



# Region 9 Economic Development District of Southwest Colorado, Inc.

## Community Development Block Grant (CDBG) Application

*Archuleta County Board of Commissioners*

*Admin Building, 398 Lewis Street*

*1:30 P.M., Tuesday, April 16, 2019*



# CDBG Presentation

## **Purpose:**

1. Provide information on the close out of an existing CDBG Contract and
2. Seek support for an application for a new CDBG Contract



# Purpose of CDBG Funding

## *Business Loan Fund:*

- **At least 51% of jobs that are created are for Low to Moderate Income Households**
- **Micro-lending- Loans of \$100,000 or less for eligible businesses**
- **Gap financing- \$20,000 per job created, about 1/3 of the total deal**
- **Feasibility Studies – Anticipate 2-4 with each contract**
- **Administration funding – CDBG provides admin cost funding to help Region 9 administer our loan programs**



# CDBG Performance

- **Region 9 has completed 6 previous CDBG Contracts, with the 7<sup>th</sup> one still open until April 30<sup>th</sup>, 2019**
- **CDBG #1-7 total funding was \$9,561,990.**
- **Of this amount, \$8,571,903 (90%) was used to fund 215 loans to businesses in the region.**
- **These loan funds help leverage an additional \$30,377,552 (320%) in funding from other sources (banks, capital investment, etc.)**
- **The Borrowers represented that the loan funding created 985 *jobs* in the region.**
- **Of those jobs that were created, 659 were low-to-moderate income jobs (67% of total jobs created).**



# CDBG Revenue Budget

|                              |                    |
|------------------------------|--------------------|
| <b>CDBG Funds</b>            | <b>\$580,000</b>   |
| <b>Region 9 Match</b>        | <b>\$303,748</b>   |
| <b>Other Leveraged Funds</b> | <b>\$1,000,000</b> |
| <b>Total</b>                 | <b>\$1,883,748</b> |



# CDBG Expenditure Budget

| <b>Line Item</b>                | <b>Other</b>       | <b>State CDBG</b> | <b>Total</b>       |
|---------------------------------|--------------------|-------------------|--------------------|
| <b>Assistance to Businesses</b> | <b>\$1,000,000</b> | <b>\$500,000</b>  | <b>\$1,500,000</b> |
| <b>Administration</b>           | <b>\$303,748</b>   | <b>\$80,000</b>   | <b>\$383,748</b>   |
| <b>Total</b>                    | <b>\$1,303,748</b> | <b>\$580,000</b>  | <b>\$1,883,748</b> |



# Examples of Loans Archuleta County

CINDY HOUSTON AT  
THE BODY SHOP

WILD N CRAZY



Pagosa  
Verde

High Horse  
Video

Professional  
Refrigeration  
Services

Commercial Refrigerator  
Supplier in Pagosa Springs





# Components of the CDBG Application

- **Notice of Public Hearing**
- **CDBG Application Form**
- **Inter-Governmental Agreement**
- **Memorandum of Agreement between La Plata County and Region 9**
- **Letter Regarding Policy on Excessive Force**
- **Applicant Statement of Assurances and Certifications**
- **Citizen Participation Plan**
- **Residential Anti-displacement and Relocation Plan**
- **Community Development Action Plan (CDAP)**



**Region 9 thanks you for the opportunity to present information about our Business Loan Fund CDBG application.**

**Please contact us at 970-247-9621, or join us on the web at [www.scan.org](http://www.scan.org) if you would like more information on services or publications.**