



**North Carolina
Department of Commerce
Community Investment Assistance**

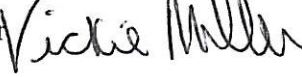
**Beverly Eaves Perdue, Governor
J. Keith Crisco, Secretary**

**Henry C. McKoy, Asst. Secretary
Vickie L. Miller, Director**

December 16, 2011

MEMORANDUM

TO: Local Government Officials and Other Interested Parties

FROM: Vickie L. Miller 
Director

RE: Community Development Block Grant 2011 Program Announcement

The Division of Community Investment and Assistance will open the following Community Development Block Grant programs in 2011. There will be a 3 week public comment period (December 19, 2011-January 9, 2012). Review the program guidelines and application documents and provide comments and suggestions for 2011 programs the link is:

<http://www.nccommerce.com/cd/investment-assistance/forms-resources/guidelines-and-applications>

Infrastructure will open February 1, 2012 until February 29, 2012. Infrastructure (IF) funds are available to eligible local governments to provide new infrastructure (public water and/or public sewer) to existing residential neighborhoods to correct problems that pose a severe health or environmental risk. CI will give priority for funding to projects as listed below:

- **21st Century Communities Pool:** Priority will be given first to water projects and second to projects that propose a regional solution providing all eligibility and benefit requirements are met. Identified 21st century communities map is attached in the appendix. 3 million dollars have been set aside for this pool of applicants.
- **Regular Pool:** Funding priorities will be given first to regional balance, second to water projects and third to projects that propose a regional solution providing all eligibility and benefit requirements are met. In addition, local governments will be required to display a high state of readiness in the application for IF funds. Projects should be ready to begin as soon as possible after receiving CDBG funds.

Infrastructure Hook-Up (Water and Sewer Connections): Grants will be made available to eligible local governments applying on a first-come, first-serve basis for the Infrastructure Hook-Up category.

- **Applications will be accepted in an open window cycle in a 2-step process until allocated funds are depleted or until a specified date (2011 Grant Cycle: January 4, 2012 to March 4, 2012. Applicants must be on a list and have a reservation of funds in order to submit an application.** Applications are reviewed in the order submitted and review criteria include conformity with basic criteria to apply and eligible activities. A balanced distribution of program funds will also be considered as a factor in making awards.

Scattered Site Housing (SSH) grants will be made to local county governments on a rotating basis to address housing needs of very low income families throughout the county. County governments can receive up to \$400,000 every 3 years with funds targeted to very low-income homeowners for rehabilitation or replacement purposes, subject to funding availability.

Applications are submitted to CI by 5:00 p.m. Friday, March 16, 2012.

Small Business and Entrepreneurial Assistance) grants help develop a coordinated effort for assisting the existing small business/ entrepreneurial sector. SBEA projects will be selected on a competitive basis for a 24-30 month funding cycle. About twelve to twenty grants of \$150,000 to \$250,000 from the \$3 million total funding will be awarded with preference given to the State's most distressed local governments (i.e., applicants must be Tier 1 and/or 21st Century Communities) **program applications will be due no later than 5:00 p. m. April 30, 2012.**

NC Catalyst Program is a new program that consolidated several existing programs and activities such as Housing Development, Individual Development Accounts, and Community Revitalization. Below are program descriptions of each *activity eligible* under the NC Catalyst Program.

- **Housing Activities** include homeownership, rental for multi-family developments and rehabilitation in identified neighborhoods where comprehensive revitalization is taking place. Also, funds can be used to address other community development need eligible to be undertaken with CDBG funds.
 - **Rental Housing:** Funds will be provided for multi-family rental developments. Eligible uses of CDBG funds include installation of public infrastructure (water and sewer lines are automatically eligible for funding; streets, sidewalks and drainage may be funded on a case by case basis), the removal of hazardous material, acquisition of vacant land (by an eligible non-profit) or vacant historic buildings (by an eligible non-profit or for-profit developer), and certain rehabilitation activities (on a case-by-case basis)The maximum grant is \$250,000 with a \$6,000 per unit maximum.

- **Homeownership**: Funds will be available for assisting single-family housing developments up to \$250,000. Eligible uses of CDBG funds include installation of public infrastructure (water, sewer, streets, sidewalks and drainage), the removal of hazardous material, and vacant land acquisition by an eligible non-profit or housing counseling. There is an \$18,000 per unit assistance maximum for single-family projects. Individual Development Account activities will be supported up to \$100,000.
- **Public Facilities**: These funds are provided to local governments to carry out activities that assist at risk populations (homeless, victims of domestic violence, at risk youth, etc). The funds will pay for shelters, transitional housing, senior centers, and neighborhood recreational centers. Maximum grants will be \$500,000.
- **Other Non-Housing Activities**: Funds will be provided to local governments to carry out approved CDBG eligible activities including but not limited to public services (limited to \$100,000 per grant up to 6 grants made) slum & blight activities with restrictions etc.) Maximum grants will be \$500,000 (except public services).

NC Catalyst applications will be due by 5:00 p.m. Monday, April 30, 2012.

If you have questions about any of the programs, contact Iris Payne, Program and Compliance Section Chief, at (919) 571-4900 or ipayne@nccommerce.com.