CDBG-ED Application

Community Development Block Grant – Economic Development Program (CDBG-ED) applicants should complete the CDBG-ED Summary Information below along with each of the review criteria. CDBG-ED applications will be evaluated based upon the extent to which the proposed project relates to each review criteria along with the additional information provided in the appendices. The Commerce review team will prepare and submit a report determining whether a CDBG-ED project is recommended for funding. The Director of Commerce will make the final decision on grant or loan awards and funding.

A. CDBG-ED Summary Information

1. Applicant Information
    a. Local Government: _____
    Address: _____ City: _____ Zip Code: _____
    b. Chief Elected Official: _____ Title: _____
    Phone: _____ Email: _____
    c. Primary Contact: _____ Title: _____
    Phone: _____ Email: _____
    d. Tax ID Number: _____
    e. DUNS Number: _____

2. Subrecipient Information (if applicable)
    a. Organization: _____
    Address: _____ City: _____ Zip Code: _____
    b. Chief Executive Officer: _____ Title: _____
    Phone: _____ Email: _____
    c. Primary Contact: _____ Title: _____
    Phone: _____ Email: _____
    d. DUNS Number: _____

3. Local Development Organization (if applicable)
    a. Organization: _____
    Address: _____ City: _____ Zip Code: _____
    b. Chief Executive Officer: _____ Title: _____
    Phone: _____ Email: _____
    c. Primary Contact: _____ Title: _____
    Phone: _____ Email: _____
    d. DUNS Number: _____

4. Project Overview
    a. Project Summary:
    b. CDBG-ED Amount Requested:
    ☐ Grant ☐ Loan
    a. Administrative Funds Requested (maximum of 8%):
    b. Matching Funds (minimum of 1:1):
    c. Funding Summary:

Source:	Amount:	Status:
CDBG-ED	$	Awaiting funding decision
Total:	$	

d. Project Type:
☐ Job Creation ☐ Job Retention ☐ Job Training

e. Number of jobs created, retained, or trained:

f. Number of LMI jobs created, retained, or trained:

5. CDBG-ED Application Checklist: Page Number:

**Denotes that an item may not be applicable for every application*

☐ Appendix A: Resolution to Authorize Submission _____
☐ Appendix B: Certification for Application _____
☐ Appendix C: Local Development Organization and Subrecipient Application Certification* _____
☐ Appendix D: Public Hearing Requirements _____
☐ Appendix F: Business Plan (or alternative document) _____
☐ Appendix G: Non-Disclosure Agreement* _____
☐ Appendix H: Anti-Pirating Certification _____
☐ Appendix I: Sources and Uses _____
☐ Appendix K: Hiring and Training Plan _____
☐ Appendix L: LMI Income Certification* _____
☐ Appendix M: Revolving Loan Fund Plan* _____
☐ Appendix N: Management Plan _____
☐ Appendix O: Project Implementation Schedule _____
☐ Appendix P: Environmental Checklist _____
☐ Financial Statements (for previous two years) _____
  ☐ Appendix J: Balance Sheet _____
  ☐ Profit and Loss Statement _____
  ☐ Cash Flow Statement _____
  ☐ Reconciliation of New Worth _____
  ☐ Tax returns _____
  ☐ Personal Financial Statements (for owners with 20% or more ownership)* _____
☐ Financial Projections (for upcoming two years) _____
  ☐ Projected Balance Sheet _____
  ☐ Projected Profit and Loss Statement _____
  ☐ Projected Cash Flow Statement _____
☐ Letters of Support* _____
☐ PAR or PER (for substantial rehabilitation or new construction)* _____
☐ Anti-Displacement and Relocation Assistance Plan* _____

B. CDBG-ED Review Criteria

Each application will be evaluated under the CDBG-ED review criteria and will receive points depending upon the overall response to each criterion, relative to local capacity and resources. Applications will be reviewed in the order received.

CDBG-ED applicants are required to submit narrative responses that describe the relationship of their proposed CDBG project to each of the review criteria, except where otherwise noted. Applicants must provide a response to each question and are encouraged to be succinct and not repetitive. Failure to respond to a criterion or to comply

with a pertinent and important application requirement will result in no points being awarded for that criterion. For ease of reference, any documentation or exhibits related to the applicant's response to a CDBG-ED review criterion should be placed in the application immediately following the applicant's narrative response to that criterion.

In order to avoid unnecessary duplication, the applicant may reference other pertinent portions of the application or appendices in the narrative responses to the priorities. However, the applicant should not reference another portion of the application, such as a PER or PAR, without including a narrative statement that provides at least a summary of what is being referenced. For example, an applicant should not simply state, "See page 4 of the Master Plan" as a response to a review criterion.

The CDBG-ED review criteria are listed below.

Review Criterion # 1
Community Efforts and Citizen Participation

Review Criterion # 2
Need for Financial Assistance

Review Criterion # 3
Need for Project

Review Criterion # 4
Implementation and Management

Review Criterion # 5
Description of Jobs

REVIEW CRITERION #1	**Community Efforts and Citizen Participation**

1. Describe any processes used to determine overall community development needs.

2. Describe the community's underlying economic concerns or deficiencies, such as high unemployment.

3. Describe efforts to address economic development concerns or deficiencies via a commitment to a Comprehensive Economic Development Strategy (CEDS). Please include a link to the most recent CEDS.

4. Is this project consistent with the CEDS or other current plans (such as a growth policy, downtown master plan, or capital improvement plan) adopted by the applicant? Please include a link to any relevant planning documents.

5. Describe applicant's rationale for selecting this project over other community projects considered.

6. Describe the dates, times, and locations of the two public hearings. Attach copies of attendance sheets, meeting summaries/minutes, and affidavit of publication. See **Appendix D: Public Hearing Requirements**.

7. If public comments suggest that the project could have negative impacts on the community or individuals living in the community, describe such comments and official response(s).

REVIEW CRITERION #2	**Need for Financial Assistance**

1. Describe all efforts to consider applicable federal and state, and public and private funding that could assist with this project. Demonstrate that other funding resources are not reasonably available to address the identified need.

2. Describe and document match and other contributions to carry out the proposed project, such as:
    a. Cash, loans, or grants;
    b. Absorbing some or all administrative costs, or other forms of direct financial or in-kind contributions to support the project;
    c. Other local efforts and contributions. (Please describe them.)

3. Are local funds, including Revolving Loan Fund (RLF) funds, available but not being used? If so, explain why?

4. How do the project activities support the subrecipient's business plan or appropriate alternative? Provide a copy of the business plan or alternative document. Provide the following information regarding the subrecipient as applicable:
    a. What does the business manufacture and/or produce;
    b. Over the last two years is production and sales increasing or decreasing;
    c. Identify reasons why sales are expected to grow;
    d. Identify market competition;
    e. What factors went into the selection of the location for the business (city infrastructure, access to labor, building location, etc.)
    f. How will the business finance the expansion after the initial receipt of CDBG funds
    g. Provide experience and resumes for top management

5. Provide the subrecipient's financial statements (balance sheet, profit & loss statements, and cash flow) along with tax returns for the past two years and a complete narrative describing past and current financial operations.

6. If the subrecipient is carrying debt, fully explain, including amount, terms, and maturity date.

7. Provide two years of projections including balance sheets, profit & loss statements, and cash flow. Describe how assumptions were made.

8. Explain why the subrecipient's contribution is the maximum that could reasonably be expected.

9. Explain why CDBG-ED assistance is necessary and reasonable relative to the subrecipient's financial capability.

10. Complete the Sources of Funds (Part I) and Uses of Funds (Part II). See **Appendix I: Sources and Uses Form.** Include a narrative for each budget line item.

REVIEW CRITERION #3 Need for Project

1. Describe how the project will provide job opportunities and strengthen the community.

2. Does the project encourage activities that support and strengthen new and existing businesses?

REVIEW CRITERION #4 Implementation and Management

1. Submit a draft Management Plan. See **Appendix N: Management Plan**.

2. Execute the Affidavit of the Non-Disclosure Agreement, if applicable. See **Appendix G: Non-Disclosure Agreement.**

3. Document firm commitments for assistance from other local, state, or federal funding sources necessary to complete the proposed project.

4. How will CDBG project start-up requirements, including match, be met within 9 months of the date of announcement of funding award (including firm commitments of funds)?

5. Will the current infrastructure support the additional employees and/or business expansion (housing, water, wastewater, utilities, parking, etc.)?

6. If procurement is necessary for design, implementation, and/or management of the project and has already been completed, please provide the following documents:
    a. Affidavit of publication for the Section 3 Notice
    b. Direct Solicitation of Disadvantaged Business Enterprises
    c. The full Request for Proposals (RFP) or Request for Qualifications (RFQ)
    d. The affidavit of publication for the RFP/RFQ
    e. Meeting minutes and/or interviews with prospective entities
    f. The scoring criteria used to select the successful entity

7. If procurement is necessary for design, implementation, and/or management of the project and has **not** already been completed, describe the steps that will be taken to document procurement and that it will comply with CDBG procurement requirements and State law.

8. If program income is expected as a result of this or other CDBG projects, include the Program Income Plan or the Revolving Loan Fund Plan. See **Appendix M: Revolving Loan Fund Plan**.

9. Is the applicant compliant with the auditing and annual financial reporting requirements provided for in the Montana Single Audit Act, 2-7-501 to 522, MCA?

10. Complete the Environmental Checklist. See **Appendix P: Environmental Checklist**.

11. Applicants must demonstrate that the project will comply with requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA). Does the project include acquisition (regardless of whether CDBG funds will be used for the acquisition)?

12. Will occupants of a business have to relocate (even temporarily) due to project activities?

REVIEW CRITERION #5	Description of Jobs

1. Will the subrecipient create new jobs or retain current jobs of which at least 51% will be LMI? How many, on an FTE basis? Will the $35,000 per FTE job cap be exceeded? Attach a description of the positions that will be created or retained including any education and/or experience minimum requirements.

2. If jobs will be retained, why is the proposed project necessary to retain jobs (i.e., what is occurring to threaten these jobs and how will the proposed project combat that)? Would these jobs be retained without CDBG-ED funds?

3. If jobs will be retained or jobs will be trained, submit documentation that at least 51% of the jobs retained or trained are held by LMI persons. Household income surveys for each of the jobs retained or trained should be submitted. See **Appendix L: LMI Benefit Calculation.**

4. Will the positions created or retained require training or a specialized skill? If so, how is the training or special skill provided or supported by the subrecipient?

5. Attach a written description of the subrecipient's recruitment and hiring process that ensures recruitment, hiring, and training of local workers, particularly LMI persons, as much as is reasonably possible. Provide a copy of the Hiring & Training plan. See **Appendix K: Hiring and Training Plan**. Also, attach the signed Anti-Pirating Certification. See **Appendix H: Anti-Pirating Certification**.