

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT  
DIVISION OF FINANCIAL ASSISTANCE  
FEDERAL PROGRAMS BRANCH****Community Development Block Grant Program**

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**CDBG MANAGEMENT MEMORANDUM**  
**Community Development Block Grant Program - Memorandum Number 13-04****September 20, 2013**

**MEMORANDUM FOR:** Non-Entitlement Jurisdictions Eligible for State  
Community Development Block Grant (CDBG) Program,  
Economic Development

**FROM:** Thomas Brandeberry, CDBG Section Chief

**SUBJECT:** Grant Management Manual Update: Release of New  
Chapter 15: Microenterprise Program Activities and  
Supporting Document References

**Purpose of this Memorandum:**

The purpose of this Management Memorandum is to inform all eligible jurisdictions with open CDBG grant contacts and/or available Program Income Revolving Loan Accounts that a new Chapter 15: Microenterprise Program Activities and related supporting documents have been posted and are provided for use.

The following documents are posted within the CDBG Grant Management Manual online and can be found at: <http://www.hcd.ca.gov/fa/cdbg/manual/chapter15.html>

- Chapter 15: Microenterprise Program Activities
- Sample Microenterprise Technical Assistance Guidelines
- Sample Microenterprise Financial Assistance Guidelines
- Sample Microenterprise Support Services Guidelines
- Loan/Grant Project Certification Form
- Cost Categories Table

**Program Policy Changes:**

Effective now, with this new Chapter and related documents, the Department has made some significant policy changes that will allow Grantees to more effectively manage their Microenterprise activities. The following is a list of the most significant

changes. However, the Department strongly recommends that you read the entire chapter to ensure a full understanding of how the Department requires Microenterprise activities to be operated.

1. Grantees can submit the Loan and Grant Certification form found at <http://www.hcd.ca.gov/fa/cdbg/manual/chapter15.html>. for each loan and grant made. The Department's approval is not needed to move forward and fund the loan/grant. The Grantee is required to use the Department's form, noted above.
2. The Department has developed sample guidelines for each of the sub-activities under the Microenterprise Program. Grantees will need to submit updated guidelines using these samples as a starting point prior to their next award. The samples are open Microsoft Word documents. Any and all edits to the sample guideline documents must be done in either Track Changes or redline/strikeout and submitted to the Department for approval before they may be locally adopted.
3. The Department has established higher limits for loans and grants.
  - a. Loans may be made for up to \$50,000.
  - b. Grants may be made for up to \$10,000.
4. Technical Assistance (TA) does not have a separate cost category for Activity Delivery. Like CDBG Public Services, all funding for TA is activity driven. Therefore, in future awards, the TA activity will not be broken into two cost categories (Activity and Activity Delivery) but left in one cost category: Activity.

### **Microenterprise Activity Training**

Statewide training has been developed to assist grantees with implementation of these changes to the Microenterprise program activity. The training is developed to help those new to the CDBG Microenterprise activity and for those wanting to understand the changes the Department has made to the activity. Please see dates and locations below. We look forward to your attendance at these trainings.

<b>Date</b>	<b>Time</b>	<b>Location</b>
Tuesday, October 15, 2013	9am-4pm	City of Shasta Lake Wintu Cultural Center 4755 Shasta Dam Blvd, Shasta Lake, CA 96109
Wednesday, October 16, 2013	9am-4pm	Eureka-Prosperity Center 520 E. Street Eureka, CA
Thursday, October 24, 2013	9am-4pm	Tulare County Offices- Government Plaza 5961 S. Mooney Blvd. Visalia, CA 93277

Wednesday, October 30, 2013	9am-4pm	Sacramento - HCD Headquarters 2020 W. El Camino Ave, Room 402a Sacramento, CA 95833
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As always, if you have any questions or concerns regarding your ED activities, please contact your CDBG Representative.

A list of CDBG Contract Representative and their territories can be found here [http://www.hcd.ca.gov/fa/cdbg/CDBG\\_Staff\\_Rep\\_Map\\_\(07-2013\).pdf](http://www.hcd.ca.gov/fa/cdbg/CDBG_Staff_Rep_Map_(07-2013).pdf)

A list of CDBG ED Representatives and their territories can be found here: [http://www.hcd.ca.gov/fa/cdbg/ED\\_Loan\\_Approval\\_Rep\\_Map\\_\(07-2013\).pdf](http://www.hcd.ca.gov/fa/cdbg/ED_Loan_Approval_Rep_Map_(07-2013).pdf)