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MEMORANDUM

TO: Members, Senate Committee on State and Local Government
Members, House Committee on Local Government

FROM: Mark Mitchell
Committee Staff Administrator, Local Government Committee
LRC Federal Block Grant Coordinator

RE: Review of 2026 CDBG Federal Block Grant Application

DATE: March 5, 2026

Enclosed you will find a copy of the 2026 CDBG Federal Block Grant Application and appurtenant material. You will also find a summary of the changes between the 2025 application and the 2026 application, all for your review.

The two committees will hold a joint public hearing on this application on Tuesday, March 11th in Room 131 of the Capitol Annex at 11 am. This will be held in the same room at the same time as Senate State and Local Government at the beginning of its meeting.

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MEMORANDUM

TO: Members, Senate Standing Committee on State and Local Government
Members, House Standing Committee on Local Government

FROM: Mark Mitchell
Committee Staff Administrator, Local Government Committee
LRC Federal Block Grant Coordinator

RE: 2026 CDBG Federal Block Grant Application Committee Review
Instructions

DATE: March 5, 2026

Enclosed you will find a copy of the 2026 CDBG Federal Block Grant Application and appurtenant material. You will also find a summary of the changes between the 2026 application and the 2025 application, all for your review.

Pursuant to KRS 45.351, every block grant application submitted by the state **administering agency** shall be complete in form and content as required by appropriate state and federal laws and regulations, shall specify the proposed use and distribution of block grant and other funds to be allocated by the state administering agency to programs and services, and shall include the following:

(a) Programmatic and other requirements applicable to the receipt and expenditures of block grant and other funds, including state matching funds, specified in the application, and the restrictions imposed on the use of these funds;

(b) Whether the block grant and other funds included in the application have been included specifically in an appropriation act enacted by the general assembly in anticipation of such application;

(c) Whether the funding is one-time, recurring or continuing;

(d) What costs will accrue to the state if federal funds diminish or are cut, and whether a budget reduction plan has been prepared for such contingency;

(e) Whether the programs and services to be provided under the block grant are mandated by the laws of the Commonwealth;

(f) Whether the programs and services to be provided under the block grants are those which the Commonwealth currently administers and funds;

(g) The agencies expected to provide the services including whether such agencies are public or private or state or local;

(h) The manner in which the allocation of funds will be targeted to need;

(i) Geographic areas to be served by the programs and services;

(j) Standards of eligibility for services;

(k) The criteria and method that will be used by the state administering agency to distribute the block grant funds;

(l) Whether and how block grant funds would be transferred from one (1) block grant to another and the amount of the transfer;

(m) The proportion of the block grant funds to be used for administrative costs; and

(n) Estimated receipt of federal funds applied for by block grant.

The committee (or a subcommittee of said committee) to which an application is referred shall be responsible for conducting the public hearing for the commission. All such hearings shall be held no sooner than seven (7) days from the publication of statewide notice (KRS 45.352 and KRS Chapter 424), and no later than sixty (60) days prior to the date the application is to be submitted to the federal government. According to the rules of the commission, the public hearing shall be confined to the receipt of public comments and comments from the state administering agency.

The **committee** during the public hearing is to review and consider the application and the proposed use and distribution of funds to be provided under the block grant in accordance with the following standards and criteria (subsection (2) of KRS 45.353):

(a) Except as provided in paragraph (b) of subsection (2) of KRS 45.353, block grant and other funds specified in the application have been included in an appropriation or appropriation act enacted by the general assembly in anticipation of such application;

(b) Any excess in the total amount of block grant funds sought over the total amount of such funds anticipated and included in an appropriation or appropriation act, has been included in a surplus expenditure plan approved by the general assembly;

(c) A budget reduction plan specifying programs and services to be eliminated or to be reduced in scope if federal funding diminishes or is cut, has been included;

(d) The budget reduction plan does not propose to increase the ratio of state funds to federal funds if federal funding diminishes, or is cut;

(e) Block grant and other funds to be provided under the application are fairly and equitably distributed among those programs, services or recipients eligible for block grant funding;

(f) Block grant and other funds to be provided under the application are not to be used to fund programs or services that would duplicate or supplant existing programs or services funded by the private sector;

(g) The intended uses of block grant and other funds specified in the application are in compliance with the applicable federal and state laws pertaining to such block grant funds; and

(h) The amount of block grant and other funds to be retained by the state administering agency for administrative purposes does not exceed an amount allowable under federal law.

In addition to Kentucky statutory requirements, there are also federal requirements which must be met during the hearing pursuant to Title I of the Housing and Community Development Act of 1974 (PL 93-383), as amended, the following subjects must be discussed:

1. Use of funds report;
2. Housing and community development needs;
3. Amount available for low and moderate income persons;
4. Plans for minimizing displacement and assisting those displaced; and
5. Guidelines for the application process.

Upon completion of the hearing and committee activity, written findings of fact pursuant to KRS 43.353 must be completed before the end of the sixtieth (60th) day from the date of receipt of the application by the commission in order to give the commission sufficient time to

complete its review. Pursuant to KRS 45.354, the commission, upon completion of its review, shall make its findings available to the state administering agency and the governor.

Pursuant to amendments to KRS 45.350-45.359 enacted by the 1984 General Assembly, the commission no longer approves or disapproves of block grant applications. However, KRS 45.3511(2) states that "unless the application is found to be in compliance with the standards and criteria as prescribed in KRS 45.353 as well as the applicable federal and state laws", no administering agency shall receive or expend federal block grant funds which have not been previously approved by the General Assembly during the biennial budget process.

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MEMORANDUM

TO: Members, Senate Standing Committee on State and Local Government
Members, House Standing Committee on Local Government

FROM: Mark Mitchell Committee Staff Administrator, House Local Government
Committee; Legislative Research Commission Federal Block Grant
Coordinator

RE: Review of the 2026 Federal CDBG Application

DATE: March 5, 2026

The Legislative Research Commission (LRC) received the 2026 Community Development Block Grant (CDBG) application and all other required documentation on February 25th, from the Office of Federal Grants in the Department for Local Government which administers the program. In compliance with state and federal law, as a federal block grant application, the CDBG application is being submitted to LRC for its review prior to submission of the application to the federal government. The CDBG application has been referred by LRC, as part of their legislative review process, to the Interim Joint Committee on Local Government for public hearings in accordance with KRS 45.353.

At the public hearing, after the required presentation by the Department for Local Government and comments from the public, the members of the committee will make their recommendations regarding the application to the Legislative Research Commission for their review and action prior to the application's submittal to the federal government. The Committee does not have the authority to reject or change an application. It is only in a position to review the application and make a finding of fact in their report to the LRC as to the sufficiency of the required contents of the application along with any recommendations for changes or comments about the application and CDBG program proposal.

MEMORANDUM

March 5, 2026

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For purposes of the Committee's review of the 2026 CDBG block grant application, the following is a summary of the primary changes in this year's application from the previous year.

**Comparison of 2026-2025 Program Area Funding by
Total Dollars Available**

Program Area	Total Dollars Available (2026) Est.	Total Dollars Available (2025) Est.	Total Dollars Available (2025) (Actual)
Public Facilities	8,834,662	8,834,662	8,334,662
Economic Development	3,300,000	4,872,983	4,516,930
Community Projects/ Renaissance on Main	5,803,703	5,803,703	5,803,703
Housing	4,570,502	3,353,572	3,353,572
Public Services (Recovery KY)	2,600,000	2,600,000	2,600,000
Total	25,108,867¹	25,464,920	24,608,867

1. The 2026 Estimated Allocation *total* is \$25,955,523. From this allocation, \$879,656 was deducted for administrative costs (a formula of 3% of the total + \$100,000).

MEMORANDUM

March 5, 2026

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**Substantive Changes in 2026 CDBG Small Cities Application
(As Provided by Department for Local Government Staff)**

Page 10—Split of Funds

- Reduced Economic Development allotment to \$3,300,000.
- Increased Housing allotment to \$4,570,502.
- Other areas remain the same.

Page 11

- Increased the Non-Traditional Application ceilings: Individual from \$250,000 to \$300,000 and the multi-jurisdiction ceiling from \$500,000 to \$600,000

Page 24

- Extended the Economic Development application by one month to make it an 11-month window.
- Added: "Should the fundable application requests exceed the amount allotted, the Commissioner has the right to request funding from another program area prior to the March 1, 2027, deadline, as stated on page 18."

MEMORANDUM

March 5, 2026

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Section 108 Loan Guarantee Program

Substantive Changes for 2026:

No substantive changes were identified.

Summary

The Section 108 Loan Guarantee Program is administered by HUD and the application has been included in the CDBG Application since 2010.

HUD's Section 108 Loan Guarantee Program allows a state to leverage up to five times its annual CDBG allocation to finance large-scale development projects. Kentucky's estimated 2026 CDBG allocation is \$25,108,867.

Program Purpose: Federal regulations allow a state to develop procedures and requirements to assist federal non-entitlement cities and counties to apply for assistance from the HUD Section 108 Loan Guarantee Program to address economic development and community projects that have a regional or statewide impact. Entitlement communities, such as Louisville, Lexington and Bowling Green, apply directly to the federal government and not to the Department for Local Government for these moneys. The Department for Local Government is taking advantage of these moneys for non-entitlement communities for the first time this year.

National Objectives: Activities funded under the Section 108 Loan Guarantee Program must meet at least one of the following objectives:

- Benefit to low and moderate income persons;
- Prevention or elimination of slums or blight; and
- Meeting community development needs having a particular urgency.

General Information for Applicants:

Eligible Applicants: All local governments are eligible for these moneys. Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, Lexington/Fayette Urban County Government and Louisville/Jefferson County Metro Government apply directly for these funds from the federal government.

Eligible Activities: Appendix A of the attached publication on the Section 108 loan sets forth the types of activities eligible for funding. The activities must meet at least one of the national objectives. Examples of *some* eligible activities are:

- Acquisition of real property;
- Rehabilitation site preparation, demolition, and removal of real property;

MEMORANDUM

March 5, 2026

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- Relocation payments and assistance for individuals families, businesses; nonprofits and farm operations the necessity of which arises from an activity financed with 108 funds;
- Housing rehabilitation under Sec. 570.202; and
- Economic development activities eligible under Sec. 570.203 and Community economic development projects eligible under Sec. 570.204.

Loan Maximum: Kentucky may leverage up to 5 times its CDBG allocation to finance large-scale development projects. The estimated 2026 allocation is \$25,108,867.

Application Process:

- Transmission of letter of request to participate containing a description of the proposed project
- DLG screening for probable compliance with federal requirements and state priorities for Section 108 money (criteria is set out on Page 6);
- If DLG accepts the proposal, it will then invite an application. Application contents/requirements are set out on Page 7.
- Governing body of local government must approve the application.
- Each applicant must meet the citizen participation requirements found in the Community Development Act (also found in Appendix C of the guidelines);
- EClearinghouse review must be completed;
- DLG may make site visits.

Project Priorities and Selection Criteria. The application guidelines establish the following as priorities for consideration:

- Job creation;
- Critical infrastructure installation or reconstruction;
- Special Economic Development (can assist a private for-profit firm under certain circumstances); and
- Housing.

The criteria DLG uses to measure each project is found on page 10 of the application guidelines. For example, the activity must meet the national objective test and the public benefit test.

Loan Commitments. The application guidelines set out rules relating to the loan agreement, repayment, repayment period, reserves the right of renegotiation and deviation from certain terms and conditions, and provides for the capability of a review of the repayment acceptability standards.

Sanctions. The application guidelines set out conditions for repayment and default, and performance deficiencies relating to the expenditure of 108 moneys not in compliance with the federal CDBG regulations.

2026 CDBG Guidelines Table of Contents

- 1- 2026 Changes
- 2- 2026 Guideline Document
- 3- Public Facilities Design-Only Grant Requirements
- 4- 2026 CERF Stand Alone Document-No Changes
- 5- 2026 Section 108 Guideline Document-No Changes
- 6- Appendices
- 7- eClearinghouse letter
- 8- 2025 Applications
- 9- 2025 Use of Funds Estimate
- 10- FY 2025 Funds Expenditures 1-1-25 thru 6-30-25
- 11- FY 2026 Funds Expenditures 7-1-25 thru 12-31-25

2026 CHANGES

Proposed 2026 Guideline Changes

Page 10-Split of Funds:

Reduced Economic Development allotment to \$3,300,00. Based on applications received and approved from 2022-2025.

Increased Housing allotment to \$4,570,502 to assist in addressing the availability of safe and affordable housing.

The other areas remain at the previous year's allotment.

Page 11-Increase the Non-Traditional Application ceilings: Individual from \$250,000 to \$300,000 and the Multi-jurisdictional from \$500,000 to \$600,000

Page 24-Extended the Economic Development application by one month allowing an eleven-month window.

Page 24-Added language: Should the fundable application requests exceed the amount allotted the Commissioner has the right to request funding from another program area prior to the March 1, 2027, deadline, as stated on page 18.

2026 GUIDELINE DOCUMENT

**KENTUCKY
COMMUNITY DEVELOPMENT BLOCK GRANT
2026 PROGRAM GUIDELINES**



**Department for Local Government
Office of Federal Grants
Matt Sawyers, Commissioner
www.dlg.ky.gov**

**TEAM 
KENTUCKY™**

The Department for Local Government (DLG) does not discriminate on the basis of race, color, national origin, sex, age, religion, sexual orientation, gender identity, or disability and provides, upon request, reasonable accommodation including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, programs and activities.

**Department for Local Government
Office of Federal Grants
Commonwealth of Kentucky**

**Kentucky Community Development Block Grant
2026 Program Guidelines
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2026 Program Guidelines
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- A. Title 42 – The Public Health and Welfare Chapter 69 – Community Development Section 5305 Eligible Activities

- B. Meeting National Objectives
Kentucky CDBG Guide to LMI Benefit and Acceptable Survey Methods
Benefits to LMI
Sample Survey Forms
LMI Worksheet
Fiscal Year (FY) 2025 HUD Income Limits

- C. Citizen Participation Plan
Sample Public Hearing Notices
Kentucky Residential Anti-displacement and Relocation Assistance Plan

- D. Housing and Urban Development (HUD) Matrix Codes and Definitions for Application Cost Summary
2019 Matrix Code Update

SECTION I

KENTUCKY'S GOALS AND OBJECTIVES

The 2026 Kentucky Community Development Block Grant (CDBG) Program maximizes efficiency in program delivery and effectiveness of federal dollars. The following goals and objectives were adopted to promote community and economic development:

Goal 1: To improve local economies and the economic well-being of the people of Kentucky while protecting the environment.

- Objectives:**
- a. Encourage private investment that will result in the creation of new jobs, primarily for the unemployed and underemployed.
 - b. Discourage the out migration of businesses that employ and serve the local population.

Goal 2: To provide public facilities to eliminate conditions which are detrimental to the public health and safety and thus detract from further community development or which are necessary to meet other essential community needs.

- Objectives:**
- a. Improve existing public facilities.
 - b. Provide new facilities when warranted by recent population growth or when essential needs exist.

Goal 3: To improve the condition of housing and expand fair housing opportunities especially for persons of low and moderate income (LMI).

- Objectives:**
- a. Encourage the rehabilitation of appropriate existing housing units.
 - b. Encourage the creation of new housing units including adaptive reuse of suitable structures.
 - c. Encourage the purchase and preparation of sites for construction of new housing units for persons of low and moderate income.
 - d. Eliminate blight conditions in residential areas through demolition, code enforcement and related activities.

Goal 4: To improve the quality of life through funding community projects requested by individual communities to enhance community pride and involvement and perpetuate local identity.

- Objectives:**
- a. Enable local communities to provide services they have determined are important but generally cannot afford.
 - b. Foster a revitalization of community structure to help communities help themselves.
 - c. Promote energy efficiency in new construction and rehabilitation projects especially the use of Energy Star qualified products.

Goal 5: To improve the lives of citizens by helping them overcome chemical addictions and avoid the risk of homelessness.

- Objectives:**
- a. Provide operational costs to support new and existing residential substance abuse centers.
 - b. Provide support to educational programs for at-risk or LMI persons with substance abuse issues.

Goal 6: To assure that not less than 70% of the total amount of CDBG funds* received for Fiscal Years 2026, 2027 and 2028 shall be used for support of activities that benefit persons of low and moderate income.

- Objectives:**
- a. Expand economic opportunities principally for persons of low and moderate income.
 - b. Provide public facilities that are necessary to the public health and safety principally for persons of low and moderate income.
 - c. Improve the quality of existing housing stock and the availability of housing units principally for persons of low and moderate income.
 - d. Improve the quality of life through funding community projects requested by individual communities to enhance community pride and involvement and perpetuate local identity.

* *Percentage is applied to the aggregate of state CDBG funds, after excluding costs for planning, management and administration for both the state and units of general local government.*

SECTION II
NATIONAL OBJECTIVES

Each activity funded under the Community Development Block Grant (CDBG) Program must meet at least one of the three National Objectives identified in Title I of the Housing and Community Development Act of 1974 as amended in 1983, 1987 and 1992 (the Act), Section 104(b) (3) and regulations contained in the 24 Code of Federal Regulations (CFR) 570.483. The three objectives are:

1. Benefit to low and moderate income persons;
2. Prevention or elimination of slums or blight; and
3. Meeting community development needs having a particular urgency.

The applicant is responsible for selecting and documenting how each activity addresses a National Objective. Explanations of the objectives and required documentation are described below.

Please note: The Act identifies as a primary objective the "... development of viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income...". The state is required to assure that "...not less than 70% of the aggregate of the federal assistance provided to the State under Section 106... shall be used for the support of activities that benefit persons of low and moderate income..."

A. Activities which Benefit Low and Moderate Income Persons

An activity will meet this objective if 51% of the persons benefiting from the activity are of low and moderate income. Low and moderate income levels are defined in the Act as Housing and Urban Development (HUD) determined calculations based on median family income. Income figures for each county or area and further information on how an activity may meet this test can be obtained from the Department for Local Government (DLG). Further information on how an activity may meet this test is given in Appendix B.

Required Documentation

Applicant must maintain records that at least 51% of the persons benefiting from the activity are of low and moderate income. Low and moderate income beneficiaries must be accounted for on the Person Benefit Profile form. Documentation must be maintained verifying the low- and moderate-income beneficiaries. This information must be explained, and the sources and the applicable regulation cited on the appropriate forms.

B. Activities which Aid in the Prevention or Elimination of Slums or Blight

An activity will meet this objective if:

1. It meets a definition of slum area, blighted area, deteriorated or deteriorating under Section 99.705 of Kentucky Revised Statutes (KRS); and
2. It contains a substantial number of deteriorating or dilapidated buildings throughout the area; and
3. The activity is designed to address one or more of the conditions that contributed to the deterioration of the area; or
4. The activity addresses an individual structure, which would otherwise meet the definition of slum or blight.

Further information on how an activity may meet this test is given in Appendix B.

Required Documentation

Applicant must maintain records that the activity meets the definition of prevention or elimination of slums or blight. Records must also be maintained describing the boundaries of the area and the conditions of the area which qualify it under this objective. Documentation may include photographs, structural surveys or development plans. This information must be explained, the sources and the applicable regulation cited on the appropriate forms.

C. Activities Designed to Meet Community Development Needs Having a Particular Urgency

An activity will meet this objective if it:

1. Addresses needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community;

2. Is of recent origin (within 18 months) or which recently became urgent; and
3. Has no other available source to complete the funding package and the community cannot finance the activity on its own.

Further information on how an activity may meet this test is given in Appendix B.

Required Documentation

Applicant must maintain records as to the nature and degree of seriousness of the problem, that the activity was designed to address the urgent need, that the problem is of recent origin, that other funding is not available, and the community cannot finance the activity alone. This information must be explained in detail and the applicable regulation cited in the application on the appropriate forms.

SECTION III

GENERAL INFORMATION FOR APPLICANTS

A. **Eligible Applicants**

All cities and counties in Kentucky are eligible for participation with the exception of the following entitlement jurisdictions:

Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, Lexington/Fayette Urban County Government, Louisville/Jefferson County Metro Government and Paducah.

Only a project which can be proven to accrue direct benefit to a non-entitlement area will be eligible for funding.

B. **Program Areas**

Applications may be submitted in the following program areas:

1. Community Projects (See Section IV)
2. Economic Development (See Section V)
3. Housing (See Section VI)
4. Public Facilities (See Section VII)
5. Public Services (See Section VIII)

C. **Threshold Requirements**

Each community with a previous CDBG grant applying for a 2026 CDBG grant must meet the following threshold requirements prior to DLG accepting its grant application: KRS 91A.040 for Cities and KRS 43.070 and KRS 64.810 for Counties.

1. **Public Facilities, Housing and Community Projects**
 - a. Previous CDBG Public Facilities, Housing and Community Project grantees may apply for Public Facilities, Housing or Community Project funds if all the following threshold requirements are met at a minimum of 30 days **prior** to application submission.

Period Funded

- | | |
|------------------|---|
| 2024-2025 | 80% of the grant funds expended, program income reports current and approved, and audit requirements met prior to application submission. |
| 2023 and earlier | Final closeout or Notice of Completion issued, program income reports current and approved, and audit requirements met to date. |

- b. Previous CDBG Small Cities Economic Development grantees may apply for Public Facilities, Housing or Community Project funds if the following threshold requirements are met prior to submission. KRS 91A.040 for Cities and KRS 43.070 and KRS 64.810 for Counties.

Period Funded

- | | |
|------------------|--|
| 2023 and earlier | Final closeout or Notice of Completion issued, program income reports current and approved, and audit requirements met to date. <u>KRS 91A.040</u> for Cities and KRS 43.070 and KRS 64.810 for Counties |
|------------------|--|

- c. Previous CERF and Public Services grantees may apply for Public Facilities, Housing or Community Project funds if program income reports are current and approved, and audit requirements are met to date.

2. Traditional Economic Development Applicants

must have a current and approved program income report if applicable and audit closeout requirements met to date per KRS 91A.040 for Cities and KRS 43.070 and KRS 64.810 for Counties

3. Non-Traditional Economic Development Applicants

must have a current and approved program income report if

applicable and audit closeout requirements met to date. KRS 91A.040 for Cities and KRS 43.070 and KRS 64.810 for Counties

4. Public Services

There are no threshold requirements for application submittal.

An applicant may appeal the threshold requirements in writing to the Commissioner of DLG at a minimum of 30 days **prior** to application submittal. When requesting a waiver, please inform the appropriate program manager. Consideration will be given if it can be proven that due diligence has been pursued in the project's management and the rationale for failing to meet the threshold requirements are related to the grant's participating party, job assessment period or circumstances beyond the control of the grantee. If an appeal request is approved, a written waiver will be issued by the Commissioner of DLG.

Threshold requirements apply to **all** parties submitting a multi-jurisdiction application.

DLG reserves the right to refuse any application or condition any grant award based upon past performance, outstanding grant violations or continuing capacity to carry out funded activities in a timely manner.

D. Types of Applications

1. Individual Applications

A city or county submits an individual application when the proposed activity or activities alleviate problems either inside or outside its jurisdiction, provided the activity will meet the needs of the jurisdiction in accordance with section 106(d)(2)(D) of the Housing and Community Development Act and 24 CFR 570.486(b).

2. Multi-Jurisdiction Applications

Cities and/or counties applying under Public Facilities or Self-Help, which share a regional project requiring participation from multi-jurisdictions and deriving a mutual benefit, may submit a multi-jurisdiction application. Cities and/or counties applying under Traditional or Non-Traditional Economic

Development sharing a mutual project requiring joint action and deriving a mutual benefit may submit a multi-jurisdiction application. A lead applicant must be named for the multi-jurisdiction application. A multi-jurisdiction application solely for administrative convenience does not adequately address a mutual problem. Applicants wishing to submit a multi-jurisdiction application must receive prior written permission from DLG. DLG reserves the right to waive the multi-jurisdiction application requirements in any county not containing an incorporated city provided the level of funding does not exceed the established multi-jurisdiction ceiling.

E. Eligible Activities

A detailed explanation of eligible activities is found in Section 5305 of the Act. Each activity must address one of the three National Objectives (Section II).

F. Amount and Split of Funds

Kentucky's 2026 Allocation ESTIMATE based on actual 2025 HUD allocation:

	\$25,988,523
Less Administrative Costs (\$779,656 (3%) + \$100,000)	\$ 879,656
Total Amount for Distribution	\$25,108,867

<u>Program Areas</u>	Total Dollars <u>Available</u>
Public Facilities	8,834,662
Economic Development	3,300,000
Housing	4,570,502
Community Projects	5,803,703
Public Services (Recovery Kentucky)	2,600,000

Some minor adjustments of the split of funds are possible depending on the actual number of applications and amount requested by applicants. DLG reserves the right to make those adjustments as necessary.

The Commissioner of DLG reserves the right to adjust the amount and split of funds in case of a natural disaster based on an Emergency Declaration by the Governor. Any resulting projects must meet the qualifying factors for 'Activities Designed to Meet Community Development Needs Having a Particular Urgency' as stated on page 5 item C. In such instances, funding levels can be adjusted as necessary based on the extent and severity of the emergency.

G. <u>Grant Ceilings</u>	<u>Individual</u>	<u>Multi-Jurisdiction</u>
Public Facilities		
Treatment plants	\$1,500,000	\$3,000,000
Lines/pumps/meters/tanks	\$1,250,000	\$2,500,000
Self-Help	\$300,000	\$600,000
Economic Development		
Traditional	\$ 1,000,000	\$2,000,000
Non-Traditional	\$300,000	\$600,000
Housing	\$1,000,000	NA
Community Projects	\$850,000	NA
Public Services (Recovery Kentucky)		
Existing Facilities	\$200,000	

H. Number of Applications

Each jurisdiction must choose whether to submit a Public Facilities, Housing or Community Project application. Only **one** application may be submitted per year for the three areas listed above. In addition, an applicant with an existing Recovery Kentucky center may submit one application in the Public Services (Recovery Kentucky) program area. A jurisdiction is not limited in the number of applications in the Economic Development program area. Each program area requires its own respective application (ex: a Public Facilities application may not be used to apply for another program area).

I. Submittal of Applications

Applications must be submitted to:

DLG.OFG@ky.gov

If the application is over 50 pages please submit a hard copy in addition to the email version.

By the date set forth in each program area

J. Citizen Participation

Citizen participation requirements must be met as part of application requirements. The Act requires units of local government to provide reasonable opportunities for citizen participation, hearings and access to information with respect to local community development programs. At a minimum, a community must perform the following activities:

1. Furnish citizens with information that explains the program. Prior to the public hearing, a notice must be published informing citizens that the following information is available for review:
 - a. A detailed description of the project being proposed.
 - b. Amount of CDBG funds expected to be made available, range of activities that may be undertaken and if applicable, available and/or anticipated program income.
 - c. Estimated amount of CDBG funds proposed for activities benefiting persons of low and moderate income.
 - d. Plans for minimizing displacement of persons as a result of activities assisted with CDBG funds and plans for providing assistance to those persons to be actually displaced as a result of CDBG funded activities.
 - e. Records on past use of CDBG funds.
 - f. Summary of other important program requirements.

2. Hold the first public hearing.
 - a. The main purpose of this hearing is to obtain views on housing and community development needs and review proposed activities. In addition, the hearing will review the proposed application and discuss social impacts, economic impacts, environmental impacts, project alternatives and solicit public improvements.
 - b. Advertise the hearing in accordance with state and federal laws. KRS 424.130 requires that the public hearing must be advertised at least once, not less than seven (7) nor more than twenty-one (21) days prior to the date of the hearing. Pursuant to KRS 446.030, the date of the hearing is not to be included in the

computation of time. Example: For a public hearing scheduled on Tuesday, June 8th, the newspaper advertisement must be published no earlier than May 18th and no later than June 1st. The notice must include TTY 711. All advertisements shall be published, pursuant to KRS 424.120, in the newspaper of largest bona fide paid circulation that publishes in the publication area. A newspaper is considered to "publish" in the publication area **only** if it maintains its principal office in the publication area. "Publication area" means "the city, county, district, or other local area for which an advertisement is required by law to be made."

- c. Undertake and document additional advertisements to reach low and moderate income persons. Such efforts could include:
 - 1. Distributing or posting of leaflets at neighborhood groceries, churches and community centers.
 - 2. Door-to-door distribution announcements.
 - 3. Provide radio (and television if available) and internet (zoom), etc.) public service announcements for broadcast.
- d. Inform citizens that technical assistance is available to help groups representing low and moderate income persons in developing proposals. Designate where this technical assistance may be obtained.
- e. Hold the public hearing in a location **accessible to the disabled and at a time and place convenient to potential or actual beneficiaries**. The hearing must provide maximum opportunity for community input.
- f. Arrange for interpreters for non-English speaking persons if applicable. Guidance on analyzing the project service area for persons with limited English proficiency is provided in DLG's 2021 CDBG Handbook, Chapter 1, Section 1-D and Chapter 7, Section 7-B.
- g. **A project description must be available for review seven (7) days prior to the public hearing** and the advertisement must identify where a copy of the description may be obtained.

3. Pursuant to 24 CFR 570.486(a) (6) of the CDBG Small Cities Regulations, public hearings are also necessary during the course of a project when a modification is proposed that substantially changes the original activities, whether activities are added or deleted.
4. A second public hearing must be held prior to closeout.
 - a. The main purpose of this hearing is to review past use of funds and program performance.
 - b. Advertise the hearing in accordance with state and federal laws that the project is nearing closeout and comments from the public are invited. KRS 424.130 requires that the public hearing must be advertised at least once, not less than seven (7) nor more than twenty-one (21) days prior to the date of the hearing. Pursuant to KRS 446.030, the date of the hearing is not to be included in the computation of time. The notice must include the local TTD number which is (800) 648-6057, or the state relay TTY number which is (800) 648-6056, or 711.
 - c. Ensure that steps are again taken concerning LMI participation, providing a time and place convenient to beneficiaries, a location accessible to the disabled and assistance to non-English speaking persons.
5. Respond to public comments.
 - a. Respond in writing to all written comments received during the public hearing process.
 1. Indicate comments were considered.
 2. Cite reasons for rejection if applicable.
 3. File comments and responses in the citizen participation file.
 - b. Develop a complaint and grievance procedure where written complaints and grievances are answered in writing within fifteen (15) working days. Provide citizens the address, phone number and times for submitting complaints and grievances.

K. **eClearinghouse Review**

All CDBG applications are subject to the eClearinghouse Review Process.

Community Projects, Housing and Public Facilities applicants **must** include an eClearinghouse (ECH) letter as part of their application.

Economic Development and Public Services applicants must submit a request for review to the eClearinghouse at least by the application submission date and include the State Applicant Identifier Number (SAI #) in the application.

While most eClearinghouse reviews can be completed within thirty (30) business days, some reviews may take longer depending on the particular project circumstances and applicants must allow for that additional time. Failure to do so **will** disqualify the application.

All eClearinghouse submissions are to be electronic. Please use the instructions link on the ECH website located on the DLG website to have a timely and efficient review.

If the project application is for water or wastewater activities, the WRIS Project Profile must be complete and the information must match that submitted to the eClearinghouse. If, the WRIS Project Profile requires updating after eClearinghouse submittal, the eClearinghouse application must be withdrawn and re-entered to match the WRIS Project Profile.

It is recommended that applicants work directly with the State Historic Preservation Office (Kentucky Heritage Council) during the eClearinghouse review process to ensure completion in a timely manner. Please go to the Kentucky Heritage Council's [website](#) (Site Protection Program) as soon as possible and follow the directions for electronic Section 106 submissions. KHC's response usually takes up to 30 days. Should KHC require additional information, the review will take longer. Documentation supporting the project review includes a Section 106 Cover Sheet, brief project description, map(s), and photographs of the project area and vicinity. Results of preliminary records reviews from the Site

Identification Section at KHC and/or the University of Kentucky's Office of State Archaeology may also be necessary. Please note, for applicants to receive their funding or permitting they must obtain a letter from the Kentucky Heritage Council providing their determination of eligibility for your undertaking or project. In most cases, this will be in addition to the eClearinghouse endorsement. For assistance at the Kentucky Heritage Council please contact:

Nicole Konkol
Kentucky Heritage Council
Barstow House
410 High St.
Frankfort, KY 40601

If you have any questions regarding the eClearinghouse review process please contact DLG.ECH@ky.gov.

L. **Standard Application Forms**

All new applications are to be submitted using the standard 2026 forms. A separate set of application forms is provided for each of the program areas. Standard 2026 forms may be downloaded from the DLG website (www.dlg.ky.gov).

M. **Site Visits/Consultations**

DLG **highly recommends** applicants to meet/discuss with CDBG staff, either **in person or via internet media**, at the minimum of 45 days prior to submission of an application. DLG has the option to make site visits to the project area. Applicants may receive project questions via letter and/or email.

N. **Life of Application**

Unsuccessful Community Projects, Housing, Economic Development and Public Facilities applications submitted during the 2025 application cycle **may** be eligible for reconsideration, in the same program area, during the 2026 application cycle with **prior** approval from DLG. Said approval to roll an application over to the succeeding application cycle will require a request signed by an applicant's CEO and a written determination from DLG that the application remain eligible and any proposed change is minimal. If approval is granted, the applicant will be notified if any extra submittals are required.

O. **Notification**

Applicants will be notified in writing when funding decisions have been made.

P. **Undistributed, Recaptured, Reallocated Funds and Program Income**

1. **Undistributed Funds (Remaining Funds)**

Undistributed funds are those 2026 monies that have not been obligated to a particular grantee by March 1, 2027. These funds can be from all program areas. If 2026 undistributed funds remain on March 1, 2027, those funds will be pooled (at this time, these undistributed funds may be obligated for use in other program areas for remaining 2026 applicants). Funds carried into the next program year will be allocated to one or more program areas and distributed in accordance with the Consolidated Plan.

2. **Recaptured Funds (Redistributed Funds)**

Recaptured funds are those monies received during the 2026 CDBG program year from the 2018 through 2025 CDBG program years. These funds can be from any program area. Any CDBG funds recaptured during the 2026 CDBG program year may be allocated to one or more projects based on need.

3. **Reallocated Funds**

Reallocated funds are those monies recaptured by HUD and redistributed to the states. Any CDBG funds reallocated by HUD and received by Kentucky during the 2026 CDBG program year will be allocated to one or more program areas and distributed in accordance with the Consolidated Plan.

4. **Program Income**

Program income is defined as gross income received by a unit of local government or a sub-recipient of a unit of general local government that was generated from the use of CDBG funds. The program income must be reported to DLG on the next draw request and expended on the next eligible CDBG activity unless the funds are set aside in a revolving loan fund for a specific preapproved use. The re-use of such funds is subject to all provisions of Title I of the Housing and Community Development Act.

Program income not subject to Title I federal regulations includes the following:

- a. The total amount of funds which is less than \$35,000 received in a single year that is received by a unit of general local government and its sub-recipients.
- b. Amounts generated by activities eligible under Section 5305(a)(15) of the Act and carried out by a DLG designated Local Development Authority (LDA).

DLG reserves the right to recapture local program income and LDA held proceeds from communities that fail to adequately meet statutory, contractual or regulatory requirements, fail to market and use the funding in an expeditious manner or when needed to address other significant state established needs and priorities. Local use of program income and LDA proceeds must be approved by DLG.

Q. HUD Section 108 Loan Guarantee Program

The Section 108 Loan Guarantee Program allows a state to leverage up to five times its annual CDBG funds for large-scale economic development and community projects. Funds borrowed using Section 108 requires a pledge of the Commonwealth's current and future CDBG allocations. CDBG rules and requirements apply. DLG has developed specific Section 108 Guidelines for non-entitlement communities that may be interested in this program. These guidelines may be viewed at www.dlg.ky.gov. Please contact the DLG Office of Federal Grants for more information on this program.

R. Procurement – Open Competition

KCDBG procurement must be conducted in a manner that ensures full and open competition consistent with the standards set forth in 2 CFR Part 200 and the KCDBG Procurement Code. All services to be provided must be procured in accordance with 2 CFR Part 200 and the KCDBG Procurement Code. Actions that might restrict competition would include:

- Placing unreasonable requirements on firms in order for them to qualify to do business.

- Requiring unnecessary experience.
- Prior knowledge of the proposed project.
- A cost-plus-construction contract is not allowed, and the contract must contain a not to exceed clause and amount.

SECTION IV
COMMUNITY PROJECTS

PROJECT SELECTION PROCESS

A. Submission Dates

Applications for Community Projects will be accepted from April 1, 2026, through September 1, 2026.

B. Acceptance of Applications

1. A complete original standard Community Project Application must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. Detailed Cost Estimate from a Certified Architect or a Licensed Professional Engineer. Please be aware, we will only accept Detailed Cost Estimates from the appropriate professional.
 - b. Documentation of meeting the citizen participation requirements must be met as referenced in Section III.
 - c. Authorizing Resolution to submit the project must be included. The Resolution must be numbered, signed by the applicant's CEO, dated and attested.
 - d. All funding Commitment Letters; if cash, please attach a bank statement; if loan, please attach proof of commitment from a lending institution (*if applicable*).
 - e. The eClearinghouse Review must be completed and endorsed as referenced in Section III.
 - f. Applicant must have determination of eligibility for listing on the National Register of Historic Places from Kentucky Heritage Council and approval from the State Historic Preservation Officer.

- g. Letter signed by the applicant CEO stating how the applicant has met threshold requirements as stated in Section III.
- h. The HUD-2880, Applicant/Recipient Disclosure/Update Report.
- i. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Municipal Planning Section of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Jason Lambert
Municipal Planning Section
jason.lambert2@ky.gov
- j. For water projects applicant must provide a letter from the distribution system and/or water treatment plant stating they have sufficient capacity to address the demand.
- k. For wastewater projects applicant must provide a letter from the collection system and/or wastewater treatment plant stating they have sufficient capacity to receive and treat the sewage.
- l. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years). For information on these plans, contact:

Terry Humphries, Supervisor
Engineering Section
terry.humphries@ky.gov
- m. Copy of approval letter from Housing Building and Construction (HBC), if applicable.

C. **Community Projects Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The project must substantiate and address a need that is significant to the needs of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG funding is necessary to meet the identified need(s); the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

3. **Project Effectiveness**

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Staff review will culminate in projects being placed in one of the following four (4) priorities:

Priority I: Applications in this category have met all program requirements and have a minimum of a 15% match of total project costs*. Additionally, all other funds are firmly committed and design is complete and approved by the appropriate agency(ies).

Priority II: Applications in this category have met all program requirements and have a minimum of a 10% match of total project costs*. Additionally, all other funds are firmly committed and design may not be complete.

Priority III: Applications in this category have met all program requirements however, project needs; benefits and/or community involvement are less than that needed for Priority I or II. In addition,

applicant may have failed to provide at least 10% match of total project costs and/or other funds are not firmly committed.

Priority IV: Applications in this category have not met all program requirements and/or the project is not recommended for funding by DLG staff.

*Only firmly committed matching funds in the form of supplemental financing (i.e.: loans, cash, other grant funds, etc...) will be accepted to meet the 15% or 10% match requirements. **In-kind donations and contributed property will not be accepted as match.**

E. **Project Review Committee**

The findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all three review criteria will not be funded. In the event demand exceeds the amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project will be eligible for partial funding. In such instances, DLG will negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION V

ECONOMIC DEVELOPMENT

The Economic Development component of the CDBG program is comprised of two segments. **Traditional Economic Development** projects are those which specifically address the creation or retention of jobs for persons of low and moderate income through the provision of assistance to specific industrial and/or business clients. **Non-Traditional Economic Development** projects are those which will allow for the funding of eligible activities benefiting low and moderate income persons that may not directly relate to job creation. Typical activities include, but are not limited to, job training and placement or other support services including peer support, counseling, childcare and transportation.

PROJECT SELECTION PROCESS

A. **Submission Dates**

Applications for Economic Development projects will be accepted from April 1, 2026, through March 1, 2027. Should the fundable application requests exceed the amount allotted, the Commissioner has the right to request funding from another program area prior to the March 31, 2027, deadline, as stated on page 18.

B. **Acceptance of Applications**

1. A complete original standard Economic Development Application must be submitted.
2. Activities described in the application will be checked to determine if they meet fundability criteria as established in the Housing and Community Development Act, including the Public Benefit requirements as required by 24 CFR 570.482(e).
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. The citizen participation requirements must be met as referenced in Section III.
 - b. Authorizing Resolution to submit the project must be included. The

- Resolution must be signed, dated and attested.
- c. The eClearinghouse request for review must be submitted as referenced in Section III.
 - d. Applicant must have determination of eligibility for listing on the National Register of Historic Places from Kentucky Heritage Council and approval from the State Historic Preservation Officer (if applicable).
 - e. Letter signed by the applicant CEO stating how the applicant has met threshold requirements as stated in Section III.
 - f. Letter signed by the participating party assuring:
 - i. Commitment of full time employment, either created or retained (as applicable), and assurance of compliance with the LMI National Objective.
 - ii. Compliance with all Environmental requirements promulgated in 24 CFR 58 for non-exempt activity and further indicating that no obligation of funds will occur prior to DLG's environmental clearance.
 - iii. Commitment of Participating Party's investment.
 - g. The HUD-2880, Applicant/Recipient Disclosure/Update Report.
 - h. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Municipal Planning Section of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Jason Lambert
Municipal Planning Section
jason.lambert2@ky.gov

For water projects applicant must provide a letter from the distribution system and/or water treatment plant stating they have sufficient capacity to address the demand.

- i. For wastewater projects applicant must provide a letter from the collection system and/or wastewater treatment plant stating they have sufficient capacity to receive and treat the sewage.
- j. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years). For information on these plans, contact:
Terry Humphries, Supervisor
Engineering Section
terry.humphries@ky.gov
- k. Copy of approval letter from Housing Building and Construction (HBC), if applicable.

C. **Economic Development Proposals Requesting Assistance Under 5305(a)(14)**

Applicants may request grants for activities that are carried out by public and private non-profit entities. The activities include, but are not limited to, the acquisition of real property; the acquisition, construction, reconstruction or installation of both public facilities improvement and utilities; and business or industrial buildings or real property improvements. Such activities are eligible under Section 5305(a)(14) of the Act.

D. **Economic Development Proposals Requesting Assistance Under 5305(a)(15)**

Applicants requesting assistance for non-profit organizations under Section 5305 (a)(15) of the Act must assure that the community economic development project includes activities that increase economic opportunity, principally for persons of low and moderate income or that stimulate or retain permanent jobs. Recipients can use CDBG funds for grants or loans to non-profit organizations for the purpose of promoting economic development. Recapture generated by activities eligible under Section 5305(a)(15) of the Act may not be subject to program income requirements as specified in Section 570.489 of the regulations.

E. **Economic Development Proposals Requesting Assistance Under 5305(a)(17)**

Applicants requesting assistance to private for-profit organizations under Section 5305(a)(17) of the Housing and Community Development Act must include a specific "appropriate" analysis. The purpose of this analysis is to determine the extent of need of the for-profit business for CDBG assistance and the amount of assistance to be provided in comparison to the public benefit that is expected as a result of such assistance. The review must include a financial analysis and discussion of the extent of public benefit. The applicant must not negotiate the loan rate and term prior to conducting the appropriate review. These items will be determined based on a financial analysis of the company.

The analysis will include but not be limited to the following steps:

1. Determination of project type.
2. Evaluation of the proposed project costs.
3. Verification and maximization of private funding sources.
4. Determination of need for CDBG assistance.
This criterion will include review of the financing or collateral gap, rate of return and locational factors as applicable.
5. Determination of amount of CDBG assistance.
6. Determination of rate and term of CDBG assistance.
7. Assessment of public benefit.

While there are no set standards for public benefit, discussions might include: the number and type of jobs to be made available, the number of LMI persons, other persons who are likely to be employed or retained for employment, the other development likely to be stimulated, increases to the tax base or increases in needed services which will result from the project.

F. **Economic Development Projects Review Criteria**

Both Traditional and Non-Traditional Economic Development applications will be reviewed under criteria developed for that particular application type. In order for a project to be funded, a determination must be made that CDBG funds are needed to accomplish the project and the amount of funds requested is reasonable relative

to job creation where applicable and other funding associated with the project. To make this determination, the following criteria will be reviewed:

1. Permanent Jobs Created/Retained/Available

Traditional Economic Development projects must create or retain jobs. Non-Traditional Economic Development projects can create or retain jobs or can qualify as noted below. When job creation/retention is claimed, no funds will be obligated without an assurance by the project's beneficiary (e.g. developer, industry, employer, etc.) that permanent full time/equivalent employment will occur as a result of CDBG expenditure. The beneficiary will provide the applicant a statement of:

- a. Documentation of number, type and salary range of permanent jobs to be created or retained over a two-year period;
- b. Documentation to support LMI characteristics of the retained workforce, imminent loss of existing jobs and that jobs can reasonably be expected to be filled by LMI persons;
- c. Documentation to support that existing non-LMI jobs may be considered available to LMI persons, if vacated; and
- d. Acceptance of the applicable LMI hiring requirement.

The number of jobs being committed must be reasonable in relation to the amount of the CDBG request. Permanent full time/equivalent jobs are calculated on a basis of 2000 hours per year.

2. The Ratio of Other Public/Private Funds to CDBG Funds

The impact of CDBG dollars must be maximized and the use of CDBG funds reasonable when compared with other funding sources. The applicant must demonstrate that all other feasible public/private funding sources have been analyzed and/or applied to the project. In order to assure that funds are secured, funding commitments from public/private funding sources shall be included with the project application. The commitments may be contingent on CDBG funding. Applications will be analyzed with respect to the use

and/or potential use of recaptured funds by the applicant and/or its agent from any prior Economic Development project(s). All applicants will be required to complete a Repayment Report as part of the application. DLG reserves the right to reduce an applicant's request as appropriate based on the cash balance on hand and/or the projected revenue to be earned from a previous grant(s). If an applicant feels that such an action is inappropriate, it must justify its rationale. Recaptured funds originating from CDBG Economic Development projects, not falling under the category of program income, will also be evaluated to confirm the efficient and effective use of the funds.

3. Applicability of Recaptured Funds

Recaptured funds and any related earnings from CDBG Economic Development projects may be retained by the recipient or their designee. The recipient must propose the method of collection and identify the potential activities to be funded. They must describe how the funds will be collected, accounted for and disbursed. If they plan to designate any entity such as a Local Development Authority to be responsible, that must be explained. Use of program income and other CDBG generated proceeds must be approved by DLG. See Program Income, Section III. P. above for more guidance.

G. Additional Non-Traditional Review Criteria

1. Project Need

The project must substantiate and address a need that is significant to the economic development efforts of the community. Relevant demographic information including unemployment rate, per capita income and poverty level are important factors for consideration.

2. Necessary and Reasonable Expenditure of CDBG Funds

The project must substantiate that CDBG funding is necessary to meet the identified need(s), the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources.

3. **Project Effectiveness**

The application must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design. If the project does not propose the creation/retention of permanent full time/equivalent employment, the applicant must identify the proposed beneficiaries and identify which section of the Act determines eligibility.

4. **Low and Moderate Income Qualification**

Non-Traditional Economic Development projects which do not use job creation as the basis for meeting a national objective may qualify the project through direct survey of the people served or under the Aggregate Standards or Limited Clientele provisions of the regulations. The applicant must identify the method used to qualify the project.

H. **Economic Development Project Review Process**

Review of Economic Development applications is a two-part process involving preliminary staff review followed by consideration of the review committee.

1. **Application Preliminary Review**

When documentation from the applicant is complete, DLG staff will conduct their review utilizing the underwriting guidelines contained in Section 570.482 (e), Guidelines and Objectives for Evaluating Project Costs and Financial Requirements, contained in the HUD Small Cities Guidelines. Staff will present the application to the review committee for its consideration and recommendation for funding.

An "appropriate" determination will be completed for all projects proposed under Section 5305(a)(17) prior to submission to the review committee.

In order for a Non-Traditional Economic Development project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness.

2. **Project Priority**

Staff review will culminate in projects being placed in one of three (3) priorities:

Priority I: Applications in this category have met all program requirements, exhibit serious economic development need, maximize the impact of CDBG funds and substantiate significant proposed accomplishments.

Priority II: Applications in this category have met all program requirements and are fundable projects. Priority II applications can be funded by the committee or deferred if appropriate.

Priority III: Applications in this category are ineligible, un-fundable or do not meet a national objective.

3. **Project Review Committee**

Staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all three of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

I. **Negotiation**

In some situations, a project will be eligible for partial funding or a change in loan rate and term. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured financially.

J. **Economic Development Supplemental Funding**

Due to unforeseen rising construction costs, previously funded CDBG projects are eligible to request supplemental CDBG funding as a means of last resort to ensure projects are completed in a timely manner. Supplemental CDBG funding may only be utilized to cover cost overages associated with the base bid for construction

project and within the \$20,000 per FTE job. Requests for supplemental CDBG funding must include the following:

- Written explanation detailing the need, bidding efforts to date, and timeline of efforts to secure bids on the CDBG grantee's letterhead.
- Copy of the certified bid tabs from all previous bidding attempts.
- Copy of the minutes from each bid opening attempt.
- Copy of the final detailed cost estimate from certified engineer on letterhead prior to the first bidding process.
- Written commitment on the contractor's letterhead from the lowest bidder certifying they will hold their bids for 90 days from date of bid opening.

Projects will be evaluated for supplemental funding by the review committee based on eligibility, criteria, and staff comments. In some situations, a project may be eligible for partial supplemental funding requested. In such instances, DLG will negotiate with the applicant to ascertain whether the project can be reduced in size or restructured. **As long as CDBG funds are available, requests for supplemental CDBG funding for Economic Development may be submitted.**

K. **Life of Economic Development Application**

DLG reserves the right to defer a project application into a subsequent funding round due to insufficient funds availability. A new application is not necessary.

SECTION VI
HOUSING PROJECTS

PROJECT SELECTION PROCESS

A. Submission Dates

Applications for Housing projects will be accepted from April 1, 2026, through February 1, 2027.

B. Acceptance of Applications

1. A complete original of the standard Housing Application forms must be submitted.
2. Activities described in the application will be checked to determine if they meet fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. Housing Detailed Cost Estimate from the DLG Website.
 - b. The Homeowners List.
 - c. The citizen participation requirements must be met as referenced in Section III.
 - d. Authorizing Resolution to submit the project must be included. The Resolution must be signed, dated and attested.
 - e. All funding Commitment Letters; if cash, please attach a bank statement; if a loan, please provide proof of commitment from lending a institution.
 - f. The eClearinghouse Review **must** be completed and endorsed as referenced in Section III.
 - g. Applicant must have determination of eligibility for listing on the National Register of Historic Places from Kentucky Heritage Council and approval from the State Historic Preservation Officer.
 - h. Letter signed by the applicant CEO stating how the applicant has met

threshold requirements as stated in Section III.

- i. For Septic Systems, attach a copy of the letter sent to the local health department listing each structure receiving a new upgraded septic system *(if applicable)*.
- j. For involuntary housing projects that are part of a neighborhood revitalization project, provide documentation to substantiate compliance with KRS Chapter 99 by providing a copy of a City or County approved Redevelopment Plan, including compliance with the Uniform Relocation Act *(if applicable)*.
- k. For voluntary housing projects, provide proof of the publication announcement of the rehabilitation program, a copy of the household surveys, and the adopted Temporary Relocation Policy *(if applicable)*.
- l. Documentation to substantiate that conflict-of-interest provisions have been discussed with the governing body and possible recipients.
- m. The HUD-2880, Applicant/Recipient Disclosure/Update Report.
- n. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Municipal Planning Section of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Jason Lambert
Municipal Planning Section
jason.lambert2@ky.gov

For water projects applicant must provide a letter from the distribution system and/or water treatment plant stating they have sufficient capacity to address the demand.

- o. For wastewater projects applicant must provide a letter from the collection system and/or wastewater treatment plant stating they have sufficient capacity to receive and treat the sewage.
- p. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years). For information on these plans, contact:
Terry Humphries, Supervisor
Engineering Section
terry.humphries@ky.gov
- q. Copy of approval letter from Housing Building and Construction (HBC), if applicable.

C. Housing Projects Review Criteria

For a project to be funded, a determination must be made regarding need, reasonability of costs and overall effectiveness. To make this determination the following considerations will be applied to each project:

1. Project Need

The project must substantiate and address a need that is significant to the housing needs of the community (e.g., major and serious dilapidation, deterioration or inadequacy of housing stock and/or public facilities).

2. Necessary and Reasonable Expenditure of CDBG Funds

The project must substantiate that CDBG funding is necessary to meet the identified need(s), the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. DLG will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

Any Program Income earnings from CDBG Housing projects retained by the

recipient or designated subrecipient must be used for eligible CDBG activities. The recipient must propose the method of collection, identify the potential activities to be funded and designate the recipient(s) responsible for collection, accounting and disbursement.

3. Project Effectiveness

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. Project Priority

Staff review will culminate in projects being placed in one of the following three (3) priorities:

Priority I: Applications in this category have met all program requirements, exhibit serious housing (including water or sewer) needs, substantiate significant project accomplishments and maximize the impact of CDBG funds. This includes the level of CDBG funds applied to housing units versus CDBG funds applied to public facilities activities within the overall housing project. Applications in this category have a minimum of 25% match of CDBG funds requested*.

Priority II: Applications in this category may or may not have met all program requirements, however, are fundable projects. The project needs, accomplishments and impact of CDBG funds and/or benefits are less acceptable than a Priority I. This includes the level of CDBG funds applied to housing units versus CDBG funds applied to public facilities activities within the overall housing project. Applications in this category have a minimum of 10% match of CDBG funds requested*.

Priority III: Applications in this category may or may not have met all program requirements and/or have serious deficiencies, however are fundable projects. The project needs, accomplishments and impact of CDBG funds and/or benefits are less acceptable than a Priority I and/or

Priority II. This includes the level of CDBG funds applied to housing units versus CDBG funds applied to public facilities activities within the overall housing project. Applications in this category may have less than a 10% match of CDBG funds requested*.

Priority IV: Applications in this category have serious deficiencies and are ineligible or not fundable.

*Only firmly committed matching funds in the form of supplemental financing (i.e.: loan financing, cash, other grant funds, etc...) will be accepted to meet the 25% or 10% match requirements. **In-kind donations and contributed property will not be accepted as match.**

E. Project Review Committee

The findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all three of the review criteria will not be funded. In the event demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project will be eligible for partial funding. In such instances, DLG will negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

F. Single-Family Homeownership Rehabilitation Affordability Terms

Assistance Amount	Lien/Affordability	CDBG Forgiven Annually
Less than \$15,000	Five Years	Forgiven when mature
\$15,000-\$100,000	Ten Years	First five years 100% remains, 20% annually after first five years
\$100,001-\$120,000+	Fifteen Years	First five years 100% remains, 10% annually after first five years

SECTION VII
PUBLIC FACILITIES

PROJECT SELECTION PROCESS

A. Submission Dates

Applications for Public Facility projects will be accepted from April 1, 2026, through September 1, 2026.

B. Acceptance of Applications

1. A complete original of the standard Public Facilities Project Application must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The WRIS Project Profile must be electronically submitted to the Kentucky Infrastructure Authority. WRIS Project Profile information must match the information in the application and the eClearinghouse.
5. The following requirements **must** be met, documented and **submitted** with the application:
 - a. Current Detailed Cost Estimate from a Licensed Professional Engineer.
 - b. The citizen participation requirements must be met and documented as referenced in Section III.
 - c. An Authorizing Resolution (authorizing submission of the project) must be included. The Resolution must be numbered, signed by the applicant's CEO, dated and attested.
 - d. Documentation supporting the commitment of other funds (*if applicable*).
 - e. eClearinghouse endorsement letter as referenced in Section III.
 - f. Letter signed by the applicant CEO stating how the applicant has met threshold requirements as stated in Section III.

- g. HUD-2880: Applicant/Recipient Disclosure/Update Report.
- h. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Municipal Planning Section of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Jason Lambert
Municipal Planning Section
jason.lambert2@ky.gov

For water projects applicant must provide a letter from the distribution system and/or water treatment plant stating they have sufficient capacity to address the demand.

- i. For wastewater projects applicant must provide a letter from the collection system and/or wastewater treatment plant stating they have sufficient capacity to receive and treat the sewage.
- j. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years). For information on these plans, contact:

Terry Humphries, Supervisor
Engineering Section
terry.humphries@ky.gov

- k. Copy of approval letter from Housing Building and Construction (HBC), if applicable.
- l. Applicants proposing water or sewer line extensions must identify areas for service that have a minimum average of six (6) customers per mile. This does not apply to Self-Help Public Facilities projects.
- m. Estimated Project Schedule.

C. **Public Facilities Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The applicant must show that the project addresses a significant infrastructure need of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The applicant must substantiate that CDBG funding is necessary to meet the identified need(s); the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

3. **Project Effectiveness**

The applicant must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Staff review will culminate in projects being placed in one of the following four (4) priorities:

Priority I: Applications in this category have met all program requirements, have project needs and/or benefits which are significant, have a minimum of one-to-one match of other funds and all other funds are firmly committed, engineering design is complete and approved by DOW. Regionalization issues are addressed where feasible.

Priority II: Applications in this category have met all program

requirements, have project needs and/or benefits which are moderate, have a minimum of one-to-one match of other funds, all other funds may not have been committed and/or engineering design may not have been completed. Regionalization issues are addressed where feasible.

Priority III: Applications in this category may or may not have met all program requirements, have project needs and/or benefits which are less acceptable and has a minimum match of 20%. This includes water and sewer projects with costs greater than \$17,000 per customer. Communities with combined current water and sewer rate less than \$64 per month, a current water rate less than \$32 per month or a sewer rate less than \$32 for 4,000 gallons of water use. Applications for I&I reduction that have not completed the SSES studies to determine project activities will be considered a Priority III project.

Priority IV: Applications in this category may not have met all program requirements and the project is not recommended for funding due to one or more serious deficiencies.

E. **Public Facilities Self-Help Review Criteria**

Self-Help projects are projects where CDBG dollars are used to buy materials only, the entity will perform the desired work with their own staff. The project must be completed in two years and the maximum amount funded is \$300,000.

The total amount for Self-Help projects (which is derived from the Public Facility allocation) will not exceed one million dollars. In order for a Self-Help project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness. To make this determination, the following considerations will be applied to each project:

1. **Project Need**

The applicant must substantiate that the project addresses a deficiency in public facilities and/or document health and safety needs which affect the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The applicant must substantiate that CDBG funding is necessary to meet

the identified need(s), the impact of CDBG dollars is maximized and the use of CDBG funds are reasonable. Documentation of funding commitment letters from the other funding sources must be included in the application, if applicable. The other funding commitments may be contingent on CDBG funding.

3. Project Effectiveness

The applicant must substantiate that accomplishments would be significant given the need, amount of funds requested, local effort and program design. Communities must demonstrate their commitment of local resources (volunteer labor, all necessary financing, construction equipment, etc.) and the ability to complete the project within 24 months. Projects must be included in and prioritized by the Kentucky Water Management Plan created pursuant to KRS Chapter 151A to receive a grant offer.

F. Self-Help Project Priority

Projects will be placed in one of four (4) priorities:

Priority I: Applications in this category have met all program requirements, have project needs and/or benefits which are significant, all other funds are firmly committed if applicable, engineering design is complete and approved by DOW. Regionalization issues are addressed where feasible.

Priority II: Applications in this category have met all program requirements, have project needs and/or benefits which are moderate, other funds may not have been committed if applicable and/or engineering design may not have been completed. Regionalization issues are addressed where feasible.

Priority III: Applications in this category may or may not have met all program requirements, have project needs and/or benefits which are less acceptable. This includes water and sewer projects with costs greater than \$17,000 per customer. Communities with combined current water and sewer rate less than \$64 per month, a current water rate less than \$32 per month or a sewer rate less than \$32 for 4,000 gallons of water use,

Applications for I&I reduction that have not completed the SSES studies to determine project activities will be considered a Priority III project.

Priority IV: Applications in this category may not have met all program requirements and the project is not recommended for funding due to one or more serious deficiencies.

G. **Public Facilities Design-Only Criteria**

Design-Only projects are projects where CDBG dollars are used to provide design only, the entity will perform the desired work with a CDBG procured engineering firm. The project must be completed within 18 months of award and the maximum amount per grant is \$200,000. The total amount for Design-Only projects (which is derived from the Public Facility allocation) will not exceed one million dollars. For a Design-Only project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness. To make this determination, the following considerations will be applied to each project:

Submission Dates

Applications for Community Projects will be accepted from April 1, 2026, through February 1, 2027.

1. **Project Need**

The applicant must substantiate that the project addresses a deficiency in public facilities and/or document health and safety needs which affect the community. LMI must be established.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The applicant must substantiate that CDBG funding is necessary to meet the identified need(s), the impact of CDBG dollars is maximized and the use of CDBG funds are reasonable. Documentation of funding commitment letters from the other funding sources must be included in the application, if applicable. The other funding commitments may be contingent on CDBG funding.

3. **Project Effectiveness**

The applicant must substantiate that accomplishments would be significant given the need, amount of funds requested, local effort and program design. Communities must demonstrate their ability to complete the project within 18 months. Projects must be included in and prioritized by the Kentucky Water Management Plan created pursuant to KRS Chapter 151A to receive a grant offer.

H. **Design-Only Project Priority**

Projects will be placed in one of two priorities:

Fundable: Applications in this category have met all program requirements, have project needs and/or benefits which are significant, all other funds are firmly committed if applicable, Regionalization issues are addressed where feasible.

Not Fundable: Applications in this category may not have met all program requirements and the project is not recommended for funding due to one or more serious deficiencies.

DLG has developed specific Design-Only Guidelines for communities that may be interested in this program. These guidelines may be viewed at www.dlg.ky.gov.

I. **Project Review Committee**

The staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all three of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding. In some situations, a project may be eligible for partial funding. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

J. CDBG Public Facilities Supplemental Funding: As long as CDBG funds are available, requests for supplemental CDBG funding for Public Facilities will be accepted.

Due to unforeseen rising construction costs, previously funded CDBG projects are eligible to request supplemental CDBG funding as a means of **last resort** to ensure projects are completed in a timely manner. Supplemental CDBG funding may only be utilized to cover cost overages associated with the **base bid**.

Requests for supplemental CDBG funding must include the following:

- Written explanation detailing the need, bidding efforts to date, and timeline of efforts to secure bids on the CDBG grantee's letterhead.
- Copy of the certified bid tabs from all previous bidding attempts.
- Copy of the minutes from each bid opening attempt.
- Copy of the final detailed cost estimate from certified engineer on letterhead prior to the first bidding process.
- Written commitment on the contractor's letterhead from the lowest bidder certifying they will hold their bids for 90 days from date of bid opening.

Projects will be evaluated for supplemental funding by the review committee based on eligibility, criteria, and staff comments. In some situations, a project may be eligible for partial supplemental funding requested. In such instances, DLG will negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION VIII

PUBLIC SERVICES

CDBG Public Services funds, in the form of operational costs to support the Recovery Kentucky Program, will be made available in 2026 to existing Recovery Kentucky Substance Abuse Centers. These centers serve individuals who have a history of substance abuse, with an emphasis on the homeless, those at risk of becoming homeless and those referred by the judicial system.

PROJECT SELECTION PROCESS

A. **Submission Dates**

Applications for Public Service projects will be accepted from April 1, 2026, through February 1, 2027.

B. **Acceptance of Applications**

1. A complete original of the standard Public Services Project Application Form must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. The citizen participation requirements must be met as referenced in Section III.
 - b. Authorizing Resolution to submit the project must be included. The Resolution must be signed, dated and attested.
 - c. All funding Commitment Letters; if cash, please attach a bank statement; if loan, please attach proof of ability to borrow funds (*if applicable*).
 - d. The eClearinghouse Review must be submitted as referenced in Section III.
 - e. The HUD-2880, Applicant/Recipient Disclosure/Update Report.

C. **Public Services Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The project must substantiate and address a need that is significant to the needs of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG funding is necessary to meet the identified need(s). The impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

3. **Project Effectiveness**

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Staff review will culminate in projects being placed in one of the following three (3) priorities:

Priority I: Applications in this category are seeking operational funding for an existing Recovery Kentucky Center. Additionally, the applicant has a proven track record in fiscal responsibility and is successfully implementing the Recovery Kentucky program model that includes peer support, daily living skills training, job responsibilities and practical living experiences.

Priority II: Applications in this category are seeking operational funding for an existing Recovery Kentucky Center. The applicant does not have a proven track record in fiscal responsibility but is successfully implementing the Recovery Kentucky program model that includes peer support, daily living skills training, job responsibilities and practical living experiences.

Priority III: Applications in this category are seeking operational funding for an existing Recovery Kentucky Center. The applicant does not have a proven track record in fiscal responsibility and is not successfully implementing the Recovery Kentucky program model that includes peer support, daily living skills training, job responsibilities and practical living experiences.

E. **Project Review Committee**

The staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all three of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project may be eligible for partial funding. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION IX

PERFORMANCE MEASUREMENT SYSTEM

A Performance Measurement Outcome System has been established by HUD as a standardized framework to gather information, measure program results and quantify the benefit of these programs to low- and moderate-income families and communities. The programs that are covered by this framework are:

CDBG (Community Development Block Grant)

HOME (Home Investment Partnership Program)

ESG (Emergency Shelter Grant)

HOPWA (Housing Opportunities for Persons with AIDS Program)

HUD has implemented Performance Measures through the Integrated Disbursement and Information System (IDIS). Recipients must acknowledge that they will be required to submit performance measure information to DLG in order to meet this reporting requirement. Submittal of information will be solicited by DLG via the Program Completion Report at closeout. Some recipients, due to the nature of their projects, may have to submit information on an annual basis via a Jobs Created and Retained Report or an Assisted Housing Unit Address Report.

There are three main components of the Performance Measurement System: Objectives, Outcomes and Indicators. Each component relates to a project activity. An objective related to the type of activity, funding source and goal/program intent will be assigned by DLG.

Objectives include:

- Suitable Living Environment
- Decent Housing
- Economic Opportunity

Next, an outcome will be selected based upon the purpose of the activity.

Outcomes include:

- Improved Availability/Accessibility
- Improved Affordability
- Improved Sustainability

In addition to selecting an objective and outcome for each project activity, certain indicators will be required to be identified and quantified. These indicators vary by program area (Community Projects/Renaissance, Economic Development, Housing, Public Facilities, and Public Services).

PERFORMANCE MEASURES DEFINITIONS

The following definitions will be used when choosing Performance Measure Objectives and reporting Outcomes:

Objectives:

Suitable Living Environment. In general, this objective relates to activities that are designed to benefit communities, families or individuals by addressing issues in their living environment.

Decent Housing. The activities that typically would be found under this objective are designed to cover the wide range of housing possibilities under CDBG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort (such as described above under Suitable Living Environment).

Economic Opportunities. This objective applies to the types of activities related to economic development, commercial revitalization or job creation.

Outcomes:

Availability/Accessibility. This outcome category applies to certain activities that make services, infrastructure, housing or shelter available or accessible to low and

moderate income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low- and moderate-income people.

Affordability. This outcome category applies to activities that provide affordability in a variety of ways in the lives of low- and moderate-income people. It can include the creation and maintenance of affordable housing, basic infrastructure hook-ups or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities. This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low and moderate income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

**PUBLIC FACILITIES DESIGN-ONLY
GRANT REQUIREMENTS**

Engineering Design Only for PF projects

\$600K-\$1M set aside from PF allocation

\$200K cap at 100% CDBG

Engineer must be procured by CDBG standards. If an engineer has not been procured the RFQ must be published within 1 month of the executed GA and approved by DLG

Requires a pre-application meeting with PF staff 45 days prior to application submittal

Must be a project that meets LMI with documentation

Must have all studies and planning documents completed and approved, if applicable

GA good for 1 1/2 years (18 months) with no extensions (Award 1/1/25-6/30/26)

Engineering contract to be awarded within 1 month of the selection of the engineering firm with Notice of Award submitted to DLG

Plans and specs must be completed and submitted to DOW within 1 year of the engineering contract award with notice of submittal sent to DLG

The Construction application must be submitted to DLG within 1 year from the end of the design grant or the next funding round, with DOW approval.

Construction applications that received a design grant would get priority over other applications

Construction must be completed within 2 years of executed GA with a 1-year extension possible

All other funds must be committed to submit construction application.

All thresholds will be applicable, and this will count as your one application for the cycle outside of Housing, Economic Development or Recovery KY.

2026 CERF STAND ALONE DOCUMENT

**KENTUCKY
COMMUNITY DEVELOPMENT BLOCK GRANT
COMMUNITY EMERGENCY RELIEF FUND (CERF)**



**Department for Local Government
Office of Federal Grants
Matt Sawyers, Commissioner
www.dlg.ky.gov**

**TEAM 
KENTUCKY™**

Please refer to the 2026 Guidelines for more information

COMMUNITY EMERGENCY RELIEF FUND (CERF)

All CERF requests must meet the following criteria:

1. The proposed project must alleviate existing conditions which pose a serious and immediate threat to the health and welfare of the community;
2. The threat must be supported by a current declaration of an emergency by the Governor relative to a flood, a tornado, an earthquake or other disaster event;
3. The conditions are of recent origin (within 18 months of the Governor's Emergency Declaration); and
4. The applicant is unable to finance the project on its own, no other funding is available to address the problem and CDBG funding will be directly targeted towards alleviation of the threatening conditions.

CERF assistance will generally not be made available to projects with public facility failures resulting from neglected maintenance by a locality.

PROJECT SELECTION PROCESS

A. Submission Dates

Complete original applications for CERF projects will be accepted from April 1, 2026, through February 1, 2027.

B. Acceptance of Applications

1. An original standard CERF Project Application must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act, including that an emergency exists that meets the National Objective as prescribed in 24 CFR 570.483(d).
3. Project activities must meet one of the three National Objectives as referenced in Section II.

4. The following requirements must be met, documented and submitted with the application:
 - a. The CERF Reimbursement Spreadsheet and evidence of payment, including invoices, cancelled checks, and force account labor records and equipment records if applicant is seeking reimbursement.
 - b. Documentation of the citizen participation requirements must be met as referenced in Section III.
 - c. Authorizing Resolution to submit the project must be included. The Resolution must be signed by the applicant's CEO, dated and attested.
 - d. The Certification of Community Needs Having a Particular Urgency form.
 - e. A copy of the Declaration of Emergency signed by the Governor.
 - f. All funding Commitment letters; if cash, please attach a bank statement; if loan, please attach proof of commitment from a lending institution. *(if applicable)*
 - g. The State eClearinghouse request for review must be submitted as referenced in Section III and the applicant must assure that it will comply with all environmental requirements promulgated in 24 CFR Part 58.
 - h. Letter of determination of eligibility for listing on the National Register of Historic Places from the Kentucky Heritage Council, and clearance from the State Historic Preservation Officer. *(if applicable)*
 - i. The HUD-2880, Applicant/Recipient Disclosure/Update Report.
 - j. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Municipal Planning Section of DOW approving the relevant plan is

required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Jason Lambert
Municipal Planning Section
jason.lambert2@ky.gov

For water projects applicant must provide a letter from the distribution system and/or water treatment plant stating they have sufficient capacity to address the demand.

- k. For wastewater projects applicant must provide a letter from the collection system and/or wastewater treatment plant stating they have sufficient capacity to receive and treat the sewage.
- l. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years). For information on these plans, contact:
Terry Humphries, Supervisor
Engineering Section
terry.humphries@ky.gov
- m. Copy of approval letter from Housing Building and Construction (HBC), if applicable.

C. CERF Project Review Criteria

For a project to obtain funding, a determination must be made regarding project need, reasonability of costs and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. Project Need

The project must substantiate and address a need that is significant to the community.

2. Necessary and Reasonable Expenditure of CDBG Funds

The project must substantiate that CDBG funding is necessary to meet the identified need(s), the impact of the CDBG dollars is maximized and the use of CDBG funds is reasonable. The state will determine whether all other feasible public and private funding sources have been analyzed and applied to the project.

3. Project Effectiveness

The project must substantiate that the project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. Project Review Committee

The findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of: approval, modification, rejection or deferral. Projects that do not meet all three (3) review criteria will not be funded. The committee shall have the authority to determine funding.

In the event the local unit of government maintains a budgetary surplus to adequately fund the project, the review committee reserves the right to reject the project.

If more than one application is submitted and there are insufficient funds to address all funding requests, the committee shall prioritize the applications for funding distribution.

Threshold Requirements

Community Emergency Relief Fund

CERF applicants must have a current and approved program income report if applicable and audit requirements met to date.

CERF applications remain active and roll to the year following submission without formal approval. An application is no longer valid after the one rollover.

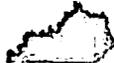
**2026 SECTION 108 GUIDELINE
DOCUMENT**

**KENTUCKY
SECTION 108 LOAN GUARANTEE
PROGRAM**

2026 PROGRAM GUIDELINES



**Department for Local Government
Office of Federal Grants
Matt Sawyers, Commissioner
www.dlg.ky.gov**

**TEAM 
KENTUCKY™**

The Department for Local Government (DLG) does not discriminate on the basis of race, color, national origin, sex, age, religion, sexual orientation, gender identity or disability and provides, upon request, reasonable accommodation including auxiliary aids and services necessary to afford an individual with a disability an equal opportunity to participate in all services, programs and activities.

**Department for Local Government
Office of Federal Grants
Commonwealth of Kentucky**

Kentucky Section 108 Loan Guarantee Program
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SECTION I
PROGRAM PURPOSE

The Kentucky Department for Local Government (DLG) is the state agency designated to administer Section 108 loan guarantees, a program of the U.S. Department of Housing and Urban Development (HUD).

The Commonwealth of Kentucky receives an annual federal allocation of funds under the Community Development Block Grant (CDBG) Program. In accordance with the federal regulations found in 24 CFR 570.710, Subpart M, a state may develop procedures and requirements to assist federal non-entitlement cities and counties to apply for assistance from the HUD Section 108 Loan Guarantee Program. The Section 108 loan program provides an additional source of funds to address significant economic development and community projects which have a regional or statewide impact.

Projects funded with Section 108 guaranteed loan funds must comply with all federal requirements that apply to the CDBG Program (i.e. National Environmental Polices Act, Federal Labor Standards Act including Davis Bacon, Uniform Relocation Assistance and Real Property Acquisition Act, 2 CFR Part 200 Single Audit and the Civil Rights Act).

NOTE: These guidelines are not applicable to federal entitlement communities that receive CDBG funds directly from HUD. These communities will apply directly to HUD for Section 108 loan funds.

SECTION II

NATIONAL OBJECTIVES

Each activity funded under the HUD Section 108 Loan Guarantee Program must meet at least one of the three National Objectives identified in Title I of the Housing and Community Development Act of 1974 as amended in 1983, 1987 and 1992, hereafter referred to as the Act, Section 104(b) (3), and regulations contained in the 24 Code of Federal Regulations (CFR) Section 570.483. The three objectives are:

1. Benefit to low and moderate income persons;
2. Prevention or elimination of slums or blight; and
3. Meeting community development needs having a particular urgency.

The applicant is responsible for selecting and documenting how each activity addresses a National Objective. The Act identifies as a primary objective the "... development of viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income..." The Commonwealth is required to assure that not less than 70% of the aggregate of the federal assistance received by the State as CDBG grant funds and Section 108 guaranteed loan funds shall be used for the support of activities that benefit persons of low and moderate income.

Explanations of the objectives and required documentation are set forth in Appendix A.

SECTION III

GENERAL INFORMATION FOR APPLICANTS

A. Eligible Applicants

All cities and counties in Kentucky are eligible for participation in the Kentucky Section 108 loan program with the exception of the following federal entitlement jurisdictions: Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, Lexington/Fayette Urban County government and Louisville/Jefferson County metro government. These communities must apply directly to HUD for Section 108 loan funds. The Commonwealth does reserve the right to fund a project in an entitlement area of the state only if it can be proven that it accrues direct benefit to a federal non-entitlement area.

DLG will exercise the authority provided in 24 CFR § 570.702 to apply to HUD for Section 108 loan guarantee funds on behalf of non-entitlement jurisdictions.

Local governments may submit individual or multi-jurisdictional applications to DLG. A city or county should submit an individual application when the proposed activity(ies) benefit(s) or alleviate(s) a problem within its community. Cities and/or counties which share a regional project requiring participation from multiple jurisdictions and deriving a mutual benefit may submit a multi-jurisdictional application. A lead applicant must be named for the multi-jurisdictional application. Applicants wishing to submit a multi-jurisdictional application must receive prior permission from DLG.

B. Eligible Activities

A detailed explanation of eligible activities is set forth in 24 CFR § 570.703 and is attached in Appendix B. In addition to being an eligible activity for Section 108 funds, the project must also meet one of the three National Objectives (Section II).

C. **Maximum Section 108 Loan Guarantee Amount**

HUD's Section 108 Loan Guarantee Program allows a state to leverage up to five times its annual CDBG allocation to finance large-scale development projects. Kentucky's *estimated* CDBG allocation is \$25,108,867 for 2026.

D. **Submittal of Applications**

Interested non-entitlement communities must submit a written initial request detailing the information listed in Section IV.A. of the Guidelines. Upon review and approval of the initial request to apply for Section 108 loan funds, DLG will accept an application from the eligible applicant and determine if the application meets program eligibility, all program requirements and state priorities. DLG will submit each priority application on behalf of the eligible applicant to HUD for final approval.

1. **Invitation to Apply**

An interested local government must receive a written invitation from DLG to submit an application.

2. **Application Dates**

Applications may be submitted at any time during the program year.

3. **Application Format**

Applications must be in a well organized format addressing all the requirements established in 24 CFR § 570.704 and summarized in Section IV. C. of these Guidelines. No standard application form is required. Applications must be submitted to Executive Director, Office of Federal Grants, Department for Local Government at 100 Airport Road 3rd Floor, Frankfort, KY 40601.

4. **Resolution**

The governing body of the applicant that proposes to apply for a Section 108 loan guarantee must approve the application and authorize its

submission to DLG by resolution. The governing body must authorize the chief elected official to sign the application, enter into contracts and agreements, and provide the assurances required for the use of a Section 108 loan.

5. Contact DLG for Additional Information

For additional information, applicants may contact Executive Director, Office of Federal Grants, Department for Local Government at 100 Airport Road 3rd Floor, Frankfort, KY 40601. Phone number: (502) 892-3485 or via email at DLG.OFG@ky.gov.

E. Citizen Participation

Each applicant must meet citizen participation requirements at the time that an application is submitted. The Community Development Act requires units of local government to provide reasonable opportunities for citizen participation, hearings and access to information with respect to local community development programs. See Appendix C for further direction.

F. eClearinghouse Review

An eClearinghouse review of potential Section 108 projects must be completed as a part of the application process through the State Clearinghouse. Instructions can be found on the DLG web page (www.dlg.ky.gov). The submittal must be done electronically.

G. Site Visits/Consultations

DLG reserves the right to make site visits to the proposed project site and/or request the applicant to meet with staff to discuss the project and the application.

H. Procurement – Open Competition

KCDBG procurement must be conducted in a manner that ensures full and open completion consistent with the standards set forth in 2 CFR Part 200 and the KCDBG Procurement Code. Companies or individuals providing detailed cost estimates or assisting with the development of procurement documents must be excluded from bidding on proposals as they may have gained an unfair

competitive advantage. Please be aware, other actions that might restrict competition would include:

- Placing unreasonable requirements on firms in order for them to qualify to do business.
- Requiring unnecessary experience.
- No cost-plus-construction contracts must have a not to exceed clause

SECTION IV
APPLICATION PROCESS

A. Request to Submit An Application

Eligible applicants must submit a letter to DLG's Executive Director of the Office of Federal Grants from the chief executive official requesting an invitation to submit an application. The letter must include a description of the proposed project activities to be undertaken, the National Objective to be met, activities to be financed with specific eligibility citation provided, the public benefit to be derived from the proposed activities, projected time table, total project cost, sources of all funds, and any other pertinent information or documentation to support the request.

Applicants are encouraged to arrange a meeting with DLG staff to discuss their potential project and the need for Section 108 loan funds. Applicants should carefully review the Section 108 program guidelines before submitting a request.

B. Initial Screening

DLG staff will review each letter of request submitted for probable compliance with the federal requirements and state priorities for a Section 108 loan guarantee. In particular, the following criteria will be used to evaluate each request:

1. Eligibility of proposed activities in need of Section 108 loan funds. Each proposed activity must be specifically listed as an eligible activity in 24 CFR § 570.703.
2. Compliance with the use of CDBG funds for eligible activities under 24 CFR § 570.201 through § 570.204.
3. Meeting the criteria for a National Objective under 24 CFR § 570.208.
4. Compliance with the public benefit requirements found in 24 CFR § 570.209.

5. Review of the need for a Section 108 loan, previous efforts made to obtain financing, and inability to secure sufficient financing for the activities without the use of the loan guarantee.

DLG staff will advise the applicant in writing that it will either accept an application for a Section 108 loan or reject the request. DLG may recommend that the amount of the loan request be decreased or that other changes be made.

C. Application Contents

The application will contain the following elements and documentation:

1. A complete original of the application must be submitted.
2. A project narrative providing the proposed project location, a project description, time schedule, and other pertinent information to fully describe the use of Section 108 loan funds.
3. A narrative describing how the proposed uses of Section 108 loan funds are in compliance with the local community's development objectives.
4. A statement on the eligibility of the proposed activities to be financed with Section 108 loan funds in accordance with the federal CDBG regulations. Applicants must include the specific provision of 24 CFR § 570.703 (Appendix B) under which each activity is eligible.
5. Statements on: the public benefit standard to be applied; potential benefit to low and moderate income persons; conformance with the community's or region's comprehensive plan(s); the financial feasibility of the proposed project; the "but-for" rationale; and leveraging of Section 108 loan funds with other public and private funds.
6. A signed original of the resolution of the governing body approving the application and authorizing the submittal.
7. Evidence of compliance with citizen participation requirements per 24 CFR § 570.704(a)(iii) and § 704(a)(iv). (See Appendix C)

8. Amount of Section 108 guaranteed loan funds expected to be used for the project.
9. A proposed repayment schedule with the term of the loan, loan amount, anticipated interest rate and annual payment amount. The repayment schedule should also include a narrative on the sources of repayment. If the source of repayment is from net income from the project or the proposed development entity, a pro-forma should be prepared for the length of the term of the Section 108 loan.
10. A narrative indicating which activities are expected to generate program income and the amount.
11. A budget/financing plan that identifies all sources of funds to undertake the project. The plan must specify the amount of Section 108 loan funds expected to be used for the project. All other funds in the project shall be identified as to sources, amounts, whether it is a loan or grant, terms of the loans (if applicable), repayment provisions (if applicable), security position, and whether each loan or grant is committed or pending. In addition to the sources of funding, the public entity must also provide a proposed use of funds. All project costs should be identified and justified in a narrative attached to the budget.
12. Certifications and assurances of compliance with all applicable state and federal laws must be submitted.
13. A pledge, per 24 CFA § 570.705(b)(2), that all grants received or for which the local government may become eligible will be devoted to the repayment of the loan in the event of default.
14. Description of where citizens may obtain additional information about proposed activities.

SECTION V

PROJECT PRIORITIES AND SELECTION CRITERIA

A. Priorities

DLG will give preference to applications which propose to use Section 108 loan guarantee funds for economic development activities. DLG will review and make decisions on approval and disapproval of applications as they are submitted. Should DLG's Section 108 loan commitment authority be reduced to the point that the available loan authority is not sufficient to allow approval of all eligible applicants, DLG will assign priorities to applications. The following are activities that will be considered priorities when allocating limited Section 108 resources:

1. **Job Creation**

It is a goal of the Kentucky Section 108 loan guarantee program to create quality permanent jobs as a result of the financial assistance provided. Priority will be given to projects which create a minimum of one permanent full-time equivalent (FTE) job to be created or retained for every \$20,000 of Section 108 loan funds. The federal Section 108 regulations allow up to a maximum participation of \$35,000 per job.

2. **Infrastructure**

A project that finances the installation or reconstruction of critical infrastructure is also a priority activity. This could be related to the redevelopment or reuse of property or in support of an economic development purpose.

3. **Special Economic Development**

Financial assistance may be provided for a private for-profit firm under CDBG guidelines. Once again, the eligibility of the activity must meet one of the National Objectives. Please see 24 § CFR 570.209 for guidelines for evaluating and selecting economic development projects.

4. Housing

Priority will also be given to proposed projects that involve the rehabilitation of existing housing and/or the construction of housing by non-profit organizations for homeownership and/or rental. Any development of affordable housing must be primarily for the benefit of low and moderate income persons.

B. Review Criteria

DLG will consider the following criteria in reviewing the application:

1. The requested loan amount is within maximum limitations;
2. Funds are available in the amount requested;
3. The previous performance of the applicant, and/or its designated public agency;
4. Activities to be undertaken with the Section 108 guaranteed loan funds are eligible;
5. The project meets the public benefit test; and
6. Sufficiency of loan repayment commitments which are fully discussed in Section VI of these Guidelines.

DLG reserves the right to consider any other combination of factors and will notify the applicant in writing that the loan guarantee request has been approved for submittal to HUD, reduced, or disapproved.

- C.** DLG will apply to HUD on behalf of eligible applicants who have received DLG's approval. HUD will review the application and advise DLG of their determination of approval or disapproval of the proposed project for Section 108 loan funds.

SECTION VI
LOAN COMMITMENTS

A. Loan Agreement

Once HUD has approved DLG's application on behalf of an eligible applicant, DLG will notify the applicant of the approval. The applicant will be advised of any conditions of the approval. No costs may be reimbursed with Section 108 funds or other project funds, except for certain costs relating to planning and design services, until environmental clearance and signing of a loan agreement.

B. Repayment

It is anticipated that the primary source of repayment of the Section 108 loan amount will be from projected cash flow as a result of the project, or from other sources of revenue that are pledged specifically for repayment of the Section 108 loan.

1. Forms of Repayment

It is expected that the primary source of loan repayment will be cash flow; however DLG may require additional security to be pledged as a secondary source of repayment. The applicant shall furnish, at the discretion of the DLG and HUD, such other security as DLG and HUD deem appropriate. Examples of additional security that may be required:

- a. Program income
- b. Liens on real and personal property
- c. Debt service reserves
- d. Increments in local tax receipts generated by activities carried out with Section 108 loan funds
- e. Personal financial guarantees by developers

2. Repayment Period

The maximum term of the Section 108 loan shall not exceed twenty (20) years.

C. Reserve Clause

DLG reserves the right to negotiate or deviate from the maximum amounts of Section 108 loan financial assistance, the repayment period, repayment sources, percentage of loan guarantee, and any other terms and conditions, based on the merits of the application and the financial underwriting of the project.

D. Repayment Review

1. DLG will review the application for repayment acceptability. DLG may disapprove or reduce the amount of the loan guarantee assistance for any of the following reasons when it determines that the guarantee constitutes an unacceptable financial risk. Factors that will be considered when assessing financial risk include, but are not limited to, the following:
 - a. The length of the proposed repayment period;
 - b. The applicant's ability to furnish adequate security; and
 - c. The amount of income the proposed activities are reasonably estimated to contribute towards repayment of the guaranteed loan.
2. HUD will review the application based on program requirements set forth in 24 CFR § 570.704(c).

SECTION VII

SANCTIONS

A. **Repayment/Default**

HUD will enter into a memorandum of agreement with DLG on behalf of the recipient of the Section 108 loan funds. Thereafter, DLG shall enter into a loan agreement with the recipient of the Section 108 loan funds. Should the recipient default on its payments, HUD will hold DLG responsible for repayment of the debt obligation out of its annual CDBG allocation. The amount of the withholding from the annual CDBG allocation will be equal to the annual debt service payments committed by the recipient.

B. **Performance Deficiencies**

Should the actual use of Section 108 loan funds not comply with the federal CDBG regulations of 24 CFR 570, HUD may take one or more actions against the Commonwealth including reducing DLG's annual CDBG allocation.

With or without HUD's direction, DLG may take appropriate action against the recipient. Remedial actions will be imposed if the Section 108 loan funds do not meet the public benefit requirement, a National Objective or other requirements. DLG will be responsible for monitoring the performance of the Section 108 loan guarantee recipient. If deficiencies are found, the following actions will be undertaken:

1. A warning letter will be issued advising the recipient of the deficiency and putting the recipient on notice that additional action will be taken if the deficiency is not corrected.
2. Request the recipient to submit a proposal for corrective action which includes a timetable, responsible parties, and other actions that will be undertaken to prevent a continuance of the deficiency, mitigation of the adverse effects, and ways to prevent a recurrence of the deficiency.

3. Stop disbursement of Section 108 loan funds.
4. Advise the recipient to reimburse the program for any amounts improperly expended.
5. Institute collection procedures including commencement of legal action against any additional collateral pledged.

APPENDIX A

MEETING A NATIONAL OBJECTIVE

Each activity funded under the HUD Section 108 Guaranteed Loan Program must meet at least one of the three National Objectives identified in Title I of the Housing and Community Development Act of 1974 as amended in 1983, 1987 and 1992, hereafter referred to as the Act Section 104(b) (3), and regulations contained in the 24 Code of Federal Regulations (CFR) section 570.483. The three objectives are:

1. Benefit to low and moderate income persons;
2. Prevention or elimination of slums or blight; and
3. Meeting community development needs having a particular urgency.

The recipient is responsible for selecting and documenting how each activity addresses a National Objective.

Please note: The Act identifies as a primary objective the "... development of viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income..." The Commonwealth is required to assure that not less than 70% of the aggregate of the federal assistance received by the state as CDBG grant funds and Section 108 loan guarantee funds shall be used for the support of activities that benefit persons of low and moderate income.

A. Activities which Benefit Low and Moderate Income Persons

An activity will meet this objective if 51% of the persons benefiting from the activity are of low and moderate income. This is the primary National Objective to be used by the Section 108 Loan Guarantee Program. Low and moderate income levels are defined in the Act as HUD determined calculations based on median family income.

1. **There are four (4) ways to benefit low and moderate income persons:**
 - a. Area Benefit Activity – where the benefits of the activity are available to all residents in a particular area, where at least 51% of the area's residents are low and moderate income persons.
 - b. Limited Clientele Activity – where the activity benefits a limited clientele, at least 51% of whom are low or moderate income persons. The activity could benefit a clientele who are generally assumed to be principally low and moderate income. (The following categories of persons are presumed to be low and moderate income: abused children; battered spouses; elderly persons; adults meeting the Bureau of Census' Citizens Current Population Reports definition of "severely disabled"; homeless persons; illiterate adults; persons living with AIDS; and migrant farm workers.) The activity could have an income eligibility requirement which limits the activity exclusively to low and moderate income persons, or the activity could be of such nature that it may be concluded that the activity's clientele will primarily be low and moderate income persons.
 - c. Housing Activity – where the activity is to provide or improve permanent housing which will be occupied by low and moderate income households.
 - d. Job Creation or Retention Activities – which are designed to create or retain permanent jobs where at least 51% of the jobs (computed on a full-time equivalent basis), involve the employment of low and moderate income persons. For an activity that creates jobs, at least 51% of the jobs will be held by, or will be available to, low and moderate income persons.

2. **Tracking Job Creation**

The recipient must monitor the jobs created from the employment records and the method of hiring that the company used to fill the positions. For

purposes of determining whether a job is held by or made available to a low and moderate income person, the person may be presumed to be a low and moderate income person if:

- a. he/she resides in a census tract that has a poverty rate of at least 20% or
- b. he/she resides in a census tract that has at least 70% of its residents who are low and moderate income.

In addition, if the business to be assisted with the Section 108 loan is located in either a 20% poverty census tract or 70% of its residents are low and moderate income, all of the jobs to be created will be assumed to benefit low and moderate income persons.

3. Public Benefit

The proposed use of the Section 108 loan funds must provide a minimum level of public benefit. The activity must:

- a. Create or retain at a minimum, at least one full-time equivalent permanent job per \$35,000 of Section 108 loan funds, or
- b. Provide goods or services to residents of the area, such that at a minimum, at least one low and moderate income resident of the area benefits from each \$350 of Section 108 loan funds expended.

Income figures for each county or area and further information on how an activity may meet this test can be obtained from the DLG.

Required Documentation

The recipient must maintain records that at least 51% of the persons benefiting from the activity are of low and moderate income. Low and moderate income beneficiaries must be accounted for. Documentation must be maintained verifying the low and moderate income beneficiaries. This information must be explained and the sources and the applicable regulation cited.

B. Activities which Aid in the Prevention or Elimination of Slums or Blight

An activity will meet this objective if:

1. It meets a definition of slum area, blighted area, deteriorated or deteriorating under KRS 99.705; and
2. It contains a substantial number of deteriorating or dilapidated buildings throughout the area; and
3. The activity is designed to address one or more of the conditions that contributed to the deterioration of the area; or
4. The activity addresses an individual structure, which would otherwise meet the definition of slum or blight.

Required Documentation

The recipient must maintain records that the activity meets the definition of prevention or elimination of slums or blight. Records must also be maintained describing the boundaries of the area and the conditions of the area which qualify it under this objective. Documentation may include photographs, structural surveys or development plans. This information must be explained, the sources and the applicable regulation cited.

C. Activities Designed to Meet Community Development Needs Having a Particular Urgency

An activity will meet this objective if it:

1. Addresses needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community;
2. Is of recent origin (within 18 months) or which recently became urgent; and
3. Has no other available source to complete the funding package and the community cannot finance the activity on its own.

Required Documentation

The recipient must maintain records as to the nature and degree of seriousness of the problem, that the activity was designed to address the urgent need, that the problem is of recent origin, that other funding is not available, and the community cannot finance the activity alone. This information must be explained in detail and the applicable regulation cited in the application.

APPENDIX B
ELIGIBLE ACTIVITIES

TITLE 24--HOUSING AND URBAN DEVELOPMENT
CHAPTER V--OFFICE OF ASSISTANT SECRETARY FOR COMMUNITY PLANNING
AND DEVELOPMENT, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
PART 570_COMMUNITY DEVELOPMENT BLOCK GRANTS

Subpart M Loan Guarantees

Sec. 570.703 Eligible activities.

Guaranteed loan funds may be used for the following activities provided such activities meet the requirements of Sec. 570.200. However, guaranteed loan funds may not be used to reimburse the CDBG program account or line of credit for costs incurred by the public entity or designated public agency and paid with CDBG grant funds or program income.

- (a) Acquisition of improved or unimproved real property in fee or by long-term lease, including acquisition for economic development purposes.
- (b) Rehabilitation of real property owned or acquired by the public entity or its designated public agency.
- (c) Payment of interest on obligations guaranteed under this subpart.
- (d) Relocation payments and other relocation assistance for individuals, families, businesses, nonprofit organizations, and farm operations who must relocate permanently or temporarily as a result of an activity financed with guaranteed loan funds, where the assistance is:
 - (1) Required under the provisions of Sec. 570.606(b) or (c); or
 - (2) Determined by the public entity to be appropriate under the provisions of Sec. 570.606(d).
- (e) Clearance, demolition and removal, including movement of structures to other sites, of buildings and improvements on real property acquired or rehabilitated pursuant to paragraphs (a) and (b) of this section.

- (f) Site preparation, including construction, reconstruction, or installation of public and other site improvements, utilities, or facilities (other than buildings), which is:
 - (1) Related to the redevelopment or use of the real property acquired or rehabilitated pursuant to paragraphs (a) and (b) of this section, or
 - (2) For an economic development purpose.
- (g) Payment of issuance, underwriting, servicing, trust administration and other costs associated with private sector financing of debt obligations under this subpart.
- (h) Housing rehabilitation eligible under Sec. 570.202.
- (i) The following economic development activities:
 - (1) Activities eligible under Sec. 570.203; and
 - (2) Community economic development projects eligible under Sec. 570.204.
- (j) Construction of housing by nonprofit organizations for homeownership under section 17(d) of the United States Housing Act of 1937 (Housing Development Grants Program, 24 CFR part 850) or title VI of the Housing and Community Development Act of 1987 (Nehemiah Housing Opportunity Grants Program, 24 CFR part 280).
- (k) A debt service reserve to be used in accordance with requirements specified in the contract entered into pursuant to Sec. 570.705(b)(1).
- (l) Acquisition, construction, reconstruction, rehabilitation, or installation of public facilities (except for buildings for the general conduct of government), public streets, sidewalks, and other site improvements and public utilities.
- (m) In the case of applications by public entities which are, or which contain, "colonias" as defined in section 916 of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 5306 note), as amended by section 810 of the Housing and Community Development Act of 1992, acquisition,

construction, reconstruction, rehabilitation or installation of public works
and site or other improvements which serve the colonia.

[59 FR 66604, Dec. 27, 1994, as amended at 61 FR 11481, Mar. 20, 1996]

APPENDIX C

CITIZEN PARTICIPATION

Citizen Participation

Citizen participation requirements must be met as part of application requirements. CFR 24 CFR § 570.704(a)(2) requires applicants to provide reasonable opportunities for citizen participation, hearings and access to information with respect to local community development programs. At a minimum, a community must perform the following activities:

1. Furnish citizens with information that explains the Section 108 program. Prior to the public hearing, a notice must be published informing citizens that the following information is available for review:
 - a. An application including a detailed description of the project being proposed.
 - b. Amount of Section 108 funds expected to be made available, range of activities that may be undertaken and if applicable, available and/or anticipated program income.
 - c. Estimated amount of CDBG funds proposed for activities benefiting persons of low and moderate income.
 - d. Plans for minimizing displacement of persons as a result of activities assisted with Section 108 funds and plans for providing assistance to those persons to be actually displaced as a result of Section 108 funded activities.
 - e. Records on past use of CDBG funds.
 - f. Summary of other important program requirements.
2. Hold the first public hearing.
 - a. The main purpose of this hearing is to obtain views on housing and community development needs and review proposed activities. In addition, the hearing will review the proposed application and

- discuss social impacts, economic impacts, environmental impacts, project alternatives and solicit public improvements.
- b. Advertise the hearing in accordance with state and federal laws. KRS 424.130 requires that the public hearing must be advertised at least once, not less than seven (7) nor more than twenty-one (21) days prior to the date of the hearing, in the newspaper of the largest circulation in the jurisdiction. Pursuant to KRS 446.030, the date of the hearing is not to be included in the computation of time. Example: For a public hearing scheduled on Tuesday June 8th, the newspaper advertisement must be published no earlier than May 18th and no later than June 1st. This may be included as part of the notice providing the public with Section 108 information. (The notice must include the local TTD number which is (800) 648-6057 or federal relay TTY number which is 711.
 - c. Undertake and document additional advertisement to reach low and moderate income persons. Such efforts could include:
 - 1. Distribute leaflets at neighborhood groceries, churches and community centers.
 - 2. Undertake door-to-door distribution announcements.
 - 3. Provide radio (and television if available) public service announcements for broadcast.
 - d. Inform citizens that technical assistance is available to help groups representing low and moderate income persons in developing proposals. Designate where this technical assistance may be obtained.
 - e. Hold the public hearing in a location accessible to the disabled and at a time and place convenient to potential or actual beneficiaries. The hearing must provide maximum opportunity for community input.
 - f. Arrange for interpreters for non-English speaking persons if applicable.

- b. If the original application is modified, the final application must also be made available to the public.
6. Respond to public comments.
- a. Respond in writing to all written comments received during the public hearing process.
 - 1. Indicate comments were considered.
 - 2. Cite reasons for rejection if applicable.
 - 3. File comments and responses in the citizen participation file.
 - b. Develop a complaint and grievance procedure where written complaints and grievances are answered in writing within fifteen (15) working days. Provide citizens the address, phone number and times for submitting complaints and grievances.

APPENDICES

APPENDIX A

TITLE 42--THE PUBLIC HEALTH AND WELFARE CHAPTER 69--COMMUNITY DEVELOPMENT

sec. 5305.* activities eligible for assistance [* section 105 of the act]

Other Sections of the act can be accessed through the following link:
<http://www.hud.gov/offices/cpd/communitydevelopment/rulesandregs/laws/index.cfm>

Also in this Section:

- (a) Enumeration of eligible activities
- (b) Reimbursement of Secretary for administrative services connected with rehabilitation of properties
- (c) Activities benefiting persons of low and moderate income
- (d) Training program
- (e) Guidelines for evaluating and selecting economic development projects
- (f) Assistance to for-profit entities
- (g) Microenterprise and small business program requirements
- (h) Prohibition on use of assistance for employment relocation activities
- Annotations

From the U.S. Code
[Laws in effect as of January 20, 1999]
[CITE: 42USC5305]

(a) Enumeration of eligible activities

Activities assisted under this chapter may include only--

(1) the acquisition of real property (including air rights, water rights, and other interests therein) which is

- (A)** blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth;
- (B)** appropriate for rehabilitation or conservation activities;
- (C)** appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development;
- (D)** to be used for the provision of public works, facilities, and improvements eligible for assistance under this chapter; or

(E) to be used for other public purposes;

(2) the acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements;

(3) code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public or private improvements or services to be provided, may be expected to arrest the decline of the area;

(4) clearance, demolition, removal, reconstruction, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for reconstruction or rehabilitation, and reconstruction or rehabilitation, of privately owned properties, and including the renovation of closed school buildings);

(5) special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

(6) payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this chapter;

(7) disposition (through sale, lease, donation, or otherwise) of any real property acquired pursuant to this chapter or its retention for public purposes;

(8) provision of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) during any part of the twelve-month period immediately preceding the date of submission of the statement with respect to which funds are to be made available under this chapter, and which are to be used for such services, unless the Secretary finds that the discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 per centum of the amount of any assistance to a unit of general local government (or in the case of nonentitled communities not more than 15 per centum statewide) under this chapter including program income may be used for activities under this paragraph unless such unit of general local government used more than 15 percent of the assistance received under this chapter for fiscal year 1982 or fiscal year 1983 for such activities (excluding any assistance received pursuant to Public Law 98-8), in which case such unit of general local government may use not more than the percentage or amount of such assistance used for such activities for such fiscal year, whichever method of calculation yields the higher amount, except that of any amount of assistance under this chapter (including program income) in each of fiscal years 1993 through 2001 to the City of Los Angeles and County of Los Angeles, each such unit of general government may use not more than 25 percent in each such fiscal year for activities under this paragraph, and except that of any amount of assistance under this chapter (including program income) in each of the fiscal years 1999, 2000, and 2001, to the City of Miami, such city may use not more than 25 percent in each fiscal year for activities under this paragraph;

(1) Section 218 of the Quality Housing and Work Responsibility Act of 1998, title V of Public Law 105-276, approved October 21, 1998 amended this paragraph by striking "1998" and inserting "1999", as shown, to extend the public services cap exception applicable to the City and County of Los Angeles through the end of fiscal year 1999. However, section 596 of such Act also amended this paragraph, but by striking "1998" and inserting "2000". The result of including both amendments in the same Act is unclear.

(9) payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of activities assisted under this chapter;

(10) payment of the cost of completing a project funded under title I of the Housing Act of 1949 [42 U.S.C. 1450 et seq.];

- (11)** relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate;
- (12)** activities necessary
- (A)** to develop a comprehensive community development plan, and
 - (B)** to develop a policy-planning- management capacity so that the recipient of assistance under this chapter may more rationally and effectively
 - (i)** determine its needs,
 - (ii)** set long-term goals and short-term objectives,
 - (iii)** devise programs and activities to meet these goals and objectives,
 - (iv)** evaluate the progress of such programs in accomplishing these goals and objectives, and
 - (v)** carry out management, coordination, and monitoring of activities necessary for effective planning implementation;
- (13)** payment of reasonable administrative costs related to establishing and administering federally approved enterprise zones and payment of reasonable administrative costs and carrying charges related to
- (A)** administering the HOME program under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.]; and
 - (B)** the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in section 461(e) of title 40 on August 12, 1981;
- (14)** provision of assistance including loans (both interim and long-term) and grants for activities which are carried out by public or private nonprofit entities, including
- (A)** acquisition of real property;
 - (B)** acquisition, construction, reconstruction, rehabilitation, or installation of
 - (i)** public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and
 - (ii)** commercial or industrial buildings or structures and other commercial or industrial real property improvements; and
 - (C)** planning;
- (15)** assistance to neighborhood-based nonprofit organizations, local development corporations, nonprofit organizations serving the development needs of the communities in nonentitlement areas, or entities organized under section 681(d) of title 15 to carry out a neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of section 5301(c) of this title, and assistance to neighborhood-based nonprofit organizations, or other private or public nonprofit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than by construction of new facilities) in which elderly families (as defined in section 1437a(b)(3) of this title) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;
- (16)** activities necessary to the development of energy use strategies related to a recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items such as--
- (A)** an analysis of the manner in, and the extent to, which energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements budgeting, waste management, district

heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and

(B) a statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low- and moderate-income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities;

(17) provision of assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project (that shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods) that--

(A) creates or retains jobs for low- and moderate-income persons;

(B) prevents or eliminates slums and blight;

(C) meets urgent needs;

(D) creates or retains businesses owned by community residents;

(E) assists businesses that provide goods or services needed by, and affordable to, low- and moderate-income residents; or

(F) provides technical assistance to promote any of the activities under subparagraphs (A) through (E);

(18) the rehabilitation or development of housing assisted under section 1437o of this title;

(19) provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities, which assistance shall not be considered a planning cost as defined in paragraph (12) or administrative cost as defined in paragraph (13);

(20) housing services, such as housing counseling in connection with tenant-based rental assistance and affordable housing projects assisted under title II of the Cranston-Gonzalez National Affordable Housing Act [42 U.S.C. 12721 et seq.], energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in housing activities assisted under title II of the Cranston-Gonzalez National Affordable Housing Act;

(21) provision of assistance by recipients under this chapter to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;

(22) provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by--

(A) providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, and expansion of microenterprises;

(B) providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in microenterprise activities) to owners of microenterprises and persons developing microenterprises; and

(C) providing general support (such as peer support programs and counseling) to owners of microenterprises and persons developing microenterprises;

(23) activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low- and moderate-income neighborhoods;

(24) provision of direct assistance to facilitate and expand homeownership \1\ among persons of low and moderate income (except that such assistance shall not be considered a public service for purposes of paragraph (8)) by using such assistance to--

(A) subsidize interest rates and mortgage principal amounts for low- and moderate-income homebuyers;

(B) finance the acquisition by low- and moderate-income homebuyers of housing that is occupied by the homebuyers;

(C) acquire guarantees for mortgage financing obtained by low- and moderate-income homebuyers from private lenders (except that amounts received under this chapter may not be used under this subparagraph to directly guarantee such mortgage financing and grantees under this chapter may not directly provide such guarantees);

(D) provide up to 50 percent of any downpayment required from low- or moderate-income homebuyer; or

(E) pay reasonable closing costs (normally associated with the purchase of a home) incurred by a low- or moderate-income homebuyer; and

\1\ The previous "sunset" provision for paragraph (24) has been repealed.

(25) lead-based paint hazard evaluation and reduction, as defined in section 4851b of this title.

(b) Reimbursement of Secretary for administrative services connected with rehabilitation of properties

Upon the request of the recipient of assistance under this chapter, the Secretary may agree to perform administrative services on a reimbursable basis on behalf of such recipient in connection with loans or grants for the rehabilitation of properties as authorized under subsection (a)(4) of this section.

(c) Activities benefiting persons of low and moderate income

(1) In any case in which an assisted activity described in paragraph (14) or (17) of subsection (a) of this section is identified as principally benefiting persons of low and moderate income, such activity shall--

(A) be carried out in a neighborhood consisting predominately of persons of low and moderate income and provide services for such persons; or

(B) involve facilities designed for use predominately by persons of low and moderate income; or

(C) involve employment of persons, a majority of whom are persons of low and moderate income.

(2)

(A) In any case in which an assisted activity described in subsection (a) of this section is designed to serve an area generally and is clearly designed to meet identified needs of persons of low and moderate income in such area, such activity shall be considered to principally benefit persons of low and moderate income if

(i) not less than 51 percent of the residents of such area are persons of low and moderate income;

(ii) in any metropolitan city or urban county, the area served by such activity is within the highest quartile of all areas within the jurisdiction of such city or county in terms of the degree of concentration of persons of low and moderate income; or

(iii) the assistance for such activity is limited to paying assessments (including any charge made as a condition of obtaining access) levied against properties owned and occupied by persons of low and moderate income to recover the capital cost for a public improvement.

(B) The requirements of subparagraph (A) do not prevent the use of assistance under this chapter for the development, establishment, and operation for not to exceed 2 years after its establishment of a uniform emergency telephone number system if the Secretary determines that--

(i) such system will contribute substantially to the safety of the residents of the area served by such system;

(ii) not less than 51 percent of the use of the system will be by persons of low and moderate income; and

(iii) other Federal funds received by the grantee are not available for the development, establishment, and operation of such system due to the insufficiency of the amount of such funds, the restrictions on the use of such funds, or the prior commitment of such funds for other purposes by the grantee.

The percentage of the cost of the development, establishment, and operation of such a system that may be paid from assistance under this chapter and that is considered to benefit low and moderate income persons is the percentage of the population to be served that is made up of persons of low and moderate income.

(3) Any assisted activity under this chapter that involves the acquisition or rehabilitation of property to provide housing shall be considered to benefit persons of low and moderate income only to the extent such housing will, upon completion, be occupied by such persons.

(4) For the purposes of subsection (c)(1)(C) of this section--

(A) if an employee resides in, or the assisted activity through which he or she is employed, is located in a census tract that meets the Federal enterprise zone eligibility criteria, the employee shall be presumed to be a person of low- or moderate-income; or

(B) if an employee resides in a census tract where not less than 70 percent of the residents have incomes at or below 80 percent of the area median, the employee shall be presumed to be a person of low or moderate income.

(d) Training program

The Secretary shall implement, using funds recaptured pursuant to section 5318(o) of this title, an on-going education and training program for officers and employees of the Department, especially officers and employees of area and other field offices of the Department, who are responsible for monitoring and administering activities pursuant to paragraphs (14), (15), and (17) of subsection (a) of this section for the purpose of ensuring that

(A) such personnel possess a thorough understanding of such activities; and

(B) regulations and guidelines are implemented in a consistent fashion.

(e) Guidelines for evaluating and selecting economic development projects

(1) Establishment

The Secretary shall establish, by regulation, guidelines to assist grant recipients under this chapter to evaluate and select activities described in subsection (a)(14), (15), and (17) of this section for assistance with grant amounts. The Secretary shall not base a determination of eligibility of the use of funds under this chapter for such assistance solely on the basis that the recipient fails to achieve one or more of the guidelines' objectives as stated in paragraph (2).

(2) Project costs and financial requirements

The guidelines established under this subsection shall include the following objectives:

- (A) The project costs of such activities are reasonable.
- (B) To the extent practicable, reasonable financial support has been committed for such activities from non-Federal sources prior to disbursement of Federal funds.
- (C) To the extent practicable, any grant amounts to be provided for such activities do not substantially reduce the amount of non-Federal financial support for the activity.
- (D) Such activities are financially feasible.
- (E) To the extent practicable, such activities provide not more than a reasonable return on investment to the owner.
- (F) To the extent practicable, grant amounts used for the costs of such activities are disbursed on a pro rata basis with amounts from other sources.

(3) Public benefit

The guidelines established under this subsection shall provide that the public benefit provided by the activity is appropriate relative to the amount of assistance provided with grant amounts under this chapter.

(f) Assistance to for-profit entities

In any case in which an activity described in paragraph (17) of subsection (a) of this section is provided assistance such assistance shall not be limited to activities for which no other forms of assistance are available or could not be accomplished but for that assistance.

(g) Microenterprise and small business program requirements

In developing program requirements and providing assistance pursuant to paragraph (17) of subsection (a) of this section to a microenterprise or small business, the Secretary shall--

- (1) take into account the special needs and limitations arising from the size of the entity; and
- (2) not consider training, technical assistance, or other support services costs provided to small businesses or microenterprises or to grantees and subgrantees to develop the capacity to provide such assistance, as a planning cost pursuant to subsection (a)(12) of this section or an administrative cost pursuant to subsection (a)(13) of this section.

(h) Prohibition on use of assistance for employment relocation activities

Notwithstanding any other provision of law, no amount from a grant under section 5306 made in fiscal year 1999 or any succeeding fiscal year may be used to assist directly in the relocation of any industrial or commercial plant, facility, or operation, from 1 area to another area, if the relocation is likely to result in a significant loss of employment in the labor market area from which the relocation occurs.

- (Pub. L. 93-383, title I, Sec. 105, Aug. 22, 1974, 88 Stat. 641;
- Pub. L. 94-375, Sec. 15(b), Aug. 3, 1976, 90 Stat. 1076;
- Pub. L. 95-128, title I, Sec. 105, Oct. 12, 1977, 91 Stat. 1116;
- Pub. L. 95-557, title I, Sec. 103(e), Oct. 31, 1978, 92 Stat. 2084;
- Pub. L. 96-399, title I, Sec. 104(c)-(e), Oct. 8, 1980, 94 Stat. 1616-1618;
- Pub. L. 97-35, title III, Secs. 303(a), 309(e)-(g), Aug. 13, 1981, 95 Stat. 387, 396;
- Pub. L. 98-181, title I, Sec. 105(a), (b)(1), (c)-(e), title III, Sec. 302(a), Nov. 30, 1983, 97 Stat. 1163, 1164, 1206;
- Pub. L. 98-479, title I, Sec. 101(a)(8), (9)(A), Oct. 17, 1984, 98 Stat. 2219;
- Pub. L. 100-242, title V, Secs. 504, 510, 511, Feb. 5, 1988, 101 Stat. 1925, 1929;
- Pub. L. 100-404, title I, Aug. 19, 1988, 102 Stat. 1019;
- Pub. L. 101-625, title IX, Secs. 907, 908, Nov. 28, 1990, 104 Stat. 4387, 4389;
- Pub. L. 102-550, title VIII, Secs. 805, 806(a), (b), (c), 807(a), (b)(3), (c)(1), (d)-(f), 809, title X, Sec. 1012(f), Oct. 28, 1992, 106 Stat. 3846, 3847, 3849, 3850, 3905;
- Pub. L. 103-195, Sec. 2(a), Dec. 14, 1993, 107 Stat. 2297;
- Pub. L. 103-233, title II, Sec. 207, Apr. 11, 1994, 108 Stat. 365;
- Pub. L. 104-134, title I, Sec. 101(e) (title II, Sec. 225), Apr. 26, 1996, 110 Stat. 1321-257, 1321-291;

renumbered title I, Pub. L. 104-140, Sec. 1(a), May 2, 1996, 110 Stat. 1327;
Pub. L. 104-204, title II, Sec. 220, Sept. 26, 1996, 110 Stat. 2906;
Pub. L. 105-276, title II, Sec. 218, 232, title V, Sec. 588, 596(a), Oct. 21, 1998, 112 Stat.
2487, 2492, 2651, 2659.)
Pub.L. 106-377, Sec. (1)(a)(1), Oct. 27, 2000, 114 Stat. 1441

U.S. Department of Housing and Urban Development
451 7th Street, S.W., Washington, DC 20410
Telephone: (202) 708-1112 TTY: (202) 708-1455

**Subpart I—State Community Development Block Grant Regulations
can be accessed through the following link:**

<http://www.hud.gov/offices/cpd/communitydevelopment/rulesandregs/regulations/index.cfm#subparti>

Kentucky Community Development Block Grant LMI Worksheet

Applicant _____

App No. _____

Project _____

Part A Information Contained in Your Survey Responses

- | | | | |
|----|---|-------|---------|
| 1. | Total number of households in the service areas | _____ | |
| 2. | Total number of households responding to the survey | _____ | |
| 3. | Response rate | _____ | #2 / #1 |
| 4. | Total number of low-and-moderate income households surveyed | _____ | |
| 5. | Total number of persons living in the low-and-moderate income households surveyed | _____ | |
| 6. | Total number of over-income households surveyed | _____ | |
| 7. | Total number of persons living in the over-income households surveyed | _____ | |
| 8. | Total number persons living in the households surveyed | _____ | #5 + #7 |

Part B Calculations

- | | | | |
|----|--|-------|-----------|
| 9 | Average size of the low-and-moderate income households | _____ | #5 / #4 |
| 10 | Average size of over-income households | _____ | #7 / #6 |
| 11 | Proportion of low-and-moderate households | _____ | #4 / #2 |
| 12 | Proportion of over-income households | _____ | #6 / #2 |
| 13 | Estimate of total number of LMI households in project area | _____ | #1 * #11 |
| 14 | Estimate of total number of over-income households in project area | _____ | #1 * #12 |
| 15 | Estimate of total number of LMI persons in project area | _____ | #9 * #13 |
| 16 | Estimate of total number of over-income persons in project area | _____ | #10 * #14 |
| 17 | Estimate of total number of persons in project area | _____ | #15 + #16 |
| 18 | Estimated percentage of LMI persons in project area | _____ | #15 / #17 |

APPENDIX B

Kentucky Community Development Block Grant

MEETING NATIONAL OBJECTIVES

This section assists applicants with determining criteria for meeting the three National Objectives. Regardless of the objective(s) chosen, documentation must be available to support the choice based on criteria discussed below. In determining whether each of the grantee's funded activities meets one of the three National Objectives, the State will utilize the following criteria:

ACTIVITIES BENEFITING LOW AND MODERATE INCOME PERSONS

The net effect of the completed activity shall be considered in determining whether an activity will actually benefit low and moderate income (LMI) persons. Thus, mere location of an activity in a low or moderate income area, while generally a primary consideration, does not conclusively demonstrate that the activity benefits low and moderate income persons. Furthermore, the grantee must ensure that activities that meet this standard do not benefit moderate income persons to the exclusion of low income persons.

The applicant must define what constitutes an area. While the area served need not be conterminous with census tracts or enumeration districts, income data characteristics must be available to demonstrate that at least 51% of the residents are LMI. The following activities, in the absence of substantial evidence to the contrary, will be considered to benefit low and moderate income persons:

- A. Any activity, other than residential rehabilitation, which is designed so that at least 51% of the beneficiaries are low and moderate income persons. The following are examples of activities which meet this standard:
 1. An activity which serves an area, delineated by the recipient, where 51% of the residents are low and moderate income persons. Such an area need not be conterminous with census tract boundaries.
 2. A facility, such as a senior center, which is used principally by low and moderate income persons. A facility designed for and used by senior citizens, the handicapped, abused children, battered spouses, homeless persons, illiterate persons, or migrant farm workers will meet this standard.
 3. An activity having some eligibility requirements that limits the benefits of the activity to low and moderate income persons.
- B. A special project directed to removal of material and architectural barriers that restrict the mobility and accessibility of elderly or handicapped persons to publicly owned and privately owned buildings, facilities, and improvements.
- C. Rehabilitation of a residential structure occupied by low and moderate income persons and/or acquisition of property for the construction of multi-family, non-elderly housing. Where such a structure contains more than one dwelling unit, it will be considered to qualify under this standard if, following rehabilitation or new construction, at least 51% of the units are occupied by low and moderate income persons at affordable rents. In the case of a two-unit structure, LMI benefit will be achieved so long as one of the units, after rehabilitation, is occupied by LMI persons. An applicant shall adopt the State's criterion for determining "affordable rents" for this purpose. That criterion is 30% of annual income.

- D. Activities undertaken by public or private non-profit entities (Section 105(a)(14) of the Act) or private for-profit entities (Section 105(a)(17) of the Act) which benefit LMI persons must meet the criteria described below:
1. Be carried out in an area consisting predominantly of person of low and moderate income and provide services for such persons; or
 2. Involve facilities designed for use predominantly by persons of low and moderate income; or
 3. Involve employment of persons, a majority of whom are person of low and moderate income.

ACTIVITIES AIDING IN PREVENTION OR ELIMINATION OF SLUMS OR BLIGHT

An activity will meet this objective if the area can be described as a slum or blighted area under KRS 99 and contains a substantial number of deteriorating or dilapidated buildings throughout the area. Below are examples of activities meeting the slums or blight objective:

- A. Residential rehabilitation will be considered to meet this standard only where each structure rehabilitated is substandard under local definition before rehabilitation. At a minimum, this definition must include units which do not meet the Existing Housing Quality Standards (24 CFR 882.109). In cases where all deficiencies making a structure substandard are eliminated, this standard permits assistance for less critical work on that structure.
- B. Activities outside a slum or blighted area may include acquisition, demolition, rehabilitation, relocation, and historic preservation activities designed to eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area. Under this standard, rehabilitation for other than LMI households is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.

ACTIVITIES DESIGNED TO MEET COMMUNITY DEVELOPMENT NEEDS HAVING A PARTICULAR URGENCY

In the absence of substantial evidence to the contrary, an activity will be considered to address this standard if the recipient certifies that the activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community which are of recent origin or which recently became urgent, that the recipient is unable to finance the activity on its own, and that other sources of funding are not available. A condition will generally be considered to be of recent origin if it developed or became critical within 18 months preceding the certification by the recipient.

Note: For additional guidance on national objectives, please refer to the State Community Block Grant regulations at the following web address:

www.hud.gov/offices/cpd/communitydevelopment/rulesandregs/regulations/subi/570483.cfm

Kentucky Community Development Block Grant

Benefits to Low and Moderate Income

The primary objective of the Act is to provide decent housing, suitable living environments, and expanded economic opportunities to persons of low and moderate income.

VERIFICATION OF BENEFIT TO LOW AND MODERATE INCOME

Sources used to verify that 51 percent of the persons benefiting from a proposed project activity are of low and moderate income may include household surveys, employee certification, or census data.

Local Surveys

When local household surveys are conducted, applicants may use sample forms included in this appendix. Survey forms must include income ranges which reflect Section 8 lower income limits by family size for the particular area. Surveys must be based on gross income of all persons residing in the household. Claims based on other financial data such as housing values, debts, etc. will not be accepted. The minimum sample size (number of valid survey response) will be determined using the Sample Size Calculator (www.surveymonkey.com/mp/sample-size-calculator) using a 90% Confidence Level and 10% Margin of Error. *Disclaimer: In limited situations the Confidence Level and Margin Error may not be equal to 90% and 10% respectively. Please contact DLG to ensure your sample size is correctly determined.*

Expected Response Rates for Door-to-Door Surveys is 75-90%

Surveys must be conducted in such a manner as to achieve statistically reliable results. These applicants must use a random sampling methodology (ex: www.randomizer.org) Since it is unlikely a response will be obtained from every household selected for the sample, the sample size will need to be adjusted accordingly, and the applicant will actually need to oversample. For example, if trying to achieve 60 interviews for a 500 household project area, an applicant will try to interview between 375 and 450 households (250 divided by .75 or .9). Information on total project area must be extrapolated for survey results.

If the applicant attempts to conduct a 100% survey, the Department for Local Government (DLG) requires that 100% of the households be accounted for (*if vacant households are thought to exist document said households and contact DLG for further guidance*). All households not surveyed or those households which contain an unsigned survey are required to be counted as over-income. To determine the number of over-income persons for these households the surveyor should determine the

average household sizes from the collected surveys and use these results to determine average household sizes. These numbers will then be factored into the LMI Worksheet along with the completed over-income surveys.

Surveys should be maintained on file along with a summary that includes:

- Total number of households in project area
- Total number of households in sample
- Total number of households completing a survey
- Total number of persons in project area households
- Total number of persons in households in sample
- Total number of persons in households completing a survey
- Total number of LMI persons completing a survey
- Total number of over-income persons completing a survey
- Total number of minority persons in project area
- Total number of female-headed households in project area
- Total number of 62 and older persons in project area
- A description of the sampling method
- A copy of the survey instrument (questionnaire)
- A certification of Area Income Eligibility

A listing of income limits by family size for metropolitan areas and non-metro counties is found within this appendix. If your project area lies within an MSA, then refer to the lower income limits listed for your MSA. If your proposed project lies within a specific county listed, then use the income limits for that particular county. Please note that income limits are listed according to number in the family. For more information on survey methods, please refer to Kentucky's CDBG Guide to LMI Benefit and Acceptable Survey Methods.

Census Data

Because of the difficulties and the cost associated with surveying, DLG recommends using census data instead of surveys when census boundaries and CDBG project area boundaries are coterminous, or can be otherwise clearly defined. Census data is based on American Community Survey figures and is available from DLG. **Communities, at their discretion may survey, providing surveys are methodically sound.**

Economic Development Projects

When an economic development application is submitted, the applicant must include a letter from the company for which the grant is intended. The letter should state that the company agrees to hire 51 percent of its new employees from families of low and moderate income as defined by the attached lower income limits. The jurisdiction shall be responsible for maintaining records that adequately document the number of persons hired from low and moderate income families.

Kentucky Community Development Block Grant

Benefits to Low and Moderate Income

The primary objective of the Act is to provide decent housing, suitable living environments, and expanded economic opportunities to persons of low and moderate income.

VERIFICATION OF BENEFIT TO LOW AND MODERATE INCOME

Sources used to verify that 51 percent of the persons benefiting from a proposed project activity are of low and moderate income may include household surveys, employee certification, or census data.

Local Surveys

When local household surveys are conducted, applicants may use sample forms included in this appendix. Survey forms must include income ranges which reflect Section 8 lower income limits by family size for the particular area. Surveys must be based on gross income of all persons residing in the household. Claims based on other financial data such as housing values, debts, etc. will not be accepted. The minimum sample size (number of valid survey response) will be determined using the Sample Size Calculator (www.surveymonkey.com/mp/sample-size-calculator) using a 90% Confidence Level and 10% Margin of Error. *Disclaimer: In limited situations the Confidence Level and Margin Error may not be equal to 90% and 10% respectively. Please contact DLG to ensure your sample size is correctly determined.*

Expected Response Rates for Door-to-Door Surveys is 75-90%

Surveys must be conducted in such a manner as to achieve statistically reliable results. These applicants must use a random sampling methodology (ex: www.randomizer.org) Since it is unlikely a response will be obtained from every household selected for the sample, the sample size will need to be adjusted accordingly, and the applicant will actually need to oversample. For example, if trying to achieve 60 interviews for a 500 household project area, an applicant will try to interview between 375 and 450 households (250 divided by .75 or .9). Information on total project area must be extrapolated for survey results.

If the applicant attempts to conduct a 100% survey, the Department for Local Government (DLG) requires that 100% of the households be accounted for (*if vacant households are thought to exist document said households and contact DLG for further guidance*). All households not surveyed or those households which contain an unsigned survey are required to be counted as over-income. To determine the number of over-income persons for these households the surveyor should determine the

average household sizes from the collected surveys and use these results to determine average household sizes. These numbers will then be factored into the LMI Worksheet along with the completed over-income surveys.

Surveys should be maintained on file along with a summary that includes:

- Total number of households in project area
- Total number of households in sample
- Total number of households completing a survey
- Total number of persons in project area households
- Total number of persons in households in sample
- Total number of persons in households completing a survey
- Total number of LMI persons completing a survey
- Total number of over-income persons completing a survey
- Total number of minority persons in project area
- Total number of female-headed households in project area
- Total number of 62 and older persons in project area
- A description of the sampling method
- A copy of the survey instrument (questionnaire)
- A certification of Area Income Eligibility

A listing of income limits by family size for metropolitan areas and non-metro counties is found within this appendix. If your project area lies within an MSA, then refer to the lower income limits listed for your MSA. If your proposed project lies within a specific county listed, then use the income limits for that particular county. Please note that income limits are listed according to number in the family. For more information on survey methods, please refer to Kentucky's CDBG Guide to LMI Benefit and Acceptable Survey Methods.

Census Data

Because of the difficulties and the cost associated with surveying, DLG recommends using census data instead of surveys when census boundaries and CDBG project area boundaries are coterminous, or can be otherwise clearly defined. Census data is based on American Community Survey figures and is available from DLG. **Communities, at their discretion may survey, providing surveys are methodically sound.**

Economic Development Projects

When an economic development application is submitted, the applicant must include a letter from the company for which the grant is intended. The letter should state that the company agrees to hire 51 percent of its new employees from families of low and moderate income as defined by the attached lower income limits. The jurisdiction shall be responsible for maintaining records that adequately document the number of persons hired from low and moderate income families.

NOTE: ADA Contacts

Department for the Blind	1/877/KYBLIND	www.kyblind.state.ky.us
American Printing House	1/800/223-1839	www.aph.org
Commission for the Deaf and Hard of Hearing For Interpreter Directory	1/800/372-2907	www.kcdhh.org
State Relay TDD Number	1/800/648-6057	www.hcdhh.org/access/interpdir.html

CITIZENS PARTICIPATION PLAN

The State of Kentucky has adopted a citizen's participation plan to set forth the policies and procedures that will be used to solicit citizen's input for the Consolidated Plan process. The policies are designed to encourage participation by low- and moderate-income persons, particularly those living in slums and blighted areas and in areas where CDBG funds are proposed to be used and by residents of predominantly low- and moderate-income neighborhoods. The Commonwealth of Kentucky will also encourage the participation of all Kentuckians, including minorities and non-English speaking persons, as well as persons with disabilities, and will provide accommodations as needed.

Public Hearings to Develop the Consolidated Plan

Prior to the development of the Consolidated Plan the Commonwealth of Kentucky (State), specifically the Department for Local Government and Kentucky Housing Corporation, will hold public hearings to obtain views of citizens, public agencies, and other interested parties on community and housing needs. The hearings will be widely publicized using direct mailings, and newspaper advertisements. At these hearings the State will present information regarding the amount of assistance the State expects to receive and the range of activities that may be undertaken. To be included will be estimates of the amount of funds that will benefit persons of low- and moderate-income and the plans to minimize displacement of persons and to assist any persons that are displaced.

Publication of the Proposed Consolidated Plan

The State will incorporate the comments received during the public hearing process into consideration when developing the Consolidated Plan. The state will publish the proposed Consolidated Plan thirty (30) days prior to submission to HUD for public comment by citizens, units of general local governments, public agencies, and other interested parties. The draft plan will be mailed to libraries located throughout the state, all Area Development Districts, and local offices of the Kentucky Congressional Delegation. A summary of the Consolidated Plan will be published in major newspapers throughout the Commonwealth. The summary will include information indicating locations where citizens may have access to the entire plan. All copies of the draft as well as the final plan will be provided at no charge.

Review and Final Hearing on the Proposed Plan

After the publication of the Consolidated Plan summary, and the distribution of the copies to the specified sites, citizens and interested parties will have thirty (30) calendar days to submit written comments. During this same thirty-day period a final public hearing will be held regarding the Proposed Consolidated Plan. This final public hearing will be

advertised at least fourteen (14) days in advance of the date of the hearing in major newspapers throughout the Commonwealth and through direct mailings. The State will carefully consider the time and location of this and all hearings to ensure that it is convenient to potential and actual beneficiaries. Accommodation will be made for persons with disabilities as requested. The needs of non-English speaking citizens will be met through an interpreter in the case of a public hearing where a significant number of non-English speaking residents can be reasonably expected to participate. This accommodation will be made as requested.

Any comments regarding the Consolidated Plan received during the review process be they written or oral will be considered in preparation of the final Consolidated Plan. A summary of all comments will be attached to the final consolidated Plan along with the reasons for not accepting comments.

Final Plan

The final Consolidated plan and any subsequent substantial amendments will be available for review at libraries throughout the state, Area Development Districts, local offices of the Kentucky Congressional Delegation, Department for Local Government, and Kentucky Housing Corporation. These materials will be available in a form accessible to persons with disabilities, upon request.

Amendments to the Consolidated Plan

In the event of a substantial change in the in the programs that are part of the Consolidated Plan the State will formally amend the Consolidated Plan. Citizens of the Commonwealth, units of general local government, and all interested parties will be given reasonable notice and the opportunity to comment on any proposed amendment. Notification will be made through publication in major newspapers throughout the state. Citizens will have thirty (30) days after the proposed amendment is published to submit written comments on the proposed amendment. The State will review and take into consideration any comments or views submitted in the preparation of an amendment to the Consolidated Plan. A summary of the comments or views will be attached to the amendment to the plan as well as reasons for not accepting any comments.

The criteria that the State will use for determining what constitutes a substantial change is as follows:

1. A change in the allocation priorities or a change in the method of distribution of funds.
2. Carrying out an activity not previously described in the action plan.
3. A change in the purpose, scope, location or beneficiaries of an activity.

Performance Reports

Copies of the annual performance report will be distributed to all Area Development Districts, and available at the Department for Local Government, and Kentucky Housing Corporation to afford citizens opportunity to comment. At least fifteen (15) days will be designated as the public comment period prior to the submission of the performance report to HUD. Any comments received regarding the performance report will be taken into consideration. A summary of all comments received will be attached to the performance report. This report will be made available in a form accessible to persons with disabilities, upon request.

Access to Records

The State will provide citizens, public agencies, and other interested parties with reasonable and timely access to information and records relating to the State's Consolidated Plan and the State's programs covered by the Consolidated Plan during the preceding five years.

Complaints

For complaints from citizens related to the Consolidated Plan, any amendments to the Plan, or the Performance Report, the State will address written complaints within fifteen (15) working days where practicable.

Local Government Citizens Participation Plan

The Commonwealth of Kentucky, through the Department for Local Government, herein outline a citizens participation plan, the primary purpose of which is to ensure that low and moderate income (LMI) residents are adequately informed regarding the Kentucky Community Development Block Grant (CDBG) program.

**Guideform Residential Antidisplacement and Relocation Assistance Plan under
Section 104(d) of the Housing and Community Development Act of 1974,
as amended
(Sample)**

The (jurisdiction) will replace all occupied and vacant occupiable low/moderate income dwelling units demolished or converted to a use other than low/moderate income housing as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described in 24 CFR 570.488a(c)(1).

All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the (jurisdiction) will make public and submit to the Department of Local Government the following information in writing:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate income dwelling units as a direct result of the assisted activity;
3. A time schedule for the commencement and completion of the demolition or conversion;
4. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain a low/moderate income dwelling unit for at least 10 years from the date of initial occupancy.

The (jurisdiction) will provide relocation assistance, as described in 570.488a(c)(1) to each low/moderate income household displaced by the demolition of housing or by the conversion of a low/moderate income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the Act, the (jurisdiction) will take the following steps to minimize the displacement of persons from their home:

[INSERT TEXT – STEPS TO BE COMPLETED BY THE JURISDICTION]

Appendix A

CDBG MATRIX CODES

Release Date:
March 2019

MATRIX CODE DEFINITIONS

Matrix codes are used to indicate—but do not establish—activity eligibility. An activity must be eligible in accordance with the regulations at 24 CFR 570.201 – 570.207 for Entitlements, 570.703 – 570.705 for the Section 108 loan guarantee program, and with Section 105(a) of the HCDA [42 USC 5305] and 24 CFR 570.482 for States. Grantees need to refer to the regulations to determine an activity’s eligibility; the codes defined below are used in IDIS On-Line chiefly to categorize activities for reporting purposes.

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Code	Definition with Entitlement, State, or Section 108 loan Guarantee citations
Acquisition and Disposition	
01	<p>Acquisition of Real Property 24 CFR 570.201(e) or 42 USC 5305(a)(1) Acquisition of real property that will be developed for a public purpose. Use code 01 if CDBG funds will be used ONLY for the acquisition of property. This code is frequently used for the acquisition of property on which a public facility, public improvement or housing will be constructed using other funds.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>When a grantee acquires and constructs or rehabilitates a public facility with CDBG funds, assign the appropriate 03* matrix code, instead of 01.</i> • <i>When a grantee combines acquisition with relocation or disposition in a single activity, that activity can be coded as Acquisition 01.</i> • <i>When a grantee acquires and rehabilitates housing with CDBG funds for residential purposes, use code 14G.</i> • <i>When a grantee or subrecipient acquires land, clears structures, or packages land for the purpose of creating an industrial park or encouraging commercial/industrial redevelopment, use matrix code 17A.</i>
02	<p>Disposition of Real Property 24 CFR 570.201(b) or 42 USC 5305(a)(7) Costs related to the sale, lease, or donation of real property acquired with CDBG funds or under urban renewal. Eligible costs would include the costs incidental to disposing of the property, such as preparation of legal documents, fees paid for surveys, transfer taxes, and other costs involved in the transfer of ownership of the CDBG-assisted property. The costs can also include the costs of temporarily maintaining property pending disposition, for example, boarding property up, mowing grass, security. However, the temporary maintenance costs are eligible only for properties initially acquired with CDBG funds.</p>
04	<p>Clearance and Demolition 24 CFR 570.201(d) or 42 USC 5305(a)(4) Clearance or demolition of buildings/improvements, or the movement of buildings to other sites.</p>
04A	<p>Cleanup of Contaminated Sites 24 CFR 570.201(d) or 24 CFR 570.482(c)(3) [Public Law 105-276] Activities undertaken primarily to clean toxic/environmental waste or contamination from a site.</p>
08	<p>Relocation 24 CFR 570.201(i) or 42 USC 5305(a)(11) Relocation payments and other assistance for permanently or temporarily displaced individuals, families, businesses, non-profit organizations, and farms.</p>

Public Facilities and Improvements

Use matrix codes in this section when the CDBG funds are used by the grantee or other public or private non-profit entities for public facilities and improvements.

Note:

- *Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related activities are funded with CDBG, the grantee needs to set up a separate activity for each facility or improvement.*
- *When a facility is used only by a specific client group, the activity should be assigned the matrix code specific to that group, not the type of facility. For instance, assign 03Q to a health facility for abused and neglected children, not 03P.*
- *If CDBG funds are only used to acquire property for a public facility, use matrix code 01. If the grantee uses CDBG funds to pay for the acquisition and construction, or rehabilitation of a public facility or improvement, use the appropriate 03* matrix code.*
- *For commercial and industrial improvements undertaken by a grantee or a subrecipient for economic development purposes, use matrix code 17A, 17B, 17C, or 17D.*

03A	<p>Senior Centers 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities (except permanent housing) for seniors. 03A may be used for a facility serving both the elderly and persons with disabilities, provided it is not intended primarily to serve persons with disabilities. If it is, use 03B instead.</p> <p><i>Note: For the construction of permanent housing for the elderly, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.</i></p>
03B	<p>Facilities for Persons with Disabilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of centers, group homes, and other facilities (except permanent housing) for persons with disabilities. 03B may be used for a facility serving both persons with disabilities and the elderly, provided it is not intended primarily to serve the elderly. If it is, use 03A instead.</p> <p><i>Note: For the construction of permanent housing for the persons with disabilities, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.</i></p>
03C	<p>Homeless Facilities (not operating costs) 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees.</p> <p><i>Note: For the construction of permanent housing for the homeless, use code 12; for the rehabilitation of such housing, use the appropriate 14* code; for facilities for abused and neglected children, use 03Q.</i></p>

03D	<p>Youth Centers 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities intended primarily for young people age 13 to 19. These include playground and recreational facilities that are part of a youth center. For the acquisition, construction or rehabilitation of facilities intended primarily for children age 12 and under, use 03M; for facilities for abused and neglected children, use 03Q.</p>
03E	<p>Neighborhood Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers.</p>
03F	<p>Parks, Recreational Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Development of open space areas or facilities intended primarily for recreational use.</p>
03G	<p>Parking Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of parking lots and parking garages. Use 03G if rehabilitation of a public facility or street improvement is a small part of an activity to improve a parking facility. However, if parking improvements are only a small part of a larger street improvement activity, use 03K.</p>
03H	<p>Solid Waste Disposal Improvements 24 CFR 570.201(c) or 42 USC 5205(a)(2) Acquisition, construction or rehabilitation of solid waste disposal facilities. The eligible costs can also include equipment, such as bulldozers, used exclusively at the facility.</p>
03I	<p>Flood Drainage Improvements 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds, catch basins, streambank erosion controls, channelization of streambeds, or dams. 03I can also be used for "Green Infrastructure" improvements to manage stormwater. However, if stormwater management improvements are integral to some other activity like a park or a street project, it should be included in that matrix code (03F for parks, 03K for streets) rather than 03I.</p> <p><i>Note: Do not use 03I for construction/rehabilitation of storm sewers, street drains, or storm drains. Use 03J for storm sewers and 03K for street and storm drains.</i></p>
03J	<p>Water/Sewer Improvements 24 CFR 570.201(c) or 42 USC 5305(a)(2) Installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants. Costs of street repairs (usually repaving) made necessary by water/sewer improvement activities are included under 03J.</p> <p>For water/sewer improvements that are part of:</p> <ul style="list-style-type: none"> • More extensive street improvements, use 03K. For example, an activity that involves paving six blocks of Main Street and installing 100 feet of new water lines in one of those blocks. • A housing rehabilitation activity such as water/sewer hookups (lines from a house to the street), use the appropriate 14* housing rehabilitation matrix code.

03K	Street Improvements <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs. Also use 03K: <ul style="list-style-type: none"> • For improvements that include landscaping, street lighting, and/or street signs (commonly referred to as "streetscaping"). • If sidewalk improvements (see code 03L) are part of more extensive street improvements.
03L	Sidewalks <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Improvements to sidewalks. Also use 03L for sidewalk improvements that include the installation of trash receptacles, lighting, benches, and trees.
03M	Child Care Centers <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of facilities intended primarily for children age 12 and under. Examples are daycare centers and Head Start preschool centers. For the construction or rehabilitation of facilities for abused and neglected children, use 03Q; for the construction or rehabilitation of facilities for teenagers, use 03D
03N	Tree Planting <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Activities limited to tree planting (sometimes referred to as "beautification"). For streetscape activities that include tree planting, use 03K; for sidewalk improvement activities that include tree planting, use 03L.
03O	Fire Stations/Equipment <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency rescue equipment.
03P	Health Facilities <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of physical or mental health facilities. Examples of such facilities include neighborhood clinics, hospitals, nursing homes, and convalescent homes. Health facilities for a specific client group should use the matrix code for that client group. For example, use 03Q for the construction or rehabilitation of health facilities for abused and neglected children.
03Q	Facilities for Abused and Neglected Children <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of daycare centers, treatment facilities, or temporary housing for abused and neglected children.
03R	Asbestos Removal <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Rehabilitation of any public facility undertaken primarily to remove asbestos.
03S	Facilities for AIDS Patients (not operating costs) <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of facilities for the treatment or temporary housing of people who are HIV positive or who have AIDS. For the construction or rehabilitation of facilities for AIDS education and prevention, use 03P.

03Z	<p>Other Public Improvements Not Listed in 03A-03T <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i></p> <p>This matrix code replaces matrix code 03. Only use this code when an activity does not fall under a more specific 03A – 03S matrix code. Check the following before using this matrix code:</p> <ul style="list-style-type: none"> • Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related facilities are funded by CDBG, the grantee needs to set up a separate activity for each facility or improvement. • 03Z can be used for seawalls, bus shelters, retaining walls, and wind turbines. • 03Z can be used for activities that assist persons with disabilities by removing architectural barriers from or providing ADA improvements to government buildings (activities that otherwise would not be eligible for CDBG funding).
06	<p>Interim Assistance <i>24 CFR 570.201(f) or 42 USC 5305(a)(4)</i></p> <p>Only for activities undertaken either to:</p> <ul style="list-style-type: none"> • Make limited improvements (e.g., repair of streets, sidewalks, or public buildings) intended solely to arrest further deterioration of physically deteriorated areas prior to making permanent improvements. • Alleviate emergency conditions threatening public health and safety, such as removal of tree limbs or other debris after a major storm.
11	<p>Privately Owned Utilities <i>24 CFR 570.201(l) or 42 USC 5305(a)(14)</i></p> <p>Acquisition, reconstruction, rehabilitation, or installation of distribution lines and facilities of regulated, privately owned utilities. This includes placing new or existing distribution lines/facilities underground.</p>
16B	<p>Non-Residential Historic Preservation <i>24 CFR 570.202(d)</i></p> <p>Rehabilitation of historic buildings for non-residential use. Examples include the renovation of an historic building for use as a neighborhood facility, as a museum, or by an historic preservation society.</p>
23	<p>Tornado Shelters Serving Private Mobile Home Parks <i>42 USC 5305(a)(25)</i></p> <p>Construction or improvement of tornado-safe shelters for residents of manufactured housing parks and the provision of assistance (including loans and grants) to nonprofit and for-profit entities to do so, in accordance with Section 42 USC 5305(a)(24).</p>

Public Services

Use matrix codes in this section for CDBG assisted public services activities.

- It is important to distinguish a service from construction or rehabilitation of a facility where a service is being provided. For example, the construction or rehabilitation of a senior center is coded as 03A, but the funding of services provided at a facility for senior citizens is coded as 05A.
- Rental of a facility for a service is considered a part of delivery of service and should be treated as a public service.
- Operation and maintenance may be paid with CDBG funds only for the portion of the building where a public service is being carried out.
- If the activity is restricted to one client group, use the matrix code for that group. For example, use 05A for senior services.

03T	Homeless/AIDS Patients Programs 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Costs associated with the operation of programs for the homeless or for AIDS patients, such as staff costs, utilities, maintenance, and insurance. Because payment of operating costs for these programs is a public service under CDBG, all CDBG expenditures for 03T activities are included in the calculation of the Public Services cap.
05A	Senior Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for the elderly. 05A may be used for an activity that serves both the elderly and persons with disabilities provided it is intended primarily to serve elderly. If the activity is intended primarily to serve persons with disabilities, use 05B instead.
05B	Services for Persons with Disabilities 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for the persons with disabilities, regardless of age. If the activity is intended primarily for elderly persons, use 05A instead.
05C	Legal Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services providing legal aid to low- and moderate-income (LMI) persons. If the legal service is only provided for the settlement of tenant/landlord disputes, use 05K.
05D	Youth Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for young people age 13 to 19. For example, recreational services limited to teenagers and teen counseling programs. 05D can also be used for counseling programs that target teens but include counseling for the family as well. For services for children age 12 and under, use 05L; for services for abused and neglected children, use 05N.
05E	Transportation Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) General transportation services. Transportation services for a specific client group should use the matrix code for that client group. For example, use 05A for transportation services for the elderly.

05F	Substance Abuse Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Substance abuse recovery programs and substance abuse prevention/education activities. If the services are provided for a specific client group, the matrix code for that client group may be used instead. For example, substance abuse services that target teenagers may be coded either 05D or 05F.
05G	Services for victims of domestic violence, dating violence, sexual assault or stalking 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for victims of domestic violence, dating violence, sexual assault or stalking. For services limited to abused and neglected children, use 05N.
05H	Employment Training 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Assistance to increase self-sufficiency, including literacy, independent living skills, resume writing, job coaching, "how to get and keep a job" training, or training students in a particular field on skill when there is no tie to a specific position or business. For activities providing training for specific permanent jobs with specific businesses, use 18A.
05I	Crime Awareness/Prevention 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Promotion of crime awareness and prevention, including crime prevention education programs, community-oriented policing programs above and beyond normal staffing levels, installation of security cameras, and paying for security guards.
05J	Fair Housing Activities (subject to Public Services cap) 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Fair housing services (e.g. counseling on housing discrimination) as public services. The activity needs to meet a national objective. For fair housing services activities carried out as part of general program administration (and thus not required to meet a national objective), use 21D.
05K	Tenant/Landlord Counseling 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Counseling to help prevent or settle disputes between tenants and landlords.
05L	Child Care Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services that will benefit children (generally under age 13), including parenting skills classes. For services exclusively for abused and neglected children, use 05N.
05M	Health Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the physical health needs of residents of the community. For mental health services, use 05O.
05N	Services for Abused and Neglected Children 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Daycare and other services exclusively for abused and neglected children.

050	Mental Health Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the mental health needs of residents of the community.
05P	Screening for Lead Poisoning 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Activities undertaken primarily to provide screening for lead poisoning. <i>Note:</i> <ul style="list-style-type: none"> • Use 05P to test people for possible lead poisoning. • Use 14I to test buildings/properties for presence of lead contamination.
05Q	Subsistence Payments 24 CFR 570.207(b)(4) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) One-time or short-term (no more than three months) emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service, and rent/mortgage payments to prevent eviction.
05R	Homebuyer Downpayment Assistance - Excluding Housing Counseling under 24 CFR 5.100 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Homebuyer downpayment assistance provided as a PUBLIC SERVICE. If housing counseling (under 24 CFR 5.100) is provided to in conjunction with downpayment assistance, report housing counseling separately under matrix code 05Y. If referral services, homeownership education programs, or general budget/financial counseling are provided to homebuyers in conjunction with downpayment assistance as part of a package, then the services are considered activity delivery costs as a part of an 05R activity. <ul style="list-style-type: none"> • It is subject to the public service cap, unless the assistance is provided by a CBDO in an NRSA or by a 105(a)(15) entity. • Only report the number of households that received downpayment assistance as accomplishments for 05R. • For more extensive types of homeownership assistance provided under authority of the National Affordable Housing Act, use code 13B.
05S	Rental Housing Subsidies 24 CFR 570.204 or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Tenant subsidies exclusively for rental payments for more than three months. Activities providing this form of assistance must be carried out by CBDOs or 105(a)(15) entities.
05T	Security Deposits 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Tenant subsidies exclusively for payment of security deposits.

05U	Housing Counseling only, under 24 CFR 5.100 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Housing counseling, under 24 CFR 5.100, for renters, homeowners, and/or potential new homebuyers that is provided as an independent public service (i.e., not as part of another eligible housing activity).
05V	Neighborhood Cleanups 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) One-time or short-term efforts to remove trash and debris from neighborhoods. Examples of legitimate uses of this code include neighborhood cleanup campaigns and graffiti removal.
05W	Food Banks 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Costs associated with the operation of food banks, community kitchens, and food pantries, such as staff costs, supplies, utilities, maintenance, and insurance.
05X	Housing Information and Referral Services 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) An activity that provides housing information, education, and referral services, or general budget/financial counseling that does not meet the 24 CFR 5.100 definition of Housing Counseling.
05Y	Housing Counseling under 24 CFR 5.100 Supporting Homebuyer Downpayment Assistance (05R) 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Housing Counseling, under 24 CFR 5.100, that is provided to in conjunction with homebuyer downpayment assistance (05R) as a public service.
05Z	Other Public Services Not Listed in 03T and 05A-05Y 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) This matrix code replaced matrix code 05. Only use this matrix code when an activity does not fall under a more specific 05A-05Y code. An example of a legitimate use of this code is when the CDBG funds are provided to a non-profit organization that provides multiple types of social services for operating costs. In another example, when a public service activity that does not have a more specific matrix code, provides services to multiple groups of clients such as seniors, persons with disabilities, and homeless persons. For instance, for a "meals on wheels" program for seniors and persons with disabilities, use 05Z. If this program had only been available to seniors, the correct matrix code would have been 05A.

Housing

Housing includes new construction and rehabilitation.

- Reconstruction of housing is eligible as is rehabilitation. Replacement of stick-built residential structures with manufactured housing units, or vice versa, is eligible as reconstruction of housing.
- Manufactured housing may be rehabilitated if it is considered part of the community's permanent housing stock.
- Wiring multifamily properties for broadband internet service, as part of substantial rehabilitation as defined in 24 CFR 5.100, should be treated as a cost of the rehabilitation, not broken out separately.
- Conversion of non-residential structures to housing is eligible as rehabilitation (esp. significant for 14B, 14D, 14G).
- Rehabilitation of housing can include water/sewer hookups, running water/sewer lines from a house out to the street, installation/rehabilitation/replacement of wells, septic tanks, septic drainfields, etc.
- Historic preservation work that is done as part of other housing rehabilitation can be included in the relevant matrix code.
- Installation or replacement of landscaping materials, sidewalks, and driveways can be included when the costs are incidental to the rehabilitation of the property.

09	Loss of Rental Income <i>24 CFR 570.201(j) or 42 USC 5305(a)(6)</i> Payments to owners of housing for loss of rental income due to temporarily holding rental units for persons displaced by CDBG-assisted activities.
12	Construction of Housing <i>24 CFR 570.201(m), 570.204 or 42 USC 5305(a)(15)</i> Construction of housing with CDBG funds must either be: carried out by CBDOS, in accordance with the regulations at 24 CFR 570.204(a); in accordance with 42 USC 5305(a)(15); or last resort housing under the provisions of the Uniform Act, 42 USC Part 49.
13A	Housing Counseling, under 24 CFR 5.100, for Homeownership Assistance (13B) <i>24 CFR 570.201(n) or 42 USC 5305(a)(24)</i> Housing Counseling, under 24 CFR 5.100, when provided in conjunction with direct homeownership assistance 13B. Report housing counseling under matrix code 13A as a separate activity.

<p>13B</p>	<p>Homeownership Assistance - excluding Housing Counseling under 24 CFR 5.100 24 CFR 570.201(n) or 42 USC 5305(a)(24) CDBG funds may be used to provide direct homeownership assistance under 24 CFR 570.201(n) and Section 105(a)(24) of the HCDA under the low- and moderate-income housing national objective [24 CFR 570.208(a)(3) and 570.483(b)(3)]. Direct homeownership assistance may include:</p> <ul style="list-style-type: none"> • Subsidizing interest rates and mortgage principal amounts to make loan payments affordable. This may include making grants to reduce the effective interest rates charged on the loans. Low-or no-interest subordinate loans can also be used to reduce overall loan repayment amounts. • Financing the cost of acquiring property already occupied by renter households at terms needed to make the purchase affordable. • Paying all or a part of the premium on behalf of the homebuyer for mortgage insurance required upfront by a private mortgagee. • Paying any or all of the reasonable closing costs associated with the home purchase on behalf of the homebuyer. • Paying up to 50 percent of the down payment required by the mortgagee for the purchase on behalf of the homebuyer. (The 50 percent limitation on downpayment assistance is a statutory requirement. Grantee records must document what amount of downpayment is required by the mortgagee, and must clearly distinguish between the amount of CDBG funds being provided for downpayment assistance vs. the amount provided for subsidizing the mortgage principal, for closing costs, for mortgage insurance, etc.) <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>If Housing Counseling, under 24 CFR 5.100, is provided in conjunction with direct homeownership assistance, report housing counseling under matrix code 13A, as a separate activity.</i> • <i>If referral services, homeownership education programs, or general budget/financial counseling is provided to homebuyers in conjunction with homeownership assistance, the services are considered activity delivery costs as part of a 13B activity.</i> • <i>All recipients of assistance provided under matrix code 13B must be low/moderate income and the activity must meet the LMH national objective.</i> • <i>Only report the number of households that received homeownership assistance as accomplishments for 13B.</i>
<p>14A</p>	<p>Rehabilitation: Single-Unit Residential 24 CFR 570.202(a)(1) or 42 USC 5305(a)(4) Rehabilitation of privately owned, single-unit homes. If Housing Counseling under 24 CFR 5.100 is provided in conjunction with rehabilitation, report Housing Counseling under matrix code 14L separately. If referral services, or general budget/financial counseling is provided to residents in conjunction with rehabilitation, the services are considered activity delivery costs as a part of a 14A activity.</p>

14B	<p>Rehabilitation: Multi-Unit Residential 24 CFR 570.202(a)(1) or 42 USC 5305(a)(4) Rehabilitation of privately owned buildings with two or more permanent residential units. If Housing Counseling under 24 CFR 5.100 is provided in conjunction with rehabilitation, report Housing Counseling under matrix code 14L separately. If referral services or general budget/financial counseling is provided to residents in conjunction with rehabilitation, the services are considered activity delivery costs as a part of a 14B activity.</p> <p>For the rehabilitation of units that will provide temporary shelter or transitional housing for the homeless, use 03C.</p>
14C	<p>Rehabilitation: Public Housing Modernization 24 CFR 570.202(a)(2) or 42 USC 5305(a)(4) Rehabilitation of housing units owned/operated by a public housing authority (PHA).</p>
14D	<p>Rehabilitation: Other Publicly Owned Residential Buildings 24 CFR 570.202(a)(2) or 42 USC 5305(a)(4) Rehabilitation of permanent housing owned by a public entity other than a PHA.</p> <p>For the rehabilitation of other publicly owned buildings that will provide temporary shelter or transitional housing for the homeless, use 03C.</p>
14F	<p>Rehabilitation: Energy Efficiency Improvements 24 CFR 570.202(b)(4) or 42 USC 5305(a)(4) Housing rehabilitation with the sole purpose of improving energy efficiency (e.g., a weatherization program).</p> <p>For energy efficiency improvements to public housing units, use 14C; for other publicly owned residential buildings, use 14D.</p>
14G	<p>Rehabilitation: Acquisition 24 CFR 570.202(b)(1) or 42 USC 5305(a)(1) Acquisition of property to be rehabilitated for housing. 14G may be used whether CDBG funds will pay only for acquisition or for both acquisition and rehabilitation.</p>
14H	<p>Rehabilitation: Administration 24 CFR 570.202(b)(9) or 42 USC 5305(a)(4) All delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing and underwriting; survey, site and utility plans; application processing.</p> <p>14H should be used when the CDBG funds are used for activity delivery costs in implementing a program where the rehabilitation hard costs are paid with other funding sources.</p> <p>Do not use 14H for the costs of actual rehabilitation and do not use it for costs unrelated to running a rehabilitation program (e.g., tenant/landlord counseling).</p> <p>For administration activities carried out as part of general program administration (and thus not required to meet a national objective), use code 21A.</p>

14I	<p>Lead-Based Paint/Lead Hazards Testing/Abatement <i>24 CFR 570.202(f) or 42 USC 5305(a)(26)</i></p> <p>Housing rehabilitation activities with the primary goal of evaluating housing units for lead-paint hazards and reducing lead-based paint/lead hazards in units. For lead-based paint/lead hazards screening of persons, use 05P.</p>
14J	<p>Housing Services - Excluding Housing Counseling, under 24 CFR 5.100 <i>24 CFR 570.201(k) or 42 USC 5305(a)(20)</i></p> <p>Housing services, except Housing Counseling, under 24 CFR 5.100, in support of the HOME Program, eligible under 24 CFR 570.201(k).</p>
14K	<p>Housing Counseling, under 24 CFR 5.100, Supporting HOME Program Housing Activities <i>24 CFR 570.201(k) or 42 USC 5305(a)(20)</i></p> <p>Housing Counseling, under 24 CFR 5.100, in support of a HOME- funded housing assistance program.</p>
14L	<p>Housing Counseling, under 24 CFR 5.100, in Conjunction with CDBG-assisted Housing Rehabilitation <i>24 CFR 570.202 or Section 42 USC 5305(a)(4)</i></p> <p>Housing Counseling, under 24 CFR 5.100, in support of CDBG assisted housing rehabilitation activities, including 14A-14D, 14F-14I, and 16A.</p>
15	<p>Code Enforcement <i>24 CFR 570.202(c) or 42 USC 5305(a)(3)</i></p> <p>Salaries and overhead costs associated with property inspections and follow-up actions (such as legal proceedings) directly related to the enforcement (not correction) of state and local codes.</p> <p>For the rehabilitation hard costs of correcting code violations, use the appropriate rehabilitation code under the 14* series.</p>
16A	<p>Residential Historic Preservation <i>24 CFR 570.202(d)</i></p> <p>Rehabilitation of historic buildings for residential use. Use matrix code 16A when the preservation or restoration of historically significant features is the only work being done. If historic preservation work is done as part of other housing rehabilitation, then use the relevant 14* matrix code.</p>
19E	<p>CDBG Operation and Repair of Foreclosed Property ("In-Rem Housing") <i>42 USC 5305(a)(23)</i></p> <p>Activities to prevent the abandonment and deterioration of housing acquired through tax foreclosure. These include making essential repairs to the housing and paying operating expenses to maintain its habitability.</p>

Economic Development	
<ul style="list-style-type: none"> • Matrix codes 17A – 17D should be used to identify special economic development activities carried out by the grantee or through a public or private non-profit subrecipient. Under these matrix codes, CDBG funds are not given to a specific for-profit business or businesses. • Matrix codes 14E, 18A, 18B, 18C should be used when assistance is provided to a for-profit business for economic development projects. 	
14E	<p>Rehabilitation: Publicly or Privately Owned Commercial/Industrial <i>24 CFR 570.202(a)(3) or 42 USC 5305(a)(2)</i> Rehabilitation of commercial/industrial property. If the property is privately owned, CDBG-funded rehab is limited to:</p> <ul style="list-style-type: none"> • Exterior improvements (generally referred to as "façade improvements"). • Correction of code violations. <p>For more extensive rehabilitation of privately owned commercial/industrial property, use 17C; for infrastructure developments and improvements at commercial/industrial sites, use 17B.</p>
17A	<p>Commercial/Industrial: Acquisition/Disposition <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Land acquisition, clearance of structures, or assembling land for the purpose of creating industrial parks or promoting commercial/industrial development. 17A activities must be carried out by the grantee or by public or private non-profits.</p>
17B	<p>Commercial/Industrial: Infrastructure Development <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Street, water, parking, rail transport, or other improvements to commercial/industrial sites. 17B also includes the installation of public improvements, such as the construction of streets to and through commercial/industrial areas. 17B activities must be carried out by the grantee or by public or private non-profits.</p>
17C	<p>Commercial/Industrial: Building Acquisition, Construction, Rehabilitation <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Acquisition, construction, or rehabilitation of commercial/industrial buildings. 17C activities must be carried out by the grantee or by public or private non-profits.</p>
17D	<p>Commercial/Industrial: Other Improvements <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Commercial/industrial improvements not covered by other 17* codes. 17D activities must be carried out by the grantee or by public or private non-profits.</p>

18A	<p>Economic Development Direct Financial Assistance to For-Profit Business <i>24 CFR 570.203(b) or 42 USC 5305(a)(17)</i></p> <p>Financial assistance to private for-profit businesses to (for example) acquire property, clear structures, build, expand or rehabilitate a building, purchase equipment, or provide operating capital. Forms of assistance include loans, loan guarantees, and grants.</p> <p>With one exception, a separate 18A activity must be set up for each business assisted. If an activity is carried out under 24 CFR 570.208(a)(4)(vi) or 24 CFR 570.483(b)(4)(vi), job aggregation is allowed, and all businesses assisted during a program year may be combined in one activity.</p>
18B	<p>Economic Development: Technical Assistance <i>24 CFR 570.203(c) or 42 USC 5305(a)(17)</i></p> <p>Technical assistance to for-profit businesses, including workshops, assistance in developing business plans, marketing, and referrals to lenders or technical resources. Also use 18B for activity delivery costs eligible under 24 CFR 570.203(c).</p>
18C	<p>Economic Development: Microenterprise Assistance <i>24 CFR 570.201(o) or 42 USC 5305(a)(22) + 24 CFR 570.482(c)</i></p> <p>Financial assistance, technical assistance, or general support services to owners and developers of microenterprises. A microenterprise is a business with five or fewer employees, including the owner(s). The activity must be designed to exclusively serve microenterprises.</p> <p>With one exception, a separate activity must be set up for each microenterprise assisted. If an activity is carried out under 24 CFR 570.208(a)(4)(vi) or 24 CFR 570.483(b)(4)(vi), job aggregation is allowed, and all assisted businesses may be combined in one activity.</p>

General Admin	
20	<p>Planning 24 CFR 570.205 or 24 CFR 570.489(a)(3) Program planning activities, including the development of comprehensive plans (e.g., a consolidated plan), community development plans, energy strategies, capacity building, environmental studies, area neighborhood plans, and functional plans. These activities, along with administration activities, are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3). Under State CDBG, this matrix code would only be used for planning done in conjunction with another eligible activity.</p>
20A	<p>State Planning-Only Activities 24 CFR 570.483(b)(5) and (c)(3) Program planning activities for when states award grants to units of general local government in which planning is the only activity, or in which planning activities are unrelated to any other activity funded as part of the grant. These are often referred to as "planning-only grants." These activities, along with administration activities, are subject to the 20 percent limitation under 24 CFR 570.489(a)(3).</p>
21A	<p>General Program Administration 24 CFR 570.206 or 24 CFR 570.489(a)(3) Overall program administration, including (but not limited to) salaries, wages, and related costs of grantee staff or others engaged in program management, monitoring, and evaluation. These activities, along with planning activities, are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>
21B	<p>Indirect Costs 24 CFR 570.206(e) Costs charged as general program administration under an indirect cost allocation plan. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>
21C	<p>Public Information 24 CFR 570.206(b) Providing information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of CDBG-assisted activities. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>
21D	<p>Fair Housing Activities (subject to Admin cap) 24 CFR 570.206(c) Fair housing activities carried out as part of general program administration rather than as a public service. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3). For fair housing activities carried out as a public service, use 05J.</p>
21E	<p>Submission of Applications for Federal Programs 24 CFR 570.206(f) Preparation of (1) documents that must be submitted to HUD to receive CDBG funds or (2) applications to other federal programs for community development assistance. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>

21H	CDBG Funding of HOME Administrative Costs 24 CFR 570.206(i)(2) or 42 USC 5305(a)(13) CDBG funding of administrative costs for the HOME Program. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21I	CDBG Funding of HOME CHDO Operating Expenses 24 CFR 570.206(i)(2) CDBG funding of CHDO operating expenses for HOME Program. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
21J	State Program Administration 24 CFR 570.489(a) State program administration, including (but not limited to) salaries, wages, and related costs required for overall program management, coordination, monitoring, reporting, and evaluation. These activities are subject to the \$100,000 plus 3% limitation.
Repayment of Section 108 Loans	
19F	Planned Repayments of Section 108 Loans 24 CFR 570.705(c) Planned payments of principal due on Section 108 loans (including prepayment or defeasance of Section 108 loans). If a grantee is planning to use CDBG funds to repay the Section 108 loans, then use matrix code 19F.
19G	Unplanned Repayments of Section 108 Loans 24 CFR 570.705(c) Unplanned payments of principal due on Section 108 loans (including prepayment or defeasance of Section 108 loans). Use matrix code 19G for the following two situations: <ul style="list-style-type: none"> • When the funds planned for Section 108 loan repayment are not available, the grantee needs to use CDBG funds to repay the Section 108 loans. • The grantee does not make a timely payment on its Section 108 Guaranteed loan, and the CDBG grant funds are deducted from grantee's line of credit to pay the Section 108 Guaranteed Loans
24A	Payment of Interest on Section 108 Loans 24 CFR 570.703(c), 570.705(c) Payment of interest on Section 108 loans.
24B	Payment of Costs of Section 108 Financing 24 CFR 570.703(g), 570.703(n), 570.705(c) Payment of issuance, underwriting, servicing, trust administration and other costs associated with private sector financing of Section 108 loans and payment of fees charged by HUD.
24C	Debt Service Reserve 24 CFR 570.703(k), 570.705(c) Establishment of debt service reserves as additional security for repayment of Section 108 loans.

Other	
07	<p>Urban Renewal Completion <i>24 CFR 570.201(h) or 42 USC 5305(a)(10)</i> Completion of Urban Renewal projects funded under Title I of the Housing Act of 1949.</p> <ul style="list-style-type: none"> • Do not use code 07 for a downtown renewal, downtown development, or locally-created Urban Renewal activity unless the activity will result in the closing out of a federally-approved urban renewal project. • Only use for activities necessary to complete an existing Urban Renewal Plan.
19C	<p>CDBG Non-Profit Organization Capacity Building <i>24 CFR 570.201(p) or 42 USC 5305(a)(19)</i> Activities specifically designed to increase the capacity of non-profit organizations to carry out specific CDBG eligible neighborhood revitalization or economic development activities. Such activities may include providing technical assistance and specialized training to staff. The specific eligible activity for which capacity is being developed must meet a national objective. Payment of general operational and administrative costs of a non-profit organization is not eligible under this category.</p>
19H	<p>State CDBG Technical Assistance to Grantees <i>24 CFR 570.489(a)</i> Use this code to indicate State CDBG technical assistance to grantees. This code should be used only for states. CDBG State grantees should use this matrix code for activities that fall under the set-aside for technical assistance in the CDBG program. These activities are subject to the \$100,000 plus 3% limitation.</p>

ECLEARINGHOUSE LETTER



Andy Beshear
Governor

OFFICE OF THE GOVERNOR
DEPARTMENT FOR LOCAL GOVERNMENT
100 AIRPORT ROAD, THIRD FLOOR FRANKFORT, KENTUCKY 40601
PHONE (502) 573-2382 FAX (502) 227-8691
dlg.ky.gov

Matt Sawyers
Commissioner

Mr. Cole Sutton
Kentucky Department for Local Government
100 Airport Road, 3rd Floor
Frankfort, KY 40601

RE: Kentucky CDBG Small Cities Program
SAI# KY202602130250
ALN# 14.228

Dear Mr. Sutton:

The Kentucky State e-Clearinghouse is the official designated Single Point of Contact (SPOC) for the Commonwealth pursuant to Presidential Executive Order 12372 and supported by Kentucky Statutes KRS 45.031. The primary function of the SPOC is to streamline the review process for the applicant and the funding agency. This process helps in vocalizing the statutory and regulatory requirements. Information in the form of comments, if any, will be attached to this correspondence.

This proposal has been reviewed by the appropriate state agencies in the e-Clearinghouse for conflicts with state or local plans, goals, and objectives. After receiving this letter, you should make it available to the funding agency and continue with their application process. This e-Clearinghouse SPOC letter signifies only that the project has followed the state reviewing requirements and is neither a commitment of funds from this agency, nor of any other state or federal agency. Please remember if any federal reviews are required, the applicant must follow through with those federal agencies.

The results of this review are valid for **one year** from the date of this letter. If the project is not submitted to the funding agency or not approved within one year after the completion of this review, the applicant can request an extension through the **information request function** in e-Clearinghouse. If the project changes in any way after the review, the applicant must reapply through the e-Clearinghouse for a new review. There are no exceptions.

If you have any questions regarding this letter or the review process, please contact the e-Clearinghouse office at dlg.ech@ky.gov or 502-573-2382.

Sincerely,

A handwritten signature in cursive script that reads "Cindy Seip".

Cindy Seip, Program Coordinator (SPOC)
Kentucky State e-Clearinghouse

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate letter(s): _____ * Other (Specify): _____
* 3. Date Received: _____	4. Applicant Identifier: _____	
5a. Federal Entity Identifier: _____	5b. Federal Award Identifier: _____	
State Use Only:		
6. Date Received by State: _____	7. State Application Identifier: KY202602130250	
8. APPLICANT INFORMATION:		
* a. Legal Name: Kentucky Department for Local Government		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 61-0600439	* c. UEI: PQ4JMJDP4MQ9	
d. Address:		
* Street1: 100 Airport Road	_____	
Street2:	_____	
* City: Frankfort	_____	
County/Parish:	_____	
* State: KY: Kentucky	_____	
Province:	_____	
* Country: USA: UNITED STATES	_____	
* Zip / Postal Code: 40601-7514	_____	
e. Organizational Unit:		
Department Name: KY Department for Local Govern	Division Name: Office of Federal Grants	
f. Name and contact information of person to be contacted on matters involving this application:		
Prefix: Mr.	* First Name: Cole	_____
Middle Name:	_____	
* Last Name: Sutton	_____	
Suffix:	_____	
Title: Compliance Branch Manager		
Organizational Affiliation: _____		
* Telephone Number: 5028923468	Fax Number: _____	
* Email: Colec.Sutton@ky.gov		

Application for Federal Assistance SF-424

16. Congressional Districts Of:

* a. Applicant

* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

17. Proposed Project:

* a. Start Date:

* b. End Date:

18. Estimated Funding (\$):

* a. Federal	<input type="text" value="25,988,523.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="879,656.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="26,868,179.00"/>

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

a. This application was made available to the State under the Executive Order 12372 Process for review on

b. Program is subject to E.O. 12372 but has not been selected by the State for review.

c. Program is not covered by E.O. 12372.

*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes No

If "Yes", provide explanation and attach

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)**

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:

* First Name:

Middle Name:

* Last Name:

Suffix:

* Title:

* Telephone Number:

Fax Number:

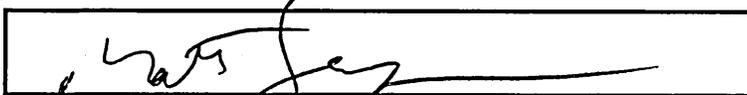
* Email:

* Signature of Authorized Representative:



* Date Signed:

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL 	TITLE Commissioner
APPLICANT ORGANIZATION Kentucky Department for Local Government	DATE SUBMITTED 2/24/2026

2025 APPLICATIONS

Project No	Applicant	Project Name	Status	Grant Type	County	amount Requested	Requested Subtotal	Amount approved	Approved Subtotal	ADD
25-004	Millersburg	Blight Elimination: 401-407 Main Street	Approved	CDBG-Comm Proj	Bourbon	\$850,000.00		\$850,000.00		Bluegrass
25-006	Clinton	Fire Station and Training Facility	Approved	CDBG-Comm Proj	Hickman	\$850,000.00		\$850,000.00		Purchase
25-007	Marshall CFC	Marshall County Senior Citizens Center Rehabilitation Project	Approved	CDBG-Comm Proj	Marshall	\$850,000.00		\$850,000.00		Purchase
25-012	Trimble CFC	Hospital-Urgent Care and Primary Care Clinic	Approved	CDBG-Comm Proj	Trimble	\$850,000.00		\$850,000.00		KIPDA
25-001	Bracken CFC	Bracken County EMS Renovation Project	Under Review	CDBG-Comm Proj	Bracken	\$662,300.00				Buffalo Trace
25-011	Davess CFC	Family Y of Owensboro Davess County Inc. Daycare Expansion	Under Review	CDBG-Comm Proj	Davess	\$850,000.00				Green River
25-018	Garrard CFC	Garrard Co. Community Food Bank	Under Review	CDBG-Comm Proj	Garrard	\$850,000.00				Bluegrass
25-009	Grayson	Pathways Autism Center	Under Review	CDBG-Comm Proj	Carter	\$850,000.00				FIVCO
25-017	Irvin	Mack Theater Phase 2 Project	Under Review	CDBG-Comm Proj	Estill	\$850,000.00				Bluegrass
25-016	Madison CFC	Kirksville Fire Station	Under Review	CDBG-Comm Proj	Madison	\$850,000.00				Bluegrass
25-014	McCreary CFC	North McCreary Fire Station Project	Under Review	CDBG-Comm Proj	McCreary	\$850,000.00				Lake Cumberland
25-010	Todd CFC	Historic Todd County Courthouse Rehabilitation Project	Under Review	CDBG-Comm Proj	Todd	\$850,000.00				Pennynile
25-008	Warren CFC	Down Syndrome of Southern Kentucky "Buddy House"	Under Review	CDBG-Comm Proj	Warren	\$850,000.00				Barren River
25-003	Montgomery CFC	Montgomery Co. 2025 Industrial Equipment Project	Approved	CDBG-ED	Montgomery	\$735,000.00	\$10,862,300.00	\$735,000.00	\$3,400,000.00	Gateway
25-025	Morehead	Morehead Rodbum Hollow Housing Project	Under Review	CDBG-Housing	Rowan	\$367,070.00	\$735,000.00		\$735,000.00	Gateway
25-035	Flemingsburg	Fischer Building Apartments Improvements	Under Review	CDBG-Housing	Fleming	\$900,000.00				Buffalo Trace
25-002	Mayfield	HPI Housing Development	Under Review	CDBG-Housing	Graves	\$1,000,000.00				Purchase
25-026	Oldham CFC	Pillar Crestwood Site Work	Under Review	CDBG-Housing	Oldham	\$1,000,000.00				KIPDA
Project No	Applicant	Project Name	Status	Grant Type	County	amount Requested	Requested Subtotal	Amount approved	Approved Subtotal	ADD
							\$3,267,070.00			

25-019	Houstonville	Houstonville Water Improvements Phase 2B	Approved	CDBG-Pub Fac	Lincoln	\$1,250,000.00		\$1,250,000.00		Bluegrass
25-005	Mason CFC	WLRWD Office Tank	Approved	CDBG-Pub Fac	Mason	\$1,120,000.00		\$1,120,000.00		Buffalo Trace
25-013	Maysville	Mayslick Water Service Upgrade Project	Approved	CDBG-Pub Fac	Mason	\$1,250,000.00		\$1,250,000.00		Buffalo Trace
25-015	McLean CFC	Beech Grove Water System Storage Tank Addition	Approved	CDBG-Pub Fac	McLean	\$1,250,000.00		\$1,250,000.00		Green River
25-020	Powell CFC	Beech Fork Expansion of Existing Water Treatment Plant	Approved	CDBG-Pub Fac	Powell	\$1,500,000.00		\$1,500,000.00		Bluegrass
						\$6,370,000.00		\$6,370,000.00		
25-031	Boone CFC	Brighton Recovery Center for Women	Approved	CDBG-Recovery KY	Boone	\$200,000.00		\$200,000.00		Northern Kentucky
25-028	Campbellsville	The Healing Place of Campbellsville	Approved	CDBG-Recovery KY	Taylor	\$200,000.00		\$200,000.00		Lake Cumberland
25-022	Carter CFC	Genesis Kentucky Recovery Center	Approved	CDBG-Recovery KY	Carter	\$200,000.00		\$200,000.00		FIVCO
25-034	Christian CFC	Trilogy Recovery Center for Women	Approved	CDBG-Recovery KY	Christian	\$200,000.00		\$200,000.00		Pennyrille
25-029	Davies CFC	Owensboro Regional Recovery	Approved	CDBG-Recovery KY	Davies	\$200,000.00		\$200,000.00		Green River
25-023	Harlan CFC	Cumberland Hope Community-Recovery KY Project	Approved	CDBG-Recovery KY	Harlan	\$200,000.00		\$200,000.00		Cumberland Valley
25-021	Henderson CFC	Women's Addiction Recovery Manor (WARM)	Approved	CDBG-Recovery KY	Henderson	\$200,000.00		\$200,000.00		Green River
25-027	Kenton CFC	Transitions, Inc. Grateful Life Center	Approved	CDBG-Recovery KY	Kenton	\$200,000.00		\$200,000.00		Northern Kentucky
25-033	Knott CFC	Hickory Hill Recovery	Approved	CDBG-Recovery KY	Knott	\$200,000.00		\$200,000.00		Kentucky River
25-038	McCracken CFC	Four Rivers Centerpoint Recovery Center	Approved	CDBG-Recovery KY	McCracken	\$200,000.00		\$200,000.00		Purchase
25-032	Richmond	Liberty Place Recovery Center for Women	Approved	CDBG-Recovery KY	Madison	\$200,000.00		\$200,000.00		Bluegrass
25-024	Warren CFC	Men's Addiction Recovery Campus	Approved	CDBG-Recovery KY	Warren	\$200,000.00		\$200,000.00		Barren River
25-030	Somerset	SKY Hope Recovery Center	Approved	CDBG-Recovery KY	Pulaski	\$200,000.00		\$200,000.00		Lake Cumberland
						\$23,834,370.00	\$2,600,000.00	\$26,434,370.00	\$2,600,000.00	
	TOTALS					\$23,834,370.00	\$2,600,000.00	\$26,434,370.00	\$2,600,000.00	\$13,105,000.00

2025 USE OF FUNDS ESTIMATE

**KENTUCKY
COMMUNITY DEVELOPMENT BLOCK GRANT**

USE OF FUNDS REPORT 2025



**Department for Local Government
Office of Federal Grants
Matt Sawyers, Commissioner
www.dlg.ky.gov**

**TEAM 
KENTUCKY™**

KENTUCKY COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
USE OF FUNDS REPORT 2025

An Introduction

Background

The Community Development Block Grant (CDBG) Program was established by the Housing and Community Development Act of 1974 and has been administered by the U. S. Department of Housing and Urban Development (HUD). The CDBG Program is divided into two major categories: "entitlement" communities, those having populations of 50,000 or more, and "non-entitlement" communities with populations under 50,000. The non-entitlement category is more commonly referred to as the "Small Cities" Program.

The 1981 amendments to the federal legislation made the "Small Cities" portion of the CDBG program available as an optional state administered program. Kentucky opted to administer the program and has done so since 1982. Within the requirements set out by the amended CDBG legislation and HUD regulations, the state has the authority to design its own procedures for program administration and to develop criteria and/or formulas for selection of grant recipients.

Planning requirements are met with a single submission to HUD. The Consolidated Plan satisfies the minimum statutory requirements for four CPD formula programs: CDBG, HOME Investment Partnerships (HOME), Emergency Shelter Grants (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The Consolidated Plan is a collaborative process whereby a state establishes a unified vision for community development actions. Consolidation of the submission requirements creates the opportunity for strategic planning, citizen participation, and reduces duplication of effort at the state level.

Program Purpose

The intent is to help communities meet their greatest community needs, within the confines of Title I, with particular emphasis on assisting low- and moderate-income persons.

Program Administration

The 2025 Kentucky program is administered by the Department for Local Government (DLG), Office of Federal Grants. The DLG reviews applications in the areas of Public Facilities, Housing, Economic Development, Community Emergency Relief Fund, Community Projects/Renaissance and Public Services. A Project Selection Committee has the responsibility for selecting grants for funding.

The state's responsibility for administration includes designing guidelines, developing selection criteria, training applicants, providing technical assistance, selecting recipients, monitoring projects and reporting to HUD.

Program Eligibility

All cities and counties in Kentucky are eligible for participation except for the following entitlement jurisdictions:

Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, Lexington/Fayette Urban County Government, and Louisville/Jefferson County Metro Government.

Note that eligibility also depends upon whether a prior grant recipient has met established threshold requirements.

Program Areas

Communities seek funding in the areas of Public Facilities, Housing, Economic Development, Community Projects, Community Emergency Relief Funds and Public Services.

Public Facilities projects may include installation of water/sewer lines and construction/upgrade/expansion of water/sewer plants.

Housing projects may include acquisition of dilapidated structures, relocation of households, rehabilitation of deteriorated homes, conversion of vacant buildings to low-income apartments, small neighborhood-based street improvements, water and sewer line installation, and new construction.

Economic Development projects may include property/building acquisition, installation of infrastructure, or financing for fixed assets.

Community Projects vary and may include construction of senior citizens or community centers, as well as health department buildings.

Community Emergency Relief Fund projects are designed to be a source of emergency funding if an emergency arises in a community. An eligible community must have a Declaration of Emergency from the Governor.

Public Services projects provide operational cost funding to facilities assisting Kentuckians recovering from substance abuse and addiction, which often leads to chronic homelessness. Each day in

Kentucky, more than 12,000 people are homeless. Nearly one-quarter of them are “chronically homeless,” meaning they remain homeless for extended periods of time due to chemical dependency and other special needs. While the chronically homeless only represent one-quarter of the homeless population, they consume over 50 percent of homeless resources.

Amount and Split of Funds

Kentucky's 2025 Allocation ESTIMATE	\$25,988,523
Less Administrative Costs (\$779,656) (3%) + \$100,000)	\$ 879,656
Total Amount for Distribution	\$25,108,867

Program Area	Total Dollars Available
Public Facilities	\$8,834,662
Economic Development	\$4,516,930
Housing	\$3,353,572
Community Projects	\$5,803,703
Public Services (Recovery Kentucky)	\$2,600,000
Community Emergency Relief Fund	TBD: Amount Based on Need

Program Mechanics

The 2025 Program Guidelines used in the CDBG Program were developed in accordance with federal and state legislation and requirements. These guidelines were incorporated into the Consolidated Plan for submission to HUD.

Communities submitted applications on standard forms. Applications for Public Facilities and Community Projects were accepted from April 1, 2025, through September 2, 2025. Applications for Community Emergency Relief Funds, Economic Development, Housing and Public Services were accepted from April 1, 2025, through January 31, 2026.

Project applications are reviewed by the Department for Local Government staff and selected by a review committee. After project selection, meetings regarding implementation procedures were held for recipients and grant administrators. The state also awards up to \$250,000 of the CDBG administrative funds to Area Development Districts for technical assistance purposes.

The state is responsible for monitoring funded communities for program compliance. The state refers to its monitoring responsibility as compliance assistance. Visits are made to communities to provide technical assistance in implementing their projects. The intent is to prevent problems from occurring.

Meeting State and National Objectives

State Goals and Objectives

The 2025 Small Cities Community Development Block Grant (CDBG) Program maximizes efficiency in program delivery and effectiveness of Federal dollars. The following goals and objectives were adopted to promote community and economic development:

Goal 1. To improve local economies and the economic well-being of the people of Kentucky while protecting the environment.

- Objectives:**
- a. Encourage private investment, which will result in the creation of new jobs, primarily for the unemployed and underemployed.
 - b. Discourage the out-migration of businesses which employ and serve the local population.

Goal 2. To provide public facilities to eliminate conditions which are detrimental to the public health and safety, and which thus detract from further community development, or which are necessary to meet other essential community needs.

- Objectives:**
- a. Improve existing public facilities.
 - b. Provide new facilities when warranted by recent population growth, or when essential needs exist.

Goal 3. To improve the condition of housing and expand fair housing opportunities, especially for persons of low and moderate income.

- Objectives:**
- a. Encourage the rehabilitation of appropriate existing housing units.
 - b. Encourage the creation of new housing units including adaptive reuse of suitable structures.
 - c. Encourage the purchase and preparation of sites for construction of new housing units for persons of low and moderate income.
 - d. Eliminate blighting conditions in residential areas through demolition, code enforcement and related activities.

Goal 4. To improve the quality of life through funding community projects requested by individual communities to enhance community pride and involvement and perpetuate local identity.

- Objectives:**
- a. Enable local communities to provide services they have determined are important but generally cannot afford.
 - b. Foster a revitalization of community structure to help communities help themselves.
 - c. Improve the condition of housing and expand fair housing opportunities, especially for persons of low and moderate income.

Goal 5. To improve the lives of citizens by helping them overcome chemical addictions and avoid the risk of homelessness.

- Objectives:**
- a. Provide operational costs to support new and existing residential substance abuse centers.

- b. Provide support to educational programs for at-risk or LMI persons with substance abuse issues.

Goal 6. To assure that not less than 70% of the total amount of CDBG funds* received for fiscal years 2024, 2025, and 2026 shall be used for support of activities that benefit low- and moderate-income persons.

- Objectives:**
- a. Expand economic opportunities principally for persons of low and moderate income.
 - b. Provide public facilities, which are necessary to the public health and safety principally for persons of low and moderate income.
 - c. Improve the quality of existing housing stock and the availability of housing units principally for persons of low and moderate income.
 - d. Improve the quality of life through funding projects requested by individual communities to enhance community pride and involvement and perpetuate local identity.

- Objectives:**
- a. Foster development of eligible competitive CDBG applications through training of certified CDBG administrators and project meetings with local officials.
 - b. Extend special consideration to eligible and worthy project applications from jurisdictions within targeted distressed counties.

* Percentage is applied to the aggregate of State CDBG funds, after excluding costs for planning, management, and administration for both the State and units of general local government.

The 2025 State goals and objectives have not been met to date. DLG has received Thirty-six (36) applications. One (1) Economic Development project received with one (1) approved to meet Goal 1 of improving local economies. Five (5) Public Facilities projects were received with five (5) approved to meet Goal 2 of providing public facilities. Four (4) housing projects were received and are under review to meet Goal 3 to improve the condition of housing and expand fair housing opportunities. Thirteen (13) Community Projects were received with four (4) approved and nine (9) are under review to meet Goal 4 of providing community facilities. Thirteen (13) Public Services projects have been approved to meet Goal 5 of providing operational costs support to Recovery Kentucky Centers.

Kentucky's goals and objectives for community development were established when the State opted to administer the Small Cities program. They were developed to address the greatest need of communities throughout the Commonwealth. Experience has shown that the goals and objectives provide applicants with flexibility and guidance, important factors in designing quality programs.

Meeting National Objectives

The Kentucky CDBG program was developed to meet three National Objectives. The three National Objectives defined by the Housing and Community Development Act of 1974 are as follows:

Objective I - give maximum feasible priority to activities which benefit low- and moderate-income families.

Objective II - aid in the prevention or elimination of slums or blight.

Objective III - activities designed to meet other community development needs having a particular urgency.

The 1983 Amendments to the Housing and Community Development Act placed strong emphasis on Objectives I and II, with the primary emphasis placed on Objective I, benefit to low and moderate income (LMI). In turn the Kentucky program has also followed this congressional directive.

2025 CDBG grantees listed program activities and the National Objective each activity would meet on their application. Each activity addresses either benefit to low and moderate income, slums or blight or urgent need.

Benefit to Low and Moderate Income

Grantees addressing benefit of low and moderate income (LMI) persons maintain documentation that at least 51% of the persons benefiting are LMI. For 2025, the determination level for LMI was HUD, Section 8 income limits. To address LMI, a community was required to certify that activities completed with grant funds would benefit a population which consisted of at least 51% LMI.

According to information to date in the grantee files, \$12,255,000 has been targeted to support activities which benefit low- and moderate-income persons. The following information details the benefit calculation by program area:

<u>Program Area</u>	<u>Amount Benefiting LMI</u>	<u>Percent Benefiting LMI</u>
Economic Development	\$ 735,000	100%
Housing	\$0	100%
Public Facilities	\$6,370,000	100%
Community Projects	\$2,550,000	100%
Public Services	\$2,600,000	100%

DLG staff monitors compliance with LMI stipulations during the term of the grant. CDBG closeout procedures provide the final determinant of conformance with the requirements and verify the precise number and percent of LMI persons served by each project activity.

Activities which Aid in the Prevention or Elimination of Slums or Blight

Grantees must maintain records that the activity meets the definition of prevention or elimination of slums or blight. Records must also be maintained describing the boundaries of the area and the conditions of the area which qualify it under this objective. Documentation may include photographs, structural surveys, or development plans. This information must be explained, the sources and the applicable regulation cited on the appropriate forms.

According to information in the grantee files one (1) Community Project in the amount of \$850,000 has been targeted to support activities which aid in the prevention or elimination of slums or blight (SB).

DLG staff monitors compliance with SB stipulations during the term of the grant. CDBG closeout procedures provide the final determinant of conformance with the requirements and verify the precise number and percent of persons served by each project activity.

Activities Designed to Meet Community Development Needs Having a Particular Urgency

Applicant must maintain records as to the nature and degree of seriousness of the problem, that the activity was designed to address the urgent need, that the problem is of recent origin and that other funding is not available and the community cannot finance the activity alone. This information must be explained in detail and the applicable regulation cited in the application on the appropriate forms.

According to information in the grantee files, \$0 has been targeted to support activities which have needs having a particular urgency.

Programmatic Accomplishments
and
Use of Funds
2025

Explanation of the 2025 Selection Process

PUBLIC FACILITIES

Five (5) applications were received, reviewed and approved for the Public Facilities program area. The rating team is made up of three (3) merit staff members from the Office of Federal Grants, Department for Local Development. Applications were reviewed and prioritized according to the review criteria. Below is a breakdown of the review criteria:

Project Need

Substantiates and addresses a significant infrastructure need.

**Necessary and Reasonable
Expenditure of CDBG funds**

Use of CDBG funding is necessary, funding use is maximized and reasonable in comparison to other funding sources.

Project Effectiveness

Extent of program accomplishments.

2025 Statistics

PUBLIC FACILITIES PROJECTS

Project No	Applicant	Project Name	Status	Grant Type	County	Request	ADD
25-019	Hustonville	Hustonville Water Improvements Phase 2B	Approved	CDBG-Pub Fac	Lincoln	\$1,250,000.00	Bluegrass
25-005	Mason CFC	WLRWD Office Tank	Approved	CDBG-Pub Fac	Mason	\$1,120,000.00	Buffalo Trace
25-013	Maysville	Mayslick Water Service Upgrade Project	Approved	CDBG-Pub Fac	Mason	\$1,250,000.00	Buffalo Trace
25-015	McLean CFC	Beech Grove Water System Storage Tank Addition	Approved	CDBG-Pub Fac	McLean	\$1,250,000.00	Green River
25-020	Powell CFC	Beech Fork Expansion of Existing Water Treatment Plant	Approved	CDBG-Pub Fac	Powell	\$1,500,000.00	Bluegrass
5						\$6,370,000.00	

Explanation of the 2025 Selection Process

HOUSING

Four (4) applications were received and are under review, and zero (0) applications were approved. The rating team is made up of two (2) merit staff members from the Office of Federal Grants, Department for Local Government. Applications will be reviewed and prioritized according to the rating criteria before submitting to the project selection committee. Below is a breakdown of the selection criteria:

Project Need	Substantiates and addresses significant housing needs.
Necessary and Reasonable Expenditure of CDBG Funds	Use of CDBG funding is necessary; funding use is maximized and reasonable in comparison to other funding sources.
Project Effectiveness	Project accomplishments will be significant given the need, amount of funds requested, local effort and program design.

2025 Statistics

HOUSING PROJECTS

Project No	Applicant	Project Name	Status	Grant Type	County	Request	ADD
25-025	Morehead	Morehead Rodburn Hollow Housing Project	Under Review	CDBG- Housing	Rowan	\$367,070.00	Gateway
25-035	Flemingsburg	Fischer Building Apartments Improvements	Under Review	CDBG- Housing	Fleming	\$900,000.00	Buffalo Trace
25-002	Mayfield	HPI Housing Development	Under Review	CDBG- Housing	Graves	\$1,000,000.00	Purchase
25-026	Oldham CFC	Pillar Crestwood Site Work	Under Review	CDBG- Housing	Oldham	\$1,000,000.00	KIPDA
4						\$3,267,070.00	

2025 Statistics

ECONOMIC DEVELOPMENT

One (1) application was received, reviewed and approved for the Traditional Economic Development program areas, none were approved for the Non-Traditional Economic Development program areas, and none were approved for Microenterprise Economic Development. The review team consists of two (2) merit staff member from the Economic Development Branch, Office of Federal Grants, Department for Local Government screened applications and worked with applicants to obtain complete documentation. The proposals were then submitted for review to the project selection committee. The committee compared projects based on the selection criteria and made project determinations. Ratings of proposals were based upon the following selection criteria:

Creating or Retaining Permanent Jobs

Number and nature; certainty of jobs; ratio of CDBG dollars per job created or retained.

Stimulation of Private Capital Investment

Amount and certainty of investment; ratio of private dollars to CDBG funds.

Maximizing CDBG Dollars

Extent of recapture of funds; use with other funding sources.

Appropriate Review

Extent of need of for-profit; reasonableness of proposed rate and term.

2025 Statistics

ECONOMIC DEVELOPMENT PROJECTS

Project No	Applicant	Project Name	Status	Grant Type	County	Request	ADD
25-003	Montgomery CFC	Montgomery Co. 2025 Industrial Equipment Project	Approved	CDBG-ED	Montgomery	\$735,000.00	Gateway
1						\$735,000.00	

Explanation of the 2025 Selection Process

COMMUNITY PROJECTS

Thirteen (13) applications were received, four (4) applications were approved and nine (9) are under review. The rating team is made of two (2) merit staff members from the Housing and the Community Branch, Office of Federal Grants, Department for Local Government (DLG). Applications were reviewed to determine project need, eligibility and appropriateness for the Community Projects category and prioritized according to the ranking criteria before submitting to the project selection committee. Below is a breakdown of the selection criteria.

Project Need

Degree to which need is significant to the community development needs of the community.

Necessary and Reasonable Expenditures of CDBG Funds

Whether CDBG funds are necessary to meet the identified needs, whether CDBG funds are maximized and whether use of CDBG funds is reasonable when compared to other funding sources.

Project Effectiveness

Whether project accomplishments would be significant given needs, amount of funds requested, local effort and program design.

2025 Statistics

COMMUNITY PROJECTS

Project No	Applicant	Project Name	Status	Grant Type	County	Request	ADD
25-004	Millersburg	Blight Elimination: 401-407 Main Street	Approved	CDBG- Comm Proj	Bourbon	\$850,000.00	Bluegrass
25-006	Clinton	Fire Station and Training Facility	Approved	CDBG- Comm Proj	Hickman	\$850,000.00	Purchase
25-007	Marshall CFC	Marshall County Senior Citizens Center Rehabilitation Project	Approved	CDBG- Comm Proj	Marshall	\$850,000.00	Purchase
25-012	Trimble CFC	Trimble Co.-Carroll Co. Memorial Hospital-Urgent Care and Primary Care Clinic	Approved	CDBG- Comm Proj	Trimble	\$850,000.00	KIPDA
25-001	Bracken CFC	Bracken County EMS Renovation Project	Under Review	CDBG- Comm Proj	Bracken	\$662,300.00	Buffalo Trace
25-011	Daviess CFC	Family Y of Owensboro Daviess County Inc. Daycare Expansion	Under Review	CDBG- Comm Proj	Daviess	\$850,000.00	Green River
25-018	Garrard CFC	Garrard Co. Community Food Bank	Under Review	CDBG- Comm Proj	Garrard	\$850,000.00	Bluegrass
25-009	Grayson	Pathways Autism Center	Under Review	CDBG- Comm Proj	Carter	\$850,000.00	FIVCO
25-017	Irvine	Mack Theater Phase 2 Project	Under Review	CDBG- Comm Proj	Estill	\$850,000.00	Bluegrass
25-016	Madison CFC	Kirksville Fire Station	Under Review	CDBG- Comm Proj	Madison	\$850,000.00	Bluegrass
25-014	McCreary CFC	North McCreary Fire Station Project	Under Review	CDBG- Comm Proj	McCreary	\$850,000.00	Lake Cumberland
25-010	Todd CFC	Historic Todd County Courthouse Rehabilitation Project	Under Review	CDBG- Comm Proj	Todd	\$850,000.00	Pennyrile
25-008	Warren CFC	Down Syndrome of Southern Kentucky "Buddy House"	Under Review	CDBG- Comm Proj	Warren	\$850,000.00	Barren River
13						\$10,862,300.00	

Explanation of the 2024 Selection Process

COMMUNITY EMERGENCY RELIEF FUND

Zero (0) applications were submitted for the 2025 Community Emergency Relief Fund (CERF) program area.

To receive consideration for this area, a community must have been declared an emergency of recent origin, the community has no other available source to complete the funding package, and the community cannot finance the activity on its own.

These projects are based on natural disasters which received declarations of disaster and are subject to receiving money from other funding sources. To prevent duplication of benefits provided by these other sources such as FEMA and insurance claims, funding approval is on hold.

Explanation of the 2025 Selection Process

PUBLIC SERVICES

Thirteen (13) applications were received with Thirteen (13) approved for the 2023 Public Services program area. CDBG Public Services funds, in the form of operational costs to support the Recovery Kentucky Program, were made available in 2025 to existing Recovery Kentucky Substance Abuse Centers serving individuals who have a history of substance abuse, with an emphasis on the homeless, those at risk of becoming homeless and those referred by the judicial system. Applications were reviewed to determine project need, eligibility and appropriateness for the Public Services category and prioritized according to the ranking criteria before submitting to the project selection committee. Below is a breakdown of the selection criteria.

Project Need

The project must substantiate and address a need that is significant to the needs of the community.

Necessary and Reasonable Expenditure of CDBG funds

The project must substantiate that CDB funding is necessary to meet the identified need(s). The Impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The State will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. To assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

Project Effectiveness

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

2025 Statistics

PUBLIC SERVICES

Project No	Applicant	Project Name	Status	Grant Type	County	Request	ADD
25-031	Boone CFC	Brighton Recovery Center for Women	Approved	CDBG-Recovery KY	Boone	\$200,000.00	Northern Kentucky
25-028	Campbellsville	The Healing Place of Campbellsville	Approved	CDBG-Recovery KY	Taylor	\$200,000.00	Lake Cumberland
25-022	Carter CFC	Genesis Kentucky Recovery Center	Approved	CDBG-Recovery KY	Carter	\$200,000.00	FIVCO
25-034	Christian CFC	Trilogy Recovery Center for Women	Approved	CDBG-Recovery KY	Christian	\$200,000.00	Pennyrile
25-029	Davies CFC	Owensboro Regional Recovery	Approved	CDBG-Recovery KY	Daviess	\$200,000.00	Green River
25-023	Harlan CFC	Cumberland Hope Community-Recovery KY Project	Approved	CDBG-Recovery KY	Harlan	\$200,000.00	Cumberland Valley
25-021	Henderson CFC	Women's Addiction Recovery Manor (WARM)	Approved	CDBG-Recovery KY	Henderson	\$200,000.00	Green River
25-027	Kenton CFC	Transitions, Inc. Grateful Life Center	Approved	CDBG-Recovery KY	Kenton	\$200,000.00	Northern Kentucky
25-033	Knott CFC	Hickory Hill Recovery	Approved	CDBG-Recovery KY	Knott	\$200,000.00	Kentucky River
25-036	McCracken CFC	Four Rivers Centerpoint Recovery Center	Approved	CDBG-Recovery KY	McCracken	\$200,000.00	Purchase
25-032	Richmond	Liberty Place Recovery Center for Women	Approved	CDBG-Recovery KY	Madison	\$200,000.00	Bluegrass
25-024	Warren CFC	Men's Addiction Recovery Campus	Approved	CDBG-Recovery KY	Warren	\$200,000.00	Barren River
25-030	Somerset	SKY Hope Recovery Center	Approved	CDBG-Recovery KY	Pulaski	\$200,000.00	Lake Cumberland
13						\$2,600,000	

Additional Requirements of KRS 45.351

- 3)a) Programmatic and other requirements applicable to the receipt and expenditures of block grant and other funds, including state matching funds, specified in the application, and the restriction imposed on the use of these funds.

The receipt and expenditures of CDBG funds is governed by Title I of the Housing and Community Development Act of 1974 as amended in 1983 and 1987 and all Department of Housing and Urban Development implementing regulations. All activities must meet one of the three (3) National Objectives with the primary emphasis on benefit to low- and moderate-income persons.

There are no state matching funds required for project funding. However, the state may use up to 3% of the allocation for administration if it provides a 100% match.

- 3)b) Whether the block grant and other funds included in the application have been included specifically in an appropriation or appropriation act enacted by the general assembly in anticipation of such application.

The 2025 CDBG allocation was included in the Department for Local Government (DLG) budget.

- 3)c) Whether the funding is one-time, recurring or continuing.

CDBG program funds are recurring with new allocations annually.

- 3)d) What costs will accrue to the state if federal funds diminish or are cut, and whether a budget reduction plan has been prepared for such contingency.

No programmatic cost will accrue to the state if funds are reduced or eliminated. The state is a pass-through agent of Federal funds to local subgrantees. If funds are reduced, the number of grantees will decrease.

- 3)e) Whether the programs and services to be provided under the block grant are mandated by the laws of the Commonwealth.

They are not specifically mandated but certainly encouraged.

- 3)f) Whether the programs and services to be provided under the block grant are those which the Commonwealth currently administers and funds.

The Commonwealth currently administers the CDBG program and has done so since 1982. However, prior to receiving these funds, the state did not fund these services with state funds.

- 3)g) The agencies expected to provide the services including whether such agencies are public or private or state or local.

All grant funds must go to local units of government, eligible cities, and counties.

3)h) The way the allocation of funds will be targeted to need.

Project need is described in the application and is one of the criteria that determine the prioritization of the project.

3)i) Geographic areas to be served by the programs and services.

All cities and counties are eligible (considering threshold requirements) to participate except for the following entitlement jurisdictions:

Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, Lexington/Fayette Urban County Government, and Louisville/Jefferson County Metro Government.

3)j) Standards of eligibility for services.

Applicants must propose eligible Title I activities that address one of the three National Objectives.

3)k) The criteria and method that will be used by the state administering agency to distribute the block grant funds.

Refer to 2024 CDBG Program Guidelines.

3)l) Whether and how block grant funds would be transferred from one (1) block grant to another and the amount of the transfer.

There are no "blocks," therefore, this issue is not applicable.

3)m) The proportion of the block grant funds to be used for administrative costs.

The Department of Housing and Urban Development allows the state to use 3% of the entire allocation for administration, a 100% match is provided. The state is also allowed to use \$100,000 without match requirement. This results in an eligible state administrative cost of \$879,656 based on a \$25,988,523 allocation. This limitation is defined in Title I of the Housing and Community Development Act. The Act further stipulates that the state's 3% administrative cost and that of the local grantees may not exceed 20% of the total fiscal year allocation.

3)n) Estimated receipt of federal funds applied for by block grant. (Enact. Acts 1982, ch. 455, SS 2, effective July 1, 1982; 1984 ch.308, SS2, effective July 13, 1984.).

FY 2025 FUNDS EXPENDITURES

1-1-25 THRU 6-30-25

Vendor Name	Transaction #	Transaction Date	Transaction Amount	Program sub-Total	Project #	Project Name	Process Type	Activity #	Activity Name
Boyd County Fiscal Court	3	01/30/2025	\$181,168.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	4	03/14/2025	\$30,319.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	5	03/18/2025	\$67,400.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	6	05/30/2025	\$27,979.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	7	07/15/2025	\$41,990.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	8	08/29/2025	\$21,815.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	9	10/30/2025	\$62,777.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Boyd County Fiscal Court	10	11/28/2025	\$12,121.00		21-012	Boyd Co Westwood FD	Community Projects	21-012-01	Boyd County Westwood FD
Bracken County	1	01/28/2025	\$1,000.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	2	03/14/2025	\$47,950.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	3	04/15/2025	\$5,000.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	4	05/15/2025	\$36,470.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	5	05/15/2025	\$5,000.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	6	06/13/2025	\$5,000.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	7	07/15/2025	\$50,240.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	8	07/15/2025	\$5,000.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	9	08/29/2025	\$69,380.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	10	09/15/2025	\$94,300.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	11	11/28/2025	\$32,800.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Bracken County	12	12/30/2025	\$12,410.00		21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center
Calloway County	1	07/28/2025	\$83,862.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-01	Calloway County Art Center (2021 funds)
Calloway County	2	08/29/2025	\$157,227.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-01	Calloway County Art Center (2018 funds)
Calloway County	3	04/30/2025	\$163,980.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-03	Calloway County Art Center (2018 funds)
Calloway County	4	05/30/2025	\$214,299.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-03	Calloway County Art Center (2018 funds)
Calloway County	5 & 6	07/15/2025	\$40,882.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-03	Calloway County Art Center (2018 funds)
Calloway County	7	08/29/2025	\$71,995.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-01	Calloway County Art Center (2021 funds)
Calloway County	8	08/29/2025	\$11,999.00		22-010	Murray Art Guild Community Art Center	Community Projects	22-010-01	Calloway County Art Center (2021 funds)
Christian County	5	02/28/2025	\$11,484.00		22-013	Hopkinsville Christian County Public Library	Community Projects	22-013-04	Christian County Library ADA (2018 funds)
Floyd County	6 & 7	08/29/2025	\$73,102.00		22-011	Floyd Co. Martin Community Center	Community Projects	22-011-01	Floyd County Comm Center
Floyd County	8	09/30/2025	\$202,911.00		22-011	Floyd Co. Martin Community Center	Community Projects	22-011-01	Floyd County Comm Center
Floyd County	9	11/24/2025	\$87,742.00		22-011	Floyd Co. Martin Community Center	Community Projects	22-011-03	Floyd County Comm Center (2019 funds)
Floyd County	10	11/28/2025	\$17,541.00		22-011	Floyd Co. Martin Community Center	Community Projects	22-011-03	Floyd County Comm Center
Floyd County	11	11/28/2025	\$31,500.00		22-011	Floyd Co. Martin Community Center	Community Projects	22-011-01	Floyd County Comm Center
Fulton County	9	03/28/2025	\$2,500.00		22-012	Fulton County Gibson Building	Community Projects	22-012-02	Fulton County Admin
Fulton County	1	06/13/2025	\$3,400.00		23-021	Gallatin County Pharmacy Project	Community Projects	23-021-02	Gallatin County Admin
Fulton County	2	06/13/2025	\$116,173.00		23-021	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy
Fulton County	3	06/13/2025	\$268,981.00		23-021	Gallatin County Pharmacy Project	Community Projects	23-021-03	Gallatin County Pharmacy (2019 funds)
Fulton County	4	10/30/2025	\$104,280.00		23-021	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy
Fulton County	5	10/30/2025	\$25,000.00		23-021	Gallatin County Pharmacy Project	Community Projects	23-021-02	Gallatin County Admin
Gallatin County	1	07/30/2025	\$35,000.00		23-020	Barren County YMCA Senior Center	Community Projects	23-020-01	Barren County YMCA Senior Center
Hancock County	2	03/14/2025	\$42,291.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock County Admin
Hancock County	3	04/30/2025	\$4,815.00		22-026	Hancock City Hall ADA	Community Projects	22-026-02	Hancock County Admin
Hancock County	4	05/30/2025	\$15,246.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Hancock County	5	06/30/2025	\$5,350.00		22-026	Hancock City Hall ADA	Community Projects	22-026-02	Hancock City Hall ADA rehab
Hancock County	6	06/30/2025	\$33,001.00		22-026	Hancock City Hall ADA	Community Projects	22-026-03	Hancock City Hall ADA rehab (2018 funds)
Hancock County	7	07/15/2025	\$83,628.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Hancock County	8	07/15/2025	\$5,000.00		22-026	Hancock City Hall ADA	Community Projects	22-026-02	Hancock City Hall ADA rehab
Hancock County	9	08/29/2025	\$23,923.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Hancock County	10	09/30/2025	\$56,276.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Hancock County	11	10/30/2025	\$7,714.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Hancock County	12	11/28/2025	\$94,149.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Hancock County	13	12/30/2025	\$27,996.00		22-026	Hancock City Hall ADA	Community Projects	22-026-01	Hancock City Hall ADA rehab
Lawrence County	4 & 5	01/31/2025	\$29,246.00		21-013	Lawrence Co Blaine Fire Station	Community Projects	21-013-01	Lawrence County Fire Station
Lawrence County	6	03/28/2025	\$66,441.00		21-013	Lawrence Co Blaine Fire Station	Community Projects	21-013-01	Lawrence County Fire Station
Lawrence County	7	05/30/2025	\$104,384.00		21-013	Lawrence Co Blaine Fire Station	Community Projects	21-013-01	Lawrence County Fire Station
Lawrence County	8	07/15/2025	\$158,098.00		21-013	Lawrence Co Blaine Fire Station	Community Projects	21-013-01	Lawrence County Fire Station
Lawrence County	9	09/30/2025	\$307,438.00		21-013	Lawrence Co Blaine Fire Station	Community Projects	21-013-01	Lawrence County Fire Station
Lawrence County	10	11/15/2025	\$44,446.00		21-013	Lawrence Co Blaine Fire Station	Community Projects	21-013-04	Lawrence County Fire Station (2019 funds)
Lewis County	1	10/15/2025	\$36,305.00		22-049	Camp Dix VFD Renovations and Improvements	Community Projects	22-049-01	Lewis Co Camp Dix VFD
Lewis County	2	10/15/2025	\$7,500.00		22-049	Camp Dix VFD Renovations and Improvements	Community Projects	22-049-02	Lewis Co Camp Dix VFD admin
Lewis County	3	11/15/2025	\$10,000.00		22-049	Camp Dix VFD Renovations and Improvements	Community Projects	22-049-02	Lewis Co Camp Dix VFD admin
Montgomery County	1	07/30/2025	\$336,979.00		21-014	Montgomery County Senior Center	Community Projects	21-014-01	Montgomery County Senior Center
Montgomery County	2	09/15/2025	\$336,979.00		21-014	Montgomery County Senior Center	Community Projects	21-014-01	Montgomery County Senior Center
Montgomery County	3	09/15/2025	\$210,000.00		21-014	Montgomery County Senior Center	Community Projects	21-014-02	Montgomery County Senior Center
Mount Sterling	7	12/30/2025	\$2,000.00		19-042	Mr. Sterling Health Clinic	Community Projects	19-042-03	Mount Sterling Admin

County	Project Number	Start Date	End Date	Amount	Project Description	Community Projects	Project Name	Project Number
Muhlenberg County	1	10/30/2025	20-013	\$491,383.00	Muhlenberg opportunity center	Community Projects	Muhlenberg opportunity center	20-013-01
North Middletown	1	12-02	23-022	\$75,266.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-01
North Middletown	2	02/14/2025	23-022	\$5,000.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-02
North Middletown	3	03/14/2025	23-022	\$137,504.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-03
North Middletown	4	03/14/2025	23-022	\$5,000.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-04
North Middletown	5	04/30/2025	23-022	\$204,336.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-05
North Middletown	6	04/30/2025	23-022	\$11,000.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-06
North Middletown	7	07/15/2025	23-022	\$218,530.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-07
North Middletown	8	07/15/2025	23-022	\$4,000.00	North Middletown Fire Station	Community Projects	North Middletown Fire Station	23-022-08
Pike County	1	01/30/2025	22-031	\$82,543.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-01
Pike County	2	02/28/2025	22-031	\$100,803.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-02
Pike County	3	03/14/2025	22-031	\$110,050.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-03
Pike County	4	03/14/2025	22-031	\$52,650.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-04
Pike County	5	03/14/2025	22-031	\$124,380.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-05
Pike County	6	04/15/2025	22-031	\$30,600.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-06
Pike County	7	04/30/2025	22-031	\$45,270.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-07
Pike County	8	05/30/2025	22-031	\$83,977.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-08
Pike County	9	06/13/2025	22-031	\$36,450.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-09
Pike County	10	06/13/2025	22-031	\$82,930.00	Pike Co Kimper VFD	Community Projects	Pike Co Kimper VFD	22-031-10
Scott County	1	01/31/2025	22-025	\$116,001.00	Scott County AMEN House	Community Projects	Scott County AMEN House	22-025-01
Scott County	2	01/31/2025	22-025	\$5,000.00	Scott County AMEN House	Community Projects	Scott County AMEN House	22-025-02
Scott County	3	01/31/2025	22-025	\$87,835.00	Scott County AMEN House	Community Projects	Scott County AMEN House	22-025-03
Scott County	4	01/31/2025	22-025	\$10,000.00	Scott County AMEN House	Community Projects	Scott County AMEN House	22-025-04
Taylor County	1	01/30/2025	23-009	\$22,500.00	Taylorville U of L Health	Community Projects	Taylorville U of L Health	23-009-01
Taylorville	1	03/28/2025	23-009	\$206,143.00	Taylorville U of L Health	Community Projects	Taylorville U of L Health	23-009-02
Taylorville	2	05/15/2025	23-009	\$299,666.00	Taylorville U of L Health	Community Projects	Taylorville U of L Health	23-009-03
Taylorville	3	09/30/2025	23-009	\$119,191.00	Taylorville U of L Health	Community Projects	Taylorville U of L Health	23-009-04
Todd County	1	05/15/2025	21-009	\$30,000.00	Todd Co Senior Center Renovation	Community Projects	Todd Co Senior Center Renovation	21-009-01
Union County	10	06/13/2025	21-004	\$30,000.00	Union Co Courthouse ADA Elevator	Community Projects	Union County Admin	21-004-02
Wilmore	1	06/13/2025	22-030	\$56,130.00	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	22-030-01
Wilmore	2	06/13/2025	22-030	\$5,000.00	Wilmore Granary Restoration Project	Community Projects	Wilmore Admin	22-030-02
Wilmore	3	09/15/2025	22-030	\$329,414.00	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	22-030-03
Wilmore	4	09/15/2025	22-030	\$10,000.00	Wilmore Granary Restoration Project	Community Projects	Wilmore Admin	22-030-04
Wilmore	5	11/28/2025	22-030	\$285,881.00	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	22-030-05
Wilmore	6	11/28/2025	22-030	\$15,000.00	Wilmore Granary Restoration Project	Community Projects	Wilmore Admin	22-030-06
Morganfield	6	07/15/2025	19-061	\$500.00	Morganfield Job Corps Sanitary Sewer Replacement	Economic Devel-Non-Traditional	Morganfield Admin	19-061-02
Webster County	3	07/15/2025	20-038	\$8,749.00	Webster Co. West KY Regional Training Center	Economic Devel-Non-Traditional	Webster County Admin	20-038-01
Columbia	4	11/14/2025	20-053	\$7,500.00	Columbia Economic Development Project	Economic Development	Columbia Admin	20-053-02
Henry County	2	12/30/2025	20-051	\$15,000.00	Henry County Angles Ewy Sewer Extension	Economic Development	Henry County Admin	20-051-02
Metcalle County	6	09/15/2025	19-059	\$2,326.00	Metcalle County Industrial Park Improvements	Economic Development	Metcalle County Admin	19-059-03
Ohio County	5	09/15/2025	22-004	\$35,000.00	Ohio Co. Buregrass Crossing Business Centre Extension	Economic Development	Ohio County Admin	22-004-02
Ohio County Fiscal Court	2	06/13/2025	18-050	\$20,000.00	Ohio County Progress Way Project	Economic Development	Ohio County Admin for ED	18-050-08
Pikeville	1	03/30/2025	24-005	\$250,000.00	Pikeville Appalachian Tank Inc Equipment Project	Economic Development	Pikeville Appalachian Tank	24-005-01
Taylor County	3	07/30/2025	23-008	\$940.00	Green River Meats Equipment Project	Economic Development	Taylor County Meats Equipment	23-008-01
Taylor County	4	07/30/2025	23-008	\$5,000.00	Green River Meats Equipment Project	Economic Development	Taylor County Admin	23-008-02
Taylor County	5	11/14/2025	24-010	\$969,800.00	Green River Meats Equipment Project	Economic Development	Taylor County Admin	24-010-01
Winchester	1	02/28/2025	24-010	\$20,000.00	Winchester Project Rip	Economic Development	Winchester Comm/Ind Equipment	24-010-02
Winchester	2	02/28/2025	24-010	\$1,337,015.00	Winchester Project Rip	Economic Development	Winchester Admin	24-010-03
Booneville	6	01/31/2025	22-034	\$101,270.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Booneville	7	03/28/2025	22-034	\$25,000.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction	22-034-03
Booneville	8	03/28/2025	22-034	\$5,000.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Admin	22-034-04
Booneville	9	05/15/2025	22-034	\$32,188.00	Booneville Redevelopment Phase IV	Housing	Booneville Rehab PF	22-034-01
Booneville	10	06/30/2025	22-034	\$26,288.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction	22-034-02
Booneville	11	06/30/2025	22-034	\$3,000.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Admin	22-034-03
Booneville	12	09/15/2025	22-034	\$48,649.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	10	09/15/2025	23-052	\$12,125.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	11	09/15/2025	23-052	\$135,783.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	12	09/15/2025	23-052	\$135,710.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	13	09/15/2025	23-052	\$30,165.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	14	10/15/2025	23-052	\$17,900.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	15	12/30/2025	23-052	\$261,933.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	16	12/30/2025	23-052	\$382,946.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Campbell County	17	12/30/2025	23-052	\$17,900.00	Booneville Redevelopment Phase IV	Housing	Booneville Redevelop Housing Construction 2018 pooled funds	22-034-08
Davess County	5	01/30/2025	23-001	\$56,372.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-01
Davess County	6	01/30/2025	23-001	\$167,255.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-02
Davess County	7	08/29/2025	23-001	\$44,095.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-03
Davess County	8	08/29/2025	23-001	\$17,900.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-04
Davess County	9	08/29/2025	23-001	\$5,866.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-05
Davess County	10	08/29/2025	23-001	\$5,866.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-06
Davess County	11	08/29/2025	23-001	\$5,866.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-07
Davess County	12	08/29/2025	23-001	\$5,866.00	Davess Co Habitat for Humanity	Housing	Davess County Habitat Infrastructure	23-001-08
Floyd County	5	09/28/2025	23-005	\$103,763.00	Floyd County Disaster Recovery Housing Project- Site 2	Housing	Floyd County Disaster Recovery Housing Project- Site 2	23-005-04
Floyd County	6	09/28/2025	23-005	\$2,158.00	Floyd County Disaster Recovery Housing Project- Site 1	Housing	Floyd County Disaster Recovery Housing Project- Site 1	23-005-02
Floyd County	7	04/15/2025	23-005	\$18,125.00	Floyd County Disaster Recovery Housing Project- Site 1	Housing	Floyd County Disaster Recovery Housing Project- Site 1	23-005-02
Floyd County	8	04/30/2025	23-005	\$18,125.00	Floyd County Disaster Recovery Housing Project- Site 1	Housing	Floyd County Disaster Recovery Housing Project- Site 1	23-005-02

2 REV	05/21/2025	(\$12,310.00)	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	05/21/2025	\$60,400.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	05/21/2025	\$548,090.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-06	Floyd County Acquisition 2019 funds
Floyd County	05/21/2025	\$9,371.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-02	Floyd County Acquisition 2019 funds
Floyd County	06/30/2025	\$18,375.00	23-005	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-005-02	Floyd County Acquisition 2022 funds
Floyd County	06/30/2025	\$38,069.00	23-005	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-005-02	Floyd County Acquisition 2022 funds
Floyd County	07/30/2025	\$4,608.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-03	Floyd County Acquisition 2022 funds
Floyd County	07/30/2025	\$60,500.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-03	Floyd County Acquisition 2022 funds
Floyd County	07/30/2025	\$8,234.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	07/30/2025	\$40,000.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	07/30/2025	\$48,090.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	08/29/2025	\$53,889.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	09/30/2025	\$173,815.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-02	Floyd County Infrastructure 2022 funds
Floyd County	11/14/2025	\$84,825.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-05	Floyd County Acquisition 2019 funds
Floyd County	11/14/2025	\$6,056.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County Acquisition 2019 funds
Floyd County	11/18/2025	\$78,087.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-05	Floyd County Acquisition 2019 funds
Floyd County	12/30/2025	\$98,551.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-05	Floyd County Acquisition 2019 funds
Floyd County	12/30/2025	\$42,239.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County Acquisition 2019 funds
Floyd County	10/15/2025	\$95,940.00	23-054	Hardin Co Family Scholar House	Housing	23-054-01	Hardin County Scholar House
Hardin County	10/15/2025	\$35,000.00	23-054	Hardin Co Family Scholar House	Housing	23-054-01	Hardin County Scholar House
Hardin County	11/18/2025	\$210,660.00	23-054	Hardin Co Family Scholar House	Housing	23-054-01	Hardin County Scholar House
Hardin County	12/15/2025	\$320,381.00	23-054	Hardin Co Family Scholar House	Housing	23-054-01	Hardin County Scholar House
Hopkins County	07/30/2025	\$53,470.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-03	Hopkins County 2020 funds
Hopkins County	07/28/2025	\$8,748.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-03	Hopkins County 2020 funds
Hopkins County	06/13/2025	\$31,000.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-03	Hopkins County 2020 funds
Hopkins County	10/15/2025	\$144,535.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-02	Hopkins County Admin (2018 funds)
Hopkins County	12/30/2025	\$37,200.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-02	Hopkins County Admin (2018 funds)
Hopkins County	12/30/2025	\$19,550.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-03	Hopkins County 2020 funds
Hopkins County	06/13/2025	\$31,000.00	18-057	Hopkins County Scattered Site Housing	Housing	18-057-03	Hopkins County 2020 funds
Mason County	06/13/2025	\$5,000.00	23-012	Mason County Senior Housing	Housing	23-012-02	Mason County Senior admin
Winchester	05/30/2025	\$32,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	06/30/2025	\$34,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	07/15/2025	\$36,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	07/15/2025	\$7,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	07/15/2025	\$15,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	07/30/2025	\$35,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	08/15/2025	\$2,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	09/15/2025	\$34,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	10/15/2025	\$11,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	10/15/2025	\$5,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Winchester	11/14/2025	\$8,000.00	23-053	Winchester Lincoln St Phase II Housing	Housing	23-053-01	Winchester Acq Clearance
Frenchburg	07/15/2025	\$3,921,306.00					
Frenchburg	07/15/2025	\$271,043.00	21-016	Frenchburg Wastewater Collection Rehabilitation	Public Facilities	21-016-01	Frenchburg Wastewater (2020 funds)
Frenchburg	08/15/2025	\$160,797.00	21-016	Frenchburg Wastewater Collection Rehabilitation	Public Facilities	21-016-01	Frenchburg Wastewater (2020 funds)
Frenchburg	09/15/2025	\$248,332.00	21-016	Frenchburg Wastewater Collection Rehabilitation	Public Facilities	21-016-01	Frenchburg Wastewater (2020 funds)
Harlan County	04/30/2025	\$10,000.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-01	Harlan Co Admin
Harlan County	06/13/2025	\$115,970.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-02	Harlan wallins CK Sewer (2019 funds)
Harlan County	06/13/2025	\$10,000.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-03	Harlan wallins CK Sewer (2019 funds)
Harlan County	06/30/2025	\$215,109.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-01	Harlan Co Admin
Harlan County	07/30/2025	\$10,000.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-03	Harlan Co Admin
Harlan County	07/30/2025	\$210,907.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-01	Harlan Co Admin
Harlan County	08/19/2025	\$216,357.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-04	Harlan wallins CK Sewer
Harlan County	08/19/2025	\$10,000.00	23-038	Harlan Co Wallins Creek Wastewater Ext. Ph. 4	Public Facilities	23-038-04	Harlan wallins CK Sewer
Harlan County	04/30/2025	\$10,000.00	23-019	Harrodsburg Bypass Pump Station & Force main	Public Facilities	23-038-01	Harlan Co Admin
Harrodsburg	04/30/2025	\$28,888.00	22-021	Liberty Wastewater System Rehabilitation	Public Facilities	22-019-02	Harrodsburg Administration
Liberty	04/15/2025	\$20,000.00	22-021	Liberty Wastewater System Rehabilitation	Public Facilities	22-021-01	Liberty Wastewater
Liberty	10/15/2025	\$21,111.00	22-021	Liberty Wastewater System Rehabilitation	Public Facilities	22-021-02	Liberty Wastewater
Liberty	10/15/2025	\$90,000.00	22-021	Liberty Wastewater System Rehabilitation	Public Facilities	22-021-01	Liberty Wastewater
Lincoln County	11/28/2025	\$1,016,938.00	22-046	Lincoln Co McKinney WD Water Improvements	Public Facilities	22-021-02	Liberty Wastewater
Lincoln County	11/28/2025	\$5,000.00	22-046	Lincoln Co McKinney WD Water Improvements	Public Facilities	22-021-02	Liberty Wastewater
Lincoln County	12/04/2025	\$282,153.00	22-046	Lincoln Co McKinney WD Water Improvements	Public Facilities	22-046-01	Lincoln Co McKinney WD
Lincoln County	12/04/2025	\$5,000.00	22-046	Lincoln Co McKinney WD Water Improvements	Public Facilities	22-046-02	Lincoln Co McKinney WD admin
Lincoln County	07/15/2025	\$130,787.00	22-046	Lincoln Co McKinney WD Water Improvements	Public Facilities	22-046-01	Lincoln Co McKinney WD
Livingston County	08/15/2025	\$625,978.00	23-035	Water Treatment Plant Expansion Clearwell Ph. 1	Public Facilities	22-046-02	Lincoln Co McKinney WD
Livingston County	11/18/2025	\$518,233.00	23-035	Water Treatment Plant Expansion Clearwell Ph. 1	Public Facilities	23-035-03	Livingston Crittenden County (2019 funds)
Livingston County	11/18/2025	\$22,000.00	23-035	Water Treatment Plant Expansion Clearwell Ph. 1	Public Facilities	23-035-03	Livingston Crittenden County (2019 funds)
Livingston County	01/28/2025	\$1,160.00	23-035	Water Treatment Plant Expansion Clearwell Ph. 1	Public Facilities	23-035-03	Livingston Crittenden County WTP
Maysville	01/28/2025	\$1,160.00	23-035	Water Treatment Plant Expansion Clearwell Ph. 1	Public Facilities	23-035-03	Livingston Crittenden County WTP
Perry County	01/17/2025	\$32,074.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer
Perry County	03/14/2025	\$15,899.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer
Perry County	04/15/2025	\$46,159.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer
Perry County	05/30/2025	\$41,831.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer
Perry County	06/13/2025	\$74,069.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer
Perry County	07/15/2025	\$32,332.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer
Perry County	08/15/2025	\$45,515.00	22-020	Perry Co Upper Second Crk Sewer	Public Facilities	22-020-01	Perry Co. Sewer

Perry County	9	09/15/2025	\$71,205.00	24-020	Perry Co Upper Second Crk Sewer	Public Facilities	24-020-01	Perry Co. Sewer
Perry County	10	09/30/2025	\$28,165.00	24-020	Perry Co Upper Second Crk Sewer	Public Facilities	24-020-01	Perry Co. Sewer
Perry County	11	11/14/2025	\$5,481.00	24-020	Perry Co Upper Second Crk Sewer	Public Facilities	24-020-01	Perry Co. Sewer
Perry County	12	12/15/2025	\$16,531.00	24-020	Perry Co Upper Second Crk Sewer	Public Facilities	24-020-01	Perry Co. Sewer
Stanford	3	07/30/2025	\$30,000.00	20-027	Stanford Sewer Rehabilitation	Public Facilities	20-027-04	Stanford Administration
Wheelwright	5	07/30/2025	\$38,000.00	22-028	Wheelwright WWTP Improvements	Public Facilities	22-028-01	Wheelwright WWTP
Augusta	1	07/15/2025	\$1,000,000.00	23-024	Augusta Self-Help	Public Facilities-Self Help	23-024-01	Augusta Self-Help
Augusta	2	11/14/2025	\$2,000.00	23-024	Augusta Self-Help	Public Facilities-Self Help	23-024-01	Augusta Self-Help
Augusta	2	11/14/2025	\$14,851.00	23-024	Augusta Self-Help	Public Facilities-Self Help	23-024-02	Augusta Self-Help
Augusta	2	13/14/2025	\$2,000.00	23-024	Augusta Self-Help	Public Facilities-Self Help	23-024-02	Augusta Self-Help
Somerset	2	03/14/2025	\$1,000.00	21-026	Somerset Water Meter Replacement	Public Facilities-Self Help	21-026-02	Somerset Admin
Boone County Fiscal Court	12	01/30/2025	\$2,877.00	24-047	Boone Co Recovery KY	Public Service	24-047-01	Boone Co. RRY Admin
Boone County Fiscal Court	13	02/28/2025	\$10,000.00	24-047	Boone Co Recovery KY	Public Service	24-047-02	Boone Co. RRY Admin
Boone County Fiscal Court	1	03/18/2025	\$14,049.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	2	04/30/2025	\$30,703.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	3	05/30/2025	\$3,480.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	4	06/30/2025	\$15,370.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	5	07/30/2025	\$15,969.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	6	08/31/2025	\$16,372.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	7	09/30/2025	\$5,500.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	8	11/14/2025	\$15,107.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	9	12/14/2025	\$33,912.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Boone County Fiscal Court	10	12/30/2025	\$12,364.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Campbellville	1	03/14/2025	\$16,090.00	24-030	Boone Co Recovery KY	Public Service	24-030-01	Boone County RRY
Campbellville	2	03/14/2025	\$190,000.00	24-001	Campbellville Recovery KY	Public Service	24-001-01	Campbellville RRY Admin
Campbellville	2	03/18/2025	\$9,000.00	24-001	Campbellville Recovery KY	Public Service	24-001-02	Campbellville RRY Admin
Carter County	1	02/28/2025	\$190,000.00	24-008	Carter County Recovery KY	Public Service	24-008-01	Carter County RRY
Carter County	2	04/30/2025	\$9,000.00	24-008	Carter County Recovery KY	Public Service	24-008-02	Carter County RRY Admin
Carter County	2	04/30/2025	\$1,000.00	24-008	Carter County Recovery KY	Public Service	24-008-02	Carter County RRY Admin
Christian County	2	08/29/2025	\$10,000.00	23-055	Christian County Recovery KY	Public Service	23-055-02	Christian County RRY Admin
Christian County	2	12/30/2025	\$190,000.00	24-036	Christian County Recovery KY	Public Service	24-036-01	Christian County RRY
Davess County	2	01/31/2025	\$1,000.00	23-041	Davess County Recovery KY	Public Service	23-041-02	Davess Co. Admin
Davess County	1	05/30/2025	\$190,000.00	24-034	Davess County Recovery KY	Public Service	24-034-01	Davess County RRY
Davess County	2	07/30/2025	\$9,000.00	24-034	Davess County Recovery KY	Public Service	24-034-02	Davess County RRY Admin
Davess County	2	12/30/2025	\$1,000.00	24-034	Davess County Recovery KY	Public Service	24-034-02	Davess County RRY Admin
Harlan County	2	01/15/2025	\$1,000.00	23-046	Harlan County Recovery KY	Public Service	23-046-02	Harlan County RRY Admin
Harlan County	2	09/30/2025	\$190,000.00	24-009	Harlan County Recovery KY	Public Service	24-009-01	Harlan County RRY Admin
Harlan County	1	09/30/2025	\$9,000.00	24-009	Harlan County Recovery KY	Public Service	24-009-02	Harlan County RRY Admin
Henderson County	1	03/18/2025	\$190,000.00	24-004	Henderson Co WARM Recovery KY	Public Service	24-004-01	Henderson County RRY
Henderson County	2	03/18/2025	\$9,000.00	24-004	Henderson Co WARM Recovery KY	Public Service	24-004-02	Henderson County RRY Admin
Henderson County	2	05/30/2025	\$1,000.00	24-004	Henderson Co WARM Recovery KY	Public Service	24-004-03	Henderson Co. WARM admin 2024 funds
Kenton County	1	06/13/2025	\$83,132.00	24-039	Kenton Co Recovery KY	Public Service	24-039-03	Kenton County RRY
Kenton County	1	06/13/2025	\$196,863.00	24-039	Kenton Co Recovery KY	Public Service	24-039-01	Kenton County RRY
Kenton County	2	09/15/2025	\$9,000.00	24-039	Kenton Co Recovery KY	Public Service	24-039-02	Kenton County RRY Admin
Kenton County	2	09/15/2025	\$1,000.00	23-056	Kenton Co Recovery KY	Public Service	23-056-02	Kenton Co RRY Admin
Kenton County	1	09/30/2025	\$9,000.00	24-031	Knott County Hickory Hill Recovery KY	Public Service	24-031-02	Knott County RRY Admin
Kenton County	1	09/30/2025	\$190,000.00	24-031	Knott County Hickory Hill Recovery KY	Public Service	24-031-01	Knott County RRY
Knott County	2	12/30/2025	\$1,000.00	24-035	Knott County Hickory Hill Recovery KY	Public Service	24-035-01	Knott County RRY Admin
Paducah	1	05/15/2025	\$197,500.00	24-035	Paducah Four Rivers Recovery KY	Public Service	24-035-01	Paducah RRY
Paducah	2	05/15/2025	\$2,250.00	24-035	Paducah Four Rivers Recovery KY	Public Service	24-035-02	Paducah RRY Admin
Paducah	2	12/15/2025	\$2,500.00	24-035	Paducah Four Rivers Recovery KY	Public Service	24-035-02	Paducah RRY Admin
Richmond	1	04/15/2025	\$190,000.00	24-018	Richmond Recovery KY	Public Service	24-018-01	Richmond RRY
Richmond	2	04/15/2025	\$9,000.00	24-018	Richmond Recovery KY	Public Service	24-018-02	Richmond RRY Admin
Richmond	2	06/30/2025	\$1,000.00	24-018	Richmond Recovery KY	Public Service	24-018-02	Richmond RRY Admin
Somerset	1	04/15/2025	\$190,000.00	24-027	Somerset Sky Hope Recovery Center	Public Service	24-027-01	Somerset RRY
Somerset	2	04/15/2025	\$9,000.00	24-027	Somerset Sky Hope Recovery Center	Public Service	24-027-02	Somerset RRY Admin
Warren County	2	07/14/2025	\$1,000.00	24-029	Warren County MARC Recovery KY	Public Service	24-029-01	Warren County RRY
Warren County	1	02/14/2025	\$9,000.00	24-029	Warren County MARC Recovery KY	Public Service	24-029-02	Warren County RRY Admin
Warren County	2	10/15/2025	\$1,000.00	24-029	Warren County MARC Recovery KY	Public Service	24-029-02	Warren County RRY Admin
			\$2,594,393.00					

FY 2026 FUNDS EXPENDITURES

7-1-25 THRU 12-31-25

Vendor Name	Transaction #	Transaction #	Transaction Date	Transaction Amount	Program Sub-Total	Project #	Project Name	Process Type	Activity #	Activity Name	Activity Process Type
Boyd County Fiscal Court	7	07/15/2025	\$41,456.00	21-012	Boyd Co Westwood 19	Community Projects	21-012-01	Boyd County Westwood FD	Community Projects	Boyd County Westwood FD	Community Projects
Boyd County Fiscal Court	8	08/19/2025	\$21,215.00	21-012	Boyd Co Westwood 19	Community Projects	21-012-01	Boyd County Westwood FD	Community Projects	Boyd County Westwood FD	Community Projects
Boyd County Fiscal Court	9	07/15/2025	\$25,777.00	21-012	Boyd Co Westwood 19	Community Projects	21-012-01	Boyd County Westwood FD	Community Projects	Boyd County Westwood FD	Community Projects
Bracken County	10	07/15/2025	\$1,210.00	21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-01	Bracken County Senior Center	Community Projects	Bracken County Senior Center	Community Projects
Bracken County	6	07/15/2025	\$5,000.00	21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-02	Bracken County Senior Center	Community Projects	Bracken County Senior Center	Community Projects
Bracken County	7	07/15/2025	\$49,380.00	21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-03	Bracken County Senior Center	Community Projects	Bracken County Senior Center	Community Projects
Bracken County	8	08/15/2025	\$49,380.00	21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-04	Bracken County Senior Center	Community Projects	Bracken County Senior Center	Community Projects
Bracken County	9	11/24/2025	\$12,400.00	21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-05	Bracken County Senior Center	Community Projects	Bracken County Senior Center	Community Projects
Bracken County	10	12/10/2025	\$4,000.00	21-018	Bracken Co Senior Center Renovation	Community Projects	21-018-06	Bracken County Senior Center	Community Projects	Bracken County Senior Center	Community Projects
Calloway County	5 & 6	07/15/2025	\$140,846.00	22-015-03	Murray Art Guild Community Art Center	Community Projects	22-015-03	Calloway County Art Center (2018 funds)	Community Projects	Calloway County Art Center (2018 funds)	Community Projects
Calloway County	5 & 6	07/15/2025	\$40,846.00	22-015-03	Murray Art Guild Community Art Center	Community Projects	22-015-03	Calloway County Art Center (2018 funds)	Community Projects	Calloway County Art Center (2018 funds)	Community Projects
Calloway County	7	08/19/2025	\$1,996.00	22-015-03	Murray Art Guild Community Art Center	Community Projects	22-015-03	Calloway County Art Center (2021 funds)	Community Projects	Calloway County Art Center (2021 funds)	Community Projects
Calloway County	7	08/19/2025	\$48,204.00	22-015-03	Murray Art Guild Community Art Center	Community Projects	22-015-03	Calloway County Art Center (2021 funds)	Community Projects	Calloway County Art Center (2021 funds)	Community Projects
Floyd County	6 & 7	08/19/2025	\$5,000.00	22-011-01	Floyd Co. Marietta Community Center	Community Projects	22-011-01	Floyd County Community Center	Community Projects	Floyd County Community Center	Community Projects
Floyd County	8	09/10/2025	\$303,811.00	22-011	Floyd Co. Marietta Community Center	Community Projects	22-011	Floyd County Community Center	Community Projects	Floyd County Community Center	Community Projects
Floyd County	9	11/14/2025	\$87,241.00	22-011	Floyd Co. Marietta Community Center	Community Projects	22-011-01	Floyd County Community Center	Community Projects	Floyd County Community Center	Community Projects
Floyd County	10	11/28/2025	\$17,541.00	22-011	Floyd Co. Marietta Community Center	Community Projects	22-011-01	Floyd County Community Center	Community Projects	Floyd County Community Center	Community Projects
Floyd County	10	11/28/2025	\$31,500.00	22-011	Floyd Co. Marietta Community Center	Community Projects	22-011-01	Floyd County Community Center	Community Projects	Floyd County Community Center	Community Projects
Gallatin County	2	06/15/2025	\$116,371.00	23-021-01	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy	Community Projects	Gallatin County Pharmacy	Community Projects
Gallatin County	3	09/10/2025	\$268,893.00	23-021	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy	Community Projects	Gallatin County Pharmacy	Community Projects
Gallatin County	4	10/20/2025	\$204,280.00	23-021	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy	Community Projects	Gallatin County Pharmacy	Community Projects
Gallatin County	4	10/20/2025	\$25,600.00	23-021	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy	Community Projects	Gallatin County Pharmacy	Community Projects
Gallatin County	4	10/20/2025	\$25,600.00	23-021	Gallatin County Pharmacy Project	Community Projects	23-021-01	Gallatin County Pharmacy	Community Projects	Gallatin County Pharmacy	Community Projects
Glasgow	5	07/15/2025	\$83,628.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	5	07/15/2025	\$5,000.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	6	08/19/2025	\$27,811.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	6	09/10/2025	\$33,925.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	7	10/20/2025	\$56,275.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	8	10/20/2025	\$7,214.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	9	11/28/2025	\$84,145.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Jenks	10	12/10/2025	\$22,996.00	22-026	Heritage City Hall ADA	Community Projects	22-026	Heritage City Hall ADA	Community Projects	Heritage City Hall ADA	Community Projects
Lawrence County	9	07/15/2025	\$29,674.00	21-013	Laverne Co Blue Fire Station	Community Projects	21-013	Laverne County Fire Station	Community Projects	Laverne County Fire Station (2019 funds)	Community Projects
Lawrence County	9	09/10/2025	\$307,446.00	21-013	Laverne Co Blue Fire Station	Community Projects	21-013	Laverne County Fire Station	Community Projects	Laverne County Fire Station	Community Projects
Lawrence County	10	12/10/2025	\$44,446.00	21-013	Laverne Co Blue Fire Station	Community Projects	21-013	Laverne County Fire Station	Community Projects	Laverne County Fire Station	Community Projects
Lewis County	1	10/15/2025	\$36,306.00	22-049	Camp Dix VFD Renovations and Improvements	Community Projects	22-049	Camp Dix VFD	Community Projects	Camp Dix VFD	Community Projects
Lewis County	1	10/15/2025	\$7,500.00	22-049	Camp Dix VFD Renovations and Improvements	Community Projects	22-049	Camp Dix VFD	Community Projects	Camp Dix VFD	Community Projects
Lewis County	2	12/15/2025	\$10,000.00	22-049	Camp Dix VFD Renovations and Improvements	Community Projects	22-049	Camp Dix VFD	Community Projects	Camp Dix VFD	Community Projects
Montgomery County	1	07/15/2025	\$373,021.00	21-014	Montgomery County Senior Center	Community Projects	21-014	Montgomery County Senior Center	Community Projects	Montgomery County Senior Center	Community Projects
Montgomery County	2	09/15/2025	\$336,979.00	21-014	Montgomery County Senior Center	Community Projects	21-014	Montgomery County Senior Center	Community Projects	Montgomery County Senior Center	Community Projects
Montgomery County	2	09/15/2025	\$20,000.00	21-014	Montgomery County Senior Center	Community Projects	21-014	Montgomery County Senior Center	Community Projects	Montgomery County Senior Center	Community Projects
Mount Sterling	7	12/10/2025	\$2,000.00	19-043	Mt. Sterling Health Clinic	Community Projects	19-043	Mt. Sterling Health Clinic	Community Projects	Mt. Sterling Health Clinic	Community Projects
Muhlenberg County	1	10/20/2025	\$491,383.00	20-013	Muhlenberg Opportunity Center	Community Projects	20-013	Muhlenberg Opportunity Center	Community Projects	Muhlenberg Opportunity Center	Community Projects
North Middletown	4	07/15/2025	\$218,530.00	23-022	North Middletown Fire Station	Community Projects	23-022	North Middletown Fire Station	Community Projects	North Middletown Fire Station	Community Projects
North Middletown	4	07/15/2025	\$4,000.00	23-022	North Middletown Fire Station	Community Projects	23-022	North Middletown Fire Station	Community Projects	North Middletown Fire Station	Community Projects
Todd County	9	09/10/2025	\$30,000.00	21-009	Todd Co Senior Center Renovation	Community Projects	21-009	Todd County Senior Center	Community Projects	Todd County Senior Center	Community Projects
Wilmore	2	09/15/2025	\$229,424.00	22-030	Wilmore Granary Restoration Project	Community Projects	22-030	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	Community Projects
Wilmore	2	09/15/2025	\$10,000.00	22-030	Wilmore Granary Restoration Project	Community Projects	22-030	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	Community Projects
Wilmore	3	11/28/2025	\$285,881.00	22-030	Wilmore Granary Restoration Project	Community Projects	22-030	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	Community Projects
Wilmore	3	11/28/2025	\$15,000.00	22-030	Wilmore Granary Restoration Project	Community Projects	22-030	Wilmore Granary Restoration Project	Community Projects	Wilmore Historic Preservation	Community Projects
Webster County	3	07/15/2025	\$8,749.00	20-038	Webster Co. West of Regional Training Center	Economic Development	20-038	Webster County Admin	Economic Development	Webster County Admin	Economic Development
Columbia	4	11/14/2025	\$7,500.00	20-053	Columbia Economic Development Project	Economic Development	20-053	Columbia Admin	Economic Development	Columbia Admin	Economic Development
Henry County	2	12/30/2025	\$15,000.00	20-051	Henry County Aerial Emy Sewer Extension	Economic Development	20-051	Henry County Admin	Economic Development	Henry County Admin	Economic Development
Metcalfe County	6	09/15/2025	\$2,326.00	19-059	Metcalfe County Industrial Park Improvements	Economic Development	19-059	Metcalfe County Admin	Economic Development	Metcalfe County Admin	Economic Development
Ohio County Fiscal Court	5	09/15/2025	\$35,000.00	22-004	Ohio Co. Bluegrass Cosmetics Business Centre Extension	Economic Development	22-004	Ohio County MEAD Admin	Economic Development	Ohio County MEAD Admin	Economic Development
Taylor County	3	07/30/2025	\$640.00	23-008	Green River Meats Equipment Project	Economic Development	23-008	Taylor County Meats Equipment	Economic Development	Taylor County Meats Equipment	Economic Development
Taylor County	4	07/30/2025	\$5,000.00	23-008	Green River Meats Equipment Project	Economic Development	23-008	Taylor County Meats Equipment	Economic Development	Taylor County Meats Equipment	Economic Development
Taylor County	4	11/14/2025	\$2,500.00	23-008	Green River Meats Equipment Project	Economic Development	23-008	Taylor County Meats Equipment	Economic Development	Taylor County Meats Equipment	Economic Development
Booneville	10	09/15/2025	\$12,125.00	22-034	Booneville Redevelopment Phase IV	Housing	22-034-01	Booneville Rehab PF	Housing	Booneville Rehab PF	Housing
Campbell County	4	10/15/2025	\$17,500.00	23-052	2023 Homeownership Development	Housing	23-052-04	Campbell County Admin	Housing	Campbell County Admin	Housing
Campbell County	5	12/30/2025	\$261,921.00	23-052	2023 Homeownership Development	Housing	23-052-04	Campbell County Rehab	Housing	Campbell County Rehab	Housing
Campbell County	5	12/30/2025	\$382,946.00	23-052	2023 Homeownership Development	Housing	23-052-03	Campbell County New Construction	Housing	Campbell County New Construction	Housing
Campbell County	5	12/30/2025	\$17,500.00	23-052	2023 Homeownership Development	Housing	23-052-04	Campbell County Admin	Housing	Campbell County Admin	Housing
Davess County	8	08/19/2025	\$44,045.00	23-001	Davess Co Habitat for Humanity	Housing	23-001-02	Davess County Habitat New construction	Housing	Davess County Habitat New construction	Housing
Davess County	8	08/19/2025	\$17,500.00	23-001	Davess Co Habitat for Humanity	Housing	23-001-02	Davess County Habitat New construction	Housing	Davess County Habitat New construction	Housing
Davess County	9	12/30/2025	\$5,386.00	23-001	Davess Co Habitat for Humanity	Housing	23-001-02	Davess County Habitat New construction	Housing	Davess County Habitat New construction	Housing
Davess County	11	07/30/2025	\$4,608.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-02	Floyd County Housing acquisition/Infrastructure	Housing	Floyd County Housing acquisition/Infrastructure	Housing
Floyd County	11	07/30/2025	\$60,500.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-02	Floyd County Housing acquisition/Infrastructure	Housing	Floyd County Housing acquisition/Infrastructure	Housing
Floyd County	7	07/30/2025	\$8,234.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-03	Floyd County Infrastructure 2022 funds	Housing	Floyd County Infrastructure 2022 funds	Housing
Floyd County	7	07/30/2025	\$40,000.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-03	Floyd County Infrastructure 2022 funds	Housing	Floyd County Infrastructure 2022 funds	Housing
Floyd County	8	08/19/2025	\$48,090.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County acquisition 2019 funds	Housing	Floyd County acquisition 2019 funds	Housing
Floyd County	9	09/30/2025	\$53,889.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County acquisition 2019 funds	Housing	Floyd County acquisition 2019 funds	Housing
Floyd County	9	09/30/2025	\$173,815.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County acquisition 2019 funds	Housing	Floyd County acquisition 2019 funds	Housing
Floyd County	10	11/14/2025	\$6,056.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County acquisition 2019 funds	Housing	Floyd County acquisition 2019 funds	Housing
Floyd County	12	11/14/2025	\$84,825.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-05	Floyd County Housing acquisition/Infrastructure (2023 funds)	Housing	Floyd County Housing acquisition/Infrastructure (2023 funds)	Housing
Floyd County	11	11/28/2025	\$78,087.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County acquisition 2019 funds	Housing	Floyd County acquisition 2019 funds	Housing
Floyd County	12	12/30/2025	\$42,239.00	23-006	Floyd County Disaster Recovery Housing Project- Site 2	Housing	23-006-06	Floyd County acquisition 2019 funds	Housing	Floyd County acquisition 2019 funds	Housing
Floyd County	13	12/30/2025	\$98,551.00	23-005	Floyd County Disaster Recovery Housing Project- Site 1	Housing	23-005-05	Floyd County Housing acquisition/Infrastructure (2023 funds)	Housing	Floyd County Housing acquisition/Infrastructure (2023 funds)	Housing

