

Q & A from CDBG/CV Affordable Housing Workshop

2/10/2021

Q1: What types of applications should be submitted under each RFPs?

- The Affordable Housing RFP is limited to projects which result in permanent residential housing (LMI Housing national objective).
- The Basic Needs RFP is open to essential service and public facility proposals. Non-permanent residential structures (homeless shelters, temporary group homes, transitional housing) are considered public facilities (LMI Limited Clientele national objective) and should apply through the Basic Needs RFP.

Q2: Can entitlement municipalities and subrecipients located in and/or serving entitlement residents apply for State CDBG/CV funding?

Yes. Regulations require that an amount minimally equivalent to the first State CDBG/CV allocation be distributed in non-entitlement areas. The State's second CDBG/CV allocation was statewide as entitlements (Cranston, East Providence, Pawtucket, Providence, Warwick, Woonsocket) did not receive separate allocations as they did with CDBG/CV1 & CDBG/CV3. The municipalities themselves may apply and/or non-profits located in entitlement areas which may apply directly to OHCD for CDBG/CV funds. Applicants should detail in their proposals the population served so the State can identify what persons/areas (entitlement vs non-entitlement) are served. Applicants are reminded that entitlements cities will be distributing their CDBG/CV allocations using a separate process.

Q3: If the environmental review has been done for the requested activity in the past, is another HUD environmental review necessary?

For direct-funded activities, the State may rely on a previous environmental review only if conducted by the same "Responsible Entity" (State). The State typically serves the HUD (approver) role in the environmental review process for CDBG and does not conduct environmental reviews directly on projects; therefore, it is likely a HUD review would need to be completed for most projects funded. The content of previously conducted reviews by other Responsible Entities may be used to expedite the process. If funds are granted to a municipality for activities they conduct directly or through a non-profit subrecipients, then that governmental entity (municipality) would serve as the "Responsible Entity" and conduct the environmental review as with the annual CDBG program.

Q4: Can funds be used for homeownership development?

Yes – rental and homeownership projects may be supported. The need to increase the supply of rental housing has been a priority but homeownership needs, tied to the COVID, are also eligible.

Q5: Can applicants submit applications under all RFPs (housing, basic needs, etc.)?

Yes – Applicants may submit proposal to any and all RFPs issued. Multiple applications for unique activities may also be submitted for each RFP by the same applicant.

Q6: Will the basic needs be included in the CHF application?

No – CDBG/CV and CHF (Consolidated Homeless Fund) are separate RFPs. The CHF (COVID or otherwise) application is limited to proposal assisting persons experiencing homelessness or at risk of homelessness. The CDBG/CV Basic Need RFP may support public facility and essential service activities serving a variety of populations (eg. elderly, disabled, victims of domestic violence, homeless, etc.). In addition, CHF rarely supports physical improvements of public facilities which may be requested under CDBG/CV.

Q7: Can funds be used to lease a property or just acquisition?

Yes, but applicants must have a long-term interest in the property (eg. 15 years+). Acquisition is much more common as such long-term leases are unusual.

Q8: Is there a maximum award per unit?

There is no established maximum award per project/unit. The State must, however, assure all expenditures are “necessary and reasonable”. The Building Homes Rhode Island (BHRI) TDC (Total Development Cost) per unit may be consulted to assess reasonableness. In general, units below \$250,000 (urban)/\$300,000 (rural) are typically determined acceptable. Units above \$300,000 (urban)/\$330,000 (rural) are unlikely to be considered reasonable. Application narratives should be structured to explain any special circumstances necessitating higher TDCs/unit, particularly at higher costs.

Q9: Will you be sharing the slides/presentation?

Yes, the slides/presentation will be posted on the OHCD website at <http://www.ohcd.ri.gov>. The State will also periodically post Questions & Answers raised (including those answered today). Additional questions after today’s presentation should be submitted in writing to Kimberly Crabill (Kimberly.Crabill@doa.ri.gov). Please monitor the OHCD website for updates.

Q10: The Housing RFP Checklist references Attachment E. Where is this located?

There is no Attachment E in the CDBG/CV application. This Attachment relates to another funding source which was used as the basis for these forms.

Q11: Is Transitional Housing considered affordable housing under this RFP?

- A. Transitional housing, group homes or shelters are not considered housing in the CDBG program. Such programs are considered “public facilities” and may be submitted under the Basic Needs RFP:

<https://files.hudexchange.info/course-content/cdbg-cares-act-webinar-series-using-cdbg-cv-to-address-housing-instability-webinar/CDBG-CARES-Act-Webinar-Series-Using-CDBG-CV-to-Address-Housing-Instability-Slides.pdf>

Q12: Could a program be eligible that assists residents that were affected by COVID with paying their rent, utility bills, legal fees?

While eligible, applicants are reminded that other sources/initiatives may be underway to address such needs.

Q&A from CDBG/CV Basic Needs Workshop

2/22/2021

Q1: What percent of funds are required to be spent in non-entitlement communities?

The chart from the presentation lists the CDBG CV1, CV2, and CV3 allocations. Currently the regulations require an amount minimally equivalent to CV1 allocation be expended in non-entitlement communities. Generally, at least 1/3 of the funds can be used statewide.

Q2: What is the local public hearing requirement?

The CDBG/COVID funding has modified citizens participation (public hearing) requirements. Because the State is funding activities directly (and through non-profits) as well as through municipalities, the citizens participation requirements will be handled at the State level. If, however, a municipality wishes to conduct its own public hearing, it is encouraged to do so. Consult application deadlines in scheduling such a hearing(s).

Q3: Is Town Council approval required for submittal of an application?

This requirement varies by municipality. In some communities, the local governing body has formally granted authority to its public officers (such as Town Planner) to submit CDBG applications. In others, the local governing body requires formal approval for any action (application, amendment) associated with CDBG. Communities should consult with local officials and schedule any necessary meetings to assure deadlines can be met.

Q4: Will funds be available as an advance specifically for purchases/development/renovations?

CDBG is generally a reimbursement program. Funds cannot be made available in advance. The community must incur the cost prior to requesting reimbursement. The community is permitted to, however, awaiting State payment prior to issuing payment to a vendor.

Q5: When will awards will be announced?

While there is no set date for announcement of awards, applications are due mid-March. OHCD will move aggressively to process requests received. The timeline will of course be affected by the number of applications submitted, which is not known.

Q6: Are there any additional CRF/CARES funds in the pipeline?

CRF/CARES is not managed by OHCD. We do anticipate additional RFP's to be released for CDBG/CV funds, including an RFP specific to Broadband. Applications in this category should await that RFP.

Q7: If we would like to utilize FEMA resources jointly on a CDBG/CV project, would we submit request for FEMA under this CDBG round or separately.

FEMA and CDBG/CV may be used on the same project but are two separate application processes.

Q8: Can this funding cover staffing for direct services?

Yes – direct service costs (such as staff salaries for case management or other services) are considered a public service expenditure. Administrative costs are, however, limited. Agencies should detail public service and administrative costs in proposals submitted.

Q9: The application form uses text boxes. Are applicants limited to a certain length for responses?

Text boxes are not intended to limit the response. If more space is needed, applicant may attach additional pages.

Q10: Could job training be considered a basic need due to COVID?

Yes. Job training is an eligible public service.

Q11: Can you provide any other examples of projects covered?

The range of possible activities is quite broad. Examples might include essential services such as job training, health assistance, food security, transportation and other essential services. Public facility improvements may be made to buildings such as senior centers, homeless shelters/etc. Note that permanent housing renovations would be submitted under the CDBG/CV Affordable Housing RFP.

Q12: Would a purchase of a van be eligible for food delivery and to transport the elderly to vaccine clinics?

Yes. In such instances, applicants should detail how vehicles can maintain operation after the initial CDBG investment.

Q13: Should Landlord Incentive Programs be local, regional or statewide?

The current program was established through the state (statewide) with a centralized entity, United Way. It is likely that an activity of this nature would be coordinated statewide or minimally regionally to assure administrative efficiency.

Q14: Can these funds be used to reimburse an agency for a COVID related expense that occurred prior to the application?

Yes, CDBG/CV waivers allow for reimbursement of costs back to the Start of the crisis, generally March 2020. All projects must be completed within 2 years.