



**Homes and
Community Renewal**

Office of Community Renewal CDBG Program

**NYS Community Development Block Grant Program
Economic Development
& Small Business Assistance**

Open Round

CDBG Open Round

Beginning May 1, 2015, all Economic Development and Small Business applications will be available through an Open Round of funding.

- ED/SB applications will not be subject to the CFA deadlines
 - Applications can be submitted throughout the year
 - Pre-Submission
 - Invitation to apply
 - Full Application
 - 60 days to complete

Microenterprise assistance is available through the traditional CFA process.



CDBG Open Round

Once the applicant clicks 'Submit' within the Pre-Submission part of the application, the applicant will receive one of three notifications via email:

- **Accept** - The Pre-Submission has been approved and the applicant can proceed to the full application within the CFA Portal. An Invitation to Apply will be sent to the applicant via USPS mail.
- **Reject** - The Pre-Submission form has not been approved. The applicant will not be able to proceed to the full application within the CFA Portal. An Invitation to Apply will not be sent.
- **Needs More Information** - OCR has determined that additional information is required before the application can be approved and an Invitation to Apply sent.

For all of the above, OCR staff will be in contact with the applicant to discuss the next steps.



Program Summary

CDBG Program Summary

Overview

- Develop viable communities by providing decent housing and a suitable living environment principally for persons of low- and moderate-income.
- 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



CDBG Program Summary

Overview

- Two (2) year contract term

- Eligible Applicants: Units of Local Government with populations of less than 50,000 and counties with populations of less than 200,000
 - Refer to the list of eligible communities located at:
<http://www.nyshcr.org/Programs/NYS-CDBG/EligibleCommunities.htm>

- Program Delivery and Administration for each ED/SB project may not exceed a combined \$16,000.



CDBG Program Summary

Overview

- Economic Development and Small Business CDBG funded activities must meet National Objective Compliance
 - LMJ: Low/Mod Jobs benefit
 - 51% of all jobs created/retained must benefit LMI individuals
 - 'Held by' or 'Made Available to'
 - Owners should not be included in job creation/retention reporting
 - LMCMC: Used in the microenterprise program when the owner of the business is determined to LMI

CDBG Program Summary

Job Creation/Retention

- Part-time jobs must be converted to full-time equivalents (FTE). An FTE job is any combination of two or more part-time jobs that, when combined together, constitute the equivalent of a job of at least 40 hours per week.;
- Only permanent jobs count; temporary jobs may not be included;
- Seasonal jobs are considered to be permanent if the season is long enough for the job to be considered as the employee's principal occupation; and
- Jobs indirectly created or retained by an assisted activity are not eligible to be counted.



Eligible Activities

CDBG Program Summary

Eligible Activities

Economic Development

- Acquisition of real property
- Financing of machinery, furniture, fixtures and equipment
- Building construction and renovation*
- Working Capital
- Inventory
- Employee Training Expenses



CDBG Program Summary

Eligible Activities, continued

Small Business

- Acquisition of real property
- Financing of machinery, furniture, fixtures and equipment
- Working Capital
- Inventory
- Employee Training Expenses



CDBG Program Summary

Ineligible Activities

- Projects that do not meet a National Objective
- Buildings or portions thereof for the general conduct of government;
- General government expenses;
- Political activities; and
- Projects already in progress at time of application.



Funding Limits

CDBG Program Summary

Funding Limits



For Open Round applications:

Economic Development

- Award amounts of \$100,000 to \$750,000 for assistance to individual businesses
- NYS CDBG can fund up to 40% of total project cost, not to exceed the maximum award amount
- Must result in the creation or retention of a least 1 permanent, full time equivalent for every \$15,000 of NYS CDBG funds awarded
 - The business owner(s) should not be included in the job creation/retention reporting

CDBG Program Summary

Funding Limits, continued

Small Business Assistance

- Minimum \$25,000 Maximum \$100,000 to individual businesses
- Business must have 25 or fewer full time equivalent employees at the time of application
- NYS CDBG can fund up to 40% of total project cost
- Minimum of 20% owner equity required
- Must result in the creation/retention of at least 1 permanent full-time equivalent for every \$25,000 in CDBG funds awarded.
 - The business owner(s) should not be included in the job creation/retention reporting



Preparing to Apply

CDBG Application Process

Preparing to Apply

Identified National Objective

Need for CDBG Funds and Project

Descriptive Planning Efforts

Sufficient Marketing & Outreach

Strong Community Partners

Secured Funding Commitments

Program Policy and Procedures

Public Notice and Hearing

Application Funded

Application Not Successful

Grant Award

Exit Conference



CDBG Application Process

Resources

- NYS CDBG Program Guidelines
<http://www.nyshcr.org/Programs/NYS-CDBG/>
- Economic Development and Small Business Application Materials
<http://www.nyshcr.org/Funding/>
- NYS CDBG Economic Development Program Guidelines
<http://www.nyshcr.org/Programs/NYS-CDBG/EDProgramGuidelines.pdf>
- Regional Economic Development Councils
<http://regionalcouncils.ny.gov/>



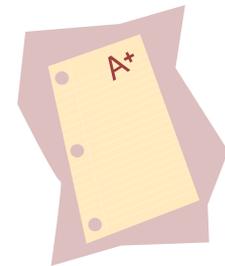
Scoring Criteria

CDBG Application Process

Scoring Criteria

Applications are competitively rated and scored against each other and receive Program Assessment Scoring based on the following factors:

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



Application Tips

CDBG Application Process

Application Tips

- Only eligible units of general local government may apply for CDBG assistance
- Subrecipients and businesses may not apply directly for NYS CDBG funds
- Read the application packet
- Document citizen participation
- Use the submission checklist
- Provide only related information



Common Deficiencies

CDBG Application Process

Common Deficiencies

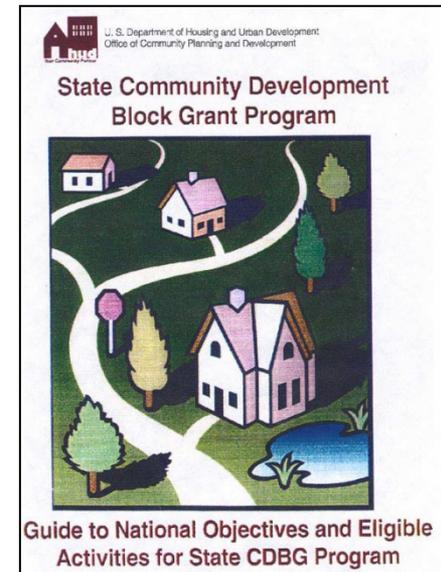
- Public hearing: failure to hold prior to application
- Project need is not demonstrated. Include quantifiable terms, facts and figures
- Administrative capacity is not described, including staff roles and administrative procedures.
- Program readiness is not evident, including community interest, eligible projects and funding commitments.
- Funding commitments provided are insufficient. Include all commitment letters for all sources of leveraged funds contributing to the project.
- Budget narratives do not match budget tables, and budget presented is not feasible.

Further Program Guidance

CDBG Application Process

Additional Program Guidance

- NYS CDBG Program
<http://www.nyshcr.org/Programs/NYS-CDBG/>
- 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
- 2015 Income Limits, as of 3/6/2015
<http://www.huduser.org/portal/datasets/il/il15/index.html>



CDBG Application Process

Additional Program Guidance

- Efforts to Affirmatively Further Fair Housing
- Identify, remediate environmental hazards(Lead based paint, asbestos, mold)
- Minority and Women-Owned Businesses (MWBE) <http://www.esd.ny.gov/MWBE.html>
- 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 questions, please contact
NYS Homes & Community Renewal at HCR_CFA@nyshcr.org

The OCR Grant Administration Manual is available at
<http://www.nyshcr.org/Programs/NYS-CDBG/GrantAdministration.htm>