

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM CARES ACT FUNDING CDBG PUBLIC SERVICE ROUND 2 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 \$14.3 million to respond to the Coronavirus pandemic (COVID-19). In response to needs and based on public input, funding was allocated starting in 2021 to support public service activities, microenterprise grants and technical assistance programming and housing and public facility upgrades. The balance of approximately \$850,000 will be made available for public service delivery projects in this public service round 2.

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

Eligible applicants include all New Hampshire counties, cities and towns. HUD entitlement communities ARE eligible to apply for CDBG-CV Funds.

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 eligible public service activities?

Homeless programs, subsistence payments for rent/mortgage to prevent eviction, security deposits and other move out expenses, health services and mental health services for homeless populations in homeless service centers.

Are reimbursements for prior expenses allowable?

Yes, reimbursement for eligible expenses from the application deadline to the project end date- December 1, 2025 – June 30, 2026 - are eligible for reimbursement.

6. Who is eligible to receive these services?

All individuals receiving services must be considered low-and-moderate income (LMI) and must be homeless or at risk of homelessness to be considered eligible.

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. Individuals meeting the Bureau of the Census' Current Population Reports definition of homeless persons also qualify as a HUD Presumed Group.

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 by using HUD limited clientele.

Use of limited clientele requires that the project or activity is exclusively benefiting designated or targeted population. Eligibility 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 "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 October 1, 2025. Application deadline will be December 1, 2025.

11. How will applications be scored?

Scoring criteria is being finalized and will be uploaded to the CDFA CDBG website no later than November 15, 2025..

12. Is match funding required? Or is match funding part of the scoring criteria?

Match funding is not required. 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 guidance that is made available on CDFA's Resource Hub (www.resources.nhcdfa.org) no later than November 14.

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

A municipality or county may apply for a minimum of \$100,000 and a maximum of \$500,000 in CDBG-CV Public Service Round 2 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?

All funds must be expended and claimed by June 30, 2026.

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.

- Hire a CDBG Grant Writer and Administrator.
- 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 mkaylor@nhcdfa.org Continue efforts to conduct a community needs assessment.
- Guidance for how to conduct an assessment is <u>available here</u>. Hold a public hearing to adopt a Housing and Community Development plan if your community does not have one.
- Review CDBG-CV Public Service Round FAQ document available here.

17. How do you apply for CDBG-CV funds?

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

18. Does a county/municipality need to submit an application for each subrecipient?

A county/municipality may have a single grant application with no more than two subrecipients in addition to activities carried out by the applicant. 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.

19. 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/. These resources include:

- CDBG-CV Public Service Round 2 FAQ Document
- CDBG Application and Program Guide
- CDBG Implementation Guide
- How to Register and Use CDFA's Grants Management System

CDFA is continuing to work to provide additional guidance regarding this funding opportunity.