

CDBG-CV Child Care Creation Development District Program Plan Information

For the CDBG-CV Child Care Creation Program each Development District is required to develop a program plan or framework for its respective region. The base application provided by ECD is designed to focus on the threshold and eligibility criteria for each proposed project. The expectation for the program plans is to provide the detail about how each Development District plans to solicit and select potential projects.

Basic Allocation Information

Allocations for each region were developed starting with a base amount of \$500,000 and adding in two supplemental amounts. The first supplement is an additional \$20,000 per each county served by each Development District. The second supplement is determined by using a formula that looks regionally at percentage of rural population, the weighted average of the social vulnerability index (SoVI) scores of the counties, the total population, and the weighted average of the Appalachian Regional Commission (ARC) economic status of the counties. These are the allocations broken down:

Development District	Base Grant	Per County Supplemental	Formula Supplemental	Total
FTDD	\$500,000	\$160,000	\$290,000	\$950,000
ETDD	\$500,000	\$320,000	\$270,000	\$1,090,000
GNRC	\$500,000	\$260,000	\$230,000	\$990,000
MAAG	\$500,000	\$80,000	\$260,000	\$840,000
NWTDD	\$500,000	\$180,000	\$350,000	\$1,030,000
SCTDD	\$500,000	\$260,000	\$305,000	\$1,065,000
SETDD	\$500,000	\$200,000	\$245,000	\$945,000
SWTDD	\$500,000	\$160,000	\$335,000	\$995,000
UCDD	\$500,000	\$280,000	\$315,000	\$1,095,000
Total	\$4,500,000	\$1,900,000	\$2,600,000	\$9,000,000

Each Development District is allowed to use up to 7% of its allocation for administration of the projects in its region and up to \$10,000 in total collectively for all projects for Environmental Review. Here is how administration and Environmental Review breaks down:

Development District	Total Allocation	Administration	Environmental Review	Admin + ER	Minimum for Activities
FTDD	\$950,000	\$66,500	\$10,000	\$76,500	\$873,500
ETDD	\$1,090,000	\$76,300	\$10,000	\$86,300	\$1,003,700
GNRC	\$990,000	\$69,300	\$10,000	\$79,300	\$910,700
MAAG	\$840,000	\$58,800	\$10,000	\$68,800	\$771,200
NWTDD	\$1,030,000	\$72,100	\$10,000	\$82,100	\$947,900
SCTDD	\$1,065,000	\$74,550	\$10,000	\$84,550	\$980,450
SETDD	\$945,000	\$66,150	\$10,000	\$76,150	\$868,850
SWTDD	\$995,000	\$69,650	\$10,000	\$79,650	\$915,350
UCDD	\$1,095,000	\$76,650	\$10,000	\$86,650	\$1,008,350

Project Funding

The CDBG-CV Child Care Creation Program can be used to fund two primary types of projects/activities:

1. Child care facilities
2. Home-based child care

The maximum amount of funding that can be dedicated to a child care facility is \$500,000, while the maximum amount that can be dedicated to any one housing unit for home-based daycare is \$75,000.

Activities funded under this program are not required to have a match, but any financial leverage that is willing to be contributed by a local government or a participating child care organization is encouraged. Development Districts may choose to include prioritizing leveraged funds as part of the selection criteria.

Expenditure Requirements

Each DD will be required to expend at least 80% of its allocation by May 31, 2023. TNECD is required to expend 80% of the overall state CDBG-CV by July 16, 2023. Currently no waiver or extension of this expenditure requirement has been issued by HUD, so grantees and Development Districts should not expect an extension or waiver. In the even event the 80% expenditure target is not met, the balance of funds to make up 80% may be recaptured.

Home-Based Child Care

The primary goal of these funds is to provide new child care options across the state. Each Development District must address improving, expanding, or establishing new home-based child care options in its program plan. TNECD understands targeting home-based child care may not be feasible for all Development Districts given the short timeline and capacity, but any Development District choosing to forgo home-based child care activities must adequately explain its reason for do so.

Entitlement and Non-Entitlement Jurisdictions

Development Districts will be permitted to use these funds in Entitlement and Non-Entitlement jurisdictions; however, each Development District will have a goal of expending at least 70% of the funds in Non-Entitlement jurisdictions (minus administration and environmental review fees). To use less than 70% of funds in Non-Entitlement jurisdictions, a Development District must be able to show efforts taken to do so and receive TNECD approval. Below is the Non-Entitlement goal amount for each region.

Development District	Allocation	70% Non-Entitlement Goal
FTDD	\$935,000	\$624,750
ETDD	\$1,105,000	\$717,850
GNRC	\$990,000	\$651,350
MAAG	\$840,000	\$551,600
NWTDD	\$1,030,000	\$677,950
SCTDD	\$1,065,000	\$701,225
SETDD	\$945,000	\$621,425
SWTDD	\$995,000	\$654,675
UCDD	\$1,095,000	\$721,175

NOTE: *If after 3 months a Development District is able to show efforts made to fund activities in Non-Entitlement jurisdictions, but it has not yet met the 70% goal, the Development District may request a waiver from TNECD to fund more activities in Entitlement jurisdictions.*

NOTE: *If after 6 months a Development District is unable to show that its full allocation has been obligated, the remain balance of its allocation may be recaptured to redistributed to other Development District s with unmet needs.*

Eligible Activities

Due to the tight expenditure deadline associated with these funds, only the following activities are eligible for use of funds.

- Acquisition of property (building/structure) to provide child care
- Rehabilitation of homes and facilities to meet licensure requirements and/or expand child care services
- Purchase of equipment to provide to meet licensure requirements, improved child care services and/or expand child care services.
- Clearance or demolition of structures to meet licensure requirements

The following items are specifically ineligible under this program:

- New construction of facilities
- Supplies, chairs, tables, cribs, etc.
- Rental payments for facilities
- Recurring utilities fees
- Subsidies or supplement funding for tuition, enrollment fees, etc.
- Other cost associated with operations and management

Application/Project Selection

In many ways this program is functionally a pilot program for most regions. Each Development District must be able to describe in its program plan how the participation applications are being or will be selected. This includes consultations with local governments child care providers in the region, how project proposals are being or will be solicited, and review/scoring/selection criteria for recommended applications to be funded.

Child Care at Religious Institutions

Religious institutions and churches that provide child care are eligible subrecipients of CDBG-CV funds, but following criteria must be met:

- Enrollment must be open to those other than church members
- Religious beliefs cannot be part of the enrollment criteria
- Funds cannot be used to improve facilities/spaces that the primary use is religious activity (ie. sanctuaries)

Required Application Attachments

- Public Meeting Documentation
- Procurement of Professional Services and PAR
- Jurisdiction Map with facilities identified
- Resolution,
- Project Budget
- Preliminary Architectural Report (If stamped plans are required by DHS)