

ARKANSAS
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EXHIBIT E2

ARKANSAS ECONOMIC

DEVELOPMENT COMMISSION

CDBG Presentation

March 2, 2020

Jean Noble, Grants Division





**ACEDP: State
CDBG for Small
Cities Program**



The mission of the
Grants Management Division
is to improve the quality of life and
economic well being of the citizens
of Arkansas through the effective
management of federal
and state grant programs



- Community Development Block Grants (CDBG) are funded through the United States Department of Housing and Urban Development (HUD)



- Created by the Housing and Community Development Act (HCDA) of 1974, as amended.
- Congress appropriates funds annually
- States and “entitlement cities and counties” receive their portion of the appropriations through annual allocations determined by statutory formula

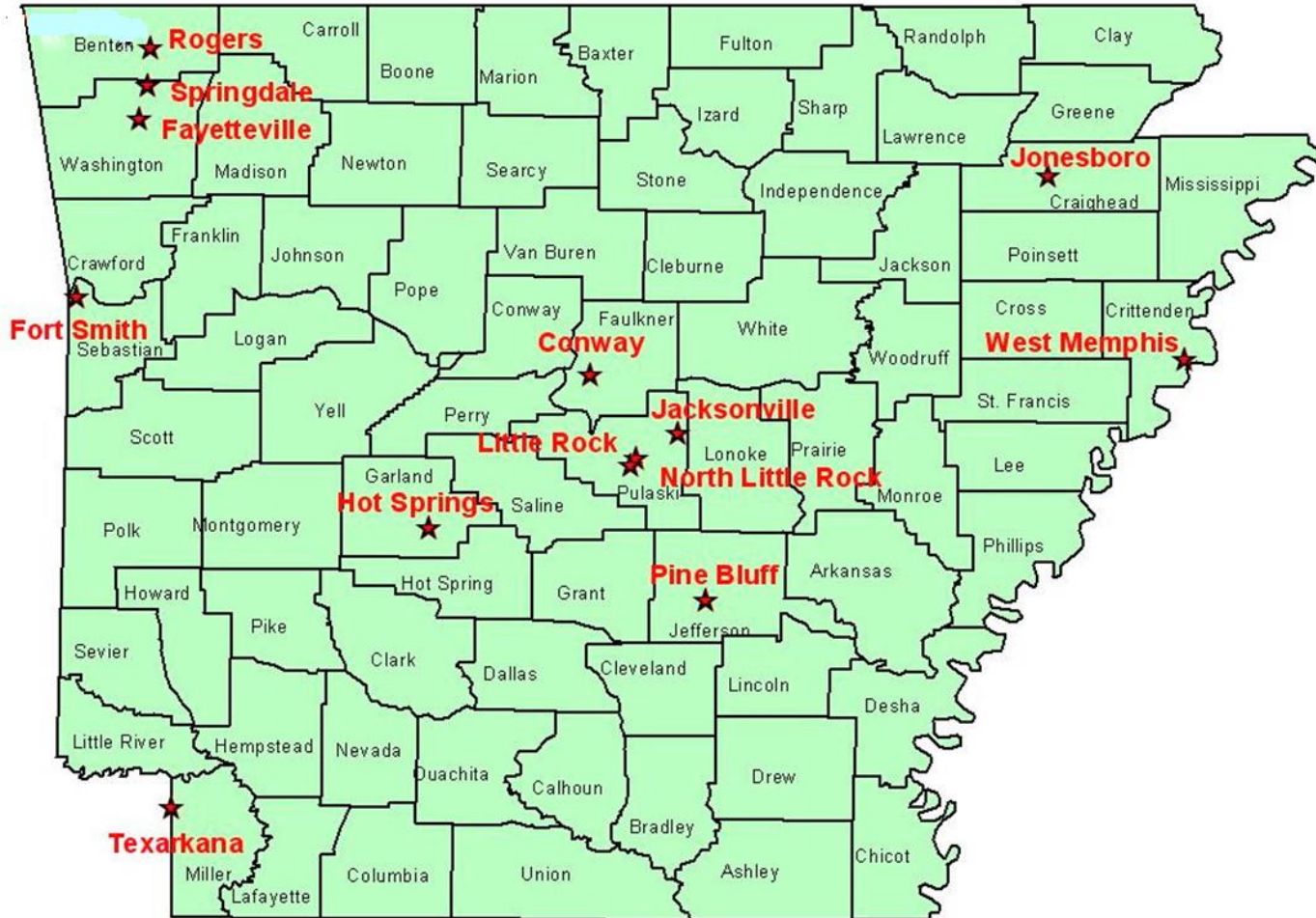
In Arkansas, the State Program is known as the **A**rkansas **C**ommunity and **E**conomic **D**evelopment **P**rogram (ACEDP).



- All Arkansas counties and all cities in Arkansas other than the thirteen “Entitlement cities” are eligible for ACEDP grants.
- Entitlement cities receive their own CDBG funding directly from HUD.



Entitlement Cities



Grants funded must address one of the following national objectives of the program:

- Benefit to low- and moderate-income (LMI) persons
- Eliminate conditions of slum and blight
- Address an urgent need



CDBG grants can **NOT** be made directly to non-profit organizations, for-profit companies or individuals.

All CDBG grants must be made to a city or a county only (sometimes called UGLGs)

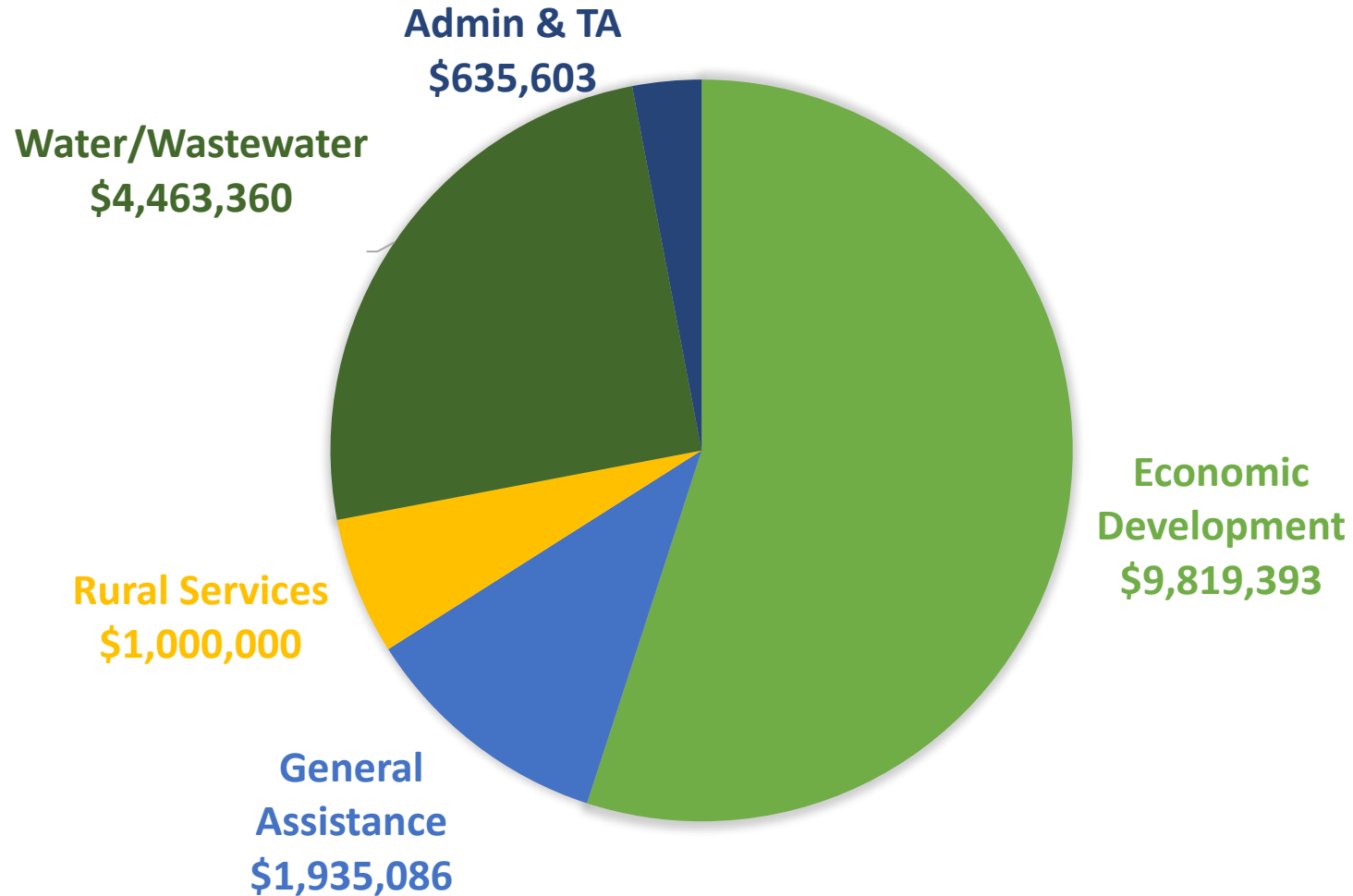




Arkansas Community & Economic Development Grant Program (ACEDP)

July 1, 2019 – June 30, 2020

2019 Allocation: \$17,853,442



Con Plan: Process

The Consolidated Plan combines the planning and priority setting for all state-administered HUD programs into a single five-year plan and a one-year action plan

The one-year action plan is updated annually based on actual grant amounts anticipated



Con Plan: Comprehensive Approach

Because living conditions in local communities involve all aspects of housing, community development, and economic development, the Plan will encourage “comprehensive” problem-solving approaches.

That is, housing problems are closely related to neighborhood facilities, infrastructure, and the availability of jobs and job training programs



The Consolidated Plan Board holds public focus group meetings and public hearings throughout the State to obtain citizen input on community needs.

- A draft of the plan is published and made available to the public:
- www.ArkansasEDC.com/Grants



2020-2024 Consolidated Plan

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- Initial Focus Group Meeting held October 11th
- Analysis of Impediments to Fair Housing (AI) along with 2020 Action Plan
- Expanded outreach and consultation process
- “Modernizing HUD’s Con Plan Process” special topic areas will include: disaster recovery/resilience, broadband expansion, EnVision Centers, Opportunity Zones, and the opioid crisis
- **February 19-21** Public Input Session & focus group meetings
- April 2020, 30-day Public Comment Period on Draft





APPLICATION PROCESS



Utilized for providing communities with resources to assist businesses which expand the state's economic base and which create quality jobs principally benefiting low- to moderate-income (LMI) employees



Eligible Activities

Eligible activities will generally include: grants or loans to for-profit businesses (through the applicant community) for a variety of business purposes; or public facilities (infrastructure) projects undertaken by applicant communities for economic development purposes, where a benefiting business agrees to locate or expand premised on the infrastructure improvements and agrees to create jobs for LMI persons.



Economic Development

Deadline & Selection Criteria

- Economic Development commitments are made year-round.
- Successful applicants invited to make formal application to AEDC, and project then administered by Grants Division

Applications evaluated on (not limited to):

- Cost benefit analysis
- Financial feasibility
- Credit worthiness
- Creation or retention of jobs, 51% of which must be made available to LMI persons at the time of hire



Referrals for Economic Development
Projects are made by the AEDC
Business Development Division

Contact: Bentley Story
501-682-7484



Rural Services

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The AEDC Division of Rural Services awards community center, multi-purpose center, fire truck, and fire equipment projects through the Rural Services Block Grant Program (RSBGP) for communities of 3,000 persons or less.

Contact: Megan Earnhart, mearnhart@arkansasedc.com,
501-682-3998



Block: What's Available

- Up to \$75,000 available
- 10% Match
- DRS has \$1,000,000 to distribute in Program Year 2019



Block: Project Examples

- Construction of a community center
- Convert an existing building into a new community center
- Renovation or construction of a fire station or substation
- Purchase of a fire truck
- Purchase of fire-fighting equipment
- Protective gear worn by fire fighters or specialized life saving equipment



- Community population of 3,000 people or less
- At least 51% low to moderate income
- A city or town may only have one open RSBGP or General Assistance grant, and a county may only have two open at one time



General Assistance

The General Assistance set-aside provides funds for eligible public infrastructure and public facilities projects (with the exception of those projects eligible under Rural Services set-aside)

Applications under this line item are submitted directly to the AEDC Grants Division.



- Minimum grant request \$75,000
- Maximum grant request \$200,000 (up to \$1M for water/wastewater extension projects where a minimum new customers are added)
- Grant request should include all design fees and expected costs except administration
- Administrative fees will be added to grant award



Eligible Activities

Activities submitted for funding must:

- meet one of the national objectives,
- be an eligible CDBG activity,
- address one of the high priority goals in the CDBG Method of Distribution described in the current Consolidated Plan; and,
- not be eligible for funding under another State CDBG funding program in the current Annual Action Plan.



Eligible Public Facilities

- Senior Centers
- Child Care Centers
- County Public Health Units
- Youth Centers
- Homeless Shelters
- Accredited Public Libraries
- Food Pantries
- Abused Children's Safety Centers
- Centers for Disabled Adults & Children



Public Infrastructure

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- Drainage and Flood Control
- Handicap Accessible Ramps and Sidewalks
- Water and Wastewater Rehabilitation or New Construction



Water and Wastewater

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Water and wastewater projects must first be reviewed by the Water/Wastewater Advisory Committee (WWAC) through a pre-application process.



What does the WWAC do?

- **Reviews** the proposed projects for engineering and technical correctness
- **Recommends** funding only those proposals that are cost effective, feasible and consistent with State policies and priorities
- **Uses** a single preliminary application to simplify funding requests
- **Recommends** the possible sources of financing





Scoring Criteria Matrix

The Matrix below describes each selection criteria as a numerical score within the General Assistance Program. The maximum number of points available within any application is 100 points. All selection criteria will be scored in five point increments and shall be scored on a scale.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Project Need	Project Impact	Project Readiness	Citizen Participation	Funding Leverage	LMI Benefit	Bonus Points	TOTAL
25	15	30	15	5	5	5	100 points

HOW TO APPLY?

- Application Guidelines
 - Application Forms
 - Exhibits Package
 - Scoring Criteria
- Income Eligibility Information

www.ArkansasEDC.com/Grants

Next Deadline: March 27, 2020
General Assistance





AEDC Grants Division

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