

**PY 2016 Proposed CDBG Funding Allocation – Summary of Changes from PY 2015 Allocation**

<b>Fund</b>	<b>2015 Allocation by Fund</b>	<b>2015 Program Allocation \$59,833,115</b>	<b>Set-Aside PI \$6,533,629</b>	<b>Set-Aside Deob* \$10,856,582</b>	<b>-</b>	<b>2016 Allocation by Fund</b>	<b>2016 Program Allocation (est) \$60,000,000</b>	<b>Set-Aside PI</b>	<b>Set-Aside Deob*</b>
<b>Community Development</b>	61.71%	<b>\$36,923,015</b>				64.83%	<b>\$38,898,000</b>		
<b>Texas Capital Fund</b>	14.51%	<b>\$8,681,714</b>				14.51%	<b>\$8,705,929</b>		
Real Estate/Infrastructure		\$7,119,005	all PI				\$7,138,862	all remaining	
Downtown Revitalization		\$1,041,806	n/a				\$1,044,711	\$350,000	
Main Street		\$520,903	n/a				\$522,356	\$150,000	
Micro-Enterprise		n/a	n/a				\$0	\$1,500,000	
<b>Colonia Fund</b>									
Colonia Planning and Construction	6.60%	<b>\$3,948,986</b>				6.60%	<b>\$3,960,000</b>		
Colonia EDAP	3.40%	<b>\$2,034,326</b>				3.40%	<b>\$2,040,000</b>		
Colonia Set-aside	2.50%	<b>\$1,495,828</b>				2.50%	<b>\$1,500,000</b>		
<b>Planning and Capacity Building</b>	0.90%	<b>\$540,640</b>				0.90%	<b>\$542,427</b>		
<b>Disaster Relief/Urgent Need</b>									
Disaster Relief	4.09%	<b>\$2,446,820</b>		\$0		4.09%	<b>\$2,453,644</b>		\$1,000,000
Urgent Need		\$0		\$1,000,000			\$0		\$0
<b>STEP Fund</b>	3.12%	<b>\$1,866,793</b>		\$0		0.00%	<b>\$0</b>		\$1,000,000
<b>Community Enhancement Fund</b>		\$0		\$3,600,000			\$0		\$3,000,000
<b>Admin (including TA) 3%</b>	3.00%	<b>\$1,794,993</b>				3.00%	<b>\$1,800,000</b>		
<b>Admin - \$100k (addition to 3%)</b>	0.17%	<b>\$100,000</b>				0.17%	<b>\$100,000</b>		
<b>TOTALS:</b>	<b>100.00%</b>	<b>\$59,833,115</b>		<b>\$4,600,000</b>		<b>100.00%</b>	<b>\$60,000,000</b>		<b>\$5,000,000</b>

\* Deob funds not set-aside by the Action Plan are distributed by formula: 20% to DR, 80% according to Action Plan allocation formula

**PY 2016 Proposed CDBG Program Changes – Summary of Changes**

<b>Fund Category</b>	<b>Current</b>	<b>Proposed for 2016</b>	<b>Reason for Change</b>	<b>Requires Change To</b>
Community Development	Approx. 61.71% of the annual CDBG funds are allocated to CD.	Increase allocation to 64.82%	Moving allocation from STEP.  Note: If Colonia Set-aside is increased, STEP funds will be allocated to CFC instead of CD	Annual Action Plan
STEP	Approx. 3% of the annual CDBG funds are allocated to the STEP fund .  Applications are accepted twice per year.	Reserve \$1M in deobligated funds for STEP instead of allocating current year funds.  Accept applications as needed with no required cycle.	Participation in STEP has declined in recent years. Adjusting the funding source and timing will allow TDA to continue to fund appropriate projects without encouraging communities to submit applications prematurely to meet cycle deadlines.	Annual Action Plan  Texas Admin Code
Texas Capital Fund – Infra/Real Estate	All program income is used for Infrastructure/Real Estate.	Divide program income between all TCF programs.	Allows all TCF programs to access additional funds without redirecting the annual funding.	Annual Action Plan
TCF – Main Street & Downtown Revitalization Programs	Approx. 2.6% of the annual CDBG funds are allocated to MSP and DRP.  Maximum award for MS/DRP is \$150,000. Typically 12 projects are funded per year.	Increase the maximum award to \$250,000.  Supplement the MS/DRP allocation with program income, up to \$500,000	Construction costs have increased over time, and the current amount is not an efficient project size; additional program income is needed to ensure that at least 8 projects are funded.	Annual Action Plan
TCF – Small and Micro Enterprise Revolving Fund	n/a	New fund category funded through program income (\$1.5M).  Provides awards of \$100,000 to local partnerships (city/county and non-profit organization) for loans to local businesses creating and/or retaining jobs. Priority to partnerships serving wide areas.	Supporting small businesses is a priority for TDA. This program establishes a local revolving loan program for continued economic stimulation.	Annual Action Plan  Texas Admin Code

Fund Category	Current	Proposed for 2016	Reason for Change	Requires Change To
Colonia Fund	Maximum award for CEDAP and Colonias-to-Cities Initiative is \$500,000	Increase maximum award to \$1M for both CEDAP and Colonias-to Cities Initiative	Maximize the use of Colonia Funding for effective projects, particularly if HUD increases the colonia set-aside from 10% to 15% of the annual funds.	Annual Action Plan
Disaster Relief / Urgent Need	\$1M in deobligated funds is reserved for UN	Reassign reserved funds from UN to Disaster Relief, but allow deob funds to be moved to UN as needed.	Increase funds available early in the year for Disaster Relief Fund.	Annual Action Plan
Community Enhancement	Maximum award for CEF is \$350,000.	Increase the maximum award to \$500,000.	Stakeholder feedback indicates that many ideal projects cannot be completed with the existing funding level.	Annual Action Plan