I WANT TO APPLY FOR A CED GRANT:

The CED Grantee Webinar Series
Tuesday April 9th, 2013

AGENDA

- Funding Opportunity Description
- Allowable Activities
- Eligibility Information
- Tips and Strategies for Success
  - Project Ideas
  - Successful Business Plan
  - Financial Strategies
  - Job Creation Requirements
  - Partner Agreements and Public Support
- Previous Projects supported by the CED Program
- Resources

TWO ANNOUNCEMENTS IN 2013

1. Community Economic Development Projects

Funding Opportunity Number:
HHS-2013-ACF-OCS-EE-0583

2. Community Economic Development: Healthy Food Financing Initiative Projects

Funding Opportunity Number:
HHS-2013-ACF-OCS-EE-0584

Expected in April

HEALTHY FOOD FINANCING INITIATIVE

GOALS

The HFFI also seeks to support the <u>elimination of food deserts</u> in the context of the broader neighborhood revitalization efforts of a community.

1. Bring healthy food choices to communities that are in food deserts through the <u>retail sector</u>;
2. Develop and enhances distribution systems to increase the amount of healthy food going to healthy food retail outlets in food deserts; and
3. Develop strategies that promote or encourage the purchase of healthy foods, including outreach and education to consumers in foods deserts about healthy food choices and how they can be integrated into their diets.

CED FUNDING OPPORTUNITY

Community Economic Development Projects Funding will provide approximately $17 million in grants to eligible entities.

Award Information:

Total Grants: 22

Ceiling: $800,000 per project

Floor: $125,000 per project

Previous Average Award Amount
$750,000 per project

HHS-2013-ACF-OCS-EE-0583

CED - HFFI FUNDING OPPORTUNITY

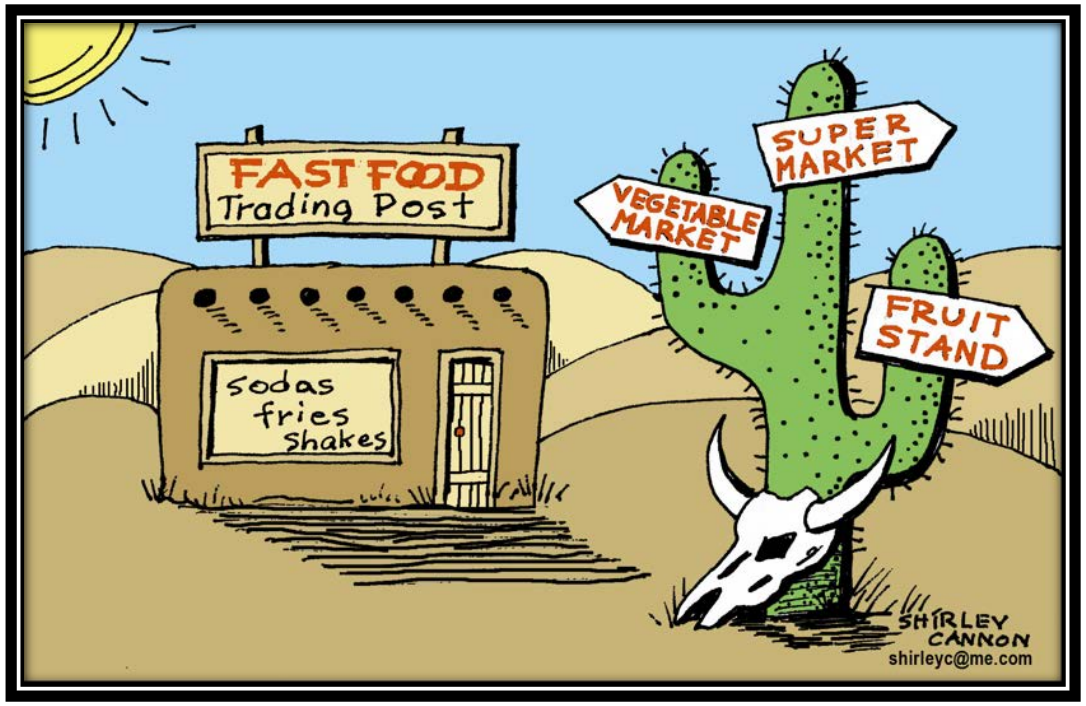
Community Economic Development:
Healthy Food Financing Initiative (HFFI)
will provide approximately <u>$10 million</u> in grants to eligible entities.

Award Information:

Total Grants: 13

Ceiling:
$800,000 per project

Floor:
$100,000 per project



HOW LONG?

Grant Period:

Non-construction projects: Up to three years

Construction projects: Up to five years

ALLOWABLE ACTIVITIES

LEGISLATIVE PURPOSE:

Provide <u>technical and financial assistance</u> for economic development activities designed to address the economic needs of low-income individuals and families by creating employment and business development opportunities.

ALLOWABLE ACTIVITIES

- **New Business Venture**

  Create or Expand a Business

- **Job Creation**

  Provide jobs in the community that low-income people can get and keep

- **Community Revitalization / Construction Projects**

  Address barriers to self-sufficiency

This grant REQUIRES job creation not training or services

WHO IS ELIGIBLE TO APPLY FOR A CED GRANT?

COMMUNITY DEVELOPMENT CORPORATIONS

FREQUENTLY ASKED QUESTION: "BUT WE ARE A NONPROFIT NOT A COMMUNITY DEVELOPMENT CORPORATION."

ELIGIBLE? AN APPLICANT MUST MEET THREE CONDITIONS:

- ✓ Applicant must be a private, non-profit CDC with 501(c)(3) or non-501(c)(3) status;
- ✓ Applicant must have articles of incorporation, bylaws, or other official documents demonstrating that the organization has as a principal purpose the planning, developing, or managing of low-income housing or community economic development activities; and
- ✓ The Board of Directors must have representation from each of the following: community residents, business leaders, and civic leaders.

TIPS AND STRATEGIES FOR SUCCESS

Let's Start with the Basics!

1) **Start Planning NOW, if you haven't already.**
2) **Read the FOA and include ALL items requested**
3) **Business Plan is a Vital**
   - ✓ Project Ideas
   - ✓ Successful Business Plan
   - ✓ Is it a Viable Project? Prove it.
   - ✓ Devil in the Details
   - ✓ Financial Strategies
   - ✓ Agreements and Support Letters

PROJECT IDEAS

WHAT ARE AREAS OF NEED IN THE COMMUNITY?

Lack of:

- Adequate, Affordable Child Care
- Public Transportation
- Markets
- Financing, Insurance, Bonding
- Adequate Social Service such as Employment and Job Training Services
- Adequate Health Care
- Projects may also address: environmental hazards

SUCCESSFUL BUSINESS PLAN

1) Clear Overall Approach to the Project
2) Project Implementation Plan that is consistent with the expectations described in the announcement
3) The Plan must Cover all Years of the Project
4) Include Specific Milestones to be Achieved
5) Demonstrates the Project will Create Positions in a Viable Industry
6) Identify Industry Risks
7) Provide Market Research

TIPS:

Provide short and long term strategies

Include specific market research: anticipated market, customer base and market trends.

THE DEVIL IS IN THE DETAILS

The key is to be specific!

<u>Give details about the following items</u>:

What is the nature of the project?

How will new jobs be created?

Construction or Non Construction?

Business Creation? Expansion?

Loan Investment?

VIABLE PROJECT?
PROVE IT!

Explain how each part of the project can be accomplished through the exclusive use of CED funds and applicant resources.

Does this project have adequate resources?

Are you partnering with another entity?

Support staff , facilities, equipment, supplies?

Tip: Project partner agreements should be formalized through written and signed agreements.

TIP: Yes, Reviewers will consider facilities, personnel, and financing available to implement the project as described at the time of the award.

FINANCIAL STRATEGIES

Is the project economically feasible by the conclusion of the grant period?

Does the application adhere to the job creation requirement?

Tip: Provide CED and non-CED funding sources, also itemize expenses by source.

Note: Business Analysts will review the financial documents

JOB CREATION REQUIREMENTS FOR CED GRANTS EXPLAINED

- ✓ **Non – Construction Jobs**

  $800,000 / $20,000 = 40 Jobs

- ✓ **Construction**

  $800,000 / $25,000 = 32 Jobs

75% of the new jobs created will be filled with TANF recipients or other low income individual

The cost per job should equal $20,000 for Non-Construction and $25,000 for Construction related jobs.

Tip: The job should last a minimum of 1 year after the completion of the grant.

MUST HAVE, MUST DO, MUST BE READY….

Sound Business Plan

Solid Financial Strategy

Strong Implementation Plan

Site Control

Evidence – that both the unemployment rate and poverty rate within the project's service area are equal to or greater than the State or National Level.

MUST CREATE JOBS

AGREEMENTS AND SUPPORT LETTERS

Project Partner Agreements

- **Provide written and signed agreements for investors, donors, borrowers, a more experienced CDC, a wholly owned subsidiary, or entity making an equity investment.**

ALL specific criteria is located in the FOA

Important: The agreements with partners or recipients of loans spell out commitments and terms including actions to be taken in the case of loan default to recover loan funds.

Support Letters

- **Support letters should support the project not just the organization applying for the grant.**

NORTHWEST SIDE COMMUNITY DEVELOPMENT CORPORATION

Number of jobs to be created: 200 Number of expanded: 1 Funds to be leveraged: $6,750,00

$700,000 loan to Diamond Precision (DP), a manufacturer of high tech machine parts, to help DP expand its North American operations.

Funds will be used to renovate building space and to purchase equipment.

The President Recognizes Northwest Side CDC Loan Recipient

Gulf Coast Housing Partnership

- Number of jobs to be created: 32
- Grant Award: $765,828
- Number of business expanded: 1
- Funds to be leveraged: $2,693,191
- Location: New Orleans, LA

Partnership between GCHP and Reconcile to renovate and expand an existing facility. The facility accommodates Reconcile, which is a non-profit restaurant and culinary job training and placement program serving low-income, at-risk young adults in Central City, New Orleans.

This will double its enrollment, while enabling Reconcile New Orleans to expanded restaurant and catering operations —including the establishment of the Emeril Lagasse Culinary Training Center.

This project aims to create a minimum of 32 jobs in the hospitality and health care industries, paying wages averaging $7.49 - $14 per hour to low-income individuals.

MISSION ECONOMIC DEVELOPMENT ASSOCIATION

- Number of jobs to be created: 40
- Grant Award : $800,000
- Number of business(es) to be created or expanded: 3
- Funds to be leveraged: $465,000
- Location : San Francisco, CA

Community Housing Partnership (CHP) proposed to expand Community Security Services.

18 low-income (formerly homeless) individuals will be employed and provide them the necessary training to work as lobby security staff in Class B and C commercial buildings in and around low-income areas.

These employees will be provided with insurance benefits and a starting salary of $11.10/hr.

WEATHERIZATION

LITTLE DIXIE
Community Action Agency

- **Number of jobs to be created: 6**
- **Grant Amount: $119,998**
- **Number of business expanded: 1**
- **Funds to be leveraged: $686,847**
- **Location: Hugo, OK (Southeast OK)**

Expand operations for Weatherization

LDCAA's expanded fee for service program:

- **installation of solar panels**
- **insulation installation**
- **repair/replacement of heating units**
- **weather stripping and caulking**
- **repair/replacement of doors and windows**
- **installation of low-flow toilets and other water saving devices.**

DAKOTA PROVISIONS

Proposed Project Outcomes

- Number of jobs to be created: 40
- Grant Amount: $740,402
- Number of business(es) to be created or expanded: 1
- Funds to be leveraged: $15,3000,000
- Location: Huron, SD

- Provided funding to expand Dakota Provisions Turkey Processing Plant to provide a retail ready-to-eat food line of lean meat turkey products
- GrowSD provided lending capital and no-cost business development services to create jobs for low-income residents of communities located within a 60 mile radius of Huron.
- This ready-to-eat expansion will also create a market for Dakota Provisions healthy food products to be available at grocers within the rural service area.

POWER

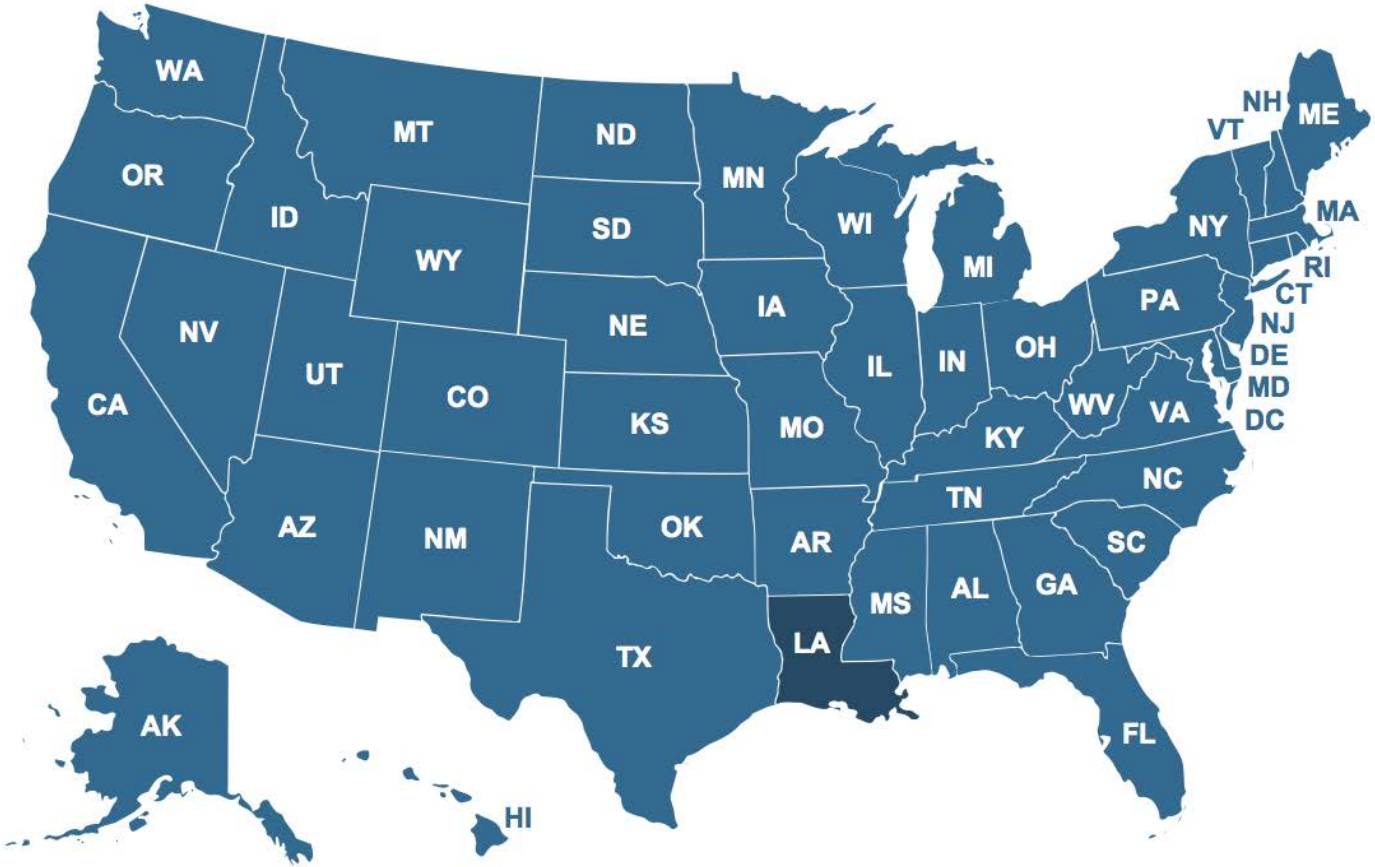
PROVIDING OPPORTUNITIES FOR WORKERS ENGAGED IN RECYCLING

- Number of jobs to be created: 40 (30 Low-income)
- Grant Award: $800,000
- Number of business expanded: 1
- Funds to be leveraged: $394,691
- Location: Washington, PA

Plant-based document shredding operation that is a social enterprise.

- **The start-up business will also have a mobile hard drive component and begin operations in an 8,000 sq. ft. facility,**
- **Seventy-five percent of the new jobs will target low-income people at or below 124% of the federal poverty level.**

NEED MORE IDEAS?



Go to: http://www.acf.hhs.gov/programs/ocs/programs/ced/ced-grantees for a complete list of CED/CED-HFFI Grantees

STRATEGIES FOR SUCCESS

TIPS:

1. Follow all instructions and answer all the questions
2. Read the definitions!
3. Include clear, complete, compelling business plans that demonstrate potential profitability
4. Demonstrate of prior success

STRATEGY FOR SUCCESS

5. Keep in mind programmatic and finance review perspectives

6. Timing – site control

7. Partnerships agreements

8. Support Letters

9. OUTCOMES – previous and expected. They can not read you mind only the paper

RESOURCES

1. **Current Grantee Abstracts and Project Examples**

http://www.acf.hhs.gov/programs/ocs/programs/ced/ced-grantees

2. **FOA is anticipated in April – updates will be posted on the following websites:**

- a. www.Grants.gov
- b. ACF Grants Funding Opportunities Page: www.acf.hhs.gov/grants/open/foa/
- c. OCS News on the OCS Homepage: www.acf.hhs.gov/programs/ocs/news/rss.xml
- d. OCS Grants Page: https://www.acf.hhs.gov/programs/ocs/grants
- e. CED Homepage www.acf.hhs.gov/programs/ocs/programs/ced

3. Resources for prospective applicants

www.OCSCommunityDevelopment.org

(click on 'Applying for a Grant')

QUESTIONS?

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