



NEWS RELEASE

STATE EMERGENCY OPERATIONS CENTER

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Media contact:
[Kathleen Achtenberg](mailto:Kathleen.Achtenberg@state.michigan.gov)

\$20 Million in Federal Funding Available to Support Local Response Efforts to COVID-19

Opportunity to unlock required match dollars as part of federal EDA CARES Act grant application process also now available

- **Federal CDBG CARES Act funding to be made available through the MEDC to 77 counties across Michigan that didn't already receive direct CDBG funding from HUD**
- **Funds may be used to reimburse for unbudgeted expenditures by counties to prevent, prepare for and respond to the coronavirus**
- **MEDC will deploy additional funds through the state CDBG program to provide 50% of the required project match, up to \$250,000, for EDA CARES Act Recovery Assistance program**

LANSING, MICH. As communities across Michigan face budget uncertainties due to unanticipated costs associated with the COVID-19 pandemic, the Michigan Economic Development Corporation (MEDC) has made available \$20 million in federal Community Development Block Grant (CDBG) CARES Act funding to [77 non-entitlement counties](#) to provide economic relief. The funding will allow non-entitlement counties to be reimbursed for unbudgeted expenditures used to prevent, prepare for and respond to COVID-19.

These counties are also able to request reimbursement for eligible costs incurred by the county or eligible cities, villages, and townships within their jurisdiction. The remaining six entitlement counties in Michigan received CDBG CARES Act funds directly from the U.S. Department of Housing and Urban Development (HUD).

“These funds will be critical to helping our partners at the local level recover from unexpected costs around COVID-19 mitigation efforts, ensuring those dollars may be redeployed to support economic recovery and vital services for residents across Michigan,” said Mark A. Burton, CEO of the MEDC. “We will continue to use every resource possible, including these critical federal dollars, to ensure our communities, businesses and workforce across the state are able to not only recover from the effects of this pandemic but be in a position to thrive long term.”

This State CDBG program funding will reimburse expenses not already paid with other federal or state funding, dating back to January 21, 2020, which was the date of the first confirmed U.S. COVID-19 case.

Examples of eligible expenditures include PPE, sanitation equipment, COVID-19 testing, setup of quarantine sites and overtime or hazard pay related to COVID-19 response.

The formula used to calculate each county allocation is based on HUD methodology, taking into consideration public health needs, economic and housing market disruptions, the risk of transmission of COVID-19 and other factors. More information on eligible expenses and the allocation formula is available at www.miplace.org/cdbg-cares-funding.

The MEDC, on behalf of the Michigan Strategic Fund, is also accepting proposals to support funding match requirements within the [U.S. Economic Development Administration's \(EDA\) CARES Act Recovery Assistance](#) program.

To improve the opportunities for Michigan to receive the largest share possible of the federal \$225 million in EDA CARES Act Recovery Assistance funding within the region, MEDC will deploy funds through the state CDBG program to provide 50% of project match dollars, up to \$250,000 per project, required for EDA Recovery Assistance applications. To be eligible for these match dollars, activities must fit within CDBG program [funding guidelines](#). The opportunity will remain open until all available CDBG matching funds have been allocated.

To increase access to available CARES Act funds through this program, traditional CDBG geographic eligibility requirements have been waived for this effort, with all areas of the state eligible to apply for match assistance. The EDA match requirement has also been lowered to 20% of the project's overall budget.

[Eligible](#) organizations are able to apply for CDBG match dollars through the MEDC at <https://www.miplace.org/programs/community-development-block-grant/eda-grant-matching-funds/> and questions may be directed to FRT@michigan.org. The EDA is accepting applications for the Recovery Assistance funding on a rolling basis, so organizations are encouraged to get their requests in as soon as possible.

As a result of today's announcement, more than \$135 million in federal funds have been deployed by MEDC within the past week, through Michigan Strategic Fund authorization, to support COVID-19 relief and recovery efforts of communities, small businesses, nonprofits, farms and food processors across the state. In addition to the CDBG CARES Act funding, MEDC announced the following programs:

- The [Michigan Small Business Restart Grant Program](#) to support the needs of Michigan businesses and nonprofits of 50 employees or less directly impacted by COVID-19
- The [Michigan Agricultural Safety Grant Program](#) to support the implementation of COVID-19 monitoring and mitigation strategies to protect agricultural employees and the state's overall food production industry.

To date, the MEDC has launched 19 COVID-19 relief and recovery programs supporting more than 3,400 businesses in the state and helping to retain more than 14,700 jobs across all 83 counties. To learn more about MEDC's COVID-19 response programs and the impact they are having on economic recovery efforts, visit michiganbusiness.org/covid19response. Other resources for economic reopening efforts as well as businesses across Michigan struggling with economic losses as a result of the COVID-19 virus can be found online at michiganbusiness.org/covid19.

Information around this outbreak is changing rapidly. The latest information is available at Michigan.gov/Coronavirus and CDC.gov/Coronavirus.

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About Michigan Economic Development Corporation (MEDC)

The Michigan Economic Development Corporation is the state's marketing arm and lead advocate for business development, job awareness and community development with the focus on growing Michigan's economy. For more information on the MEDC and our initiatives, visit www.MichiganBusiness.org. For

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