



City of Albany
Community Development Block Grant Programs
Economic Opportunity Grants for Job Creation

GRANT OVERVIEW

The City of Albany’s Economic Opportunity Grant Program provides grants up to \$10,000 to eligible micro-businesses with five or fewer employees located within the City of Albany for the purpose of growing businesses and creating jobs for low-income Albany residents. These funds are intended to help businesses in the early years when they don’t qualify for other funding. This program is funded with a federal Community Development Block Grant (CDBG) from the Department of Housing and Urban Development (HUD) and applicants must comply with numerous federal program requirements and laws.

A. Applicant Eligibility

1. The applicant must be the business owner.
2. The business must be physically located within Albany’s city limits.
3. The business must have five or fewer employees, at least one being the owner.
4. The business has been operating roughly six months or more, but less than five years.
5. The owner had at least one pre-application advising session with the LBCC Small Business Development Center staff prior to submitting this application to evaluate the business strategies and/or business plan (if applicable).
6. The applicant must meet the CDBG National Objective to create or retain one or more jobs for low- and moderate-income (LMI) residents. See details in Section E.1.

Ineligible Businesses. The types of businesses not eligible for this grant program include, but are not limited to, adult entertainment; gaming, liquor, or tobacco stores; marijuana dispensaries and manufacturing; passive real estate investments; pyramid business structures; and any business or activity that does not comply with local, state, or federal laws.

B. Evaluation Criteria

The following criteria will be used to evaluate **complete** grant applications:

1	The applicant has demonstrated a market for products and services (through the application, financial projections, and/or business plan)	0-15 points
2	The applicant has explained how the business will scale up and grow over the next year; or pivot/rebrand after COVID-19	0-15 points
3	Number and types of jobs to be created within one year	0-10 points
4	Prior business experience or training	0-10 points

If there is more demand than funding available, applicants that score the most points will be awarded available funding and additional consideration may be given to businesses that can demonstrate they are women-owned, minority-owned, or Veteran-owned.

C. Eligible Use of Grant Funds

The following expenses are eligible for the grant:

- Overhead expenses such as rent and utilities, certifications, licenses, advertising, incorporation, insurance, etc.

- Training, technical assistance, business services (such as web site development, etc.), to increase business capacity and/or client base
- Labor expenses (excluding owner), business inventory and supplies
- Capital or equipment purchases necessary for the business operation, excluding vehicles

Funds may not be used for the following:

- Vehicle purchases
- Construction, building, or other improvements when Davis Bacon and Related Acts must be applied (prevailing wage requirements)
- Repayment or refinance of existing debt or to pay operating deficits, tax arrearages, governmental fines or penalties, or general government expenses.
- Personal income or emergency situations
- Pre-start up research and development
- Speculative property purchases (real estate, stock, collectibles)
- Political or religious activities, lobbying, or any activity prohibited in the CDBG regulations in 24 CFR 570.

D. Application Process

1. Hold a business advising session with one of LBCC's Small Business Development Center advisors.
2. Submit application with required attachments to anne.catlin@cityofalbany.net by **August 4, 2021 at 5:00 p.m.** [The application is available online here: www.cityofalbany.net/cdbg.]
3. City staff will review the application for completeness and notify you if additional materials are needed.
4. The Albany Community Development Commission will evaluate applications on **August 16, 2021, at noon. Applicants are asked to attend this meeting to give a short overview of the business goals and respond to questions.**
5. If the grant is approved, City staff will notify the applicant and will prepare a subrecipient agreement for signatures, collect any necessary paperwork, and meet to sign and review program requirements.
6. Submit required quarterly and closeout reports and performance measure verification, income verification, and requests for reimbursement as specified in the subrecipient agreement.

E. Grant Requirements

Grant recipients must satisfy the following requirements:

1. HUD National Objective Performance Outcomes:
 - The applicant is a low-mod microenterprise business owner (household income is at or below 80% of the area median income); OR
 - The business must create **at least one full-time job** or equivalent equal to at least 40 hours a week. The job shall be *made available to** or *held by* a LMI Albany residents. If more than one job is created or retained, then at least 51 percent of the jobs must be held by or made available to* LMI residents. HUD defines LMI residents as those earning less than 80 percent of the area median income by household size.

Each new employee will be required to complete the **Job Creation Employee Self Certification Form**. You will be required to submit the **Job Creation Report** that summarizes information about your new employees, **including the job title**.

To qualify a job as "Low-Mod" the job needs to meet one of the following:

- *Jobs are considered to be **made available to** LMI persons when the job does not require special skills that can only be acquired with substantial (i.e., one year or more) training or work experience, or education beyond a high school education AND the assisted business takes actions to ensure LMI residents receive first consideration for filling such jobs; OR

- Created jobs are considered to be **held by** LMI persons when the job is actually held by a LMI person; or the employee resides in a Census tract with at least 70 percent LMI persons; or the assisted business and the job are located in a Census tract that has a poverty rate of at least 20 percent and does not include part of a central business district (unless the tract has a poverty rate of at least 30 percent); and evidences pervasive poverty and general distress by meeting at least one of the following criteria:
 - All block groups in the Census tract have 20 percent or greater poverty rates;
 - The activity is undertaken in a block group with a 20 percent or greater poverty rate; or
 - HUD determines the tract shows other signs of distress (e.g., crime, homelessness, deteriorated housing, etc.)
- 2. Equal Employment Opportunity: Business must comply with federal and state equal employment opportunity policies and procedures (24 CFR 84 Part 7). Grant recipients must give equal consideration to all qualified job applicants without regard to race, color, religion, sex, age, sexual orientation or gender, familial status, national origin, or disability or reprisal. The City recommends using an employment agency to hire staff.
- 3. Reporting: **Due to CDBG and HUD requirements, the City must collect and report on economic indicators and demographics of persons served by having the employee(s) complete certification forms and completing a final report that collects this data.** The City will also require quarterly and annual reports for at least one year or until the performance measure is achieved, whichever is later. (24 CFR 570.502 and 570.601, 24 CFR 84.21, 2 CFR 200)
- 4. Environmental Review: All projects are subject to federally required environmental reviews by the City of Albany. These vary in scope, depending on the project. (24 CFR 570.603)
- 5. DUNS # and SAM.GOV: Businesses receiving federal assistance of any kind must get a DUNS number. Obtaining a DUNS number is a free, simple activity. Call 1-866-705-5711 or apply online at <http://fedgov.dnb.com/webform>. Prior to signing contracts, all recipients of federal funding must also register their business and DUNS # with SAM.gov. There are a few steps in this process, so it takes a couple of weeks.
- 6. Applicants must comply with all state and local laws and regulations pertaining to licensing, permits, building and zoning code requirements.
- 7. Insurance – Prior to entering into a contract with the City of Albany, grant recipients will be required to carry the following minimum levels of insurance and reviewed approved by the City, and the City must be listed as additional insured.
 - a. General Liability:
 - \$1,000,000 Each Occurrence
 - \$1,000,000 Personal Injury
 - \$2,000,000 General Aggregate
 - \$2,000,000 Products/Completed Operations Aggregate
 - b. Business Automobile Liability: \$1,000,000 Per Occurrence
 - c. Employers Liability:
 - \$500,000 Each Accident
 - \$500,000 Disease Aggregate
 - \$500,000 Disease Each Employee

Workers' Compensation: Insurance as required by Oregon Revised Statutes and including Employers Liability Insurance.

FOR MORE INFORMATION about Albany's Economic Opportunity Grant Program or other CDBG programs or resources, please contact:

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