PY'2020/2021 Community Development Block Grant (CDBG)

APPLICATION WORKSHOP

THURSDAY – JANUARY 6, 2021 @ 10AM

CDBG Funding Available

- PY'2020 \$5,492,396
 PY'2021 \$5,674,078
 (along with recaptured/unobligated prior year funds) Est. \$13M
- Rolling applications (Ongoing)
 - Affordable Housing (LMH) Development/Preservation of affordable housing opportunities
 - Economic Development (LMJ) Job Creation/Retention
 - ► Residential Rehabilitation (LMH) Rehabilitation of private homes
- Annual Competitive Application
 - ▶ Public Facilities/Improvements
 - Essential Services
 - ▶ Planning (Limited)

CDBG Timeline

Timeline (Annual Competitive Application)

▶ January 6, 2022 Application Workshop/Materials

► March 3, 2022 Applications Due

Apr-May
Suspend Ongoing Applications

► May 30, 2022 Awards Announced

Note - 4 Year Expenditure Deadline ('17 and prior year funds must be 100% expended)

Community Development Block Grants | Office of Housing & Community Development (ri.gov)

CDBG - Eligible Applicants

- Only non-entitlement municipalities are eligible to apply.
 - ▶ 33 of the 39 municipalities
 - Cranston, East Providence, Pawtucket, Providence, Warwick & Woonsocket are "Entitlements" and receive their own CDBG allocations.
- Non-entitlement municipalities may use:
 - Contractors
 - Subrecipients (including non-profit organizations)

CDBG - Caps/Limits

- There are NO overall application dollar limits/caps
- There are, however, limits on the <u>number of proposed activities</u>
 - ▶ Public Facilities/Improvements Up to 3 proposals
 - Essential Services Up to 4 proposals (consolidated individual non-profit requests)
 - Planning (1 proposal allowed)
- Regional Activities (assignment of limits/caps possible)
 - Limited to activities which serve both impacted communities (or more)
 - Community may "assign" their activities to another community
 - The recipient community:
 - Assumes administration of the activity
 - Increases their application limit by the activity assumed
 - Proposals only appear in the assigned community's application

CDBG National Objective & Eligible Activities

- National Objective & Eligibility Must meet both tests
- ▶ Eligibility
 - ► Housing and Community Development Act 105(a) Citations Below
 - (8) Public Services
 - (2) Public Facilities/Improvements
 - (4) Rehabilitation of Buildings
 - (1) Acquisition of Real Property
 - ► New Construction (105a15)
 - Address all elements for eligibility category

CDBG National Objective & Eligible Activities

- Primary National Objective Low/Moderate Income Benefit (at or below 80% AMI)
 - ► LMH (Housing) Housing (Rolling)
 - LMJ (Jobs) Economic Development (Rolling)
 - LMA (Area Benefit) "Service" Area, Most Recent Census ACS/Survey Data LMISD All people in a defined area https://www.hudexchange.info/programs/acs-low-mod-summary-data/
 - https://www.hudexchange.info/resources/documents/Notice-CPD-14-013-Guidelines-for-Conducting-Income-Surveys-LMI-CDBG-Activity.pdf
 - LMC (Limited Clientele) Serves a specific subpopulation which is predominately (>51%) LMI
 - Define terms (Poverty), Show Income Limits for Participation, Family Size & Income, Presumed)
 Documentation is Key!

Guide to National Objectives and Eligible Activities for State CDBG Programs - HUD Exchange

Note: Urgent Need & Slums/Blight also possible but lower priority

Application Procedures

- Citizens Participation
 - 2 public hearings held at different stages of the program are required per 24 CFR Part 570.486

https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-570

- ▶ At least one of those hearings must be conducted prior to submittal. Hearing must cover housing and community development needs.
- 15 (working) days comment period preferred
- State Process of Review
 - Staff (complete scoring)
 - Complete, Fundable, Process, Program Design (including Drawdown threshold)
 - Committees (guided by scores)
 - Timeliness, Other Sources/review, Capacity/Performance, Feasibility/Accuracy
 - ▶ (PFI OHCD, DEM, DOT, EOC, Public) (ES/PS OHCD, EOHHS, EOC/DLT, Public)

CDBG, Review Criteria

- ▶ Capacity/Performance
 - ► Timely drawdowns with complete backup
 - Reports submitted on time
 - ▶ No unresolved audit/monitoring findings
 - Timely completion of Environmental Reviews and Contracting
 - Complete applications with detailed scope of work and accurate activity budgets

CDBG Environmental Review

- Choice Limiting Actions Prohibited
 - Do not obligate or expend funds until completion of the environmental review process
 - ► The process is complete when a ROF has been issued by OHCD (or when Certification of Exemption signed)
 - Bidding or Signing of P&S can be considered a "choice limiting action"
 - Restriction applies to CDBG and non-CDBG funds on a project
- Review must be completed prior to contracting but may be conducted at any time
- 8-Step Process (Floodplain)

http://www.hudexchange.info/programs/environmental-review

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CDBG, Labor Standards

- Applies to CDBG funded construction projects in excess of \$2,000
 - ► A/E or Acquisition do not trigger requirements
- Davis Bacon and Related Acts
 - Wage Determination and Classifications (Minimum Wage paid)
 - ► Factor into cost estimates
- Grantee (Municipality) assures compliance
 - Collection/review of payroll records
 - Site visits (posting)/interviews
 - ▶ Bid documents

Contacts

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Main CDBG Materials Submittal Portal: doa.cdbg@doa.ri.gov