



CDBG PROGRAM INDUSTRIAL INFRASTRUCTURE GRANT

MISSOURI DEPARTMENT OF ECONOMIC DEVELOPMENT

PURPOSE

Assist local governments in the development of public infrastructure that allows industries to locate new facilities, expand existing facilities, and prevent the closing of a facility or the relocation of a facility outside the state

AUTHORIZATION

42 USC § 5301 et seq., 24 C.F.R. Part 570; and Missouri's "Consolidated Plan" submitted to the U.S. Department of Housing and Urban Development.

ELIGIBLE AREAS

Projects can only be in a "non-entitlement" area - a city under 50,000 in population or a county under 200,000 in population.

ELIGIBLE APPLICANTS

Cities or counties must apply on behalf of beneficiary companies.

ELIGIBILITY CRITERIA

- More than one business must potentially benefit from the facilities to be funded.
- For-profit manufacturing, processing and assembly companies that will have wages above the county average and provide medical benefits are prioritized.

PROGRAM BENEFITS/ELIGIBLE USES

- Grant funds may be used for public streets, water or sewer lines, engineering and other public facilities necessary to support the project. A public entity must own the facilities to be funded.
- Facilities owned by the company or a private utility are not eligible for funding.

FUNDING LIMITS

- The least amount needed for the project to occur
- \$2,000,000 maximum CDBG funding per project
- **Existing Companies** (more than 3 years of financial history): **LOWER** of \$2,000,000. Per project or \$20,000 per New Full Time Job.
- **Start up Companies** (3 years or less of financial history) **LOWER** of \$350,000 per project; 50% of cost of the infrastructure activities; or \$20,000 per New Full Time Job. DED MAY, at its discretion award up to \$500,000 if the

participating company provides a personal guaranty OR an Irrevocable Letter of Credit from an acceptable financial institution for the amount which exceeds \$350,000. (Maximums of \$20,000 per job and 50% of infrastructure costs still apply).

- **Capital Investment:** A minimum of one dollar of capital investment must be pledged for every dollar of grant funds requested.

APPLICATION/APPROVAL PROCEDURE

Applications are reviewed on a case-by-case basis, subject to fund availability.

REPORTING REQUIREMENTS

Employment Status Statement Forms

SPECIAL PROGRAM REQUIREMENTS

- The local government applicant must provide a 15% match based upon the availability of the unencumbered city or county funds.
- LMI Employees: At least 51% of the new jobs to be created must be filled by persons considered "low to moderate income" (LMI).
- Prevailing Wage Requirement: Because grant proceeds are used for the construction of public works, prevailing wages must be paid to the employees of the contractors.

CONTACT

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