

Chapter 1: Executive Summary

Community Development Block Grant (CDBG):

The CDBG Program was established by the Housing and Community Development Act of 1974. The primary objective of this program is to develop viable urban communities by providing decent housing, a suitable living environment, and economic opportunities predominantly for lower income persons (defined as 80 percent or less of the City of Jonesboro area median household income).

Federal Regulations specify jurisdictions to prepare and adopt a Consolidated Plan to be eligible to apply for direct federal assistance under the community Block Grant (CDBG) Program.

Through the CDBG Program, the U.S. Department of Housing and Urban Development (HUD) provides funds to local governments for a wide range of community development activities for low-income persons. Funds can be used for a wide array of activities: housing rehabilitation, affordable housing or community development projects, public supportive services, and removal of architectural barriers for the elderly or disabled. In order for an activity to be eligible for CDBG funding, it must be shown to address one of the following national objectives:

- Benefit people with low incomes (up to 80 percent of median)
- Aid in the prevention or elimination of slums and blight
- Meet an urgent need (such as earthquake, flood or hurricane relief)

A project may qualify as benefiting low income persons in one of several ways:

- Provide direct services to lower income persons (earning up to 80% of the area median income) and document that a minimum of 51% of the clients served qualify as lower income.
- Provide area-wide benefits (such as parks, street improvements, etc.) to a service area that has a minimum of 38.2% lower income residents (Appendix Maps show the City “planning areas” based on census tract boundaries and identifies those areas with 38.2 percent or more lower income residents).
- Serve a client group that is “presumed low income” per the CDBG regulations, such as seniors and disabled persons. Projects involving the installation of curb ramps and other accessibility improvements in the community can qualify for funding under this category.

The City of Jonesboro:

The City of Jonesboro, located in the Northeast corner of Arkansas in Craighead County, is the state’s fastest growing city, the fifth largest city in Arkansas (with almost 60,000 people), and the second largest city in square miles. In a triangle formed by connecting Little Rock, St. Louis, and Memphis, Jonesboro stands out as the largest metropolitan city in what amounts to a 17,000 square-mile triangle area. The Jonesboro Metropolitan Statistical Area (MSA) was recently recognized as seventh strongest in the nation for manufacturing according to the Regional Jonesboro Chamber of Commerce. Jonesboro is the county seat, the largest city in northeast Arkansas, the home to Arkansas State University, and a regional center for manufacturing, agriculture, medicine, education, and trade.

Jonesboro filed its first CDBG application as an entitlement city in 1997/1998. The City is requesting \$564,000 for

the 2007 Program Year to implement five public facility projects, three housing projects, multiple public service projects (to be determined by grant competition), continued neighborhood revitalization projects, and planning and administration for the program. The City held two public hearings, attended multiple community meetings, met with service providers, and used data acquired by several public surveys and focus groups to obtain citizen input into the plan.

Housing and Community Development Needs include affordable housing in the Census tract areas that include the low income populations. Maintaining the current housing stock in these areas, especially for Special Needs (elderly and disabled) populations, is a high priority. Neighborhood revitalization is also a dominant need as reflected in the Quality of Life Survey referred to in this document. Affordable rental housing is a definite need. The Jonesboro Urban Renewal and Housing Authority (JURHA) provides rental assistance, but there are still 781 people currently on the waiting list. The City has identified this as a high priority; however, with CDBG budget declining annually, the impact that can be made using CDBG funds is minimal. The City will be working closely with the housing authority to develop additional funding possibilities.

Public Transportation remains a high priority and is being addressed with the introduction of a new transit system implemented in 2006. The Jonesboro Economical Transportation System (JETS) provides public transportation services in the City of Jonesboro. The services include fixed route transit and demand response services. JETS plans to play a very important role in economic growth and cultural life in Jonesboro by providing an alternate mode of transportation for the city

The City's Special Needs Population includes a low income senior population that represents 25% of the City's low income households. The 2000 Census shows there are 2,417 lower income senior households. Traditionally, this population has no means to increase their income, making them a high priority.

Homeless Needs were explored with a 2006 count revealing that over 78% of homeless people were sheltered; 60% of these were in emergency shelters, and another 9% were staying with friends and family. The Salvation Army Emergency Shelter is the only general homeless shelter in Jonesboro and is in need of expansion. Homeless Youth are served by Consolidated Youth Services, while domestic violence victims are served by the Women's Crisis Center of Northeast Arkansas. Each of these organizations has specific needs, which has led the City to identify homelessness as medium to high priority. The City will be investigating additional options and means to assist these organizations during this five year period.

The City also intends to use allowable fees for general planning and administrative costs including employment of a full-time community development assistant. Currently, the staff of one plus a part-time technician is not sufficient.

Objectives:

HUD objectives:

The U.S. Department of Housing and Urban Development's objectives are based on the broad statutory purpose of the CDBG Program that include:

1. **Suitable Living Environment** relates to activities that are designed to benefit communities, families or individuals by addressing issues in their living environment. This objective relates to activities that are intended to address a wide range of issues faced by low and moderate-income persons, from physical problems with their environment, such as poor quality infrastructure, to social issues such as crime prevention, literacy or elderly health services.

2. **Decent Housing** covers the wide range of housing activities that are generally undertaken with CDBG funds. This objective focuses on housing activities whose purpose is to meet individual family or community housing needs. It does not include programs where housing is an element of a larger effort to make community-wide improvements, since such programs would be more appropriately reported under Suitable Living Environments.

3. **Creating Economic Opportunities** applies to activities related to economic development, revitalization, or job creation.

City of Jonesboro Priority Objectives:

Improve the livability and quality of life in the City of Jonesboro, through:

- Housing Rehabilitation/Homeownership
- Neighborhood Revitalization/Beautification
- Economic Development/Job creation
- Public Services - Non-Housing Special Needs