



## **COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING 2023 – 2024**

The following is a summary of the proposed uses of CDBG funds for the 2023-2024 program year. These program uses are subject to change prior to final adoption by the SC Department of Commerce.

The Community Development Block Grant Small Cities Program is administered in South Carolina by the SC Department of Commerce, Office of Grants Administration. The State CDBG program will receive an estimated \$19.7 million from the U.S. Department of Housing and Urban Development (HUD) in 2023.

State CDBG grants are awarded to eligible local governments that are not “entitlement areas”. All local governments in the Catawba Region, with the exception of the City of Rock Hill, are eligible to apply.

All CDBG projects must address one of the three following national objectives:

- Benefit low and moderate income persons
- Eliminate slums and blight
- Address urgent community needs that pose a serious threat to the health or welfare of the community.

Three key goals for the CDBG program are to provide decent housing, economic opportunities, and a suitable living environment. Each project must meet one of the following outcomes identified by HUD:

- Affordability
- Accessibility
- Sustainability

The primary CDBG grant programs are Community Development, Business Development, and Regional Planning. There will be \$16.5 million allocated for Community Development Programs, which includes five subcategories of Community Infrastructure, Community Enrichment, Neighborhood Revitalization, Local Priorities, and “Ready to Go”. Following is a description of each of program.

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## **I. Community Development**

### **A. Community Infrastructure**

**Funds Available:** \$10,948,629

**Grant Maximum:** \$1,000,000 (A waiver may be considered for a project addressing an urgent and compelling need, regional solution, or system-wide improvements, as well as the extent of leveraging and a reasonable CDBG cost.)

**Grant Minimum:** \$50,000

**Match:** 10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments, and documented volunteer or in-kind contributions.

**Eligible Activities:** Water, sewer, roads, or drainage activities.

**Outcome:**

Contribute to the creation of healthy, resilient, and sustainable residential communities through addressing one or more of the priorities listed in order of importance:

1. Significant improvements to existing infrastructure to address health concerns, meet required quality standards, ensure community sustainability or improve resiliency.
2. Projects that result in more viable regional infrastructure solutions or that provide new access to services near business centers where it is cost effective to address documented health threat.
3. Upgrades to infrastructure to address quality standards where there are only general health concerns or provide new services that are not near business centers when it is cost effective to address a documented health threat.

Note: Priority will not be assigned to infrastructure improvements that are necessary because of a lack of maintenance and repairs. Similarly, a priority may be not be assigned if new service is proposed for an isolated neighborhood and there is no documented health threat or the service is not cost effective given the number of households committed to benefit.

**Application Requests due: Friday, March 17, 2023, at 5:00 p.m.**

**Applications due: Monday, April 17, 2023, at 5:00 p.m.**



## **B. Community Enrichment**

**Funds Available:** \$3,000,000

**Grant Maximum:** \$750,000

[Note: A waiver of the grant maximum may be considered for a large-scale brownfield cleanup and building project with significant number of beneficiaries (i.e. a county-wide health department or DSS facility).]

**Grant Minimum:** \$50,000 (\$25,000 for planning grants/ up to \$50,000 for infrastructure planning grants with approval)

**Match:** 10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments, and documented volunteer or in-kind contributions.

### **Eligible Activities:**

#### **1. First Priority – Increasing Economic Competitiveness**

- Brownfield projects or demolition of obsolete buildings
- Downtown streetscape improvements where there is significant business activity and prior investment. Projects must include a plan for retail/small business support
- Planning by professional engineers and architects for regional infrastructure, hazard mitigation, resiliency, and sustainability for eligible public infrastructure and facilities, broadband, brownfields clean up and redevelopment, or master drainage studies

#### **2. Second Priority – Education and Workforce Development**

- Libraries – library facilities or services (fixed or mobile) to provide expanded library services, computer equipment or internet access especially broadband capability
- Publicly owned facilities (except operating school facilities) that offer extended educational opportunities
- Transportation-oriented public facilities or services to serve LMI workforce populations

#### **3. Third Priority – Safe and Healthy Communities**

- Public safety facilities and services in LMI areas - police substations or other public improvements designed to address crime prevention.
- Demolition of vacant, dilapidated residential structures to address and support crime prevention efforts in a targeted LMI neighborhood.





- Fire substations or fire trucks serving existing stations in LMI residential areas that provide significant improvement in service for in town locations or near business centers.
- Health clinic facilities or equipment in underserved areas or multi-service centers for health or related social services.
- Public facilities modifications to ensure accessibility for disabled persons or for energy efficiency improvements for CDBG-eligible public facilities that will significantly reduce operating burdens and promote sustainability (i.e., replacing windows, upgrading HVAC, etc.)
- New sidewalks in LMI areas where there is a demonstrated need for safe neighborhood foot travel and connectivity to goods or services.

Equipment for public service activities must be for new or expanded services and generally associated with a significant capital investment in facilities. Only major pieces of equipment that have a durable life of five years will be considered for funding.

**Outcome:**

This program is designed to fund facilities, services, and other activities that strengthen existing communities and support a high quality of life within the following state priority areas:

1. Increasing economic competitiveness, resiliency and narrowing the digital divide
2. Education and workforce development
3. Safe and healthy communities

**Application Requests due: Tuesday, August 15, 2023, at 5:00 p.m.**

**Applications due: Friday, September 15, 2023, at 5:00 p.m.**

### **C. Neighborhood Revitalization Program**

**Funds Available:** \$1,000,000

**Grant Maximum:** \$750,000

**Grant Minimum:** \$50,000

**Match:** 10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments and documented volunteer or in-kind contributions.

#### **Planning Phase**

The targeted neighborhood must submit a locally funded revitalization plan (or a previously CDBG-funded Village Renaissance Plan) that identifies community needs and prioritizes

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activities designed to comprehensively revitalize the neighborhood with CDBG and other funds. This plan must be approved by the Department of Commerce and should set out a realistic plan for implementation of CDBG eligible and other activities in two possible consecutive implementation phases. The plan must be submitted to the Department of Commerce with the application.

The plan shall include the following:

- Comprehensive needs assessment (qualitative and quantitative) and prioritization.
- Comprehensive strategies for revitalization that guide investments.
- Specific actions to prepare for implementation of revitalization strategies.
- Maps illustrating existing conditions, problems, and proposed solutions.
- Roles and responsibilities – neighborhood and local government involvement and commitment in planning and implementation.
- Time frame for implementation of all strategies, including phased activities.

### **Implementation Phases**

Implementation of comprehensive neighborhood revitalization must involve multiple activities including a public safety component. Activities must be described in the plan and may include:

- Infrastructure - water, sewer, roads, drainage
- Public facilities - sidewalks, security lighting and cameras, police or fire substations, technology, multi-service centers designed to address crime risk factors, walking trails, green space, landscaping
- Housing - infrastructure or other activities to support affordable or workforce housing; limited exterior only improvements including facades, minor repairs, energy efficiency improvements, handicap accessibility
- Demolition and clearance of vacant and dilapidated properties
- Public services - crime watch program, drug or gang education, awareness or prevention programs

All implementation phases will be competitively selected with no guarantee of funding and must comply with applicable program threshold and citizen participation requirements.

**Application Requests due: Tuesday, August 15, 2023, at 5:00 p.m.**

**Applications due: Friday, September 15, 2023, at 5:00 p.m.**

### **D. Local Priorities Program**

**Funds Available: \$1,000,000**

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**Grant Maximum:** \$300,000

**Grant Minimum:** \$50,000

**Match:** 10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments, and documented volunteer or in-kind contributions.

**Outcome:**

This program is designed to meet community development needs that are not typically funded through the other CDBG programs or one of the other HUD partner programs.

**Eligible Activities:**

These funds will be used for alternative grant activities and partnerships that meet community development needs of eligible municipalities. Local priority projects could include historic preservation, innovation, energy conservation, parks, and trails/greenways. New or expanded public service activities are also eligible.

Projects should have significant leveraging, impact, and community support while still meeting a National Objective and all other requirements. Consideration for funding will be based on state priorities listed below:

**1. First Priority**

- Projects that impact economic development or increase economic competitiveness

**2. Second Priority**

- Projects that address public health and safety, quality of life, or improve the long-term sustainability of the community

**3. Third Priority**

- Projects that address resiliency or help narrow the digital divide

**Application Requests due: Tuesday, August 15, 2023, at 5:00 p.m.**

**Applications due: Friday, September 15, 2023, at 5:00 p.m.**

**E. “Ready to Go” Public Facilities Program**

**Funds Available:** \$600,000

**Grant Maximum:** \$500,000





(Note: A waiver will be considered for infrastructure projects addressing an urgent and compelling need, regional solution, or system-wide improvements, as well as the extent of leveraging and a reasonable CDBG cost.)

**Grant Minimum:** \$50,000

**Match:** 10% of the total CDBG request, which can come from a variety of sources, including the local government, other non-Commerce grants, loans, waiver of fees, public or private investments, and documented volunteer or in-kind contributions.

**Eligible Activities:**

The project must be an eligible public facility improvement under the Community Infrastructure or Community Enrichment Program. CDBG funds are for construction or demolition costs only. Brownfields projects may be considered if significant upfront investment of local funds has been made and all other program requirements are met. Activities leading up to bidding must be complete prior to application submission. This includes project design, environmental review, acquisition, and permits. The project must be ready to bid within 60 days of grant award.

**Outcome:**

This program is designed to stimulate the local economy by addressing urgent or compelling community needs, encouraging the timely implementation of CDBG eligible projects, and being cost effective.

**Applications will be accepted on an ongoing basis, based on funding availability.**

Program clarifications:

1. Projects must address an urgent and compelling need.
2. The project requires an upfront investment of local and other funds for planning, project design, and permitting that is substantially equivalent to the required 10% local match.
3. Projects must be eligible public facility improvements, and CDBG pays only for construction or demolition and administration.

## **II. Business Development Program**

**Funds Available:** \$2,000,000

**Grant Maximum:**

- Job creation/retention \$10,000/ job

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- Area economic development \$500,000
- Local goods and services:
  - Service area less than 20% poverty or 70% LMI \$350/LMI person
  - Service area equal/more than 20% poverty or 70% LMI \$1,000/LMI person

**Grant Minimum:** \$50,000

**Match:** 10% local match or other equivalent contribution required. Projects to assist businesses in the provision of goods and services must have a minimum of 25% leveraging including a 10% match from the local government.

**Eligible Activities:**

Infrastructure to assist new or expanding businesses that will result in the creation or retention of jobs, 51% of which must be available to low and moderate income persons.

**Outcome:**

Provision of financial resources for local governments to pursue opportunities that create new jobs, retain existing employment, stimulate private investment, and revitalize or facilitate the competitiveness of the local economy.

**General Program Requirements:**

- A unit of local government may apply for a third project if they have no more than two open grants that have not exceeded a 30-month grant period.
- A unit of local government is limited to one Neighborhood Revitalization or streetscape project at a time.
- A unit of local government is limited to one open Ready to Go project at a time.
- A unit of local government may not have more than one project for the same general target area/neighborhood open at the same time

Catawba Regional Council of Governments' staff is available to assist local governments with the development of potential CDBG projects and application preparation. If you are interested in submitting a CDBG application, contact *Grazier Rhea, Angela Kirkpatrick, Christine Schwartz, Katherine Farrand, or Eleanor Mixon* at (803) 327-9041.