CDFA Circular 2020-04

Related to: CDBG CV
Subject: Emergency Application Determination
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Issuance date: June 1, 2020

Summary
This CDFA Circular outlines guidance for grantees and sub recipients to determine if a public facility, housing, or economic development application meets the qualifications for the CDBG emergency fund by defining the emergency definition related to the COVID-19 pandemic.

Background
An CDBG Emergency application needs to meet the Emergency definition outlined in the CDBG Application and Program Guide, specifically,
- Emergencies resulting from natural disasters;
- Unanticipated events which have a serious and immediate threat to public health and safety
  - Serious and immediate threat means that the condition proposed to be corrected with CDBG funds will be a detriment to the health and welfare of the community if not corrected, that no other funds are available, and that the condition became critical within the most recent 18 months.
- Unanticipated actions which have resulted in plant closures or permanent layoffs of employees jeopardizing the economic stability of the community.

In addition,
- There shall be no limit on the number of applications which may be submitted except that economic development applications under this section shall only be eligible after the economic development set-aside has been awarded and the following funding limits;
  - CDBG funds awarded to a municipality with a population of 10,000 or under shall not exceed $350,000 for a one year grant(s).
  - CDBG funds awarded to a municipality with a population above 10,000 shall not exceed $500,000 for a one year grant(s).
- Each application will be scored under the subcategory that it was submitted and must achieve a minimum score of 230 to be considered for funding.

Finally, in addition, a COVID 19 Emergency application must meet the directive of the CARES Act to prepare for, respond to or recover from the COVID-19 pandemic.

Decision
The applicant should provide an explanation of how the project meets the requirements as part of the pre-application phase and is required with all COVID-19 related Emergency applications.

Process
CDFA will follow the standard CDBG Emergency pre-application, application, review, approval and contracting process.

Effective Date
June 1st 2020

Waiver authority
None