**Minnesota Community Development Block Grant**

**COVID-19 (CDBG-CV)**

**Broadband Development Application**

**Minnesota Community Development Block Grant COVID-19 (CDBG-CV)** guidance is located on DEED website at <https://mn.gov/deed/government/financial-assistance/community-funding/small-cities.jsp>. This application packet is only for Broadband Development. Other eligible program component applications are available on the same website as the guidance.

The ***Minnesota CDBG-CV*** Program is designed to help non-entitlement and entitlement communities or counties to prepare, prevent, or respond to the health and economic impacts of COVID-19. The activities must be most critical to their locality and primarily for their low-and moderate-income residents.

The ***Minnesota CDBG-CV*** Program will be managed by the Office of Community Finance’s Small Cities Development Program (SCDP) unit. Projects associated with this Broadband Development Application will be funded with CDBG-CV funding. This one-time program is specifically aimed to award funding for broadband development projects that assist qualified communities in preparing for, preventing, and responding to COVID-19. The *Border to Border Broadband Development Grant Program* managed by the Office of Broadband Development is a separate broadband development program. Those interest in that program are directed to visit the [Office of Broadband Development webpage](https://mn.gov/deed/programs-services/broadband/) for more information.

**Broadband Development Activities**

Grantees may utilize funding to provide new or increased access to broadband to support telework, telemedicine, telelearning, and/or televisits.  All activities must result in a National Objective by providing new or enhanced broadband infrastructure and or components to low-to-moderate income (LMI) persons/households. For activities installing broadband infrastructure, the National Objective is met on an area basis (LMA). Activities associated with service/communication enhancements must benefit LMI persons/households.

Total allocation of CDBG-CV funds available towards Broadband Development projects is $25,468,807.24. The Broadband Development activities may request an assumed maximum of $5,000,000 per project.  Broadband Development project includes installation of broadband infrastructure and other broadband related activities (example: telelearning, nursing home virtual visits, and other approved telecommunicating activities).

|  |  |
| --- | --- |
| **Activity**  | **Description**  |
| Installation of broadband infrastructure | Installation of broadband infrastructure in areas with either download/upload speeds under the State’s goal or lacking broadband connectivity. Installation of infrastructure will enhance internet access to unserved and underserved areas to support the increased connectivity for telework, telemedicine, telelearning, and virtual visits/gatherings. Infrastructure may be in the form of last mile, middle mile, or tower installation. Last mile includes, but is not limited to, installation of lines to residential structures or nursing homes. CDBG-CV funding may be used towards the installation of main fiber lines, lines to towers and tower installation. Middle mile and tower installation will be allowed if last mile infrastructure will be included and will serve as the final leg in connecting the broadband network to end-users. Costs associated with the purchase of equipment for wireless broadband activities and broadband services are ineligible. |
| Communication Enhancements to end user | Other broadband related activities include activities in addition to the installation of main broadband lines and towers. Installation of lines to commercial, industrial or public buildings are ineligible. Service payments and purchasing/installing of equipment to transmit or receive broadband service are also ineligible.  |

**Minnesota Community Development Block Grant**

**COVID-19 (CDBG-CV)**

**Broadband Development**

**GENERAL INFORMATION**

* **Applicant must submit two (2) application packets (1 original and 1 copy) of the application on/before** **June 1, 2021**.
* **Applicant must be an eligible non-entitlement general unit of local government or an entitlement community**
* **Applications must tie back to activities which prevent, prepare for, and respond to the coronavirus pandemic.**
* **Activities must meet the low-to-moderate income National Objective. For LMA, at least 51% of the residents in an area must be LMI persons or LMC where benefits are provided to specific groups of persons. Installation to end user must benefit LMI persons.**
* **Applications must clearly indicate all the *Minnesota CDBG-CV* activities proposed.**
* **The *Minnesota CDBG-CV* funding request per grantee/activity is described below:**
	+ **The Broadband Development**: assumed maximum of $5,000,000 per project.
* **Depending on the activities proposed, items must be competitively procured whether by bid or quote.**
* **There is no match requirement under the CDBG-CV program.**

**ADDITIONAL ATTACHMENTS FOR THE BROADBAND DEVELOPMENT APPLICATION**

**The following documents should be attached after the fully completed Broadband Development Application in the order the documents are listed below.**

* **MAP OF PROPOSED SERVICE AREA**
	+ Map should include proposed service area boundary, municipal boundaries, road/street names, rivers/lakes, and any broadband related facilities
	+ Middle mile projects: note location of proposed middle mile facilities
* **UNSERVED/UNDERSERVED AREA MAP FOR PROPOSED SERVICE AREA**

Using the map application found at [http://map.connectmn.org/](https://gcc02.safelinks.protection.outlook.com/?url=http%3A%2F%2Fmap.connectmn.org%2F&data=04%7C01%7Cnatasha.kukowski%40state.mn.us%7Cc4acf0bef64b4d6fe4e108d8de911c39%7Ceb14b04624c445198f26b89c2159828c%7C0%7C0%7C637504062119441463%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=nRjkHXVTCV376o4TGFTYnf2naRTiRM22o8J8498ZHCI%3D&reserved=0), create and attach a map of the proposed service area overlaying the “Unserved & Underserved Areas” layer.  To display unserved and underserved areas, select the “Underserved & Unserved Areas” layer within the *Access* field (upper left corner of screen).  On the map display, click the “Draw” feature (paint palette icon) located near the top left of the map display to access the map draw feature.  The proposed service areas should be drawn using either the circle, ellipse, polygon, or freehand polygon draw mode.  In addition, the blue or red border preview design (located on the fourth row of the preview icon list) should be used.  Maps may be generated and printed under the *Export Map* tab which can be found to the left of the Legend field.

This map application may also be used to assist in determining if the proposed service area would meet the 51% low-to-moderate income area (LMA) requirement. To access this information, click *EDUC. & INCOME* at the top of the middle box on the left side portion of the screen. Depending on the proposed service area’s boundaries, use the following layers:

* If the propose service area will not extend beyond a city’s limits, click the check box next to “Low-Moderate Income Data for CDBG – Place” to view the place data. You may need to zoom in or out on the map for the layer to appear.
* If the proposed service area will extend beyond the city’s limits, click the check box next to “Low-Moderate Income Data for CDBG – Block Group” to view the census block group data. You may need to zoom in or out on the map for the layer to appear.

These layers are for informational use only and a map showing these layers does not need to be provided with the application. These layers are only meant to assist in determining if the proposed service area would meet LMA requirements. Please note that even if the proposed service area includes areas that are below 51%, it is still possible the entire service area may meet LMA requirements. To document the proposed service area will meet LMA requirements the applicant must complete the map using the steps noted in the “LMA PERCENTAGE DETERMINATION MAP” section and the spreadsheet noted in the “LMA PERCENTAGE DETERMINATION SPREADSHEET” section.

* **LMA PERCENTAGE DETERMINATION MAP**

Note: If the service area is under 51% LMI the project does not meet the LMA criteria and is ineligible to receive funding.

To calculate the LMA percentage for the proposed service area, visit the HUD [Map Application](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fhud.maps.arcgis.com%2Fhome%2Fitem.html%3Fid%3Dffd0597e8af24f88b501b7e7f326bedd&data=04%7C01%7Cnatasha.kukowski%40state.mn.us%7Cd763710c757740acd26f08d8b801b735%7Ceb14b04624c445198f26b89c2159828c%7C0%7C0%7C637461664786889142%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=HZzrnDUGioOBRZvb%2BKHOzu2YNLoHu16%2F%2B4UjfnQiUjQ%3D&reserved=0).  A brief video explaining how to utilize the map can be found on the [CDBG Low- and Moderate-Income Data - HUD Exchange](https://gcc01.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.hudexchange.info%2Fprograms%2Fcdbg%2Fcdbg-low-moderate-income-data%2F&data=04%7C01%7Cnatasha.kukowski%40state.mn.us%7Cd763710c757740acd26f08d8b801b735%7Ceb14b04624c445198f26b89c2159828c%7C0%7C0%7C637461664786889142%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=wCdd2%2Fb%2F3vVvIa8HbjrBhI95RWatkdlPTjfLcqXw4BI%3D&reserved=0) webpage.  To start the video, click the video thumbnail or the “Demonstrating Area Benefit to Low and Moderate Income Persons” text.  Video times applicable to using the mapping application can be found from 16:50 (16 minutes, 50 seconds) to 17:30 and specific information for calculating the LMA percentage with the mapping application can be found from 18:37 to 21:18.

If your proposed services area includes any area within the following jurisdictions, please contact the SCDP team (SmallCities@state.mn.us) to discuss how best to calculate the LMA percentage:

* Bloomington
* Eden Prairie
* Plymouth
* Woodbury City
* Dakota County
* St. Louis County
* Washington County
* **LMA PERCENTAGE DETERMINATION SPREADSHET**

The spreadsheet is generated using the Map Application noted above. The spreadsheet should show the calculated LMA percentage for the proposed service area. The calculation is described from 20:30 to 21:18 in the video noted in the “LMA PERCENTAGE DETERMINATION MAP” section.

* + Spreadsheet should include the following columns:
		- Countyname
		- County
		- Tract
		- Blckgrp
		- Low
		- Lowmod
		- Lowmoduniv
		- Lowmod\_pct
* **FIVE-YEAR STAND-ALONE FINANCIAL ANALYSIS DOCUMENTATION**
	+ Pro-forma spreadsheet or narrative summarizing the financial analysis for the proposed project, including a description of how the costs and anticipated revenue will result in the financial viability of the project.
* **CONFLICT OF INTEREST DISCLOSURE STATEMENT FOR THE BROADBAND SERVICE PROVIDER**
	+ Use the template on the [SCDP website](https://mn.gov/deed/government/financial-assistance/community-funding/small-cities.jsp) under the *Apply* tab

**Minnesota Community Development Block Grant**

**COVID-19 (CDBG-CV)**

 **Broadband Development**

**Program Application**

**PROJECT TITLE**:

**PROJECT NEED**

1. **Select the option from the list below that best fits the Broadband installation activity that is proposed for this project**(*choose one*)**:**

[ ]  Last Mile Components not including tower installation

[ ]  Last Mile Components including tower installation

[ ]  Last Mile and Middle Mile Components not including tower installation

[ ]  Last Mile and Middle Mile including tower installation

 *Description: Last mile components are broadband infrastructure that serves as the final leg connecting the broadband service provider’s network to the end-user customer’s on-premise telecommunications equipment. Middle mile components are broadband infrastructure that links a broadband service provider’s core network infrastructure to last mile infrastructure.*

**In addition, will this project include a Communication Enhancement Component?**

 [ ]  Yes [ ]  No

1. **Briefly describe the proposed service area (reference the map of the proposed service area) that will be affected by this project.** *When describing the area, indicate if any of the covered jurisdictions have taken any**past actions to apply for funding or finance a broadband project.*
2. **Unserved and Underserved Documentation**

Based on the Unserved/Underserved area map, the proposed service area covers:

 [ ]  Unserved Area only

 [ ]  Underserved Area only

 [ ]  Both unserved and underserved areas

[ ]  Neither unserved or underserved areas

1. **Determine the low-to-moderate income (LMI) percentage for the entire proposed service area.**

Based on the LMA percentage determination spreadsheet, the LMA percentage for the proposed service area is:

|  |
| --- |
| % |

1. **Describe the need for broadband infrastructure and how it benefits the overall community, in preventing, preparing for, or responding to COVID-19, within the service area.***The response should include how the COVID-19 pandemic has increased the need for broadband infrastructure.*
2. **If the project includes a Communication Enhancement Component, describe the proposed enhancement activities and how it would further support or benefit residents and community members?** *Note: other proposed Communication Enhancement activities may be denied funding if it is determined the activities do not fit the requirements of CDBG-CV funding.*
3. **What resources, if any, are currently available for residents and community members to utilize or apply for in regards to broadband service assistance?** *Applicants should be aware that a review for duplication of benefits will be required prior awarding funds. More information on duplication of benefit can be found in the Minnesota CDBG-CV guide on the SCDP website.*
4. **Would this proposed project not be feasible without the award of the requested CDBG-CV broadband grant funds?** *If the proposed project was awarded less than the requested CDBG-CV funding, how would the reduced amount of funding impact the project (example: reduction in the proposed services area)?*

**COMMUNITY IMPACT**

1. **Complete the following Current/Proposed Average Speed table.**

*For each community (using county name for unincorporated area) within the proposed service area, state the current average download and upload speeds and proposed average speeds that will be available to the community after project completion. Speeds should be entered in Mbps (Megabits per second).*

\*Note: the proposed average speed should not be lower than 25 Mbps download / 3 Mbps upload.

|  |  |  |
| --- | --- | --- |
|   | **Current average speed** | **Proposed average speed** |
| **Community name** | **Download** | **Upload** | **Download** | **Upload** |
|  |  |  |  |  |
|   |   |   |   |   |
|   |   |   |   |   |

 *\*Add more rows if needed*

1. **What is the approximate percentage area of the proposed service area that is categorized/zoned as residential?**

|  |
| --- |
| % |

1. **Will the project provide connections to non-residential buildings?** *If yes, what funding source will cover these connections?*

\*Note: CDBG-CV funding can only be used towards the installation of main broadband lines and lines to residential buildings. For agricultural zoned properties, eligible connections may only be installed to residential buildings.

1. **Does the proposed service area include one or more of the following community descriptions when compared to the statewide average?**
* High unemployment or poverty rates
* Low median household income
* High percentage of students eligible for free or reduced cost school lunches
* Significantly higher population loss levels.

Explain how the service area meets any of the measures above and provide citation or evidence to support this claim.

1. **Provide the median household income of the community(ies) that will benefit from the service area** ([U.S. Census: 2014-2018 Median Household Income](https://www.census.gov/library/visualizations/interactive/2014-2018-median-household-income-by-county.html)).

|  |  |  |
| --- | --- | --- |
| **City/County name** | **Community name****(if applicable)** | **Median household income** |
|  |  |  |
|  |  |  |
|  |  |  |

*\*Add more rows if needed*

1. **Will the project include the following assistance to LMI households?**
	1. Will there be assistance offered to LMI households to access/connect to the network?  If yes, describe the program or assistance and how participants would qualify.
	2. Will the Broadband service provider offer service payment assistance to LMI households that subscribe to the service? If yes, describe what level of assistance would be provided, the duration of assistance and how the household would qualify.
	3. Will community residents be informed of other possible service payment assistance programs during or near the end of the project? If yes, how will this information be distributed in the proposed service area? List a few programs that may be offered, if known. *Examples of assistance programs include the FCC Lifeline Program and the upcoming FCC Broadband Emergency Benefit Program.*
2. **Will this project occur in conjunction with other ongoing or proposed broadband infrastructure project(s) in or near the proposed service area?**  *If yes, identify the other project(s) and how these projects could impact, whether beneficial or adverse, this proposed project.*
3. **Describe what initiatives the Broadband service provider will undertake to communicate its proposed marketing plan to its prospective broadband services customer base.** *The marketing plan should include activities to communicate the award of the proposed grant project, the timing and availability of constructed broadband service, and the applicant’s plans on how to optimize broadband subscription rates once service becomes available.*
4. **Based on the proposed project area in which building and/or ground disturbance will occur, will the project potentially impact any local/state/federal historic architectural or archeological resources, farmland, a floodplain, or a wetland?***If yes, briefly describe what elements may be impacted.*

**COST EFFECTIVENESS**

**Note: Individual projects that will expend over two thousand dollars ($2,000) in CDBG-CV funding for construction or rehabilitation activities must adhere to the Davis Bacon Prevailing Wage rates and Federal Labor Standards. Davis Bacon Prevailing Wage rates, are subject to change and can be found** [**here**](https://beta.sam.gov/search?keywords=&sort=-modifiedDate&index=wd&is_active=true&page=1)**.**

1. **Of the following programs, select all the programs the grantee(s) has applied for, has been awarded funding, or received funding from for broadband related activities within the last two (2) federal fiscal years:**

[ ]   Local allocation of CARES Act funding directed towards broadband development/deployment

[ ]   Minnesota Office of Broadband Development Border-to-Border Broadband Grant

[ ]   USDA Reconnect Program

[ ]   USDA Telecommunication Infrastructure Loan and Loan Guarantee Program

[ ]   USDA Rural Broadband Access Loan and Loan Guarantee Program

[ ]   USDA Community Connect Grant Program

[ ]   FCC Rural Digital Opportunity Fund (RDOF) – Phase I

[ ]   IEED National Tribal Broadband Grant (NTBG)

[ ]   Indian Community Development Block Grant (ICDBG and/or ICDBG-CARES)

In the space below, if the grantee(s) applied for a program(s), state if the application(s) was selected for funding. If that application selected, state how much funding was requested and awarded. If the funding decision has not been released, state how much funding was requested and include the date the funding award notification should be announced. If the grantee applied or received funding for broadband related activities from a program/fund not listed above, include the name and amount request and awarded for that program/fund.

1. **Does the broadband service provider intend to participate in the upcoming FCC Emergency Broadband Benefits program?**

[ ]  Yes [ ]  No [ ]  Undetermined

1. **Have engineering services for project design been procured through a competitive process or are engineering services completed by the broadband service provider engineers?**  *If a competitive process did occur, include the dates the procurement process occurred.*
2. **Will the Broadband service provider offer the broadband services for a minimum five-year period after the project is completed?**

[ ]  Yes [ ]  No

1. **How will any maintenance, repair, or system operation expenses be financed for a minimum of five years after the project has been completed?**
2. **If a discounted rate will be offered to income qualified households, state the discount rate and what service will be covered by this discount?**
3. **Describe the overall organization strength and relevant broadband technical experience of the parties included in this application to build, manage, and effectively operate the proposed broadband project, if approved.** *Include a brief description of the management history and capacity of key officers and management staff. This description may be attached as a separate document and organization structure charts may be attached as well.*
4. **Complete the following table with the best estimated month and year for listed milestones to be completed.**  *CDBG-CV funding award notices are tentatively scheduled to be released in June 2021.*

|  |  |
| --- | --- |
| Procurement of broadband service provider (if applicable) | Month/year or N/A |
| Construction engineering work completed  | Month/year  |
| For projects a tower installation component, does the community have site control of the proposed tower site?   | Yes/No - Date secured (month/year) or N/A |
| If the community does not have site control for the tower, when will it be secured  | Month/year or N/A |
| Completion of Environmental Review  | Month/year  |
| All necessary permits obtained  | Month/year  |
| Proposed start to project activities  | Month/year  |
| Project 25% completed  | Month/year  |
| Project 50% completed  | Month/year  |
| Project 75% completed  | Month/year  |
| All Construction (including restoration work) completed  | Month/year  |
| Project 100% completed (all locations have service access)  | Month/year  |

1. **Based on the timeline above, would this project be 100% completed in 30 or 32 months of being awarded funds?**

 [ ]  Yes, this project could be completed within 30 months

 [ ]  Yes, this project could be completed within 30 to 32 months

 [ ]  No, this project could not be completed within 32 months

1. **Have all required municipal/county/state approvals necessary for this project to begin construction from all applicable area planning commission/zoning authority/road authority/railroad crossing entity, etc. been identified?  What approval and permits will be required?**