



Rhode Island
Community Development Block Grant
Application Workshop
March 3, 2016

Agenda at a Glance

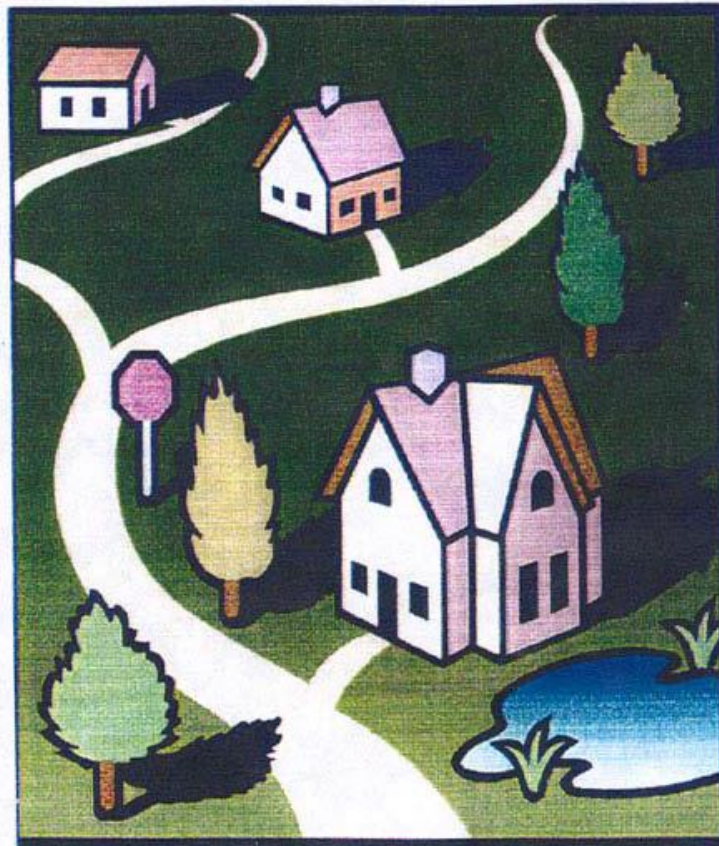
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- ▶ Welcome & Introductions
- ▶ PY 2015 Awards
- ▶ Eligibility and National Objective Overview
- ▶ CDBG Administration Issues
 - ▶ “Flagged” Activities, Pre-agreement, Fair Housing, Environmental, Drawdowns
- ▶ CDBG Application Tips
- ▶ 2016 Program Design & Application Process



U. S. Department of Housing and Urban Development
Office of Community Planning and Development

State Community Development Block Grant Program



Guide to National Objectives and Eligible
Activities for State CDBG Program

National Objective and Eligibility Overview

- ▶ CDBG National Objectives
 - ▶ Benefitting persons of LMI Income
 - ▶ Elimination of slums/blight
 - ▶ Urgent need
- ▶ In order to be fundable, an activity **MUST** meet Eligibility AND National Objective requirements.
- ▶ Documentation must be maintained
- ▶ Failure to meet National Objective will result in de-obligation or recapture of funds

National Objective and Eligibility Overview

- ▶ Primary Objective for the Small Cities Program: Benefit to low- and moderate- income persons
 - ▶ Area Benefit
 - ▶ Limited Clientele
 - ▶ Housing
 - ▶ Jobs
- ▶ Preventing or eliminating blight (area or spot basis)
- ▶ Urgent Need. (not generally applicable to “regular” CDBG, applies to immediate threat to public health or welfare.)

National Objective and Eligibility Overview

- ▶ Low/Moderate Income – Area Benefit
 - ▶ Survey (Should not be more than 5 years old)
 - ▶ HUD Low/Moderate Income Summary Data Tables (LMISD) (Census tracts and block groups)
 - ▶ Application forms match HUD

National Objective and Eligibility Overview

- ▶ HUD LMI Summary Data
 - ▶ Use most recent data available!
 - ▶ <https://www.hudexchange.info/manage-a-program/acs-low-mod-summary-data/>
 - ▶ If data is updated prior to “official” award applicants will be required to update activities using new data.

National Objective and Eligibility Overview

▶ Common Errors

- ▶ Area Benefit and Limited Clientele are mutually exclusive! Don't select both.
- ▶ If activity serves an entire area which qualifies as LMI, it's Area Benefit (example: neighborhood parks, sidewalks)
- ▶ If activity serves a limited number of people or target population, it's limited clientele (example: boys/girls club, food pantry, senior center)

CDBG Administration

- ▶ Environmental Review
 - ▶ Choice Limiting Actions
 - ▶ Obligating funds (CDBG/otherwise) prior to completion of environmental review process may require we eliminate activity from consideration.
 - ▶ CDBG cannot reimburse a cost already incurred prior to application.
- ▶ Program Income
 - ▶ **New this year: Must submit accounting of PI with application**
 - ▶ Additional HUD reporting
 - ▶ Spend down

CDBG Administration

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- ▶ “Flagged” activities
 - ▶ Increased Reliance on Reporting/Timeliness
 - ▶ All activities include conditions expediting progress/drawdowns
 - ▶ Remediation Plans require timelines and benchmarks with achievable outcome(s) within 6 months of plan submittal

CDBG Administration

▶ Fair Housing

- ▶ For each grant year, a community must engage in at least one activity to affirmatively further fair housing.
- ▶ For each grant, the first QPR should include a statement indicating what will be done in that grant year to meet the requirement.
- ▶ Application requires details of fair housing activity undertaken in previous year. If these details are not included, the application will not be considered.

CDBG Administration

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- ▶ Updated Drawdown Paperwork
 - ▶ Back up documentation REQUIRED to prove expenses have been incurred (eg. invoices from vendors)
 - ▶ **CDBG_Request_for_Paymentrev2016.01** is the only form that will be processed.

CDBG Application Tips

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- ▶ Be Well Organized – Make life easier for the review committee!
- ▶ Organize activities in order by priority
- ▶ Tabs for each activity, labeled if possible (even post-its are ok)
- ▶ Be sure all referenced attachments are actually attached!
- ▶ Use the correct form – Res. Rehab form should only be used for programs. Other residential rehab. Should use “projects” form
- ▶ **DON'T OMIT ABSTRACTS!** These are provided to the CDBG Review Committee.

CDBG Application Tips

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- ▶ Make sure cover sheet summary agrees with individual activity budgets
- ▶ Source/Use of Funds: If multiple funding sources, specify which part of project is to be paid for with CDBG
- ▶ Be sure to indicate whether other funds are in place, application pending, etc.
- ▶ Supporting Documentation is Crucial. Sufficient detail so it is clear that all likely costs have been considered.
- ▶ PUBLIC SERVICE APPLICATIONS WILL BE HIGHLY COMPETITIVE DUE TO FUNDING CAP.

CDBG Application Tips

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- ▶ Construction Cost estimates should include language indicating that Davis Bacon wages have been taken into account (if applicable)
- ▶ Unspent funds for same activity in previous year(s) reduces likelihood of funding
- ▶ Limit Subrecipient Involvement in application preparation.
 - ▶ Edit abstracts
 - ▶ It is Towns' responsibility to notify RIHPHC and Narragansett Indian Tribe
- ▶ Maintenance of Effort: CDBG cannot supplant state or local government funding
- ▶ Digital copy of materials should be in format requested

CDBG Application Tips

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- ▶ If using census-delineated areas, use HUD's LMI Summary Data Tables. Other data sources are not acceptable.
- ▶ For limited clientele, organizations must collect data for persons benefitting (person is member of LMI family) and provide this in the application. Actual, not assumed.
- ▶ If sub-grantee completes this portion of an application, PLEASE REVIEW/EDIT to address any issues.

CDBG Application Tips

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- ▶ Assistance to nonprofits
 - ▶ CDBG requests to assist in general operating costs is not as competitive as funds having a closer connection to the LMI recipient
 - ▶ Example: funding to purchase food for pantry (not for overhead costs)
- ▶ If nonprofit writes their abstract, review/edit to be sure it contains details the proposed use of CDBG funds and is not solely a mission statement or history of agency.
- ▶ If nonprofit writes their application, ensure they are using the correct forms (year and project type).

CDBG Application Tips

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Pre-agreement

- ▶ Be sure to indicate on Cover Sheets if pre-agreement is requested
- ▶ Pre-agreement may be requested at any time during the year, not just during the application period
- ▶ Request must clearly prove that immediate approval of funding is necessary
- ▶ Approvals may be conditioned upon receiving other funding for a project

CDBG Application Tips

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- ▶ RIHPHC & THPO Threshold Letter
 - ▶ Letter to be written by municipality, not subrecipient applicants.
 - ▶ Correspondence should be sent to:

Glen Modica
Project Review Coordinator
RI Historical Preservation & Heritage Commission
150 Benefit Street
Providence, RI 02903

John Brown
Narragansett Tribal Historic Preservation Officer
Narragansett Indian Long House
4425 South County Trail
Charlestown, RI 02813

CDBG Application Tips

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- ▶ RIHPHC & THPO Threshold Letter
 - ▶ Provide detailed project description so that SHPO can make accurate determination regarding need for further review
 - ▶ SHPO sends Programmatic Agreement & letter indicating which activities s/he will want to review. A copy goes into the ERR.

CDBG Application Tips

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- ▶ RIHPHC & THPO Threshold Letter
 - ▶ HUD Guidance: activities found to “have no adverse affect” cannot convert to exempt during the ER process
 - ▶ Determinations regarding Historic Preservation
 - ▶ Once the review process is complete, the Statutory Checklist must city one of the following as evidence of compliance:
 - ▶ Letter from SHPO that no historic properties will be affected or no adverse effect.
 - ▶ An executed Programmatic Agreement between the RE and the SHPO that verifies one or more of the non-consultation stipulations in the agreement have been met.
 - ▶ For an adverse effect, an executed Memorandum of Agreement between the RE and the SHPO regarding mitigation measures that will be implemented to protect historic properties.

PY2016 Program Design

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- ▶ PY2016 Allocation: \$4,974,585
 - ▶ Final amount available changes based on any recaptured or de-obligated funds
- ▶ Applications Deadline:
 - ▶ Friday May 13, 2016 at 12:00 p.m.
 - ▶ In hands of OHCD staff by the deadline (not postmarked)
 - ▶ 1 original and 1 electronic copy required

PY16 Program Design

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- ▶ Application Caps
 - ▶ \$150,000, \$250,000 & \$350,000
 - ▶ Multiple ways to apply (set asides)
- ▶ Activities above cap
 - ▶ Housing Development and Preservation
 - ▶ Economic Development (including Job Center Facilities)
 - ▶ NOT – Rehabilitation Programs (residential/commercial)

PY16 Program Design

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- ▶ Drawdown Threshold. Previous years' grants must have been drawn down as follows by April 29, 2016:
 - ▶ 50% of Program Year 2014
 - ▶ 75% of PY'13
 - ▶ 100% of PY'12 and earlier
 - ▶ PY'12 and any remaining prior year funds will be de-obligated for redistribution in current cycle. Communities can reapply.
 - ▶ State cannot grant exemption from the Drawdown Threshold for the same grant year in consecutive years.
 - ▶ Options – De-obligation (with or without reapplication), do not apply in current year, re-allocate (if possible)

PY16 Program Design

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- ▶ Set Asides
 - ▶ Economic Development (25%)
 - ▶ Affordable Housing Program (25%)
 - ▶ Residential Rehabilitation (20%)

PY16 Program Design

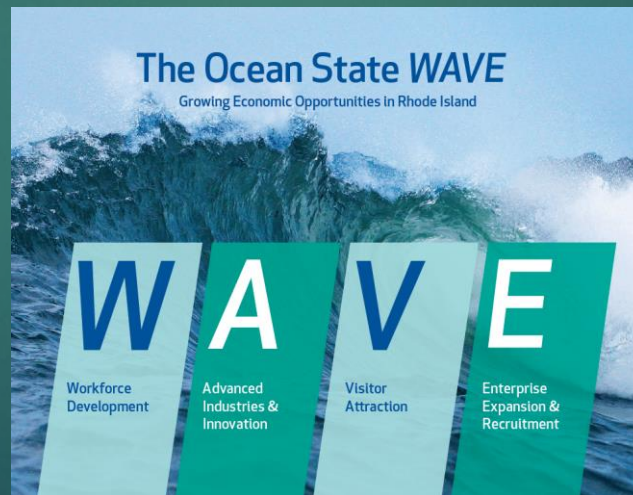
- ▶ ALL activities, including those which qualify for set-aside consideration are still eligible under annual competitive application cycle.
- ▶ Consistent with previous distributions for categories.
- ▶ Meant to encourage applications in these areas while reducing administrative burden on municipalities.
- ▶ Encourage coordination of resources and timely distribution of funds.

PY16 Program Design

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Economic Development (25%)

- ▶ Priority category for State CDBG funding
- ▶ Applications accepted on rolling basis
- ▶ Applications can be for jobs or job training facilities.



PY16 Program Design

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Affordable Housing Setaside (25%)

- ▶ Applications accepted on a rolling basis
- ▶ Applications do not count against cap
- ▶ Applications must be submitted through municipalities

PY16 Program Design

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Residential Rehabilitation (20%)

- ▶ If requested communities may receive base allocation based upon need and past performance.
- ▶ Zero dollar requests allow use of Housing Rehab Set Aside.
- ▶ Unobligated prior year funds distributed as part of current cycle.
- ▶ May use funds for Lead Hazard Reduction and Mobile Home Replacement efforts.

Questions & Answers

- ▶ Limitation on conversations once RFP issued.
- ▶ Q&As forwarded via email to Melanie Jewett Army and responses will be posted periodically.
- ▶ All forms available starting 3/3/16 at:

<http://www.planning.ri.gov/community/development/blockgrants/index.php>

CDBG Staff Contacts

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