



## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CARES ACT FUNDING FREQUENTLY ASKED QUESTIONS

**1. What is the purpose of the Community Development Block Grant CARES Act funds?**

Under the CARES Act, funding is available through the Community Development Block Grant Program to prevent, prepare for, and respond to the coronavirus pandemic. These funds are also known as CDBG-CV funds.

**2. How much funding is allocated to New Hampshire?**

The State of New Hampshire was allocated approximately \$5.4 million to respond to the Coronavirus pandemic (COVID-19). In response to current needs and based on public input, \$3.7 million was allocated to support public service activities, \$850,000 to microenterprise grants and technical assistance programming and \$500,000 to support other economic development needs in 2021.

**3. Who is eligible to apply for CDBG-CV funds?**

Eligible applicants include all New Hampshire counties, cities and towns with the exception of entitlement communities. Entitlement communities include Manchester, Nashua, Portsmouth, Rochester and Dover.

**4. What key requirements determine if an activity qualifies as a public service?**

The public service activity must be associated with preparing for, responding to, or recovering from the COVID-19 pandemic AND must be either: a new service; or a quantifiable increase in the level of a service above that which has been provided by or on behalf of the Municipality during the 12 months prior to application.

**5. What are the high-priority public service activities?**

The following activities have been determined to be high-priority based on feedback from state, municipal and nonprofit stakeholders. These include: childcare services; food banks; senior services; services for persons with disabilities; legal services; resident services; youth services; transportation services; health, mental health and substance abuse services; financial literacy; foreclosure and homebuyer counseling; and homeless services.

All 2020 CDBG and CDBG-CV priority investment areas are [outlined here](#). Any additional information or definitions will be provided as part of the final program guidance that will be available no later than July 24.

**6. Who is eligible to receive these services?**

At least 51% of individuals receiving services must be considered low-and-moderate income (LMI).

**7. How do we determine individuals or families meet the low-and-moderate income eligibility requirements?**

An individual is considered to be LMI based on their annualized family income. Overall, to be classified as LMI, an individual or family's total annual income must be equal to or below 80% of the U.S. Department of Housing and Urban Development (HUD) median income for the county or area where they reside.

**8. How do we document that a project or program meets the low-and-moderate income eligibility requirements?**

Low-and-moderate income eligibility can be determined two ways: area benefit or limited clientele.

When using area benefit to determine eligibility, it is required that at least 51% of the residents in a service area have low to moderate incomes, and that the services are targeted to individuals living in the qualifying area. If using the area benefit national objective, you will need to:

1. Identify the boundaries of the service area.
2. Demonstrate that at least 51% of people living in the area have low or moderate incomes by using the CDBG Low and Moderate Income Data Map Application, Census data, or by conducting an income survey.
3. Demonstrate that the area is primarily residential through a zoning map.

Use of limited clientele requires that the project or activity is exclusively benefiting designated or targeted population. Eligibility is can be documented in one of two ways:

1. If the program is designed to serve a specific presumed group, as defined by the Department of Housing and Urban Development (HUD). HUD “presumed groups” include: abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, illiterate adults, persons with AIDS, migrant farm workers.

OR

2. Income verification, which requires documentation of family size and income to show at least 51% of the individuals served are low-and-moderate income.

Additional information on this topic can be found beginning on page 21 of Chapter 2 in [CDFA’s Implementation Guide](#).

**9. If an organization provides services to a mix of incomes that might not meet the 51% threshold, can they still apply if they utilize CDBG-CV funds to subsidize specifically low-and-moderate income individuals or families?**

Yes, a municipality can design a program that is strictly providing services to low-and-moderate individuals or families. These would be considered direct benefit activities and the family/household would need to be income verified.

**10. What is the timeline for the CDBG-CV application process?**

The application will be available on CDFA’s Grants Management System on July 24, 2020. Application deadline is September 25, 2020 by 4:00 PM. Evaluations will take place throughout October with an anticipated award notification of November 5, 2020.

**11. How will applications be scored?**

An overview of the scoring criteria can be found in the table below. Additional details are provided within the [July 20 CDBG-CV application workshop presentation](#) beginning on slide 31 and will also be detailed in a circular that is made available on CDFA’s Resource Hub ([www.resources.nhcdfa.org](http://www.resources.nhcdfa.org)) on July 24.

| CRITERIA                                 | MAXIMUM SCORE |
|--|---------------|
| <b>Community Need &amp; Impact</b>       | <b>100</b>    |
| Need                                     | 70            |
| Impact                                   | 30            |
| <b>Activity Need &amp; Impact</b>        | <b>150</b>    |
| Population Served                        | 30            |
| Priority Activity                        | 20            |
| Cost Per Beneficiary                     | 20            |
| Service Provider Track Record and Impact | 20            |
| Readiness                                | 10            |
| Existing Relationship                    | 10            |
| Overall Need and Impact                  | 40            |
| <b>Maximum Total Score</b>               | <b>250</b>    |

**12. Is match funding part of the scoring criteria?**

Due to the nature of the funds it is unlikely that match funding will factor in the scoring criteria. Final details on all scoring criteria will be detailed in a circular that is made available on CDFA's Resource Hub ([www.resources.nhcdfa.org](http://www.resources.nhcdfa.org)) no later than July 24.

**13. Is there a limit on CDBG-CV funding requests?**

A municipality may apply for a minimum of \$50,000 and a maximum of \$500,000 in CDBG-CV Public Service funds. This is in addition to the annual funding limits in other CDBG-CV programs or other CDBG program areas (Housing, Public Facilities, Economic Development). The final grant amount awarded to the municipality is per the discretion of CDFA and will be determined as part of the evaluation and approval process.

**14. What if a municipality or subrecipient already has an active block grant?**

A municipality or subrecipient with an active CDBG Housing, Public Facilities or Economic Development grant is eligible to apply for CDBG-CV funds. Capacity to administer multiple grants will be evaluated to ensure all municipalities and subrecipients are able to successfully administer all of their CDBG funds.

**15. What is the timeframe for CDBG-CV projects?**

CDBG-CV applications can be structured as up to an 18 month project. The expectation is that these projects/programs will start no sooner than January 1, 2021. All funds must be expended and claimed by June 30, 2022.

**16. What next steps should municipalities take as they prepare applications?**

As you prepare your community to apply for CDBG-CV funds, applicants should take the following steps.

- Schedule a pre-application meeting with CDFA staff via our schedule a meeting function: <https://nhcdfa.org/schedule-a-meeting/>.
- Email CDBG-CV program feedback and/or project specific questions to [comments@nhcdfa.org](mailto:comments@nhcdfa.org).
- Continue efforts to conduct a community needs assessment. Guidance for how to conduct an assessment is [available here](#).

**17. Are capital expenditures for a facility purchase or expansion to meet demand for increased services eligible expenses? Or if a shelter wanted to add a bathroom to create decompression space?**

Construction-type activities are eligible under CDFA's regular CDBG Housing and Public Facilities round (application deadline is July 27, 2020, next round deadline in January 2021). Organizations seeking funds to meet demand for increased services are eligible under CDBG-CV.

If an applicant cannot meet the July 27 deadline for the Housing and Public Facilities round, applications relative to infrastructure improvements for housing or public facilities that clearly demonstrate consistency with the directive of the CARES Act to prepare for, respond to or recover from the COVID-19 pandemic; and, which also meet CDFA's CDBG Emergency Program criteria may be submitted through the CDBG Emergency Program application process. Applicants with potential projects must contact CDFA for a pre-application meeting to determine if the proposed project meets the criteria. A circular with additional information is [available here](#).

**18. How do you apply for CDBG-CV funds?**

All applications must be completed and submitted on CDFA's Grants Management System ([www.nhcdfagrants.org](http://www.nhcdfagrants.org)).

**19. Does a municipality need to submit an application for each subrecipient?**

A municipality may have a single grant application with multiple subrecipients. Individual budgets and other documents, as appropriate, would be necessary for each subrecipient. There is currently no limit to the number of activities or subrecipients a municipality may have. Each subrecipient activity will have to meet a national objective. The primary grantee must have an interlocal or municipal agreement with any participating municipalities.

**20. How do I access additional information on the CDBG-CV program?**

All relevant Community Development Block Grant – CV program resources we have to-date can be found on CDFA's Resource Hub: <https://resources.nhcdfa.org/programs/community-development-block-grant/application/>.

**21. Are the CDBG-CV Public Services grants subject to normal CDBG requirements?**

All requirements of CDFA's regular CDBG programs are applicable to the CDBG-CV Public Services Program. This includes all applicable cross-cutting requirements such as Procurement, Financial Management, Environmental Review, Recordkeeping, etc.

**22. Is the cost of grant writing an eligible pre-agreement expense with CDBG-CV funds?**

To prepare funding applications for CDFA, consultant fees for writing grant applications shall be allowable per below:

- Base application (including one sub-recipient/activity) may not exceed \$3,000;
- Each additional sub-recipient/activity may not exceed \$500 each;
- The maximum allowable for reimbursement of application writing is \$10,000 per municipality;
- Municipalities that write their own applications are eligible to receive reimbursement based on actual documented costs only;
- Subrecipients may not be reimbursed for application writing costs;
- Only projects that are funded will be eligible for reimbursement.

Municipalities who intend to request reimbursement for consultant grant writers MUST follow CDBG procurement requirements as outlined in the CDBG Implementation Guide: <https://resources.nhcdfa.org/wp-content/uploads/2020/02/CDBG-Implementation-Guide-all-chapters-glossary.pdf#page=105>

**23. What is the allowable amount for grant administration utilizing CDBG-CV funds?**

Municipalities may use up to 10 percent of the grant award, but not more than \$25,000, for consultant grant administration costs, including overall project management, coordination, monitoring, and evaluation. More detailed information on Grant Administration Fees can be found in the CDBG and CDBG-CV Application and Program Guide: <https://resources.nhcdfa.org/wp-content/uploads/2020/06/CDFA-CDBG-Application-and-Program-Guide-FY20-and-CDBG-CV-Final.pdf#page=11>

Municipalities who intend to utilize CDBG-CV funds for grant administration services MUST follow the CDBG procurement requirements as outlined in the CDBG Implementation Guide: <https://resources.nhcdfa.org/wp-content/uploads/2020/02/CDBG-Implementation-Guide-all-chapters-glossary.pdf#page=105>

CDFA is continuing to work diligently to respond to community needs, provide flexibility and deploy resources as quickly as possible to support critical work. For more information on other COVID-19 resources available to our current grantees/borrowers, municipalities, nonprofits and businesses, please visit: <https://nhcdfa.org/covid-19-resources/>.