

Pre-Application Work to Support Need Identification, Project Definition and Readiness

How to Assist a Community in Developing an Improvement Plan

Shared by the Nebraska Department of Economic Development's
Community Development Block Grant (CDBG) Team – February 2025

Introduction

KEY POINTS: THE FIRST STEP IN APPLYING FOR A FEDERAL GRANT AWARD SHOULD START *BEFORE* LOOKING AT GRANT AWARD OPPORTUNITIES. CONVERSATIONS WITH CDBG PROGRAM REPRESENTATIVE(S) ARE HIGHLY ENCOURAGED EARLY AND OFTEN IN THE PROCESS.

Having a well-thought-out plan leads to a more successful project, one that is completed on time, within budget, and delivers the intended benefits. Some of this foundational community needs- and beneficiary- information may be included in your community's:

- Section 504 Plan self-assessment
 - See CDBG Manual, Chapter 5 Agreement
- Community needs assessment
- Community survey
- One- and five-year plan
- Comprehensive Plan
- Community development plan

Start to build your strategy using these foundational documents and their key information before you begin CDBG (or other) grant planning activities.

Why is project readiness important? Currently, CDBG projects must be completed within thirty (30) months from the start date (the date of the Notice of Award/NOA). While DED has previously been as flexible as possible issuing time extension amendments to projects, we anticipate a possible HUD rule change that could significantly narrow the project performance window. **Therefore, we will be placing extra focus on project readiness starting in 2025, i.e., with potential impact to favorable application scoring.**

The main goal of your pre-application planning is to address the project- and mission-critical questions of Who, What, When, Where, Why, How, and How Much. Begin by assessing big-picture community needs; identify solution options; then drill down into the nuts-and-bolts of budgeting and implementation.

This guide is an *optional* tool kit that can serve as a starting point to assist you with facilitation of community grant pre-application planning activities.

- If you're unsure how to complete a specific portion of the project preparation documents or application, (for example, an environmental review), **please reach out to your program representative for successful examples and choice-limiting actions** that could impact your budget and project.

For example, among other important considerations:

- Completing an Environmental Review Record (ERR) before the Notice of Award (NOA) means a community would *not* be reimbursed for that service.
- Avoid choice-limiting actions (hiring actions, moving dirt, cutting down trees, contracts for professional services) prior to the Environmental Clearance.
- Avoid a potential conflict of interest: an engineering firm used to write a grant application is ineligible to administer the same grant, if awarded.

STEP ONE: Define the Community’s Big-Picture Needs

This process begins with a “core team” of community leaders; representative(s) from your development district (if you are a member); and ideally a DED field office staff member.

1. **What** are the top three (3) most pressing needs of our community?
 - a. Notice that this is *not* what needs can be met by a particular grant. Weed this list down to the top three greatest community-specific needs.
2. **Why** is it important to address these identified needs?
 - a. How did you arrive at the conclusion that these are priority needs for the community to resolve?
3. **Who** will benefit if the issue is addressed?
 - a. These are the people you want to pull together to begin discussing options to resolve the problems identified in step two (below).

GOAL: List the community’s Top Three Priorities and the **What, Why** and **Who** for each.

[See Table 1 – Define the Community’s Big-Picture Needs](#)

STEP TWO: Summarize Need and Identify Solution Options

In this step, the “core team” pulls together the beneficiary stakeholders identified in step one above, so everyone together contributes to this section’s planning activities.

The goal in this step is to write a summary statement for each of the three needs, including the What, Why and Who. Then identify at least three options that could solve each need.

[See Table 2 – Summarize Need and Identify Solution Options](#)

STEP THREE: Identify Resources Needed for Each Option and Conduct a Gap Analysis

Now that you defined your needs, and options for solving them, it’s time to find out what projects are viable with local support only; what projects needs additional outside resources; and start outlining resources needed (such as monetary commitments, labor, technical, project management, construction, etc.) Site suitability could significantly impact your project planning and feasibility should be considered as early in the process as possible.

Look at what is available locally, then start looking at filling in the gaps of the activities that will exhaust local resources. Consider how these resources will be acquired.

Discussion points include:

1. **How** can we implement a project that will address this problem?
 - a. How do we identify key contributors needed to achieve project success? Who are these people, how will you select them, and how do you know they are able to successfully manage the grant- and project-management responsibilities?
 - b. What options could you implement to fix the underlying problem? Using the beneficiaries' input will help focus in on what actions will best meet their own need(s).
2. **How much** will this total project cost the community? Each CDBG opportunity type requires a minimum community match percentage.
 - a. How will the community fund the match?
 - b. Is there any funding gap?
 - i. If yes, identify how the gap will become fully funded, and in what timeframe. For example, if the community wishes to seek a levy increase from taxpayers, this vote will need to be concluded (with the majority of community voting in favor) *prior* to applying for the grant. A community loan from a bank will require proof, etc.
3. **When** will this project commence and conclude? CDBG guidelines are strict and likely getting stricter: thirty (30) months is permitted for the entire project performance period of the grant cycle.
 - a. Define a realistic timeline for each project milestone and the overall project. This is not a general concept; this should be a month-by-month (or at minimum, quarter-by-quarter) achievable, actual project plan of activities.
 - b. For example, if this is a construction project, can you submit special conditions and obtain environmental clearance from DED so that the Release of Funds can be granted swiftly and in time for construction to occur during the spring and summer immediately following the award announcement?
4. **Where** is this project going to occur? Provide a succinct description of the project, is specific location(s), and provide details about how this location was identified as a priority.
 - a. Did a community survey, development plan, or other community tool identify this as a need? If yes, provide this information among your application supporting documents.
 - b. A best practice is to describe an area using street names, landmarks (such as well-known community anchors like stores, gas stations, etc.), and describe an imaginary boundary around (or specific location) where work will be completed.

[See Table 3 – Costs and Resources Required for Each Option](#)

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Summary

A well-thought-out plan includes:

- identifying the primary needs within a community
- defining solution options that could improve the problem
- soliciting community input to fine tune solution options to best meet the needs
- evaluating resources needed for each option
- securing resources needed from outside sources to fill in the gaps between what the community has, and what they need

Map out project activities and create an implementation schedule including the project details and expenses. This will help you ensure adherence to HUD's timeliness requirements.

Key questions to answer during the pre-application planning phase:

- **What** – What are the most pressing needs of our community?
- **Why** – Why is it important to address these identified needs, and what are the consequences/price if no action is taken?
- **Who** – Who will benefit from this activity?
- **How** – Describe how this project will be accomplished. Document who you have identified that is needed to work on the project, how you selected them, and how you know they can handle the grant- and project-management responsibilities.
- **How Much** – State the estimated costs of the solution, show where the funding is coming from, and be ready to provide written, signed documentation (proof) of the funding source(s) at the time of application.
- **When** – Define the timing considerations of how the project will be implemented and executed. Draft a timeline of project activities. Is it feasible to complete *all* project activities including environmental review, project implementation, work, and conclusion, and final closeout within thirty (30) months?
- **Where** – Provide a succinct description of the project, its location, and provide details about where this need was sourced. Where in your community surveys, planning document, or other community assessment did you identify this as a need and priority? These supporting reference documents will be provided to DED at the time of application. **Note: within your grant application materials, identify your source and be sure to reference content within the document(s) by name and page number(s).**

GOAL: Once you find a project where you have found an option that addresses a community need and have identified and secured resources both locally and externally to fill in the gaps to make a project wholly feasible and fundable, you are ready to start the process of applying for the external sources you have identified.

The information learned during this process is submitted to DED via a series of grant-application supporting documents known as [Application Exhibits](#).

The tables provided below offer one way to begin this community grant-planning process. The tables are optional planning framework materials, and do *not* get submitted to DED as part of the grant application process.

Table 1 – Define the Community’s Big-Picture Needs

Community-Level Initial Grant Planning Strategy for the “Core” Team

	What is a Top Three most-pressing need?	Why is it important to address this need?	Who will benefit?
1	<i>Clive Street, the only street that connects the community to the highway has deep ruts from Truck traffic.</i>	<i>We fix the potholes every year and exhaust our local highway dollars with repairs alone. We need a long-term solution so that all residents can enter and leave the town safely, and school children can go to and from the elementary school safely.</i>	<i>Everyone in town uses this road, as does the school bus bringing in children from rural areas.</i>
	What	Why	Who
2			
	What	Why	Who
3			

Table 2 – Summarize Need and Identify Options

GOAL: Core Team + Beneficiary Stakeholders - Summarize What, Why and Who into a Statement	
Need 1 – Summary Statement (List your summarized need statement here) <i>Clive Street, the only street that connects the community to the highway, has deep ruts from truck traffic. We fix the potholes every year and exhaust our local highway dollars with repairs alone. Everyone in town uses this road, as does the school bus bringing in children from rural areas. We need a long-term solution so that all residents can enter and leave the town safely, and school children can go to and from the elementary school safely.</i>	
POTENTIAL SOLUTIONS (3 options)	
Option A	<i>Fix potholes as needed – lasts 1 year</i>
Option B	<i>Grind down top surface and roll 6" asphalt over entire surface – lasts 10 to 15 years</i>
Option C	<i>Remove asphalt and replace with concrete street including curbs, gutters, and storm sewers – lasts 30 years</i>
GOAL: Summarize What, Why and Who into a Statement	
Need 2 – Summary Statement	
POTENTIAL SOLUTIONS (3 options)	
Option A	
Option B	
Option C	
GOAL: Summarize What, Why and Who into a Statement	
Need 3 – Summary Statement	
POTENTIAL SOLUTIONS (3 options)	
Option A	
Option B	
Option C	

Table 3 – Costs and Resources Required for Each Option

*Repeat for Each Need: 1 | 2 | 3 (circle one)

The purpose of this table is to rough out the costs and resources associated with each potential solution (Option A, Option B, Option C) and to determine where you will obtain those resources. The idea is to quickly eliminate options that are going to greatly exceed any possible sources you could apply for. Once you find the most plausible Option to consider, you will want to spend more time fully determining the total resources needed, where they will come from, and what gaps exist.

You will repeat this exercise (filling out this table) for the other two needs, conducting the same analysis of their options. When you are done, you should have your top three needs identified and will have identified the most feasible option to pursue for each need. Now you have three potential projects to pick from and can eventually pick the best option for which you can source all the funding and resources required to successfully complete the project within the maximum allowed timeframe.

Option A: <i>Fix potholes as needed – lasts 1 year</i>					
		Where will the resource (or money) come from			
		LOCAL	CITY STAFF	INTERLOCAL AGREEMENT	GAP
Resources Needed	Money (Budget)	<i>\$20,000 Highway funds</i>			<i>none</i>
	Technical*				
	Labor	<i>Village maintenance crew</i>			<i>none</i>
	Construction				
	Materials				
	Time Required				

Option B: *Grind down top surface and roll 6" asphalt over entire surface – lasts 10 to 15 years*

		Where will the resource (or money) come from			
		LOCAL	CITY STAFF	INTERLOCAL AGREEMENT	GAP
Resources Needed	Money (Budget)	<i>\$20,000 Highway funds</i>			<i>\$200,000 additional funding</i>
	Technical⁺		<i>City engineer</i>	<i>Grant Management -- Development District or Conduct an RFP</i>	
	Labor				<i>RFQ to area contractors</i>
	Construction			<i>Construction Management -- Development District or Conduct an RFP</i>	<i>Part of RFQ</i>
	Materials				<i>Part of RFQ</i>
	Time Required				<i>9 months</i>

Option C: *Remove asphalt and replace with concrete street including curbs, gutters, and storm sewers – lasts 30 years*

		Where will the resource (or money) come from			
		LOCAL	CITY STAFF	INTERLOCAL AGREEMENT	GAP
Resources Needed	Money (Budget)	\$20,000 hwy funds			600,000 additional funds Combination of Bond funds + seek grant funding
	Technical⁺		Engineering firm	Grant Management Development district or conduct an RFP	
	Labor				RFQ to area contractors
	Construction			Construction Management Development District Or conduct an RFP	Part of RFQ
	Materials				Part of RFQ
	Time Required				30 months

* Repeat Table 3 for each of Top 3 community needs that were identified.

+ Technical needs may include grant management, construction management (Davis Bacon labor and wage monitoring), engineering (preliminary engineering report), and environmental analysis.

Contact your CDBG program representative to request a blank copy of the tables for working with your community.