



Notice of Funding Availability
Georgia Department of Community Affairs
Community Development Block Grant Program
Innovative Grant
April 2025

I. OVERVIEW

The Georgia Department of Community Affairs (DCA) hereby notifies interested Applicants of the availability of funds allocated from the State of Georgia's Community Development Block Grant (CDBG) Program. The availability and use of these funds is subject to Federal CDBG regulations (24 CFR Part 570, Subpart I), and is further subject to DCA's policies and program requirements. The Georgia Department of Community Affairs (DCA) is the administrator of the State of Georgia's CDBG Program for Non-Entitlement Communities.

In releasing this Notice of Funding Availability (NOFA), the goal of DCA is to provide financial resources to communities who have developed plans that will create transformational change within the community upon the plan's implementation. As an effective conduit to allocate resources to help rebuild and invest in our nation's communities, Georgia's non-entitlement local governments have historically used CDBG for a variety of traditional infrastructure, economic development, and housing activities. Through this Innovative Grant, the expected outcome from successful applicants is to begin viewing the CDBG program differently than before. For example, rather than seeking projects with "benefit" to low-and-moderate income persons as defined by HUD standards, successful applicants will develop projects that not only provide a resource to these individuals (housing opportunities and/or improvements, enhanced infrastructure, etc.), but more importantly begin answering the question of how the completion of the proposed project will serve to catalyze the upward mobility of the individuals to be assisted and/or enhancing the efficiency of governmental services to provide a greater impact within their community.

The Department is committed to providing communities with financial resources to adequately address local needs and to make an impact; specifically, to initiate transformational changes. While transformational means different things to different people, for the purposes of this grant set-aside, DCA is defining transformational as an individual or series of activities that will support long-term, systemic, and sustainable change.

The State as a whole is experiencing a housing crisis. According to the 2023 Georgia Housing Needs Assessment conducted by DCA, the state's housing inventory is inadequate for all income levels, and it can't expand fast enough to meet the increasing demand (both for owner-occupied and rental housing). While there is no preconceived idea of what may or may not be fundable under this program, DCA's primary intent with these funds is to enable communities to advance initiatives that will ensure greater access to safe affordable housing. Although housing is the greatest priority under this NOFA, other transformational projects are eligible and will be considered. To aid in the development of concepts, the following categories are provided for reference:

- **Conversion:** Purchase or maintain property conversion for affordable housing, transitional housing, long-term housing, or supportive housing, particularly in communities where efforts have been made to encourage conversion of underutilized properties or in communities in which low concentrations of affordable housing, transitional housing, or supportive housing exist.
- **Housing Infrastructure:** Develop and integrate infrastructure tied to an affordable housing development, including for capital construction and the cost of infrastructure design.
- **Land Banking:** Provide or maintain land banking and land trust strategies through acquisition of property for long-term affordable housing planning and development.

- **Preservation:** Maintain existing affordable housing through funding for preservation, restoration, rehabilitation, retrofitting, renovation, and capital improvements. These investments may include but are not limited to:
 - Senior Housing
 - Workforce Housing
 - Remediation of low-quality and condemned properties
 - Adaptive reuse of unused or underutilized buildings to create quality affordable housing
 - Owner-occupied property rehabilitation programs
- **Water and/or Wastewater Systems Consolidation:** Undergo consolidation between jurisdictions whereby current maintenance of one or more of the systems may not be financially viable in isolation, but when paired with other systems results in greater levels of service provision through system upkeep, reduced overhead, and economies of scale.

A copy of this NOFA and the Application package and other related materials are available at <https://dca.georgia.gov/financing-tools/infrastructure/community-development-block-grants-cdbg/cdbg-innovative-grant>.

II. AMOUNT OF FUNDS AVAILABLE FOR AWARD

DCA will make available ten million dollars (\$10,000,000) under this NOFA. Funds to be set-aside from FFY2024 State of Georgia Community Development Block Grant to capitalize the Innovative Grant. DCA reserves the right to fund, in whole or in part, any, all, or none of the applications submitted in response to this NOFA. Once all funds have been awarded, no further applications will be accepted under this NOFA.

III. MAXIMUM AMOUNT OF GRANT REQUEST

DCA will award up to \$5,000,000 per application. Grant requests for the maximum award amount will be reviewed for appropriateness based on project scale and scope, and subsequently reduced if project feasibility and/or impact appears low.

IV. MATCH REQUIREMENT

The minimum cash match requirement must be at least 15% of the amount of the grant award, with the exception of owner-occupied rehabilitation projects.

V. ELIGIBLE APPLICANTS

Units of general-purpose local government (cities or counties) that do not participate in HUD's CDBG Entitlement program are the only entities eligible to make application for funding under this program. Notices of Intent (NOI) / Applications may be submitted individually by one unit of general-purpose local government, or jointly, by two (2) or more units of general-purpose local government. Only one NOI per general purpose local government, whether individually or jointly submitted, shall be eligible for competition. Generally, joint applications become necessary when the project benefit is not located within a single jurisdiction. Please consult DCA on questions concerning joint applications.

Receipt of an Annual Competition, Employment Incentive Program Grant, Redevelopment Fund Grant or Immediate Threat and Danger Grant does not disqualify an applicant for an Innovative Grant.

A. Additional Eligibility Requirements for Applicants – Local Governments

In addition to the requirements for all applicants, Local Governments must also meet the following requirements:

1. Local governments shall be in compliance with the audit report/grant certification form submission requirements as provided under O.C.G.A. Section 36-81-7 and Section 36-81-8.1.
2. Recipients of prior CDBG funding must resolve all outstanding audit, and/or monitoring (compliance) findings prior to an application for an Innovative Grant. Sanctions applied under any of the other CDBG grant programs will also apply to this program.

VI. ACTIVITY SUMMARY

All activities must be eligible under the Housing and Community Development Act of 1974 and must meet a HUD National Objective. Section 105 of the Act enumerates eligible activities, and 24 CFR Part 570.483 provides criteria for meeting HUD National Objectives. Applicants should note that each activity is eligible only to the extent that it benefits at least 51% low- and moderate-income persons. Projects may also address the elimination or prevention of slums and blight in an area designated by the applicant.

VII. PROJECT THRESHOLD REQUIREMENTS

The proposed project must be able to demonstrate it will meet the following threshold requirements:

1. **Applicant:** Must be an eligible applicant as outlined in Section V of this NOFA.
2. **Program/Program Activity:** Activity funded using CDBG funds must conform with activities outlined in Section VI of this NOFA.
3. **Timeline:** Application must demonstrate project/program completion with all funds expended by within 4-years of award.
4. **Capacity and Experience:** The application must demonstrate that the applicant and any partners have the experience and capacity to provide, manage and complete the proposed project/program.
5. **Demonstrated Need:** The application must demonstrate the proposed project/program will meet an unmet need in the community. For example, a request for funding to consolidate water and/or wastewater systems must provide evidence to demonstrate previous inability to sustain a single system through rate studies or the water dashboard system offered through GEFA.
6. **Feasibility:** Project/program demonstrates ability to complete construction or development as well as long term viability.

VIII. APPLICATION PROCEDURES AND AWARD ANNOUNCEMENTS

A. Pre-application

A pre-application is required. This allows DCA to determine if a proposal meets the intent of the set-aside, meets eligibility for funding and allows for feedback on the proposal. DCA shall have sole discretion to determine which applicants will be invited to submit a full application. The pre-application (web-form) may be found at <https://dca.georgia.gov/financing-tools/infrastructure/community-development-block-grants-cdbg/cdbg-innovative-grant>.

If possible, the following should be included in the pre-application:

1. General location of proposed project
2. Estimated project or program sources and uses
3. Anticipated grant funding request
4. Anticipated target population(s) served
5. General overview of the anticipated programmatic and/or housing components
6. General overview of the anticipated development related activities needed (e.g. - acquisition, renovation, and/or new construction) that will be applied for through other application opportunities

The specific contents of the pre-application are not binding. The final application details may be adjusted and different from the pre-application. The pre-application information will be utilized to provide technical assistance to the prospective applicant as well as to assist in preparation for the review process.

Pre-application Submission Instructions:

Pre-applications are accepted on a rolling basis. Invitations to submit a full application will be released within 2 weeks of receipt. Applicants are encouraged to submit a pre-application as soon as possible to allow for technical assistance prior to submission.

Final Application Submission Instructions

After receipt of an invitation to apply from DCA, the applicant must submit its application by the deadline provided in DCA's official response letter. A direct link to the full application will be provided in the official response.

IX. APPLICATION REVIEW PROCESS

All pre-applications and full applications will initially be reviewed by DCA to determine completeness. Complete applications will be screened to determine whether the application meets the minimum NOFA eligibility requirements. DCA will evaluate and rank each complete and eligible application according to the priorities identified herein.

X. APPLICATION AWARD AND NOTIFICATION

All applications will be reviewed and evaluated according to the priorities and preferences outlined in Section VII. Notification of award will be made within 30 days of submission.

XI. TIMEFRAME FOR COMMENCEMENT AND COMPLETION OF PROJECT

All CDBG funds must generally be expended, and all development completed within 4 years of award. "Completion" is defined as all construction activities being complete, all development funds expended, all close out procedures have taken place, and certificates of occupancy issued (if applicable).

XII. COMPLIANCE WITH OTHER FEDERAL REQUIREMENTS

Funding for projects that are already under construction that did not satisfy all federal requirements associated with 2 CFR Part 200 or the National Environmental Policy Act (NEPA) as found in 40 CFR Parts 1500-1508 prior to initiation of any aspect of the project will not be considered.

In addition to the basic CDBG rules previously outlined, a number of other federal and state regulations must be adhered to in the course of administering CDBG funds. The certifying official of the applicant is responsible for ensuring that the proposed program, activities, goals, and timetables are in compliance with all federal and state laws, regulations, and executive orders. The Build America, Buy America Act (BABA) requires that all iron and steel, construction materials, and manufactured products used in federally-funded infrastructure projects are produced in the United States. This requirement, known as the "Buy America Preference" (BAP), is detailed in the [**Infrastructure Investment and Jobs Act, Pub. L. 117-58**](#) and [**2 CFR 184**](#). Detailed requirements may be found at <https://www.hudexchange.info/programs/baba/>. Additionally, procurement of professional services must follow guidance provided at <https://dca.georgia.gov/document/document/instructions-grant-writing-administration-procurement-sept-2024/download> for grant writing/administration services, and guidance provided at <https://dca.georgia.gov/document/document/instructions-engineering-architect-procurement-sept-2024/download> for engineers and architects.

Other detailed requirements are outlined in the FY2025 CDBG Applicants' Manuals located at <https://dca.georgia.gov/document/manuals/2025-cdbg-applicants-manual/download>.

For additional information regarding this Notice of Funding Availability, please contact Kimberly Carter, Director – Community Finance Division at (404) 679-0604 or kim.carter@dca.ga.gov.