Department for Local Government (DLG) Commissioner Matt Sawyers

https://dlg.ky.gov



OFFICE OF FEDERAL GRANTS Programs

- Community Development Block Grant (CDBG)
- Disaster Recovery (CDBG-DR)
- Appalachian Regional Commission (ARC)
- Delta Regional Authority (DRA)
- Land & Water Conservation (LWCF)
- Recreational Trails Program (RTP)



Community Development Block Grants (CDBG)

Public Services

- o Recovery KY
 - ☐ Provide operational financing
- Recovery Housing
 - ☐ Rehab & reconstruction, rent, lease, utilities

Public Facilities

 Installation/rehab of water lines, water storage water/sewer upgrades, stormwater separation, lead pipe elimination

• Economic Development

Creation/retention of jobs

Community Projects

 Senior/community centers, public libraries, volunteer fire departments, health departments

Housing

- Rehab of homes, relocation of households, acquisition of dilapidated structures
- Conversion of vacant buildings to low-income apartments

LOCAL GOVERNMENT

National Objectives

Each project activity must meet one of three (3) federally mandated national objectives

- Benefit to low and moderate income (LMI) persons
- Prevention or elimination of slums or blight
- Urgent Need



Acceptance of Applications

One emailed copy of the standard application form to:

DLG.OFG@ky.gov

Activities described in application will be checked to determine if they meet fundability criteria as established in the Housing and Community Development Act.

*Please note... There is a new Clearinghouse email available: DLG.ECH@ky.gov TFAM

Recovery Housing Program

- > Created in response to opioid pandemic
- ➤ Provide stable, temporary housing to individuals in recovery from substance abuse disorders
- > Limited 2 years or until permanent housing is secured
- ➤ Authorized under SUPPORT Act, signed into law October 24, 2018
- ➤ Based on CDBG, under Title 1 of HCD Act of 1974



Public Services Recovery Kentucky Staff

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- Cole Sutton, Local Government Advisor, <u>ColeC.Sutton@ky.gov</u>

Public Facilities

- Jennifer Peters, Branch Manager, <u>Jennifer.Peters@ky.gov</u>
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Community & Housing Projects Staff

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- Cathy Figlestahler, Local Government Advisor- <u>Cathy.Figlestahler@ky.gov</u>

Economic Development Staff

- Gabe Nickell, Branch Manager- <u>Gabe.Nickell@ky.gov</u>
- Trey Greenwell, Local Government Advisor- <u>Trey.Greenwell@ky.gov</u>



Recreational Trails Program

- Administered by the Department of Transportation, Federal Highway Administration.
- Purpose: Provide funding for the development and maintenance of recreational trails, and trailside and trailhead amenities for both nonmotorized and motorized trails.
- Grants are provided to cities and counties on a matching basis for up to eighty percent (80%) of the total project costs.
- The maximum grant amount is \$250,000

Land & Water Conservation Fund

- Administered by the U.S. Department of the Interior, National Park Service.
- Purpose: Provide Funding for the acquisition and development of public outdoor recreation site and facilities.
- Grants are provided to cities and counties on a matching basis for up to fifty percent (50%) of the total project costs.
- The maximum grant amount is \$250,000.

LOCAL GOVERNMENT

LWCF & RTP STAFF

- ≻Kara Campbell, Program Manager, <u>Kara.Campbell@ky.gov</u>
- ➤Travis Weber, Branch Manager, <u>Travis.Weber@ky.gov</u>

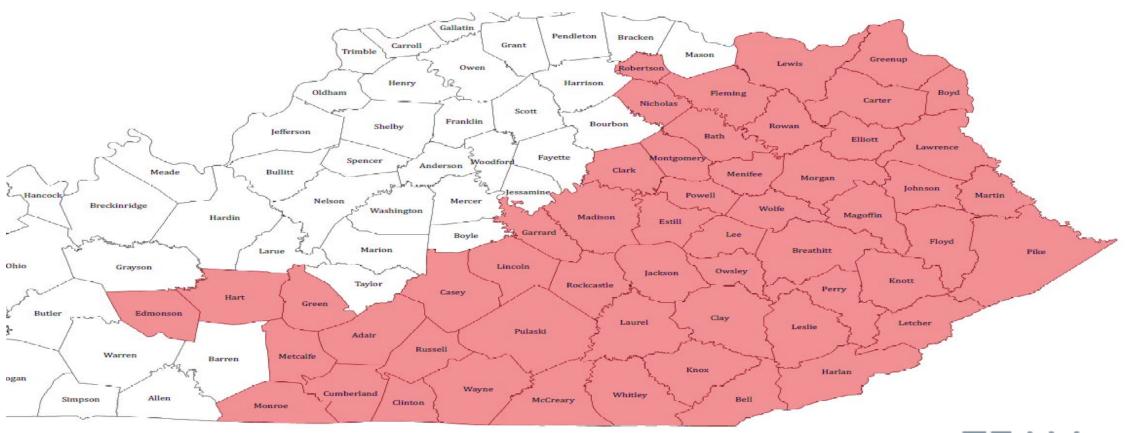


Appalachian Regional Commission (ARC)

- ➤ ARC is a federal-state economic development program designed to assist in the economic development of Appalachia through a diversity of projects in the areas of public infrastructure (water, sewer, solid waste, housing, and telecommunications), human resource development (education/workforce development, affordable/accessible healthcare, and leadership development) and business/entrepreneurial development.
- ➤ ARC is led by a Commission composed of the Governors from each of the Region's 13 states, and a Federal Co-Chair who is appointed by the President and confirmed by the Senate. (ARC States: Alabama, Georgia, Kentucky, Maryland, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, and West Virginia)
- ➤ Kentucky's ARC Region is comprised of 54 Counties in Eastern and South-Central Kentucky that are in 9 Area Development Districts (ARC ADD's: All Counties-Big Sandy, Buffalo Trace, Cumberland Valley, Gateway, FIVCO, KY River, and Lake Cumberland; Some Counties-Bluegrass, and Barren River.

LOCAL GOVERNMENT

Appalachian Regional Commission (ARC)





Delta Regional Authority (DRA)





ARC & DRA STAFF

Scott Sharp, ARC & DRA Program Manager, Scott.Sharp@ky.gov

Whitney Mendiondo, Whitney.Mendiondo@ky.gov



<u>Department for Local Government</u> <u>Office of State Grants</u>

Coal Development Branch administers the following:

- Local Government Economic Development Fund (LGEDF) Single-County Coal Severance Program
- Local Government Economic Assistance Fund (LGEAF) Coal and Mineral Severance Program

Special Programs Branch administers the following:

- Regional Development Agency Assistance Program (RDAAP)
- Flood Control Local Match Participation Program (LMPP)



Local Match Participation Program (Flood Control)

- KRS 147A.029 Disbursement of funds for Local Match Participation Program
- <u>LMPP</u> system of grants used to assist local governments to meet cost-share match requirements for flood-related projects, flood control planning, and mitigation activities.
- HB 6 allocates \$6,000,000.00 for each fiscal year (FY24-26).
- Eligible applicants "Local Communities": city governments, county governments, joint applicants (city-county), and multiple counties.
- Competitive grant.



LMPP (Flood Control)

ONE MAIN REQUIREMENT

- Project must have funding by a federal agency or sponsor.
- DLG will not fund more than 50% of the total project.
- <u>Federal Agencies</u>: U.S. Army Corps of Engineers (USACE), Federal Emergency
 Management Agency (FEMA), U.S. Geological Survey (USGS), Natural Resources
 Conservation Service (NRCS), U.S. Department of Agriculture Rural Development (RD)
- <u>Federal Sponsored Funding</u>: Kentucky Transportation Cabinet (KYTC), Kentucky Emergency Management (KYEM)



Regional Development Agency Assistance Program (RDAAP)

Regional Development Agency Assistance Program (RDAAP): system of grants used to assist agencies, designated by the fiscal courts of each Tennessee Valley Authority (TVA) county, for the purpose of economic development and job creation activities.

- KRS 96.895 defines the program, tax collection and transfers, allocations of funds.
- **KRS 96.905** use of funds, administration of funds, certification of proper use of funds.



RDAAP

□ Per KRS 96.895:

- HB 6 allocates \$6,000,000.00 for each fiscal year FY 2024-2026, which is divided equally among the 39 TVA counties.
- FY 2025, each TVA county will receive a deposit of \$153,846.15.
- Regional development agencies shall be a *Special Purpose Governmental Entity* (SPGE), as defined in KRS 65A.010(9).
 - Industrial Development Authorities are already registered as SPGE's



RDAAP Eligible Activities

□ Per KRS 96.905:

- Grants obtained under this program shall be used for:
 - 1. Economic development and job creation activities;
 - 2. Acquiring federal, state, or private matching funds; and
 - 3. Debt service for approved projects.
- Grants shall **NOT** be used for:
 - 1. Salaries;
 - 2. Consulting fees; or
 - 3. Operational expenses.



LGEAF Eligible Activities

Per KRS 42.455, LGEAF Coal and Mineral eligible activities include:

a. Public Safety

Social Services

Environmental Protection h. Industrial or Economic

Public Transportation

i. Vocational Education

Development

Workforce Training

d. Health

k. Secondary Wood Industry

- Recreation
- **Educational Facilities**
- Per HB 1, funds are <u>not</u> required to be used on coal haul roads.
- Grants shall not be used for expenses related to administration of government.



LGEDF Eligible Activities

- HB 6 provides flexibility for LGEDF project activities.
- Funds shall be allocated to projects with the concurrence of the County
 Judge/Executive, State Senator(s), and State Representative(s) of each county.
- If concurrence is not achieved, the fiscal court may apply for grants for industrial development projects, **per KRS 42.4588**. Projects include the acquisition, development, and/or improvement of real estate for conveyance or lease to industrial firms to be used for manufacturing, processing, assembling, or other approved use by industrial entities.



2024 Legislative Regular Session

Line-Item Appropriations Bills

- ☐ House Bill 1 (Chapter 173)
- ☐ Senate Bill 91 (Chapter 223)
- One-time allocations for biennium fiscal years FY 24-26.
- General Fund monies from the Budget Reserve Trust Fund
- Separate from House Bill 6 (Budget Bill)



House Bill 1 (HB 1) Line-Item Appropriations

Allocation Timelines

- ☐ Fiscal Year 2024-2025.
- ☐ Fiscal Year 2025-2026.
- □ Each fiscal year.
- Funding allocations for each fiscal year must be disbursed by June 30th of each fiscal year, or the funds lapse.
- Project activity does <u>NOT</u> have to be completed.
- Funding can be paid up front or may be a reimbursement.



Line-Item Appropriation Quarterly Reports

- Quarterly Reports (QR) are due on the 30th of the month following the end of each quarter period.
 - 1st Quarter (July-September) Due October 30th
 - 2nd Quarter (October-December) Due January 30th
 - 3rd Quarter (January-March) Due April 30th
 - 4th Quarter (April-June) Due July 30th
- Purpose is to ensure disbursement reporting is consistent with expenditures and financial accounting documentation remain accurate and updated for active projects.
- Required for all active projects (even if funds have not been used).
- QR may be submitted via email to **Lisa Dale**: :<u>Lisa.Dale@ky.gov</u>.



SAVE THE DATE

Governor's Local Issues Conference

August 13-15, 2025

Louisville

The Galt House



