

# CDBG-CV

## Frequently Asked Questions

### GENERAL QUESTIONS & PROGRAM ELIGIBILITY

#### *Who is eligible to apply?*

Non-entitlement cities and counties in the state of Kansas, which are defined as “general purpose units of government,” are eligible to apply for CDBG-CV funding.

#### *Are entitlement cities or counties eligible?*

No. Entitlement communities include Kansas City, Wichita, Topeka, Lawrence, Leavenworth, Manhattan, Overland Park and all cities within Johnson County. They are not eligible to apply for state of Kansas CDBG funds since they get funds directly from HUD.

*Could a county apply on behalf of multiple small cities? For example, several of our Counties have several small cities that may only have 1 to 5 businesses and it might be easier to have the County Economic Development person put together a joint application and administer the funds on their behalf.*

Yes. A county can apply on behalf of multiple cities / the entire county. However, if one of those cities also obtains funds independently of the county, the county funds cannot be used in that city. This is possible without an inter-local agreement.

#### *What is the anticipated time frame for city/county applications to be processed and money dispersed?*

The Department of Commerce will notify the community as quickly as possible if they have been awarded CDBG-CV funds, with the goal of notification within 15 days of application submission/completion.

#### *How quickly will businesses have access to funds?*

If the business is awarded funds from its city and/or county, funds will have to be drawn from the Department of Commerce. Once the draw request is submitted to Commerce, the city and/or county will have funds in 10-14 days.

*Do you anticipate the application being easy enough for communities to handle, or would the applications be better handled by contract grant administrator?*

That depends on the capacity of the city or county.

*Matching funds are not required, but will matching funds increase a community's score when these are rated?*

There is no scoring. Awards are granted on a first-come, first-served basis.

*Does a city need to know exactly which businesses are applying before submitting their application, or can that be determined after funding is awarded?*

You don't have to know exactly what businesses will apply and benefit from funding, but you should be prepared to provide some basic, high-level information on recipients in your application.

*If there is a city that has a split school district between two towns that wanted to utilize the grant dollars to do a summer food program and BOTH cities are LMI, who would apply and would a local agreement be sufficient, or would each town have to do their own?*

The applicant would be the city and/or county where the physical building is located. The population served would need to be described in the Project Narrative.

*Can businesses apply for CDBG-CV funds through the Department of Commerce?*

No. Only non-entitlement Kansas cities and counties can apply for CDBG-CV funding through the Department of Commerce.

Businesses must make their applications for funding directly with the city or county where they are located.

### **How will cities and/or counties distribute Economic Development grants to businesses?**

Each city and/or county determines how to allocate the funds awarded to them on a local level. The amount of funds able to be granted to businesses is dependent on the number of jobs retained per business.

For businesses with 1-5 employees, up to \$25,000 per FTE can be awarded, with a maximum funding of \$30,000 per company.

For businesses with 6-50 employees, up to \$35,000 per FTE can be awarded, with a maximum funding of \$50,000 per company.

### **Can an applicant apply for an Economic Development grant and a Meal Program grant?**

Yes, so long as the community is LMI and the business receiving those funds proves national objective by retained LMI jobs.

### **When applying for Meal Program grants, is the amount you apply for tied to a maximum per person (\$2K) in the community?**

There is no per-person maximum for Meal Program grants; only a maximum total award of \$100,000.

### **Can meal programs be funded as Urgent Need?**

According to our HUD field office, no, meal programs cannot be funded as Urgent Need.

## **BUSINESS AND/OR PROJECT ELIGIBILITY**

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### **How do I know if my city or county has CDBG-CV funds available for businesses?**

Cities and counties are responsible for notifying businesses if/when they receive CDBG-CV grant funding. If you have questions about whether or not your city and/or county has CDBG-CV grant funds available, you should contact your city clerk or county clerk offices directly.

### **What types of businesses are eligible to receive CDBG-CV funding from their city and/or county?**

Businesses and organizations that suffered losses due to COVID-19, and who have not received funding from other resources, are eligible to receive CDBG-CV funding from their city and/or county. Businesses must have been in existence as of March 1, 2020.

### **Do agricultural businesses (farming, ranching, dairy, etc.) impacted by the coronavirus pandemic qualify for the CDBG-CV opportunity?**

So long as the business meets the national objective of jobs being retained, agricultural business are eligible for CDBG-CV funding.

### **A farmer's cooperative has several branch locations in multiple cities and multiple counties. Does each location stand on its own, or is funding available only under the whole cooperative in whatever city or county it is located?**

Grants are awarded by location.

### **Are home-based businesses eligible for CDBG-CV funding from their city and/or county?**

Yes. Home-based businesses are eligible to receive funding.

### **If a business participated in the Paycheck Protection Program (PPP), are they eligible to receive CDBG-CV funds?**

Yes, but the CDBG-CV funds may not be used for employee salaries.

### **If a business participated in the Economic Injury Disaster Loan program (EIDL), are they eligible to receive CDBG-CV funds?**

Yes, so long as it is not a duplication of benefits.

### **Is the purchase and installation of hand sanitizer stations or physical dividers/barriers in a business is eligible?**

Yes. These items are considered working capital.

### **Are the Economic Development grants eligible for paying off existing debt from other sources including local revolving loan funds?**

No.

### **Generally, a church or school isn't eligible for CDBG funds. If either has a food program or pantry, would they qualify?**

Yes. Churches and schools with food programs and pantries are eligible to apply through their city and/or county.

*Is refilling a low or empty food pantry eligible under Meal Programs?*

Yes. Replenishing a food pantry is an eligible CDBG-CV project.

*Can a community create a new food pantry with the CDBG-CV funds?*

Yes. Communities can create new food pantries with the funding.

*Would the purchase of freezers be eligible for a food pantry?*

No.

*For Meal Program grants, must the funding be used directly for food cost, or could it be used to rent for a building for an emergency food pantry during COVID-19 period?*

Both are acceptable expenses/uses.

*A local 501(c)3 runs the Meals on Wheels program, and they were not able to hold their major fundraiser because of the COVID-19 pandemic. Would they be able to apply?*

Yes. They would be an eligible recipient of CDBG-CV funds. The city and/or county would have to apply for those funds.

## REQUIREMENTS & PREREQUISITES

*Can public meetings be conducted virtually?*

Yes. Public meetings may be conducted virtually using a video streaming service. A link to the website where the public meeting will be shown must be placed prominently on the grantee's website. Lastly, the newspaper advertisement must still run the required number days prior to the meeting, and the web address to the grantee's website or the web address where public meeting will be streamed must be included.

*What year of LMI survey will be eligible?*

Surveys conducted since the 2012 application rounds are eligible to use.

*The 2019 applications guidelines states, "Each prospective applicant must hold one (1) legal public hearing a minimum of 15 days prior to application due date for any application submitted for CDBG funding. Does this apply to CDBG-CV?"*

*Does this apply to CDBG-CV?*

No. Because there is no deadline for CDBG-CV applications, you only need to publish a minimum of five full days before the hearing (starting one day after publication date and not counting the date of the hearing, i.e., a total of seven days).

*Will the environmental review be per "project" or will it have to be per individual business?*

Micro Grants and Economic Development projects are granted to each business receiving funds, but as working capital it's categorically excluded not subject to (CENST). The Meals Program falls under Exempt §58.34(4).

*Can we conduct formal bid openings virtually?*

Yes. Like public meetings, the video streaming service must provide closed caption functionality and be able to collect and respond to comments and questions from the public. A link to website where the bid opening will be shown must be placed prominently on the grantee's website. Lastly, the newspaper advertisement must still run the required number days prior to the bid opening and web address to the grantee's website or the web address where public meeting will be streamed must be included.