

**WESTERN ARIZONA COUNCIL OF GOVERNMENTS'
COMMUNITY DEVELOPMENT BLOCK GRANT
FY 2006 METHOD OF DISTRIBUTION**

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

WACOG's Method of Distribution is formulated with the understanding that all applicable regulations, State or Federal, included in the FY 2003 CDBG Application Handbook updates and adopted as the FY 2006 regulations, produced by the Arizona Department of Housing, are incorporated - as they apply - into the WACOG Funding Strategy.

All potential regional applicants will be notified of the MOD, by mail, fax or hand delivery, at least 90 days prior to the deadline of 5 P.M. ON FRIDAY, MAY 19, 2006 for the submittal of regional projects for 2006. Records of how that notice was provided will be kept by WACOG.

A. TYPE OF METHOD OF DISTRIBUTION

The WACOG MOD is primarily an entitlement system. The communities entitled to receive funds in a rotating yearly manner and the percent of the total county allocation each will receive are determined by the WACOG Executive Board. **The entitlement component results in each County being allocated funds calculated on a weighted formula of 70% persons in poverty (based on the 2000 Census) and 30% population (using the most recent Arizona Population Technical Advisory Committee [POPTAC] estimates), excluding the Indian population living on reservations and the City of Yuma, which is an entitlement entity. The WACOG Executive Board may adjust the percentages to reflect the local need.**

**REGION IV: CDBG
WEIGHTED AVERAGE DISTRIBUTION
FY-06**

Step # 1:

	La Paz County:	Mohave County:	Yuma County:	Region IV
Population as per DoC:	13,699	177,895	94,339	285,933
% of Total Region Pop.	4.8%	62.2%	33.0%	100.0%
Poverty as per DoC:*	2,208	20,582	18,396	41,186
% of Total Region Pov.	5.36%	49.97%	44.67%	100.00%

*City of Yuma poverty statistics are taken out of this figure (10,910).

Step # 2:

	La Paz County:	Mohave County:	Yuma County:	REGION IV
% of Total Region Population	5%	62%	33%	100%
30% Weight	30%	30%	30%	
Population % weighted @ 30%:	1.50%	18.60%	9.90%	30.00%

Step # 3:

	La Paz County:	Mohave County:	Yuma County:	REGION IV
% of Total Region Poverty	5%	50%	45%	100%
70% Weight	70%	70%	70%	
Poverty Weighted @ 70%	3.75%	34.98%	31.27%	70.00%

Step #4:

	La Paz County:	Mohave County:	Yuma County:	REGION IV
Population % weighted @ 30%:	1.50%	18.60%	9.90%	30.00%
Poverty Weighted @ 70%	3.75%	34.98%	31.27%	70.00%
Weighted Averages:	5.25%	53.58%	41.17%	100.00%

By County	Weighted Distribution	%	FY 2006 CDBG Funds
La Paz County	5.25%		\$ 172,429
Mohave County	53.58%		\$ 1,758,888
Yuma County	41.17%		\$ 1,351,335
Region IV	100.00%		\$ 3,282,652

La Paz County	La Paz County	100%	\$ 172,429
	Total La Paz County:	100%	\$ 172,429

Mohave County	Colorado City	20%	\$ 351,778
	City of Kingman	40%	\$ 703,555
	Mohave County	40%	\$ 703,555
	Total Mohave County:	100%	\$ 1,758,888

Yuma County	Town of Wellton	50%	\$ 675,668
	Yuma County	50%	\$ 675,668
	Total Yuma County:	100%	\$ 1,351,335

REGION IV TOTAL = \$ 3,282,652

**REGION IV: CDBG
REVISED WEIGHTED AVERAGE DISTRIBUTION
FY-06**

Step # 1:

	Mohave County:	Yuma County:	Region IV
Population as per DoC:*	177,895	94,339	272,234
% of Total Region Pop.	65.35%	34.65%	100.0%
Poverty as per DoC:*	20,582	18,396	38,978
% of Total Region Pov.	52.80%	47.20%	100.00%

*City of Yuma poverty statistics are taken out of this figure (10,910).

Step # 2:

	Mohave County:	Yuma County:	REGION IV
% of Total Region Population	65.35%	34.65%	100%
30% Weight	30.00%	30.00%	
Population % weighted @ 30%	19.604%	10.396%	30.00%

Step # 3:

	Mohave County:	Yuma County:	REGION IV
% of Total Region Poverty	52.80%	47.20%	100%
70% Weight	70.00%	70.00%	
Poverty Weighted @ 70%	36.963%	33.037%	70.00%

Step #4:

	Mohave County:	Yuma County:	REGION IV
Population % weighted @ 30%	19.604%	10.396%	30.00%
Poverty Weighted @ 70%	36.963%	33.037%	70.00%
Weighted Averages:	56.57%	43.43%	100.00%

By County	* Adjusted Weighted Distribution		FY 2006 CDBG Funds
La Paz County	0.00%	\$	236,000
Mohave County	56.57%	\$	1,385,681
Yuma County	43.43%	\$	1,063,956
Region IV	100.00%	\$	2,685,637

By County	Adjusted Weighted Distribution		FY 2006 CDBG Funds
La Paz County	5.25%	\$	31,343
Mohave County	53.58%	\$	319,881
Yuma County	41.17%	\$	245,791
Region IV	100.00%	\$	597,015

By County	**Revised Weighted Distribution		FY 2006 CDBG Funds
La Paz County	8.14%	\$	267,343
Mohave County	51.96%	\$	1,705,562
Yuma County	39.90%	\$	1,309,747
Region IV	100.00%	\$	3,282,652

* Based on WACOG Executive Board decision to provide a base amount for La Paz County of \$236,000 on 2/13/2003..

** Revised Weighted Distribution based on La Paz County base amount, the 70/30 ratio applied to all counties to incorporate La Paz County into Regional increase for FY-05

FINAL FY-06 CDBG DISTRIBUTION:

REGION IV: CDBG REVISED WEIGHTED AVERAGE DISTRIBUTION FY-06			
La Paz County	La Paz County	100%	\$ 267,343
	Total La Paz County:	100%	267,343
Mohave County	Colorado City	20%	341,112
	City of Kingman	40%	682,225
	Mohave County	40%	682,225
	Total Mohave County:	100%	1,705,562
Yuma County	Town of Wellton	50%	\$ 654,874
	Yuma County	50%	\$ 654,874
	Total Yuma County:	100%	\$ 1,309,747
	REGION IV TOTAL =		

Application Cycle for FY2006 Funds: 100% \$3,282,652

Based on 70% Persons in Poverty (2000 Census) and 30% Population (most recent POPTAC).

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

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

B. SUBMITTAL OF APPLICATION

- I. All applications must be submitted to the **WACOG Executive Director, 224 S. 3rd Avenue, Yuma, Arizona, 85364; no later than: Five (5:00 p.m.), May 19, 2006.**
- II. All required application documentation must be submitted with the application no later than: Five (5:00 p.m.), **May 19, 2006.** Refer to the Arizona Community Development Block Grant Program FY 2003 Application Handbook, – Application Review Forms for a complete listing of all forms that must be submitted as applicable to each project, i.e. ERR forms.

C. MINIMUM OR MAXIMUM APPLICATION OR ACTIVITY AMOUNTS

WACOG has no set MINIMUM-funding amount for an activity. MAXIMUM funding amounts are based on the percent of the total FY 2005 allocation that will be provided to each County, and then the percent of that County's share to which an entity will be entitled. However, an entity may chose to identify several activities to receive funding as long as the

combined total of the activities reach the maximum funding level.

D. ALLOCATION METHOD REDISTRIBUTED DE-OBLIGATED FUNDS

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

If ADOH cannot reallocate de-obligated funds according to the above criteria the de-obligated funds will be redistributed by ADOH to the SSP.

Funds recaptured for non-compliance and recaptured for non-performance will be redistributed by ADOH to the SSP. (ADOH Information Bulletin, February 5, 2004)

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

G.1 PROCEDURES TO ENSURE A MAXIMUM OF 30% IS RECOMMENDED FOR ACTIVITIES JUSTIFIED ON THE BASIS OF EITHER THE SLUM BLIGHT (SB)/URGENT NEED (UN) NATIONAL OBJECTIVES

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

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

In the event that an Urgent Need issue should arise after the May 12, 2006 deadline, WACOG would review the request with its Executive Board and the Arizona CDBG Program on a case-by-case basis to determine how to proceed.

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

All potential regional applicants will be notified of the MOD, by mail, fax or hand delivery at least ninety (90) days prior to the deadline for submittal of regional projects for FY 2006 funding. Records of how that notice was provided will be kept by WACOG.

Applicants are requested to send in separate applications, one for each of those activities, which are their entitlement activities. All WACOG entity applications must be submitted to the **WACOG Executive Director, 224 S. 3rd Avenue, Yuma, Arizona, 85364; no later than: 5:00 p.m., May 19, 2006.**

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

1. Original and one copy of completed application, top two-holed punched with metal clasp.
2. The application shall be split into activities with the first activity packet containing Activity #1 Admin AND Activity #2, the Disclosure Report and all the required certifications and public notice information placed after the backup documentation for Activity #2.
3. Each activity packet thereafter will have a Form 1 and a Form 3 (Activity Budget Page), then the applicable activity form (4,5,6,etc.) with maps and backup documentation, minus the certifications and public notice information which were placed with Activity #2 packet.
4. This will allow the State to issue a separate contract number for each activity to speed processing of funds and closeout, in an attempt to meet the federal requirement that the State spend it funds more readily.

G. ENSURING WACOG RECEIPT AND REVIEW OF ALL APPLICATIONS PRIOR TO JULY 1, 2006

Applicants are instructed to send in separate applications, one for each entitlement activity. All WACOG entity applications must be submitted to the **WACOG Executive Director, 224 S. 3rd Avenue, Yuma, Arizona, 85364; no later than: Five (5:00 p.m.), May 19, 2006.**

Applications that contain non-fundable activities (i.e., activities that are ineligible or that do not meet a national objective) or is substantially incomplete (e.g., has no evidence of prior approval by Arizona Department of Housing of a special survey, or has no documentation of public participation requirements being met) will NOT be recommended by WACOG staff to the WACOG Executive Board, through the WACOG Management Committee, for funding. WACOG will provide technical assistance and application review for all potential applications on a request basis prior to the WACOG formal application review process, which begins May 20, 2006.

Applications will be delivered to the State on or before Monday, July 3, 2006. The State will make every effort to have contracts to the communities by September 30, 2006.

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

A TAAP Fee that covers all indirect, direct (application review and GIN response time hours), and any other activity furthering the contract between the entity and state and does not exceed \$3,750.00 or 50 hours per entity, based on a rate of \$75 per hour, will be charged each applicant. Each applicant will allocate the TAAP fee in the Administration budget of the grant application. WACOG will back up the costs with documented time and financial records kept by WACOG in conformance with OMB Circular A87 and other appropriate

Federal Regulations. Copies of said documented time and financial records will be provided to entities upon request.

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

The Executive Board voted that all direct costs for technical assistance, except the application review hours, will be the direct responsibility of each entity to the COG and NOT included in the TAAP fees. These hours will also be billed at the rate of \$75.00 per hour.

I. SIGNED PARTNERSHIP AGREEMENT(S)

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

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

WACOG's Management Committee will meet on November 2, 2005, and the Executive Board in November 10, 2005 to review and approve the MOD for submission to the Arizona Department of Housing for formal "final" approval of the MOD.

K. DISCLAIMER

For years beyond FY 2006, the MOD reflects only a tentative funding commitment contingent upon, at a minimum, federal and state requirements that might impact on this funding schedule, to include - of course - the Consolidated Plan public participation process and HUD approval of the MOD. Examples of potential federal and state changes could include: revised federal requirements as to state MOD procedures, which entities are eligible to apply for CDBG funds, new entitlements, changes in the state RA process and allocation, and new incorporated entities.

- END OF MOD -