

# MEMORANDUM

February 24, 2020

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TO: City Councils, County Boards of Commissioners, Councils of Government, Economic Development Districts, and Interested Organizations and Individuals

FROM: Chris Cummings, Assistant Director, Economic Development, Business Oregon

SUBJ: 2021 Proposed Method of Distribution (MOD) for Community Development Block Grant Guidelines – Request for Comments

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A copy of the “2021 Proposed Method of Distribution” Community Development Block Grant Program Guidelines is available on the department’s website at:

<https://www.orinfrastructure.org/Infrastructure-Programs/CDBG/Handbooks/>

Please take time to review this message and the proposed guidelines. If you are unable to download a copy of the guidelines, Business Oregon staff will gladly forward a hardcopy to you upon request.

The state of Oregon expects to have approximately \$13 million in federal funds for awards to rural cities and counties in the year 2021. The money comes from the federal Community Development Block Grant Program administered through U.S. Department of Housing and Urban Development. These grant funds must be awarded under a system with published rules and criteria, which are adopted following an opportunity for public comment.

Beginning in 2017, the department created the Annual Action Development Committee, a sub-committee of the Infrastructure Finance Authority Board. The committee, comprised of internal and external partners representing cities, counties, water districts, and housing advocates met to consider the CDBG program as a whole and propose revisions to the MOD focusing on project readiness and a projects ability to draw funds expeditiously. The department is proposing to make changes to the program guidelines adopted for year 2021 funds. The attached “Summary of Significant Changes Proposed for 2021” describes the proposed changes. Your comments and suggestions will help us to improve service in 2021.

The deadline for submitting written comments is 5:00 p.m. on March 28, 2021. You can send your comments and suggestions, either by letter or e-mail. Letters should be addressed to: Rena Schoen, Business Oregon, 775 Summer Street, Suite 200, Salem, OR 97301. E-mail responses can be sent to [rena.schoen@oregon.gov](mailto:rena.schoen@oregon.gov).

Thank you for your interest and participation in this important process. If you have questions, please contact Rena Schoen at 503-949-6294.

## Business Oregon

### Community Development Block Grant Program **Summary of Significant Changes Proposed for 2021**

#### **Comments Requested**

Please review the following summary and the proposed Method of Distribution (program guidelines) for the 2021 Community Development Block Grant program. Comments and suggestions are encouraged and welcomed.

#### **Comment Period and Public Hearing**

Comments on the 2021 Community Development Block Grant program proposed Method of Distribution can be submitted either orally or in writing (regular mail or e-mail). The 30-day public comment period ends at 5:00 p.m. on March 28, 2021. You can send your comments and suggestions in writing, either by letter or e-mail. Letters should be addressed to: Rena Schoen, Business Oregon, 775 Summer Street, Suite 200, Salem, OR 97301. E-mail responses can be sent to [rena.schoen@oregon.gov](mailto:rena.schoen@oregon.gov).

**Public Hearing Date:** March 23, 2021  
**Time:** 12:00 p.m. (noon) to 1:00 p.m.  
**Location:** Online—[Join the Microsoft Teams meeting](#) or call in at  
1-503-446-4951,333950872# United States, Portland  
Phone Conference ID: 333 950 872#

## Summary of Significant Changes for 2021

### Chapter 1–Funding Priority Targets

The table below shows 2021 projected available funds and targeted percentages. Funding priority and target percentages remain the same as 2020.

Funding Category	Funds Available*	2021 Target Percentage
Public Works	\$6,955,653	53%
Regional Housing Rehabilitation	\$3,280,968	25%
Community/Public Facilities	\$2,624,775	20%
Microenterprise Assistance	\$262,477	2%
<b>Total Proposed Funding Available for Projects</b>	<b>\$13,123,873</b>	

\*These figures are estimates based on the previous years' allocation, which is the anticipated funding for 2021. Any recaptured funds and/or unobligated amounts from previous years will be added to this figure.

### Chapter 7–CDBG Application Procedures

- **Application Procedures and scoring**–The agency continues to restructure the CDBG program to bring greater emphasis on funding projects that are ready to proceed. In light of that, there have been a few changes throughout Chapter 7 emphasizing increased collaboration in the microenterprise/economic development program.
  - Microenterprise Assistance Public Service  
For applicants interested in applying for a microenterprise program there is an additional twenty five point's available if the program includes an element of collaboration (page 65).
    - ✓ The applicant has at least two formalized relationships with State (such as ROI program), non-profit or partner foundation/organization (15 points)
    - ✓ The project is based on a local/regional economic development plan (10 points)

### Chapter 15 and 16

The state has received approximately \$26,000,000 in CDBG CARES Act (CDBG CV1-3) funding. These chapters reflect how all the CDBG CARES Act (CDBG CV1-3) funding will be used to prepare for, prevent, or respond to COVID-19. For applicants interested in applying for these funds the process and programs can be found in Chapter 15 and Chapter 16.