Implementing Effective Economic Development Programs Using CDBG-CV Funds, 7/8/21

Robin Keegan: Hi, good afternoon. I want to welcome everyone to our webinar today. I'm Robin Keegan. I'm the deputy assistant secretary for Economic Development here at HUD. I'm really excited to welcome you to the session on implementing effective Economic Development Programs using CDBG-CV. I want to just start by asking you to do our poll, so I'm going to let the slides catch up with us.

Next slide. Great. Let me go through the agenda first and then we have a small poll for you as I'm going through the agenda that I'd love for you to answer. Our question is, have you ever run an Economic Development Program funded with CDBG or CDBG-CV and or CDBG-DR. So any realm of CDBG, any flavor of CDBG that you may have implemented economic development programs.

We're just asking this because we know that we've got a lot of expertise in our audience. I was told right before we jumped on that we have about 1,000 attendees registered which is wonderful, and we can't wait until we can get back to live events so we can actually see your faces. So thank you all for joining us. We look forward to not only learning about you but to really learning your questions that we can make sure that we can get answers today and also be able to answer in the future, through future technical assistance webinars, as well as other modes from our program staff.

So it looks like we're at about half and half for the initial responses. So half of you have used CDBG and one of its flavors to implement economic development programs and about half of you haven't, so we're really excited to have you both here to really better understand the way that CDBG-CV is different than its other two components, but built on the same framework of CDBG.

And then to really help you be able to think about the economic recovery needs within your community and how these tools can -- this tool can be helpful for that. So let me go over our agenda really quickly. We're going to talk about market and programmatic challenges. Then we'll go to business assistance and economic development programs. So what are some models that have been effective in the past and that you may be looking to implement right now? What funding sources fit -- are available for economic recovery efforts and what's the best fit for your CDBG-CV funding?

We'll talk about flexibilities. Again, the CARES Act CDBG funds look different than CDBG or CDBG-DR, and so just making sure that you're clear with what those flexibilities are. And then really walking you through the design and launching of a program; what are program design considerations and then what are the things that you need to consider as you launch -- as you begin to design and develop your program.

We have a few examples and then again, we really do want to take your questions and answers. We'll spend some time at the end to talk about additional resources but also to make sure that we are answering your questions. So I'm going to just give a couple of framing comments and then I'll turn it over to our speakers.

As you know, disasters like COVID exposed vulnerabilities, this is what disasters do. This is an unprecedented time of challenge for our country, as well as the world. We've seen businesses suffer and residents lose jobs at numbers that are unprecedented. And we know in communities that are small businesses and are essential workers in the service industry, hospitality and retail fields, as well as agricultural workers and healthcare have been impacted adversely.

This has been true as well of historically disadvantaged communities, our native American, black and Hispanic communities have borne a disproportionate higher COVID infection rate and impact of this pandemic. That is not to be taken lightly. But what I will share is that we've also seen as we do after shocks and stresses, events and disasters is innovation, creativity, and spirit.

We've seen the devastating vulnerabilities of our communities born in a new light, but we've also seen the innovation of individuals, small business owners and organizations that have stepped up to serve. We should not lose this momentum as we move forward into recovery. I often say that community small businesses are really their second responders following a disaster.

These community institutions often stand up to give back to the community immediately even when they themselves are suffering. We saw this in the pandemic as our businesses pivoted to feed their community, to serve their community, even though their own future was unknown. Our residents do the same. And what we have is an opportunity is to invest in the social and intellectual capital to support existing businesses through funding and technical assistance resources.

We know that many businesses have failed and many of our workers are out of work, but we really can't afford to lose this moment to capture that intellectual and social capital of these neighborhood businesses as well as of our workers and to fund the business ecosystem, our technical assistance providers, our entrepreneurs to help small businesses transition through this event, whether they choose to start a new type of business or to pivot their own business to respond to new circumstances.

We also see social entrepreneurship as a business model that often is born out of disasters. We've seen that across the country, as well as across the world, when residents step up to solve problems in their community that needs solving. So we're excited here at HUD to be partnering with you to again, think about how to use the CDBG-CV funds and other funding from the federal family of agencies to help you to reinvest in your community to build back stronger.

As you know, very well, CDBG is a neighborhood investment tool. You can do it to do -- use it to do all sorts of things. Today, we're going to focus on how to support small businesses, how to fund technical assistance providers, to support the business ecosystem, how to fund workforce development training, and placement programs, how to think about using these funds to rebuild commercial corridors that may have been devastated by the pandemic, and how to invest in mixed use properties or other types of economic development, the strategies that you're working on within your community.

We are also working with our federal partners, as I mentioned, to better support you and we look forward to bringing additional technical assistance support in the coming months in partnership with these federal partners. In my comments there, I'll take a moment to introduce our colleagues who've developed today's training.

Sue Southon is a senior technical specialist, housing community development and disaster management specialist at ICF. She's a development professional, a trainer, a strategic planner with over 30 years of experience in community economic development and affordable housing production. Mickie Valente is a consulting partner to ICF and is the President of Valente Strategic Advisors, a firm dedicated to building strategies for diverse, competitive, and resilience economies.

I've had the pleasure of working with both Sue and Mickie over many years in restoring communities after natural disasters. I know you will find the information they have to share useful. I want to thank you again for all that you are doing. We look forward to continuing the journey with you. I'm going to turn it over to Mickie to get us started on the training. Thank you.

Mickie Valente: Good afternoon, everyone. And thank you for being here with us today. As Robin mentioned, there's a lot of material we're trying to cover here today including, Sue will be focused on the CDBG-CV aspect of it. And I will try to present to you opportunities to leverage your funding with other federal and private sector and other resources, and how to think about this strategically in terms of how you navigate through what is, fortunately a whole host of programs that have been implemented to help with the COVID-19 recovery.

But that every new resource presents new challenges and learning how to use those, how to best leverage them and what applies to your situation. I'd like to start next slide, please. I'd like to start about -- talking about -- thinking about this program as we go through our presentation, thinking about it as building a team.

The teamwork part is so key to all of this so instead of thinking of each agency or each individual institution, we might mention and what they may offer, or what programs they may have available, think of those in your community and your state that actually have a connection to that resource.

So if you're talking about economic development programs, you might think of who actually works in your community with economic development programs on a regular basis. So would that be an economic development district, your local economic development organizations. I think if we're all are thinking in this direction, as we go through whether it be recovery or just our daily responsibilities and economic development, we'd get a lot further. You can't be an expert on everything.

So we're going to talk a lot about team building and capacity building as we get through today's presentation. The challenges are certainly unique and Robin mentioned that unprecedented is probably the best word that we can use for what's been going on, our recovery efforts to COVID-19 pandemic.

However, some of them are fairly easy to anticipate and we've seen them before in other disasters; whether it be natural disasters or other economic disruptions, and some of those have to do with just the fact that especially small businesses, the most underserved or undercapitalized businesses, the ones that lack the knowledge and the resources to avail themselves available assistance, are always going to be the most vulnerable. The ones that are seeking assistance initially.

And what they're usually seeking is cash. Obviously, they need assistance for financial reasons. But as we go through this process and this is a process of disaster recovery, we have to start thinking ahead of the response and think about what we're going to be needing to provide technical assistance, strategic planning, fundamental workforce training, whether it be for temporary jobs as it exists, the case many times when you talk about a natural disaster and you're trying to keep your employees local, as opposed to what we're seeing more with COVID 19, seems to be some permanent displacement possibly of workers or workers who are looking for an opportunity now to be trained and what may be a growth area such as the healthcare industry.

So this thinking about those things in mind and how, what you're doing fits into the process of recovery and how it fits into you building your team and your capacity to address the needs. Next slide, please. Some of the common challenges at the local level, and you've seen them before, probably if you've ever had any type of disruption in your economy or the demand seems greater than available assistance. It always seems so.

So even as new assistance is delivered, there's new demands and different issues that arise that you have to pivot to and recognize. For a lot of displaced workers is one of the issues we're seeing now. We hear a lot about workers don't want to come back to work or can't come back to their former jobs. So what you'll see in a lot of the assistance programs that are being implemented today by treasury or other agencies, a lot of focus on technical assistance, the business, and a lot of focus on supporting the workforce and how do we retrain them, direct them to a new career if that's what's necessary.

So you'll see a lot of programs that have been developed and are being implemented to address those issues. Economic development strategies. This is a good time to think about how they support the new realities. We talk about disaster planning, a lot about the new normal. There are certainly some new normal going on today in our communities, but [inaudible] we gone back and looked at our economic development strategies within the local or the regional at the state level and said, how does this affect them?

And how do these programs that we're applying to for grants or our businesses are accessing, how does that fit into what our strategic plan was for this community or this region? We also hear a lot about mortgage foreclosures for homes and renters who have been evicted or being threatened with eviction.

You don't hear as much about commercial foreclosures that might be coming. So we may talk about reuse of office space or commercial properties that may not be as much in demand as they had been in the past such as class A office buildings and such, but we haven't really, I don't think dealt with what may come down the pipe with foreclosures or how we might repurpose some of those facilities.

So there's talk now about, you know, we see it happening in some communities and maybe happening in yours. Mixed use buildings, housing development as we saw with malls over the years, repurposing them for health centers or training, workforce training centers, or community colleges. So that's just something to keep in mind as we talk about what challenges we might face and how are we going to deal with some of those challenges. Next slide please.

One of my focus areas is always when you're dealing with any type of economic disruption is, do you have the data to show the need and the opportunities in your market? And I say that because until recently, the Mercy Management, which is usually the entity in your community dealing with disaster planning has -- this has not been on the radar for them. It's changed considerably since Hurricane Katrina and it's changing every day for the better.

But who is actually in charge of economic recovery? That question comes up quite a bit. So if you don't have the data to tell your story, if you can't tell us how many businesses were affected, how they were affected, how many people were out of work, then you can't really justify the assistance that maybe you may need in your community.

So I would suggest if you haven't done this so far in some communities, I'm going to have done a great job at this in collecting data. And some of that data may be collected to the programs we're talking about today and how they're implemented. So if you're talking about SBA loan programs, who did those loans go to? Where were they most needed? Which communities were denied some of these programs because they didn't meet certain criteria that were cash businesses and they had difficulty proving their losses, for instance.

They can tell you a lot about the makeup of your economy by just understanding how these programs are implemented or not implemented for that matter. We also are going to be challenged to support businesses to respond to new markets created as a result of the pandemic. So, obviously we are dealing with, as we are today, Zoom conferencing and what is this? Is that really going to change the face of how we collaborate with one another in the workforce or cost organizations?

Telemedicine, online commerce, delivery services, changing the context of what we may need for certain, especially retail restaurant sector. Is it going to change the footprint of what our companies are planning to build in terms of commercial space in our communities, and the technical assistance that is needed to support new business models and operations?

So we have traditional partners such as the small business development centers, but there's much greater demand than they can handle [inaudible]. We're creating technical assistance opportunities within our communities that can see some of this through. We see there's funding for it, funding is coming down the pipes, it's a matter of how we react to that funding and what we do with that funding. Next slide, please.

Sue is going to talk about this in some detail, but ensuring there's no duplication of benefits, it's a new concept for many grantees and it's -- we should step back from just saying, we have this resource or we have this grant and is there a duplication of benefits issue with it. When you're planning your recovery and you're looking at all these options of how to fund different types of projects and assistance programs, you really need to be thinking about that at that point.

So going back to your local partners, if you have the right local partners who understand the various entities, the various federal agencies and what they can deliver and how their programs can be used, you can lay out sort of a platform or a plan for how you're going to best use -- most effectively and efficiently use these resources to your advantage.

And opportunity costs. I don't hear many people talking about that, but obviously your communities had an economic development plan in place. They had an agenda for the types of businesses they we're trying to recruit, where they thought their economic drivers could be expanded, but now they've had to draw their attention to business assistance, particularly small business assistance.

You see this a lot with economic development organizations which are focused on economic drivers and building the overall economy and not necessarily dealing with the issues of small businesses every day. Well, the pandemic has had to turn their attention to that, and they're having to deal with those grant programs and other challenges that small businesses have.

So did that draw their attention away from what could have been done or what could have been worked on in terms of community and economic development planning? So looking at their project pipelines and how were they affected by the COVID and how they're still being affected today in terms of strategic planning. Next slide, please.

So we're going to talk about throughout this presentation business assistance and economic development models, and touch upon number of different grant programs and technical assistance programs that many of which are being implemented by the federal government, some of which are actually being implemented by nonprofits or others.

But we can't possibly cover every one of them today, but it's to give you kind of a roadmap of how you look at these different models and how they can be made effective at your community level or relevant to you in your economy. Next slide, please. So the typical economic development related assistance using the CARES Act funding, we would expand that to mean -- to also include obviously the American Rescue Plan today.

But these are the primary categories that -- in a primary categories you'll see funding resources being developed to support direct assistance to market adaptation. So working capital to small businesses and microenterprises, we've seen a lot of this with the SBA paycheck protection programs and economic injury, loan programs, and other disaster programs that they've actually developed to respond to the pandemic.

Facility retrofit improvements. So we've seen that in our own communities. If you go into a restaurant and you see the plastic shields that have gone up, the obviously masks that are still being used in some communities, retrofitting the space to address the issues of the health exposure and the questions that people have about using these facilities.

Community interventions so to more support on improvements, creating food and leisure locations in public areas. You see a lot of communities that have used the public parking space for outside dining. As more of that comes inside, that may change, but it's that now the restaurants and other retailers are looking at possibilities of bringing their business out more to the more public area and the advantages of doing that.

Virtual recovery centers. Traditional business assistance had to be delivered online for obvious reasons during the initial stages of the pandemic. Many of those virtual recovery centers which would basically be, websites, hotlines, those types of things, are being converted back to brick and mortar, if you will, business recovery centers.

And it makes sense because as we're dealing with more intricate long-term recovery of particularly businesses, where they have to sit down with someone face to face and talk about the future of their business or how they restructure their business, you need that personal interaction. So many communities are taking what they were doing virtually now and enacting a business recovery center of some type at a community college, or SBDC, or some other entity that does counseling as part of their mission.

Workforce development. We're trying to match the industries to those that are likely to grow so the obvious ones. Construction trades, IT and healthcare, but I would suggest there are others that we're -- maybe you're not paying as much attention to in some of these industry such as the leisure industries, boat manufacturing comes to mind.

We haven't seen where there might have not been a strong demand before COVID in some areas for boat manufacturing. I've seen some of these communities take off with it because people are ready to get out. They're ready to enjoy the outdoors and camping gear, boats and other products like that are in high demand now. So we may just think about what's important to your particular economy.

And then support for expansion of training just for return to work, but return to work also includes things like childcare and early education, supporting the workforce to go back to work and supporting the needs they have just to get back into the workplace and not work only virtually. Next slide, please.

The funding sources used for economic recovery efforts. Next slide, some common ones that you've seen many of these, small business administration has had a whole array of programs that they've put on the street and to assist small businesses. Some of the more common ones after disasters, I mentioned the economic injury disaster loans, but the payroll protection program was a new program, forgivable loan program that has been widely used across the country.

The bridge loans and the debt relief that SBA had were limited programs that were using the banking system and lenders to help with the bridge loans and the debt relief was just a temporary relief for those businesses that had traditional SBA loans such as [inaudible] 7a to help them with paying their interest and debt so that they could get back on their feet, give them some time to do that. Those programs, I believe both of them have now closed.

Department of treasury. We're going to talk more about that later. The treasury has a broad spectrum of public infrastructure programs, technical assistance for businesses, workforce support programs so they've created a lot of programs that are coming out of the department of treasury that you need to get familiar with and think about how do they align with, for instance, workforce development, with the regular programs and the additional funding for department of labor, department of education.

How are these programs going to coincide and how can you best effectively use them together? Economic development administration, I've mentioned has several programs we'll talk about going forward, but I can help with strategic planning and business support in your community. One of the things I wanted to mention is the economic recovery resource roadmap which was created by FEMA.

It's a great resource to start your planning and look at the different options that you have for funding and technical assistance and the various needs you have in your community. You can just Google it, but I think it's also going to be on the resource list we'll have at the end of this presentation so I suggest you start there.

Another resource I would suggest you look at is the restoreyoureconomy.org site. It is run by the International Economic Development Council, funded by the EDA, and it has constantly updated with new pay studies, economic recovery tools, programs that -- federal, state, local programs that have been implemented for disaster recovery so those two resources. This roadmap and the restoreyoureconomy.org, I would suggest that you take a look at to plan for your recovery and to assist your business and industries and your local area. Now, I think we turn it over to Sue.

Sue Southon: Thanks, Mickie, and thanks, Robin, for the opportunity. It's great to be here with you all today. Next slide. These next series of slides is going to hopefully prompt some thoughts about what might be the best fit for using the CDBG-CV funding in your communities. Next slide, please.

As your programs evolve and more funding resources become available, keep in touch with your economic development organizations; the ones that serve your area as they may be able to identify gaps and resources that could conceivably be filled with CDBG-CV funds. Think about the problems that you need to solve in your community.

A lot of these have been referenced earlier by Mickie, things like market adaptation, financing small businesses with working capital to pursue new market niches, community interventions to improve safety of commercial corridors, office retail and food leisure locations, workforce development, retraining for new relief and recovery industries, safety improvements to some of your business facilities, stabilizing commercial properties.

And I think this is going to be a big one for a lot of you because there's going to be empty or under-utilized office and commercial spaces in many of your communities. And think about how you may be able to convert those to mixed use developments or for other economic development purposes.

Also keep in mind, while the economic development administration provides funding for the development of comprehensive economic development strategies, not all of you may have access to this particular resource in your communities. So consider using some of your CDBG-CV funding with your local economic development organizations to create a long or short-term economic recovery strategy.

Next. This slide lists a number of economic development activities that can address the impacts of COVID in your community. Some examples include support for new business startups that may take the place of a business that's closed, support to repurpose or redevelop your vacant storefronts or other buildings for economic development uses, workforce training, as we discussed previously.

Also, including skills that may help your businesses adapt more readily to e-commerce opportunities, and changes to public spaces that will further enhance the redevelopment of central business districts and business corridors. For those of you who have had CDBG-DR funding due to a hurricane or other natural event, a lot of the communities receiving these funds took that opportunity to undertake beautification or infrastructure improvement projects that had the effect of being able to improve opportunities for businesses to directly benefit in those CBDs or commercial corridors.

Next. To help you out, the CARES Act and HUD have provided some flexibilities that make it a lot easier to use CDBG-CV funding for economic development activities. Next. I know many of you have been reluctant in the past. Many of my economic development colleagues have complained about the level of regulation and other reporting that makes regular CDBG difficult to use for economic development programs.

And in thinking about this, HUD has very deliberately done some things that are going to make it a lot easier, I think you will find to use these funds for economic development. For example, you may use the national objective of low mod area benefit. If the businesses or business that you are assisting has a service area that can be documented as predominantly low moderate income, or if you can document that the customer base of that particular industry or business is predominantly low mod.

Listed here are some examples of businesses that may qualify if located in a low mod block group or census tracts. To implement a project using low mod area benefit, you need to be able to document the service areas of the businesses, the low mod rate of the census tracts or block groups that are contained within their documented service area. And by the way, there is a HUD tool on the website for that.

And lastly, the area has to be able to be characterized as predominantly residential. The location-based presumption of LMI benefit for the central business district job creation has been reduced from the regular CDBG requirement that census tracts that contain at least a portion of the CBD, must have a poverty rate of at least 30 percent before residents and businesses in the tract or entitled to presumption of low mod area benefit to only 20 percent when you're using CDBG-CV funding.

Next. HUD is also providing an alternative requirement that makes it much easier to document that a job is low mod. Rather than requiring the gathering of income data for the job seeker and the household, grantees and employers may consider individuals that apply for whole jobs to be members of a one-person household for activities that prevent, prepare for, or respond to coronavirus.

Thus, you only need to document one of the following. Either the individual beneficiaries income would be considered LMI for a one person family at 80 percent in your particular jurisdiction, or the annual wages or salaries for that job is equal to or less than an LMI income limit for a one person family in your jurisdiction.

For job retention, you also need to be able to document that the jobs would be lost without the CDBG-CV assistance. And remember that 51 percent of the jobs retained or created must be made available to, or held by persons whose household income does not exceed that of a one person household at 80 percent of LMI if you are to consider that activity as completely LMI for the investment that you've made in that business.

Next, please. As this slide shows, the aggregate public benefit test has been eliminated, making sure -- making a group of you happy, I'm sure. The individual public benefit standard for economic development activities under CDBG-CV can be met in one of three ways. This is a modification from regular CDBG.

There must be one FTE created or retained for every $85,000 of CDBG-CV used; that's one way. Second way would be, the number of LMI persons in the area served by the assisted project must amount to at least one LMI person per $1,700 of CDBG-CV funds invested. So to give an example, if the total population of a business service area is 5,000 persons and 2000 of those are LMI per verifiable census data, then the maximum amount that could be spent on that project would be 3.4 million. Finally, if you are able to document that the need for assistance was due to the business disruption caused by COVID, that will also suffice.

Next slide. There's also a new public service requirement for measuring new or increased public services as modified by the FR notice. If the activity that you are proposing has a direct tie back to COVID, then it's considered a new service. To qualify a public service and here we're thinking about things like could be business counseling, business assistance, worker training, you must be able to document either that if it's an existing service that the organization has conducted in the past, that you're providing them with funding to add capacity to serve more businesses or more individuals, you have to be able to quantify that increase in the existing service. Or if it's a new program or service that ties directly to preventing or preparing for -- or responding to the pandemic, that is sufficient to qualify as a new service.

Next slide. So here's a bit of high-level information about designing and launching your programs. Next slide. Many communities are now at a turning point having employed CARES

Act funding, developed and delivered through other agencies and programs some of which Mickie had mentioned previously.

Communities can now look to CDBG-CV and other resources to support the next steps in their recovery. Again, consider both short and long-term economic recovery planning here. For this reason, it's important to engage some key stakeholders and learn how other CV resources, including those that were allocated under the American Rescue Plan are being deployed.

This not only prevents a duplication of efforts, but it supports the targeting of your CDBG-CV funding, where there may be additional needs or programmatic gaps. And again, if it's economic development programming, think about all of the organizations in your community that have a role to play in economic development or supporting your business community.

Identify with them the problems that are most critical, where there's an existing need that can be assessed and where you can propose an economic development intervention. And again, we've mentioned a number of these market adaptation being one, technical assistances to businesses, public infrastructure and worker retraining. Mickie's going to talk a little bit about some additional expertise and some other flexible funding on the next slide.

Mickie Valente: Thank you, Sue. Yeah, to Sue's point, and I mentioned this in the beginning, this is a team effort and understanding who your resources are at the federal state and local level, and not to forget about the nonprofits, the philanthropic organizations, the industries that you may not deal with regularly in your economic development strategic planning, that come to bear particularly with COVID.

We've seen tourism and hospitality come to the forefront when maybe those were industry sectors that you as an economic developer, you as a local government entity, we're not working with on a daily basis and need to be working with today. So the federal resources, we name a number of them in this presentation including EDA and treasury and others that are playing a significant role here. But I would encourage you once again, as Sue was mentioning, look at the partners that work with them.

So if you had never worked with the U.S. Department of Labor but you work with your workforce boards, you were working with the U.S. Department of Labor. They understand how those programs work; they understand what assistance could come to bear was being considered. So think about it from who's your local representative if you will or some of these federal agencies.

Some of the state entities that you may not work with on a regular basis but obviously have funding that comes through them, technical assistance that comes through them, and then their own generated initiatives. For instance, if you don't work with emergency management or emergency management, it's the state partner, the local partner that works directly with FEMA, you may have more difficult role figuring out how FEMA programs relate to you and how to associate them with the CDBG and the other programs that you're trying to exercise.

So I would say, look at those data entities that you have not dealt with in the past perhaps and how they might work with you on those COVID recovery. Nonprofits, many of you have community foundations. Obviously, [inaudible] ways active in a number of other nonprofit organizations you may not touch on a daily basis. They've been instrumental in some of the activities at the local level, arts and cultural associations, tourism councils, they've been brought to bear their expertise and to some extent their funding and technical assistance to businesses in their categories.

So I would suggest that you just -- there's no limitation to what you could think about in terms of working with nonprofits and those who can assist you with reaching out to a broader community than you may normally serve beyond the usual lead industries that you may have in your area.

The federal resources, the ones that prioritize flexible funding are given appropriate resources as FEMA's one I mentioned, many of you might be familiar with some of the FEMA programs that are implemented after major disasters, including this one, public assistance, individual assistance, which also do a lot to trigger other entities to come to bear.

So normally, if there's a disaster declaration in FEMA activates the individual assistance, that's an -- that's a trigger for SBA to come to the forefront and to assist local businesses and homeowners with their programs. EDA is what we've mentioned several times because it's very active obviously in economic development planning and recovery.

EDA is one of the few that can assist with actual capacity building, organizational capacity building. We've mentioned they do strategic planning and we'll usually fund the economic development districts, comprehensive economic development strategy for your region, and also work with your local economic developers on projects, on construction projects and public works projects, but they also can bring to bear economic recovery coordinators that can assist you with recovery.

And they also have gotten some funding for COVID that's relates to tourism and the recovery of the tourism hospitality industries. How that money is exactly going to be distributed and how it's going to be used, I don't think their plan is out yet, but they will have the opportunity to look at market strategies for tourism recovery.

I live in Florida, obviously, that's very important in many communities, the tourism -- impact on tourism. So EDA goes beyond what you might think of in terms you're only familiar with say construction projects or public works projects that they've assisted with. Treasury, like I said, has a host of programs that they're implementing, and I would suggest you try to look those up separately, but there's also some linkages to them that FEMA recovery roadmap that I mentioned earlier, treasury is giving funding for CDFIs and small business tax credits.

But I'll mention a few of these in more detail just a little bit but that's one that you may not normally have a connection with, but you should probably study up on what treasury is doing because it's a wide variety of programs. And Sue, I think you're going to talk about the implications [inaudible].

Sue Southon: Sure. So this is kind of the -- not necessarily the good news, bad news, but it's a particular wrinkle that comes with a presidentially declared disaster. Because when there is a presidentially declared disaster, as there has been with the pandemic, it invokes the Stafford Act. And the Stafford Act requires a duplication of benefits analysis when multiple sources of funding are made available to entities that might potentially receive benefits under CDBG-CV.

So a duplication of benefits or a DOB occurs when a person, household, business, government entity, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for the purpose. And we're going to get into a little bit more detail on what the programmatic implications are for you all as grantees and how you integrate that type of analysis into your program, policies and procedures.

Next slide. This is an overview, kind of at a very high level of how you go about designing a program. And most of you have probably done this. You may not have consciously mapped it out. But basically for any program and particularly obviously any new program you develop or design using CDBG-CV funds, these are the kind of the major steps that you're going to have to undertake.

You start by, once you've assessed the need which we've talked about already, defining what the program scope is going to be, what the eligible activities will be, what national objectives the program will achieve, possible beneficiaries, program caps if they're applicable to your particular design. And then you put that all into your consolidated annual action plan or a substantial amendment which then goes out for public comment and eventually for HUD approval.

Then you undertake the required level of environmental review. And obviously, as you all know, this is going to vary with the kind of program you're running. Public services are historically exempt, business grant loan programs will require varying levels of environmental review depending on whether or not they're for working capital or physical improvements.

It's then important to develop policies and procedures for the administration and implementation of your program. At this point, you may decide to execute sub-recipient agreements if the program is to be carried out by another sub-recipient or a unit of local government. And then you identify or assist those sub-recipients to identify the elements that will be needed to carry out a successful implementation.

These will include such things as staffing needs, application processes, financial and reporting systems, and other organizational requirements. And all this happens before you launch your program. Next step. This slide identifies what we call a process flow for the development of a business grant or loan program, covering the steps I just mentioned in a little bit more detail.

Now we found this to be a very useful tool when you're developing a program. And for each of those blocks, you obviously can -- it can break them down into much more discrete and specific steps. But if your objective, for example, is to support with this program as many businesses to survive and recover as possible, you want to structure your program in a way that will help them to be successful.

I would caution you not to impose unnecessary regulatory barriers and to consider using organizations with experience in business lending to implement the program. Identify business organizations with ties to your local business community. This could be a local chamber of commerce, minority business supplier council, or commercial corridor business associations. Use these groups to assist with outreach to local businesses and help you launch your program quickly.

Next. When you're structuring your program, here's some additional things to think about. If timeliness is a concern, structure your program as a forgivable grant and not a loan program. Many struggling businesses either will not pursue or will not be good candidates for a loan program. In addition, loan programs will require the grantee to have ongoing monitoring responsibility and tracking of program income over time.

Working capital grants and loans require a lower level of environmental review, but they will require development of specific data to determine necessary and reasonable costs. Most grantees would use historic data from the businesses last what we would consider to be their regular operating year, which would be obviously pre-pandemic.

Retrofit facilities will require a higher level of environmental review but may be easier to document cost reasonableness through standard measures such as Xactimate or RSMeans. Next. I've touched on all these in prior slides but as a quick reminder, LMI jobs, counted based on a one person household at 80 percent of LMI, area benefit, need to define the service area of the clientele the business is going to be served -- serving and be able to document it.

It has to be at least 51 percent LMI and predominantly residential if you're to count it for LMI benefit. And if, again, if it's CBD -- if it's a CBD that overlaps several census tracts, the poverty rate of the census tracts must be at least 20 percent. No public benefit -- aggregate public benefit requirements, but 85,000 per job or 1700 per individual in the service area. Well, there will also be for business grant and loan programs. Both the duplication benefits as we've already alluded to and also underwriting requirements that HUD will impose. Mickie? Next

Mickie Valente: Next. So with all of these programs that Sue has mentioned with CDBG-CV, there also may be complimentary programs with other federal agencies that -- and as long as you keep in mind that duplication of benefits, there may be better avenues for you to take depending on what you're trying to achieve or may be able to be included in your recovery plan along with CDBG.

A couple of those that come to mind is EDAs revolving loan fund. And I know Sue's going to talk about microenterprises next. But revolving loan funds are funds that capital supply by EDA and often they are run and normally run in your regions by your economic development district which is commonly, not always, but commonly a department or designation that your regional planning council or council governments has.

And that just simply means that they're identified by EDA as the economic development district. They will be funded to and create your comprehensive economic development strategy for your region. And they will also apply programs such as the revolving loan fund that can be used for recovery efforts and has been used across the country quite often for assisting businesses who have no other capital access options in your communities.

The other might be the USDA Rural Development: Rural Economic Development Loan and Grant program. USDA does so many things that many people aren't aware of and their rural development arm is essential for rural communities and smaller communities that often are lacking access -- expertise, the technical assistance, the access to capital and other resources that they need.

So if you're not familiar with what your rural development folks are doing from USDA, I would work with your organizations in the area that your local government, emergency management, economic development districts and others who work with USDA on a regular basis for their programs and their assistance. We're going to mention probably one or two of theirs later. So I will turn this back over to Sue.

Sue Southon: Hi. This slide shows the process flow for development of program to assist microenterprises. This type of economic development program involves providing technical assistance, grants, loans, and other financial assistance to establish, stabilize and expand microenterprises to revitalize communities and local economies.

As you can see, the program development process is similar to that of the grant -- business grant and loan program. Next slide. HUD defines a microenterprise when the use of CDBG-CV funds is involved as a business with five or less employees where one or more is the owner. This slide provides some additional references for information regarding microenterprise activities.

I would share that interestingly enough -- go ahead to the next slide and the area where I live pop-up restaurant trucks have become a brand new thing, and they're all over the place and they've ended up finding great business opportunities, servicing, for example, subdivisions.

There are two ways of documenting low mod national objective when you're dealing with microenterprise. If the owner is of low moderate income, then the national objective can be low mod limited clientele, and the need to track job creation and retention is then eliminated. It's often the case with these small businesses that they're often owned by LMI individuals.

If the owner is not low mod, then low mod jobs are tracked, as we described with a business loan and grant programs, and the same waivers and alternative requirements will apply. Next. Here's some additional things to consider when designing a microenterprise assistance program. Identify the geographic area you may want to serve with your program and the neighborhood serving retail businesses that are essential to that area; grocery stores, drug stores, childcare facilities.

Determine the types of technical and financial assistances needed by these businesses to recover and then design a program or a suite of programs that will help with recovery. For example, given the worker shortage that is now being directly attributed to the cost or lack of childcare, consider how these programs could be created to support the development and survival of microenterprises and other small businesses. Mickie?

Mickie Valente: Yeah. Next slide, please. Yeah. Here's what I'd like to talk about some treasury programs that you may want to get familiar with. Treasury actually has, if you're familiar with community development, financial institutions, you may or may not have one serving your region or your area.

And I will suggest if you're not familiar, get familiar with them. Treasury is out of the American Rescue Plan $1.25 billion to assist CDFIs and creating programs and assistance that can help the underserved communities which is their bread and butter. I know a lot of organizations that normally don't deal with these underserved communities have questions about, how do I reach them?

How do I identify their needs and support and assistance such as local economic development organizations who may not have those relationships? CDFIs that is their focus and they are obviously getting some serious additional funding to help serve those communities. They've also been reauthorized -- reauthorized the state small business credit initiative which is providing $10 billion to states, territories, tribal governments for small business financing programs and technical assistance to small business.

So this is another avenue that treasury is offering for you to not only reach out to those communities and those businesses to actually provide them assistance. So -- there's been several webinars and such on some of these programs so I would urge you to look for some treasury webinars where they're talking about how they're going to implement some of these programs. So turn this back over to Sue.

Sue Southon: Hi. And here's the next process flowchart for a third kind of a program model that some communities are considering. It involves a development or improvement of community infrastructure. When you're considering an infrastructure project, factor in the time required for the level of environmental review that will be needed, particularly as it relates to time in its considerations and project completion projections.

Next slide. This slide lists several examples of infrastructure and real estate projects that might be a consideration in your community. The development or expansion of broadband infrastructure would fit into this category, as with improvements made to a commercial district that would increase the amount of outdoor gathering space or provide additional amenities that would be supportive of the economic recovery of the businesses in that area.

Additionally, commercial foreclosures coming in many areas and communities may want to consider adaptive reuse or repurposing of some of the vacant commercial and retail spaces into either mixed use or housing. Mickie?

Mickie Valente: Next slide, please. Now, one of the -- since Sue was just talking about broadband and we all know the greater demand for that that we have today in every aspect of our lives, it seems, I'd like to turn back to the USDA Rural Development again because they have been working on this challenge and this issue with rural communities for quite some time now and have made great strides in assisting extension of broadband services to rural communities.

The Rural Broadband Access Loan and Guarantee program is furnished as loans and loan guarantees that provide funds for the cost of construction, improvement, or acquisition of facilities and equipment to provide the service at the -- provide the broadband service. And it's administered by the local community and identified resources to manage those programs.

But it's focused on rural areas and I would suggest if you're in a rural area, if you're not familiar with some of the work they're doing with broadband and other public works facilities, you'd get familiar with what USDA role development's doing there.

Sue Southon: Here are some additional program design considerations you can think about as you're developing your programs. Please keep it simple. I can't stress this enough. In my experience, grantees tend to overregulate programs thinking that it's necessary to avoid findings and recapture. Where we see the most findings tends to be where a grantee designs a complex program and then fails to follow the programs, policies, and procedures when that program is implemented.

What is of primary importance is the activity proposed is eligible, that the national objectives are defined, appropriate, and well-documented. That costs are validated by independent analysis as being necessary and reasonable. And where procurement is involved, the procuring agency is following either the state's requirements or 2 CFR Part 203.18 through 326.

And that the implementing agency is aware of, understands, and documents appropriate compliance with a critical cross cutting federal requirements that you see listed here. Next. HUD is providing the ability to use CDBG-CV funds where they are passed through a financing mechanism.

However, they are not factored into the grantees section 108 borrowing authority. What you can do is, CDBG-CV funds can be used to make a direct payment of principal, interest and fees for a section eight note that is tied to a project that specifically prevents, prepares for, or response to COVID.

Please remember that your local economic development agencies may be new potential partners for undertaking economic development programs. They know your business community and many have experience with small business lending and real estate development. Next. Policies or procedures are needed for all of your programs. They detail eligibility requirements, how eligibility will be determined, environmental review, levels and procedures, procurement requirements, and other critical processes.

The process maps, as the ones you've seen earlier -- on earlier slides, can be helpful to illustrate program flow and as benchmarks for measuring progress against predetermined milestones for timeliness purposes. In addition, the federal register notice requires that state set aside a portion of their round two allocation at least equal to their round one allocation for use by nine entitlement units of government within their states.

And states carrying out activities in tribal areas must get the consent of the Indian tribe in that jurisdiction. Next. For grantees that have never received an allocation of CDBGDR funds, the ability to directly implement a program is brand new. However, it allows the state to implement a variety of different models to run their programs.

HUD has found that in a disaster environment, distribution of funding can be done quicker if the grantee is provided with options that allow them to more effectively match program goals to implementation models. For example, the state can directly run a program, they can partner with a sub-recipient, could be a nonprofit, or a regional economic development organization to run a program. They could distribute funding as they usually do to the unit of local general government or they can use a combination of these models if they're running more than one program.

With economic development programs, consider who has the expertise and the staffing to successfully carry out the program you need in a timely manner. Regional groups may be better suited to some of these tasks. Next. Your action plan and substantial amendments should identify the national objectives applicable to each program. They are likely to be low mod, either jobs, low mod area benefit or low mod [inaudible] or urgent need.

The documentation that's required for each should be specified in your policy, procedures and any sub-recipient agreements. Remember that for urgent need, there must be a direct tie back to COVID preventing, preparing for, or recovering from the pandemic. Be sure that all of your compliance requirements are counted for in your policies, procedures, sub-recipient agreements and/or contracts.

And remember that the activity must address conditions existing within 18 months of one of the dates that's noted on this slide. Next. Because CDBG-CV funds resulted from a presidentially declared disaster declaration, the provisions of the Stafford Act applies that relates to a requirement that any entity receiving CDBG-CV funding undertake a duplication of benefits analysis.

This will be new for a lot of you. A duplication of benefits or DOB as we call it occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose or to meet the same need. And that total assistance received for that purpose or need is more than the actual need for that.

Within the CDBG-CV program, all grantees are bound by section 312 of the Stafford Act as amended by the Disaster Recovery Reform Act of 2018 and OMB cost principles within 2 CFR Part 200 that require all costs be necessary and reasonable in the performance of the federal award. Next. To comply with the DOB requirements, grantees are required by the CARES Act to establish and follow procedures to ensure that DOB does not occur.

Establishing a process to effectively identify and prevent duplication of benefits is critical for CDBG-CV grantees to effectively manage multiple active funding streams that are related to the coronavirus response many of which have been identified here, and to effectively target CDBG-CV resources to meet those unmet needs within your communities.

Unlike other disaster funds, CDBG-CV grantees do not need to follow the statutory order or hierarchy of assistance for delivery of different federal and non-federal programs. What this means is that you don't need for this program to validate whether other funding sources are available or will become available before allocating your CDBG-CV assistance.

This is opposed to CDBG-DR where the grantee generally must check to see whether FEMA or SBA assistance was provided prior to making an award. You as grantees are solely responsible for ensuring that an actual duplication of benefits does not occur. For this reason, it's important that grantees develop duplication of benefits protocols and train their sub-recipients on these procedures and the required documentation.

Next. In addition to the duplication of benefits analysis, a subrogation agreement should be executed by any entity, whether it's a beneficiary business, a unit of local government receiving CDBG-CV funds that compels them to pay back any duplicative assistance received. Some potential funding sources were provided through the American Rescue Plan Act and have been discussed here previously. However, this is by no means an all-inclusive list.

Next. HUD also requires that underwriting guidelines be followed. These are particularly important when you're underwriting a business grant or loan program or for a real estate project. You see a list of the items to be taken into account in your underwriting analysis on this slide. This should also be incorporated in your program guidelines and procedures.

Costs have to be necessary and reasonable and validated by independent cost estimate. It's useful to have all sources of project funding committed so you know for sure the project is going to go forward. The risk here is if the project is not completed, it will be impossible for you to achieve your national objective and those funds would have to be repaid.

To the maximum extent practical, CDBG-CV funds should not be substituted for non-federal financial support. And again, like regular CDBG, think about it as the funding of last resort that will make that project go. The project has got to be financially feasible, and the return on the owner's equity investment cannot be unreasonably high.

And also to the extent practical, CDBG funds should be disbursed on a pro-rata basis with other funding required for the project. Next. Make a determination of when your CDBG-CV funds will be distributed. HUD would prefer it be done in proportion to other funding sources or pari passu if at all possible.

Be careful of funding a business that is not likely to survive even with assistance. But if you believe the business can in fact be viable, it might be better to structure that assistance as a forgivable loan or a grant to avoid having to default a borrower. Next. In drafting program guidelines think about what documentation you will require to determine the eligibility of the business for your program.

It may be somewhat different for working capital versus loans for physical improvements of the structure. In both instances, take care to fund only eligible costs. Determined in your program policies and procedures, the standards you will use to make a cost reasonable to its determination. This may be more challenging for -- with working capital loans than with construction financing, where you can use an industry standard. And make sure that your business support helps the business to succeed without unduly enriching the owner. Mickie?

Mickie Valente: Now we'll talk about the next steps to consider. Slide, please. Yeah. We've talked a good bit about stakeholders during this presentation but have you identified the stakeholders and stakeholders that you have not previously worked with in terms of what role they could play in your not only accessing funding and assistance, but actually delivering and implementing the funding and assistance.

So looking at the economic recovery needs with a particular focus on identifying the unmet needs or sectors and potential new markets or opportunities. That's particularly true and nothing that's been emphasized during Sue's presentation, to reach out to the underserved community that means business and individuals.

And that's a challenge for some organizations who haven't had that on their agenda in the past. What types of businesses will assist us make the greatest impact on the community priorities or other important businesses? So look at your supply chains, look at the local businesses that depend on those supply chains, look at your economic driver businesses.

So are there critical businesses in your community that -- community and what do they need? Do they need broadband access as we've talked a good bit about because they are transitioning to a remote workforce and need that capability, technical support. So looking at what the individual needs of a particular, your economic drivers and your key business employers is going to be essential for you to consider when you're looking at designing your programs. Sue?

Sue Southon: Yeah. We're getting close to our time here and Mickie's got some good program examples to share so I'm going to go through this particular last slide of mine fairly quickly. But you need to decide whether or not to run your program in-house or use a sub-recipient. Decisions -- that decision needs to be made based on your assessment of expertise, capacity, and history with federal grant programs.

Think about what you need to successfully implement your program. What timelines, deliverables, reporting requirements should be included in your sub-recipient agreements or contracts to ensure that you can meet those timeliness requirements. Every sub-recipient agreement or contract should contain the following elements; a specific period of performance, a timeline with specific milestones or deliverables, for contracts a liquidated damages provision, and for sub-recipients specific grounds for termination of sub-recipient agreement.

It's critical because 80 percent of the funding must be expended by the end of your third grant year. You will want to monitor expenditures and burn rates closely and give yourselves time to reallocate funds if it appears that your sub-recipients may not be able to meet that 80 percent requirement. Mickie?

Mickie Valente: Yes. So we're looking at leveraging and enhancing existing programs as well as creating new ones, correct. So EDA, for instance, if you find that you have a revolving loan program that EDA has funded in the past and is still active, you may look to other funding and consider how the funding might be used for the technical assistance piece. So you may look to whether it be SBA or treasury, which is allowing for technical assistance to businesses or CDBG-CV.

You may look to see how you can support what's already existing in your community. Another one might be you have a strategic plan or EDA is going to work on a strategic plan, marketing plan for your tourism industry, but you didn't know that national endowment for the arts has funding also to assist arts and cultural entities and organizations to keep their doors open.

You also might want to look at, in that instance to SBA and their [inaudible] venue, a loan program so that you can look to see how they may assist the individual businesses that are in your arts and cultural community. Next slide, please.

In the program example, a number of ways that communities across the country have dealt with this. The business grants might be the one that you are most familiar with that came to communities that were 500,000 or more, and they came through the state for communities that were less than 500,000, but I know many communities and economic non-organizations had to create these grant programs with the funding they had coming in quickly. And they had to suddenly become an SBDC, SBA advisor all at once.

So they had to reach out back to those partnerships that we talk about to implement these business grant programs to businesses that were in dire straits shortly after shutdowns from COVID. Business training and technical assistance, turning to universities and community colleges. I mentioned the assistance to arts and cultural organizations and the data piece.

Someone had a question I believe about the data piece. Data can, like I said, be gathered through program implementation, whether it be the state local federal level. It can also be gathered through your commerce department or your labor department in terms of understanding what preexisted the event.

So I can't emphasize the data piece some more, but you need to think about how the data is going to really dictate what you do with some of these programs. Next slide, please. Okay. I also want to mention some particular ones that were done and I'll mention this particularly Salt Lake County, Utah, and the State of Utah did some unique things before we start on the Q and A.

They had a commercial rental assistance program which I've not seen in many communities And they gave 5,000 per month for three months to that effort. They had a bridge loan program that the state developed which some other states have done as well. They collected data and they have a great data dashboard that you can go to.

We'll send that resource to you that you can look at what they've done with their data and the different programs that they have implemented. They had a business training and technical assistance program, and they have what they call community partners grant which was 250K, which dealt with housing and homeless services, education and childcare services, business training, and support and arts and culture.

So they took a very comprehensive view of what they could -- rules they could play as a state and as a county. And I would refer you to that as a great example of kind of bringing all these pieces together and looking at how they leverage and interact with one another. And now, I guess I'll turn it over to Olivia, questions and answers.

Olivia Healey: Thanks, Mickie. And just wanted to thank both you and Sue for the overview that you've been able to provide today on the business and grant loan programs, assistance to macro enterprises and community infrastructure programs as some of the examples for programs that can be developed under our CDBG-CV funding.

We've received several questions through our Q and A, but if you haven't had the opportunity to submit any questions, feel free to do that at this time. We will do our best to answer as many questions as we have left for the time permitting and we'll address other questions down the road. As the questions have been coming in, I've been kind of categorizing them to see where the majority of questions that our attendees have had, and they range from national objectives specific to DOB to program requirements.

The first question that I've pulled out for the both of you is, just some advice and input on the following. So our state rolled out a small business assistant program for local governments, how do we mesh technical assistance with direct assistance to the business. Any helpful tips and implementation practices.

Sue Southon: Let me start with that one and then we can -- everybody else can chime in. What you're dealing with is two specific eligible activities. So the business assistance in terms of things like helping them to develop a business plan or identifying market opportunities or inventory or HR resources would all be considered a public service.

So remember that the cap has been removed and that if this is a new service that you are providing or that some entity in your community is providing, that they didn't do before, but it's directly in response to the pandemic, then it's considered a new service.

If this is a business assistance center or an SBIR that has been doing businesses all along, and now you want to fund them to do more, then when you do your sub-recipient agreement and structure your reporting requirements, you're going to want to need them to provide you with a baseline so that it's possible to document the incremental increase in activity that results from the investment of CDBG-CV funds.

It directly involves the local maintenance of effort requirement, in other words, you don't want to substitute the federal CV funds for a local source or another source of funding. You want to make sure that you're adding to their capacity to serve more businesses who may need the service. So that's the first piece. The second piece, I think had to do with directly a grant or loan program, is that correct?

Olivia Healey: Correct.

Sue Southon: Okay. So that would be a separate activity. It's eligible for certain. You may -- you need to make a decision whether it's going to be a grant or a loan program. It could be a forgivable loan program and it will involve having to underwrite those loans and having the -- and again, we talked on the slides about what the underwriting requirements that HUD has are. You need to make sure that you're not duplicating benefits that they've received from another federal agency again.

Now, PPP will have probably already been expended so that's not an issue. You just want to make sure that they're not currently receiving funding and you're duplicating funding that they're already receiving for the same purposes so that will be part of that, that duplication of benefits.

And then again, in terms of what the loan is being used for, and you can structure a program where you say, we're only going to do a -- a working capital loan, and then you will provide them with the level of documentation they need to give you so you can determine what that working -- what a reasonable working capital loan should be.

And again, usually the way that's done is to ask them to provide operating statements from their last regular program year, the last regular fiscal year pre-pandemic. And that will help you decide things like what their average utility bills were, what their rent was, what their payroll costs were, what your inventory costs were, and those were the kinds of things you'd fund with a working capital loan.

Whereas if it's a retrofit for a business to make it able to serve more customers or able to serve them under maybe your local requirements for being safe, then it's a little bit easier because what you're going to be doing is getting an estimate from them of the retrofit that they're going to be doing and then using a standard procedure. RSMeans, Xactimate to determine that the costs are reasonable and necessary. And hopefully, I mean any of my colleagues that have something to add to that, please do.

Olivia Healey: Okay. Thank you, Sue for that thoughtful answer. For this next question, we're going to go back to slide 46, where you provide an overview for meeting, a national objective, and just some more clarity about the 18 month component of addressing activities.

Sue Southon: Right. Here, what the federal registry requires is that you identify conditions that have occurred within 18 months of one of these three time periods of which as you can see, we're still in many of them still. And it -- you just need to indicate in your program and I'm going to defer to some extent to my HUD colleagues on this in terms of the documentation that they are looking for but I would assume that in your action plan that would be one of the things that you would identify or your action plan or your substantial amendment, one of the conditions that you would identify. Corey or Robins -- Robin, you want to address that more specifically in terms of what you all would like to see?

Corey: I'm sorry. I actually missed the first part of the question. I was answering another question. This is the documentation for --

Sue Southon: The 18 months, the 18 month condition. The activity that has to address a condition that occurs within 18 months, they were asking for how that is documented and how you want to see that documentation. I was suggesting that probably would be in their action plan or substantial amendment.

Corey: Yes, I think so. That would be in the action plan. That's the -- it's the cleanest way to do it. I think we have some guidance on that, but I don't know that particular piece of guidance on that that addresses exactly where that might be. So I defer on that but encourage to look at our guidance that has been published.

Sue Southon: Yeah. And the other thing to think about here is, it is 18 months so there is a go-forward you've got here to work with. You've got some -- a little bit of extra time and for economic development activities, this may be particularly useful for those of you who are thinking about, now that the businesses -- now that things are kind of back to normal or more normal, where are your empty storefronts? Where are your underused office spaces?

And then think about what you might want to do now that you're beginning to see what the actual impact of the pandemic has been in your community. Because you've got a little bit more time, you don't have a lot more time, but you do have a little bit more time to identify a program that might respond specifically to what you see today as happening in your community.

Olivia Healey: Thanks Sue and Corey. To be mindful of time, we can continue forward with identifying our resources and our contact information, or if you would like to get one more question answered, I'll defer to you.

Sue Southon: Why don't we go to the resource slide really quickly because I think that what we are going to try to do is to put together a little bit of guidance that responds with obviously with our HUD colleagues that responds to groups of questions that you've raised already. So I'm looking at the chat box and we've got a lot of really, really good questions.

So we will try to get something out working with HUD to respond and clarify perhaps to some of these things. Here are some good grantee resources to think about. This, by the way, remember, this will be -- this has been recorded and it will be posted on the HUD Exchange probably within, I'm thinking a week maybe, maybe less along with the slide, so you'll have the direct guidance that we've provided.

And then if you want to go to the last slide you can see how to find Mickie and I, if we can help you or answer any questions directly, please don't hesitate to reach out to us because we'd be happy to try to do that. And with that, I would turn it over to Corey for the wrap-up.

Corey: So thank you, Sue and Mickie. That was a great presentation. Just to echo Robin's comments at the top, using CDBG funds for economic development purposes requires a thorough strategy of how communities want to address their -- the needs in their communities.

It's important to use the data that is available, consult with local partners to identify those needs that are best served by CDBG-CV funds.

There are a lot of other federal resources out there including those at HUD so it's important to understand where the needs are in order to pinpoint where different layers of funding are best suited for different types of activities. So again, we have a lot of resources on our website on HUD gov and HUD Exchange. Please use those and continue to join us for these webinars and the other technical assistance that we're providing to support communities use of CDBG-CV funds.

(END)