



Georgia's Community Development Block Grant Program

| Locally Driven | CDBG | Benefit to Low- and Moderate-Income | Private Partners | CDBG | Private Leverage
| New Industries | Seizing Opportunity | Local Infrastructure | CDBG | Regional Cooperation | New Housing |
CDBG | Collaboration | Innovation | New Jobs | CDBG | Family Services | Rehabilitation | Redevelopment |
Clearance of Blight | Elderly Service Facilities | Rural Communities | CDBG | Quality of Life | CDBG | Revi-
talization |

Georgia's CDBG Program represents Federalism at Work – Since the Reagan Administration affirmed the concept of Federalism and gave States the responsibility for administering Non-Entitlement CDBG, the program has met Congress's goals of leveraging "economic development, providing robust job opportunities and creating livable communities" for low- and moderate-income families.

Because the Georgia CDBG program relies on local governments to identify local needs and initiate local solutions, the program benefits from local government solutions to everyday problems for people who lack jobs or live in distressed neighborhoods. Local control routinely demonstrates innovative, locally driven public-private solutions that could never even be imagined by federal analysts using 1960s' style, centralized, top-down managed programs. Although Washington does not know best, an abandonment of Federal participation in community development efforts would harm Georgia's rural and low- and moderate-income communities who are now using CDBG to initiate successful local partnerships and improve the quality of life for themselves and for their neighbors.

While Georgia's rural communities continue to suffer from declines in traditional industries and face difficulties in arranging the resources to develop and attract the new economic engines of the 21st century, these communities' tenacity and innovation point the way towards successful concepts that can be cultivated and expanded.

As outlined in the examples that follow, the State CDBG Program is playing a pivotal role in providing the seed capital and leveraging of private funds needed for these communities to create and implement their own local solutions.



Groundbreaking ceremony for the new Coweta County Health Department Building—made possible by CDBG and the contribution of over \$1.8 million in local funds.

"The nature of our constitutional system encourages a healthy diversity in the public policies adopted by the people of the several States according to their own conditions, needs, and desires. In the search for enlightened public policy, individual States and communities are free to experiment with a variety of approaches to public issues."

– Ronald Reagan, Executive Order 12612, 1987.



CDBG funds routinely put people to work in rural Georgia as shown in this photograph of sewer construction work in Blakely, Georgia.

Georgia's State CDBG Program

Partnering with rural and low- and moderate-income communities to provide innovative ways to replace jobs lost from the decline of traditional industries



General Mills new state-of-the-art 1.5 million square-foot gold certified LEED facility in Social Circle, Georgia.

Similar to many of Georgia's counties, Walton County and the City of Social Circle suffer from all the challenges brought on by globalization and economic restructuring. Until recently, the county has thrived on textile manufacturing, but new economic realities are leaving laid-off employees with limited employment opportunities. While the region's location on I-20 east of Atlanta present a strategic location, the Region has recently had to face major job losses and business closings. The unemployment rate had almost doubled during a recent two-year period with the loss of almost 1,000 jobs.

In the spring of 2009, Walton County and the City of Social Circle made a request for assistance from the Department of Community Affairs (DCA), Georgia's state agency for CDBG administration. Local officials asked DCA to assist them in their efforts to persuade General Mills, a Fortune 500 company, to consider locating their new southeast distribution center in Social Circle. This rural, developing area needed financial assistance to construct a rail spur to serve the company's new distribution center. The property being proposed was conveniently situated, close to major transportation corridors and to the company's own cereal processing plant in the nearby City of Covington.

DCA's was able to award a five hundred thousand dollar CDBG grant for rail, with a similar cash investment by the county for the same purpose. Upon confirmation of the rail's availability, General Mills made a significant commitment with the selection of the Social Circle site for the company's new regional distribution center. The facility, which is the only gold certified LEED manufacturing facility in North America, represents private investment of \$43.7 million and the creation of 200 new jobs. A small investment of CDBG dollars was the catalyst for economic advancement, providing jobs with good wages and benefits.

Since 1992, the State CDBG Program has funded 275 similar projects where the installation of "commercial and industrial infrastructure" have allowed economic development in Georgia's rural, non-entitlement local governments.

IDIS Code	CDBG Activity	# Projects	Jobs Created	% Benefit to Low-Mod Persons
17B-00	Economic Development - Industrial Infrastructure and Improvements	275	30,189	74.5%

Georgia's State CDBG Program

Partnering with rural communities by combining CDBG and HOME dollars to revitalize low-income neighborhoods and stimulate new private investment in housing

In 1996, the City of Fitzgerald initiated a unique neighborhood revitalization program using the Georgia CDBG and HOME programs to forge collaborative partnerships that have produced outstanding new housing successes for low- and moderate-income neighborhoods. Local churches and civic and neighborhood groups joined with local banks, developers, and realtors to develop or redevelop 486 affordable housing units using several of DCA's programs including CDBG. Boosting the tax base by millions of dollars, payrolls have risen, and commercial activity is up in this entire community of 10,000 people.



The State CDBG Program in conjunction with the Georgia Redevelopment Law (O.C.G.A. 36-61) is the major component of these successful initiatives. The City used CDBG funds to purchase blighted properties, clear or rehabilitate the dilapidated structures, re-plot the lots, and then sell the units to the low-income families. Families finance their new homes with private mortgages from a consortium of local banks.



Same parcel of land before and after its redevelopment—Fitzgerald, Georgia

These successful collaborative partnerships are the basis for a renewed State emphasis on revitalization programs that will accelerate a new era of partnerships with local governments, private lenders, and non-profit facilitators.

The State CDBG Program has financed hundreds of similar investments for projects where CDBG funds infrastructure, acquisition, clearance, and disposition activities while HOME finances down-payment assistance to leverage local bank mortgages. The success of these CDBG projects is the basis for Georgia's Opportunity Zone Tax Credit Program [O.C.G.A. 8-7-40.1(c)4] and the parallel State CDBG "Revitalization Area Strategy" Initiative.

IDIS Codes	CDBG Activity	# Projects	Persons Assisted	% Benefit to Low-Mod Persons
04, 14A, 14C	Acquisition, Clearance, Disposition and/or Rehabilitation	228	3,070	98%

Georgia's State CDBG Program

Partnering with rural businesses through local governments to support local and regional workforce development initiatives and innovative redevelopment projects

Left without a viable economic base after the agriculture paradigm shift in the mid-20th century, Zebulon exemplifies the plight of many communities in the state. Situated in Pike County in west central Georgia, Zebulon wished to retain its “sense of place” and to provide housing and employment opportunities for its residents. To this end, the City received CDBG Redevelopment Funds to provide a low-interest loan to the Zebulon Downtown Development Authority (DDA). Through DCA participation, the city was able to redevelop four historic storefronts situated directly across from the historic Pike County Courthouse. The DDA purchased the buildings and redeveloped them as retail condominiums. The building renovations are complete, three units have sold, and more new construction is planned in an adjacent lot.

Project funding included \$344,496 in CDBG Redevelopment Funds, \$199,000 from the Zebulon Downtown Development Authority, and \$3,400 from the City of Zebulon. An estimated \$541,580 in private investment is also expected as businesses open in these spaces.



The City of Adel and Cook County realized that in order to move their economic restructuring forward they needed to address local workforce development needs. They also know how to take a DCA concept, flesh out the idea, and run with it.

The local community designed a program that combined CDBG funds with local funds to finance their proposed center through an innovative collaborative partnership that included Valdosta Technical College, who brought their relationship with the Department of Labor and its Workforce Investment Act programs to the area.

The collaborative partnership was wide and diverse. But what impressed DCA most was that the project application contained support letters from over 90 local businesses and commitments of over \$400,000 towards the facility's construction. Many local businesses also promised to make employment opportunities available to the graduates. Such local initiative represents Federalism at its best.



Since 1992, the State CDBG Program has funded 55 similar projects that assist with workforce training or various types of redevelopment projects, including downtown development, environmental remediation, and brownfield redevelopment.

IDIS Codes	CDBG Activity	# Projects	Persons Trained	% Benefit to Low-Mod Persons
Various	Workforce Training/ Redevelopment	55	9,719	77%*

*Percent benefit for Workforce Training

Georgia's State CDBG Program

Assisting local governments to improve the livability of poor neighborhoods by alleviating threats to public health and safety

As just one example of 539 street and drainage projects, CDBG funds provided drainage infrastructure and street improvements in the Sixth Avenue neighborhood of Cairo, Georgia where flood waters were literally flowing through houses and making streets impassable after heavy rains. Prior to the assistance, access to the neighborhood by residents, emergency vehicles and school buses had been repeatedly interrupted by the flooding of Parker Mill Creek.

In a telling event, rains in March 2009 caused significant flooding. Fifteen homes were flooded and access to the neighborhood was blocked. A resident, who suffered a broken leg, was evacuated by boat.

Homeowners who made hard-earned investments to improve their homes are sheltered from the poor drainage and flooding that previously destroyed their investments. Now, past and future investments will provide shelter for the residents for many more years to come.

Though not a housing project per se, the CDBG-funded work will preserve the quality of housing in the former flood-prone area. Four hundred sixty-two people, 100 percent of whom are low- to moderate-income, are benefiting from much-needed improvements in this city of 9,035 people.



CDBG improvements keep flood waters out of homes in the Sixth Avenue neighborhood of Cairo, Georgia.

The State's program combines local investments with CDBG to finance infrastructure that provides public water to replace contaminated wells, public sewer to remove raw sewage in families' yards, and drainage improvements to keep floods out of neighborhoods.

IDIS Codes	CDBG Activity	# Projects	Persons Assisted	% Benefit to Low-Mod Persons
03K & 03J	Public Infrastructure	996	259,440	85%
03K & 03J	Disaster Assistance	282	374,875	N/A

Georgia's State CDBG Program

Promoting Economic Opportunity and Ownership: How the State CDBG Program Strengthens Georgia's Communities

The Georgia State CDBG Program, created as a result of Ronald Reagan's 1982 "New Federalism" policy, has resulted in over 3,334 community development **initiatives implemented by 576 separate, rural local governments** that have successfully delivered tangible, long-lasting benefits. The projects have revitalized communities and provided new housing, new or retained jobs, and new or consolidated public services to individuals and families who were poor and lacked opportunity. Through a process that respects local self-governance, the State CDBG program rewards local leadership and partnerships that marshal the resources, initiative, and private capital to accomplish and sustain the complex "community building" required to revitalize and redevelop our poorest areas. State administration of CDBG has been successful because it recognizes that local leadership combined with local collaboration is what makes any federal enterprise successful.

Georgia's successful CDBG history includes projects that not only improve living conditions for low- and moderate-income families, but also create employment opportunities, remove blighted structures, and provide workforce training through partnerships with private business, local technical colleges, labor departments, and other local collaborative partners. Since 1992, these activities **have benefited 1,081,985 individuals of whom over 77 percent were individually verified as low- to moderate-income before obtaining their employment, job training or other benefit.**



Recent ground breaking in Cartersville, Georgia signals the beginning of a CDBG program designed to promote homeownership and revitalize a neighborhood. Partners include the local chapter of Habitat for Humanity.

Georgia's State CDBG Program

Moving forward to face new challenges through locally driven initiatives

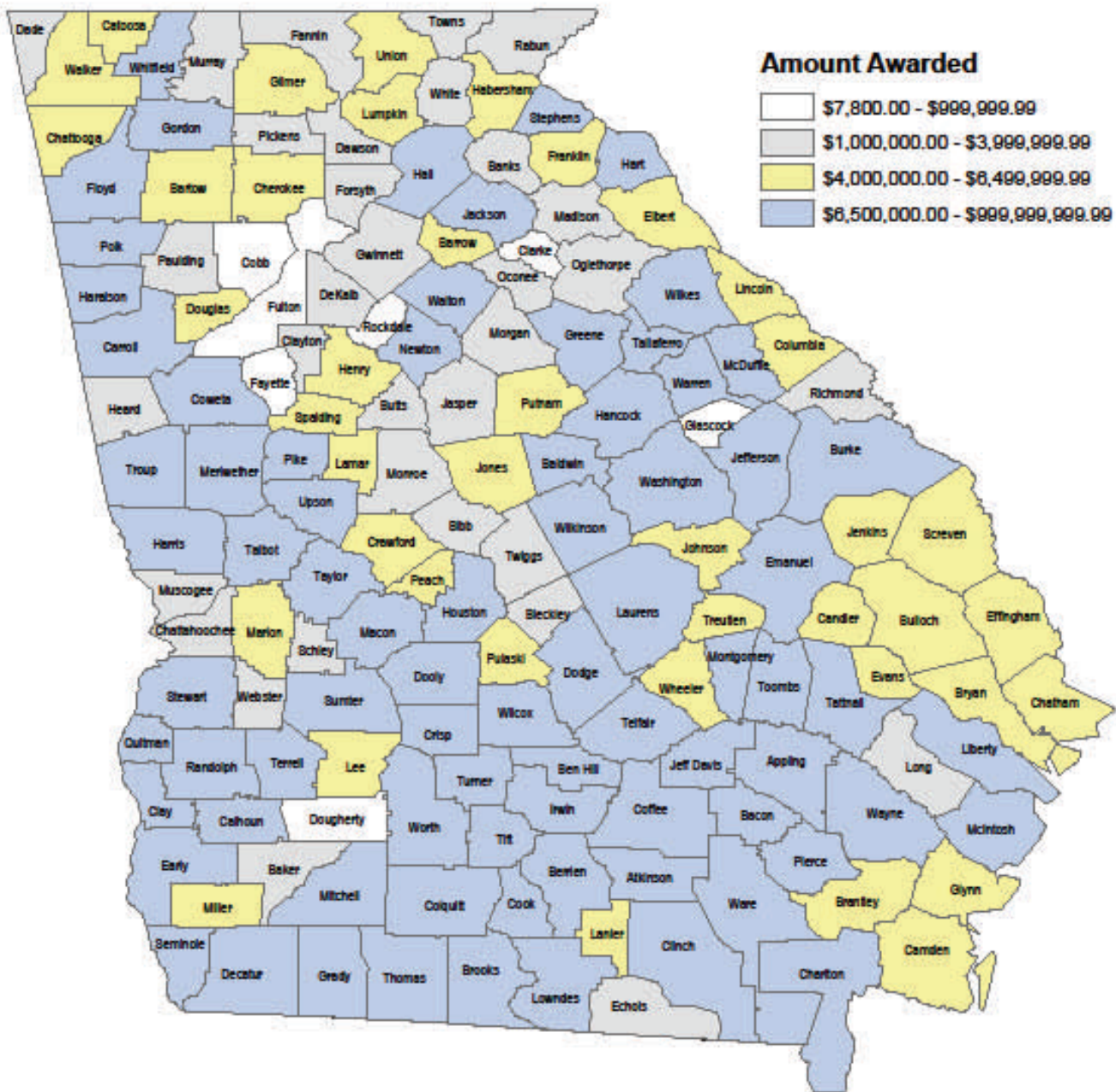
Beginning in 2005, Georgia's CDBG strategy gives priority consideration to non-entitlement communities that implement a strategic "Revitalization Area" approach in their community development efforts. The strategy, which has been received with great interest, rewards communities that target areas with persistent poverty through locally initiated revitalization efforts that produce sustainable and tangible results. Qualified applicants are those implementing a Redevelopment Plan pursuant to O.C.G.A. 36-61 within a local framework for private investment and development using one or more of the following tools:

- **State Opportunity Zones** (O.C.G.A. 8-7-40.1): Offering the state's most sought after level of job tax credits, this program is available in areas of 15 percent or greater poverty where local governments have enacted a Redevelopment Plan (O.C.G.A. 36-61) or have implemented a State Enterprise Zone (O.C.G.A. 36-88) to cut local red-tape and provide tax incentives for commercial, industrial or residential development.
- **Local Tax Increment Financing** (O.C.G.A. 36-44): Allowing local governments to partner with private businesses to redevelop blighted areas and use the increased local property or sales tax increment to finance needed public infrastructure and facilities needed by the developments.
- **Business Improvement Districts** (O.C.G.A. 36-43): Financing business recruitment, security, sanitation and other services.
- **Community Improvement Districts** (Ga. Const. Art. IX, Sect.7): Financing public facility projects within underdeveloped business districts or other locally created programs that provide similar incentives.

Communities that market and collaborate with federal programs receive further consideration.

The State of Georgia and her rural cities and counties are proud of the communities being built today thanks to the State CDBG funding provided by the federal government. It is much more gratifying for a community to craft its own destiny with financial assistance than to be told what that destiny should look like from another level of government. Our communities look forward to the future innovations the State will make in its design of redevelopment strategies. Hopefully, all intergovernmental partners will share the locally-drafted vision of a Georgia for all Georgians -- one in which communities are strengthened by their individual character and are fully supported in their individual solutions.

State Administered CDBG Awards through February 2011



Georgia Department of Community Affairs

Allocations to Georgia's CDBG Entitlement communities can be found on the HUD web site at:
<http://www.hud.gov/offices/cpd/about/budget/budget10/states/ga.xls>.

Map prepared by Georgia Department of Community Affairs, February 2011

