



## The Community Development Block Grant Economic Development Program

### What is the Community Development Block Grant Economic Development Program?

The Community Development Block Grant Economic Development Program is federal funding that provides up to \$500,000 per project for:

- Low-interest, fixed asset, gap financing to Ohio businesses; or
- Grants to communities for public infrastructure improvements associated with for-profit business expansion and job creation.



#### Contact

Office of Community Development  
Phone: (614) 466-2285  
[cdbg.development.ohio.gov](http://cdbg.development.ohio.gov)

**Ohio**

John R. Kasich, Governor

**Development  
Services Agency**

David Goodman, Director

### Fixed Asset Loans

Funds are granted to communities to make loans to local, for-profit businesses for fixed-asset financing. Loan repayments remain in a local Revolving Loan Fund and may be used to finance additional Community Development Block Grant-eligible projects in the community.

- **Low- and Moderate-Income jobs** – 51 percent of the jobs created or retained must be taken by or made available to low- and moderate-income persons.
- **Gap financing** – Loans are only available for projects in which gap financing is required. In all cases, private financing should be maximized before considering Community Development Block Grant assistance.
- **Funding per job** – Assistance is limited to \$25,000 per job created.
- **Leverage** – Assistance is limited to providing no more than half of the total financing required for the project (\$1:\$1 leverage ratio).
- **Equity** – A borrower must be prepared to provide cash equity of at least 5 percent of the total fixed asset cost.
- **Private financing** – At least 15 percent of the project's fixed asset cost must be privately financed.

### Off-site Infrastructure Grants

Funds are granted to communities to help pay for publicly owned infrastructure improvements directly related to job creation or retention by a for-profit business. The applicant community must demonstrate need for the level of funding requested.

- **Low- and Moderate-Income jobs** – 51 percent of the jobs created or retained must be taken by or made available to low- and moderate-income persons.
- **Funding per job** – Assistance is limited to \$9,999 per job created.
- **Amount of assistance** – In most cases, assistance is limited to providing no more than half of the total off-site infrastructure cost. Some distressed communities may qualify for up to 75 percent of the off-site infrastructure cost.
- **Private investment** – The job-creating business must be committed to making an on-site private investment in coordination with its committed job creation.
- **Private financing** – At least 15 percent of the project's fixed asset cost must be privately financed.