



We strengthen communities

RURAL COMMUNITY GRANTS FOR ACTIVITIES THAT BENEFIT LOW-AND MODERATE-INCOME PERSONS

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

General Purpose Grants **\$12,000,000**

For planning or construction of public infrastructure, community facilities, affordable housing, and economic development projects. Competitive. Maximum grant up to \$900,000 based on project type. Application materials available in March and due in June.

Housing Enhancement Grants **\$200,000**

For off-site infrastructure or the community facility component of a state Housing Trust Fund project. Competitive. Maximum grant is \$200,000, with potential additional hardship funding. Initial CDBG application forms are submitted with a HTF Stage 2 application.

Public Services Grants **\$1,500,000**

For 17 counties and community action agencies to fund new or expanded services for lower income persons. Allocated by a formula based on population and poverty. Application materials available in February and due in April.

National Objectives

Funded by the US Department of Housing & Urban Development, CDBG activities must meet one of these national objectives:

- Principally benefits low-and moderate-income (LMI) persons.
- Aids in the prevention or elimination of slums or blight.
- Addresses imminent threat to public health or safety

Funding is contingent on HUD approval of the state CDBG Action Plan.

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ELIGIBLE APPLICANTS:

Washington State cities/towns with less than 50,000 in population and not participating in a CDBG entitlement urban county consortium; and counties with less than 200,000 in population. A complete list is on Commerce's CDBG webpage.

Other public and non-profit entities and Indian tribes are not eligible to apply directly for state CDBG funding, but may be a partner in projects and subrecipient of funding with an eligible city/town or county.

**COMMUNITY DEVELOPMENT
BLOCK GRANT**

SUMMARY – CDBG Specialty Grant*

Below is information in reference to applying for an Economic Opportunity Grant from the state Community Development Block Grant (CDBG) program.

CDBG is a state administered federal grant that funds eligible local governments for priority community development projects principally benefiting low-and moderate-income persons. A CDBG Fact Sheet listing all CDBG fund opportunities can be found on the CDBG website at www.commerce.wa.gov/cdbg.

All CDBG funded activities must meet at least one of three national objectives of the program:

- Principally benefit low- and moderate-income persons (LMI = 80 percent of county median income)
- Prevent or eliminate slums or blight
- Meet urgent needs posing serious and immediate threat to public health or safety

*Economic Opportunity Grants	
Eligible Applicants	<p>Cities and towns with less than 50,000 people and not participating in a CDBG entitlement urban county consortium; and counties with populations less than 200,000 or have not opted to become CDBG entitlement. The Appendix includes a map and list of local governments served by the state CDBG program.</p> <p>Subrecipients: Special purpose districts, public housing authorities, community action agencies, economic development councils, other nonprofit organizations and Indian tribes are not eligible to apply, but may be a partner in projects and subrecipient of funding through an eligible cities/town or county applicant.</p>
Eligible Activities	<ul style="list-style-type: none"> • Acquisition, final design (only when part of a construction project), construction, reconstruction, or installation of public facilities and community facilities. • Clearance, demolition, removal, and rehabilitation of building and housing. • Activities in support of affordable housing. • Some economic development activities, such as local microenterprise assistance programs and public infrastructure directly resulting in job creation. <p>A variety of activities are eligible for CDBG funding under Section 105(a) of Title I of the Housing and Community Development Act of 1974 located in Appendix A.</p>
Priority Activities	Economic Opportunity Grants for activities that grow economies, promote vibrant and resilient rural communities, and result in sustainable infrastructure. The highest priority is to fund economic development and energy related activities.
Ineligible Activities	<ul style="list-style-type: none"> • New housing construction • Government buildings • Regular government operations • Facility maintenance/operations • Most equipment • Projects located in a Floodway • CDBG application preparation costs <ul style="list-style-type: none"> • Preliminary engineering not included in a construction project • Professional services and contractors not procured following CDBG requirements • Most projects located in a CDBG entitlement area
Total Funds Available	Up to \$483,000, which may be allocated as loans through partnership with Craft3 .
Limit Per Job or Household	The CDBG investment limit is \$35,000 per household or per job created/retained (with limited exceptions).
Timeline	Applications can be submitted on an ongoing basis and will be awarded on a funds available basis.

Number of Applications Allowed	A local government can submit one application per CDBG program year. Exception: A local government may submit two applications if one is for microenterprise assistance.
Timing of Funds	CDBG cannot fund construction contracts already underway. Eligible costs incurred after the CDBG award date can be reimbursed by Commerce, but only after a grant contract is formally executed and the CDBG-specific NEPA/SEPA procedures are completed.
Length of Benefit	Funded acquisition or construction activities must provide the intended benefit for at least 10 years.

Federal Citizen Participation Requirements For Local Government Applicants to the State CDBG Program

Federal Regulations 24 CFR 570.486 (a)

- (a) *Citizen participation requirements of a unit of general local government.* Each unit of general local government shall meet the following requirements as required by the state at Sec. 91.115(e) of this title.
- (1) Provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which CDBG funds are proposed to be used;
 - (2) Ensure that citizens will be given reasonable and timely access to local meetings, information, and records relating to the unit of local government's proposed and actual use of CDBG funds;
 - (3) Furnish citizens information, including but not limited to:
 - (i) The amount of CDBG funds expected to be made available for the current fiscal year (including the grant and anticipated program income);
 - (ii) The range of activities that may be undertaken with the CDBG funds;
 - (iii) The estimated amount of the CDBG funds proposed to be used for activities that will meet the national objective of benefit to low and moderate income persons; and
 - (iv) The proposed CDBG activities likely to result in displacement and the unit of general local government's anti-displacement and relocation plans required under Sec. 570.488.
 - (4) Provide technical assistance to groups representative of persons of low and moderate income that request assistance in developing proposals in accordance with the procedures developed by the state. Such assistance need not include providing funds to such groups;
 - (5) Provide for a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities and a review of program performance. The public hearings to cover community development and housing needs must be held before submission of an application to the state. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate;
 - (6) Provide citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in an application to the state and, for grants already made, activities which are proposed to be added, deleted or substantially changed from the unit of general local government's application to the state. *Substantially changed* means changes made in terms of purpose, scope, location or beneficiaries as defined by criteria established by the state.
 - (7) Provide citizens the address, phone number, and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable.