

# 2013 CDBG APPLICATION

## Enterprise Fund Activity – Business Assistance (BA) – Scoring Details

### ECONOMIC DEVELOPMENT - ENTERPRISE FUND – Business Assistance

A maximum score of 950 points is assigned according to the following criteria. Points are allocated as noted in the chart below:

ACTIVITY CRITERIA	ENTERPRISE FUND – BUSINESS ASSISTANCE	POINTS
<p><b>NEED/BENEFIT</b> (400 Points)</p>	<p><b>NEED:</b></p> <ol style="list-style-type: none"> <li>1. <b>Unemployment</b></li> <li>2. <b>Market Analysis</b> <ol style="list-style-type: none"> <li>A. <u>Understanding of Market Conditions / Opportunities by Market Segment</u> <ol style="list-style-type: none"> <li>1) Level of most recent business activity:           <ul style="list-style-type: none"> <li>▪ Comparative analysis number of establishments by employment/size/class over previous 3 years.</li> <li>▪ Determination of number of businesses by industry category – use NAICS code level breakdown.</li> <li>▪ Analysis of business segment (identified via NAICS) changes over previous 3 years.</li> <li>▪ List of Local Businesses Surveyed to determine demand.</li> </ul> </li> <li>B. <u>Identifying/Analyzing Lending Opportunities and Competitors</u> <ol style="list-style-type: none"> <li>1) Identifying all (other) private and public lending sources serving the market area to determine:           <ul style="list-style-type: none"> <li>▪ Types of lending products offered.</li> <li>▪ Types of businesses inquiring/obtaining financing.</li> <li>▪ Types of businesses not meeting lender requirements.</li> <li>▪ Minimum and maximum loan amounts.</li> <li>▪ Typical loan terms &amp; interest rates.</li> <li>▪ Allowable uses of funds.</li> <li>▪ Collateral requirements.</li> <li>▪ Level of equity contribution required for loan-to-value (LTV).</li> </ul> </li> <li>2) Determine and confirm that financing program will fill the financing gaps in the market.</li> </ol> </li> <li>C. <u>Demand Projections</u> <ol style="list-style-type: none"> <li>1) Based on level of business activity/competitive environment:           <ul style="list-style-type: none"> <li>▪ Determine how many loans will be made annually over the grant term.</li> <li>▪ Determine and validate average size of loans.</li> <li>▪ Develop and loan program marketing strategy/plan.</li> <li>▪ Determine and validate number of inquiries that may be generated.</li> <li>▪ Determine and validate number applications generated from the inquiries.</li> <li>▪ Determine and validate number of applications likely to be approved.</li> </ul> </li> </ol> </li> </ol> </li> </ol> </li> </ol>	<p style="text-align: center;"><b>100</b> <b>250</b></p>

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	<p>D. <u>Conclusions</u></p> <ol style="list-style-type: none"> <li>1) Based on the Demand Projections above, determine and validate the grant funding being requested.</li> <li>2) Third party documentation and references.</li> </ol> <p><b>BENEFIT: Poverty (Jurisdiction-Wide only)</b> <i>(Applicant pool sets range of points for Poverty)</i></p>	<b>50</b>
<p><b>READINESS</b> <i>(300 Points)</i></p>	<p>1. <b>Program Description</b> that includes the following:</p> <ol style="list-style-type: none"> <li>A. Program organization and activity flow charts.</li> <li>B. Task Matrix.</li> <li>C. Description of organization and structure of the activity.</li> </ol>	<b>25</b>
	<p>2. <b>Program Operator's Status</b> is one of the following:</p> <ol style="list-style-type: none"> <li>A. Applicant has executed subrecipient agreement(s) for all subrecipient(s) and procured consultants per HUD procurement guidelines (Chapter 8 of the CDBG GMM).</li> <li>B. Grantee will be using in-house staff for the activity either solely or in conjunction with subrecipient/consultant. Grantee has executed subrecipient agreement(s) and/or consultant contract(s).</li> <li>C. Grantee does not have approved contracts and/or agreements and will be procuring services for this activity.</li> </ol> <p>3. <b>Program Operator Qualifications</b> include the following:</p> <ol style="list-style-type: none"> <li>A. Complete duty statements of all job positions.</li> <li>B. Complete resumes of all individuals performing work under the activity (include relevant experience with emphasis on any CDBG RLA, grant management, marketing, and CDBG financial underwriting training and experience).</li> <li>C. Identify individual(s) performing ED financial underwriting for BA loans.</li> <li>D. Provide certificates of training that substantiate ED financial expertise or CDBG specialization.</li> </ol>	<b>75</b>  <b>200</b>
<p><b>APPLICANT CAPACITY/PAST PERFORMANCE</b> <i>(200 Points)</i></p>	<p>The score from the Applicant Capacity/Past Performance Score Sheet will be added here.</p>	<b>Up to: 200</b>
<p><b>STATE OBJECTIVES</b> <i>(50 Points)</i></p>	<p>1. <b>Capacity Building Points:</b> Awarded for applications from the previous year that were eligible and met a national objective, but were 'below the available funding cut off line'.</p>	<b>50</b>
<b>TOTAL POINTS</b>		<b>950</b>