

2016 CDBG Application Workshop:
EDSA; Career Link; Employment Transportation

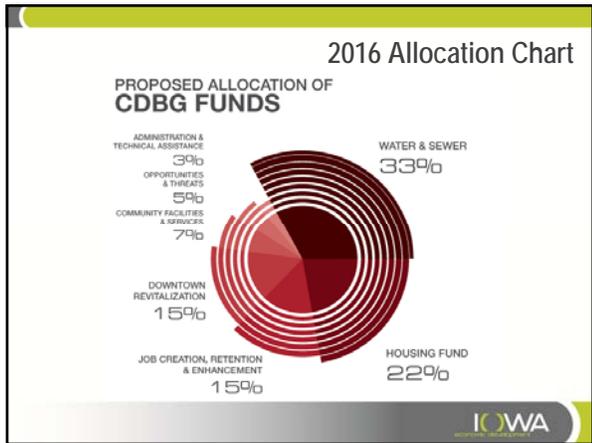
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where economic development begins

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Ankeny, Iowa
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2016 Allocation Chart



❖ **Economic Development Set Aside**

Forgivable Loans for job creation/ retention

❖ **Career Link**

Grants for Job Training Directly Linked to Existing Employment Opportunities

❖ **Career Link (Employment Transportation)**

Grants for Transportation Services for Individuals to Job Sites or Job Training Locations

All funded from 15% job creation, retention and enhancement allocation of HUD allotment

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Economic Development Set Aside (EDSA)

- » EDSA program has existed since the 1990's. It is issued as a forgivable loan if private entity meets goals
- » Use of the program dropped significantly after 2006 when program rules were revised
- » Program administrative rules were revised in 2015 in an effort to make the program more usable
- » Wage and benefit requirements are now more flexible



Economic Development Set Aside (EDSA)

- » EDSA provides funding for projects resulting in capital investment and job creation/retention for LMI individuals.
- » Communities/ counties must apply for funds
- » Private business is a sub-recipient of funds
- » Maximum award is \$1 million but usually about \$5,000 per created or retained job



Economic Development Set Aside (EDSA)

- » At least 51% of jobs created or retained must be filled by LMI individuals. This is determined at the time of hire.
- » Jobs created or retained must pay at least 80% of the area laborshed wage (Available on IEDA website)
- » Business must offer health and dental coverage to employees
- » If business is locating from another state, please talk to IEDA early. There are regulations regarding when federal funds may and may not be used for these projects.



Economic Development Set Aside (EDSA)

- » Projects must be "necessary and appropriate."
- » Only the minimum amount of funds necessary to meet this may be provided to a project
- » A letter-of credit is strongly preferred as security
- » Three ways to meet HUD required need:
 - Financing gap
 - Insufficient return
 - Location disadvantage

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Economic Development Set Aside (EDSA)

- » All federal CDBG requirements apply to EDSA
 - Environmental review
 - Davis Bacon
- » Timing is important! Start early if you have a potential EDSA project.
- » Applications are accepted at any time as funds are available
- » Must talk to IEDA first before applying for funds to make sure the program is a good "fit" for the project. IEDA will explore other programs as well (state) to determine if those may be more beneficial

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Career Link



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Career Link Program – Job Training (JT) Overview

- » Is a matching grant program – only one program currently active
- » Usually involves participation of a community college
- » Can receive up to \$ (?) No actual maximum set
- » Targeted to under or unemployed individuals of LMI status
- » Private business must identify/document specific skills and positions to be filled by trainees (the two must match up)

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Career Link Program (JT)

Steps to a Career Link project:

1. Identify companies with the same type of training need
2. Those companies work with the training provider to help design a training program/ curriculum (Companies must be involved with program design)
3. Each company agrees to sponsor a certain number of training slots, based on the number of job openings they will have
4. Each company agrees to interview/consider training participants for those positions

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Career Link Program (JT)

- » Applications are accepted on a continuing basis through iowagrants.gov

Funding Opportunities

General Information [Returns to Components](#)

This section includes the high level information about the opportunity. To save or add this form, click Save or Add button in the upper right hand corner of the screen. Need more help? Click Help in the upper left hand corner of the screen.

id: 10214

Status: Posted

Title: CDBG Career Link

Program Area: CDBG

Opportunity Type: Grant

Department: Economic Development Authority

Program Officer: Ed Basch

Award Amount: Not Applicable

Offer Pre-Application: No

Pre Application Deadline: 09/16/2009 12:00 AM

Grant Award Year: 2015

Project Start Date: 01/01/2014

Project End Date: 12/31/2009

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Career Link Program – Job Training (JT)

- » Training is often provided through community colleges but could also be other entities (CAAs; Workforce Dev; private cos.)
- » Maximum project length is 24 months – no extensions permitted
- » Funds can pay for related costs, (child care, transportation, administration of 5%)
- » Training provider must demonstrate experience
- » Created jobs must be at reasonable wage but no longer tied to any specific threshold
- » Training provider must have agreement with recipient or with administrative entity

training



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Career Link Program – Job Training (JT)

- » Application Evaluation Criteria
 - Training’s match in need and number to identified employment positions
 - Quality of overall training plan
 - Level of local investment /participation
 - Program fit for target audience
 - Income level of proposed beneficiaries
 - Level of business involvement in curriculum development
 - Cost per person trained
 - Overall cost efficiency, reasonableness
 - Administrative experience and capacity

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Career Link Program – Job Training (JT)

- » Some Program Tips
 - Establish vital links with private businesses and jointly define employment positions before beginning application
 - Be prepared for a certain percentage of trainees not completing training (for a variety of reasons)
 - Keep detailed documentation on all matching funds
 - Keep detailed records on trainee income verification, socio-demographics, numbers and outcome
 - Work closely with training provider
 - Remember this is CDBG money so all federal provisions still apply

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Other CDBG Programs III

Career Link (Employment Transportation)



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Career Link Program (ET) Overview

- » Career Link provides funding for transportation services for individuals to job activities and adult students to educational training/instructional opportunities
- » Assists employers with ensuring they have an available workforce able to travel to and from work
- » Addresses the transportation barrier and ensures employees have means to travel to the workplace

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Career Link Program (ET) Overview

- » Eligible applicants for CDBG funds are local governments- cities & counties (federal requirement)
- » HUD designated entitlement cities may **not** apply
- » Funds will flow through a local government and to a non-profit transportation entity providing the transportation service (subrecipient agreement)
- » Expectation that transportation provider is working with employer(s) to develop a service specific to the needs of participating businesses

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Career Link Program (ET) Overview

- » Maximum Award - \$150,000
- » \$1 for \$1 cash match will be required. Can come from participating businesses, local, state and federal sources
- » Participating businesses may not include retail or service businesses
- » Funds to be used for operational expenses only (not buses/equipment)



Career Link Program (ET) Overview

- » Beneficiaries (those utilizing transportation) must reside in non-entitlement communities
- » For each project, the majority of beneficiaries (51%) must be "low to moderate income" individuals, as defined by HUD. Grant recipients must document compliance by collecting income surveys from those utilizing transportation services



Career Link Program (ET) Overview

The most current income limits can always be found on the IEDA website:

<http://www.iowaeconomicdevelopment.com/Community/CDBG>

EXAMPLE:

County	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Carroll	\$ 37,450	\$ 42,800	\$ 48,150	\$ 53,450	\$ 57,750	\$ 62,050	\$ 66,300	\$ 70,600



Career Link Application Tips/ Reminders

- » Work with entity familiar with CDBG application requirements (COG or consultant)
- » The applicant must be the city or county. The city or county must be the lead entity and be involved in the application process.
- » Applications must be complete with all attachments included
- » Please make sure all budget figures add up correctly (Keep in mind budget should reflect 24 month project)
- » Career Link projects can NOT be extended past 24 months
- » Don't forget to include funds for grant administration in the budget



Career Link Application Tips/ Reminders

- » Applications to be accepted on an ongoing basis as funds are available
- » The amount of funds available will vary depending on other projects (Other Career Link & EDSA) that are funded. Contact IEDA prior to application submission to see if funds are available
- » Projects cannot start until approved by IEDA and IEDA has issued a release of funds letter



Career Link Application Tips/ Reminders

- » Please contact IEDA early to discuss a project if you have questions or are unsure as to whether or not it is eligible
- » Please make sure all project financing is committed and documented
- » Think about how service can continue after CDBG contract ends. Will need to describe in the application.



Career Link Application Tips/ Reminders

- » Post award compliance is very important! Grant administrators will need to coordinate with city, companies and transit agencies
- » Companies will need to be willing to collect & keep income information from employees utilizing service. Form provided by IEDA.

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QUESTIONS

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