

# NYS Consolidated Funding Application

NYS Housing Trust Fund Corporation  
**Office of Community Renewal**

**NYS Community Development Block Grant (CDBG)  
Economic Development, Small Business, and  
Microenterprise Programs**



# NYS CDBG Program Agenda

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- Scoring Criteria/Application Evaluation Criteria
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# Program Summary

# Office of Community Renewal Programs

## **NYS Community Development Block Grant (CDBG) Program (up to \$25 million)**

- Economic Development
- Small Business
- Microenterprise
- Public Facilities
- Public Infrastructure/Public Works
- Community Planning

## **New York Main Street (NYMS) Program (up to \$4.2 million)**

- New York Main Street
- New York Main Street Technical Assistance

# Overview of the NYS CDBG Program

- Develop viable communities by providing decent housing and a suitable living environment principally for persons of low- and moderate-income.(LMI).
- NYS must ensure that at least 70% of its CDBG grant funds are used for activities that benefit low- and moderate-income persons (at or below 80% of median) and meet one of the following National Objectives:
  - Benefit low- and moderate-income persons or families; or
  - Aid in the prevention or elimination of slums or blight; or
  - Meet an urgent community development need.

# Eligible NYS CDBG Applicants

- Eligible applicants include non-entitlement cities, towns, and villages with populations under 50,000 and counties with an area population under 200,000. This link provides a listing of eligible communities:  
<http://www.nyshcr.org/Programs/NYS-CDBG/EligibleCommunities.htm>.
- Eligible applicants must apply on behalf of a business(es) seeking NYS CDBG Program funds.

# Economic Development Program Guidelines

- NYS CDBG Economic Development funds can be allocated as a grant or a loan, or a combination of the two, to assisted businesses.
- NYS CDBG funding up to **40%** of total project cost.
- Project must result in creation/retention of at least one (1) permanent full-time equivalent (FTE) job per **\$15,000** in NYS CDBG investment.
- **At least 51%** of the jobs created or retained must benefit LMI persons.
- NYS CDBG funds intended for gap funding.

## Take Note:

**Full-time job:** For the purposes of the NYS CDBG program, a full-time job provides at least 2,080 or more hours per year.

# Small Business Program Guidelines

- NYS CDBG Small Business funds can be allocated as a grant or a loan, or a combination of the two, to assisted businesses.
- NYS CDBG funding up to **40%** of total project cost.
- Project must result in creation/retention of at least one (1) permanent FTE job per **\$25,000** in NYS CDBG investment.
- **At least 51%** of the jobs created or retained must benefit LMI persons.
- Minimum of 20% owner equity required.
- NYS CDBG funds intended for gap funding.

## **Take Note:**

**Small Business:** For the purposes of this program, a small business is defined as a commercial enterprise with 25 or fewer FTE employees at the time of application.

# Microenterprise Program Guidelines

- **At least 50%** of award must assist start-up microenterprise businesses.
- NYS CDBG Microenterprise funds must be allocated as a **grant** to assisted businesses.
- Individual grant assistance must range between **\$5,000** and **\$35,000**.
- Each microenterprise must either create at least 1 FTE job for a LMI person or the owner(s) must qualify as LMI.
- **At least 51%** of the total jobs created must benefit LMI persons.
- Grants **not** to exceed 90% of total project cost to assisted businesses.
- Minimum of 10% owner equity contribution to individual projects.
- Each microenterprise owner must complete an approved entrepreneurial assistance or small business training program prior to receiving CDBG Microenterprise grant funds.

## Take Note:

**Microenterprise:** For the purposes of this program, a microenterprise is defined as a commercial enterprise with five (5) or fewer employees, one (1) or more is the owner(s) at the time of application. A microenterprise is a private for-profit business entity; corporation, partnership, or sole proprietorship that is legal, licensed and operating. Not-for-profits are not considered microenterprises.

# Eligible Activities

## *Economic Development and Small Business*

- Public infrastructure projects in support of business attraction, expansion, and retention.
- Direct business assistance in support of business attraction, expansion, and retention. Use of funds may include, but are not limited to:
  - Working Capital, Machinery & Equipment, Acquisition of Real Property, Inventory, Employee Training Expenses, \*Construction, and \*Building Renovation.

## *Microenterprise Program*

- Establishment of a microenterprise program to provide assistance to businesses with 5 or fewer employees, including the owner.

**\*Construction and Building Renovation costs may be subject to Davis-Bacon wage requirements.**

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Ineligible Activities:*

- Projects that do not meet a National Objective;
- Buildings or portions thereof, which are used for the general conduct of government;
- General government expenses;
- Political activities;
- Projects already in progress at time of application;
- New construction activity under the NYS CDBG Small Business Program; and
- Construction, building or other improvements under the NYS CDBG Microenterprise Program when Davis Bacon and Related Acts must be applied.

#### **Take Note:**

Project activities **must not** commence prior to award date and release of funds.

# NYS CDBG Funding Limits

<b>Economic Development</b>	\$100,000-\$750,000
<b>Small Business</b>	\$25,000-\$100,000
<b>Microenterprise</b>	\$0-\$200,000

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For Economic Development and Small Business projects, a maximum of \$16,000 of the CDBG request can be used for Program Delivery and Administration.

For Microenterprise Programs, a maximum of 25% of the CDBG request can be used for Program Delivery, Administration and Training.

- Of the 25%, a maximum of 5% can be used for Administration.

## Take Note:

The maximum grant size is not intended to serve as a target for a NYS CDBG request.

Applicants should only apply for the amount of funding that can be fully expended and the type of activities that can be completed within the specified project completion period.

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Funding Limits:*

- The application requests more than the funding limit allows.
- The application requests funding for the same project through multiple CDBG applications e.g. Economic Development and Small Business.
- The application requests inconsistent amounts within the application.

# Critical Application Components

# Citizen Participation Requirements

- All applicants must issue a public notice and hold a public hearing before submitting an application.
- The notice for the hearing must specifically mention the municipality's intent to apply for NYS CDBG funds and the current program year;
- The notice must identify all activities that the Applicant may be applying for during the current program year;
- Public hearings must be held by the eligible applicant, not by a subrecipient, consultant, or other third party;
- Public hearings must be held in a location accessible to persons with disabilities and/or provide reasonable accommodations to allow all interested parties to participate;
- The public hearing must be conducted prior to finalizing and submitting an application;
- The public notice must be included as an attachment to the CFA; and
- A copy of the application must be available for public inspection at the municipal office(s).

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Citizen Participation issues:*

- Failure to hold a public hearing prior to submitting the application.
- The hearing was not held by the eligible applicant.
- The public notice does not specifically mention the NYS CDBG program.

# National Objective Compliance

## *LMJ: Low/Mod Job Creation and Retention*

- National Objective for NYS CDBG Economic Development, Small Business, and Microenterprise projects.
- Permanent, full-time equivalent positions must be created or retained as a result of the project.
- At least 51% of the jobs must be made available to or taken by low-and moderate-income persons.

# National Objective Compliance

## *LMJ: Low/Mod Job Creation and Retention*

Jobs “made available to” low-and moderate-income persons:

- The jobs do not require special skills that can only be acquired with substantial (i.e., one year or more) training or work experience, and education beyond high school is not a prerequisite to fill such jobs, unless the business agrees to hire unqualified persons and train them; and
- The Grantee and/or the assisted business takes actions to ensure that LMI persons receive “first consideration” for filling such jobs.

Jobs “taken by” LMI persons:

- A job is considered to be held by a LMI person if the person is, at the time their employment commences, a member of a family whose income falls at or below the applicable Section 8 program income limits.

# National Objective Compliance

## *LMJ: Low/Mod Job Creation and Retention*

When counting the jobs to be used for determining the percentage of jobs that benefit LMI persons, the following policies apply:

- Part-time jobs must be converted to full-time equivalents (FTE);
- Only permanent jobs count (temporary jobs may not be included);
- Seasonal jobs are considered only if the job is the employee's principal occupation; and
- Jobs indirectly created or retained (i.e., “spin off” jobs) may not be counted.

# National Objective Compliance

## *LMJ: Low/Mod Job Creation and Retention*

In order to consider jobs retained as a result of CDBG assistance, there must be clear and objective evidence that permanent jobs will be lost without CDBG assistance. For these purposes, “clear and objective” evidence that jobs will be lost would include:

- Evidence that the business has issued a notice to affected employees or made a public announcement to that effect, or
- Analysis of relevant financial records which clearly and convincingly shows that the business is likely to have to cut back employment in the near future without the planned intervention.

# National Objective Compliance

## *LMCMC: Low/Mod Limited Clientele, Microenterprise benefit*

- National Objective for microenterprise projects only.
- Owner(s) of microenterprises and persons developing microenterprises that are assisted must qualify as LMI persons at the time of application.
- For each project meeting this National Objective, the Grantee must obtain, and maintain in the project file, data showing the size and annual income of the family of each microenterprise owner receiving assistance.

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Failure to adequately demonstrate National Objective Compliance:*

- A business/program that will create/retain permanent jobs has not been identified.
- Proposed jobs require skills that preclude them from being considered made available to low- and moderate-income persons.

# Additional CDBG Resources

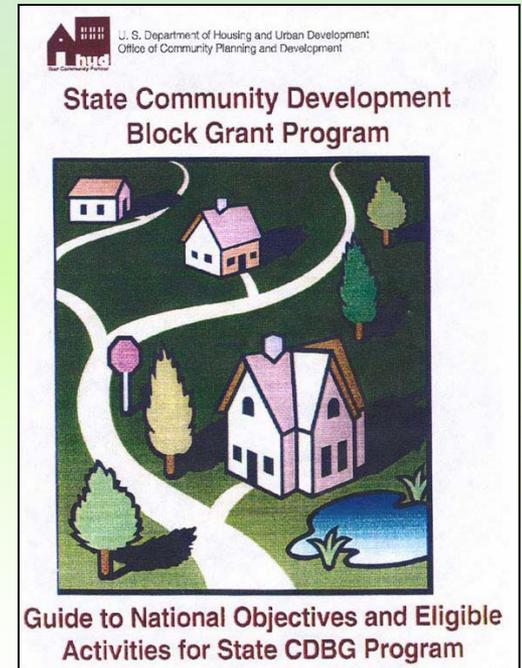
## For further information:

- Guide to National Objectives and Eligible Activities for State CDBG Programs

<http://www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/>

- “Basically CDBG” Course Training Manual

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/training/basicallycdbg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/training/basicallycdbg)



# Demonstration of Need

## *Description of:*

- Existing conditions
- Need for project
- Area/Persons benefiting
- Gap financing

## *Supporting Documentation:*

- Business plans
- Underwriting
- Financing denial or commitment letters

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Demonstration of Need*

- Data is presented without context.
- Need for CDBG funds is not detailed.
- Need for the specific activities was not explained.
- Failure to explain how the proposed plan aligns with community goals and any local or regional strategic plans.

# Project Description

- Must be specific to the project and activities being proposed.
- Should clearly demonstrate that the project will address the identified needs.
- Detailed to provide a complete picture of the project.
- Demonstrates that the project can be completed within the 24-month contract term.
- Provide supporting documentation.

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Project Description issues:*

- Applicant provides information that is unrelated to the proposed project.
- A detailed timeline for the project is not included in the project description.
- Proposed project does not appear feasible within the 24-month contract term.

# Project Budget

- Budget must be clear and consistent throughout application.
- Must include all funding sources (committed & projected).
- Must identify sources and uses of activities and funding sources. This includes soft costs such as administration, program delivery, and engineering.
- If other grant sources are pending approval, explain what will happen with the project if the others applications are not funded.

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Project Budget issues:*

- Inconsistent funding requests throughout the application
- Missing funding sources
- Required leverage not provided
- Insufficient funding for the project
- Funding commitments are not secured

# Economic Development Supporting Documentation

## *Examples of Supporting Documentation:*

- A written commitment from the business that at least 51% of the jobs on a FTE basis will be made available to, or taken by, LMI persons as well as a commitment of the equity contribution proposed in the budget.
- Commitment Letter(s) from all other funding sources, including proposed terms.
- Third party cost estimates, including documentation of the cost of real property, acquisition, construction/rehabilitation, and/or equipment costs.
- Current business and personal financials.
- Program Design Plan and Entrepreneurial Training Program Syllabus (required for Microenterprise Program only)

# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Supporting documentation issues:*

- Failure to provide complete copies of all required supporting documentation.
- Forms not signed or not signed by the authorized signatory.
- Issues with the public hearing notice.

# Administrative Capacity

- Demonstrate your understanding of program rules and regulations.
- Identify experienced staff who will be responsible for administration.



# Application Tips

## Common Deficiencies in Unsuccessful Applications

### *Administrative Capacity*

- Administrative capacity is not described, including staff roles and administrative procedures.
- Poor past performance administering NYS CDBG projects.
- Little or no demonstrated understanding of program rules and regulations.
- Project readiness is not evident.

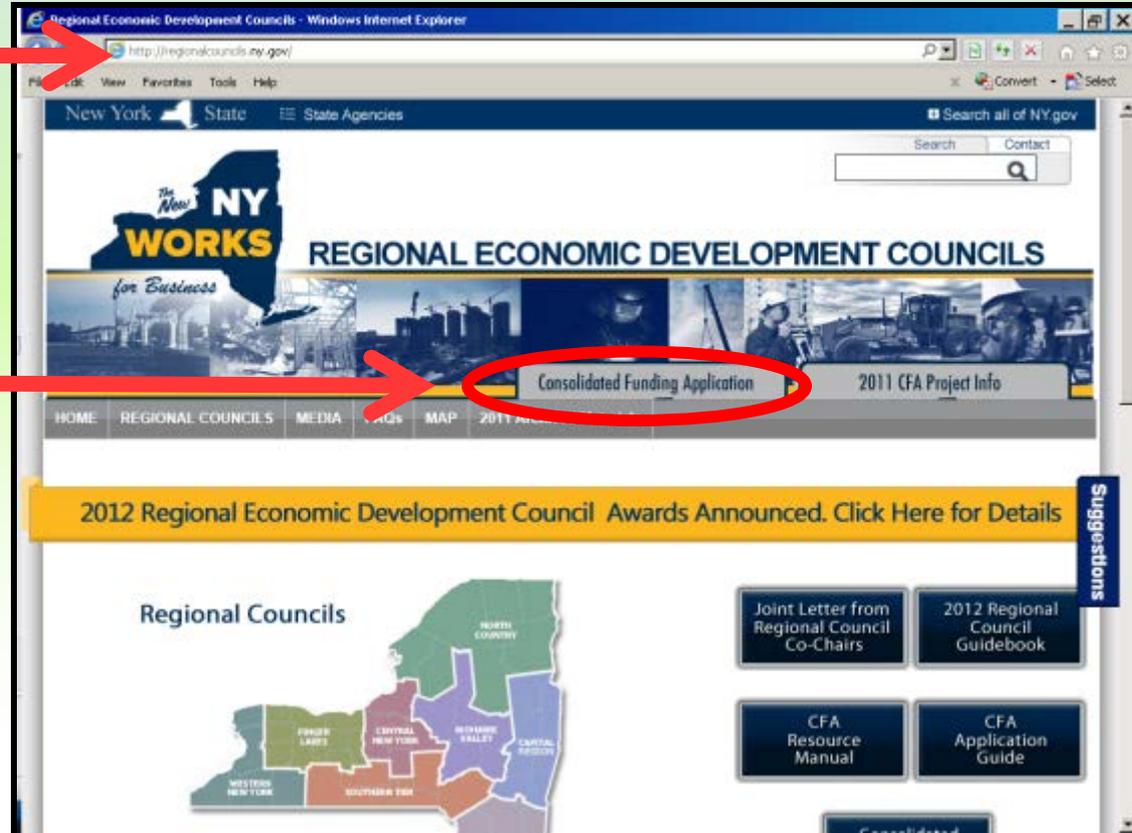
# Application Process

# Application Process

## Consolidated Funding Application (CFA)

<http://regionalcouncils.ny.gov/>

Online application



# Application Process

## Consolidated Funding Application (CFA)

New York State State Agencies Search all of NY.gov



### CONSOLIDATED FUNDING APPLICATION



CFA Project Info Regional Economic Development Councils

Home Help Print Page

<https://apps.cio.ny.gov/apps/cfa/>

### WELCOME

As part of Governor Cuomo's transformative plan to improve the state's economic development model, a NYS Consolidated Funding Application (CFA) has been created that will streamline and expedite the grant application process. The CFA process marks a fundamental shift in the way state resources are allocated, ensuring less bureaucracy and greater efficiency to fulfill local economic development needs.

Utilizing the CFA serving as the single entry point for access to economic development funding, applicants will no longer have to slowly navigate multiple agencies and sources without any mechanism for coordination. Now, economic development projects will use the CFA as a support mechanism to access multiple state funding sources through one application, making the process quicker, easier, and more productive.

### Links

[Available CFA Resources](#)

[Regional Council Guidebook](#)

[Program Application Questions](#)

To proceed with your CFA, please use the **Log In** or **Register** buttons.

[Log In](#)

[Register](#)

### Tip:

Applicants are encouraged to download all application questions to review and compose in Word before working in CFA.

# Application Process

## Consolidated Funding Application (CFA)

### **Threshold Questions**

A series of Yes/No questions. Responses determine program eligibility. Applicant may not proceed to program specific questions if threshold criteria are not met.

### **Documents / Attachments**

Documents that you must upload to submit a complete application. These support the responses you have given to questions in the application.

### **Basic Questions**

Common to all applicants who are accessing the CFA. One set of Basic Questions per application.

### **Standard Questions**

Specific to the funding program that you are applying for, i.e. NYS CDBG. If you apply for multiple programs with a single application, Standard Questions for each program will appear.

### **Budget Table(s)**

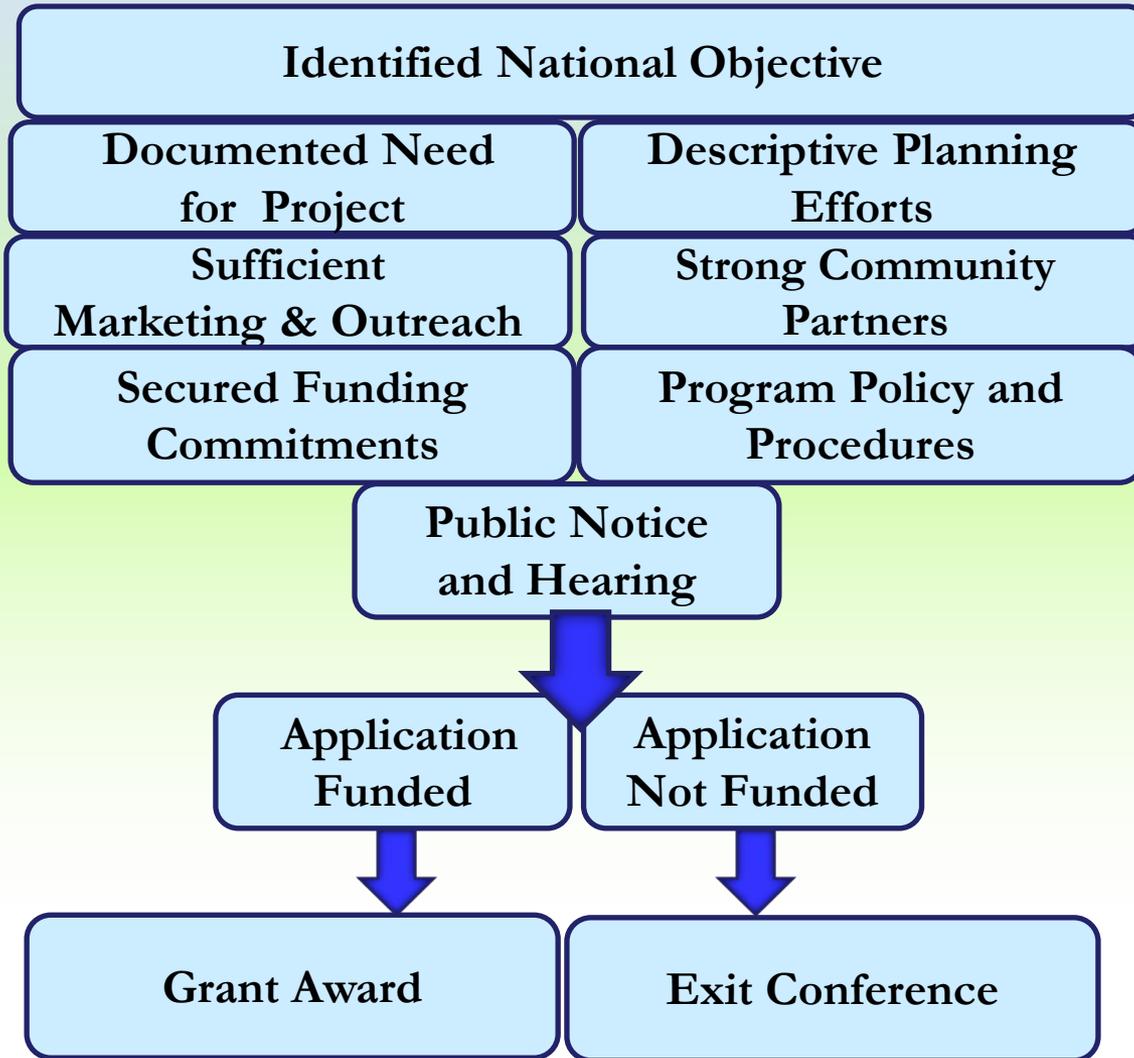
# Application Tips

## Common Deficiencies in Unsuccessful or Ineligible Applications

### *Common Errors During Application Process:*

- Examples include:
  - Applying for an economic development project through a public infrastructure/public facilities application or vice versa;
  - Answering threshold questions incorrectly.
  - Not answering standard questions in sufficient detail—please be sure to review the “Show Help” link.

# Are YOU Prepared to Apply for a CDBG Grant?

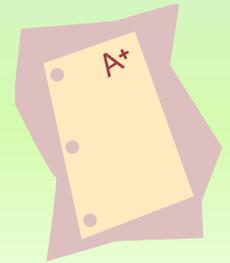


# Summary

# Scoring Criteria/Application Evaluation Overview

All funding determinations are based on the following factors:

- Quality of application
- Appropriateness of activity
- CDBG and administrative performance history, if any
- Severity of need
- Extent to which activity resolves identified need
- Capacity to complete activities in a timely & effective manner
- Public benefit
- Project feasibility & schedule
- Leverage and availability of other resources
- Reasonableness of project costs, including program delivery & administration
- Extent to which activity complements other federal, state, & local programs
- Public support



# Helpful Hints

- Read the application guidance
- Use the List of Supporting Documents
- Document Citizen participation
- Provide only related information
- Carefully proofread
- Answer all questions
- Complete forms in their entirety
- Select the correct application type

**When in doubt, CALL first!**

**(518) 474-2057**

# Additional Program Requirements- Certification

- Identify and remediate environmental hazards (Lead!)
- Minority and Women-Owned Businesses (MWBE)  
<http://www.nylovesmwbe.ny.gov/>
- Title VI of the Civil Rights Act of 1964. As amended (42 U.S.C. 2000d et seq.)
- The Fair Housing Act (42 U.S.C. 3601-3620)
- Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259)
- Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101)
- Affirmative Marketing
- Americans With Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, 225)
- Section 3 of the Housing and Urban Development Act of 1968
- Davis Bacon Related Acts

# Questions?

If you have any further questions following the review of this webinar, submit your questions to [HCR\\_CFA@nyshcr.org](mailto:HCR_CFA@nyshcr.org) or contact the Office of Community Renewal at 518-474-2057.

For NYS CDBG required forms and additional guidance, please visit:

<http://www.nyshcr.org/AboutUs/Offices/CommunityRenewal/FundingOpportunities.htm>