

CDBG-CV Overview

The Community Development Block Grant (CDBG) program is a federally funded program through the U.S. Department of Housing and Urban Development (HUD). HUD provides grants on an annual basis to states and some local communities to help develop viable communities. The purpose of the program is to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

In March 2020, Congress passed the Coronavirus Aid, Relief, and Economic Securities (CARES) Act in response to the COVID-19 pandemic. Included in the CARES Act was a \$5 billion supplemental allocation to the CDBG program. The State of Iowa received \$31.3 million in CDBG-CV funding; approximately \$21 million was made available to non-entitlement communities/ counties in Iowa in the first application round. Since that time there have been some returned funds due to previously awarded projects being unable to finish.

Therefore, the Iowa Economic Development Authority (IEDA) is issuing a second round of CDBG-CV non-entitlement funding totaling \$1,000,000. The maximum award per project is \$100,000.

Key programmatic components:

- Activities funded with CDBG-CV funds must be determined to be CDBG eligible and must either a) provide new, outdoor, public Wi-Fi access, or b) increase a food bank/pantry's ability to provide fresh foods to their community.
- Each activity funded with CDBG funds must meet the following HUD National Objective: benefit low to moderate income persons.
- All activities funded through this program must prevent, prepare for, or respond to COVID-19.

Creating & Submitting Applications

Eligible Applicants

Applicants must be a unit of local government (i.e., city or county); CDBG-CV funds cannot be awarded directly to a business entity, non-profit, or individual.

All incorporated cities and all counties in the State, except those designated as HUD entitlement communities, are eligible to apply for and receive CDBG-CV funds. A list of entitlement communities in Iowa can be found here: <https://www.hud.gov/states/iowa/community/partnerwebsites>

Application Deadline & IowaGrants.gov

CDBG-CV applications are submitted online through www.iowagrants.gov. To start or submit an application, you must have an account through [iowagrants.gov](http://www.iowagrants.gov). If you have questions or have issues with your [iowagrants.gov](http://www.iowagrants.gov) account or experience technical issues, you may contact Don Dursky at don.dursky@iowaeda.com or 515.348.6210.

Applications will be accepted through 11:59pm on Monday, April 1.

Citizen Participation Requirements

Prior to submitting an application, the applicant (i.e., city or county) must hold a public hearing to discuss the project and provide information on the CDBG-CV application.

Public notice of the hearing must be published in a newspaper of general circulation, no less than 4 days and no more than 20 days, before the public hearing. Public hearings are to be held in accessible locations. The public hearing notice must provide the date and time of the public hearing, the project name and description, the purpose of the project, the source of funds being requested (CDBG-CV), and a local contact person (name/phone/email) for the public to contact if accessibility or translation services are needed.

At the public hearing, the following information should be covered. Each point must be reflected in the public hearing minutes:

- How the need for the proposed activities was identified.
- How the proposed activities will be funded and sources of funds.
- Date the application will be submitted.
- Requested amount of federal funds.
- Estimated portion of federal funds that will benefit persons of low to moderate income families.
- Where the proposed activities will be conducted.
- Plans to minimize displacement of persons and businesses as a result of the funded activity.
- Plans to assist persons actually displaced.
- The nature of the proposed activities.

At the application public hearing, applicants must conduct a Community Development and Housing Needs Assessment. During this process, applicants should ask for public input on local community and housing needs, needs of low to moderate income persons in the community, and planned or potential projects to address these needs.

For more specific information, please refer to IEDA training slides regarding public hearings and community development plans:

<https://www.iowaeda.com/UserDocs/2020CDBGTrainingPowerPoint09292020.pdf>

Applicants must ensure all public hearing and Community Development and Housing Needs assessment information is complete and adequate. Applications that do not demonstrate compliance with citizen participation requirements will not be funded.

General CDBG-CV Application Requirements

These documents/ items will be collected in lowagrants.gov and must be submitted as part of a completed application:

- Public hearing notice and proof of publication of notice
- Signed minutes from the public hearing
- Community Development & Housing Needs Assessment (not older than one year)
- Federal Assurances signature page- *Link to this form included in lowagrants.gov*
- Applicant/Recipient Disclosure/Update form- *Link to this form included in lowagrants.gov*
- Minority impact statement

This program will also require documentation that the proposed project will benefit primarily low to moderate income individuals. This may be demonstrated through census data or through an income survey.

Evaluation Criteria & Award Decisions

CDBG-CV applications are reviewed based on the criteria included in the application review form included in the appendix to this manual. Applications will be reviewed for eligibility in the order in which they were submitted. Those deemed eligible for funding will be recommended for award as long as the grant funds are still available. The Federal Programs Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director. Approval timelines may vary, depending upon staffing, internal approvals, and the completeness of the application. Award decisions are typically made within 30-40 days of the application due date.

Federal Requirements Applicable to CDBG-CV Projects

Grant Administration

If a CDBG-CV application is funded, the recipient must hire a certified grant administrator to manage the federal requirements associated with the project. IEDA maintains a list of certified grant administrators. This list can be found on the IEDA website: <https://www.iowaeda.com/cdbg/training-resources/>

Certified grant administrators have successfully completed IEDA CDBG training/ testing and have demonstrated an understanding of the CDBG program and requirements.

Iowa's Councils of Governments/ Regional Planning Commissions and some private consultants provide CDBG grant administration services. Please refer to the 2 CFR 200 & procurement section of this manual for more information on selecting a CDBG grant administrator and what is required to be done at the time of application.

The costs associated with grant administration may be paid with CDBG-CV funds. Applicants should plan to include grant administration costs in their CDBG-CV application budget. The maximum amount that can be charged for grant administration is 10% of the total project cost.

2 CFR 200 Requirements & Procurement

The CDBG Management Guide (pdf below) Chapter 2, summarizes Federal requirements that apply to the

CDBG-CV program. Included are the various methods of procurement for all CDBG-CV funded projects. <https://www.iowaeda.com/cdbg/management-guide/>

Please also reference Appendix 2 in the CDBG Management Guide for detailed information on 2 CFR 200 as well as additional procurement requirements. The appendix summarizes when and how to procure services and construction, as well as types of procurement, bonding, and a sample Procurement Policy. Please be aware that the Management Guide is updated every year. As of February 2024, the version on the website is still the 2022 Management Guide. Be sure that you are using that 2022 Procurement Policy for this application. The next, full update of the Management Guide is expected to be posted in the spring of 2024.

Be aware that regardless of the source(s) of funding, it is expected that contractors involved in CDBG-CV projects (including grant administrators and architects) be procured in accordance with the CDBG policies. There is also an expectation that that procurement involves publishing bid solicitation in a newspaper of general circulation.

General CDBG Program Requirements & Policies

All CDBG programs are subject to some general requirements and policies. CDBG-CV program specific requirements and policies are outlined further in this manual.

The following policies apply to all IEDA CDBG programs, including CDBG-CV:

- Incomplete applications will not be reviewed- Applications that are missing required information and attachments will not be reviewed or scored. IEDA staff will inform applicants why an application was not scored.
- No corrections to applications may be made after submittal- Once an application is submitted for review, applicants will not be able to amend or correct information in the application. It is imperative that applicants review all information and ensure all required attachments are included with an application before the application is submitted for review. IEDA may however request clarifying information during its review, to supplement what has already been submitted to IEDA. This may include allowing applicants to upload supplemental information in lowagrants.gov upon request from IEDA.
- IEDA reserves the right to negotiate award amounts with applicants- Awards may be less than the amount requested in the application. If IEDA is considering making an award of a lesser amount, IEDA staff will contact the applicant to discuss before any funding decision is made.
- Projects may not start before an award is made and an environmental release of funds letter is issued- Due to federal requirements, IEDA is unable to fund projects that have already started at the time of application. Costs incurred with the preparation of an application are not eligible costs and cannot be paid with CDBG funding.

The following additional policies apply to the CDBG-CV program:

- The CARES Act requires CDBG-CV recipients to implement procedures to prevent any duplication of benefits as required by section 312 of the Stafford Act, as amended by section 1210 of the Disaster Recovery Reform Act of 2018. All recipients must implement policies and procedures to ensure and document that project activities have not or could not receive financial assistance for the same activity costs.
- The (IEDA) will accept applications for assistance for the following activities under the state's CDBG-CV program: either public Wi-Fi access, or food bank/program assistance. More information is below.
- The IEDA will require projects funded under the CDBG-CV program (second round) to have all CDBG funds drawn down by April 30, 2026. This is because HUD requires that a 100% of all CDBG-CV funding must be spent/ disbursed by July 20, 2026. Funds not spent by this date will be repealed by HUD.

Public Wi-Fi Access

This program provides assistance to communities for projects that expand Wi-Fi access in public areas with majority LMI residents. Eligible activities include expansion of Wi-Fi in outdoor public meeting/gathering spaces such as a downtown square/commercial area, public park or other outdoor eating/gathering space, etc.

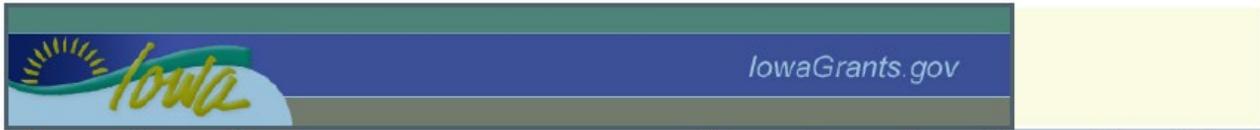
- CDBG-CV funds must be used for construction; funds may not be used for operations or maintenance.
- CDBG-CV funds may not be spent on buildings used for the general conduct of government (i.e., City Hall).
- Applicants must document all matching funds for the project at the time of application. Matching funds must be committed to the project at the time of application.
- Applicants must demonstrate site control at the time of application.
- Applicants must document that at least 51% of beneficiaries served by the project are considered low-to moderate income, meaning persons with household incomes at or below 80% of the area median income as defined by HUD. This may be demonstrated through using Census data (per ACS) date or a local income survey. Census date for Iowa communities can be found here: <https://www.iowaeda.com/cdbg/management-guide/> Income survey instructions can be found here: <https://www.iowaeda.com/UserDocs/Conducting-LMI-Survey-Packet.pdf>

Food Bank/Pantry Assistance

This program provides funding to communities to assist food banks/pantries impacted by the COVID-19 pandemic. A city or county must apply for CDBG-CV funds on behalf of an eligible non-profit food bank/pantry. If awarded, funds will be awarded to the city or county who will then distribute funds to the non-profit. Eligible activities include assistance to a local food bank/pantry addressing food insecurity in a community, particularly via purchase of additional appliances/equipment necessary to accommodate increased service of fresh foods.

- Applicants must demonstrate the project is in response to a new or increased service. CDBG-CV funds cannot be used to cover costs not associated with a new or increased level of service.
 - CDBG-CV funds cannot be used to replace current state or local funding already received by the non-profit.
 - CDBG-CV funds cannot be used for general operating costs.
 - Applicants must document all matching funds for the project at the time of application. Matching funds must be committed to the project at the time of application.
 - Applicants must document that at least 51% of beneficiaries served by the project are considered low-to moderate income, meaning persons with household incomes at or below 80% of the area median income as defined by HUD. This may be demonstrated through using Census data (per ACS) data or a local income survey. Census data for Iowa communities can be found here: <https://www.iowaeda.com/cdbg/management-guide/> Income survey instructions can be found here: <https://www.iowaeda.com/UserDocs/Conducting-LMI-Survey-Packet.pdf>
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Application Review Sheet



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Form Creator

COVID Review Form

[Preview Component](#)

Program Area: CDBG-COVID19

Module: Review

Form Type: Standard

GENERAL APPLICATION REVIEW:

- Is the UEI # provided?
- Is the grant amount requested at or below the amount allowed?
- Does the project meet the national objectives of assisting Low-to-Moderate Income (LMI) Households?
- Is the Demographic/LMI data successfully completed?
- Are the LMI survey tabulation results complete and accurate?
- Is the environmental review complete and ready for publication?
- Has the administrator been identified for this activity?
- Has the minority impact statement been successfully completed?
- Has the administrator dealt with previous/existing contracts in a timely fashion?

PROGRAM MANAGER COMMENTS:

PROJECT INFORMATION:

- Is the project eligible?
- Does the project meet a national objective?
- Does the applicant demonstrate project readiness and an ability to complete the project within two years?
- Has a project site been determined?
- There is no land or property acquisition related to the project.
- Will all activities be conducted OUTSIDE of a 100-year floodplain?
- If the project is a storm water project, is it located OUTSIDE of a regulated floodway?
- There is NO demolition of a standing structure related to the project.
- Has the applicant agreed to comply with IEDA CDBG requirements?

PROGRAM MANAGER COMMENTS:

BUDGET:

- Does the project budget add up correctly?
- Is the Administrative amount 10% or less of the CDBG-CV amount or Total Costs?
- If local funding sources apply, does the local funding budget chart add up correctly?
- If local funding applies, are local funds 100% secured and commitment letters uploaded?

PROGRAM MANAGER COMMENTS:

COVID PROGRAM ACTIVITY INFORMATION:

- Do the proposed activities have a clear tieback to preventing, preparing for, or responding to coronavirus?
- If any of the proposed activities is a public service, is it clearly a new or expanded service?
- Is the "External Funds" table completed successfully?
- There appears to be no risk of duplication of benefits.
- Did the applicant agree to follow IEDA's DOB policy and procedures?
- Has the applicant demonstrated how they will ensure that 100% of the funds are expended by July 20, 2023?

PROGRAM MANAGER COMMENTS:

PUBLIC HEARING NOTICE/MINUTES:

- Is the publication date no less than 4 days but no more than 20 days prior to the hearing?
- Does the public hearing notice contain correct and necessary information?
- Are public hearing minutes uploaded and do they include the hearing date?
- Do the minutes include how the need for the activities was identified?
- Do the minutes include how the proposed activity will be funded and the sources of funds?
- Do the minutes include the date the application will be submitted?
- Do the minutes include the amount of federal funds requested?
- Do the minutes include the estimated portion of federal funds that will benefit persons of low to moderate income?

Do the minutes list where the

proposed activities will be conducted?

Do the minutes list the plans to minimize displacement of persons and businesses as a result of funded activities?

Do the minutes list plans to assist persons actually displaced?

Do the minutes list the nature of the proposed activity or project?

Is the community needs assessment less than a year old and included and adopted at a Public Hearing for this project?

PROGRAM MANAGER COMMENTS:

REQUIRED ATTACHMENTS:

Have all documents under the "Required Uploads" been uploaded?

Is the CEO signature on the Federal Assurance page?

If a joint application, is the Assurance page for each entity included?

Is HUD Disclosure Form 2880 completed and signed by CEO?

PROGRAM MANAGER COMMENTS:

ADDITIONAL QUESTIONS: WIFI/BROADBAND:

If this is not a WIFI/Broadband project, SKIP this section.

Is this a WIFI/Broadband project?

Is the uploaded bid/cost estimates document clear and accurate?

Are all funds requested for activities other than general operations or maintenance?

Does the application demonstrate site control by the city?

PROGRAM MANAGER COMMENTS:

ADDITIONAL QUESTIONS: PUBLIC SERVICE (FOOD BANK/PANTRY)

If this is not a public service (food program), skip this section.

Is this a public service (food bank/pantry) project?

Does the application demonstrate that CDBG-CV funds are not replacing current state or local funding already received by the nonprofit?

Are all funds requested for activities other than general operations or maintenance?

PROGRAM MANAGER COMMENTS: