to assist a developer in the construction of a 60,000 square foot commercial building. The Action Grant leveraged an additional \$4,046,505 in private investments. The project has created 133 permanent jobs, 72 held by persons of low- and moderate-income, and increased annual tax revenues by \$10,393.

Carolina (pop. 165,740) in coordination with several private, non-profit organizations and public agencies, established a self-sufficiency program for unemployed or underemployed single parents with children. Counseling services and job opportunities provided to 350 unemployed parents, were financed through \$45,000 in Block Grant Entitlement funds.

Mayaguez (pop. 100,965) acquired 86 acres of land using a \$2.9 million Section 108 Loan Guarantee to develop a residential and commercial area. The City expects to generate 126 jobs for lower-income persons:

- The City will construct a 24-lane bowling alley using a \$403,000 Action Grant and more than \$1 million in private investments.
- The City will join with the private sector to construct a 60,000 square-foot food warehouse. The project will be funded with \$750,000 in Action Grant funds and \$1.6 million in private investments.

Ponce (pop. 190,925) rehabilitated 213 housing units for low- and moderate-income families by implementing a block-by-block urban development strategy. Using over \$2.5 million in Block Grant Entitlement funds and \$300,000 in local funds, the City leveraged an additional \$1.9 million in private investments for the project. Acting as facilitator, the City has decreased its inventory of sub-standard housing by 26 percent and expanded the property tax base by \$329,000.

Salinas (pop. 26,438) joined with a nonprofit organization to secure funding for construction of the Silbergue Olympic Sports Complex. Using \$32,607 in State Block Grant funds, the Puerto Rico Olympic Committee recently finished construction of the Complex. The City has leveraged \$12 million in local funding commitments and \$7.5 million in private donations. When complete, the entire project is expected to generate 1,000 permanent jobs for low- and moderate-income persons, provide 500 rental housing units for lower-income families and increase City annual tax revenues by \$1,000,000.

San Juan (pop. 418,878) received an Action Grant to assist a developer in the acquisition and subsequent rehabilitation of a 182-room hotel facility, construction of a parking lot with 105 spaces, and other related site improvements. The \$2.5 million Action Grant was used to leverage \$11.1 million in private funds and is expected to result in the creation of 185 construction and 315 new permanent jobs.

Tao Baja (pop. 77,660) constructed a marketplace in the Levittown area using over \$1 million in Block Grant Entitlement funds. The project, which generated 80 permanent jobs for low- and moderate-income persons, provides small merchants with an improved, more visible area to promote or sell agricultural products and other miscellaneous merchandise.

Trujillo Alto (pop. 50,755) established an economic development corporation (EDC) to help small businesses and retain jobs. The City's newly established EDC combined \$150,000 in Block Grant Entitlement funds and a \$100,000 Action Grant to assist 155 small businesses and award 24 economic development loans. Because of assistance provided by the EDC, 20 jobs were retained in the community.

Community Development

Funds to Puerto Rico

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rehab FY84-87	UDAG FY78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	State CDBG FY 85	State Emerg. Shelter FY87	Total
Aguada Municipio							\$537,000		\$537,000
Aguadilla Municipio	\$ 10,517,000	\$ 156,000	\$ 3,099,560	\$39,000					13,811,560
Aibonito Municipio			679,365				890,000		1,569,365
Anasco Municipio			871,115				891,000		1,762,115
Arecibo Municipio	24,770,000	238,000	2,747,250	61,000					27,816,250
Arroyo Municipio			484,855				538,000		1,022,855
Barceloneta Municipio							885,000		885,000
Barranquitas Municipio							889,000		889,000
Bayamon Municipio	79,745,000	362,000	31,235,786	98,000		\$ 1,598,601			113,039,387
Cabo Rojo Municipio							903,000	\$74,000	977,000
Caguas Municipio	59,750,000	344,430	13,102,204	72,000	\$874,200			55,000	74,197,834
Camuy Municipio			595,159				872,000		1,467,159
Canovanas Municipio			2,445,411				897,000		3,342,411
Carolina Municipio	57,354,000	205,775	5,234,625	82,000				43,000	62,919,400
Catano Municipio			1,130,006				537,000		1,667,006
Cayey Municipio			2,172,501				912,000		3,084,501
Ceiba Municipio							876,000		876,000
Ciales Municipio							708,000		708,000
Cidra Municipio			528,178				897,000		1,425,178
Coamo Municipio			325,000				901,000		1,226,000
Comerio Municipio							886,000		886,000
Corozal Municipio							538,000		538,000
Culebra Municipio							863,000		863,000
Dorado Municipio			4,990,600				892,000		5,882,600
Fajardo Municipio	6,535,000		330,720						6,865,720
Florida Municipio							867,000		867,000
Guanica Municipio							868,000		868,000
Guayama Municipio			6,932,180				913,000		7,845,180
Guayanilla Municipio							884,000		884,000
Guaynabo Municipio	33,429,000		6,494,949	40,000					39,963,949
Gurabo Municipio			4,357,281				891,000		5,248,281
Hatillo Municipio			421,150				906,000		1,327,150
Hormigueros Municipio							879,000		879,000
Humacao Municipio	5,473,000		1,254,928	33,000			962,000		7,722,928
Isabela Municipio			537,000				908,000		1,445,000
Jayuya Municipio							734,000		734,000
Juana Diaz Municipio			1,092,946				914,000		2,006,946
Juncos Municipio			1,045,516				538,000	20,000	1,603,516
Lajas Municipio							887,000	55,000	942,000
Lares Municipio			550,000				894,000		1,444,000
Las Marias Municipio							873,000		873,000
Las Piedras Municipio			561,250				889,000		1,450,250
Loiza Municipio			5,093,100				612,000		5,705,100
Luquillo Municipio							880,000		880,000
Manati Municipio			4,679,429				537,000		5,216,429
Maunabo Municipio							876,000		876,000
Mayaguez Municipio	53,081,000	496,800	2,832,250	60,000				58,000	56,528,050
Moca Municipio			170,000				897,000		1,067,000
Morovis Municipio			97,650				887,000		984,650
Naguabo Municipio							487,000		487,000
Naranjito Municipio							900,000		900,000
Orocovis Municipio			517,000				798,000		1,315,000
Patillas Municipio			786,670				884,000		1,670,670
Penuelas Municipio							885,000		885,000
Ponce Municipio	109,818,000	713,440	19,338,000	128,000	496,850				130,494,290
Quebradillas Municipio			285,000				885,000		1,170,000
Rincon Municipio							876,000		876,000
Rio Grande Municipio			5,553,506				537,000		6,090,506
Sabana Grande Municipio			2,635,991				580,000		3,215,991
Salinas Municipio			959,990				894,000		1,853,990
San German Municipio			3,035,547				902,000		3,937,547
San Juan Municipio	227,717,000	2,388,400	23,691,673	268,000	621,550				254,686,623
San Lorenzo Municipio							1,183,000		1,183,000
San Sebastian Municipio			50,000				1,305,000		1,355,000
Santa Isabel Municipio			674,100				891,000		1,565,100
Toa Alta Municipio			10,019,326				901,000		10,920,326
Toa Baja Municipio	28,358,000		2,801,500	46,000					31,205,500

Community Development**Funds to Puerto Rico**

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Formula Emerg. Shelter FY 87	Section 312 Rehab FY 84-87	Urban Home- steading FY 75-86	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Trujillo Alto Municipio	\$11,095,000		\$ 3,273,000	\$ 29,000					\$ 14,397,000
Utua do Municipio						\$ 897,000			897,000
Vega Alta Municipio			3,834,200				897,000		4,731,200
Vega Baja Municipio			6,428,830				912,000		7,340,830
Vieques Municipio			1,427,000				862,000		2,289,000
Villalba Municipio							537,000		537,000
Yabucoa Municipio			955,000				900,000		1,855,000
Yauco Municipio							907,000		907,000

Rhode Island



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Rhode Island's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Rhode Island amounted to \$24.7 million.

Block Grant Entitlement Program

The biggest community development program in Rhode Island in terms of funding is the Block Grant Entitlement programs. These funds are allocated to large communities based on a formula that measures community need. Six Rhode Island cities-- Cranston, East Providence, Pawtucket, Providence, Warwick, and Woonsocket--are Block Grant Entitlement funds participants.

Cities have considerable latitude in deciding how to spend their Block Grant Entitlement funds. Two cities help to illustrate how the Block Grant Entitlement program has been used in Rhode Island. Pawtucket and East Providence each budgeted more than 45 percent of their FY 1986 grants to help promote economic development, mainly through public improvements in support of economic activity. Each of these cities also budgeted portions of their grants to rehabilitate single-family housing and to provide public services. Additionally, Pawtucket funded a code enforcement program, while East Providence improved streets and parks and recreational facilities.

State Block Grant Program

For its smaller communities, Rhode Island administers a Housing and Urban Development State Block Grant program. Between 1982, when the State took over the program, and 1986, it made grants to 27 of its 33 non-entitlement communities. With its 1986 grant, Rhode Island made awards to 16 communities, with the average award being \$192,000.

In 1986, Rhode Island used the largest portions of its grant for public improvements (39 percent) and for housing rehabilitation (38 percent). About 20 percent of its funds were allocated for economic development projects. Rhode Island thus uses its Block Grant funds about the same as most States in the program. Nationally, the primary emphasis is on public improvements (such as street and water and sewer improvements) with lesser, and

about equal, emphasis on economic development and housing. Rhode Island's level of commitment to housing rehabilitation in this program is similar to the funding pattern in other New England States.

Urban Development Action Grant Program

Rhode Island communities have participated frequently in the Action Grant program since its inception in 1978. Overall, Rhode Island has received \$35 million in program funding and has leveraged \$196 million more in private investment in the State. To date, Action Grant-funded projects in the State have created nearly 3,000 permanent new jobs and generated more than \$1 in annual tax revenue increases.

During 1987, Rhode Island received one Action Grant. This grant totaled \$8.8 million, and was awarded to Providence for a commercial development at The Foundry. The project will involve \$42.3 million in private investment and will create 812 permanent jobs.

Community Development Funding to Rhode Island Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$185
Small Cities/State Grants	40
Section 108 Loan Guarantees	
Jobs Bill	5
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	36
Rental Rehabilitation Program Grants	4
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$ 271
(Note: Detail may not add to total due to rounding.)	



Rhode Island Home Repair Program

The Governor's Office has identified the lack of standard housing affordable to lower-income residents as an important problem in the State. State officials recognized that the State Block Grant program provided funds that could be used to meet the need, but they also became aware of two key problems in relying solely on this program. One was the amount of funds available. Given competing demands for scarce Housing and Urban Development dollars, they could not devote enough funds to have a significant impact on the problem. The second was that many small Rhode Island communities did not have the capacity to administer housing rehabilitation programs, and, therefore, the normal mechanism for delivering State Block Grant rehabilitation funds would miss needy individuals in these small communities. The Home Repair Program was an innovative way to solve these problems.

The Rhode Island Housing and Mortgage Finance Corporation (RIHMFC) had available \$7.8 million for housing rehabilitation financing. These funds were placed in a revolving loan pool. Used in concert with State Block Grant funds, they would form an adequate source of rehabilitation financing for non-entitlement cities. The RIHMFC used a housing-needs formula, similar to that employed in HUD's Rental Rehabilitation Program, to divide its money among all Rhode Island communities, including Block Grant Entitlement jurisdictions. The communities need only apply for their share of the funds and demonstrate capacity to administer a rehab program to receive a grant.

Six of Rhode Island's communities are Block Grant Entitlement cities, so they had no problem in taking advantage of the new funding source. The remaining 33 towns were less well situated to assume responsibility. Nineteen of them had never administered a housing rehabilitation program, and eleven of these had populations under 10,000. They lacked experienced staff or the funds necessary to acquire them.

Administrative Consortia

In the Home Repair Program, the State helped small communities to use the State Block Grant program to address this need for staff. It provided technical assistance in forming administrative consortia and altered the State Block Grant allocation procedure to give bonus points for consortium participation. In response to this incentive, 14 small cities formed six consortia.

These consortia have taken two forms. Some towns have contracted with a nearby Block Grant Entitlement city to manage their rehabilitation program. Other towns have contracted with a private organization. Now, when a town applies for a State Block Grant grant for rehabilitation, it receives money it can use to deliver the Home Repair Program money. If the town is part of a consortium, it turns its grant over to the consortium which does project selection, inspection, underwriting, and other tasks for the town. If a town has experience and chooses to go on its

own, it can use its State Block Grant allocation to underwrite the administrative costs of its Home Repair Program. Rhode Island has committed about \$585,000 of its 1987 State Block Grant allocation to support delivery of the Home Repair Program.

Expanded Participation

Through this program, 28 of 33 Rhode Island small cities now have a housing rehabilitation program, including 14 communities that never before had one. Twenty-five of the 28 receive support for program delivery through the State Block Grant program.

The Home Repair Program is an innovative inter-governmental partnership in which everyone benefits. The RIHMFC has its funds administered locally by professional staff, even in the smallest communities. The State leverages a large alternative source of rehabilitation financing. More communities are enabled to participate in a larger rehab program. Most importantly, when construction is completed, more low- and moderate-income homeowners and renters in all parts of Rhode Island will get the opportunity to live in safe and standard housing.



The U.S. Department of Housing and Urban Development supports a broad range of local projects in Rhode Island. A number of ventures illustrate the creativity and diversity in Rhode Island's community development efforts.

Central Falls (pop. 20,128) used \$76,700 of a State Block Grant to **rehabilitate 47 apartments for rental to families with lower incomes.** Through an agreement with the Fleet National Bank, the City leveraged an additional \$165,300 in private financing for the rehabilitation. Many of the tenants have had their rents subsidized through HUD's Section 8 Housing Certificate program.

Central Falls also used a State Block Grant of \$70,630 to **help establish a Business Loan Program, which provides market or below market rate gap financing for local businesses.** So far, this program has made seven loans and leveraged \$393,087 in private investment. Businesses receiving this assistance have created 25 new jobs while retaining 193 jobs and increasing the local tax base by \$303,000.

Newport (pop. 29,259) has begun a project to save a building that provides emergency shelter. The City has committed \$300,000 of State Block Grant funds toward acquiring a building from the YMCA. **Local non-profit groups will raise an additional \$1.4 million to acquire and operate the facility, which contains 110 single-room occupancies and an additional 28 beds.** Single-room occupancy units are important in a city such as Newport, which is experiencing high housing costs, condominium conversions, and gentrification. Some of the units are set aside for persons previously institutionalized.

Newport recently completed a \$38.8 million hotel/convention center and intermodal transportation and visitor center. This project used \$5.3 million in Action Grant funding along with \$4 million from the Urban Mass Transit Agency and some \$29 million in private investment. In addition to providing a focal point for the downtown area, the project has created 425 permanent jobs, increased annual tax revenues by \$450,000, and greatly reduced traffic congestion.

Newport also provided the Newport County Women's Resource Center (WRC) with \$9,000 in State Block Grant funds and \$10,000 in Rental Rehabilitation funds to

develop a shelter for abused women and their children. The WRC rehabilitated their three-unit building to create two apartments to rent to their lower-income clients and one unit that they use as an emergency shelter.

New Shoreham (pop. 620) provided Block Island Economic Development Foundation, Inc. (BIED), a non-profit, with a State Block Grant of \$298,000. **The non-profit used this grant to write down the cost of land and site improvements in developing 16 new apartments through the FmHA 515 Rental Housing Program.** The use of Block Grant funds in financing this development enabled BIED to achieve a rent structure that made 12 apartments affordable to lower-income families.

North Kingstown (pop. 21,938) granted funds to a non-profit housing group, Action to Save Quonset Abandoned Housing (ASQAH) to **demolish several abandoned residences and to rehabilitate the remaining 97 units for low- and moderate-income families.** Through the effective use of both the Section 414 program and the Section 213 Cooperative insurance program along with \$219,000 in State Block Grant funds, ASQAH has succeeded in saving 97 units of abandoned Navy housing, which is currently fully occupied. At present, approximately 60 percent of the units are occupied by low- and moderate-income persons.

Providence (pop. 156,804) has begun the process of **revitalizing the Governor Dyer Cooperative Market, an historic wholesale and retail center.** The local merchants' association raised \$14,000, with which the City community development agency procured an area master plan from a private firm. In implementing the plan, the City has committed \$30,000 in Block Grant Entitlement funds and will pursue Action Grant funding to improve the area infrastructure and construct a retail arcade.

South Kingstown (pop. 20,414) used \$50,000 of a State Block Grant **grant to develop a shelter for victims of domestic violence.** The town funded the Women's Resource Center of South County, which leveraged an additional \$226,428 in private investment to acquire and rehabilitate the facility.

Community Development

Funds to Rhode Island

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	State CDBG FY85	State Rental Rehab FY85	State Emerg. Shelter FY87	Total
Barrington						\$ 159,000			\$159,000
Bristol						170,000	\$50,000		220,000
Central Falls			\$694,300			458,000		\$ 2,640	1,154,940
Coventry						180,000			180,000
Cranston	\$11,477,000	\$58,000	1,625,000	\$95,100					13,255,100
Cumberland Hill						159,000			159,000
East Providence	3,716,000		580,000						4,296,000
Foster						138,000			138,000
Lincoln						100,000			100,000
Little Compton						99,000			99,000
Middletown								5,500	5,500
New Shoreham						298,000			298,000
Newport			5,765,000			391,000	55,000	8,777	6,219,777
North Kingstown						195,000			195,000
Pawtucket	41,941,000	502,190	5,950,000	112,600	\$31,000			10,000	48,546,790
Portsmouth						100,000			100,000
Providence	101,260,000	1,547,100	18,848,625		100,000			15,583	121,771,308
Richmond						295,500			295,500
Smithfield						150,000	70,000	2,300	222,300
South Kingstown						144,000			144,000
Warren						801,000			801,000
Warwick	10,198,000	53,000					140,000	2,000	10,393,000
West Warwick						130,000			130,000
Woonsocket	11,203,000		2,332,000	7,950	19,000		135,000	2,200	13,699,150

South Carolina



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to South Carolina's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of South Carolina amounted to more than \$35 million.

South Carolina's State Community Development Block Grant Program

The largest Federally-assisted community development program in South Carolina is the **State Community Development Block Grant Program**. This program assists smaller communities to undertake a broad range of community development activities, including housing rehabilitation, public improvements, economic development, and public services.

In FY 1987, a grant of \$23 million was made by the U.S. Department of Housing and Urban Development to the State of South Carolina for its State Block Grant Program. Awards to small cities, towns, and counties are made by the Governor's Office, Division of Economic Development.

- An estimated \$17 million went to projects benefiting low- and moderate-income persons.
- Between 1982 and 1985, grants were awarded to an average of 60 communities each year.
- Grants averaged approximately \$390,000.

State Block Grant funds are channeled to the small cities and towns in South Carolina through several types of grants and loans; Governor's Community Revitalization Program Grants support a specific community revitalization activity with \$10 million expected in FY 1988. Applications are rated on four criteria: need; problem-solving capacity; benefit to low- and moderate-income persons; and population characteristics.

Jobs-Economic Development Authority Grants will provide approximately \$980,000 in FY 1988 to local governments for economic development through loans to small businesses. Loan recipients must create or retain

jobs, a majority of them for low- and moderate-income persons.

Indoor Facilities Demonstration Grants will provide five selected rural communities with \$100,000 grants to assist in bringing indoor plumbing to the homes of low-income persons.

Imminent Health Threat Grants may be given where a threat has been certified by the Commissioner of the S.C. Department of Health and Environmental Control or the Governor has declared an emergency or disaster. One million dollars has been set aside for this fund.

Governor's Economic Development Assistance Program Grants and loans are awarded at the Governor's discretion. Approximately \$10 million will be awarded through these grants in FY 1988.

Community Development Funding to South Carolina Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 165
Small Cities/State Grants	273
Section 108 Loan Guarantees	3
Jobs Bill	13
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87 only)	
Urban Development Action Grants	65
Rental Rehabilitation Program Grants	5
Section 312 Rehabilitation Loans (FY '84-'87 only)	1
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$527



Rock Hill, South Carolina

For many years, the **City of Rock Hill, South Carolina** (pop. 35,344) has been building a unique and effective partnership between public institutions and private investors. Taking on the **risks** of public entrepreneurial ventures, this cooperation has created a more viable economic and living environment for the Rock Hill community, bringing new construction, expanding businesses and increasing the number of jobs.

Rock Hill's public/private partnership began in February 1983, when the City, in cooperation with the Rock Hill Chamber of Commerce, formed the **Rock Hill Economic Development Corporation**. The Corporation is financed by \$400,000 in Community Development Block Grant Entitlement funds and other City monies. The Economic Development Corporation's assets amount to over \$1 million and membership is drawn from the business community, private lending institutions, community organizations, and local government. The goal is to actively promote economic development by: (1) attracting industries into the area, (2) helping existing industries expand their operations and (3) assisting with the formation of new businesses. The Corporation's achievements include: a \$5 million loan pool, two industrial parks, a business incubator program, an equity investment firm, cheaper utility rates, and lower property taxes.

The Economic Development Loan Pool. In its four years of existence, the Economic Development Corporation and seven other private lenders have made available \$5 million for a loan pool that assists small businesses. Seven businesses have received loans to help with expansion and 200 new jobs have been created in the community.

The Airport Industrial Park. In October 1985, to fill a need for developed industrial sites, the City opened a 100-acre Airport Industrial Park, which now has attracted five new businesses. Out of the \$1 million that it cost to develop the Airport Industrial Park, Community Development Block Grant Entitlement funds provided \$300,000 and an Economic Development Administration grant along with other City monies provided the remaining \$700,000.

Rock Hill's second industrial park, TechPark, which saw construction underway in 1987, is a 200-acre development. Funded by \$6 million in tax-increment bonds, the first series of bonds totalling \$1.75 million were purchased by Rock Hill financial institutions. Additional funds have come from a loan, secured by a \$1.5 million U.S. Department of Housing and Urban Development Section 108 loan guarantee, which provided the funds for acquisition of the land and installation of necessary utility and street improvements. Development of this land is providing additional employment opportunities for local residents as well as expanding the tax base.

Business and Technology Center. The anchor tenant in TechPark is Control Data's Business and Technology Center. This business incubator program was created in 1986 as a result of a partnership agreement between

RHEDC and Control Data Corporation. Control Data built and continues to manage the \$8.5 million Center that assists entrepreneurs, provides a seed capital fund, and houses 40 small businesses.

Growth Investments Limited Partnership. The Economic Development Corporation also manages Rock Hill Growth Investments Limited Partnership, a seed capital fund for making equity investments in high-growth businesses. The fund's goals are to create jobs for Rock Hill residents and provide long-term capital returns for the limited partners. Since its inception early in 1987, more than 150 individuals, a number of businesses, the City, and the State have invested in the Partnership. A total of \$400,000 was raised with \$100,000 coming from Block Grant Entitlement funds, \$50,000 from State funds and \$250,000 from private sources. A number of small businesses are presently candidates for the Partnership's first investment, which is expected to take place in 1987.

Municipal Power Association. Cheaper utility rates were achieved when the Economic Development Corporation helped the City to buy its own source of power. Until recently, the City bought its power from other utilities. In 1986, the Piedmont Municipal Power Association, a consortium of ten cities including Rock Hill, bought part of the Catawba Nuclear Station, located five miles outside of Rock Hill. This guaranteed Rock Hill a low-cost source of power allowing the City to reduce electric rates and lower property taxes.

These public entrepreneurial activities made possible with the help of community development funds have contributed greatly to an expansion of economic development in Rock Hill. Employment opportunities that were lost through the demise of the textile industry have been restored, benefiting the low- and moderate-income families of Rock Hill. Today the City, with broad community support, continues to work through its Economic Development Corporation to provide growth opportunities and incentives for more new businesses to choose Rock Hill, South Carolina.



Eight local projects illustrate the creativity, energy, and commitment present in South Carolina's community development efforts.

Florence (pop. 31,209) initiated an ambitious downtown revitalization program **to revive a distressed Central Business District**. Funds were secured for the program using the Section 108 Loan Guarantee Program. As another part of this overall effort to rejuvenate the City, \$100,000 in Community Development Block Grant Entitlement funds were used with private investment to **provide infrastructure improvements** for a small business incubator. This facility has created 120 jobs to date, the majority for low- and moderate-income persons. In addition, plans are now underway **to convert an abandoned hospital into an office building**, creating hundreds of jobs in the downtown core.

Greenville (pop. 58,679) used a \$110,000 Entitlement Block Grant to leverage \$313,000 in private investment **to develop housing on** vacant land that had been cleared for an expressway project but left unused. Block Grant funds allowed the City to provide the down payment, building lot, and utility hook-ups for the new homeowners with the private sector supplying the mortgage financing. Additionally, a minority contractor constructed the eleven new single-family units.

Greenville County Redevelopment Authority (pop. 247,456) and the **Town of Greer** cooperated to **stimulate further downtown revitalization** in Greer through the acquisition of an abandoned railroad station by the Redevelopment Authority with \$300,000 in Entitlement Block Grant funds. After its renovation, the structure was sold to a private developer for use **as office space** in the downtown core and, in the process, created fifteen new jobs.

Greenwood (pop. 21,613) joined with a private company, Medical Textiles, **to reopen an abandoned textile plant** in 1986, bringing jobs to over one hundred people. This project effectively demonstrates the benefits of public/private partnerships between the City, which used a \$500,000 State Block Grant for a low-interest construction loan, and two of the City's largest employers-- Greenwood Mills, the plant's former owner, and Professional Medical Products which provided \$1.1 million in equity and financing.

Hollywood (pop. 2,365) came to the aid of its unincorporated neighbor, Petersfield, and **solved major waste and water treatment problems** that had been posing an imminent health threat to its poorest residential area. With the leadership of Hollywood's mayor and technical assistance from the Berkeley, Charleston, Dorchester Council of Governments, the City used \$2 million in State Block Grant funds, \$1.5 million from the Environmental Protection Agency and \$500,000 from other sources to tie in water lines with other existing treatment facilities. This effort improved the quality of life for Petersfield's residents and shows how communities can reach out to the poorest of the poor.

Laurens County (pop. 52,214) **worked with private enterprise to locate a \$22 million facility** in the area. Using a \$500,000 State Block Grant for the development of a water system, the county enabled the Wal-Mart Company to establish its Southeastern Distribution Center there. The Distribution Center will eventually employ 1,200 persons, most in the low- and moderate-income range.

North Charleston (pop. 66,735) has **emerged as a thriving city after overcoming major infrastructure and economic development problems** with the help of \$12 million in Entitlement Block Grant funds. Already largely developed when it was incorporated in 1972, North Charleston was faced with a number of pressing issues. The turnaround came through the efforts of the Mayor and the Council and with a variety of funding sources, including the Community Development Block Grant.

Spartanburg (pop. 43,880), through its Downtown Development Council, has **assisted in the renovation and new construction of 131 commercial properties** in the past two years. More than 2.5 million square feet of commercial space has been added to the downtown **core** creating 995 new jobs. The City's State Block Grant investment of \$6.2 million has been in both direct assistance and infrastructure improvements. In addition to the Block Grant funds, the City **has** budgeted \$2.5 million for parking and other improvements for a large hotel and/or mixed-use complex downtown. Total private investment is \$147 million. This project exemplifies the effectiveness of the community development emphasis on partnerships between local governments and the private sector.

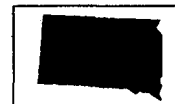
Community Development

Funds to South Carolina

Name	Entitle- ment CDBG	HUD Admin. Rental Rehab	UDAG	Section 312 Rehab	Formula Emerg. Shelter	State CDBG	State Rental Rehab	State Emerg. Shelter	Total ⁽¹⁾
	FY 75-87	FY 84-87	FY 78-87	FY 84-87	FY87	FY 85	FY85	FY87	
Abbeville County						\$400,000			\$400,000
Alendale						499,000			499,000
Anderson	\$ 6,172,000			\$513,100			\$ 500,000		7,367,405
Anderson County						-47,000			47,000
Andrews						500,000			500,000
Bamberg County						43,000			43,000
Barnwell						499,000			499,000
Beaufort			\$2,000,000						2,000,000
Beaufort County						500,000			500,000
Bennettsville			126,000			1,001,000			1,127,000
Camden			1,000,000	235,750		496,000			1,731,750
Carlisle						500,000			500,000
Cayce						210,000			210,000
Charleston	20,522,000	\$507,710	28,724,337	95,000					49,849,047
Charleston County						500,000	75,000		575,000
Chester			1,000,000						1,000,000
Chester County						900,000			900,000
Clarendon County						638,000			638,000
Clover						500,000			500,000
Colleton County						499,000		\$ 22,500	521,500
Columbia	24,615,000	490,820	10,320,000	301,850				22,500	35,945,837
Cowpens			325,000						325,000
Denmark						501,000			501,000
Dillon						500,000			500,000
Dorchester County						340,000			340,000
Edgefield			820,000			465,000			1,285,000
Ehrhardt			72,400						72,400
Elloree			1,025,000						1,025,000
Fairfield County						449,000			449,000
Florence	7,340,000			128,750			100,000	35,000	7,603,750
Fountain Inn			1,000,000						1,000,000
Gaffney						479,000			479,000
Georgetown						500,000			500,000
Greenville	22,421,000	324,700	6,500,000						29,245,700
Greenville County	29,294,000	424,800			\$39,000				30,005,625
Greenwood			1,009,500	74,800		750,000			1,834,300
Hartsville						550,000			550,000
Hollywood						250,000			250,000
Kingstree			1,515,000						1,515,000
Lake City			980,000						980,000
Laurens County						100,000			100,000
Lee County						500,000			500,000
Marion County						68,000			68,000
McCormick County						500,000			500,000
Mullins			1,120,000						1,120,000
Myrtle Beach								30,000	30,000
North Charleston	11,551,000	263,000							11,814,000
Orangeburg County						300,000			300,000
Ravenel						500,000			500,000
Richland County						400,000			400,000
Rock Hill	15,792,000		330,000						16,122,000
Scotia						71,000			71,000
Spartanburg	23,763,000						164,000		23,927,000
Spartanburg County						720,000			720,000
St. Matthews						125,000			125,000
Summerton			105,000						105,000
Sumter			98,000						98,000
Sumter County						500,000			500,000
Union			400,000						400,000
Walhalla			620,000						620,000
Ware Shoals			2,000,000						2,000,000
West Columbia			3,050,000						3,050,000
Westminster						467,000			467,000
Winnsboro						496,000			496,000
Woodruff						\$43,000			\$43,000
York			\$525,000						525,000
York County						154,000			154,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.

South Dakota



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to South Dakota's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of South Dakota amounted to \$9.3 million.

Community Development Block Grant Entitlement Program

Sioux Falls has received \$20 million and Rapid City \$1.2 million in Block Grant Entitlement funds since 1975. During 1986, Sioux Falls expended funds on acquisition and clearance activities (31 percent), public works (31 percent), and rehabilitation (17 percent). In FY 1987, Sioux Falls and Rapid City received \$671,000 and \$445,000, respectively.

South Dakota's State Community Development Block Grant Program

In FY 1987, \$6 million was provided to the State's Block Grant Program. Since 1975, \$70 million was awarded to the small cities of South Dakota under 50,000 in population. Approximately \$40 million of this amount was distributed to 127 jurisdictions by the State government since it assumed administration of the program in 1982. Under the State program, 85 percent of the funds were spent on public works activities and 15 percent on economic development projects.

Indian Community Development Block Grant Program

Since 1975, nine Indian tribes in South Dakota have received 66 grants, totalling \$16.2 million. The funds were used primarily on housing (58 percent), infrastructure (19 percent), economic development (16 percent), and community facilities (11 percent).

Urban Development Action Grant Program

Eight communities in South Dakota have received ten UDAG grants totalling \$9.112 million. Grants to Deadwood, Elk Point, Faith, Huron (2), Mitchell, Sioux Falls (2), Sturgis, and Yankton have leveraged \$55 million in

private financing. The projects will create an estimated 859 and retain 184 jobs that would have been lost. Action Grants are intended to promote economic development in distressed areas.

Emergency Shelter Grant Program

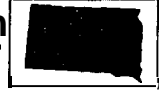
The State of South Dakota received an initial Emergency Shelter Grant of \$24,000 in the Spring and another \$122,000 grant in the Fall of 1987. The initial grant was allocated by Housing and Urban Development to assist the homeless in four communities: Sioux Falls, (\$8,000), Aberdeen (\$8,000), Rapid City (\$5,000), and Yankton (\$3,000).

Rental Rehabilitation Program

Since 1984, the State has received \$1.2 million in Rental Rehabilitation funds. Sioux Falls has received \$219,600 and the South Dakota Housing Development authority \$997,000 to help renovate rental structures for occupancy by lower-income persons.

Community Development Funding to South Dakota Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$34
Small Cities/State Grants	70
Section 108 Loan Guarantees	3
Jobs Bill	2
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	13
Special Projects (FY '85-'87)	0
Urban Development Action Grants	9
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	0
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$ 133
(Note: Detail may not add to total due to rounding.)	



Meeting Old Needs and Setting New Priorities

State Community Development Block Grant Program

When South Dakota took over the administration of the State Block Grant Program in 1982, it set out to address a specific problem affecting the health and prosperity of its residents -- the inadequate supply of water. Many communities within the State were forced to truck water in for drinking and cooking use. The cause of the problem varied, with the southeastern and south central areas suffering from an inadequate supply of water. The western portion of the State was experiencing severely deteriorated existing systems. The State as a whole lacked treatment facilities. Flooding and drainage problems further compounded the State's water problems. All of these problems also were adversely affecting the State's agricultural industry. To combat this situation, the State developed a master water plan and distributed its Block Grant funds according to the needs and objectives cited in the plan. By 1985, the State had accomplished all major plan objectives and it began to distribute Block Grant funds according to its economic development needs.

State Planning and Coordination

The Governor, through the Department of Water and Natural Resources, prioritized the State's water system improvement initiatives. The State's plan ranked the importance of each needed project in the State. Since South Dakota was an active participant in the Water and Sewer Initiatives effort, the State also utilized its water plan to coordinate all Federal as well as State and local resources. The State's ranking as the third lowest per capita income State in the country, meant that there were limited local financial resources. Therefore, the coordination of all funding sources was crucial to meeting its objectives. To accomplish this, the State designed a Small Cities project award system that prioritized water and water-related projects and ensured that the most critically needed projects were funded each year.

State Water Problem Solved

From 1982 through 1985 the State allocated more than \$19 million of Community Development Block Grant dollars to water treatment, sewer, and flooding projects. The \$19 million in Block Grant funds represented 69 percent of all funds made available to the State in those four years.

There were 134 projects funded with the critical assistance of Block Grant funds and the State was able to accomplish all of the objectives established in its water plan. In order to prevent the problem from occurring again, the State has required that each project establish a maintenance and operating fund to ensure upkeep, and in some cases, replacement accounts. Approximately 350,000 people, or almost half the State's population, benefitted from the projects. More than 200,000 of the beneficiaries were low- and moderate-income persons.

Economic Development: A New Priority

The State's success in targeting its Block Grant resources to a particular problem has resulted in its continuation of the practice. In 1986, it established economic development as its new priority to meet the downturn in the State's agriculture-based economy.

South Dakota's shift to an economic development emphasis was implemented in 1986 with the creation of a \$2 million dollar set-aside called the Special Projects Account Fund. The Special Projects fund was established to enable grantees to take advantage of an unexpected opportunity that would be lost if the applicant waited for the next application cycle. There are no mandatory match requirements and no threshold or ceiling limitations on the amount of funds that may be awarded to a grantee. All projects must principally benefit lower-income persons through job creation or retention. The State also funded economic development projects out of its regular programs competition, but the set-aside funds were intended to provide more flexibility. The State awarded 28 economic development grants for a total of \$2.6 million out of \$5.7 million made available to local units of government in 1986. Fifteen of these projects have produced measurable accomplishments to date with 497 jobs created or retained. All of these job creation projects principally benefit low- and moderate-income persons.

Based upon current projections, the State should realize 750-800 jobs or 26 jobs per project, at an average cost per job of approximately \$3,300-\$3,500.



The Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of South Dakota. The following local ventures illustrate the diversity and creativity of South Dakota's projects:

Huron (pop. 13,000) faced rising levels of unemployment, out-migration, business closures, and a declining tax base within the City's central business district. To meet this challenge the City utilized UDAG, State Block Grant, and local funds to help **construct a 100-room motel that includes conference rooms, two restaurants, a lounge, and an indoor pool.** The Crossroads Hotel and Convention Center was financed by a \$1 million UDAG loan and \$4.258 million in private funds. The City, through the Greater Huron Development Corporation, acquired and leased the site to the hotel with 170 parking places. The City's contribution is financed through a \$650,000 tax increment finance bond and \$200,000 from the State Block Grant program. EDA also provided \$700,000 in funding. The hotel opened in 1987 and is currently **employing 72 full-time and 52 part-time persons. Seventy-two construction jobs were created and local tax revenues increased by \$38,000.**

Rapid City (pop. 46,492) utilized its Block Grant Entitlement funds to meet the needs of low-income youth, the elderly, and the homeless. The City utilized \$20,000 to **upgrade recreational facilities** at a 210-unit cooperative housing project. A basketball court, baseball field, and playground serving 500 children were refurbished. Two senior centers **serving 2,000 elderly citizens** were assisted with \$170,000 in Block Grant Entitlement funds. Funds were used to rewire and improve handicap access to the Canyon Lake Senior Citizen Center, while an addition to the Minneluzahan Senior Center created **more space for the provision of senior health and nutritional services.** Nearly 100 meals are served daily to seniors. Block Grant funds (\$39,730) were also used to acquire a facility for use as a safehouse for battered women and children.

Pierre (pop. 11,973) used a State Block Grant to help revitalize its downtown. The City is the capital of South Dakota and has depended upon the State government as a primary employer and economic base. There have been few opportunities for economic growth or diversity and recent State cutbacks have jeopardized the stability of the existing economy. To **stimulate downtown revitalization and economic opportunities**, Pierre obtained a \$1.754 million grant from the State Block Grant program. The City used the grant to **acquire land for a Trade Center and private motel development.** The City used its own funds to **construct a 30,808 square foot convention center.** The motel, with dining and lounge facilities, was privately financed. The two structures are architecturally com-

patible and are physically joined by a common lobby area. The facilities will result in **150 permanent jobs**, made available for low- and moderate-income persons. The project has already helped generate new investments including another privately financed motel and a new restaurant.

Sioux Falls (pop. 81,343) used Block Grant Entitlement funds to meet the special **needs** of the elderly and handicapped and to help welfare recipients attain independent living. The City spent \$41,000 in Block Grant funds to remodel an unused portion of the Senior Adult Day Care Center. These improvements increased handicap accessibility and included new full-time personal care facilities. In another project, the City used \$100,000 in Block Grant Entitlement funds and a \$300,000 State Block Grant program grant to help acquire and rehabilitate a multipurpose training center for the deaf. The facility will serve the 36,000 hearing impaired persons in the State and will complement the existing State school for the deaf located in the city. The City also used Block Grant funds to help fund a program, Project Self Sufficiency, that enables people to get off public assistance programs through education and job training programs. Staffing is provided by the public housing authority and funding is covered by Block Grant Entitlement (\$69,000) and private foundation grants. The program options include adult literacy, GED, Vocational School training, and some college classes. So far, **68** participants have enrolled, about 40 percent of which are minorities. Information on 38 graduates indicates that 23 have full-time and six part-time employment, three are in job training, and six are off welfare completely.

Community Development

Funds to South Dakota

Name	State CDBG FY 85	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Total
Alexandria	\$22,500					\$22,500
Arlington	100,000					100,000
Artesian	35,000					35,000
Belle Fourche	25,000					25,000
Box Elder	356,715					356,715
Bradley	30,000					30,000
Britton	245,000					245,000
Broadland	171,000					171,000
Burke	12,000					12,000
Castlewood	20,000					20,000
Centerville	26,000					26,000
Charles Mix County	220,000					220,000
Cheyenne River Reservation					\$2,759,384	2,759,384
Clay County	125,200					125,200
Columbia	76,000					76,000
Crow Creek Reservation					1,102,058	1,102,058
Custer	20,000					20,000
Deadwood				\$1,320,000		1,320,000
Dell Rapids	190,000					190,000
Deuel County	12,000					12,000
Dewey County	50,000					50,000
Douglas County	26,000					26,000
Elk Point				59,144		59,144
Ethan	21,000					21,000
Faith				168,000		168,000
Flandreau	196,500					196,500
Flandreau Reservation					475,000	475,000
Freeman	350,000					350,000
Groton	175,000					175,000
Hill City	15,000					15,000
Huron	61,000			1,077,000		1,138,000
Hutchinson County	600,000					600,000
Iroquois	231,000					231,000
La Bolt	100,000					100,000
Lake Preston	150,000					150,000
Lead	83,000					83,000
Lemmon	100,000					100,000
Lesterville	12,000					12,000
Lower Brule Reservation					1,637,723	1,637,723
Miner County	11,500					11,500
Minnehaha County	170,000					170,000
Mission Hill	120,000					120,000
Mitchell	230,000			198,250		428,250
New Underwood	150,000					150,000
North Sioux City	175,000					175,000
Pennington County	325,000					325,000
Pierre	754,605					754,605
Pine Ridge Reservation					1,560,500	1,560,500

Community Development**Funds to South Dakota**

Name	State CDBG FY 85	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Total
Rapid City		\$12,010,000				\$12,010,000
Rosebud Reservation					\$1,563,300	1,563,300
Sioux Falls		20,119,000	\$219,639	\$3,967,369		24,306,008
Sisseton Reservation					3,802,750	3,802,750
South Shore	\$42,500					42,500
Springfield	268,000					268,000
Sturgis				965,000		965,000
Tabor	15,000					15,000
Tripp	21,000					21,000
Turner County	31,000					31,000
Vermillion	50,000					50,000
Volin	15,000					15,000
Wagner	10,000					10,000
Wall	98,480					98,480
Watertown	20,000					20,000
Webster	92,000					92,000
Yankton	280,000			1,357,341		1,637,341
Yankton Reservation					885,000	885,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Tennessee's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Tennessee amounted to \$55.2 million.

Entitlement Community Development Block Grant Program

The Community Development Block Grant Entitlement program, which provides aid directly to larger cities and urban counties, generally those with more than 50,000 population, granted \$23.8 million to Tennessee in FY 1987. Under this program, eleven metropolitan cities received annual grants for various community development activities. The expenditures of four Tennessee communities planned for FY 1986 illustrate the use of these funds: housing rehabilitation (35%), public facilities (23%), economic development (12%) and administration (12%).

State Community Development Block Grant Program

The State Block Grant Program in Tennessee is administered by the Department of Economic and Community Development. In FY 1987, it received \$23.8 million for distribution to local jurisdictions under 50,000 population, not otherwise eligible for Entitlement funds.

- From 1983 to 1985, small communities in the State spent most of their funds on public facilities (73%), economic development (14%) and housing rehabilitation (12%).
- 57 small communities and 30 counties were assisted with grants averaging \$301,569.

Urban Development Action Grant Program

Since 1978, \$88 million were granted for 53 projects in Tennessee under the Urban Development Action Grant program, leveraging \$534 million in private investment. This assistance was designed to help communities in

economic distress that were faced with loss of jobs, high percentage of poverty and low per-capita income. As a result, 5,521 jobs were created, 252 housing units built or rehabilitated and \$3 million in local taxes generated annually.

Community Development Housing Programs

From FY 1984 to 1987, the Rental Rehabilitation Program allocated \$8.9 million to Tennessee. Over a three-year period, small communities in the State spent an additional \$21 million for housing rehabilitation under the State Block Grant Program; funds were spent for a similar purpose in larger cities under the Entitlement Program. In FY 1986, the Urban Homesteading program provided \$96,000 for acquisition of homes for sale to homeowners who agreed to rehabilitate these properties. Some of these homeowners used the Section 312 Rehabilitation Program that provided \$1.6 million in loans from FY 1984 to FY 1987 to homeowners in Tennessee. The newest form of housing assistance is the Emergency Shelter Grant program. During its first year of operation in 1987, Tennessee received \$960,000 to help the homeless.

Community Development Funding to Tennessee Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$459
Small Cities/State Grants	284
Section 108 Loan Guarantees	6
Jobs Bill	21
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	88
Rental Rehabilitation Program Grants	9
Section 312 Rehabilitation Loans (FY '84-'87)	3
Urban Homesteading	*
Emergency Shelter Grants	1
Total	\$871



Rachels Industries, Inc.

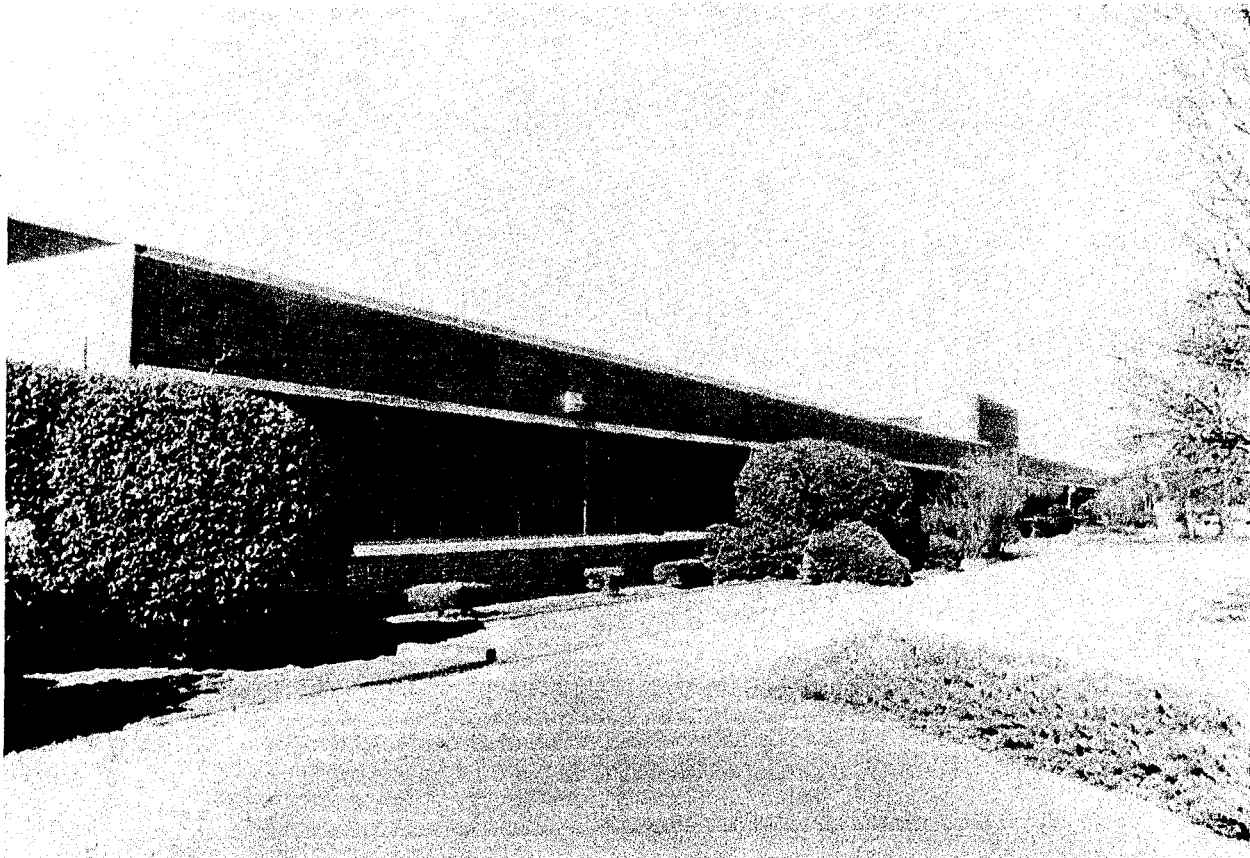
In 1984, to restore hundreds of jobs lost in the manufacturing sector, Memphis (pop. 646,356) negotiated with International Harvester to purchase its closed plant in order to lease the facility to a replacement firm--Rachels Industries, Inc. On September 12, 1983, the City had been awarded a \$6.6 million Urban Development Action Grant. The funds were to have been loaned to International Harvester for expansion of their local plant. Unfortunately, about a year later International Harvester decided to close its Memphis plant and was forced to return the portion of the Action Grant it had borrowed. In the process of releasing its collateral, the City negotiated an option contract with International Harvester, allowing them to purchase the Memphis plant site at a nominal cost. The City's ability to exercise its option was contingent upon finding a new user that would invest \$10 million and create 500 jobs.

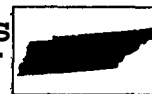
The City became aware that Rachels Industries, the nation's largest manufacturer of heating, ventilation and air conditioning fittings, was expanding and seeking a new site. It immediately requested Housing and Urban Development approval of an alternative company to step into the deal. Rachels Industries ~~was~~ offered the following incentives to move to the International Harvester site:

HUD Grant funds, \$2.2 million in Entitlement Block Grant financing and a five-year deferment of the property tax payments.

In November 1985, Rachels Industries' takeover of the Action Grant loan was approved. Rachels agreed to invest \$36 million for site development, including design, tooling and product introduction. The terms of the Block Grant and Action Grant loans include a 25-year loan with a five-year deferment of payments of principal and interest at an effective rate of 7.23%. The major advantage of the financial strategy is that the loan repayment from Rachels ~~will~~ be available for the City's use in future economic development projects.

Through the timely and effective use of two community development programs, the City of Memphis prevented further economic decline by making the project workable. Rachels Industries, for its part, has provided the jobs that were needed by Memphis residents. To date, 41 percent of the jobs have been filled by low- and moderate-income persons and 38 percent by minority employees. By 1989, when the project is scheduled for completion, it is anticipated that 972 new jobs will have been created.





A broad range of local economic and community development projects in Tennessee is assisted by the U.S. Department of Housing and Urban Development as shown by the following projects:

In 1986, Alexandria (pop. 689) was awarded \$254,960 in State Block Grant funds to rehabilitate owner-occupied substandard homes, acquire dilapidated properties, relocate families and clear vacant structures. This project met the housing needs of 22 minority persons, 19 elderly, 9 female heads of households and 7 handicapped persons.

A Shelter for the Homeless in Chattanooga (pop. 165,000) was created in 1986 with Entitlement Block Grant funds, along with \$20,000 in private funds. It was given a new roof in March 1987 with \$20,000 in Emergency Shelter Grant funds. The Shelter houses a privately operated, non-profit Community Kitchen, providing 170 meals a day for lower-income residents, including minority and elderly persons.

In 1986, using \$330,667 in State Block Grant funds, Hartsville (pop. 2,674) began a complete restoration of the Planters Street Neighborhood. The project includes housing rehabilitation, on-site drainage improvements, land acquisitions/relocation, installation of fire protection, and improvements to the water and sanitary sewer system.

In Mechanicsville, a racially mixed, lower-income residential area of Knoxville (pop. 175,000), the Moses School had stood empty for 30 years. Its renovation was accomplished in 1987 with the aid of \$250,000 in Entitlement Block Grant funds, \$100,000 from the Tennessee Valley Authority and \$200,000 from the U. S. Department of Health and Human Services. The former school now houses the Knoxville Women's Center, a neighborhood day care facility, a community theater and a gymnasium.

Morristown (pop. 19,683) provided a \$625,000 Action Grant loan to Lin Pac, Incorporated, a plastic grocery bag manufacturer. With the loan as leverage, the firm was able to get \$4.7 million in private support to acquire a 40,000 square foot building in the Morristown Industrial Park. As part of the project, the City contributed \$10,000 for site improvements. Lin Pac has since received a second Action Grant loan to expand on its initially successful venture.

In March 1985, restoration of the historic Union Station in downtown Nashville (pop. 477,811) for use as a hotel/restaurant facility was assisted by an \$800,000 Action Grant loan and \$11,969,609 in private funds. This project created 250 new permanent jobs for the City.

The abandoned Humphreys Street School in Nashville/Davidson County (pop. 477,811) was converted into five housing units for low-income families by the South Nashville Action People (SNAP), a neighborhood or-

ganization in Nashville. Completed in 1986, the project was funded with \$265,000 in Entitlement Block Grant monies, a Neighborhood Development Demonstration Program grant, and \$3,000 in private contributions.

Ridgely (pop. 1,932) needed to enhance an inadequate water treatment system. With the assistance of \$142,629 in State Block Grant funds, the City rehabilitated pump stations and a waste/water treatment facility. In addition, it installed a chlorination facility, pumps, and 10,500 linear feet of discharge line to the Mississippi River.

Community Development

Funds to Tennessee

Name	Entitle- ment CDBG FY75-87	HUD Admin. Rental Rehab FY 84-87	UDAG N78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY87	Urban Home- steading FY 75-86	Total
Algood			\$212,559				\$212,559
Baxter			119,775				119,775
Bristol	\$4,932,000		2,350,000				7,282,000
Brownsville			983,000				983,000
Byrdstown			40,000				40,000
Chattanooga	52,890,000	\$800,120	21,025,548	\$735,900	\$39,000		75,490,568
Clarksville	9,481,000	51,000	2,080,000	418,650			12,030,650
Cleveland			344,000	111,550			455,550
Crossville			640,000				640,000
Didkson			106,487				106,487
Dyersburg			800,000				800,000
Fayetteville			516,000				516,000
Henderson			278,000				278,000
Jackson	5,116,000	65,000					5,181,000
Jellico			434,000				434,000
Johnson City	10,846,000			68,050			10,914,050
Kingsport	6,980,000			12,800			6,992,800
Knoxville	44,236,000	693,800	15,350,000	303,150	39,000		60,621,950
Lenoir city			190,000				190,000
Lewisburg			820,000				820,000
Lexington			995,000				995,000
Martin			113,000				113,000
McKenzie			250,000				250,000
Memphis	171,102,000	2,690,400	18,800,000	642,300	221,000		193,455,700
Monterey			3,014,400				3,014,400
Morristown			2,345,000				2,345,000
Mount Pleasant			1,079,200				1,079,200
Murfreesboro	3,670,000						3,670,000
Nashville-Davidson County	96,990,000	1,529,670	11,350,000	326,800	84,000		110,280,470
Oak Ridge	936,000						936,000
Ripley			600,000				600,000
Rockwood			1,000,000				1,000,000
Savannah			139,780				139,780
Shelby County						\$96,900	96,900
Springfield			415,000				415,000
Trenton			70,000				70,000
Tulahoma			850,000				850,000
Wartrace			824,900				824,900

Name	State CDBG FY 85	Name	State CDBG FY 85	Name	State CDBG FY 85
Adamsville	\$ 164,000	Cookeville	\$ 230,000	Henry County	\$299,700
Alamo	583,518	Covington	80,000	Hohenwald	500,000
Alcoa	362,500	Cowan	337,000	Houston County	608,850
Anderson County	234,848	Crossville	158,500	Huntingdon	76,000
Arlington	350,000	Dayton	259,558	Huntsville	300,000
Athens	50,974	Elizabethton	500,000	Jackson County	300,000
Bedford County	31,240	Erin	376,280	Kenton	335,994
Beersheba Springs	281,000	Fairview	250,000	Knox County	149,870
Bells	415,000	Fayetteville	162,389	La Vergne	500,000
Bethel Springs	215,637	Fentress County	230,496	Lawrenceburg	350,000
Bradley County	181,804	Franklin County	350,000	Manchester	228,310
Carthage	691,290	Gallaway	123,771	Mason	47,360
Caryville	223,000	Garland	179,258	Maury County	101,200
Claiborne County	602,720	Halls	69,000	McEwen	243,800
Cocke County	200,000	Hamilton County	748,638	McMinn County	425,000
Collinwood	158,013	Hawkins County	450,000	McNairy County	175,000
Columbia	232,640	Haywood County	438,204	Meigs County	50,000

Community Development**Funds to Tennessee**

Name	State CDBG FY 85	Name	State CDBG FY 85	Name	State CDBG FY 85
Milledgeville	\$ 450,000	Parsons	\$ 450,000	Unicoi County	\$212,980
Monroe County	100,000	Pigeon Forge	382,953	Union County	300,000
Monterey	500,000	Portland	80,000	Van Buren County	288,000
Montgomery County	248,000	Putnam County	500,000	Van Lear	482,000
Morristown	400,000	Red Boiling Springs	285,000	Warren County	450,000
Munford	244,317	Rhea County	92,998	Washington County	829,000
New Tazewell	20,000	Rockwood	388,800	Watertown	299,920
Newport	689,200	Scotts Hills	432,000	Wayne County	99,400
Oakdale	479,160	Smyrna	412,425	Waynesboro	460,000
Obion	86,921	Somerville	243,738	Westmoreland	67,786
Oneida	464,000	Sullivan County	175,000	Whiteville	171,222
Overton County	300,000	Tiptonville	344,010	Winfield	195,850



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Texas communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities, towns, and counties of Texas amounted to \$191.8 million.

Community Development Block Grant Entitlement Program

In FY 1987, the largest component of community development assistance to Texas was the Community Development Block Grant Entitlement program. Fifty Entitlement Cities and three Urban Counties received \$120.2 million. The program provides aid directly to large cities and counties, generally those with more than 50,000 persons. A few of the Texas Entitlement communities indicate that the largest portions of these funds have been used for housing rehabilitation (38 percent) and public facilities (30 percent).

Texas' State Community Development Block Grant Program

The State Community Development Block Grant program administered by Texas is the second largest category of community development funds in the State. The State Block Grant program provides aid to communities under 50,000 persons, not otherwise entitled to Block Grant support. Assistance totaled \$54.0 million in FY 1987 and \$599.5 million since FY 1975. From FY 1982 through FY 1986, funds were distributed to 3,491 communities and 66 counties. From FY 1975 through FY 1986, 72 percent of the funds expended were used for public works, 14 percent for economic development, and 12 percent for housing rehabilitation.

Urban Development Action Grant Program

Since 1978, \$116.4 million have been granted to communities in Texas under the Urban Development Action Grant program. Action Grant awards are only made when

they can stimulate private investment in distressed areas in amounts substantially greater than the public expense, and, in Texas, the Action Grants have made feasible \$824.9 million in private investment. The major outcomes of this investment have been 8,402 new jobs, 1,593 new housing units and \$3.7 million annually in additional local tax revenues.

Community Development Housing Assistance

From FY 1984 through FY 1987, \$30.9 million were obligated for projects in the State under the Rental Rehabilitation program with the purpose of increasing the supply of affordable, standard housing for lower-income tenants. In the same period, the Section 312 Rehabilitation program made available \$7.4 million for housing rehabilitation loans to homeowners. Additional funds are spent on housing by the larger State and Entitlement Block Grant programs. The most recent form of housing assistance is the Emergency Shelter Grant program. During its first year of operation, FY 1987, Texas received \$3.5 million to help the homeless.

Community Development Funding to Texas Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 1,742
Small Cities/State Grants	600
Section 108 Loan Guarantees	10
Jobs Bill	44
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	2
Special Projects (FY '85-'87)	
Urban Development Action Grants	116
Rental Rehabilitation Program Grants	31
Section 312 Rehabilitation Loans (FY '84-'87)	7
Urban Homesteading	2
Emergency Shelter Grants	4
Total	\$2,558



Ft. Worth Main Street

Ten years ago, Main Street in Ft. Worth, between the Convention Center and the County Courthouse, was a shabby, desolate, commercial district in which no developer would risk investment. Today, Main Street is a showplace of development, drawing people back to the center of the City for shopping, entertainment, business, and conventions. Main Street has been completely rebuilt with a new brick surface and landscaping. Close by stand the new Worthington Hotel and the Hyatt Regency restoration of the former Texas Hotel. Fronting the Worthington Hotel is Sundance Square with its restored commercial buildings, several on the National Register of Historic Places. Not far away the recently completed City Center ~~twin~~ towers rise 32 and 37 stories into the Texas sky.

The Main Street Project began in September, 1979 when Ft. Worth was awarded an Urban Development Action Grant totaling \$2.6 million to improve Main Street. As part of the Action Grant deal with the City, private developers were to construct the 500-room Worthington Hotel (then known ~~as~~ the Americana).

The Urban Development Action Grant

The Action Grant program ~~run~~ by the U.S. Department of Housing and Urban Development seeks to foster economic development in distressed areas. An Action Grant award is made to a city for a specific project and always requires that a substantial portion of the overall costs be borne by private sector investors. Another important feature of every Action Grant is the certification by the parties to the funding agreement that, if it were not for the Federal funds, the project would not be economically feasible and would not take place.

~~In~~ the case of the Main Street Project in Ft. Worth, the City wanted to interest developers in renovation and new construction in the area between the Convention Center and the County Courthouse, but, until that time, no investor had been willing to risk capital in such a rundown part of the City.

With the critical help of the Action Grant, the City was able to make Main Street attractive to private investment by using the Federal funds to improve the area's infrastructure (new curbs, gutters, sidewalks, street lighting, landscaping, and a new surface of bricks). This renovation

laid the groundwork for the private developers to construct the Worthington Hotel.

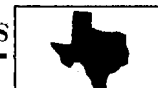
A Good Return on the Investment

The \$2.6 million Action Grant awarded to Ft. Worth required that the private developers invest over \$48 million to put up the hotel. This meant that, for every dollar of public funds expended, the private sector was willing to spend eighteen dollars. The hotel was completed and opened for business in October, 1983. With 500-rooms, the Worthington created new jobs for 570 citizens of Ft. Worth, many of them low- and moderate-income persons. ~~In~~ addition to jobs, the hotel and Sundance Square have added \$301,000 annually to local tax revenues.

Stimulus for Further Development

The spinoff development in the surrounding area is one of the outstanding aspects of the Main Street Action Grant project. The initial private and public investors working together were able to take on a financial ~~risk~~ that neither sector was able to do on its own. The developments which have followed upon the original Main Street Project are taking place in an environment much more economically secure. A second Action Grant award permitted the Hyatt restoration of the old Texas Hotel. The first fire station in the City, old Number One, stands adjacent to City Center and houses a museum in the lower level and offices on the upper. At the corner of Main and 5th Streets, the Burk Burnett Building ~~has~~ been completely restored.

The Sundance Square Project may be the most important spinoff from the Main Street Project. Sundance Square involved the restoration of several 19th century commercial buildings on the National Register of Historic Places that now contain offices, retail enterprises, and restaurants. The keystone of Sundance Square is a new art gallery that displays the Sid Richardson collection of western art and houses the world's largest private collection of paintings and sculpture by Charles Russell and Frederick Remington.



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Texas. The following brief descriptions of some **local** ventures can serve to illustrate the creativity and commitment present in Texas' community development efforts.

In Arlington (pop. 160,113), the Entitlement Block Grant program contributed \$1.6 million and the United Way \$600,000 to construct a social service center that put 17 different, private, non-profit agencies under one roof. These agencies had been scattered in leased space all across the City, and now lower income residents seeking assistance can find it in one centralized location with the result that overall utilization of services has increased.

In an era when many families find it difficult to buy a home, the City of Beaumont (pop. 118,000) and the local Chamber of Commerce have found a way to help. The City has **allocated** \$398,344 in Entitlement Block Grant funds to a neighborhood based, non-profit housing agency. The non-profit will make awards to qualified, low- and moderate-income home buyers to reduce interest rates and pay closing costs on existing and newly constructed houses in areas surrounding the downtown. The Chamber is donating staff time to screen and process applicants.

Bowie County (pop. 75,301) has used **\$500,000** in State Block Grant funds to construct roads and drainage systems for a new \$80 million aluminum rolling mill. When complete, the new facility will have brought 294 new jobs to the county.

With the support of a \$1.8 million Action Grant, a plumbing futures plant in Brownwood (pop. 19,203) was able to invest \$24 million in a major plant expansion. The result for the community is 405 new jobs and an expanded tax base.

The once deteriorating Central Business District of Ennis (pop. 12,110) is now a "Turn-of-the-Century" show place for the community. A \$525,000 Action Grant for the reconstruction of sidewalks, streets, and parking has leveraged \$2.9 million in private investment that, in turn, has resulted in 116 new jobs in 61 new businesses.

Fort Worth (pop. 385,164) used \$106,408 in Entitlement Block Grant funds to start Yo Soy, a neighborhood youth project formed to curtail increasingly destructive juvenile gang activity. City and county agencies including social services, police, and schools are collaborating with 33 community agencies and resi-

dents to provide planned recreational, social educational, and job placement activities. Today the project is totally supported with local funds.

Galveston (pop. 61,902) used a \$1 million Action Grant and \$450,000 in Entitlement Block Grant funds to convert an old, vacant building into the 117-room Tremont House Hotel. The developer's cost **was** \$13.8 million, and that investment set off a chain of private reinvestment in the area that **has** reached over \$32 million. New jobs total 14.2 in the Tremont alone, and City tax revenues have been increased by \$93,000.

The Black Advisory Council in Midland (pop. 70,505) received \$40,000 from the Entitlement Block Grant program to purchase educational supplies and to meet some operational expenses associated with the management of a Senior Citizens Center and a job-training program.

In a depressed area of Midland, the Midland Economic Development Company, a public, non-profit entity, is cooperating with private banks to provide loans for small scale economic development. In FY 1987, Entitlement Block Grant funds totaling \$161,000 have been set aside in a revolving loan fund that, in combination with a commercial bank loan and equity from the loan recipient, is helping small businesses to begin or expand operations.

More than 1,110 jobs were created when Mount Pleasant (pop. 11,682) used \$491,000 from the State Block Grant program to increase its sewer capacity, allowing a poultry processing plant to expand.

Nolanville (pop. 1,726), with help from the State Block Grant program, has landed its first manufacturing concern. The readily available labor market first attracted the company, but the City did not have resources to put in the required water, sewer, transportation and fire protection services. A State Block Grant award of \$500,000 enabled the city to make the needed improvements and the area now has 91 new jobs.

Existing swimming pools in the City of Odessa (pop. 105,000) have been retrofitted with chairlifts, ramps, bathrooms, and showers, making the pools accessible to the handicapped for use as both recreation and therapy. The City paid for the improvements using \$60,000 from its Entitlement Block Grant allocation.

A major commercial mall now stands in the City of Port Arthur (pop. 61,255) on formerly desolate marshland. With Action Grant awards totalling \$2.4 million, the private sector has found it feasible to invest \$36.6 million to create the Park Central Mall, with 66 firms, providing jobs for 1,029 people.

Community Development

Funds to Texas

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY87	Urban Home- steading FY 75-86	Indian CDBG FY 78-87	Total ⁽¹⁾
Abilene	\$ 17,114,000	\$269,880						\$17,383,880
Alabama-Coushatta of Texas							\$977,000	977,000
Amarillo	22,877,000	354,100			\$26,000			23,257,100
Arlington	13,739,000							13,739,000
Austin	76,966,000	1,667,800	\$ 2,400,000	\$162,650	80,000			81,276,450
Baytown	6,160,000							6,160,000
Beaumont	25,703,000	194,000			26,000			25,923,000
Bexar County	3,591,000				31,000			3,622,000
Brownsville	32,851,000	209,720	244,000	422,450	44,000			33,771,170
Brownwood			1,841,453					1,841,453
Bryan	9,596,000							9,596,000
Carrizo Springs				17,300				17,300
Carrollton	519,000							519,000
Childress			965,700					965,700
Cleburne			675,000					675,000
College Station	5,646,000			392,850				6,038,850
Corpus Christi	54,881,000	535,380			62,000			55,478,380
Dallas	174,978,000	4,262,960	4,541,095	361,940	254,000	\$1,613,076		186,011,071
Del Rio			1,404,086					1,404,086
Denison	5,378,000							5,378,000
Denton	2,258,000							2,258,000
Donna				100,000				100,000
Eagle Pass			309,688	1,991,900				2,301,588
Edinburg	21,456,000			223,850				21,679,850
El Paso	104,708,000	1,755,732	8,940,509	137,150	138,000			115,679,391
Elsa			288,000	328,300				616,300
Ennis			525,000					525,000
Fairfield			657,430					657,430
Falfurrias			260,000					260,000
Fort Worth	77,276,000	1,116,500	16,002,000	27,000	85,000			94,506,500
Frisco			499,000					499,000
Galveston	19,763,000	397,280	8,945,000	892,850				29,998,130
Garland	12,472,000							12,472,000
Grand Prairie	20,579,000			115,500				20,694,500
Harlingen	15,379,000		500,000	426,600				16,305,600
Harris County	58,543,000	768,920			92,000			59,403,920
Hillsboro			429,000					429,000
Houston	297,094,000	5,681,400			443,000	256,500		303,474,900
Irving	11,848,000							11,848,000
Killeen	9,604,000	141,500						9,745,500
Kingsville			764,000					764,000
Lamesa			848,739					848,739
Laredo	41,135,000	289,500	1,500,000		49,000			42,973,500
Longview	8,608,000							8,608,000
Lubbock	46,705,000	684,840		357,950	38,000			47,785,790
Luling			410,000					410,000
Marshall	7,893,000							7,893,000
McAllen	20,290,000	67,000			27,000			20,384,000
Mercedes			628,000	43,450				671,450
Mesquite	7,245,000							7,245,000
Midland	11,173,000							11,173,000
Mission	7,321,000							7,321,000
Mount Vernon			765,600					765,600
Nacogdoches			1,367,000					1,367,000
Navasota			275,920					275,920
Odessa	16,481,000							16,481,000
Orange	5,942,000							5,942,000
Pasadena	14,230,000	17,000						14,247,000
Pharr	9,846,000			653,850				10,499,850
Plano	3,035,000							3,035,000
Port Arthur	20,037,000		6,475,094	264,250				26,776,344
Raymondville			402,285	64,650				466,935
Richardson	4,078,000							4,078,000
Royse City			910,590					910,590

⁽¹⁾ Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$ 62,986,000, State Rental Rehabilitation grantees and funds for FY 1985 which totaled \$2,425,000 or State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$ 1,793,000.

Community Development

Funds to Texas

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Urban Home- steading FY 75-86	Indian CDBG FY 78-87	Total ⁽¹⁾
San Angelo	\$ 14,853,000	\$ 147,500						\$ 15,000,500
San Antonio	226,929,000	2,843,800	42,415,000	\$ 306,150	\$ 294,000			272,787,950
San Benito	8,232,000		629,349	119,200				8,980,549
San Diego			340,000					340,000
Seguin			309,814					309,814
Sherman	4,425,000							4,425,000
Tarrant County	31,931,000	3,930			40,000			31,974,930
Temple	7,845,000	73,500						7,918,500
Texarkana	14,215,000		2,300,000	49,300				16,564,300
Texas City	7,032,000							7,032,000
Three Rivers			4,381,000					4,381,000
Tigua Tribe							\$ 928,000	928,000
Trinity			165,000					165,000
Tyler	12,138,000	119,300						12,257,300
Van Horn			557,000					557,000
Victoria	4,902,000							4,902,000
Waco	36,652,000	473,580	1,400,000		26,000			38,551,580
Weslaco			80,290					80,290
Wichita Falls	20,724,000	334,760						21,058,760

(1) Due to lack of space, this table does not include State CDBG grantees and funds for FY 1985 which totaled \$62,986,000; State Rental Rehabilitation grantees and funds for FY 1985 which totaled \$2,425,000; or State Emergency Shelter Grant grantees and funds for FY 1987 which totaled \$ 1,793,000.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Utah communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Utah amounted to \$18.7 million in community development assistance.

Community Development Block Grant Entitlement Program

In FY 1987, six large Utah cities and one county received \$11 million in Block Grant Entitlement funds.

Four cities (Ogden, Orem, Salt Lake City, Provo) have received Entitlement grants since 1975. Two other cities, Sandy City and West Valley, became eligible to receive Entitlement funds in 1982 because their population exceeded more than 50,000. Salt Lake County qualified as an urban county in 1975. These communities have received more than \$141 million in Entitlement funds since 1975. As an example of the uses CDBG entitlement funds, in 1986 Salt Lake County budgeted its grant for housing (22 percent), public improvements (29 percent), and economic development (14 percent). West Valley directed its grant toward housing (40 percent), public works (35 percent) and economic development (7 percent).

Utah's State Community Development Block Grant Program

In FY 1987 the State received \$4.6 million in Community Development Block Grant funds for distribution to its Small Cities under 50,000 in population. Since 1975, \$46 million have been allocated to meet the needs of small cities in Utah. Approximately \$28 million of this amount has been distributed to 178 jurisdictions by the State government since it assumed administration of the program in 1982. The State of Utah uses Regional Planning bodies as a principal means for allocating funds to local governments. Between 1982 and 1986, approximately 178 jurisdictions have received grants from the State's Block Grant program. Of the \$22.4 million spent between 1982-86 for program activities, 78 percent went for public works, 11 percent for economic development activities, 7 percent for planning, and 4 percent for housing.

Urban Development Action Grant Program

Nine Utah cities have received \$21 million in Action Grants since 1978. The Action Grant program is designed

to promote economic development in distressed areas. The 14 Utah projects funded have generated \$218 million in private investment and will result in the creation of 4,917 and the retention of 1,988 jobs. In FY 1987, Salt Lake City received a \$1.1 million Action Grant.

Rental Rehabilitation Program

In FY 1987, the State, three cities and one urban county received nearly \$1 million in Rental Rehabilitation funds. Since 1984, the State, Salt Lake City, Salt Lake County, Ogden, and Provo have received \$3.2 million in Rental Rehabilitation funds to renovate rental properties for lower-income persons.

Indian Community Development Block Grant Program

Seven Indian tribes in Utah have received 22 Community Development Block Grants totaling \$4.25 million since 1975 -- Goshute (8) Skull Valley (1), Paiute (4), Uintah and Ouray (5), and Ute (4). Housing related activities accounted for 73 percent of these funds, followed by community facilities (12 percent), infrastructure (10 percent), and economic development (5 percent.)

Community Development Funding to Utah Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$152
Small Cities/State Grants	46
Section 108 Loan Guarantees	10
Jobs Bill	4
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	4
Special Projects (FY '85-'87)	0
Urban Development Action Grants	21
Rental Rehabilitation Program Grants	3
Section 312 Rehabilitation Loans (FY '84-'87)	3
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$ 243



Meeting the Needs of the Salt Lake City Area Homeless

Public-Private Partnership Addresses Area's Homeless Needs

The State of Utah and the Salt Lake area Entitlement communities have joined with community and religious leaders and service providers in a unique public-private partnership to address the shelter and service needs of the homeless in the Salt Lake region. In order to determine the extent of homelessness in Utah, the Task Force for Appropriate Treatment of the Homeless Mentally III was convened in September of 1985. The Task Force included service providers, State, county, and city government representatives as well as private business participants. The report of this group, Homeless in Utah, was issued in August 1986. The report found that existing shelters, set up on a temporary basis, were inadequate for the problem facing the region. Services were found to be scattered and access limited. The report recommended the creation of permanent transitional shelter facilities and increased coordination among private and public entities serving the homeless.

Addressing Existing Shelter Capacities

Both State and local governments and the private sector responded to the report. The State created a statutory-based State Homeless Coordinating Committee with continuing responsibility for assessing State resources and promoting their effective utilization in meeting the needs of the homeless throughout the State.

A similar planning effort took place in the Salt Lake City area which contains an overwhelming proportion of the State's homeless population. A group of public officials, community and religious leaders, and service providers, called the Shelter Development Committee for Salt Lake County, developed an extensive strategy to address the immediate need for increased shelter capacity and coordination of service delivery. With a plan in hand, a new broadly representative public-private entity, the Greater Salt Lake Area Shelter the Homeless Committee, was established to generate the resources necessary to respond to the plight of the region's homeless. The money raised by this committee is channeled through the United Way to a special homeless account. The ambitious \$4 million project will include a shelter for homeless families and single men, a

separate shelter for homeless women, and a trust fund to help keep the shelter operating.

Community Development Block Grant and Emergency Shelter funds are playing an important part in getting the comprehensive project underway. Lake County (\$200,000), Sandy City (\$30,000), and West Valley (\$10,000) along with State and private funds have already been utilized to help acquire a large warehouse for conversion to a shelter.

The Homeless Facility Becomes Reality

The 50,000 square foot warehouse will be a permanent facility serving as a multi-purpose transitional homeless shelter and day center. Upon completion, the shelter will provide at least 347 beds. The facility will provide sleeping quarters and bathing facilities for 110 family members and 237 single men per day. An indoor playground for children and a day center for adults will offer homeless families a protected environment during the day while they prepare to re-enter into permanent living situations. The shelter will be located next to the St. Vincent DePaul Dining Center and one block from the Salvation Army's new headquarters which contains alcoholic and mental health facilities. The new shelter will become the focal point of a variety of medical, employment, and social services for the homeless.

About one-fourth of the facility will be leased to a private business to help provide money for operations. The first floor will contain 30,000 square feet of space and will house the family units, playground, and day care center facilities. It will provide 27 separate sleeping units for a total of 110 family members. A second floor will provide 20,000 square feet of space to house men. The men's floor will have a separate street entrance and will provide sleeping quarters for 237 single men. Bathing and laundry facilities will be included for both floors. Estimated renovation costs are \$40 per square foot and total \$2 million. Funding of the rehabilitation will include Emergency Shelter grants of \$53,000 from the State of Utah, \$65,000 from Salt Lake City, and \$48,000 from the county.



The Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in Utah. The following local ventures illustrate the diversity and creativity of Utah's projects:

Davis County (pop. 146,540), through its Housing Authority, received funding in 1987 for the **rehabilitation of two multi-family housing projects** using the Section 312 Rehabilitation Loan program. **An** eight-unit project, built in the early 1950's, received \$64,700 for improvements to the heating system, kitchens, bathrooms, and common areas. Another 16-unit project used the \$99,650 loan to install a new roof and windows and to make other improvements. Both projects are helping the county preserve an affordable housing resource.

Logan (pop. 26,844) is encouraging **commercial revitalization** in its downtown and has increased employment opportunities. **The City is using a \$349,000 Urban Development Action Grant and a \$40,000 loan from the State Block Grant program to finance the construction of a 53,340 square foot shopping center, containing a grocery store and seven other retail stores.** The Action Grant will be in the form of a construction and permanent mortgage loan and will leverage \$1.8 million in private financing. Seventy construction jobs and 69 permanent jobs will be created by the project.

Provo (pop. 74,108) was able to **remove a neighborhood eyesore and increase the supply of affordable housing** for lower-income persons through the Rental Rehabilitation program. The 21-unit Alpine apartments stood vacant and uninhabitable after foreclosure by a local bank. The bank joined with the City in finding a buyer willing to renovate the building. The City provided \$75,000 in Rental Rehabilitation funds, which were matched by the new owner. The building is now renovated and is occupied by low- and moderate-income persons, including several minorities and a handicapped person.

Salt Lake City (pop. 163,000) is using a **FY 1987 Action Grant** of \$1.1 million to assist in Phase I of a three-phase plan to **create a downtown auto mall.** The **funds** will be used in the construction of two new automobile dealership facilities. The developer will acquire approximately 5.4 acres of land, rehabilitate the existing building, and construct new dealership showrooms. The Action Grant will leverage \$4.7 million in private financing. Twenty-six construction and 28 permanent jobs will be created and there will be an increase in property tax revenues of \$55,455 and other tax revenues of \$126,260.

Salt Lake County (pop. 619,066) is using Block Grant Entitlement funds to **meet the needs of its handicapped county residents.** To date, \$33,000 in Block Grant funds have helped **renovate cabins and install new walkways** at Camp Kostopulos, a facility serving the handicapped. Ad-

ditional improvements have been budgeted with another \$26,000 in Block Grant funds.

West Valley City's (pop. 72,378) entrance into the Block Grant Entitlement program in 1982 has resulted in new **housing initiatives, public works, and public services** for the community's lower-income persons. The City has established a housing authority to administer its housing rehabilitation program. In FY 1986, 84 lower-income persons received emergency home repair assistance averaging \$700. There were also 18 homes rehabilitated at an average cost of \$10,900. The City has utilized other Block Grant **funds** for park acquisition and development, street repairs and new sidewalks, and assistance to an emergency food program.

Cache County is using a \$100,000 State Block Grant for the **acquisition of land and construction of a 12-bed half-way house for mentally-impaired persons.** The project is intended to assist these individuals in their integration back into society and independent living. A trained **counselor** resides at the facility to provide assistance and to oversee its daily operations. The project is located in Logan, Utah, but serves the needs of Cache County.

Community Development

Funds to Utah

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total
American Fork							\$181,400		\$ 181,400
Bear River AOG							239,545		239,545
Bicknell							23,000		23,000
Box Elder County							56,225		56,225
Cache County							95,000		95,000
Carbon County							60,000		60,000
Clearfield							167,065		167,065
Cornish							43,000		43,000
Davis County				\$610,100			730,316		1,340,416
Duchesne County							57,789		57,789
East Carbon							39,929		39,929
Elsinore							74,000		74,000
Emery County							90,672		90,672
Enterprise							68,150		68,150
Five County AOG							75,000		75,000
Garden City							60,000		60,000
Goshute Reservation					\$719,354				719,354
Grand County							65,251		65,251
Gunnison							25,000		25,000
Hyrum							30,000		30,000
Irpin County							100,000		100,000
Ivins							39,000		39,000
Juab County							45,000		45,000
Kanab							15,000		15,000
Kane County							48,865		48,865
Koosharem							24,000		24,000
Lehi							83,400		83,400
Lewiston							40,000		40,000
Lindon			\$300,000						300,000
Loa			153,000						153,000
Logan			439,398						439,398
Manila							29,446		29,446
Marysville							20,000		20,000
Midway							26,200		26,200
Millard County							31,900		31,900
Morgan City							80,025		80,025
Moroni							48,000		48,000
Mount Pleasant							24,000		24,000
Mountainland AOG							41,000		41,000
Myton							12,000		12,000
Naples							49,175		49,175
North Ogden							21,632		21,632
Ogden	\$16,895,000	\$316,240	2,000,000	355,600					19,566,840
Orem	6,626,000								6,626,000
Parowan							15,000		15,000
Perry							71,894		71,894
Plain City							110,000		110,000
Pleasant Grove							144,504		144,504
Price							51,000		51,000
Provo	16,091,000	389,875	3,127,070			\$26,000			19,633,945
Richfield			254,000						254,000
Roy							115,000		115,000
Salem							239,971		239,971
Salt Lake City	61,610,000	901,200	11,949,000	1,266,050		65,000		\$53,000	75,844,250
Salt Lake County	44,161,000	494,200		583,550		48,000			45,286,750
San Juan County							91,731		91,731
Sandy City	2,494,000								2,494,000
Scipio							38,100		38,100
Six County Comm. Org.							50,728		50,728
Skull Valley Reservation					167,163				167,163
South Ogden							65,000		65,000
South Salt Lake			474,315						474,315
Southeastern AOG							35,000		35,000
Springville			2,326,000				120,000		2,446,000
Stockton							121,957		121,957
Tabiona							45,000		45,000
Tooele							81,000		81,000

Community Development

Funds to Utah

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Indian CDBG FY 78-87	Formula Emerg. Shelter FY 87	State CDBG FY 85	State Emerg. Shelter FY 87	Total
Tremonton							\$50,000		\$50,000
Trenton							18,000		18,000
Uintah and Ouray Reserv.					\$2,131,000				2,131,000
Uintah Basin AOG							25,000		25,000
Uintah County							50,825		50,825
Utah Paiute Reservation					610,800				610,800
Vernal							50,000		50,000
Virgin							26,209		26,209
Wasatch County							66,312		66,312
Washington							60,000		60,000
Washington County							75,000		75,000
Weber County							174,000		174,000
West Point							100,000		100,000
West Valley	\$4,491,000								4,491,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Vermont's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year **1987**, Housing and Urban Development's community development support to the cities and counties of Vermont amounted to **\$10 million**.

State Community Development Block Grant Program.

The largest community development program in Vermont in terms of funding, the State Block Grant program received some **\$4.9 million** in **1987**. The State selects the small communities and projects to be funded. Since Vermont first administered the program in **1983**, it has made awards to **69** communities.

Vermont decided to use its State Block Grant program mainly to support housing and economic development. Since **1983**, **46** percent of its grant amounts have been directed to housing rehabilitation and **35** percent have provided assistance to local businesses.

Most States elected primarily to fund capital improvements, such as developing water and sewer facilities and streets and roads. Vermont, in contrast, has devoted only **13** percent of its grant amounts for this purpose.

Urban Development Action Grants.

Since its inception in **1978**, the Action Grant program has provided Vermont with about \$22.5 million in economic development funding. Vermont's Grant participation continued in **1987** with Burlington receiving grants for **\$1.66 million** and **\$2 million**. The grants will foster investment in Vermont's economy, creating new permanent jobs

and private investment. Project estimates indicate that most of the new jobs will be for individuals of low- and moderate-income.

Rental Rehabilitation Program.

In Vermont, this program is operated by the State. Since **1984**, this program has begun rehabilitation work on **141** rental units in three Vermont cities -- Burlington, Colchester, and Winooski. Eighty-two of these homes have been completed at a cost of **\$264,000** in program funds (**\$3,219** per unit). Seventy-six units are occupied-- **87** percent by households with low- and moderate-incomes and **53** percent by female-headed households. Seventy-nine percent of the resident households receive rent supplements in the form of Section 8 Housing Certificates or Housing Vouchers.

Community Development Funding to Vermont Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$13
Small Cities/State Grants	53
Section 108 Loan Guarantees	0
Jobs Bill	1
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	1
Urban Development Action Grants	22
Rental Rehabilitation Program Grants	1
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$91



Burlington: King Street Neighborhood Revitalization Project

The King Street Neighborhood in Burlington is a low- and moderate-income neighborhood, comprising primarily four- to six-unit apartment houses. Although these apartments were in deteriorated condition, the vacancy rate for the neighborhood was only around one percent.

Burlington officials wanted to upgrade the neighborhood's housing and facilities, but also wanted to do so without displacing its lower-income residents and substantially altering the neighborhood's character. This latter goal would prove challenging because the neighborhood had many features that promote gentrification: It is an historic district; it borders the downtown area near Lake Champlain; and it is interesting architecturally. In short, well-maintained apartments in such a neighborhood would command rents far greater than the current residents could afford.

The City devised a coordinated approach to address the problem posed by the King Street neighborhood. The first step in that process was taken when the Mayor set up a Community Development Task Force charged with planning the project. That task force, in part through the citizen participation process and considerable neighborhood input, helped establish a coordinated program using Block Grant Entitlement program funds to rehabilitate some 350 apartments for lower-income residents.

To implement the plan, Burlington used \$1.2 million in Block Grant Entitlement funds as the focal point for leveraging other needed resources. The Vermont Housing Financy Agency (VHFA) provided \$3.7 million in financing to cover actual rehabilitation costs, which was supplemented by \$640,000 contributed by the property owners. The Block Grant Entitlement funds financed neighborhood capital improvements, supported temporary relocations of residents during construction, and provided bond and escrow assistance to small contractors and property owners. Additionally, Block Grant Entitlement monies supported a non-profit corporation that served as the general project developer and marketed the program to local property owners.

The below-market rehabilitation financing provided by VHFA helped to ensure that post-rehabilitation rents could remain affordable to neighborhood residents. The City further promoted affordability by working to ensure that Section 8 housing certificates would be available to many of the area's low-income renters.

Through this creative use of Block Grant Entitlement funds in conjunction with other Federal, State, and local resources. Burlington has succeeded in upgrading a lower-income neighborhood without displacing its residents. Moreover, besides the benefit of providing affordable housing, the project resulted in a 34 percent increase in the tax assessed value of the King Street neighborhood.



The U.S. Department of Housing and Urban Development supports a broad range of projects in Vermont. A number of ventures illustrate the creativity and diversity in Vermont's community development efforts,

Arlington ~~Town~~ (pop. 2,184) formed a consortium with six other small communities (Pownal, Rupert, Sandgate, Shaftsbury, Sunderland, and Whitford) to rehabilitate deficient rural housing. They engaged the Bennington Regional Commission to administer their program, which has used \$400,000 in State Block Grant funds to rehabilitate 27 homes owned by lower-income residents.

Burlington (pop. 37,712) managed to have 40 new units of housing affordable to lower-income residents built as part of a deal with a local developer. The developer built those units without public subsidy as part of a 260-unit development fronting on Lake Champlain, and also conveyed 12 lots to non-profit groups for future development. In exchange, the City conveyed 5.7 acres to the developer and helped with zoning and public relations matters that were necessary to complete this beneficial deal.

Cabot (pop. 958) used a \$2 million Action Grant along with \$7.2 million in private investment to construct a new facility for manufacturing dairy products. This facility uses local farm products to make such goods as cheese, sour cream, butter, and yogurt. Through this project, 208 jobs in this rural area were saved, and five new full-time jobs were created. The project also resulted in \$250,000 additional annual tax revenues.

Hartford (pop. 7,963) loaned \$85,000 of State Block Grant funds to the Catamount Brewing Company to assist with the start-up financing of a new micro-brewery. The loan was used towards the purchase of \$200,000 in new brewing and bottling equipment. The loan had below market terms and is secured as a second mortgage on all machinery and equipment. A total of ten new jobs is expected by the end of 1987. The grant was administered for the town by the local non-profit Green Mountain Industrial Development Corporation.

Manchester (pop. 3,242) used a \$3.36 million Action Grant to transform the national historic landmark Equinox House into a resort class, 144-room hotel and conference center with restaurants and banquet facilities. The total cost of this project, which saved the previously unused and deteriorated structure, was over \$19 million. In addition to the historic and aesthetic benefits, the project has created 215 new permanent jobs and increased local tax revenues by \$91,000 annually.

Montpelier (pop. 8,241) acquired three buildings containing 12 units, that it is rehabilitating for sale as lower-income condominiums. The City is using \$402,000 in Section 312 funds to finance the substantial rehabilitation of the units. State Block Grant funds in the amount of \$233,000 will be used to provide zero interest financing to low-income purchasers. Purchasers will assume the Section 312 loan and also will repay the CDBG loan on resale of the unit. The City will realize about \$15,000 an-

nually in tax revenues in addition to half the profits on the resale of the units.

St. Albans (pop. 3,555) used a \$750,000 State Block Grant to acquire a site and construct an 18,000 square foot building, which a local non-profit group operates as a light manufacturing plant to provide employment for developmentally disabled or physically handicapped persons. The project, known as Vermont Republic Industries, has created 24 half-time positions to encourage the growth of self-sufficiency in this target group.

St. Johnsbury (pop. 7,938) used a \$135,000 Action Grant and \$212,000 in State Block Grant funds along with \$528,000 in private funding to rehabilitate and expand a nursing home for lower-income elderly residents. The Canterbury Inn facility now provides 42 beds and 24-hour professional care for the elderly. The community realized the added benefits of 14 new permanent jobs and a \$15,000 annual tax revenue increase as a result of the project.

Community Development**Funds to Vermont**

Name	State CDBG FY 85	State Emerg. Shetter FY 87	Entitle- ment CDBG FY 75-87	UDAG FY 78-87	Section 312 Rehab FY84-87	Total
Barre	\$15,000					\$15,000
Barton Town				\$312,000		312,000
Bennington	30,000					30,000
BenningtonTwn-Rutland Twn					\$58,000	58,000
Brandon Town	10,000					10,000
Brattleboro		\$19,000				19,000
Brattleboro Town	230,000			2,168,842		2,398,842
Burlington			\$5,399,000	9,491,678		14,890,678
Cabot Town				2,000,000		2,000,000
Cambridge Town	320,000					320,000
Cavendish	125,000					125,000
Chester				106,000		106,000
Corinth	390,000					390,000
Enosburg Town	150,000					150,000
Fairhaven Town	425,000					425,000
Hancock Town	15,000					15,000
Hardwick	34,353					34,353
Hartford	459,000					459,000
Jay	10,000					10,000
Johnson	360,000					360,000
Lunenburg	267,627					267,627
Manchester Town				3,400,000		3,400,000
Montpelier					220,500	220,500
Morristown	15,000					15,000
Newport	100,000			70,000		170,000
Plainfield	390,000					390,000
Randolph	200,000					200,000
Richford	335,000					335,000
Rockingham	275,000					275,000
Sheffield	425,000					425,000
Springfield Town				105,000		105,000
St. Albans	192,500			659,739		852,239
St. Johnsbury	216,000			252,000		468,000
Swanton	15,000					15,000
Townshend Town	150,000					150,000
Waterbury	15,000			650,000		665,000
Williamstown	13,200					13,200
Windham	200,000					200,000
Windsor				259,500		259,500
Winooski	33,000			2,987,000		3,020,000



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Virginia's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of Virginia amounted to \$57 million.

Community Development Block Grant Entitlement

By far the largest source of Housing and Urban Development community development funding in Virginia is the Community Development Block Grant Entitlement program. It allotted almost \$24.4 million, or half of all CPD funding in Virginia in 1987, to 17 Entitlement Cities and two Urban Counties throughout the State. Communities in the Entitlement program plan their own patterns of activities to meet locally defined community development needs. Virginia's Entitlement communities put most of their Block Grant dollars into either housing rehabilitation or acquisition and disposition.

Urban Development Action Grant

The Action Grant program has been a major source of economic development assistance in Virginia since its inception. In 1987, in contrast, it comprised only six percent of Housing and Urban Development community development funding in the State, with two grants of \$3.6 million. The grants went to one Entitlement community, Hampton, and one small city, Saltville. Over the life of the program, 19 Virginia communities have received Action Grants totalling \$42.7 million. That public commitment has led to private investment of almost \$237 million with an anticipated 6,848 jobs created, 69 percent of which are expected to go to low- and moderate-income people, and 586 jobs that would otherwise have been lost have been retained. So far, 4,712 jobs have actually been created. In addition, Action Grant-supported housing projects have produced 288 new housing units.

State Community Development Block Grant

State Block Grant dollars made up the second largest source of Housing and Urban Development community development funding in Virginia for 1987. In that year, \$19.8 million was allocated to the State for its smaller communities on the basis of a statutory formula. In 1985, 35 small cities and towns and 18 non-urban counties received State Block Grant grants. Virginia communities have used 60 percent of their State Block Grant grant money for public works and facilities since 1982. Economic development is the next most prevalent activity, and housing rehabilitation is third.

Rental Rehabilitation

The State of Virginia and 22 formula communities received over \$3.4 million in Rental Rehabilitation program funds in 1987.

Community Development Funding to Virginia Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$512
Small Cities/State Grants	249
Section 108 Loan Guarantees	19
Jobs Bill	14
Secretary's Discretionary Fund	*
Indian Tribes (FY '78-'87)	
Special Projects (FY '85-'87)	0
Urban Development Action Grants	43
Rental Rehabilitation Program Grants	10
Section 312 Rehabilitation Loans (N84-'87)	4
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$853



Sixth Street Marketplace

The Sixth Street Marketplace in Richmond (pop. 219,214) is both a tangible and symbolic result of two partnerships—one between the City's public and private sectors and the other between its white and black communities. Both partnerships were crucial to the project's development and success. Action Grant, Block Grant, Entitlement, and Section 108 funds contributed importantly to the result.

Building Community Bridges

The entire development process took less than 3-1/2 years, but it took decades of preparation to bring together the diverse economic, cultural, and racial elements in the former Capital of the Confederacy. When Henry L. Marsh III became the City's first Black Mayor in 1977, the immediate response was political conflict in the Council and immobility in the business community. Two years later, though, the black and white communities of Richmond came to a mutual recognition that cooperation was essential if the City as a whole was to prosper. The Mayor and key figures in the white business community came together and formed Richmond Renaissance, a racially mixed non-profit development company. Richmond Renaissance served as a catalyst for development of the Marketplace project by bringing the Enterprise Development Team to Richmond, pulling together the essential commitments for the \$25 million in project financing, negotiating site assembly, and shepherding the project through to closing.

A nationally-known development company was brought in to develop the project. They reached accord with the City's political and business leadership on a site, Broad Street, the core retail district downtown—and the historic dividing line between the black and white communities of downtown Richmond. The notion was to build a bridge over Broad to tie the City's racial, economic, and cultural forces together. The "bridge", a glass-enclosed mall with 100 merchant outlets, is now a reality.

City-wide Partnerships

Financing involved pulling together commitments from ten different sources, private and public. Private financing and equity included a \$4.87 million bank loan from a consortium of five Richmond lenders, a \$1 million industrial revenue bond financed by the same consortium, and a \$2,535,000 limited partnership syndication, all shares of which were bought by major Richmond corporations. The bank loan, IRB financing, and equity syndication were all made at below-market rates of return with private institutions assuming the risk to make the project work. Richmond Renaissance donated \$800,000 in private funds to the project, and the two anchor stores donated an additional \$500,000. The department stores also committed \$6 million in renovations to their stores and collectively gave up 30,000 square feet for the Marketplace site for one dollar a year.

Public sector participation came from a number of different sources, including Action Grant (\$4.2 million), Community Development Block Grant (\$1.75 million), Section 108 (\$2.5 million), and City funds (\$6,826,000). These funds were pooled in the form of a \$9,545,000 loan and a \$5,731,000 grant to the project.

The project will eventually produce 975 new jobs and \$775,000 in new tax revenues for the City. In addition, it has already prompted an additional \$19.5 million in downtown development.

Perhaps the most novel feature of the entire project was the conscientious and concerted effort to involve minority businesses in the Marketplace and to ensure their survival in that venture.

Early in the negotiations surrounding project development, the developer and the City Manager agreed upon an unusually aggressive Affirmative Action program. In content, it was agreed that minorities would constitute not less than 30 percent of the construction force, at least ten percent of the center's operations staff, and that at least 15 percent of the commercial tenants would be minority business enterprises (MBEs). In addition, they agreed that it was imperative that the business community be actively involved in meeting these goals. Accordingly, the construction documents set MBE subcontractor thresholds, which resulted in 42 percent of the construction dollars went to minority firms.

In addition, the City used \$12,000 of CDBG funds to set up a hiring hall, an employment agency specifically for the use of Marketplace tenants, and lease language urged minority hiring in the strongest language legally possible. The result was that the ten percent hiring floor was well exceeded.

The capstone of the community's effort to involve minorities was the Minority Business and Tenant Opportunity Program. The City and business leaders developed this program to give qualified minority tenants high quality financial, legal, and business support thereby getting those businesses established and ensuring their continued success. A consortium of five banks produced a \$1.25 million loan pool for high-risk cases and committed high-level officers of the banks to provide free financial advice to the prospective minority business. Several major accounting and legal firms agreed to provide necessary services on a pro bono basis. Two local universities developed and staffed a custom-designed training program (funded through a \$250,000 infusion of City CDBG dollars) that offers consulting services at reduced rates. Thirty-eight percent of Marketplace's tenants are minority.



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in Virginia. The following brief descriptions of some local ventures can serve, to illustrate the creativity and commitment present in Virginia's community development efforts.

Lynchburg (pop. 67,196) used Block Grant Entitlement funds to provide a neighborhood group with the wherewithal to purchase seeds and plant them in vacant and abandoned lots in the Diamond Hill neighborhood. Not only do the gardens improve the appearance of the neighborhood, but the vegetables are given to low- and moderate-income individuals and senior citizens.

Norfolk (pop. 279,683) financed over half of the total cost of the \$14 million Waterside Marketplace development using Block Grant Entitlement and Urban Renewal funding. This highly successful commercial venture returned \$2 million in additional tax revenues to the City in its first year of operation.

Norfolk has directed about \$175,000 of its Block Grant Entitlement funds to support the Small and Minority Business Assistance Program. Norfolk Development Corporation has administered the program, which has so far: (1) Developed and maintained a library of current business information; (2) obtained and implemented a Department of Transportation grant of \$200,000 to aid disadvantaged businesses in gaining access to State-wide contracting opportunities; (3) developed and maintained a directory of women business owners; and (4) provided and monitored 16 small and/or minority business loans.

Petersburg (pop. 40,785). In order to arrest the spread of blighting conditions and improve neighborhood commercial areas frequented primarily by low- and moderate-income persons, the City of Petersburg has spent approximately \$1 million on its downtown facade program supported out of Block Grant Entitlement dollars. This program, carried out primarily in the Sycamore, Main, and Halifax areas, assists property owners in upgrading the physical appearance of buildings by providing low-interest loans.

Petersburg. An Action Grant of \$47,000 was awarded to Petersburg in 1984 to assist a local minority entrepreneur to open a small independent grocery store in the Gillfield Urban Renewal area. The project became the first commercial development in the renewal area. The private investment was \$226,000. Fourteen new jobs were created.

Richmond (pop. 219,056). With an investment of nearly \$18 million in Block Grant Entitlement and leveraged bank funds, the City of Richmond has made over 550 loans and grants to low- and moderate-income persons to rehabilitate homes in the Randolph, Central Wards, Southside, East End, and Northside conservation areas. An equal number of homes have been improved with private monies as a spinoff from this initial investment.

Roanoke (pop. 100,688) has undertaken the Gainsboro Vacant Lot Homesteading Program. Under the program, the City makes forgivable deferred-payment loans (funded out of Block Grant Entitlement dollars) to homeowners in the Gainsboro neighborhood to buy adjacent vacant and unmaintained properties on the condition that they maintain the lots for specified periods or build on them.

Roanoke also placed about \$1 million in the First Street Redevelopment project. This endeavor, part of the City's \$5 million commercial and industrial improvement program, will revitalize a once-thriving but now-declining commercial area.

Community Development

Funds to Virginia

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Alberta							\$646,300		\$646,300
Alexandria	\$18,093,000	\$394,210						\$25,000	18,512,210
Appalachia			\$137,315				422,518		559,833
Arlington County	24,542,000	711,700			\$34,000				25,287,700
Bath County							199,000		199,000
Big Stone Gap			600,000						600,000
Bristol	3,400,000		520,000						3,920,000
Brodnax							429,330		429,330
Carroll County							19,000		19,000
Charles City County							700,000		700,000
Charlottesville	8,038,000							15,000	8,053,000
Chesapeake	18,112,000	189,700		\$290,300					18,592,000
Chesterfield County							700,000		700,000
Christiansburg							19,700		19,700
Clintwood							700,000		700,000
Coeburn							700,000		700,000
Colonial Heights	1,580,000								1,580,000
Columbia							15,766		15,766
Covington							700,000		700,000
Culpeper							12,529		12,529
Danville	6,904,000		3,169,000	223,700					10,324,109
Dendron							416,585		416,585
Dumfries							25,000		25,000
Dungannon							700,000		700,000
Fairfax County	48,149,000	365,195		81,000	61,000			16,000	48,672,195
Farmville							415,044		415,044
Fauquier County								15,000	15,000
Galax			800,000				700,000		1,500,000
Grundy							700,000		700,000
Halifax							120,354		120,354
Halifax County							700,000		700,000
Hampton	20,607,000	282,960	4,147,500	198,700					25,236,160
Henry County							700,000		700,000
Highland County							314,892		314,892
Hopewell	5,854,000								5,854,000
James City County				50,600				21,163	71,763
Kilmarnock							172,633		172,633
King George County							638,800		638,800
La Crosse							700,000		700,000
Lee County							525,000		525,000
Lovettsville							643,500		643,500
Luray							628,660		628,660
Lynchburg	14,399,000	131,000	4,593,467	91,000					19,214,467
Manassas								6,502	6,502
Martinsville			3,090,000				214,570		3,304,570
Mattaponi Nation						\$97,000			97,000
Mecklenburg County							25,000		25,000
Nelson County							10,745		10,745
Newport News	27,519,000	484,600	287,000	810,950	27,000				29,415,216
Norfolk	119,741,000	1,456,900	385,200	538,250	78,000			22,690	122,222,040
Occoquan			350,000						350,000
Page County							25,000		25,000
Pamunkey Nation						278,000			278,000
Petersburg	11,384,000		46,950	157,950					11,588,900
Pocahontas							700,000		700,000
Port Royal							9,314		9,314
Portsmouth	38,317,000	347,300	2,914,000	598,520	28,000			9,480	42,214,300
Prince Edward County							287,650		287,650
Prince William County							700,000	10,000	710,000
Pulaski			3,050,000				25,000		3,075,000
Rich Creek							700,000		700,000
Richlands							28,658		28,658
Richmond	82,941,000	1,195,300	4,200,000	552,300	68,000			5,000	89,068,369
Richmond County								3,165	3,165
Roanoke	28,310,000	529,300	10,624,384	416,550	26,000				39,918,442
Roanoke County							700,000		700,000
Round Hill							700,000		700,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.

Community Development

Funds to Virginia

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY 87	Indian CDBG FY 78-87	State CDBG FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Russell County							\$700,000		\$700,000
Saltville			\$1,325,000				680,500		2,005,500
Scottsville							40,815		40,815
South Boston							700,000		700,000
St. Charles							595,300		595,300
Staunton			200,000				369,928		569,928
Suffolk	\$2,932,000		2,220,000	\$ 103,050					5,255,050
Troutdale							700,000		700,000
Vrgilina							24,940		24,940
Vrginia Beach	28,711,000	\$474,100			\$ 37,000				29,222,100
Westmoreland County							13,866		13,866
Wise							136,200		136,200
Wise County							700,000	\$15,000	715,000

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Seattle's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Washington amounted to \$50 million and over \$658 million since 1975.

Community Development Block Grant Entitlement Program

Over \$32 million was distributed to the State of Washington's Entitlement communities in FY 1987. Community development programs funded 13 cities with populations over 50,000 and participating jurisdictions in Clark, King, Pierce and Snohomish counties.

The largest Entitlement grants went to Seattle (\$11.4 million), Spokane (\$3.4 million), and King County (\$4.4 million). The major activities funded by these Entitlement communities included housing rehabilitation, public facilities and improvements, public services, and economic development.

Washington's State Community Development Block Grant Program

The second largest amount of community development funds in the State of Washington went to the State program. In 1987, a grant of \$9.6 million was made to the State for assistance to communities with populations under 50,000 persons and not otherwise entitled to Block Grant support. Since 1975, more than \$117 million have gone to Washington's small cities through this program.

From FY 1982 to FY 1986 the State of Washington reported expenditures of \$28 million for public works, \$17 million for housing, and \$3 million for economic development.

Housing Rehabilitation Programs

From 1984 through 1987, \$9.4 million were obligated for projects in the State under the Rental Rehabilitation program. Of that amount, more than \$3 million were awarded in FY 1987. More than 2,400 units of housing are scheduled to be rehabilitated by local jurisdictions participating in this program.

From 1985 through 1987, communities in the State of Washington have been awarded \$11.9 million in Section 312 low interest rate financing authority. Of that amount, \$7.2 million were made available in FY 1987.

Urban Development Action Grant Program

In 1987, the Urban Development Action Grant program provided \$3.4 million to communities in the State of Washington. Since 1978, more than \$31 million in UDAG funds have attracted more than \$196 million in private investments to create 2,031 permanent jobs.

Indian Block Grant Program

In 1987, approximately \$1.3 million were distributed to seven Indian Tribes in the State of Washington. Since 1975, over \$12 million have been awarded to 24 Indian Tribes with approximately 33 percent of that amount used for community facilities, 24 percent for economic development activities, 22 percent for housing, 13 percent for infrastructure improvements and 8 percent for acquisition and other activities.

Community Development Funding to Washington Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$444
Small Cities/State Grants	117
Section 108 Loan Guarantees	10
Jobs Bill	20
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	12
Urban Development Action Grants	31
Rental Rehabilitation Program Grants (FY '84-'87)	9
Section 312 Rehabilitation Loans (FY '84-'87)	12
Urban Homesteading	1
Emergency Shelter Grants	1
Total	\$658
(Note: Detail may not add to total due to rounding.)	



Block Grant Entitlement Funds Help Convert El Rey into a Center for Homeless Mentally Ill Adults

In Seattle, Washington, about 3,000 homeless persons seek shelter each night. By some estimates, 40 percent are mentally ill, with histories of repeated hospitalizations and jailings. Many have multiple handicaps, such as drug or alcohol abuse, in addition to their primary diagnosis of mental illness.

In 1981, the community-based nonprofit Community Psychiatric Clinic (CPC) asked the City to sponsor a housing project for homeless, mentally ill adults in downtown Seattle. The City and CPC convinced the State Legislature to approve expenditures of \$1,274,000 in 1982 and \$752,000 in 1983 from a State facilities bond issue to purchase and develop a facility to be owned by the City and operated by CPC.



The site chosen for the project was the El Rey, a condemned four-story single-room occupancy hotel, located in the Denny Regrade area of Seattle. This dilapidated brick building, built in 1909, had deteriorated to the point of being an eyesore in a neighborhood that the City was committed to revitalizing. Although a conditional use permit was required to develop El Rey in this neighborhood, community groups did not oppose the zoning change. Community representatives volunteered personal time to help select the architect and reviewed more than 26 proposals submitted by local firms.



Even in its heyday the El Rey has not been much for looks, but this time around the architects paid close attention not only to its interior but to its exterior detailing. The building was redone to avoid an "institutional look." Interior space was carefully defined between residential, on the top three floors, and office/program on the ground level and basement with the help of \$233,600 from the Community Development Block Grant Entitlement program.

Every aspect of the design ensures an environment that is conducive to the development of personal independence and self-esteem. The three floors of housing are stacked according to the degrees of "wellness" of the residents, ranging from 24-hour supervision to semi-independence.

Wherever possible, institutional arrangements have given way to residential in order to reduce the "us vs. them" atmosphere. The building is further organized into a public front with offices and storefronts for a barber/beauty shop and thrift store, and a private back for dining rooms.

El Rey opened in December 1987 with space for 60 residents. All persons receive a level of treatment appropriate to their condition, and all are helped and encouraged through vocational training and counseling to regain a place in the community.



support a broad range of local projects in the State of Washington. The following local ventures illustrate the

project contains **150** housing units for low-income elderly, low- and middle-income families, families with children under treatment for cancer and other serious diseases, and developmentally disabled individuals. Burke-Gilman Place cost \$10.6 million, of which **\$1.8** million was public (including the issue of tax-exempt multifamily housing bonds). Private investment totaled \$6.7 million and private contributions came to \$2.1 million.

The Squaxin Island Tribe of Shelton (pop. 1,072) used \$127,768 in Indian Block Grant program funds to expand its salmon aquaculture facility by providing rearing space for 80,000 pan-size coho, 8,000 four-to six-pound steelhead, 5,000 Atlantic Salmon and 22,000 steelhead smolts.

Spokane (pop. 171,300) recently started construction on the historic Holy Names Academy which is being renovated into an apartment complex that will provide 101 apartment units for the elderly. The \$4.7 million project, named the Academy Apartments, combined the resources of a limited partnership, a \$375,000 Urban Development Action Grant, and a \$3.2 million Section 312 loan. The project will provide jobs for more than 100 construction workers and when completed, will employ an estimated **40** people.

The Spokane Tribe (pop. 1,494) received \$183,655 Block Grant Indian program funds in 1985 to provide fire protection to three small communities and scattered homes on the reservation. Three fire station buildings were constructed by Tribal members and three new modified fire trucks were purchased. The fire protection preserves jobs on the reservation by protecting commercial and government buildings and will encourage economic development because of fire protection and lowered insurance rates.

Community Development

Funds to Washington

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Pberdeen			\$500,000		\$13,350				\$513,350
Asotin						\$37,000			37,000
Asotin County						750,000			750,000
Auburn	\$777,000								777,000
Bellevue	5,595,000								5,595,000
Bellingham	4,307,000				14,150		\$10,000		4,331,150
Bingen			1,888,300						1,888,300
Black Diamond			525,000						525,000
Bremerton	2,495,000				21,000		175,000		2,691,000
Carnation			209,000						209,000
Chehalis					195,000	622,133			817,133
Chehalis Indian Tribe				\$270,000					270,000
Cheney						279,664			279,664
Clark County	5,205,000	\$ 140,000					359,000		5,732,000
Colville Indian Tribe			945,000	287,300					1,232,300
Everett	9,353,000	320,613	800,000		1,036,350				11,509,963
Everson			70,200						70,200
Ferry County						141,500			141,500
Forks						686,999			686,999
Goldendale			278,110						278,110
Hoh Indian Tribe				55,000					55,000
Jamestown-Clallam Tribe				723,000					723,000
Jefferson County						575,264			575,264
Kalispel Indian Tribe				250,000					250,000
Kennewick	3,573,000								3,573,000
King County	65,740,000	1,023,931			1,199,500			\$24,033	68,062,464
Kittitas County						719,200			719,200
Longview						750,000			750,000
Lower Elwha Tribal Comm.				367,619					367,619
Makah Indian Tribe				1,410,000					1,410,000
Moxee City			324,000						324,000
Muckleshoot Indian Tribe				1,221,000					1,221,000
Nespelem						193,871			193,871
Nisqually Indian Tribe				1,390,992					1,390,992
Nooksack Indian Tribe				270,000					270,000
Oak Harbor						749,474			749,474
Olympia	1,873,000				667,000		90,000	18,533	2,648,533
Oroville						596,000			596,000
Pasco	3,434,000								3,434,000
Pierce County	36,321,000	721,541						19,186	37,107,727
Pomeroy						618,604			618,604
Port Gamble Indian Tribe				515,000					515,000
Puyallup Indian Tribe				330,700					330,700
Quileute Indian Tribe				306,000					306,000
Quinault Indian Tribe				634,596					634,596
Renton								16,533	16,533
Republic						165,000			165,000
Richland	3,123,000						85,000		3,208,000
Sauk Suiattle Indian Tribe				344,000					344,000
Seattle	173,866,000	2,507,192	12,723,812		3,823,700				193,152,704
Skokomish Indian Tribe				522,878					522,878
Snohomish County	28,033,000	256,237			84,000				28,408,237
Spokane	47,504,000	1,010,735	375,143		4,536,050				53,642,892
Spokane County						35,890			35,890
Spokane Indian Tribe				814,652					814,652
Squaxin Indian Tribe				427,768					427,768
Stevens County						210,000			210,000
Stillaguamish Indian Tribe				358,000					358,000
Sunnyside						690,224			690,224
Suquamish						359,000			359,000
Suquamish Indian Tribe				288,072					288,072
Swinomish Indian Tribe				542,000					542,000
Tacoma	36,977,000	406,967	11,612,800		314,400				50,188,764
Toledo						81,543			81,543
Toppenish			622,183			637,906			1,260,089
Tulalip Indian Tribe				302,700					302,700

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86
and Formula Emergency Shelter Grant for FY 1987.

Community Development

Funds to Washington

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Upper Skagit Indian Tribe				\$500,000					\$500,000
Vancouver	\$1,622,000								1,622,000
Westport						\$380,000			380,000
Whatcom County						77,650			77,650
Wilson Creek						2,000			2,000
Yakima	9,746,000				\$60,500		\$ 150,000	\$24,715	10,086,995
Yakima County						70,000			70,000
Yakima Indian Tribe				89,000					89,000
Yelm			\$365,000						365,000
Zillah						214,824			214,824

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86
and Formula Emergency Shelter Grant for FY 1987.

West Virginia



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to West Virginia's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and counties of West Virginia amounted to \$23.6 million.

State Community Development Block Grant

The largest single source of Community Development Block Grant funding to West Virginia in 1987 was the State Block Grant program, which accounted for almost two-thirds of the money the State received from Housing and Urban Development for community development in that year. Almost \$15 million was allocated to the State for its smaller communities on the basis of a national formula. The State, in turn, allocates the money by competition. In 1985, for instance, West Virginia awarded State Block Grant funds to 59 small cities and towns and to 14 non-urban counties. The State has placed a great deal of emphasis on the need for infrastructure improvements in its smaller communities. Since 1982, over 90 percent of State Block Grant dollars have gone for public improvements, and most of the remainder has gone for housing rehabilitation-related activity.

Community Development Block Grant Entitlement

The next largest source of Housing and Urban Development-provided community development funding in West Virginia is the Block Grant Entitlement program. The \$6.8 million that the five Entitlement Cities in the State received in 1987 constituted 29 percent of all CPD funding to West Virginia in that year. Communities in the Entitlement program plan their own patterns of activities to meet local community development needs.

Urban Development Action Grant

The Action Grant program has been a major source of economic development assistance in West Virginia since its inception. In 1987, however, only one West Virginia community, Bluefield, received an Action Grant. Over the life of the program, West Virginia communities have

received Action Grants totalling \$40.7 million. That public commitment has led to private investment of \$196 million with an anticipated 5,016 jobs created, 56 percent of which are expected to go to low- and moderate-income people, and 449 jobs that would otherwise have been lost, retained. So far, 4,030 jobs have actually been created. In addition, Action Grant-supported housing projects have produced 151 new and 11 rehabilitated housing units.

Rental Rehabilitation

The State of West Virginia and two communities received \$851,000 in Rental Rehabilitation program funds in 1987.

Emergency Shelter Grant Program

The State of West Virginia plans to distribute its 1987 Emergency Shelter Grant allocation of \$74,000 to four communities (Charleston, Huntington, Wheeling, and Raleigh County) for the rehabilitation of shelters for the homeless with combined capacities of 82. Private and public agencies have pledged to match the \$74,000 with over \$261,000.

Community Development Funding to West Virginia Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 114
Small Cities/State Grants	182
Section 108 Loan Guarantees	0
Jobs Bill	11
Secretary's Discretionary Fund	
Indian Tribes	0
Special Projects (FY '85-'87)	0
Urban Development Action Grants	41
Rental Rehabilitation Program Grants	3
Section 312 Rehabilitation Loans (FY '84-'87)	*
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$352
(Note: Detail may not add to total due to rounding.)	



Charleston Town Center

In the competition between downtowns and suburbs for large commercial development, the suburbs frequently end up holding all the cards -- cheap land, accessibility, infrastructure assistance, and a friendly business and political climate. But, in some instances, where the circumstances are right, a partnership between the public and private sectors has been forged, and the coalition of forces supporting downtown development are strong enough to overcome the inevitable obstacles to such development. Then, the downtown can succeed. Charleston Town Center is such an example.

Downtown Charleston had some strong features working in its favor. First, it is the state capital and, thus, there is some assurance of a sizable public and commercial presence downtown. Second, the City had long ago cleared urban renewal land in the area to form what was called the "Superblock," so it had strategically-placed vacant land. Third, the City had been wise enough to maintain necessary infrastructure in prior years. Fourth, 85 percent of Charleston's voters had approved the first public portions of the project before the eventual developer first became involved with Town Center. Finally, three interstate highways happen to converge within two blocks of the 'Superblock'.

Suburban Challenge

But even with these advantages, Town Center was faced with a suburban challenge. Another developer intended to develop a site on a proposed interchange south of the City. The competing developers spent more than a year going around the country trying to persuade the same department stores about the merits of each of their sites. The eventual accommodation between the two competitors, a 50-50 partnership using the downtown site, reflected some luck but also the considerable power forged in the partnership between the developers and the City's political leadership.

The linchpin in this public-private effort was the \$14 million Action Grant that the City secured for mall construction, civic center renovation, coliseum parking, and development of a hotel garage. That Federal commitment contributed to other public commitments of \$12 million and private investment totalling more than \$142 million.

The tangible result of the Town Center project is a regional shopping mall with 150 shops, major restaurants, and four department stores. Two thousand new permanent jobs were created for West Virginia, and over half of them went to lower-income persons. The mall and adjoining development also have produced millions in sales tax revenues for the City.

Focus for Redevelopment

Importantly, the Town Center project has become the focal point for redevelopment of the entire City of Charleston. It has spurred development and construction of a pedestrian walkway and transit mall, a new bus station with two adjoining parking structures, a new 360 room convention hotel, and has enriched remaining parcels for future retail and office development. In addition, new rental and for-sale housing has been built on adjacent parcels.

Moreover, the energy generated by this project has given birth to the Charleston Renaissance Committee which has been formed in an effort to provide a redevelopment plan for the balance of the City. The Town Center also had the effect of locking into place new administrative agencies such as the Charleston Urban Renewal Authority and the City of Charleston Office of Economic and Community Development. These agencies had been in existence prior to the Town Center development; however, their involvement in making this project happen and forming the public and private partnership that arose therefrom created a role for them which will make them prominent forces in the future growth and development of the City of Charleston.



The U.S. Department of Housing and Urban Development's community development programs support a broad range of local projects in West Virginia. The following brief descriptions of some local ventures can serve to illustrate the creativity and commitment present in West Virginia's community development efforts,

Bluefield (pop. 16,060) is using \$478,800 in Urban Development Action Grant funds to retain an existing company in the central business district and assist in its expansion. The Bluefield Distributing Company sought land for expansion and was prepared to move its operations out of town. Through a leasing arrangement, the City will acquire and clear 2.5 acres, allowing the Company to construct an 80,000 square foot regional warehousing and distribution center and thereby retain 67 jobs and hire 35 new employees. The West Virginia Economic Development Authority is participating with a \$500,000 loan, and the company is investing almost \$1.3 million for construction.

Huntington (pop. 61,086) combined its Rental Rehabilitation funds with State low-interest financing to fund two projects in its downtown. The Virginian and the Fifth Avenue Hotel each contain 11 units and will use \$82,500 each of Rental Rehabilitation funds to accomplish rehabilitation. Huntington has succeeded in combining private and public funds to preserve an integral part of its past as well as to provide needed housing for lower-income people.

Huntington has undertaken a series of projects with CDBG Entitlement funds to meet the essential needs of its homeless population. Block Grant money has supported rehabilitation of the Huntington City Mission as a facility in which food, clothing, and temporary shelter for

the homeless can be provided. The City has also budgeted Block Grant dollars to the acquisition and/or rehabilitation of two other shelters, one of which will offer temporary emergency refuge for victims of family violence.

Putnam County. Many of West Virginia's smaller communities have benefitted from the State's emphasis on water facilities in its Block Grant program. Putnam County, for example, received State Block Grant funding to construct a 39,000 linear foot waterline and a 100,000 gallon storage tank. Block Grant dollars will also subsidize tap fees for all very low-income customers. These public improvements will assist a total of 250 persons.

Wheeling (pop. 42,080) will use \$477,950 of Entitlement Community Development Block Grant funds to leverage \$4,000,000 in private funding to initiate a Venture Capital Program. The City hopes to provide a source of capital to promote the growth and development of existing and new enterprises, primarily in the greater Wheeling area. The Ohio Valley Venture Capital Corporation will acquire equity interest in selected businesses in expectation of job creation for this area of high unemployment.

Wheeling has used more than \$1 million in Block Grant Entitlement funding to renovate Center Market, a century-old market in the City. The City used Block Grant money to renovate the two main nineteenth century structures, to support planning and architectural services, and to perform streetscaping. That public investment has led to the retention of 58 permanent jobs (over 80 percent of which are held by low- and moderate-income people) with the vendors housed in the two market buildings, private investment in purchase and renovation of nearby real estate of more than \$925,000 and the creation of 27 new businesses with 63 employees.

Community Development

Funds to West Virginia

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY87	State CDBG FY85	State Rental Rehab FY85	State Emerg. Shelter FY87	Total
Alderson						\$ 12,000			\$12,000
Anmoore						157,842			157,842
Bancroft						13,610			13,610
Bath			\$464,000						464,000
Beckley				\$27,000			\$60,000		87,000
Beech Bottom						65,450			65,450
Belington						240,032			240,032
Berkeley County						374,999			374,999
Bethany						94,334			94,334
Bluefield			478,800			183,350	45,000		707,150
Buckhannon						350,000			350,000
Buffalo						249,899			249,899
Cabell County						205,715			205,715
Cameron						169,029			169,029
Charles Town						122,200			122,200
Charleston	\$30,013,000	\$355,580	15,600,000	100,000	\$33,000			\$23,000	46,124,580
Chester			590,000						590,000
Clarksburg			4,000,000			200,796			4,200,796
Davy						389,564			389,564
Durbin						115,865			115,865
Elkins			270,600						270,600
Fairmont						194,890	35,000		229,890
Fayette County						125,000			125,000
Follansbee			8,975,000						8,975,000
Grafton						52,675			52,675
Harrison County						90,269			90,269
Hinton						131,508			131,508
Huntington	31,393,000	313,700	927,000	79,350	35,000			18,245	32,766,295
Kenova			709,850						709,850
Lester						250,000			250,000
Lewis County						540,000			540,000
Lost Creek						163,042			163,042
Lumberport						102,172			102,172
Madison						375,000			375,000
Mannington						250,000			250,000
Marion County						284,762			284,762
Marlinton						330,524			330,524
Martinsburg			3,842,000			370,700			4,212,700
Mason						374,200			374,200
McMechen						225,000			225,000
Milton						329,091			329,091
Mineral County						178,680			178,680
Monongah						261,250			261,250
Morgantown						212,550	190,000		402,550
Nitro			1,340,000						1,340,000
Northfork						144,230			144,230
Oakvale						44,050			44,050
Paden City						499,092			499,092
Parkersburg	13,729,000		2,060,000	242,150			106,000		16,137,150
Parsons						112,797			112,797
Paw Paw						253,079			253,079
Pennsboro			315,000						315,000
Petersburg						375,000			375,000
Philippi						356,615			356,615
Pine Grove						214,742			214,742
Poca						350,000			350,000
Preston County						287,500			287,500
Quinwood						135,938			135,938
Raleigh County						162,100		13,600	175,700
Randolph County						190,825			190,825
Ranson						332,590			332,590
Richwood						237,884			237,884
Ridgeley						258,200			258,200
Ritchie County						337,416			337,416
Rivesville						108,272			108,272
Roane County						350,000			350,000
Romney						191,648			191,648

Community Development

Funds to West Virginia

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Section 312 Rehab FY 84-87	Formula Emerg. Shelter FY87	State CDBG FY85	State Rental Rehab FY85	State Emerg. Shelter FY87	Total
Rupert						\$198,000			\$ 198,000
Salem			\$325,000						325,000
Shepherdstown						380,000			380,000
Shinnston						280,000			280,000
Spencer						232,788			232,788
St. Marys						114,821			114,821
Stonewood						228,908			228,908
Sutton						41,379			41,379
Thomas						261,137			261,137
Upshur County						235,150			235,150
War						131,682			131,682
Wayne						250,000			250,000
Weirton	\$ 5,750,000						\$55,000		5,805,000
Wellsburg						235,234			235,234
West Milford						155,136			155,136
West Union						330,000			330,000
Wheeling	22,427,000		841,000					\$ 19,155	23,287,155
Williamstown						328,636			328,636
Winfield						253,310			253,310
Wyoming County						375,000			375,000



The U. S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Wisconsin's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing, improving the infrastructure, providing public services, and creating new jobs. The administrative responsibilities for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Wisconsin amounted to \$81.2 million.

Community Development Block Grant Entitlement Program

In FY 1987 Block Grants, totalling \$30.1 million were allocated to 17 Wisconsin Entitlement central cities with more than 50,000 population, and one urban county. These funds were used by recipients for a broad range of activities: water and sewer construction to upgrade and improve local infrastructure; road construction and improvement; economic development activities to create and/or retain jobs for low- and moderate-income persons and others; provision of services to the community; and improvement and rehabilitation of substandard housing for low- and moderate-income persons. Since FY 1975, a total of \$435.8 million has gone to Wisconsin's Entitlement cities through Block Grants.

Wisconsin's State Community Development Block Grant Program

The State Block Grant Program awarded \$22.5 million in FY 1987 to cities of less than 50,000 population or not otherwise eligible for Entitlement grants, funding a variety of locally selected projects similar to those of Entitlement cities. This program is administered by a State agency. From FY 1975-1987, a total of \$255.6 million was allocated to the Wisconsin's smaller communities through the State Block Grant and HUD's Small Cities programs. More than ninety percent of State Block Grant funds were used to aid low- and moderate-income persons in small communities.

Urban Development Action Grant Program

Action Grants help create new jobs and stimulate private investment in distressed areas in Wisconsin. From FY 1975-1987, \$79 million had been awarded to 54 cities and urban counties in the State, generating \$441.3 million in private investment -- a ratio of 5.7 private dollars for each Federal dollar invested. Grantees estimate that more than 9,000 new jobs were created and 4,600 jobs retained in the State as a result of Action Grant-generated activities.

Housing Rehabilitation Programs

The Section 312 and Rental Rehabilitation programs in FY 1987 obligated \$5.2 million to stimulate renovation of substandard housing in Wisconsin. Hundreds of dwelling units were brought up to local code standards, creating liveable accommodations for lower-income persons and families.

The Urban Homesteading program makes it possible for homeowners to take possession of homes through rehabilitation. From FY 1975-1986, 512 properties, valued at \$5.7 million, were transferred.

Emergency Shelter Grant Program

To aid the homeless, almost \$1.1 million in Emergency Shelter grant funds were awarded to Wisconsin communities in FY 1987. Using these funds, local governments made immediate housing and other assistance available to the homeless in their communities.

Community Development Funding to Wisconsin Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$436
Small Cities/State Grants	256
Section 108 Loan Guarantees	4
Jobs Bill	24
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	7
Special Projects (FY '85-'87)	
Urban Development Action Grants	79
Rental Rehabilitation Program Grants	9
Section 312 Rehabilitation Loans (FY '84-'87)	4
Urban Homesteading	6
Emergency Shelter Grants	1
Total	\$825

(Note: Detail may not add to total due to rounding.)



Oshkosh and the Experimental Aircraft Association

Suffering from unemployment and under-utilization of local human and physical resources, the town of Oshkosh discovered a "sleeper" in its own municipal airport. The Experimental Aircraft Association (EAA) had located its headquarters years ago in Oshkosh and as interest in experimental aircraft grew, the Association also grew in membership and level of support from corporations and associations in experimental fields.

The Association, founded in 1953, includes more than 110,000 members and 700 local groups, promoting sport and recreational flying. EAA encourages the building of aircraft in high school industrial arts projects through Project School Flight; presents awards, maintains speakers' bureaus, a museum and biographical archives; sponsors competitions compiles statistics, conducts research programs and offers specialized education courses. The Association maintains a library of more than 30,000 publications and sponsors the EAA Aviation Foundation which promotes aviation education, history, research, and development. The EAA also operates the Weeks Flight Research Center, publishes bulletins and papers, and aids State and Federal museums.

Enlarging the Airfield

In the early 1980's, the EAA realized that more land would be needed to enlarge Oshkosh's airfield to service the needs of thousands of EAA members who flew in to visit headquarters and attend the Association's annual July meeting. The Association's president sought assistance from Oshkosh's city manager.

Working in concert, E M and the City used a \$50,000 Community Development Grant and a \$550,000 Urban Development Action Grant to acquire and assemble land for the Airfield. State and county grant and loan funds totalled \$5.4 million, private financing \$5.4 million, and contributions -- cash, in-kind, and financing -- another \$7.6 million. Eventually \$15.6 million in additional public funds and private investments and contributions from Association members and corporations (a ratio of 25 other public and private dollars to each Federal dollar) were invested, making possible the construction of runway extensions, the enhancement and enlargement of the

Experimental Aircraft Museum, and the consolidation of EAA functions scattered in locations all over Oshkosh.

Museum Success Benefits Community

The Experimental Aircraft Association Museum and World Headquarters now employs 116 permanent staff members, with a \$2.1 million annual payroll. The Museum remains open all year around. Both senior citizens and young people are permitted free admission. The Museum houses one of the world's largest displays of experimental aircraft, models, plans, illustrations, and automated exhibits. The Association also sponsors and encourages research, writing and corporate work on experimental aircraft design and manufacturing. EAA publishes newsletters and magazines and aids corporate and scholarly research and publication.

During the 10-day annual fly-in, Oshkosh airport becomes the busiest in the nation, injecting over \$50 million into the local economy. Of that, 64 percent goes directly to the economy of Oshkosh and surrounding communities and 36 percent throughout the State. The City estimates that the cumulative annual tax increase stemming from EAA activities is \$174,000.

The EAA project has attracted worldwide attention, bringing Oshkosh international recognition. Association members fly-in to Oshkosh airport from all over the United States, Canada, South and Latin America. Substantial increases in tourist dollars flow into the local economy, creating new hotel and spinoff jobs. When EAA's annual convention is in session, 750 temporary food service positions go to the local labor force.

The project has been so successful, that the City and the Association are planning to acquire more land and again increase runway capacity.



The U.S. Department of Housing and Urban Development's community and economic development programs support a broad range of local projects in the State of Wisconsin. The following local ventures illustrate the diversity and creativity of Wisconsin's projects:

Appleton (pop. 59,032) **developed a Plaza** named after the famous magician Houdini who grew up in the town, turned a blighted alley into a pedestrian walkway and public square decorated with fountains, lights and sculpture. The City channeled \$341,000 in Community Development Block Grant Entitlement funds to Houdini Plaza, **stimulating building rehabilitation, and the construction of a five-floor, \$7.5 million office building creating 200 jobs.** Indirectly, the Plaza also generated development of a 100-room hotel addition, a Central Business District Shopping Mall, and construction of twenty-one units of housing. A total of \$11.2 million in private funds were invested, together with \$1.6 million in State and other local grants. Sales and property tax increases return \$260,000 annually to the City treasury. In summer months, residents "brown-bag" it in the Plaza, with lunchtime and evening entertainment provided by local performers, in the Houdini tradition.

Janesville (pop. 51,071) contributed \$15,000 of its Entitlement Block Grant together with a \$10,000 State Historic Preservation grant to **conduct an historic survey, as an outgrowth of environmental review requirements, that identified historic buildings and other significant architecture.** A booklet, slide show, walking tours and a building inventory resulted. The inventory attracted private investment and rehabilitation of historic properties. The tours and booklet enhanced local pride and enticed increased tourist trade.

Milwaukee's (pop. 636,212) **Energy House** is a Community Conservation Center constructed, in part, with Entitlement Block Grant funds (\$150,000) and other private sector funds (\$49,000). The Center **serves as a tool loan center, conservation workshop, and a model of energy efficiency.** Recipients of aid including direct service agencies who are beneficiaries of public housing rehabilitation attend workshops at Energy House, where they learn rehabilitation skills. Lower-income residents and homeowners also are instructed in the best and most economical methods of insulating their dwellings to conserve energy.

Milwaukee County (pop. 964,988) worked with Esperanza Unida, a minority community organization, to **set-up an Auto Repair Training Center** that is not only a place where

unemployed, low-income persons **can** learn well-paid trades, **but** also a largely self-sufficient, commercial enterprise. The County's \$136,000 Entitlement Block Grant was matched by \$280,000 in other public grants and private investments to purchase, equip, and rehabilitate a building to house the Center.

Washburn (pop. 2,000) **created a combined public amenity, housing, and commercial project that employed many Native Americans** through its Harbor Project. By using a \$750,000 Community Development Block Grant, the City leveraged additional public and private investments of \$4.5 million to construct four duplex condominiums and a motel and supper club. The complex is accentuated as a tourist attraction by a vessel storage and repair facility built entirely with private funds and an improvement of lakeside recreational facilities. Fifty people now have permanent jobs and twenty more jobs will soon be added when additional condominium and commercial units are completed.

Wausau (pop. 32,426) **revitalized decaying downtown areas** by clearing eight downtown blocks and constructing a 500,000 square foot mall. The City contributed \$1.24 million Grant funds and a \$6 million Urban Development Action Grant to the project. Other private investment and public sector funds totalling \$50.5 million flowed into the project. The mall is fully leased and performing beyond the expectations of the City and developer. Millions of private sector dollars have also been invested in improving adjacent downtown area businesses. Future plans call for construction of a hotel and office space and conversion of nearby blocks to a mall by the City.

Community Development

Funds to Wisconsin

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY84-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Appleton	\$7,631,000								\$ 7,631,000
Ashland						\$660,000			660,000
Athens			\$71,500			103,000			174,500
Augusta			60,600						60,600
Bad River Indian Res.				\$ 1,035,116					1,035,116
Baraboo			303,450			263,000			566,450
Bear Creek						27			27
Beloit	8,818,000					423,755	\$105,000		9,346,755
Bloomer						29,000			29,000
Boscobel			415,300						415,300
Boyceville						148,500			148,500
Boyd						296,574			296,574
Brown County							279,000		279,000
Chilton						532,246			532,246
Chippewa Falls						362,000			362,000
Clear Lake			150,000						150,000
Clinton						312,900			312,900
Columbus						420,000			420,000
Cornell						324,540			324,540
Dane County								\$ 6,500	6,500
Durand			678,058						678,058
Eau Claire	7,217,000	\$130,600							7,347,600
Edgar						213,325			213,325
Endeavor						381,600			381,600
Fond Du Lac			1,400,000			732,500			2,132,500
Forest Co Pottowatomi Tribe				638,090					638,090
Guys Mills						383,250			383,250
Green Bay	16,673,000	297,186			\$ 112,400			16,500	17,099,086
Howard						235,000			235,000
Hurley						442,560			442,560
Janesville	4,175,000						100,000		4,275,000
Jump River						138,230			138,230
Kenosha	12,896,000	62,000	900,000		345,300	648,250			15,009,250
La Crosse	13,224,000		5,065,000						18,289,000
Lac Courte Oreilles IR				854,300					854,300
Lac Du flambeau Ind. Res.				1,198,872					1,198,872
Ladysmith			594,140			290,750			884,890
Madison	27,474,000	737,986	4,750,000					24,000	33,013,986
Madison Town							47,467		47,467
Marinette						220,974			220,974
Mauston			71,280						71,280
Menominee Indian Tribe				678,455					678,455
Merrill						492,950			492,950
Merrillan						296,250			296,250
Milwaukee	229,926,000	3,811,600	37,471,125		2,515,250			50,000	279,562,790
Milwaukee County	17,136,000	152,674							17,288,674
Minong						379,150			379,150
Monona							90,000		90,000
Montello						134,000			134,000
Neenah	826,000								826,000
New Lisbon						167,200			167,200
Oconto			77,700			665,870			743,570
Oconto Falls						285,812			285,812
Oneida Indian Res.			1,750,000	415,000					2,165,000
Oshkosh	10,281,000	57,000	4,125,000						14,463,000
Outagamie County								5,000	5,000
Peshigo			2,010,000						2,010,000
Piatteville						507,726			507,726
Plymouth						707,500			707,500
Portage						130,000			130,000
Potosi						127,950			127,950
Prairie							5,775		5,775
Prentice						560,000			560,000
Racine	20,860,000	308,757	1,133,000		463,100	750,000			23,901,482
Radisson						443,990			443,990
Red Cliff Reservation				39,252					39,252

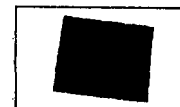
⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86
and Formula Emergency Shelter Grant for FY 1987.

Community Development

Funds to Wisconsin

Name	Entitle- ment CDBG FY 75-87	HUD Admin. Rental Rehab FY 84-87	UDAG FY 78-87	Indian CDBG FY 78-87	Section 312 Rehab FY 84-87	State CDBG FY 85	State Rental Rehab FY 85	State Emerg. Shelter FY 87	Total ⁽¹⁾
Rhineland						\$661,350			\$661,350
Rib Mountain						735,000			735,000
Rock Springs						280,600			280,600
Schofield						188,375			188,375
Sheboygan	\$9,596,000		\$ 1,030,000				\$ 94,000	\$1,000	10,721,000
Sokaogon Chippewa Tribe				\$958,096					958,096
St. Croix Tribal Council				419,210					419,210
Stanley						212,075			212,075
Stevens Point			6,000,000						6,000,000
Superior	10,826,000		750,000			517,375			12,093,375
Taylor						750,000			750,000
Two Rivers						690,100			690,100
Viola			43,000						43,000
Watertown						626,050			626,050
Waukesha	2,905,000						110,000	24,000	3,039,000
Wausau	3,888,000		7,150,000				152,758		11,190,758
Wausaukee			155,000						155,000
Wauwatosa	10,921,000								10,921,000
West Allis	13,384,000								13,384,000
Westboro						109,650			109,650
Wheeler						249,105			249,105
Whitehall			1,215,000						1,215,000
Whitewater			859,000			476,791			1,335,791
Winter						187,450			187,450
Wisconsin Rapids			385,000		\$77,400				462,400
Wisconsin Winnebago Tribe				467,000					467,000
Woodville						341,739			341,739

⁽¹⁾ Includes Urban Homesteading funds for FY 1975-'86
and Formula Emergency Shelter Grant for FY 1987.



The U.S. Department of Housing and Urban Development's community development programs are an essential part of Federal assistance to Wyoming's communities. These programs aid low- and moderate-income persons by rehabilitating neighborhoods and housing improving the infrastructure, providing public services, and creating new jobs. The administrative responsibility for these programs at the Federal level resides in the Office of Community Planning and Development, U.S. Department of Housing and Urban Development, but States and communities are given the opportunity and flexibility to use the funds to design projects that meet locally identified needs.

In Fiscal Year 1987, Housing and Urban Development's community development support to the cities and towns of Wyoming amounted to \$18.7 million.

Community Development Block Grant Entitlement Program

Three Wyoming cities, Casper, Cheyenne, and Rock Springs received Entitlement funds through 1979 when they became eligible under the Small Cities program. In 1982, Casper regained its Entitlement status as a central city and has received \$2.5 million through 1987. Cheyenne also regained its Entitlement status as a central city in 1986 and has received a total of \$731,000 in the last two years. Because of their central city designations, the State's two largest cities, Cheyenne and Casper, received Entitlement grants of \$366,000 and \$343,000, respectively, in FY 1987.

State Community Development Block Grant Program

Since 1975, \$29.3 million has been allocated to small cities in Wyoming. Approximately \$16.7 million of this amount has been distributed since 1982 when the State first assumed administration of the program. Thirty-nine different jurisdictions have received one or more grants under the State program. Of the \$11.8 million spent on several program activities between 1982-86, 35 percent went for housing purposes, 34 percent for public works, and 30 percent for economic development. In FY 1987, \$2.4 million was provided to the State Block Grant Program.

Emergency Shelter Grant Program

The State of Wyoming received an \$11,000 Emergency Shelter grant in the Spring of 1987 and another \$52,000 in November. The State allocated the initial funds to Laramie and Natrona Counties to fund operating and service costs in two homeless shelters.

Indian Community Development Block Grant Program

Two Wyoming Indian tribes, the Arapahoe and Shoshone, have received \$5.28 million in CDBG assistance since 1975. Forty-three percent of the funds were directed to infrastructure needs, 24 percent to housing, 18 percent to economic development, seven percent for community facilities, and seven percent to other activities.

Rental Rehabilitation Program

Three Wyoming jurisdictions, Casper, Cheyenne and Natrona County, have received \$363,700 in Rental Rehabilitation funds between FY 1984-87.

Community Development Funding to Wyoming Since 1974 (\$ In Millions)

Program	Amount
Community Development Block Grant Program	
Entitlement Grants	\$ 13
Small Cities/State Grants	30
Section 108 Loan Guarantees	0
Jobs Bill	1
Secretary's Discretionary Fund	
Indian Tribes (FY '78-'87)	4
Special Projects (FY '85-'87)	0
Urban Development Action Grants	0
Rental Rehabilitation Program Grants	*
Section 312 Rehabilitation Loans (FY '84-'87)	0
Urban Homesteading	0
Emergency Shelter Grants	*
Total	\$49

(Note: Detail may not add to total due to rounding.)



Community Development Programs in Cheyenne, Wyoming

The City of Cheyenne (pop. 51,700) has used a variety of U.S. Department of Housing and Urban Development's community development programs. The City was entitled to Block Grant funds between 1975 and 1979. Under this phase of the program the City received \$6.2 million. The City also became eligible for small cities funding as it phased out of the original Entitlement program. In 1978, 1979 and 1980 the City received small cities grants of \$750,000, \$518,000, and \$232,000. These Block Grant funds were used for:

- The construction of a Senior Recreation/ Nutrition Center. Each day the Center provides activities and 150 meals to the elderly. In addition, more than 500 meals are prepared for delivery through meals on wheels.
- The construction of two neighborhood facilities serving 1,700 lower-income persons.
- Land acquisition for and improvements to three parks serving lower-income areas.
- Construction of eight miles of streets and curbs. Block Grant funds also were used to pay for the special assessments due to these infrastructure improvements for persons living in lower-income areas.
- Acquisition of three city blocks in the central business district and its redevelopment.
- Rehabilitation assistance to the Neighborhood Housing Services program.
- Funding of other public improvements and local historical preservation projects.

In 1983 Cheyenne received a \$200,000 grant from the State Block Grant program. The money was used to establish a rehabilitation loan fund. Eight downtown businesses received loans totaling \$187,500 for building renovation. In addition, a \$12,500 grant was used for the Main Street Program to conduct an inventory of unused buildings for marketing the sites to new businesses.

Cheyenne directed \$400,000 in Block Grant funds for the development of a solar botanical greenhouse that is used by lower-income households for food production. Of that amount, \$340,000 was funded from the FY 1984 State Block Grant program and the remaining \$60,000 from a FY 1985 Entitlement Block Grant. The greenhouse provides the focal point for social interaction among the 30 to 40 lower-income residents (primarily elderly) who use the greenhouse each month. The primary function of

the greenhouse is to benefit seniors, the handicapped, and youth who have low- to moderate-incomes. The program's benefits include food production and distribution, therapy and education. Specifically, the seniors aid in the day-to-day operation of the facility, including building maintenance, horticulture, and in the supervision of youth and handicapped clients. In exchange, the seniors take pride in their work with the greenhouse and youth, and receive fresh vegetables from the daily harvest. Youths are directed to the program as a means of "working-off court- or counselor-imposed fines, or as a part of a low-income job training program. In addition, handicapped youth are eligible to be participants. The program provides both therapy and training to these individuals.

The secondary function of the project is to provide trees, shrubs, and flowers for the City and County parks. The facility is open to the public and functions as an indoor park and educational center.

In August 1985, the City suffered a devastating flood that resulted in 12 deaths and damage to more than 1,300 homes. In the Fall of 1985, the City regained its Entitlement status and immediately directed these funds toward meeting its flood damage.

Block Grant Entitlement funds were used to provide assistance for community redevelopment and revitalization efforts. Funds totaling \$203,540 from the City's 1986 and 1987 entitlement allocations were primarily used as a "safety net" of assistance to families unable to obtain housing assistance from other sources. During this period the City was able to rehabilitate the homes of 66 lower-income families and to relocate several lower-income persons into both temporary and permanent housing. Block Grant Entitlement funds were also used to provide street, sidewalk and alley improvements. Rental Rehabilitation program funds of \$50,000 were used to rehabilitate nine additional housing units.



Department of Housing and Urban Development's community development programs support a broad range of local projects in the State of Wyoming. The following ventures illustrate the diversity and creativity of Wyoming's projects.

Casper (pop. 51,016) has used \$342,000 in Community Development Block Grant Entitlement funds, received since 1985 for general housing rehabilitation, weatherization, exterior painting and for assisting lower-income property owners with increased assessments due to street, curb, and gutter improvements in lower-income areas. To date, 13 units have been rehabilitated, 21 units weatherized, 30 houses painted and 53 households helped with their property tax bills. The City has used \$112,300 in Rental Rehabilitation program funds to upgrade local rental housing. Thirty-three units in nine buildings are now renovated and available to lower income renters.

Laramie County (pop. 68,649) received a State Block Grant for a \$250,000 loan to help finance the retention of a food service equipment manufacturing plant that employed around 170 people. The City of Cheyenne and Laramie County formed a Joint Powers Board that petitioned the Wyoming Farm Loan Board for a \$500,000 loan on the behalf of both local governments. In return, both the City of Cheyenne and Laramie County pledged their future share of Federal mineral royalties received from the State in the event that annual loan payments were not made. The Wyoming Community Development Association also loaned the company \$3,850,000. The purpose of these loans was to assure that AMF Wyott would maintain a Wyoming location and not relocate to another State. The uniqueness of this project is clearly demonstrated in that two public entities are willing to pledge future tax revenues as support for the project in the event of a default.

Pine Bluffs (pop. 1,077) received a State Block Grant for a \$25,000 loan to Rocky Mountain Snacks for the purchase of equipment to produce a hand-cooked potato chip. The Wyoming Community Development Authority also loaned the business \$25,000 for the purchase of equipment. In return for the loan, Rocky Mountain Snacks located its "kettle chip" manufacturing plant in a vacant, potato processing plant on the edge of the town of Pine Bluffs. Pine Bluffs' economy is predominately agricultural. The value of Rocky Mountain Snacks locating in Pine Bluffs should not be measured only by the fact that it created 52 jobs, but that it also provided a local market for Pine Bluffs' numerous potato farmers. In fact, Rocky Mountain Snacks has contracted to buy all of the potatoes produced in the area and is distributing its product in eleven states.

Rawlins (pop. 11,547) received a \$25,000 State Block Grant to assist Coalbrik Factory One, Ltd., in developing a comprehensive market analysis for the manufacturing of a rectangular block roughly the size of a cinder block. The cinder block would consist of coal, recycled paper and a

petroleum distillate. This economic development project will result in the creation of employment opportunities available to lower-income persons. The product is designed to burn in fireplaces, fireplace inserts, wood and coalstoves, catalytic stoves or campfires. A 7.5 pound Coalbrik can be ignited with one match and will burn up to 12 hours in a wood or coal stove and up to six hours in a campfire or fireplace. The product radiates more heat than wood and contains 12,848 usable BTU's per pound as compared to approximately 3,000 for wood. The marketing strategy study provided promising data and the company has since requested and received from the State's Investment Fund Committee a \$750,000 loan to acquire facilities, equipment and materials for the factory that will employ 21 people. It is also estimated that 70 percent of the ingredients in each Coalbrik will be obtained from coal that is mined nearby. This demand for coal is another valuable asset of this project since the downturn in the coal industry has caused numerous mine closures in Wyoming.

Community Development**Funds to Wyoming**

Name	State CDBG FY 85	State Emerg. Shelter FY 87	Entitle- ment CDBG FY 75-87	Rental Rehab FY 84-87	Indian CDBG FY 78-87	Total
Albany County	\$265,000					\$265,000
Big Horn County	12,000					12,000
Casper			\$4,183,000	\$114,200		4,297,200
Cheyenne	340,000		7,004,000	73,500		7,417,500
Diamondville	70,000					70,000
Evanston	400,000					400,000
Lander	315,000					315,000
Laramie	100,000					100,000
Laramie County		\$5,500				5,500
Lincoln County	144,000					144,000
Lovell	35,000					35,000
Natrona County	130,000	5,500		176,000		311,500
Riverton	105,000					105,000
Rock Springs	180,000					180,000
Sheridan	231,000					231,000
Sundance	81,700					81,700
Ten Sleep	150,000					150,000
Teton County	25,000					25,000
Uinta County	100,000					100,000
Wind River Res.-Arapahoe					\$2,432,500	2,432,500
Wind River Res.-Shoshone					1,850,000	1,850,000

U.S. Department of Housing and Urban Development
Washington, D.C. 20410-7000

Official Business
Penalty for Private Use \$300



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