



Hancock County
Planning Commission

395 State Street, Ellsworth, ME 04605
(207) 667-7131 Fax: (207) 667-2099
Email: hcpc@hcpcme.org

A voluntary association of governments

- Amherst
- Aurora
- Bar Harbor
- Blue Hill
- Brooklin
- Brooksville
- Bucksport
- Castine
- Cranberry Isles
- Dedham
- Deer Isle
- Eastbrook
- Ellsworth
- Franklin
- Frenchboro
- Gouldsboro
- Great Pond
- Hancock
- Isle au Haut
- Lamoine
- Lucerne-in-Maine
- Mariaville
- Mount Desert
- Orland
- Osborn
- Otis
- Penobscot
- Sedgwick
- Sorrento
- Southwest Harbor
- Stonington
- Sullivan
- Surry
- Swans Island
- Tremont
- Trenton
- Verona
- Waltham
- Winter Harbor

To: All HCPC Municipalities and Hancock County
From: Tom Martin, Executive Director
Date: September 21, 2011

RE: 2012 Proposed CDBG Program Description

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The proposed Community Development Block Grant (CDBG) program rules have been released and are summarized in this memorandum. The CDBG program has funds for purposes such as upgrading substandard housing, improving public facilities and infrastructure, expanding social services, eliminating blighted conditions, revitalizing downtowns, and creating or retaining jobs. The complete set of proposed program rules, which are subject to change, are available at: <http://www.maine.gov/decd/index.shtml> or from the HCPC. We will send you information on the final rules after their release. *Please note that the application deadlines are later this year than in previous years.*

PROGRAM REQUIREMENTS:

Projects funded under this program must primarily benefit low and moderate-income (LMI) people, eliminate slums and blight or address an urgent need according to CDBG guidelines. The HCPC can explain the guidelines and how to conduct an income survey to determine if a project will qualify. In most cases, projects that benefit an entire town (such as a fire station or salt sand storage shed) are eligible for funding if at least 51 percent of the households in town are LMI. According to the 2000 U.S. Census, the Hancock County towns that meet this threshold are Amherst, Aurora and Osborn. Other towns are limited to projects that either serve a portion of a town (such as a water district) or that are targeted primarily at a low to moderate income clientele (such as job creation or housing rehabilitation).

PROJECT CATEGORIES:

The three grant categories are Community Development, Economic Development, and Planning. These programs have different deadlines, funding amounts and match requirements. Feel free to call Tom Martin at 667-7131 (tmartin@hcpcme.org) with any questions. *Please note that there are some proposed changes in the 2012 program.*

HOW THE HCPC CAN HELP:

HCPC staff can meet with town officials without charge to discuss program details, income guidelines, help identify projects and discuss strategies to prepare applications. The HCPC has over 30 years experience with the CDBG Program. We also have a certified CDBG grant administrator on our staff. The time to begin planning for an application is now.

2012 COMMUNITY DEVELOPMENT PROGRAM—Proposed Major Project Category Descriptions:

Please note that this information is subject to change after adoption of the final program guidelines by the Maine Office of Community Development.

1. HOUSING ASSISTANCE GRANTS

Funds may be used for activities such as acquisition, rehabilitation of substandard housing, alternative housing, demolition, down payment assistance, lead-based paint removal, new housing construction, removal of architectural barriers and provision of well and septic systems. A 10 percent match of funds is required for housing rehabilitation activities, a 20 percent match is required for new housing construction. *The anticipated due date for letters of intent is March 16, 2012.*

2. DEVELOPMENT FUND HOUSING LOAN PROGRAM

The Development Fund Housing Loan program (DFHL) provides funding for communities forming partnerships with local non-profit housing development organizations to carry out activities leading to the development of affordable housing opportunities for low-to-moderate income (LMI) persons. A ten percent match of funds is required. *Applications are due on the first Friday of each month unless that Friday is a state holiday in which case the next business day.*

3. PUBLIC FACILITIES GRANTS

There are five sub-categories of public facility grants. Applicants can mix project types within, but not among, sub-categories. Category one is for fire stations. Category two consists of community, child, senior and health centers, libraries, sheltered workshops, homeless shelters, and piers/wharves. Category three is for the removal of architectural barriers and category four is for historic preservation projects. Category five consists of fire fighting equipment, dams, salt/sand storage sheds, transfer stations, park and recreation facilities, and public works garages. All projects must have at least a 25 percent cash match of other funds. Historic preservation and architectural barrier removal projects do not require a town to be 51% LMI but must meet other threshold requirements. *Letters of intent are due January 20, 2012.*

4. PUBLIC INFRASTRUCTURE GRANTS

There are three sub-categories under this program. Category one includes public water, sewer and storm drainage improvements, water/sewer system hookups, utility infrastructure and dams with the main purpose of providing primary water storage for an active water district or municipal system. Category two consists of infrastructure in support of new, fully financed, LMI-affordable housing. Category three includes streets, roads, parking, curbs and gutters. A 25 percent cash match is required for all projects. *Letters of intent are due January 20, 2012.*

5. PUBLIC SERVICE GRANTS

These grants are designed to address human resource needs by providing funding for operating expenses, equipment, and program materials for public service programs that benefit low to moderate income persons. Funds may be used for expenses related to child and health care centers, job training, education and recreation programs, public safety services, fair housing activities, drug abuse counseling and treatment, homeless services, energy conservation counseling and testing for low-income persons. Funds are only granted to new or expanded services. A 20 percent match is required. *Letters of intent are due April 13, 2012.*

6. DOWNTOWN REVITALIZATION GRANTS

These grants are for comprehensive downtown improvement programs. Towns may combine activities from the Housing Assistance, Public Facilities, Public Infrastructure, Public Service, and Community Enterprise programs that help improve a downtown and will lead to future public and private investment. A 25 percent cash match is required. Applicants must have completed a comprehensive downtown revitalization planning process within the past five years or demonstrate that an older plan is under active implementation. Qualified applicant communities must also have a downtown district meeting the definition of PL 776 enacted by the 119th legislature. Applicants must document that the proposed project is located in a blighted area or that over 51 percent of the residents are low to moderate income. *Letters of intent are due February 10, 2012.*

7. COMMUNITY ENTERPRISE GRANT PROGRAM

The program provides grant funds to assist in innovative solutions to problems faced by small or micro-businesses and facilitate good management practices and business façade improvements in downtown/village areas. Both loan and grant assistance is possible. *Letters of intent are due on February 10, 2012.*

8. URGENT NEED GRANTS

This grant allows applicants to address emergencies that pose serious and immediate threats to the health and welfare of a community, which are declared state or federal disaster areas. Applicants must demonstrate that they cannot finance the project on their own and that no other source of funding is available. *Applications are accepted on a first-come first-served basis.*

ECONOMIC DEVELOPMENT -- Project Category Descriptions:

1. ECONOMIC DEVELOPMENT PROGRAM

Funds are used for **gap** financing to assist businesses in the creation/retention of jobs for low to moderate income persons. There are three categories of funds:

1) Grants to Municipalities: for acquisition, relocation, demolition, clearance, construction, reconstruction, installation and rehabilitation associated with public infrastructure projects such as water and sewer facilities, flood and drainage improvements, publicly-owned commercial and industrial buildings, parking, streets, curbs, gutters, and sidewalks. All public infrastructure must be owned by the municipality or public or private utility and be in support of an identified business.

2) Grants to Municipalities for Direct Business Support: for non-capital equipment, land and site improvements, rehabilitation or construction of commercial or industrial buildings, working capital, and capital equipment.

3) Development Fund Loan (DF): for acquisition of existing facilities, land and site improvements necessary for the construction of a new facility, rehabilitation or construction of commercial or industrial buildings, structures, non-capital equipment, capital equipment, working capital and real property improvements.

Communities must certify that they will provide a 100% cash match of the total grant award. *Letters of Intent are due the first Friday of every month unless that Friday is a state holiday in which case the due date is the next business day.*

PLANNING -- Project Category Description:

1. COMMUNITY PLANNING GRANTS

This program is designed for towns that have a clearly identified local community or economic development problem and lack the resources to develop a strategy to solve that problem. Grants are for studies, analysis, data gathering, preparation of plans and maps and identification of actions that will implement plans. Engineering, architectural and design costs related to specific projects are **not** eligible. These grants are useful for applicants that need to develop a solution for a problem before actually seeking a construction grant. The maximum grant amount is \$10,000. A cash match of 25 percent is required. *Should additional funds become available, the Maine Office of Community Development will accept applications. HCPC will notify towns if this occurs.*



This mailing was prepared with funds from the Maine Department of Economic and Community Development