

APPENDIX A
PUBLIC COMMENTS
REGARDING
PROPOSED CDBG
ACTION PLAN

Jackson, Shea

From: Hester, Joey
Sent: Friday, January 07, 2011 4:30 PM
To: Jackson, Shea
Cc: Morrison, Neal; Millican, Nora
Subject: RE: From the Office of Shabbir Olia RE: Comments/Suggestions CDBG PY2011 Action Plan/Public Hearing

Shabbir,

In regards to the CDBG PY2011 public hearing this coming Monday, January 10th I would like to make the following suggestion....

Consider including "broadband" as one of the types of infrastructure (see excerpt below from public hearing notice) eligible for CDBG funding in places with 51% LMI.

"The 2011 Consolidated Plan indicates infrastructure needs throughout all of the State's CDBG-eligible counties in the areas of water, sewer, roads, and drainage."

Broadband is a critical infrastructure in the 21st century and just as important for economic development, education, and overall quality of life. Of course, I realize that there is never enough funds to fund all of the needs in Alabama, but this would add a new dimension to the program. Also, it would support the new Connecting Alabama Broadband Initiative. Thanks in advance for your consideration and Happy New Year.

Sincerely,

Joey Hester, AICP
Director of Planning
NARCOG
Decatur, AL

From: Jackson, Shea
Sent: Thursday, December 09, 2010 3:53 PM
To: Acuff, Terry; Armistead, Marilyn Culliver ; Armstrong, Rachel; Austin, Ellen; Ball, Charles; Barnes, Jessica; Barnhill, Barbara; Blankenship, Cherrri; Estes, Ashton; Burnett, Diane; Caler, Robin; Campbell, Louise; Clark, Greg; Coberly, Ed; Corwin, Bob; Curtis, Bill; Davis, Jean D.; Delaney, Tracy; Dobson, Frank; Dobson, Frank; Erwin, Kim; Ewing, David; Fathke, Donna; Glenn Diane; Haigler, Michelle; Hammond, Kimberly; Herron, Lenwood; Horton, Tiffany; Johnson, Cory; Jones, Keith ; Kessler, Kevin; Landholm, Dawn; Loftin, Betty; Matthews, Peggy; McFarland, Billy; McKean, Stacey; Monroe, Susan; Morris, Sandra; Morrison, Neal; Morton, Olan; Murray, Yvonne; Piper, Chastidy; Riggs, John Clyde; Rosene, Jean; Sandt, Lisa; Sherrod, Charles; Slaton, Brian; Smith, Marilyn; Snipes, Farrington; Solomon, Tom; Thomas, Randy; Towry, Ken; Tucker, Bill; Turbyfill, Carole Jo; Waters, Emily; Watts, Bob; Wheat, Raymond; Wilkerson, Brandy; York, Leslie; Barber, Alaceia; Blankenship, Lucas ; Brooks, Kenneth ; Byard, Sara; Chancey, Glenda; Crouse, Jim ; Culver, Bob; Dorward, Kelly ; Farmer, Scott; Galbraith, Janey ; Hester, Joey; Howard, Tyson; Lake, Robert; McFarland, Billy; Millican, Nora; Millican, Nora ; Mitchell, Dottie; Monroe, Paul; Pruitt, Jeff; Schafer, Del; Scott, Barbara; Thornton, Dave; Thornton, Sarah; Webb, Stacey; Windham, Andrew; Anderson, Ginny; Donaldson, Sandra; Flennory, Lee; Gray, Shonda; Hubert, Kate; Jackson, Shea; Jones, Al; Neighbors, Maureen; Olia, Shabbir; Patterson, Elaine; Peavy, Sandra; Streeter, Johnnie; Thomas, Jan
Subject: From the Office of Shabbir Olia RE: Comments/Suggestions CDBG PY2011 Action Plan/Public Hearing

The CDBG PY2011 public hearing is scheduled for January 10, 2011. Please let us know, ASAP, if you have any comments or suggestions you would like us to consider for the CDBG PY2011 Action Plan. You can forward your comments or suggestions via mail or an email.

Thank you.

Shabbir Olia

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR



State of Alabama

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

DONI M. INGRAM
DIRECTOR

January 11, 2011

Joseph F. Hester, AICP
Director of Planning
North Alabama Regional Council of Governments
Post Office Box C
Decatur, Alabama 35602

Dear Mr. Hester:

Thank you for your email of January 7, 2011, regarding the 2011 Consolidated Plan in which you suggest that "broadband" be considered as one of the types of infrastructure eligible for CDBG funding. We will take your suggestion under advisement.

Thank you for your interest in the Community Development Block Grant Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Shabbir A. Olia".

Shabbir A. Olia
CED Programs Manager

SAO:GA:sj

W. HARDY McCOLLUM
CHAIRMAN

MELVIN L. VINES
COUNTY ADMINISTRATOR

WILLIAM M. LAMB
CHIEF FINANCIAL OFFICER



MEMBERS
DON WALLACE
GARY YOUNGBLOOD
BOBBY MILLER
REGINALD MURRAY

COUNTY COMMISSION

TUSCALOOSA COUNTY ALABAMA
P.O. Box 20113 • 714 GREENSBORO AVENUE
TUSCALOOSA, ALABAMA 35402-0113
205-349-3870

December 29, 2010

Mr. Shabbir Olia, CED Programs Manager
Alabama Department of Economic and Community Affairs
401 Adams Avenue
PO Box 5690
Montgomery, AL 36103-5690



RE: PROPOSED PY 2011 ACTION PLAN

Dear Mr. Olia:

Tuscaloosa County would like to make comments and suggestions regarding the proposed PY 2011 Action Plan for the Community Development Block Grant Program prior to the hearing on January 10, 2011. We will be present for that hearing and may make additional comments and also may make additional comments during the thirty day comment period thereafter.

Tuscaloosa County is in need of attracting new industrial opportunities which will provide jobs, particularly jobs which fit the criteria to benefit low and moderate income persons and households. Our County has shown a record of tremendous results in doing this very thing and we have several opportunities for sites that will certainly attract new business or industry that will create a significant number of these job opportunities. Our main concern in making these suggestions is that, while we do not have a new industry or industries identified for a location in Tuscaloosa County, we feel very strongly that we must develop the sites that we have currently identified with access roads, utilities, site improvements and other related investments, in order to compete and be successful in having new industries locate here which, in turn, will accomplish our job creation purpose. We continue to work with other agencies and organizations such as the Industrial Development Boards and the Chamber of Commerce, as well as coordinating with efforts at the State level, and if we create a site or sites for convenient location and immediate access, we feel strongly that we will attract the needed employers in a relatively short period of time. Without the developed property, this makes our challenge much greater and we would like to see the Action Plan amended to allow communities like us to utilize the funds that may be available in the program to its best use.

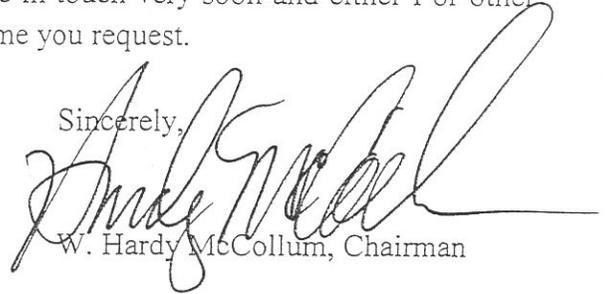
We are also very aware that ADECA would like to be protected with its investments in projects such as this, and we would suggest that a repayment agreement be in place in the event

Mr. Shabbir Olia
Page 2
December 29, 2010

that new jobs are not delivered within a reasonable time frame. We would also like to see some provisions which would result in a conversion of the funds to either grants or loan forgiveness in the event that substantial numbers of jobs are, in fact, created.

We very much appreciate your consideration of these concerns and very much look forward to talking with you. Farrington Snipes will be in touch very soon and either I or other members of the Commission will be available at any time you request.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Hardy McCollum", written in a cursive style.

W. Hardy McCollum, Chairman

WHM/ke

cc: Tuscaloosa County Commission
Farrington Snipes, Director

REQUESTED CHANGES
PY 2010
ACTION PLAN

COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM

STATE OF ALABAMA

Following are proposed amendments to the PY 2011 Action Plan for the Community Development Block Grant Program and are described according to the page numbers of the 2010 CDBG Action Plan:

a. On page 1 it is proposed that the Funding Allocation for the Economic Development Fund which is currently in the sum of \$6 million, be increased based upon the anticipated need for that funds out of the total allocation.

b. On page 4 the description of the ECONOMIC DEVELOPMENT FUND should be amended to say that economic development projects may include either “. . . new or existing industries or a project contemplated to attract such an industry intended to create jobs. . .” By adding this language with the additional provisions for repayment as described below, there would be an immediate impact on efforts to attract new industry which has not already been identified or committed in a particular county or community.

c. On page 8 of the Plan, we recommend that the Maximum amount shown for “ED Grants” be raised from \$200k to a figure which would have more impact on projects that are anticipated to create a significant number of jobs, and also projects where a repayment schedule is secured in the event that does not incur.

d. On page 13, the criteria for applicants for an ED Grant should be allowed to make application for “. . . a new or existing industry. . .” or “. . . a project contemplated to attract such an industry intended to create jobs . . .” That would allow Tuscaloosa County or other qualified applicants to invest grant funds on sites that are contemplated to attract new industries in coordination with other efforts by local and state agencies and departments within a reasonable period of time.

e. On page 14, the criteria for the “THRESHOLDS” should also be amended to allow that activities be associated with either a “. . . new industry or expansion of an existing industry generally creating 15 or more jobs. . .” to allow for association with “. . . a project contemplated to attract such an industry intended to create jobs. . .” This would allow for investment in locations which would be ready for immediate creation of a new industry that would otherwise meet the intended job creation purpose.

The provisions for "ED FLOAT LOANS" should be amended so that any funds, or a portion thereof, which are loaned in connection with the Program may be either written off or converted to grants in the event that a sufficient number of jobs are created that meet the criteria of the fund. We suggest that the following sentence be added to this criteria:

"The State shall determine a reasonable schedule for either (i) write offs, or (ii) conversion to grant, of any of the ED Float Loan which results in the creation of jobs in accordance with all other criterias of the Program."

f. Also on page 18, we would suggest that the criteria for "ELIGIBLE ACTIVITIES" be amended to include activities that are ". . . relating to a new or existing industry or a project contemplated to attract such an industry intended to create jobs. . ."

Tuscaloosa County respectfully requests that these amendments be considered so that funds can be made available for the purpose of attracting job creating industries that will have an immediate impact, and in the event those funds do not create the jobs anticipated, the State is able to recover those funds for use on other projects.

This instrument prepared for:
W. Hardy McCollum, Chairman
Tuscaloosa County Commission
714 Greensboro Avenue
Tuscaloosa, AL 35401

OFFICE OF THE GOVERNOR

BOB RILEY
GOVERNOR



ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

DONI M. INGRAM
DIRECTOR

State of Alabama

January 12, 2011

The Honorable W. Hardy McCollum
Chairman of Tuscaloosa County Commission
Post Office Box 20113
Tuscaloosa, Alabama 35402-0113

Dear Chairman McCollum:

Thank you for your December 29, 2010, letter offering comments about the Program Year 2011 Action Plan for the Community Development Block Grant (CDBG) program. Your suggestion entails the CDBG program to accommodate economic development activities in situations where no specific industries are identified. Instead, the community would request funds to prepare sites with roads, utilities, and site improvements in order to successfully compete in locating an industry. The current CDBG requirements limit economic development project requests to only those where specific industries are identified and which have committed to create jobs.

Your concept certainly has merits and would be ideal if ADECA had large sums of funds to distribute. With only a limited amount of funds, which have precipitously declined in the last several years, we constantly have to monitor how these funds are expended to ensure that all eligible deserving projects receive ADECA assistance. Often, these needs are greatest in small, poor communities that have limited resources, if any, to address needs on their own. In addition, there are difficult administrative issues including the one related to reimbursement of funds when no jobs are created. Even under the current conditions, when a project fails to create the required number of jobs, it is extremely difficult to collect reimbursements from these communities. This unfortunately leads us to the conclusion, that if the community has the ability to repay the money in an event jobs do not materialize, then maybe the community could have done the improvements without CDBG assistance.

Tuscaloosa County has been among the handful of communities that have benefitted most from the CDBG economic development program. This has been the case largely because of our careful monitoring of the distribution of CDBG-ED Funds. Otherwise, in many years there would have been no funds available for us to assist with the projects that we were able to assist.

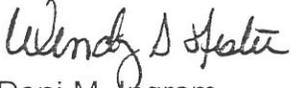
The Honorable W. Hardy McCollum

Page 2

January 12, 2011

I again wish to thank you for your comments. Please do not hesitate to call me if you have any questions.

Sincerely,



for Doni M. Ingram
Director

DMI:SAO:sj



Galbraith & Associates, L.L.C.

Development Consultants

1900 Schillinger Road South, Mobile, Alabama 36695

Telephone: 251/633-6727 Fax: 251/633-2099
e-mail: grantslady@msn.com

January 19, 2011

VIA EMAIL

Mr. Shabbir Olia
Alabama Department of Economic and
Community Affairs
401 Adams Avenue
Suite 580
P.O. Box 5690
Montgomery, AL 36103

Re: 2011 Action Plan

Dear Mr. Olia:

On January 14, 2011 the Alabama Department of Economic and Community Affairs held a public hearing to present the proposed action plan for its CDBG and other programs for the year 2011. I would like to take this opportunity to comment on the Action Plan for the CDBG program. It was stated that the proposed 2011 Action Plan would not change from the existing 2010 Action Plan. Therefore my comments are based on the 2010 Action Plan as shown on the ADECA website.

My comments are as follows:

1. In order to maximize participation in the face of a possible significant reduction of Federal Funds to the State of Alabama I would recommend that you eliminate the very small city fund. I believe the competition for the very small cities in 2010 met the needs of the underserved very small city group.
2. Also in the face of a reduction of funds I would recommend that all applicants be restricted to one competitive fund application (no limit on economic development fund applications). Each applicant should be forced to choose the competitive fund such as small city, large city or county fund or the Community Enhancement Fund. Applicants should not be allowed to submit applications for both categories. It is important that each applicant is



Page Two

thoroughly committed to his grant application. Limiting the applications to one application will encourage the communities to select the project that is most important to them and will discourage politically motivated applications.

3. I would recommend that each applicant be required to provide matching funds, even if it is a very small amount, perhaps 10% of the grant amount. It has been my experience that when a community has to inject some of their own funds into a project they examine it very carefully and ensure that this is indeed a worthy project.
4. I would suggest that the rating criteria be adjusted to eliminate the points for involvement of faith based or community based organizations and to eliminate the points for past award history for the large city, small city and county funds, but possibly keep these points in the community enhancement fund. When you are extending a water or sewer line it is very difficult to involve a faith based or community organization. Some of the very rural communities and counties do not have an array of organizations such as these that have the capacity to participate in the program. I believe that the awarding of bonus points for Past CDBG award history in the 2010 funding cycle resolved any inequalities that existed. I see no reason to continue with those points; it may even result in the funding of inferior projects.
5. Finally, I found the streamlined application format to be very easy to explain to the elected officials. A grant application should not be overly complicated to the point that the elected officials cannot read and understand it without assistance. I see no need to eliminate any reference to the name of the grant writer on the application.

I have participated in the CDBG program since its inception in 1982. I believe that the program is functioning very well. I commend you and your staff for making this possible.

Sincerely,


Janey Galbraith

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

January 27, 2011

Ms. Janey Galbraith
Galbraith & Associates, LLC
1900 Schillinger Road South
Mobile, AL 36695

Dear Ms. *Janey* Galbraith:

Thank you for your email of January 19, 2011, regarding the proposed PY2011 Community Development Block Grant Action Plan in which you made suggestions concerning the Very Small City Fund, local match, rating criteria, and the application format.

We will take your suggestions under advisement.

Thank you for your interest in the Community Development Block Grant Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Shabbir A. Olia".

Shabbir A. Olia
CED Programs Manager

SAO:GA:sp

EWING-CONNER AND ASSOCIATES, INC.

Post Office Drawer 6805
Dothan, Alabama 36302-6805
(334) 793 – 7695

January 20, 2011

Mr. Shabbir Olia, CDBG Program Manager
ADECA
P.O. Box 5690
Montgomery, Alabama 36103-5690

RE: FY 2011 CDBG Application and Rating Process

Dear Mr. Olia:

As you are aware I have been in this business since ADECA took over the administration of the Small Cities CDBG program from DHUD in 1982. As you will remember, I served with you on the "original" technical advisory committee appointed by then Governor Fob James to help set forth the rules, regulations and composition of the CDBG program to be administered by ADECA. Over the past twenty-eight (28) years, ADECA has tweaked the application process and the rating criteria in an effort to enhance the funding potential of its applicants and/or achieve a more equitable distribution of its CDBG monies. These tweaks have included bonus points to applicants that had never received funding approval to reduction in local match requirements for full points on local match commitments. These changes have always been above board and with the involvement of ADECA staff personnel and persons involved in the development of and administration of CDBG projects. For several years, ADECA would host "technical assistance" meetings with private consultants and regional planning commission personnel to assess the CDBG program and rating criteria. These meetings in my mind were insightful and brought many ideas and suggested changes to light. However, this past year's CDBG program and process seem to have taken form in a cloud of secrecy and the final application process and subsequent rating process relatively foreign to some of those who provided technical assistance to ADECA personnel in the "redesign" of the overall program.

Mr. Olia, let me state without revocation that I have a tremendous amount of respect for you and your staff as I really think everyone's intentions are good and that they want a level playing field for all potential applicants for CDBG assistance. For the most part your staff has excellent experience and understanding of the goals and objectives of the CDBG program and have always conducted themselves in a professional and helpful manner. However, being on the other side of the fence so to speak; i.e., developing applications and administering CDBG projects, I herein respectfully submit the following for your consideration relative to the FY 2011 CDBG application and rating process:

- (1) In the past during the application process interaction was encouraged between those that were developing the application and staff personnel of ADECA. Often times there are different ways of presenting a project to ADECA for funding consideration and discussion with ADECA staff personnel has been invaluable in seeking the most appropriate way to present a project. Although I have been in this business since 1975 and have secured funding approval on 151 CDBG projects exceeding \$ 47.25 million in grant assistance, I find that discussion with ADECA staff personnel on how to present potential projects often times

sheds light on elements of the project that I have not thought of. The staff's ideas and discussion have been very valuable to me and many others during the devilment of applications requesting CDBD assistance. Furthermore, I have been readily available and willing to discuss with ADECA staff members on how I would address certain situations and or remedy certain problems when requested. On more than one (1) occasion, I have spent several hours with ADECA's rehabilitation specialist discussing how to manage a successful housing rehabilitation program and what to look for in terms of potential "red" flags. Likewise, when requested by the ADECA staff I have shared my knowledge with other persons managing CDBG projects on how to achieve the goal of a successfully managed and administered project. Shabbir, this past year (FY 2010) we were required to submit applications that made no reference to who the grant writer was and were instructed not to discuss potential projects with any staff personnel other than yourself. This shroud of secrecy concerns me as we are all in this together with the singular goal of administering a successful CDBG program at every level. I would strongly encourage ADECA to once again open up the line of communication between its staff and those of us who are developing CDBG applications as the sharing of ideas and shaping of potential projects is educationally beneficial to all parties involved. ADECA has always encouraged "technical assistance" that is available to those who request it and I cannot think of a more valuable technical assistance tool than being able to discuss potential projects and how to present them with your staff at the time of application development. Also, I think that the application should show who is responsible for its development as should any questions arise during its rating, ADECA would know who to contact for explanation, etc. I have heard all the past innuendoes about how ADECA is favoring private consultants, then they are favoring Regional Planning Commissions with their funding decisions; however, by requesting the submissions of applications that do not indicate who developed them (secrecy theory) opens up a whole new realm of suspicions relative to funding approval.

- (2) Although the ADECA staff is very versed on the CDBG application and rating processes; personalities, personal opinions and opinions on how to rate different projects vary among the ADECA staff personnel that are charged with rating CDBG applications each year. It has been ADECA's history that each category of competitive applications; i.e., Small City, Large City, County and Community Enhancement Fund applications are rated by a two (2) staff member rating team. What is of great concern to me is how a project can rate so drastically different in two subsequent years even though the application has been improved from one year to the next. The only explanation for the drastic change in rating of the project it that the composition of the rating team changed. I offer the following as evidence of this contention. In 2008, the Town of Pinckard submitted a housing rehabilitation application that received 108 points under the Nature of Benefits category. The project was not funded and during the FY 2008 CDBG compliance workshop, this application was discussed at length with the rating team who offered suggestions on how to possibly strengthen the application. These suggestions were incorporated into Pinckard's application which was again submitted for CDBG funding under the FY 2009 funding cycle. This time the Nature of Benefits score totaled 73 points which represented a decrease of 35 points. It is my contention that the change in the rating team assigned to rate small cities applications is the only answer to a deviation of points of this magnitude under the Nature of Benefits category. Shabbir, I offer two (2) more examples wide disparities in the Nature of Benefits rating category...East Brewton (FY 2008 – 108 points and in FY 2009 – 73 points) and Flomaton (FY 2008 – 109 points and FY 2009 – 77 points). Again, it is my contention that the change in rating teams is the only explanation for this great of a deviation in points awarded under the Nature of Benefits category. It is extremely disheartening to submit an application that has been improved following discussion with the previous year's ADECA rating team and have the

Nature of Benefits score plummet 32-35 points the following year all because of a change in composition in the rating teams. Shabbir, I would respectfully request that the rating teams (or at the very least the lead rater) for each competitive category be put in place for a three (3) year period and then reassigned or rotated accordingly for another three (3) year period at ADECA's prerogative. I truly believe that consistency in the rating process would be achieved and this three (3) year window would level the playing field for all applicants in the Small, Large, County and Community Enhancement Fund categories. I hate to insinuate that the composition of the rating teams has or would dictate what type of application to submit, but the bottom line is certain ADECA staff personnel rate different type projects substantially different in terms of Nature of Benefits.

- (3) The FY 2010 application process and rating criteria eliminated local match as a rating criteria. I am totally against the elimination of local match as a rating component. While I understand that the state of the economy was utilized as justification for the elimination of the local match rating component, I strongly encourage ADECA to reinstate the local match component in its rating criteria as I feel that an applicant requesting \$ 400,000 to \$ 500,000 in CDBG monies should have "a dog in the fight" so to speak. During the development period for FY 2010 CDBG applications, I continually heard that there was up to \$ 500,000 in CDBG grant funds available with no match requirement from potential applicants. I feel that this is sending the wrong message about the CDBG program and feel very strongly that potential applicants should have a stake; i.e., local match injection, into any project they submit for potential funding approval. If a project is important enough to warrant requesting federal grant assistance from ADECA, then the community should be willing to make sacrifices relative to injecting local monies into said project. I have heard all the complaints that this is causing a hardship on smaller communities; however, I know that where there is a will there is a way. For example, the Town of Dozier (Crenshaw County) with a population of 361 persons of which 67.9% are of LMI classification has injected \$ 408,000 in local matching monies and leveraged \$ 84,000 in homeowner match to secure funding approval on six (6) CDBG projects dating back to 1987. This equates to a local match of \$ 82,000 per successful project for a Town with a resident population of 361 persons. All of the projects that received funding approval were extremely important to Dozier and their local match commitments showed they were willing to participate financially in each project; i.e., the project was important to them.
- (4) Under the FY 2010 application rating process part of the rating system awarded points under the Impact Section for "number of persons including LMI persons benefiting from the project". Projects were grouped into 5 categories where those with the highest number of beneficiaries would receive 9-10 points and those with the lowest number of beneficiaries would receive 0-2 points and those with numbers falling in between receiving 3-8 points. While I cannot argue that those projects impacting the greatest number of beneficiaries should somehow receive credit for impacting a larger number of beneficiaries, this factor has been accounted for under the "cost per beneficiary" component in the rating system to some degree. I firmly believe that points should be awarded for benefit to LMI persons in addition to points being awarded for total number of beneficiaries on a proposed project. In addition to the absolute number of beneficiaries rating criteria, I propose that ADECA include a "scale" for awarding points for LMI benefit on each project. The suggested scale I propose is 51% - 55% LMI 1 point and; thereafter, 1 point for each additional 5 percent LMI benefit, not to exceed 10 points. A project with LMI benefit of 95-100% would receive the full 10 points and projects between 55% and 95% would receive 1 points for each 5 percent increment. Therefore, the rating criteria for project benefit would total 20 points with 10 points associated with number of beneficiaries and 10 points associated with LMI benefit of each project.

- (5) I do not agree with awarding points under the newly created "distress" category which ties point awards to unemployment rates and participation rates in the Food Assistance Program. A number of counties and municipalities have continued to prosper and grow even during the recent recessionary period in our State. These communities have continued to seek business and industry and have been able to weather the storm so to speak. The expenditure of CDBG monies in these areas of the State will reap more rewards than targeting CDBG monies to severely depressed counties and communities throughout the State. These severely depressed areas have little to offer in terms of attracting business and industry in an effort to promote economic growth and permanent job creation. Perhaps ADECA should consider a "needs factor" rating component as it has in the past; however, I do not agree with awarding points based on unemployment rates and participation in the Food Assistance Program.
- (6) As part of the application process, an applicant is responsible for determining its own community development need that needs to be addressed. While the needs addressed differ from applicant to applicant, ADECA should not attempt to sway applicants in what type projects should be submitted or imply what type projects stand a better chance of gaining funding approval. Over the past several funding cycles it has appeared that ADECA has treated housing rehabilitation programs as CDBG's "red-headed" step child. Several years ago it was not uncommon for ADECA to approve 8-10 CDBG housing rehabilitation projects per funding cycle. Over the past 3-4 years, the number of housing rehabilitation applications has decreased significantly and the funding of one or fewer rehabilitation applications per cycle has become the norm. While I understand that the administration of housing rehabilitation programs is volatile at best, I do not believe that communities that have a proven track record in successful housing rehabilitation programs should be put at a disadvantage in terms of receiving funding approval. The long term benefit of a successful housing rehabilitation program is undeniable in terms of the preservation of the "traditional" LMI housing stock, the highly visible improvement in LMI neighborhoods and the direct benefit of decent, safe and sanitary housing in which to reside for impacted LMI persons. Housing rehabilitation is a process and not a one-time cure all type activity. Communities that have addressed the housing rehabilitation needs of its LMI populace through the successful administration of rehabilitation programs should not be penalized if they choose to continue to address the rehabilitation needs of said populace. While I am aware that housing rehabilitation programs can become a "black eye" if not properly administered and managed, I feel that some consideration should be given for projects that are developed by firms with proven track records in the administration of successful housing rehabilitation programs.
- (7) Relative to the awarding of "bonus points" for the submission of the same application multiple times without receiving funding approval, I cannot disagree with this rating criteria. Persistence should pay off in the long run for communities that continue to submit an application requesting funding approval for a specific project as evidently this project is very important to them. However, I would suggest that the points be awarded as follows... an applicant that submits the same application three (3) times inclusive of this application shall receive 5 points. Applicants that have submitted the same application four (4) or more times inclusive of this application shall receive 10 points.
- (8) I firmly believe that an applicant should only be allowed to submit one (1) application per funding cycle; i.e., competitive or community enhancement. I also believe that ADECA should place an eligibility threshold that states that no CDBG application shall be submitted other than for economic development projects if the applicant has an open CDBG grant as of

March 31, 2011. Furthermore, I feel that a community with an open CDBG ED grant over five years old should not be allowed to submit a CDBG application other than for further ED assistance if the situation warrants.

In closing, I would like to commend you and your staff on the professional manner in which you administer the CDBG program on behalf of the State of Alabama. I truly believe that we are all in this together and; as such, the secrecy element that was prevalent in the 2010 process should be eliminated once and for all. Further, any changes made to the program and rating criteria should be formulated by the ADECA CDBG staff as they are the ones charged with administering this program. I look forward to continuing to work with you and your staff as we all strive to obtain the goals and objectives originally put forth for the administration of the CDBG program by the State of Alabama.

Sincerely,

EWING-CONNER AND ASSOCIATES, INC.

David W. Ewing

David W. Ewing,
President

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

STATE OF ALABAMA

January 27, 2011

Mr. David Ewing, President
Ewing-Conner and Associates, Inc.
Post Office Drawer 6805
Dothan, AL 36302-6805

Dear Mr. ^{David}~~Ewing~~:

Thank you for your letter of January 20, 2011, regarding the proposed PY2011 Community Development Block Grant Action Plan in which you made suggestions concerning consultant/staff interaction, rating teams, local match, rating criteria, and application submittal.

We will take your suggestions under advisement.

Thank you for your interest in the Community Development Block Grant Plan.

Sincerely,

Shabbir A. Olia
CED Programs Manager

SAO:GA:sp

310 Walker Ferry Road
Alexander City, Alabama 35010

January 25, 2011

Mr. Shabbir A. Olia
CED Programs Manager
Alabama Department of Economic and
Community Affairs
401 Adams Avenue
Suite 580
Post Office Box 5690
Montgomery, Alabama 36103-5690

Dear Mr. Olia:

RE: P.Y. 2011 Proposed CDBG Action

The P.Y. 2010 Action Plan included substantial changes made specifically because then-Governor Riley openly stated his desire to see more projects funded in east Alabama. Readily available information clearly shows east Alabama had always received its fair share of funding. The changes made last year made no discernable difference and certainly did not increase funding in east Alabama. As such, please accept this correspondence as my comments on the above-referenced Proposed Action Plan.

1. The Proposed Action Plan allows the submission of both competitive and community enhancement applications from eligible applicants. The State should require applicants to choose one fund to apply to which would necessitate the community picking and committing to the most needed project.
2. In 2010, Community Enhancement fund rating forms were changed from a 5 point scale to a 200 point scale. This change made the CE rating far too restrictive. Please consider changing back to the 5 point scale which relied much less on the grant writer's ability and allowed the funding of more diverse types of projects.
3. The Very Small City fund was established in 2010 to provide opportunities for the smallest of municipalities to compete fairly with larger cities. A review of past funding clearly indicates very small cities were already competing fairly. This fund should be rolled back into the Small Cities fund which, when viewed honestly, allows more opportunities for very small cities than including them in a separate fund with a low grant ceiling and very little funding.
4. The inclusion of a bonus points for applications which have been submitted repeatedly without being funded is counterproductive in that the

goal of the rating process is to fund the best projects. As funding decreases, awarding grants based on perseverance over quality is a disservice to communities with strong needs. Please consider eliminating these bonus points.

5. For all communities with populations above 1,000, some local matching funds should be required. Match demonstrates buy-in from the community and discourages submission of frivolous applications.

Sincerely,

Al Jones

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

January 27, 2011

Mr. Al Jones
310 Walker Ferry Road
Alexander City, AL 35010

Dear Mr. ^{Al}Jones.

Thank you for your letter of January 25, 2011, regarding the proposed PY2011 Community Development Block Grant Action Plan in which you made suggestions concerning application submittals and re-submittals, rating criteria, the Very Small City fund, and local match.

We will take your suggestions under advisement.

Thank you for your interest in the Community Development Block Grant Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Shabbir A. Olia".

Shabbir A. Olia
CED Programs Manager

SAO:GA:sp

107 Saccapatoy Drive
Montgomery, Alabama 36117

January 26, 2011

Mr. Jim Byard, Director
Alabama Dept. of Economic and Community Affairs
401 Adams Avenue
Montgomery, Alabama 36104

Dear Mr. Byard:

Subject: PY2011 CDBG Action Plan

The PY 2010 CDBG Action Plan process started normally like all other years, then right before the submission of Plan to HUD, then-Governor Riley intervened in the process. Since what followed did not involve CDBG staff, to my knowledge, the staff never learned his specific issues with the program. In fact, there are extreme transparency questions in the manner significant changes were incorporated in the 2010 Plan from what was initially presented to the public.

For this reason, I suggest the major changes incorporated in the PY2010 plan and then continued with the proposed PY 2011 program be rolled or scaled back. I further propose that the PY 2011 program resemble, as much as possible, the PY 2009 program.

Thank you for your consideration of my comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shabbir Olia', written in a cursive style.

Shabbir Olia

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

January 31, 2011

Mr. Shabbir Olia
107 Saccapatoy Drive
Montgomery, Alabama 36117

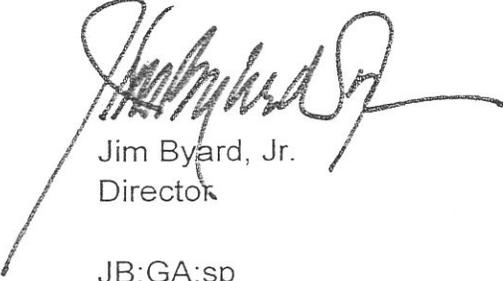
Dear Mr. Olia:

Thank you for your letter of January 26, 2011, in which you suggested that the major changes incorporated in the PY2010 plan and then continued with the proposed PY 2011 program be rolled or scaled back and that the PY 2011 program resemble, as much as possible, the PY 2009 program.

We will take your comments under advisement.

Thank you for your interest in the Community Development Block Grant Plan.

Sincerely,



Jim Byard, Jr.
Director

JB:GA:sp

Anderson, Ginny

From: Olia, Shabbir
Sent: Wednesday, February 02, 2011 1:35 PM
To: Anderson, Ginny
Subject: FW: PY2011 Action Plan

From: Emily Waters [<mailto:ewaters@searpc.org>]
Sent: Tuesday, February 01, 2011 10:51 AM
To: CED
Subject: PY2011 Action Plan

ADECA Staff:

My concern is in regards to what is required to necessitate a change in the CDBG Action Plan (one comment, two comments, etc.). The "revised" Action Plan is basically changing requirements/criteria from the PY2010 CDBG grant cycle and reverting back to requirements/criteria in previous years. I attended the public hearing and not ONE comment or concern was made in reference to changing the Action Plan. I support the Action Plan that was provided at the public hearing. What is the purpose of actually attending the public hearing? I feel it is unfair to make such drastic changes (minor changes here and there are of course to be expected) from the Action Plan presented at the Public Hearing without further discussion of why these changes are being implemented and how many individuals are actually supporting these changes. One primary change I do not agree with is limiting a community to just ONE application. I feel that one application per fund (Competitive, Community Enhancement) increases a community's chances in receiving grant funds and should be put back in the Action Plan. Also, I feel the matching fund requirement is excessive during this difficult state of the economy and so many unknowns for our communities. If any match is required, I feel this should be done on a maximum 5 point scale. Finally, in regards to the additional consideration for the three consecutive years criteria, is this submittal of the same project for three consecutive years or any project submitted for three consecutive years? This is not made clear in the Action Plan. Thanks.

Emily Waters
Economic Development Director
Southeast Alabama Regional Planning
and Development Commission
P.O. Box 1406
Dothan, Alabama 36302
334-794-4093 ext. 1414
334-794-3288 fax
ewaters@searpc.org

Anderson, Ginny

From: Olia, Shabbir
Sent: Wednesday, February 02, 2011 1:35 PM
To: Anderson, Ginny
Subject: FW:

Importance: High

-----Original Message-----

From: Bob Watts [<mailto:bw.cdgroup@charter.net>]
Sent: Tuesday, February 01, 2011 4:41 PM
To: Jackson, Shea
Cc: Olia, Shabbir
Subject: Re:
Importance: High

So we read the new version line-by-line and compare it with the old version to figure out/discover what the changes will be. That's efficient.

Bob
On Jan 31, 2011, at 5:04 PM, Jackson, Shea wrote:

> <2011 CDBG ACTION PLAN - revised.pdf>

W. HARDY McCOLLUM
CHAIRMAN

MELVIN L. VINES
COUNTY ADMINISTRATOR

WILLIAM M. LAMB
CHIEF FINANCIAL OFFICER



MEMBERS
DON WALLACE
GARY YOUNGBLOOD
BOBBY MILLER
REGINALD MURRAY

COUNTY COMMISSION

TUSCALOOSA COUNTY ALABAMA
P.O. Box 20113 • 714 GREENSBORO AVENUE
TUSCALOOSA, ALABAMA 35402-0113
205-349-3870

February 3, 2011



Mr. Shabbir Olia, CED Programs Manager
Alabama Department of Economic and Community Affairs
401 Adams Avenue
PO Box 5690
Montgomery, AL 36103-5690

RE: PROPOSED PY 2011 CDBG ACTION PLAN – PROPOSED AMENDMENTS

Dear Mr. Olia:

We have received the most recent draft of the STATE OF ALABAMA PROPOSED PY CDBG ACTION PLAN on February 1, 2011. Tuscaloosa County is very much in favor of the changes that have been made by you and the ADECA staff and would like to discuss with you further proposed changes which we feel will have a significant impact on the creation of jobs here in West Alabama.

Tuscaloosa County has identified potential sites which must be developed and be made readily available for both the expansion of existing industries in our County as well as for the location of additional anticipated suppliers for the new C Class which is being brought into production by Mercedes Benz, USA. There is significant interest being generated in these sites and we need assistance through the CDBG program for development which will be a no risk opportunity for ADECA and the State.

We would propose changes, through amendments to the Proposed PY 2011 CDBG Action Plan, in the areas of the basic Economic Development Grant and/or the Float Loan Program which currently may provide funds for activities including site acquisition, site preparation, infrastructure, roadways and other approved and qualified activities which are CDBG eligible. Tuscaloosa County has currently identified sites which are available and which must be developed in order to avail the County of major new job creation projects which will benefit not only Tuscaloosa County but the entire State of Alabama. The total anticipated cost for our major Economic Development Project will be in excess of \$5,000,000.00 and funding assistance will be required. It is anticipated that the completion of the proposed project will result in the direct creation of over 500 new jobs.

Under the basic Economic Development Grant, the State would be asked to waive the grant ceiling of \$200,000.00 for the infrastructure grants and amend thresholds (page 13), items 1 and 2, to include language related to impending or future job creation (within a specified time frame with a repayment clause if job creation does not occur).

Mr. Shabbir Olia

Page 2

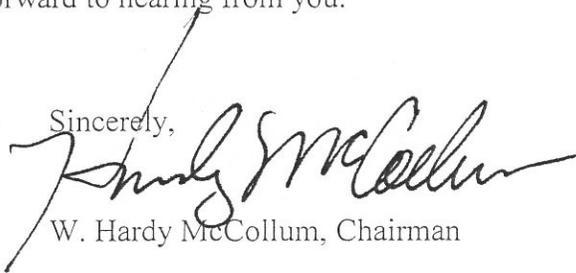
February 3, 2011

Under the Economic Development Float Loan, the thresholds changes would apply as well as the proposal that the Float Loan be set up for repayment during a period of time, approximately 24 months from completion of the work on the site, with sufficient guarantees being made for such repayment. However, we are extremely interested in a proposed amendment to the plan which would allow for the conversion of the Float Loan to a grant in an amount to be determined during the application process and based upon the number of jobs created as anticipated. There would be guarantees from Tuscaloosa County that all funds which have not resulted in the creation of jobs, as approved during the application process, would be repaid to the State.

We feel that the proposed changes discussed herein represent a no lose proposition for ADECA and the State and will help us tremendously in securing the creation of 500 plus new jobs for Alabama. We would very much like to meet with you and discuss this proposal further and would also appreciate you letting us know your thoughts regarding these ideas for enhancing the State's job creation programs.

Thank you for your consideration and we look forward to hearing from you.

Sincerely,



W. Hardy McCollum, Chairman

WHM/ke

cc: Tuscaloosa County Commission
Farrington Snipes, Director
Darrell Longrear, Executive Secretary Tuscaloosa County IDA
William Lamb, Accounting Manager
Melvin L. Vines, County Administrator

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

STATE OF ALABAMA

February 14, 2011

The Honorable W. Hardy McCollum
Chairman of Tuscaloosa County Commission
Post Office Box 20113
Tuscaloosa, Alabama 35402-0113

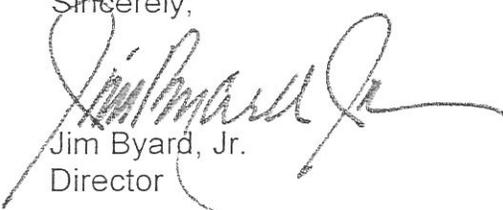
Dear Judge McCollum:

We have received your February 3, 2011 letter offering comments to the draft Amended Program Year 2011 CDBG Action Plan. Your letter reiterates suggestions included in your December 29, 2010 letter. While ADECA appreciates your interest in the CDBG program, ADECA's reluctance to adopt these changes for reasons cited in the January 12, 2011 response continue to prevent us from adopting these changes.

However, we recognize your desire for CDBG funds to assist with infrastructure needs to attract new industries and create jobs. After all, Governor Bentley has made "private sector job creation" his top priority. Therefore, I am prepared to commit one million dollars to the Tuscaloosa County Commission for CDBG eligible activities that will result in the creation of 500 jobs. By necessity, these activities will be governed by CDBG rules.

We hope you understand our difficulty in adopting changes to the program that we believe has served the needs of the communities in this State for twenty nine years. We also hope our commitment of funds for your prospective project will give you some comfort that the State is committed to assist with projects that will create jobs, especially during these hard times.

Sincerely,


Jim Byard, Jr.
Director

SAO:GA:sp



Town of Elmore

Post Office Box 204
485 Jackson Street
Elmore, Alabama 36025
(334)514-5988 (334)514-5778-Fax
www.townofelmore.com

Margaret White, Mayor
Council
Harold Wilson
Patricia Brown
Jamie Snider
Wayne Brannon
David Foster

February 11, 2011

Mr. Shabbir Olia
ADECA
P.O. Box 5690
Montgomery, AL 36103-5690



RE: Comments on Proposed Amended Action Plan for PY 2011 CDBG Program

Dear Mr. Olia:

Oh behalf of the Town of Elmore, I offer the following comments with respect to proposed changes in the PY 2011 Action Plan for the CDBG program.

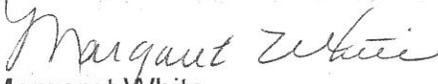
First, I think it was quite wise to eliminate the Very Small City category. Aged Census data amongst many other things made the addition of that category problematic during last year's program.

Next, the Distress Score which awarded points based on a County's unemployment rate and food stamp usage, penalized municipalities that happen to be located in counties that were less affected by the economic downturn. Some municipalities, such as the Town of Elmore, which is Town-wide eligible for CDBG, do not mirror the statistics of the county as a whole. The Distress Score should not be utilized in this way.

Finally, PY 2011 will be the third year that the Town of Elmore submits the same project. I noticed that prior efforts are listed under other considerations. I think that full points or bonus points should be awarded for prior efforts such as ours and it is unclear to me exactly how prior efforts will be measured under other considerations.

We appreciate your consideration of these comments and anticipate that you and your staff will make every effort to ensure that all changes to the PY 2011 Action Plan for the CDBG Program will provide positive benefits to the greatest number of communities throughout the State of Alabama.

Sincerely,


Margaret White
Mayor
cc: Jim Byard, Jr., Director

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



STATE OF ALABAMA

ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

February 15, 2011

The Honorable Margaret White
Mayor, Town of Elmore
Post Office Box 204
Elmore, AL 36025

Dear Mayor White:

Thank you for your letter of February 11, 2011, regarding the proposed amended PY2011 Community Development Block Grant Action Plan. Your letter indicated your support for the elimination of both the Very Small City funding category and Distress Points, as well as suggested bonus points should be awarded for prior unsuccessful application submittals.

We will take your suggestion under advisement.

Thank you for your interest in the Community Development Block Grant Plan.

Sincerely,

A handwritten signature in black ink, appearing to read "Shabbir A. Olia".

Shabbir A. Olia
CED Programs Manager

SAO:GA:sp