

# **CDBG-CV2—Application Guide**

## **(Non-Housing related Projects Category)**

Business Oregon is pleased to announce a NOFA for 2020 Community Development Block Grant CARES Act funding. Business Oregon is seeking applications from non-entitlement cities and counties who are interested in administering the Emergency Small Business and Micro-Enterprise Assistance Grant and COVID-19 Impact Assistance Program. The focus of this funding is to prevent, prepare for, and respond to the impacts of COVID-19 pandemic. The CDBG-CV funding is in response to the economic impact of the pandemic by providing assistance to low and moderate income households impacted by COVID-19

In response to the economic impact of the COVID-19 pandemic, the Community Development Block Grant (CDBG) program has been highlighted as a vehicle for providing financial relief to states and communities. This insight considers the significant role of the flexibility of the CDBG program as an economic development countermeasures to the coronavirus outbreak.

This NOFA outlines the modified structure of the CDBG grant program that is being proposed to accommodate COVID-19 related response. These changes are all within Business Oregon's authority to make, with no statutory or other modifications needed.

These guidelines apply to all non-housing CDBG activities to address impacts of the COVID-19 crisis funded by the CARES Act. Those activities consist of:

- Emergency Small Business and Micro-Enterprise Assistance Grant
- COVID-19 Impact Assistance

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# Emergency Small Business & Micro-Enterprise Assistance Grant

## Program Objective

Due to the pandemic social distancing has made it difficult for small business to remain open. On March 23, 2020, the governor declared a stay at home order, only essential business or business that could practice six feet of social distancing remained open. Many businesses, especially small businesses and Micro-Enterprise, have been impacted and are in need of assistance to remain in business and to sustain jobs.

In an effort to provide assistance to small businesses in non-entitlement areas of Oregon, the state CDBG-CV program will be providing the following assistance:

- New job creation as necessary to new businesses or business expansion due to COVID-19
- Avoid job loss caused by business closures by providing short-term working capital assistance to small businesses to enable retention of jobs held by low- and moderate-income persons.
- Provide technical assistance, grants and other financial assistance to establish, stabilize, and expand micro-enterprise businesses that provide medical, food delivery, cleaning, and other services to support home health and quarantine.
- Provide training for LMI workers in the communities affected by Coronavirus related job loss since January 2020 to revitalize affected labor force and business sector
- The Emergency Small Business Assistance grant program is intended to;
  - o Help small businesses remain solvent through the COVID-19 pandemic and be ready/able to rebuild,
  - o Fill specific cash flow gaps in small businesses' larger efforts to scale down, reduce expenses, and take any additional pivoting measures to survive the COVID -19 pandemic.

## Definitions

- Micro-enterprise means a commercial enterprise that has five (5) or fewer FTE, including one (1) or more who owns the enterprise
- Small Business means a business that is independently owned and operated and which is not dominant in its field of operation and in conformity with specific industry criteria defined by the Small Business Administration (SBA).

## Funding Information

Total Availability CDBG-CV2: \$ 4,855,419

**Notes:** This NOFA outlines the structure of our CDBG-CV2 grant programs funded through the CARES Act that we are proposing to accommodate COVID-19 related response. This funding is reflecting the 2nd round of allocation (known as CDBG-CV2 out of 3). Business Oregon will release a series of Notice of Funding availabilities for the remaining of the funding allocations.

## Who Can Apply

The state CDBG program is only available to non-entitlement cities or counties (cities or counties that do not receive a direct allocation of CDBG funds from HUD, see list of entitlement communities\*).

\*Entitlement communities, those who are receiving direct CDBG allocation from HUD, within Oregon are: Oregon tribes, urban cities (Albany, Ashland, Beaverton, Bend, Corvallis, Eugene, Grants Pass, Gresham, Hillsboro, Medford, Portland, Redmond, Salem, and Springfield), and counties (Clackamas, Multnomah, Washington)

The non-entitlement city or county grant recipient must sub-grant the funds to either one of the following non-profit organizations:

- For Small Business Assistance: a statewide or local Economic Development, Non-profit organization certified in providing small business lending (such as the following but not limited to: EDA, SBA, USDA, CDFI). (For TA assistance/Training, non-profit organization experienced in providing
- For micro-enterprises businesses: secure services of a micro-enterprise support organization.
- For Technical Assistance/ Training, Small business/Micro-enterprise support organization

## Application Instructions

### Application Deadline

There will be deadline of November 15, 2021, for application and funds will be awarded to the first eligible projects and until all funds are exhausted or the application deadline (whichever comes first).

### The application process is as follows:

- Pre-Application can be found at the following website:  
<http://www.orinfrastructure.org/Infrastructure-Programs/CDBG/CV1/>
- Pre-application will be reviewed by the Regional Development Officer and CDBG Team for preliminary eligibility review.
- Application will be invited and a link to the application will be provided

### Application Questions

For questions regarding the NOFA or use of funds, please contact your RDO or the CDBG Team at Business Oregon.

## Application Review Process

### Application Review

The department will review applications to determine if they meet the eligible criteria listed within each project type. Each Application must be able to document in detail how the sub-grantee will document the effects of COVID-19 on small business and/or micro-enterprises. The application lists all the attachments that will be required to determine eligibility. If the application is incomplete the applicant will be contacted by Business Oregon and will be given five business days to provide the complete information in order to complete the review and eligibility process. If the applicant does not respond within the allotted time Business Oregon may send a notice of application withdrawal.

## Awards

Once the application has been reviewed for completeness and eligibility the applicant will receive a letter informing them of the award, OBDD will create a contract for execution of the activity. It is important for the applicant to remember not to expend any funds until the contract is signed and the environmental process is complete.

## National Objective

Small Businesses and Micro-Enterprise Assistance Grant Program must meet the federal national objective of benefiting low- to moderate-income persons based on household size and income, 24 CFR 570.483(b)(2)(ii)(B). National objective compliance is based on the actual number of persons served by the micro-enterprise or jobs created/ retain by small businesses/micro-enterprise grant assistance program.

## Federal Requirements

The Community Development Block Grant (CDBG) Program is subject to many federal requirements that cover a wide range of activities. Some of the requirements are briefly summarized within Chapter 7 of the 2021 Method of Distribution. More detailed information can be found in the Grant Management Handbook and other resources available from Business Oregon. The CDBG Grant Management Handbook (2020 Edition) or most current edition, can be found on the [department's website](#). Business Oregon encourages potential applicants to review the Grant Management Handbook prior to committing to submit an application in order to familiarize themselves with the wide array of program requirements.

**Note:** An applicant for a CDBG award is considered a responsible entity under the Environmental Review and URA requirements starting with the date of submission of a CDBG application. An "Applicant" is one who submits an application, request, plan or statement required to be approved by an official as a condition of eligibility for federal financial assistance.

## Duplication of Benefit

Awardees must prevent Duplication of Benefit when carrying out any projects funded by CDBG CARES ACT. A duplication occurs when a person, household, business, or other entity receives disaster assistance from multiple sources for the same recovery purpose, and the total assistance received for that purpose is more than the total need. When total need for eligible activities is more than total assistance for the same purpose, the difference between these amounts is an "unmet need." Awardees must limit their assistance to unmet needs for eligible activities to prevent a DOB.

## Joint Projects

This program encourage joint projects that benefits more than one jurisdiction combination of cities and counties in a regional or joint project. However, only one jurisdiction can be the applicant. The jurisdiction that applies and receives an award incurs the responsibility for the CDBG funds. Joint applications submitted for review in which two or more units of local government are equally responsible will not be accepted. Either jurisdiction may take the lead and still allow the funds to be used in all jurisdictions as outlined in the Intergovernmental Agreement (IGA) or other Business Oregon approved form of local government agreement for the region.

## Intergovernmental Agreement (IGA)

The service area of the proposed Business Assistance Grant Program must be clearly defined and acknowledged by all the participating jurisdictions through an IGA or other Business Oregon

approved form of local government agreement. The IGA must be signed by all participating jurisdictions.

At a minimum, the applicant must partner with at least one other city/county jurisdiction to form a regional Small Business Assistance program. At a minimum, the agreement must clearly define:

- a. The lead applicant;
- b. The participating city/county jurisdiction;
- c. The eligible non-profit organization that will be carrying-out the business assistance grant program on behalf of the lead applicant; and
- d. A clear description of the area to be served with the requested grant. All activities funded with CDBG funds must be within the defined service area contained in the IGA.
- e. A clear requirements for a No Duplication of Benefit policy and procedure that include at a minimum:
  1. A requirement that any person or entity receiving CDBG-CV assistance (including direct beneficiaries) must agree to repay assistance that is determined to be duplicative; and
  2. A method of assessing whether the use of CDBG-CV funds will duplicate financial assistance that has already been received or is likely to be received by acting reasonably to evaluate need and the resources available to meet that need.

## **Maximum Grant Amount**

The maximum CDBG grant in this category is up to \$100,000 (per city for no more than five cities per service region) or up to \$500,000 per county.

## **Grant Administration**

Up to 10 percent of the grant award, but not more than \$35,000.

## **Program Management Services**

Up to 15 percent of the grant award may be used for the combined costs associated with grant administration and program management. Of this amount, no more than \$35,000 may be used for grant administration costs as identified above.

Program management costs are expenses directly related to carrying out eligible program activities such as working with low- and moderate-income eligible clients. These costs are not considered to be grant/project administration costs because they provide a direct service to clients eligible under the low- and moderate-income national objective.

## **Work Plan**

Each application must contain a work plan that provides for a minimum performance measure of assisting at least:

- One (1) Low Moderate Income job created/retain for every \$2,500 awarded to the applicant.
- Or,
- One (1) micro-enterprise for every \$10,000 awarded to the applicant.

If at project completion, this performance measure is not attained, the department will recapture a sufficient amount of the grant awarded in order for the project to meet the minimum performance measure.

For workforce training, a minimum performance measure of assisting at least one (1) LMI individual for every \$2,500 awarded to the applicant

All activities must be completed and the Project Completion Report submitted within 12 months from contract execution with the department.

## **Program Structure and Performance Requirements**

CDBG funds are regulated by 24 CFR Part 570.489(e)(2)(ii). The city/county grant recipient is required to:

- Enter into a sub-grant agreement with an eligible nonprofit organization (see more elaboration of the sub-grantee eligibility in the next section) :
  - o For Small Business Assistance: a statewide or local Economic Development, Non-profit organization certified in providing small business lending (such as the following but not limited to: EDA, SBA, USDA or a CDFI).
  - o For micro-enterprises: secure services of a micro-enterprise support organization.
- The (sub-grantee) eligible non-profit organization must carry out program activities on behalf of the grant recipient. The city/county grant recipient retains ultimate responsibility for compliance with all state and federal program requirements and must ensure the (sub-grantee) eligible non-profit adheres to these requirements.
- The eligible non-profit is in control of all decisions regarding the CDBG program. The nonprofit may undertake all activities or may utilize a professional services agreement to accomplish grant administration and limited program management work.
- This is a grant program that needs to be completed within 12 months after award contract execution. The recipient of funds will not require any repayment from any small business or micro-enterprise that receives the assistance unless they are in violation of regulations or the law.
- Eligible Small businesses
  - o Those immediately impacted by the public health restrictions
  - o Were generally stable/strong prior to the crisis
  - o Employ low– moderate-income individuals
  - o Must document that without this grant LMI jobs cannot be retained.
  - o Must have been in business for a minimum of one year
  - o Location of business to not be residing within an entitlement area; and
- Eligible Micro-enterprise:
  - o Be a micro-enterprise with 5 or few employees and owner is low-moderate income
  - o Location of business to not be residing within an entitlement area; and
  - o Those immediately impacted by the COVID-19public health restrictions

## **Eligible Nonprofit (sub-grantee)**

The nonprofit must meet the following requirements of a sub-grantee by the department:

- Documentation from the Internal Revenue Service (IRS) that certifies the nonprofit organization is organized as a nonprofit or a certified Community Development organization.
- Documentation that the organization must have as one of its primary purposes (as outlined in its bylaws, article of incorporation or charter) to provide financial assistance to small businesses.

- Provide a copy of their program implementation plan and process such as:
  - o Application criteria
  - o Underwriting and award criteria, including a copy of the application used for emergency assistance.
  - o Performance report
  - o Duplication of Benefit Prevention policy and procedure that include at a minimum:
    - A requirement that any person or entity receiving CDBG-CV assistance (including direct beneficiaries) must agree to repay assistance that is determined to be duplicative; and
    - A method of assessing whether the use of CDBG-CV funds will duplicate financial assistance that is already received or is likely to be received by acting reasonably to evaluate need and the resources available to meet that need.
- The sub-granted nonprofit must comply with all CDBG requirements.
- The sub-granted nonprofit must be the grantor of all grants and owner of all the grant agreements/contracts with the small business or micro-enterprise.

## Documentation and Reporting

Sub-grantees must be able to provide a program implementation plan that gathers the following information:

- The need is a direct result of the effects of the COVID-19 crisis.
- Provide Business Oregon with the application documents and policies the sub-grantee will use to determine business eligibility.
- If job creation/retainage–Provide self-certification job creation/ retainage report.
- For training and technical assistance grant: report number of LMI businesses/ Micro-enterprise assisted along with the type of training/ technical assistance provided.

Once all funds have been disbursed the program will be monitored and must report the number of jobs created or retained, the number of micro-enterprises assisted, and how did the funds impact the community.

All jobs created or retained must be for low- and moderate-income persons. Those employees must complete a self-certification at the time of disbursement. Reporting on all jobs retained or created will be required up to six months after funds are disbursed.

## COVID-19 Impact Assistance

### Project Type covered under this category are:

- Food Bank Assistance
- Emergency Childcare Assistance
- Broadband–Distance Learning Assistance
- Building (including public facilities) Improvements
- Special Economic Development Assistance
- Public Services

### Funding Availability

Total Availability under CDBG-CV2 for this category: **\$ 3,645,564**

### Who Can Apply

The state CDBG program is only available to non-entitlement cities or counties (cities or counties that do not receive a direct allocation of CDBG funds from HUD, see list of entitlement communities\*).

\*Entitlement communities, those who are receiving direct CDBG allocation from HUD, within Oregon are: Oregon tribes, urban cities (Albany, Ashland, Beaverton, Bend, Corvallis, Eugene, Grants Pass, Gresham, Hillsboro, Medford, Portland, Redmond, Salem, and Springfield), and counties (Clackamas, Multnomah, Washington).

### Application Instructions

#### Application Deadline

There will be deadline of November 15, 2021, for application and funds will be awarded to the first eligible project and until all funds are exhausted or the application deadline (whichever comes first).

#### The application process are as follows:

- [Pre-Application is available online.](#)
- Pre-application will be reviewed by the Regional Development Officer and CDBG Team for preliminary eligibility review.
- Application will be invited and a link to the application will be sent right after.

#### Application Questions

For questions regarding the NOFA or use of funds please contact your RDO or the CDBG Team at Business Oregon.

#### Application Review Process

##### Application Review

The department will review applications to determine if they meet the eligible criteria listed in each project types below. Each Application must be able to document in detail how the applicant and their sub-grantee (if any) will document the effects of COVID-19 and the proposed project to address the impact. The application lists all the attachments that will be required to determine eligibility. If the application is incomplete the applicant will be contacted by Business Oregon and will be given

five business days to provide the complete information in order to complete the review and eligibility process. If the applicant does not respond within the allotted time Business Oregon may send a notice of application withdrawal

## **Awards**

Once the application has been reviewed for completeness and eligibility the applicant will receive a letter informing them of the award, OBDD will create a contract for execution of the activity. It is important for the applicant to remember do not expend any funds until the contract is signed and the environmental process is complete.

## **Federal Requirements**

The Community Development Block Grant (CDBG) Program is subject to many federal requirements that cover a wide range of activities. Some of the requirements are briefly summarized within Chapter 7 of this Method of Distribution. More detailed information can be found in the Grant Management Handbook and other resources available from Business Oregon. The CDBG Grant Management Handbook (2017 Edition) or most current edition, can be found on the [department's website](#). Business Oregon encourages potential applicants to review the Grant Management Handbook prior to committing to submit an application in order to familiarize themselves with the wide array of program requirements.

**Note:** An applicant for a CDBG award is considered a responsible entity under the Environmental Review and URA requirements starting with the date of submission of a CDBG application. An "Applicant" is one who submits an application, request, plan or statement required to be approved by an official as a condition of eligibility for federal financial assistance.

## **Duplication of Benefit**

Awardees must prevent Duplication of Benefit when carrying out any project funded by CDBG CARES ACT. A duplication occurs when a person, household, business, or other entity receives disaster assistance from multiple sources for the same recovery purpose, and the total assistance received for that purpose is more than the total need. When total need for eligible activities is more than total assistance for the same purpose, the difference between these amounts is an "unmet need." Awardees must limit their assistance to unmet needs for eligible activities to prevent a DOB.

## **Eligible Activities**

Described under each project type below.

## **Ineligible Activities/Costs**

- Buildings for the general conduct of government
- Typical government expenses
- Political activities
- General operating and maintenance expenses
- New housing construction
- Funding activities that has been previously budgeted under normal operation.
- Income payments—a series of subsistence type grant payments for food, clothing, housing, (rent and mortgage) or utilities.

## Food Bank Assistance

This criteria is designed to assist food bank expansion, equipment purchase, additional operation cost or storage rental, and food distribution to accommodate for expanded services for LMI families caused by COVID-19.

### Low & Moderate Income Benefit–Nature and Location

Limited Clientele Based on Nature and Location of the Facility–It must be of such a nature, and be in such a location, that it may be concluded the activity’s clientele will primarily be low- and moderate-income persons. (Note: The use of this criteria under the state’s program is a rarity.)

**Note:** On February 15, 2008, the state received guidance from HUD that food bank/warehouses can qualify as meeting the LMI national objective on the basis of the nature of the service and the location where the services are provided. Food bank projects will no longer have to collect household size and income data to demonstrate compliance with the federal national objective. On May 7, 2008, the department researched and approved of this approach.

### Maximum Grant Amount

Up to \$250,000

For Building acquisition, expansion & rehabilitation maximum grant amount may be up to \$750,000.

### Grant Administration

Up to 10 percent of the grant award, but not more than \$35,000

### Matching Funds Requirement

There is no minimum match requirement. All matching funds necessary to complete the proposed CDBG project, must be in the form of cash or debt service. All project funds necessary to complete the proposed project must be available and committed at the time the application is received by the department. Refer to the “Readiness to Proceed” definition in Chapter 5 for more details.

### Eligible Activities

- Acquisition
- Expansion
- Rehabilitation
- Purchase of equipment and food supply
- Operation cost for additional services due to impact of COVID-19

### Documentation and Reporting

Eligible food banks must be able to provide the following prior to receiving CDBG COVID-19 funding;

- The need is a direct result of the effects of the COVID-19 crisis
- Unduplicated number of LMI beneficiary.
- Policy for prevention of duplication of benefit.

## Childcare Assistance

This criteria is designed to assist communities that face childcare hardships due to the COVID-19 pandemic. Services are to be provided to for LMI families hardest hit by COVID-19.

### Low & Moderate Income Benefit–Limited Clientele

This project type must meet the federal national objective of benefiting low- to moderate-income persons based on household size and income, 24 CFR 570.483(b)(2)(ii)(B). National objective compliance is based on the actual number of persons served by the Childcare assistance provider.

### Maximum Grant Amount

Up to \$250,000

For Building acquisition, expansion & rehabilitation maximum grant amount may be up to \$750,000.

### Grant Administration

Up to 10 percent of the grant award, but not more than \$35,000

### Matching Funds Requirement

There is no minimum match requirement.

If matching funds are provided to complete the proposed CDBG project, must be in the form of cash or debt service. All project funds necessary to complete the proposed project must be available and committed at the time the application is received by the department. Refer to the “Readiness to Proceed” definition in Chapter 5 for more details.

### Eligible Activities

- The direct costs associated with the provision of new/ existing childcare program of which formation was a byproduct of the pandemic. The applicant must document that at least 51% of the families receiving assistance must be documented to be low and moderate income, as allowed under Section 105(a) of the HCDA.
- Sponsorship programs must provide assistance to 100% of LMI children to enroll in an existing child care service. The program must be document that 100% of the children receiving the service is low and moderate income, as allowed under section 105(a) of the HCDA.
- Acquire, or rehabilitate (if necessary) a facility to allow appropriate child care space accommodating COVID-19 capacity limitation.

**For any family receiving CDBG-CV sponsored childcare all payments must be made directly to the childcare provider. It is prohibited for families to receive direct payments.**

### Documentation and Reporting

Eligible business must be able to provide the following prior to receiving CDBG COVID-19 funding;

- The need is a direct result of the effects of the COVID-19 crisis
- Program policy and implementation plan to ensure achievement of LMI-limited clientele.
- Policy for prevention of duplication of benefit.

## **Broadband/Internet**

This criteria is designed to assist in providing Broadband/Internet Connection assistance to low- and moderate-income families and communities to allow distance learning, telehealth, and remote work from home and social distancing purposes

### **Low & Moderate Income Benefit**

#### **Limited Clientele**

This project type must meet the federal national objective of benefiting low- to moderate-income persons based on household size and income, 24 CFR 570.483(b)(2)(ii)(B). National objective compliance is based on the actual number of LMI persons/ Family receiving Internet access.

#### **Area-wide**

This project type must meet the federal national objective of benefiting low- to moderate-income persons based on household size and income, 24 CFR 570.483(b)(2)(ii)(B). National objective compliance is based on a minimum of 51% LMI rate within a service area.

### **Maximum Grant Amount**

Up to \$250,000

### **Grant Administration**

Up to 10 percent of the grant award, but not more than \$35,000

### **Matching Funds Requirement**

There is no minimum match requirement.

If matching funds are provided to complete the proposed CDBG project, must be in the form of cash or debt service. All project funds necessary to complete the proposed project must be available and committed at the time the application is received by the department. Refer to the "Readiness to Proceed" definition in Chapter 5 for more details.

### **Eligible Activities**

- Local Program to provided broadband/internet access to LMI Family through:
  - o Establishing new internet access
  - o Funding monthly internet service.
- Broadband connection planning to extend services to areas with at least 51% Low Moderate Income residents.

### **Documentation and Reporting**

Eligible applicants/subgrantees must be able to provide the following prior to receiving CDBG COVID-19 funding;

- The need is a direct result of the effects of the COVID-19 crisis
- Program policy and implementation plan to ensure achievement of LMI-limited clientele/ LMI-area wide.
- Procedures to prevent any Duplication of Benefits.

## **Buildings (Including Public Facilities) and Improvements**

This program is grant dedicated to accommodate facilities necessary as impact in responding to infectious disease or any modification needed to prevent, prepare for or respond to the coronavirus

### **Low & Moderate Income Benefit–Limited Clientele**

This project type must meet the federal national objective of benefiting low- to moderate-income persons based on household size and income, 24 CFR 570.483(b)(2)(ii)(B). National objective compliance is based on the actual number of LMI persons served by the facility.

### **Maximum Grant Amount**

Up to \$750,000

### **Grant Administration**

Up to 10 percent of the grant award, but not more than \$35,000

### **Matching Funds Requirement**

There is no minimum match requirement. Any matching funds provided to complete the proposed CDBG project, must be in the form of cash or debt service. All project funds necessary to complete the proposed project must be available and committed at the time the application is received by the department. Refer to the “Readiness to Proceed” definition in Chapter 5 for more details.

### **Eligible Activities**

#### **Buildings and Improvements, Including Public Facilities**

##### **Activities:**

- 1) Acquisition, construction, reconstruction, or installation of public works, facilities, and site or other improvements.

##### **Examples:**

- Construct a facility for testing, diagnosis, or treatment.
- Design, or construction of water lines to support tele-school, remote work and telemedicine and to ensure potable water to homes, schools, and health providers.
- Rehabilitate a community facility to establish an infectious disease treatment clinic.
- Acquire, and rehabilitate (if necessary) a motel or hotel building to expand capacity for non-congregate shelter or enable permanent housing where such housing is not sufficient during a coronavirus pandemic or epidemic.

- 2) Rehabilitation of buildings and improvements (including interim assistance).

##### **Examples:**

- Rehabilitate a commercial building or closed school building to establish an infectious disease treatment clinic, or childcare centers e.g., by replacing the HVAC system.
- Acquire, and quickly rehabilitate (if necessary) a motel or hotel building to expand capacity of hospitals to accommodate isolation of patients during recovery.
- Make interim improvements to private properties to enable an individual patient to remain quarantined on a temporary basis

- Acquire, and quickly rehabilitate (if necessary) a building to expand capacity to accommodate additional need due to COVID-19 for Food Bank and Child Care Assistance

### **Eligible Costs (Refer to Chapter 5 for more details about eligible costs)**

- Grant Administration, as detailed in Chapter 5.
- Preparation of the environmental review for the proposed project in compliance with the National Environmental Policy Act (NEPA) and other applicable federal authorities implemented by HUD. Refer to Chapters 4 and 5 for more information.
- Architectural/engineering design, oversight and construction management, including as-built drawings and operation and maintenance manuals, as detailed in Chapter 5.
- Construction and construction contingencies, as detailed in Chapter 5.
- Work write-up and bidding expenses for eligible projects.
- Appraisals and acquisition of real property, including permanent easements, clearance and disposition. Refer to Chapter 4 for more information.
- Relocation Assistance to meet federal requirements. Refer to Chapter 4 for more information. Complete the specialty calculations and detailed requirements for relocation activities, any applicant with a proposed project that involves relocation will be required by Business Oregon to hire a specialist acceptable to Business Oregon to complete the required URA relocation process.
- Construction, rehabilitation, reconstruction or installation of improvements.
- Purchase and installation of equipment that is fixed and integral.
- Clearance–Demolition of buildings and improvements, removal of demolition products (rubble), and other debris.
- Legal services.
- Costs associated with labor standards monitoring. Refer to Chapters 4 and 5 for more information.
- Pre-agreement costs, requested in accordance with the requirements contained in Chapter 5.

### **Ineligible Projects/Costs**

- Buildings for the general conduct of government
- Typical government expenses
- Political activities
- General operating and maintenance expenses
- New housing construction
- Income payments—a series of subsistence type grant payments for food, clothing, housing, (rent and mortgage) or utilities.

## Public Services

This program is grant dedicated to provide new or quantifiable increased public services in response to infectious disease.

### Low & Moderate Income Benefit–Area Wide/Limited Clientele

This project type must meet the federal national objective of benefiting low- to moderate-income persons based on household size and income, 24 CFR 570.483(b)(2)(ii)(B). National objective compliance is based on the actual number of persons served by the Childcare assistance provider.

### Joint Projects

This program is to benefit more than one jurisdiction combination of cities and counties in a regional or joint project. However, only one jurisdiction can be the applicant. The jurisdiction that applies and receives an award incurs the responsibility for the CDBG funds. Joint applications submitted for review in which two or more units of local government are equally responsible will not be accepted. Either jurisdiction may take the lead and still allow the funds to be used in all jurisdictions as outlined in the Intergovernmental Agreement (IGA) or other Business Oregon approved form of local government agreement for the region.

### Intergovernmental Agreement (IGA)

The service area of the proposed Business Assistance Grant Program must be clearly defined and acknowledged by all the participating jurisdictions through an IGA or other Business Oregon approved form of local government agreement. The IGA must be signed by all participating jurisdictions.

At a minimum, the applicant must partner with at least one other city/county jurisdictions to form a regional Small Business Assistance program. At a minimum, the agreement must clearly define:

- 1) The lead applicant;
- 2) The participating city/county jurisdictions;
- 3) The eligible non-profit organization that will be carrying-out the business assistance grant program on behalf of the lead applicant; and
- 4) A clear description of the area to be served with the requested grant. All activities funded with CDBG funds must be within the defined service area contained in the IGA.

### Maximum Grant Amount

Up to \$50,000

Project Turnkey Public Service, maximum grant amount may be up to \$250,000 and subsequent Grant administration would be up to 10% of the grant award.

### Grant Administration

Up to 10 percent of the grant award, but not more than \$5,000

### Matching Funds Requirement

There is no minimum match requirement. Any matching funds provided to complete the proposed CDBG project, must be in the form of cash or debt service. All project funds necessary to complete the proposed project must be available and committed at the time the application is received by the department. Refer to the "Readiness to Proceed" definition in Chapter 5 for more details.

## Eligible Activities

### Public Services

**Activity:** Provision of new or quantifiably increased public services.

**Examples:**

- Carry out job training to increase the capacity and availability of targeted health services for infectious disease response within existing health facilities or establish mobile health services
- Provide testing, diagnosis or other services at a fixed or mobile location.
- Project Turnkey: assist in gap fund for the operation of facilities funded by Project Turnkey to expand capacity for non-congregated shelter as impact of COVID-19 pandemic.
- Provide equipment, supplies, and materials necessary to carry-out a public service.
- Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.

### Eligible Costs (Refer to Chapter 5 for more details about eligible costs)

- Project turnkey operation gap fund.
- Training expenses
- Time and material expenses to conduct eligible activities mentioned above
- Testing or diagnosis equipment
- Plan/ studies that would support the implementation of training/ all necessary services in response to the COVID-19
- Grant Administration, as detailed in Chapter 5 of 2020 Method of Distribution.

### Ineligible Projects/Costs

- Expenses for already budgeted general conduct of government
- Political activities
- General operating and maintenance expenses
- Income payments—a series of subsistence type grant payments for food, clothing, housing, (rent and mortgage) or utilities.