

Chapter 2 Eligible Applicants/Limits on Applications

Eligible Applicants

Only non-metropolitan (non-entitlement) cities and counties in rural Oregon can apply for and receive grants. Urban (entitlement) cities (Albany, Ashland, Beaverton, Bend, Corvallis, Eugene, Grants Pass, Gresham, Hillsboro, Medford, Portland, Redmond, Salem, and Springfield) and counties (Clackamas, Multnomah, Washington) are not included in the state’s 2017 Community Development Block Grant (CDBG) program because they receive CDBG funds directly from the U.S. Department of Housing and Urban Development (HUD).

Tribes are ineligible to directly apply for CDBG funds from the state’s non-entitlement CDBG program since they receive their own CDBG allocation directly from HUD. In addition, tribes are considered sovereign entities and as such are not considered a unit of general local government under the state’s authority. An eligible non-entitlement city or county may apply for CDBG funds for projects that benefit both tribal and non-tribal members. However, state CDBG funds can only be used for the portion of the project that will benefit the non-tribal members.

Table A on pages 2-3 to 2-6 lists each city and county that may be eligible to apply for 2017 Oregon CDBG funds under the low- and moderate-income area wide national objective.

Applications on Behalf of Another Eligible Applicant

A city or county may not apply for a project where the project to be constructed will be owned and operated by another eligible applicant, a state or a federal agency.

Facilities Owned by Other Public Bodies

Cities and counties may undertake projects to improve existing facilities owned by other public bodies such as sanitary districts and water districts, including water supply authorities, or other political subdivisions of the state and organizations operated on a not-for-profit basis such as associations and cooperatives that provide drinking water to primarily residential areas. These other public or nonprofit organizations must own the facilities to be upgraded and need to contact the appropriate city or county to discuss application sponsorship. The respective city or county where the system is located must sponsor the application for an “other public or nonprofit organization.”

Counties considering applying on behalf of another government body are encouraged to enter into an intergovernmental agreement with the government body, identifying the roles and responsibilities of each to ensure the county has proper authority to achieve compliance with the federal CDBG program requirements during the project. Counties also are encouraged to request a meeting with the department for technical assistance and to explain the county’s responsibilities under a CDBG grant in projects of this nature.

Regional Projects

Two or more local governments (for example, a city and a county, or two cities) may work on an application for a regional project. In such cases, only one jurisdiction can be the applicant and act as the responsible party under the contract with the state. Joint applications where two or more parties are equally responsible will not be accepted. Regional projects are activities that benefit more than one jurisdiction and address a common problem in a region. Some examples of regional projects include regional housing rehabilitation programs, regional water or wastewater systems, and regional microenterprise assistance programs.

Non-Entitlement/Entitlement Boundaries

When an eligible non-entitlement city or county applicant applies for and is awarded CDBG funds for a project that will be located within the boundaries of a CDBG entitlement city or county whose residents are also residents of the non-entitlement applicant area (for example, Lane County sponsoring a project to be physically located within the city of Eugene), eligible project costs are limited to the estimated pro rata share of the project activity beneficiaries who reside in the non-entitlement portion of the project’s service area.

Pass Through

Cities and counties cannot “pass through” the awarded funds to another entity to carry out the project activities. The recipient must carry out the project activities and remain fully responsible for the grant-funded project’s compliance with all federal and state requirements. In other words, the project must be under the direct control of the grant recipient at all times.

Project Phasing

Projects cannot be divided into phases to obtain multiple CDBG grants for the same facility. Some examples of project phasing not allowed under the program include:

1. Separating a Public Works project into phases, such as collection system improvements in one-phase and treatment system improvements into another phase in order to apply for more than the maximum grant within a five-year period.
2. Building one portion of a Public/Community facility now, and then building the remaining portion later, in order to qualify for two grants for the same facility.

TABLE A–2016 Low- and Moderate-Income Data

City/County	2016 LMISD	City/County	2016 LMISD
Baker County	42.56%	Deschutes County	36.58%
Baker City	46.44%	La Pine	82.74%
Greenhorn	0%	Sisters	35.70%
Haines*	56.40%	Douglas County	38.73%
Halfway	55.84%	Canyonville	50.00%
Huntington	59.26%	Drain*	56.30%
Richland	50.00%	Elkton	37.84%
Sumpter	37.93%	Glendale	60.87%
Unity	54.55%	Myrtle Creek	49.71%
Benton County	48.22%	Oakland	30.49%
Adair Village	35.56%	Reedsport	47.29%
Monroe	69.75%	Riddle	40.19%
Philomath	37.61%	Roseburg	37.80%
Clatsop County	38.65%	Sutherlin	40.16%
Astoria	42.52%	Winston	50.00%
Cannon Beach	47.95%	Yoncalla	59.60%
Gearhart	13.73%	Gilliam County	41.91%
Seaside	50.84%	Arlington	37.00%
Warrenton	42.03%	Condon	47.50%
Columbia County	38.17%	Lonerock	42.86%
Clatskanie	49.29%	Grant County	40.88%
Columbia City	33.33%	Canyon City	35.71%
Prescott	66.67%	Dayville	58.62%
Rainier	46.81%	Granite	0%
Scappoose	34.77%	John Day	41.28%
St. Helens	42.94%	Long Creek	54.55%
Vernonia	45.34%	Monument*	56.90%
Coos County	38.21%	Mt. Vernon*	57.30%
Bandon	46.91%	Prairie City	46.05%
Coos Bay	41.52%	Seneca*	56.60%
Coquille	36.04%	Harney County	38.42%
Lakeside	39.26%	Burns	40.92%
Myrtle Point	54.56%	Hines	40.40%
North Bend	33.66%	Hood River County	39.58%
Powers	36.00%	Cascade Locks	44.50%
Crook County	36.54%	Hood River	44.08%
Prineville	44.40%	Jackson County	38.20%
Curry County	44.72%	Butte Falls	32.38%
Brookings	44.70%	Central Point	32.41%
Gold Beach	34.64%	Eagle Point	39.26%
Port Orford	42.86%	Gold Hill	41.10%

*Indicates results of income surveys conducted in accordance with CDBG requirements. Income Survey results are valid for five years from the date the survey was completed.

TABLE A–2016 Low- and Moderate-Income Data

City/County	2016 LMISD	City/County	2016 LMISD
Jackson County Continued		Linn County Continued	
Jacksonville	34.68%	Halsey	42.31%
Phoenix	48.74%	Harrisburg	35.96%
Rogue River	41.03%	Idanha*	69.90%
Shady Cove	49.91%	Lebanon	44.02%
Talent	43.25%	Lyons	27.40%
Jefferson County	43.22%	Mill City	43.73%
Culver	64.57%	Millersburg	22.26%
Madras	45.65%	Scio	43.36%
Metolius	24.03%	Sodaville	37.93%
Josephine County	39.48%	Sweet Home	42.40%
Cave Junction	52.79%	Tangent	36.70%
Klamath County	38.48%	Waterloo	53.19%
Bonanza	52.17%	Malheur County	43.92%
Chiloquin	71.22%	Adrian*	57.22%
Klamath Falls	48.02%	Jordan Valley	32.26%
Malin	52.07%	Nyssa	35.65%
Merrill	41.96%	Ontario	49.75%
Lake County	38.97%	Vale*	62.45%
Lakeview	29.67%	Marion County	40.63%
Paisley	46.67%	Aumsville	53.74%
Lane County	40.10%	Aurora	18.57%
Coburg	22.60%	Detroit	38.71%
Cottage Grove	39.80%	Donald	25.15%
Creswell	41.05%	Gates	52.55%
Dunes City	35.33%	Gervais	45.07%
Florence	47.37%	Hubbard	44.54%
Junction City	40.67%	Idanha*	69.90%
Lowell	28.66%	Jefferson	45.90%
Oakridge	43.91%	Keizer	36.46%
Veneta	32.94%	Mill City	43.73%
Westfir	28.30%	Mt. Angel	39.48%
Lincoln County	41.87%	Scotts Mills	28.07%
Depoe Bay	39.63%	Silverton	34.42%
Lincoln City	60.01%	St. Paul	10.14%
Newport	36.87%	Stayton	41.36%
Siletz	54.36%	Sublimity	20.38%
Toledo	45.44%	Turner	42.68%
Waldport	58.17%	Woodburn	47.56%
Yachats	48.39%	Morrow County	39.24%
Linn County	36.06%	Boardman	46.03%
Brownsville	46.65%	Heppner	44.26%

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TABLE A–2016 Low- and Moderate-Income Data

City/County	2016 LMISD	City/County	2016 LMISD
Morrow County Continued		Union County Continued	
Ione	28.85%	North Powder	47.87%
Irrigon	51.43%	Summerville	19.44%
Lexington	15.22%	Union	42.41%
Polk County	32.93%	Wallowa County	34.82%
Dallas	35.35%	Enterprise	42.42%
Falls City*	55.15%	Joseph	33.52%
Independence	39.61%	Lostine	37.88%
Monmouth	48.01%	Wallowa	31.82%
Willamina	53.97%	Wasco County	39.87%
Sherman County	40.11%	Antelope	88.89%
Grass Valley	66.67%	Dufur	34.51%
Moro	58.62%	Maupin	33.33%
Rufus	79.07%	Mosier	47.31%
Wasco	46.15%	Shaniko	40.00%
Tillamook County	41.92%	The Dalles	41.83%
Bay City	45.14%	Wheeler County	41.38%
Garibaldi	41.48%	Fossil	46.84%
Manzanita	37.50%	Mitchell	66.67%
Nehalem	45.95%	Spray	20.83%
Rockaway Beach	46.40%	Yamhill County	42.12%
Tillamook	59.04%	Amity	54.22%
Wheeler	59.65%	Carlton	40.23%
Umatilla County	40.01%	Dayton	43.03%
Adams	28.81%	Dundee	20.10%
Athena	41.75%	Lafayette	52.19%
Echo	45.86%	McMinnville	52.27%
Helix	7.69%	Newberg	40.27%
Hermiston	48.09%	Sheridan	47.59%
Milton-Freewater	47.97%	Willamina	53.97%
Pendleton	33.65%	Yamhill	29.96%
Pilot Rock	42.02%		
Stanfield	47.69%		
Ukiah	53.33%		
Umatilla	56.39%		
Weston	31.25%		
Union County	40.89%		
Cove	48.00%		
Elgin	55.81%		
Imbler	24.39%		
Island City	28.16%		
LaGrande	46.99%		

*Indicates results of income surveys conducted in accordance with CDBG requirements. Income Survey results are valid for five years from the date the survey was completed.

Limits on Applications

To assist the state in complying with federal requirements pertaining to the timely distribution and expenditure of funds the 2017 Community Development Block Grant program will have the following application limits for all projects assisted in whole or in part with Community Development Block Grant funds.

- **Three open grant limit**
Applications will **not** be invited or Project Notification and Intake Forms (PNIF's) approved from a city or county with three or more open grants.
- **Age and Expenditure of Funds Requirements**
 1. City/County–Before an application is invited or a PNIF is approved by the department all cities and counties with open grants must comply with the following requirements for their existing open grants:

Table B

One Year Grants (microenterprise assistance)	Requirement	Multi-Year Grants (All other grants)	Requirement
For 2017 if an open grant is:			
1 year old (2016 award)	Microenterprise Grants –70% of the funds must be drawn down	2 years old (2015 award)	60% of the funds must be drawn down
2 years old or more (2015 award)	Microenterprise Grants –The jurisdiction is ineligible to apply for any new grant unless this project is administratively closed	3 years old (2014 award)	100% of the funds must be drawn down
		4 years old or more (2013 award or earlier)	The jurisdiction is ineligible to apply for any new grant unless this project is administratively closed.

2. **Housing Rehabilitation and Microenterprise Assistance Service Provider**–An eligible non-profit’s regional housing rehabilitation program and a service provider administering a microenterprise assistance program on behalf of a grant recipient, which includes the entire service area of the housing rehabilitation program or microenterprise assistance program, can only have one open grant from the CDBG program, unless that open grant is meeting the same age and expenditure requirements applicable to cities and counties identified above. If the one open grant is meeting the age and expenditure requirements, the eligible non-profit or microenterprise service provider can work with an eligible city/county to apply for a second grant. Under no circumstances will more than two open grants per eligible non-profit’s regional housing rehabilitation program or non-profit’s microenterprise assistance program, which includes the entire service area, be awarded.

- **Unresolved Performance Issues**

Cities and counties with unresolved performance issues under prior open or closed CDBG awards may be restricted (receive sanctions, refer to Chapter 5) by the state from receiving additional CDBG awards until such time the non-performance issues are resolved to the satisfaction of the department.

- **Application Limit**

A city or county may only apply for one project per year from one of the following categories: Community Facilities and Housing Rehabilitation. Also, no more than two applications from the remaining funding categories will be considered for funding at any one time. The applicant must designate which is the higher priority application; if the applicant makes no designation, and only one application can be funded, the department will make this determination.

- **Exceptions to Limits on Applications**

- An exception to the “Age and Expenditure of Funds Requirement” may be granted if the city or county can demonstrate that timely completion and administrative closeout of a grant has been delayed by the actions of a federal or state agency.
- The three open grant limit does not apply to disaster recovery grant funding received through special allocations from the U.S. Department of Housing and Urban Development.
- New Emergency Projects (not previously awarded) are not subject to any of the “Limits on Applications” requirements.
- Counties that have received a CDBG public works grant on behalf of a public body such as a sanitary district or water district, including water supply authorities, or other political subdivisions of the state and organizations operated on a not-for-profit basis may be granted an exception to any of the "Limits on Application" requirements due to the complexity of the governing/legal jurisdictional issues encountered in administering a grant that is benefitting an outside government body over which the recipient has no governing authority. Exceptions will be granted at the sole discretion of the Business Oregon after a thorough review by Business Oregon staff.

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