Programmatic and language requests are due by 6:00 pm on Wednesday, May 1, 2024
CPF submission deadline is 6:00 pm on Friday, May 3, 2024
Members must post CPF requests on their websites on Friday, May 17, 2024

Please note: In a change from FY24, the only eligible recipients for Community Project Funding in the Economic Development Initiatives account are the following types of governmental entities and public institutions of higher education:

- States and the District of Columbia
- Territories
- Tribal governments
- Counties
- Cities, towns, parishes, or other local government entities
- Public colleges and universities, including community colleges

Community Project Funding within the Community Development Fund account of the HUD title is intended for economic and community development activities, consistent with statutory and additional Committee requirements.

Project requests for the FY25 Economic Development Initiative program must be consistent with the goals of one or more of the following eligible uses of the Community Development Fund (CDF): 42 U.S.C. 5305(a)(1), 42 U.S.C. 5305(a)(2), 42 U.S.C. 5305(a)(4), and 42 U.S.C. 5305(a)(5). These statutory eligibilities focus on land or site acquisition, demolition, or rehabilitation; blight removal; and construction and capital improvements of public facilities, except for “buildings used for the general conduct of government.” Similar to FY2024, programmatic and operational expenses are not eligible.

5305(a)(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

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1 42 U.S.C. 5302(a)(21) provides: “The term ‘buildings for the general conduct of government’ means city halls, county administrative buildings, State capitol or office buildings, or other facilities in which the legislative or general administrative affairs of the government are conducted. Such term does not include such facilities as neighborhood service centers or special purpose buildings located in low- and moderate-income areas that house various non-legislative functions or services provided by government at decentralized locations.”
works, facilities, and improvements eligible for assistance under this chapter; or (E) to be used for other public purposes;

5305(a)(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;

5305(a)(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);

5305(a)(5) – special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons;

Given that projects must be consistent with authorized purposes, the Committee expects to prioritize funding for the following types of projects:

- Water or sewer infrastructure projects, which are not otherwise eligible to be funded as CPFs in EPA STAG (Interior bill) or Rural Water and Waste Disposal (Agriculture bill);
- Local road infrastructure, which is not otherwise eligible as a CPF in Highways (in this bill);
- Streetscape improvements;
- Housing rehabilitation or construction, residential conversions, and neighborhood revitalization projects, which would increase housing supply and/or improve housing affordability in the local community;
- Projects with a clear economic development benefit for a community or region, such as workforce training centers; and
- Projects that meet a compelling local need consistent with statutory purposes. For example, food banks in economically disadvantaged neighborhoods, youth and senior centers, and multipurpose community centers would be strong submissions.

All projects will be evaluated based on the individual submissions and will be selected based on the merits of the project relative to other projects and the availability of CPF funding.

So that Members have the clearest possible guidance on the front end, the following types of projects are not eligible for CPF funding:

- Museums, commemoratives, and memorials;
- Swimming pools, water parks, ski slopes, and golf courses;
- Healthcare facilities;
• Venues strictly for entertainment purposes – e.g., theaters, amphitheaters, fairgrounds, and performing arts centers;
• Strictly research or planning activities; and
• Buildings for the general conduct of government (courthouses, post office, city halls), which are not allowed under the statute.

Demonstration of Community Support: Projects require substantial evidence of community support to be considered for funding. Community support documentation can include letters from elected officials and community groups, local transportation or community development plans, publications including news articles, and any other documents that demonstrate public support for the project.

Reminder on Environmental Review Requirements: EDI projects, like all projects funded by HUD, are subject to requirements under the National Environmental Policy Act (NEPA), HUD’s NEPA-implementing regulations at 24 CFR Part 50 or 24 CFR Part 58, and all applicable federal environmental and historic preservation laws, regulations, and Executive Orders. An environmental review must be completed before HUD funds and new commitments of non-HUD funds can be used on a project (24 CFR 58.22).

Reminder on Buy America Preference (BAP): The “Buy America Preference” (BAP), in the Build America Buy America (BABA) Act within the Infrastructure Investment and Jobs Act (P.L. 117-58), requires that all iron and steel, construction materials, and manufactured products used in federally funded infrastructure projects are produced in the United States. Effective February 22, 2024, BAP applies to iron and steel for all EDI grantees, and effective August 23, 2024, this will extend to construction and manufacturing materials as well.

In addition to meeting the above eligibility criteria, all projects must meet these Committee requirements:
• Members are advised that projects submitted under 42 U.S.C. 5305(a)(1)(C) will be disfavored if the only or primary purpose of the project is “beautification” or historic preservation, without evidence of other community development or economic development benefits.
• Requesting offices are required to provide a valid Taxpayer Identification Number (TIN) and/or Employer Identification Number (EIN) for each potential EDI recipient, as well as the Unique Entity Identifier (UEI), which is an entity’s official identifier for conducting business with the federal government. If an entity does not presently have a UEI, they can register for one at SAM.gov. Applicants should have this information readily available to provide to your office.

NOTE: Political subdivisions and school districts/boards may not have their own unique TIN or UEI. In this case, we recommend naming the recipient as the legal entity under which they are formed and naming the political subdivision in the project description (e.g., “City of Alexandria/For the Department of Public Works’ roadway improvements”).

Soft costs (planning, administrative) for EDI projects can be incurred after the date of final enactment. However, if the recipient incurs soft costs after enactment, but before the grant agreement is executed, they do so at their own risk. If the project is found to be ineligible by
HUD or the grant agreement is never signed, HUD cannot reimburse for those soft costs. Hard costs (construction activities) can only be incurred after the successful completion of the required environmental review.

For each EDI request, Members will need to provide specific information through the electronic submission process. The database will include the following questions to assist the Subcommittee in vetting and selecting projects. The Chair may require additional information from your office. Please ensure Community Project Funding requests are not duplicative of requests to another Subcommittee.

**Community Project Funding prompts in the database for EDI:**

- **Project Name.** A short name by which the project may be identified.
  
  **EXAMPLE:** Sturgis Downtown Revitalization

- **General description of the project and why it is needed.**
  
  **EXAMPLE:** This project will provide infrastructure needed to support downtown expansion, including housing developments in downtown Sturgis. Core components include parking lot reconstruction, alleyway accessibility/beautification upgrades (including a trailhead for a future non-motorized trail), storm sewer improvements, and electrical utility work (moving electrical lines underground). The project is located in a Qualified Census Tract, traditional downtown, and will lessen financial burden on downtown property owners hit hard by economic circumstances that would otherwise have to cover higher project costs for parking lot work by way of a special assessment. The project is aligned to the city's recent placemaking efforts (added downtown firepit, public art, plaza/streetscape walkway, etc.). The City of Sturgis is confident the project is shovel ready and could be completed within the identified project period.

- **What are the benefits of this project and why is it a priority?**
  
  **EXAMPLE:** Downtown Sturgis is at a critical tipping point. Despite the challenges over the past two years related to the pandemic, the downtown is seeing an uptick in potential development projects, including a large-scale housing development. These projects will create an increased demand for parking and public amenities to make downtown Sturgis a destination of choice. The city is seeking to capitalize on this momentum to not only address needed infrastructure but also to create a vibrant central business district with the inclusion of a food truck court and trailhead.

- **Is the project on a state or local jurisdiction’s consolidated plan with HUD?** If yes, please link and provide the page number where it can be found. If not, please explain how the project is consistent with CDF statute.

- **Amount requested for the Community Project Funding and the total project cost.**
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➢ Are there community partners participating in this project?

➢ Does the grantee have experience executing a federal grant?

➢ Has the request been submitted to another Subcommittee or Committee this fiscal year? If yes, which one(s)?

➢ Is this project consistent with the primary objective of the community development program? Please describe who the project is intended to benefit.

➢ What is the entity’s TIN/EIN?

➢ What is the entity’s UEI?

➢ What is the ZIP code of the project location? If the project spans multiple ZIP codes, provide the ZIP code where most of the appropriation would be spent.
DIRECTIONS AND TEMPLATE FOR MEMBER FINANCIAL DISCLOSURE CERTIFICATIONS AND FEDERAL NEXUS STATEMENTS:

Members are required to send the Chairman and Ranking Member a letter stating that the Member and his/her “immediate family” (defined as father, mother, son, daughter, brother, sister, husband, wife, father-in-law, or mother-in-law) do not have a financial interest in the requested projects. Members are also required to include a statement regarding the project’s Federal nexus.

Below is suggested text for a statement of Federal nexus and a financial disclosure certification to accompany each Community Project Funding request:

Dear Chairman Cole and Ranking Member DeLauro:

“I am requesting funding for [project] in fiscal year 2025. The entity to receive funding for this project is [name of entity], located at [address including street name, city, state and zip code]. The funding would be used for [purpose of funding]. The project is an appropriate use of taxpayer funds because [reason for appropriateness].

The project has a Federal nexus because the funding provided is consistent with purposes authorized in 42 U.S.C.5305(a)(1), 5305(a)(2), 5305(a)(4), and/or 5305(a)(5).

I certify that I have no financial interest in this project, and neither does anyone in my immediate family.”

Sincerely,

Member of Congress

These statements must be on letterhead and must be signed by the Member. Members must post these letters publicly on their website on Friday, May 17, 2024. Please prepare the certification on letterhead and upload a PDF of the signed document to the request database.

Questions: If you have questions or require further information on EDI Community Project Funding requests, please email the Subcommittee staff at TH.MemberRequests@mail.house.gov with “Economic Development Initiative” in the subject line. Please note that this email box is for Congressional staff and Member use only, and external stakeholders should contact their Member of Congress for further guidance.