

**BOROUGH OF CARLISLE**

**PROPOSED PROGRAM YEAR 2023**

**(July 1, 2023 – June 30, 2024)**

**COMMUNITY DEVELOPMENT BLOCK GRANT BUDGET**

**&**

**ACTION PLAN**

*Respectfully submitted by:  
Susan D. Armstrong, Borough Manager*

Borough of Carlisle  
Community Development Block Grant  
2023 Proposed Budget

**PY 2023 Allocation    \$357,685.00**

|    |   |                 |
|----|---|-----------------|
| 1. | Rehabilitation: Owner-Occupied Housing – Borough-wide                   | 50,000.00       |
| 2. | Rehabilitation: Owner-Occupied Housing – Delivery Service               | 5,000.00        |
| 3. | Rehabilitation: Energy Assistance Program – LMI                         | 20,000.00       |
| 4. | Rehabilitation: Energy Assistance Program Assistance – Delivery Service | 2,000.00        |
| 5. | Rehabilitation: Code Enforcement: LMI Areas                             | 90,000.00       |
| 6. | Public Services: Community Center Utilities Payments                    | 3,561.00        |
| 7. | Public Services: Hope Station Utilities Payments                        | 4,850.00        |
| 8. | Public Services: Community Policing Activities                          | 8,000.00        |
| 9. | Public Services: Anthology Project                                      | 10,000.00       |
| 10 | Public Facility: Fairground Avenue Parcel Public Space Project          | 5,000.00        |
| 11 | Public Facility: Fairground Linear Park Recreation Development          | 41,124.00       |
| 12 | Public Facility: Tree Program/Beautification                            | 15,000.00       |
| 13 | Public Facility: Sidewalk Assistance Grant Program                      | 15,000.00       |
| 14 | Public Facility: LED Lighting Project                                   | 9,000.00        |
| 15 | Rehabilitation: Streetview Grants                                       | 20,000.00       |
| 16 | Rehabilitation: Commercial Shopsteading Loans                           | 35,000.00       |
| 17 | Planning & Administration: Redevelopment Authority Admin Costs          | 50,000.00       |
| 18 | Planning & Administration: Borough Administration Costs                 | 2,150.00        |
| 19 | Planning & Administration: Audit Costs                                  | <u>2,000.00</u> |

TOTAL: \$387,685.00

PY 2022 ALLOCATION    \$357,685.00

Program Income:    \$ 30,000.00

\$387,685.00

**CDBG Proposed Use of Funds  
BUDGET NARRATIVE  
Program Year 2023 (7/1/2023 - 6/30/2024)**

**1. Rehabilitation: Housing -Borough-wide - \$50,000.00**

The Borough adopted this program in 1977. It has been very successful in helping low/moderate income homeowners renovate and maintain their homes through the provision of rehabilitation grants. Many of the recipients are low-income elderly who would not be able to maintain their properties and likely fall victim to code violations.

In 2008, Carlisle Borough Council voted to modify the program from a grant-based program to a zero percent interest deferred loan program. Applicants are provided the same level of funding resources as the previous program but are required to repay the loan with no interest when the property is transferred or sold. The modified program is now consistent with the Cumberland County's CDBG Program and will result in future program income for the Borough.

Historically, because of the program's popularity and its impact on the Borough's aging housing stock, a substantial portion of the annual CDBG grant is allocated to this rehab program.

Staff recommends funding at the same level as last year.

*Note: Following provides a three year snapshot of use of these funds:*

*PY 2018 (7/1/2018-6/30/2019): \$45,440.77 was provided to three households for roof repairs, new furnaces, plumbing, electrical work, and miscellaneous interior work.*

*PY 2019 (7/1/2019 – 6/30/2020): \$50,034.50 was provided to three household for roof replacement, installation of new cabinetry/flooring, window replacement, electrical repairs, hot water boiler repairs, HVAC code compliance.*

*PY 2020 (7/1/2020 – 6/30/2021): \$32,970.26 was provided to four households for eligible household rehabilitation projects.*

*PY 2021 (7/1/2021 – 6/30/2022): At the writing of the report in PY 2022, \$19,460.00 was provided to one household for eligible household rehabilitation projects.*

*PY 2022 (7/1/2022 – present): Approximately \$53,000 has been drawn down and provided to nine households for rehabilitation projects.*

**2. Rehabilitation: Housing - Delivery - \$5,000.00**

The Redevelopment Authority of Cumberland County is permitted to collect up to ten percent (10%) of the project cost to offset administrative costs in overseeing projects related to the aforementioned Owner Occupied Rehab Program. Their work includes developing project specifications, preparing work write-ups, contractor selection, compliance with Federal and/or State regulations, and construction management.

**3. Energy Assistance Program – LMI - \$20,000.00**

The Borough proposed this new activity last year as part of its ongoing Climate Action and sustainability objectives. The program is envisioned to provide financial assistance to owners of properties in the Borough of Carlisle for home improvements to increase energy efficiency. This is a

grant-based program for low to moderate income eligible homeowners in exchange, property owners shall be required to remain in their homes for a minimum of five years. If the property is sold within the five year period, a portion of the grant shall be repaid to the Borough through a declining lien provision agreed to by the owner at the time of grant acceptance.

The ultimate goal of the program is to implement a program that can provide energy efficiency improvements to reduce household energy burdens and to address barriers often faced by low and moderate income households. Barriers such as lack of upfront capital is one primary reason that the Borough staff is proposing to launch this program as a grant-based program versus a loan program.

Eligible costs include replacement of doors and windows and installation of insulation.

*NOTE: The Borough set aside \$20,000 in PY 2022 for this activity and proposes the same level of funding for PY 2023.*

**4. Rehabilitation: Energy Assistance Program – LMI - \$2,000.00**

The Redevelopment Authority of Cumberland County is permitted to collect up to ten percent (10%) of the project cost to offset administrative costs in overseeing projects related to the aforementioned Energy Assistance Program. Their work includes developing project specifications, preparing work write-ups, contractor selection, compliance with Federal and/or State regulations, and construction management.

**5. Code Enforcement in LMI Areas - \$90,000.00**

This line item reflects the process to reimburse the General Fund for code enforcement work done in the LMI census tracts. In 2006, Council approved hiring one additional full time code enforcement officer to work solely in low/moderate income census tracts. Consequently, the Code Office complement was increased from three to four individuals (included in that figure was the former P/Z/C Manager).

This salary allocation is done on an hourly basis (including benefits and payroll taxes) for any employee who conducts code enforcement activities within the LMI designated tracts. These funds greatly assist the Borough in addressing General Fund budgetary constraints while also retaining a level of service necessary to meet our quality of life standards.

Staff recommends the same level of funding as last year.

*The funding level for this particular activity has been adjusted periodically. Funding was increased to \$69,000 in 2011; \$70,000 in 2017; and, \$80,000 in 2018. The budget line increased to \$90,000 in PY 2022 and staff is recommending that same level of funding for PY 2023.*

**6. Public Services: Community Center Utility Payments - \$3,561.00**

The Stuart Community Center, 415 Franklin Street is a 36,491 square foot structure that is the Borough's primary recreation facility. Annual utility fees for this structure are approximately \$35,610.00.

The Borough anticipates that 3,600 square feet of space on the second floor will be leased to a minority-owned daycare center for children.

The Borough shall fund a portion of the center's utility bills through use of its CDBG allocation in order to support programming and equity among communities of color, which is consistent with the Borough of Carlisle Council's biennial objectives.

**7. Public Services: Hope Station Utility Payments - \$4,850.00**

In 2001, the Borough began providing utility payments to subsidize the operating costs of the former railroad station, now home to Hope Station. As noted earlier in this briefing, Hope Station supports a number of programs and services for persons in the Borough's low/moderate income census tracts.

Staff recommends the same level of funding as last year.

*NOTE: In 2017, we reduced the utility reimbursement budget line after carefully analyzing utility costs revealed Hope Station's average annual costs were \$4,500.00. A small contingency was built in to account for rate increases.*

**8. Public Services: Community Policing - \$8,000.00**

The Borough proposes allocating CDBG to support advancements in community policing - positive interaction between the Carlisle Police Department and the community. Several examples of community policing advancements include attendance at neighborhood meetings, support and participation at community events, use of foot and bicycle patrols, holding crime prevention meetings with community groups, etc., and K-9 Jackson who under Handler Stover is utilized for citizen engagement policing.

**9. Public Services: Anthology Project - \$10,000.00**

The Borough proposes allocating CDBG funds for the purposes of potentially funding a project envisioned to compile an anthology of Black burial grounds and properties of historical distinction and an accompanying education component.

At the writing of this report, staff has reached out to the Cumberland County Historical Society regarding this potential initiative and possibility of a partnership. For the purposes of CDBG Program Year 2023, staff requests that Council consider allocating funding understanding that this initiative is only at the conceptual level.

*Note: This project is consistent with the Carlisle Borough Truth and Reconciliation Commission's "Arts and Public Education" Recommendation #5 and formally endorsed by Council Resolution #02-09-2023-01.*

**10. Public Facility: Fairground Avenue Project - \$5,000.00**

Borough Council elected to acquire a 0.21-acre parcel of undeveloped property situated on the west side of Fairground Avenue just north of the Norfolk Southern railroad tracks as part of the overall Carlisle Urban Redevelopment plan.

CDBG funds shall be used to advance the design and installation of a small rain garden with perennial plant features in the lowland area, an educational sign about the public benefits of green space and the addition of two permanent benches at the sidewalk leading to the adjacent linear park.

*Note: Borough Council set aside \$10,000 in CDBG funding in PY 2022 for this project. The additional \$5,000 funding will greatly assist in the development of this parcel.*

**11. Public Facility: Fairground Linear Park - \$41,124.00**

Funds are proposed to be used toward the ongoing development of Lots A and D of the Fairground Avenue Linear Park. The total anticipated cost for this development is in excess of \$750,000.

*Note: To date, the Borough has been successful in leveraging state and federal grant funding and Borough General Funds to advance the linear park's development in the northwest quadrant of the Borough. CDBG funds totaling \$100,000 have been expended to date for this project.*

**12. Public Facility: Tree Program - \$15,000.00**

This project involves providing grants to low and moderate-income property owners who are identified by the Borough as needing to replace Borough shade trees in the front of their properties. The grant shall provide up to \$3,000 for the removal of a tree as approved by the Borough contingent upon a Borough approved replacement planting occurs.

*Note: This program will help advance the Truth and Reconciliation Commission's "Housing and Neighborhood Vibrancy" Recommendation #2 to provide natural cooling of houses through tree canopies and which was formally endorsed by Council Resolution #02-09-2023-01.*

*This grant, along with the Sidewalk Repair Program grant outlined below, and the Borough's free shade tree program are envisioned to help address inequities in terms of neighborhood vitality.*

**13. Public Facilities: Sidewalk Repair Program - \$15,000**

Carlisle Borough administers a sidewalk inspection and maintenance program to guarantee barrier-free public access throughout the community for all ages and varying physical limitations. The program originated in 1985 and was modified in 1997 to provide sidewalk inspection on a 10-year rotating basis.

The Sidewalk Assistant Grant Program helps qualified individuals in the event their sidewalks need replaced. Program guidelines include, but are not limited to SAG recipients must own and reside in the dwelling where curb and sidewalk work is required; recipients must be deemed low or moderate-income based on HUD's income limits by family size.

Grants of up to \$3,000 or 100% of the project costs, whichever is less, may be made to low-income homeowners. Grants of up to \$2,100 or 70% of projects, whichever is less, may be made to moderate-income homeowners. Funding is for the replacement of deficient curb and sidewalk only.

*Note: This program will help advance the Truth and Reconciliation Commission's "Housing and Neighborhood Vibrancy" Recommendation #2 formally endorsed by Council Resolution #02-09-2023-01.*

*This grant, along with the Tree Program grant outlined above, and the Borough's free shade tree program are envisioned to help address inequities in terms of neighborhood vitality.*

**14. Public Facility: LED Lighting Project - \$9,000.00**

Funds are proposed to be used to cover costs associated with the downtown lighting project's installation costs, which is a reimbursable activity.

## **15. Rehabilitation: Streetview Grants - \$20,000.00**

Council established a commercial façade program in the downtown through its CDBG Program in 1990. The program allowed commercial uses in the C-1 District to apply for funding to renovate the front facades of commercial buildings. The program has been modified three times (2007, 2014 and 2017).

This is an allowable activity in the CDBG area under the slums/blight determination.

*Note: Below is a snapshot of Streetview Grants' allocations from PY 2018 through PY 2022*

*PY 2018 (7/1/2018 – 6/30/2019): Three (3) Streetview grants were issued - Caprice Properties, 139 West High Street; Eric Storms, 133 South Hanover Street; and, Hook & Flask, 137 North Hanover Street.*

*PY 2019 (7/1/2019-6/30/2020): Two (2) Streetview grants were issued - Market Cross Pub and Carlisle Antique Mall.*

*PY 2020 (7/1/2020-6/30/2021): \$0.00*

*PY 2021 (7/1/2021-6/30/2022): \$0.00*

*PY 2022 (7/1/2022 – present): Two (2) Streetview grants have been approved – Barbara Owens, 21 East Louther Street, \$2,000 and Caprice Properties, 10 North Pitt Street will be provided \$12,500 once facade project is finalized.*

## **16. Economic Development: Shopsteading Loans - \$35,000.00**

Borough Council has used Community Development Block Grant funds for economic development loans consistent with the U.S. Department of Housing and Urban Development's requirements. Business loans may be provided to for-profit businesses within the Borough's C-1 District. Currently, a business must create one full-time equivalent job for every \$35,000.00 loaned and the job(s) must be created for low-to-moderate income employees.

*In PY 2018 (7/1/18-6/30/19) one loan issued – Sunrise Café, \$35,000*

*In PY 2019 (7/1/19-6/30/2020) two loans issued – Nothing Sweeter Bakery, \$15,000; and, Transformation Fitness, \$35,000*

*In PY 2020 (7/1/2020-6/30/2021) one loan issued - Dough & Arrows, \$50,000*

*PY 2021 (7/1/2021-6/30/2022): \$0.00*

*PY 2022 (7/1/2022-present): one loan issued – 360 Dance Fitters, \$50,000*

## **17. Planning & Administration: Redevelopment Authority Administration Fee - \$50,000.00**

These funds are provided to the Redevelopment Authority to administer the Community Development Block Grant Program on the Borough's behalf. Specifically, the Redevelopment Authority supplies personnel to write the grants, monitor program compliance, maintain financial records and accounts, complete environmental reviews, and assure that the program is complying with current rules and regulations.

Staff recommends the same level of funding as last year.

**18. Planning & Administration: Borough Administration Costs - \$2,150.00**

These funds will reimburse the General Fund for all work done by Borough staff in the administration of the CDBG Program. This includes partial salaries, benefits, and payroll taxes for the Assistant Borough Manager. Some of the work, which is reimbursed, includes monthly program reviews, writing monthly reports, completing program amendments, attending public hearings, monitoring program performance, developing contract specifications, etc.

**19. Planning & Administration: Audit - \$2,000.00**

HUD regulations require that an annual single audit be performed on the program.

Staff is proposing the same level of funding as last year.