

# COVID-19 Response Program: Phase 3

a CDBG program



The Community Development Block Grant Program (CDBG) is a federally funded, competitive grant program that helps rural communities with eligible populations to improve their quality of life with projects that focus on the overall health and safety of their residents. The goal is to encourage communities with eligible populations to focus on long-term community development.

## Program Criteria

- Competitive process
- Communities that received award in phase 1 or 2 can apply for phase 3
- Cannot have any unresolved findings or overdue documents
- Must meet a national objective and eligible activity
- Applicant has already achieved site control
- Procuring a Grant Administrator is optional for this program
- Administration costs from CDBG funds is limited to 2.5% of the request
- The project is ready to proceed and be complete within 12 months upon grant award

Two (2) public hearings are required:

- First hearing must happen between proposal and application
- For those awarded, second hearing must be complete before submission of the request for closeout

## Eligible Applicants



Entitlement & Non-entitlement city, county, or incorporated town.



**Sub-recipients** can be: 501(c)(3) not-for-profit organization that has contracted with one of the previous entities.

## What programs are available?

Program	Max Grant Amount
Public Services	\$250,000
Economic Development	\$250,000

## No local match is required!

*Applicants can apply for multiple eligible activities listed with approval from the CDBG Program Director. Please contact your Community Liaison to schedule a call with the Program Director.*

**Proposals are due Jan. 29, 2021 and applications are due Feb. 26**



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Program specific eligible activities

## Public Services

**Provide new or expanded Mental Health services with focuses on:**

- Domestic violence/abuse services
- Substance abuse treatment and recovery services
- Suicide prevention
- Other general mental health services

**Provide new or expanded Child Care services**

**Provide new or expanded public WiFi locations** (*LMI Area Benefit only*)

**Provide expanded food bank or pantry services**

**Establish a Subsistence Payment Program** (*Six-month limit*) (*limited clientele only*):

- Applicants must certify they have the capacity to carry out this activity in their application.
- Payments are limited to rent and utilities, and must go directly to the landlord or provider.
- Recipients of a local subsistence program must:
  1. Be a low- or moderate-income household;  
(51% threshold for LMI does not apply for this activity);
  2. Document that non-payment of rent or utility was directly related to COVID-19; and
  3. Verify need for assistance via a completed duplication of benefits form.

Contact your Community Liaison with your questions



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## Economic Development

Project Type	Eligible Activities
Grants to business to retain LMI jobs	<ul style="list-style-type: none"><li>-Working capital</li><li>-Continue operations</li><li>-Support remote work</li></ul> <p><b>Additional requirements:</b></p> <ul style="list-style-type: none"><li>- 2 years of annual reporting after closeout</li></ul>
Loans to business to retain LMI jobs	<ul style="list-style-type: none"><li>-Working capital</li><li>-Continue operations</li><li>-Support remote work</li></ul> <p><b>Additional requirements:</b></p> <ul style="list-style-type: none"><li>- Up to \$25,000 per business</li><li>- 3 to 5 year term</li><li>- Up to 2% interest</li><li>- Up to 1% loan administration fee</li><li>- Monthly, quarterly, or annual payments</li><li>- Balance can convert to a grant if business retains jobs for at least 2 years</li><li>- Payments can be deferred for first six months at 0% interest</li><li>- Requires annual reporting by the community in perpetuity</li></ul>

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