



City of Bremerton
**2017 Community Development Block Grant
Notice of Funding Availability**

Community Development Block Grant Program

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Staff Contacts

City of Bremerton CDBG/HOME

<http://www.ci.bremerton.wa.us/display.php?id=864>

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2017 Funding Allocation Schedule

2017 City of Bremerton CDBG Cycle Calendar		
Wednesday	7/13/2016	Study Session 2017 Draft Policy Plan and Notice of Funding Availability (NOFA) available. Announcement in the Kitsap Sun legal ads and on website.
Wednesday	7/20/2016	Bremerton City Council-Release of Draft Policy Plan and 2017 Notice of Funding Availability (30 Day Public Comment Period on Draft Policy Plan Begins).
Wednesday	8/3/2016	CDBG Info-Session from 4-5:30 Norm Dicks Government Center Lobby
Wednesday	8/19/2016	Written comment period closes for Policy Plan
Wednesday	8/24/2016	Bremerton City Council Study session on adopting 2017 Policy Plan. Norm Dicks Government Center City Council meeting room, 345 6th Street, 6th Floor. 5:00 PM. PRC members confirmed
Wednesday	9/7/2016	Bremerton City Council Public Hearing on adopting 2017 Policy Plan and release of 2017 RFP. Norm Dicks Government Center, 345 6th Street, City Council Chambers. 5:30 PM. PRC members confirmed
Thursday	9/8/2016	2017 Application goes live-links to application posted to City website
Monday	9/12/2016	PRC Orientation 9:00-11:00, Mayors Conference Room
Tuesday	9/13/2016	Technical Assistance Meeting (MANDATORY) - Mayor's Conference room, NDGC, 345 6th Street, 6th Floor, 10:00
	9/8-9/19	Technical Assistance available-by appointment only
Wednesday	9/21/2016	Funding Applications due @ noon
Wednesday-Thursday	9/21-9/22	Stage 1-Applications reviewed; Disqualified applications will not move forward
Friday	9/23/2016	Eligible applications will be forwarded to the PRC
Monday-Tuesday	9/26-9/27/2016	Project Review Committee Interviews. NOTE: PRC will meet for 1 hour (9-10:00) to discuss each day's applications. Interviews will be held in the Mayor's conference room
Wednesday	9/28/2016	Final application review and scoring; PRC Deliberations; Time TBD, Mayor's conference room
Monday	9/30/2016	Publish Draft Action plan and announce opening 30-day Public Comment period; funding recommendations posted on City website.
Wednesday	9/30/2016	Email distribution of draft funding recommendations to Mayor and Bremerton City Council
Wednesday	10/26/2016	Bremerton City Council Study session on 2017 Action Plan and 2017 CDBG/HOME funding recommendations.
Monday	10/31/2016	Written comment period on Action Plan closes
Wednesday	11/2/2016	Bremerton City Council Public Hearing on 2017 Action plan and Funding Recommendations. NDGC, 345 6th Street, City Council Chambers 5:30 PM.
	11/15/2016	2017 Action Plan Submitted to HUD
	1/1/2017	Program Year Begins

About the Funding

The City of Bremerton Community Development Block Grant funding availability is for the 2017 program year beginning January 1, 2017 and culminating on December 31, 2017. A description of the funding is included below. City of Bremerton HOME funds, Homeless Housing Grant Funds, Affordable Housing Grant Program, and Consolidated Homeless Grant Incentive Programs are all through a coordinated application with Kitsap County.

Community Development Block Grant

The Community Development Block Grant (CDBG) program is a flexible program that provides communities with funding to address a wide range of unique community development needs. The program is authorized by Title I of the Community Development Act of 1974. Funds are used to assist in the development of decent housing, to create suitable living environments, and expand economic opportunities primarily for persons of low and moderate income. All projects funded with CDBG must meet one of the three national objectives:

1. Principally benefit low and very low income households;
2. Reduce or prevent slum and blight; or,
3. Meet an urgent need

Council Funding Priorities

For the 2017 Program Year Bremerton City Council has chosen the following priorities for use of funds:

- Capital projects in the target area to revitalize neighborhoods to create affordable housing
- Target-Area Weatherization and Minor Home Repair for Homeownership Housing
- City-Wide Economic Development for job training programs

Proposals for Activities that do not meet these funding priorities will not be eligible for funding.

Eligible Activities

This list is broken down by priority area. Please ensure your project both match a Council Priority and are an eligible activity.

1. Capital Projects in the Target Area

Applicants must demonstrate that the proposed activity leads to the creation of affordable housing

Eligible activities are defined in the CDBG program regulations at 24 CFR 570.201 and 570.207.

- Acquisition of real property by purchase, lease or donation;
- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements;
- Clearance, demolition and removal and rehabilitation of buildings and improvements;
- Removal of material and architectural barriers;
- Planning activities;
- Preservation, rehabilitation or restoration of historic properties;
- Acquisition, rehabilitation, or construction of rental housing;

- Rehabilitation of privately owned buildings and improvements for residential purposes;
- Façade Improvement
- Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties for use or resale for residential purposes;

2. Target-Area Weatherization and Minor Home Repair for Homeownership Housing

- Housing services such as housing counseling and energy auditing;
- Lead based paint hazard evaluation and reduction;
- Labor, materials and other costs of rehabilitation of properties including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors and dead bolt locks, and renovation through alterations, additions to or enhancement of existing structures

3. City-Wide Economic Development for Job Training Programs

- Assistance to carry out economic development projects for job training purposes;

The following activities are generally **not eligible** for CDBG funding:

- New residential housing construction, except in special circumstances
- Regular government operations
- Buildings such as city halls, police stations, or other buildings primarily for the general conduct of government (except for the removal of architectural barriers)
- Income payments such as payments to individuals or families for food, clothing, or rent, except in certain circumstances
- Political activities
- Vehicles and Equipment

Note: The above lists are not comprehensive. For a complete list of eligible or ineligible activities refer to CDBG regulations in 24 CFR 570.201 and 570.207

Eligible Applicants

Community Development Block Grant

Eligible applicant/recipients include:

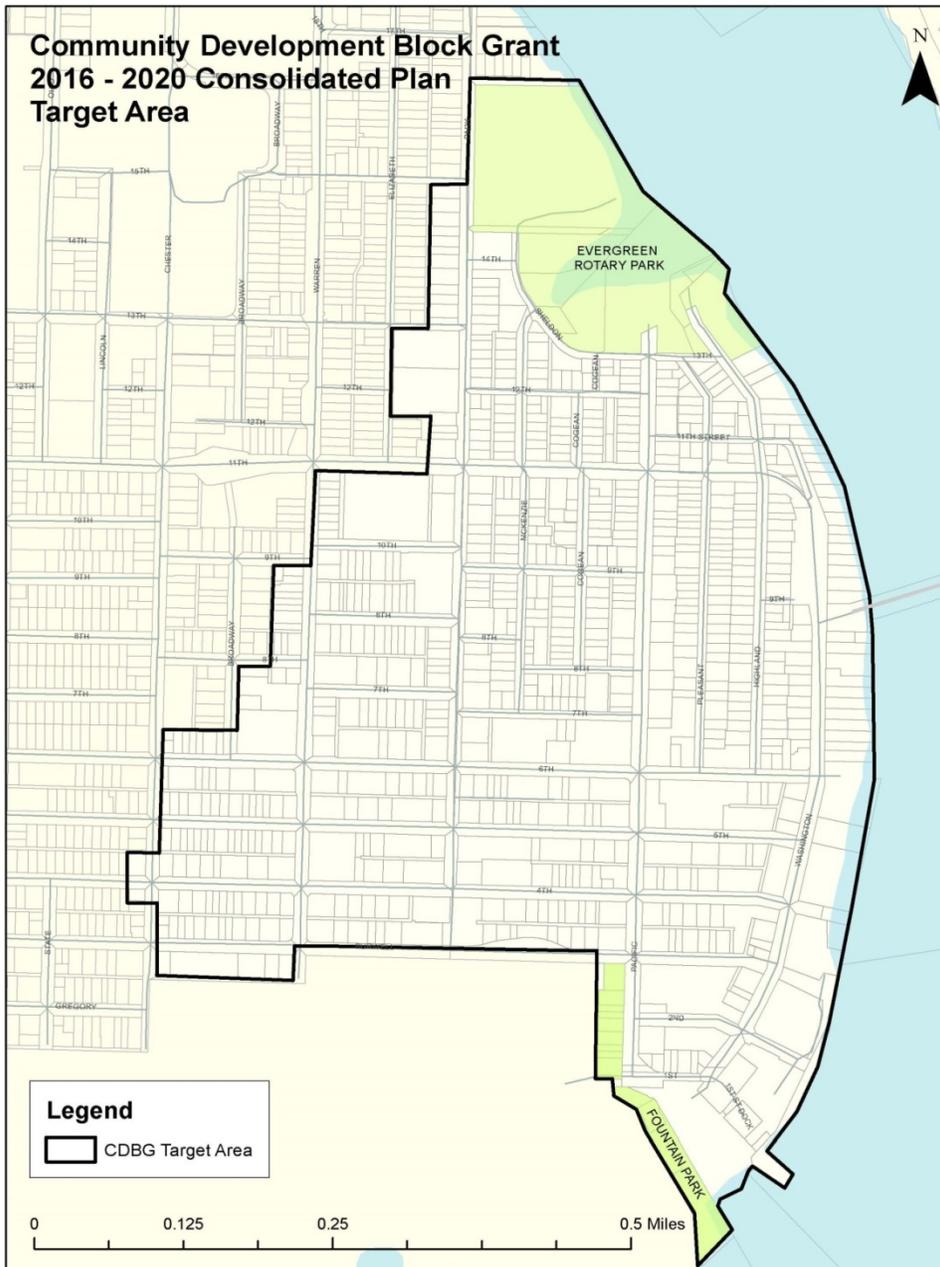
- City or County governments
- Public and private nonprofit organizations (501(c)3)
- Section 301(d) small business investment companies
- Local development corporations
- Private profit organizations may implement certain activities.
- Faith based organizations

Additionally applicants must:

- Demonstrate an active governing body or board of directors with skills and experience to provide leadership and direction to the agency.
- Demonstrate the legal, financial, and programmatic ability to administer the proposed project; and,
- Meet the City requirements for contracting agencies such as insurance requirements, audit and financial requirements.
- Demonstrate timely expenditure of funds and ability to complete the project in an efficient manner.

Target Area

Funding Focus Areas. The City of Bremerton will be targeting its funds in the following areas: *All Activities, with the exception of City-Wide economic development will need to take place within this target area, or the project will be deemed ineligible.*



2017 Funds Available

CDBG programs are federally funded through the Department of Housing and Urban Development. Funding levels are determined by HUD after the Federal Budget is finalized, which often occurs after the program year has begun. The City of Bremerton estimates funding levels in order to start the grant application process; therefore, funding amounts shown in the table below are estimates. If HUD allocates a different amount to these programs than what was estimated, actual funding awards will be increased or decreased to accommodate the discrepancy. The estimated funds below are based on 2016 allocations.

The following table shows an overall view of the total *estimated* amount of funds available in this application cycle by the application type and funding sources.

Application Type	Amount of Funds Available	Funding Sources
City-Wide Economic Development for Job Training Programs	\$50,000	Bremerton CDBG
Target Area Weatherization and Minor Home Repair for Homeownership Housing	\$32,000	Bremerton CDBG
Capital Projects in the Target Area to Revitalize Neighborhoods to Create Affordable Housing	\$250,000	Bremerton CDBG
Total	\$332,000	

The tables on the following pages give a more detailed view by funding source; showing the estimated amount of funds available as well as the proposed distribution of those funds.

2017 Proposed Distribution of City of Bremerton CDBG Funds

Estimated Funding Available for the 2017 CDBG Allocation Process

Estimate of 2017 Entitlement	415,000
Tentative Program Income Available	0
Total Entitlement + PI	415,000
Reallocated Funds Prior Year	0
Total Available for Allocation	415,000

Estimated Allocation of 2017 CDBG Funds

Available for 2017 Planning and Admin (20% of entitlement + PI)	83,000
Available for 2017 Economic Development City-wide for Job Training Programs	50,000
Available for Weatherization and Minor Home Repair for Homeownership Housing	32,000
Available for Capital Projects in Target area to revitalize neighborhoods to create affordable housing	250,000
<i>Subtotal - Available for grant applications</i>	<i>415,000</i>
Total Allocation of funds	415,000

Project Types

The information below details three project types along with the *estimated* amount of funds available based on fund type (using 2016 numbers), eligible activities and priorities.

1. CDBG Economic Development City-Wide for Job Training Programs

- *Estimated* funds available - \$50,000
- Eligible activities include assistance to carry out economic development projects for job training purposes.
- Priority is to increase economic opportunities for low-income individuals.

2. Weatherization and Minor Home Repair for Homeownership Housing

- *Estimated* funds available - \$32,000
- Eligible activities include: Housing services such as housing counseling and energy auditing, lead based paint hazard evaluation and reduction, labor, materials, and other costs of rehabilitation of properties including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors.

3. Capital Projects in the Target Area to Revitalize Neighborhoods to Create Affordable Housing

Applicants must demonstrate that the proposed activity leads to the creation of affordable housing

- *Estimated* funds available - \$250,000
- Acquisition of real property by purchase, lease or donation;
- Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements;
- Clearance, demolition and removal and rehabilitation of buildings and improvements;
- Removal of material and architectural barriers;
- Planning activities;
- Preservation, rehabilitation or restoration of historic properties;
- Acquisition, rehabilitation, or construction of rental housing;
- Rehabilitation of privately owned buildings and improvements for residential purposes;
- Façade Improvement
- Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties for use or resale for residential purposes;

How to Access and Submit Application

Online Application will be available to download from the City's website beginning Thursday September 8, 2016. You will need a computer with internet capability in order to access the City's website to access the application.

Application link will be posted on the City website, and information will be sent to the City's interested party e-mail list.

Application submission deadline is September 21st, 2016 at Noon

Where to Submit Applications

An application is considered complete if it meets the following criteria:

- If a first time applicant or have never been awarded City of Bremerton funds, the applicant has attended the **mandatory** technical assistance session on August 8, 2016.
- Application submitted **ONLINE OR IN PERSON**
- Application submitted **ON TIME** (September 21st, 2016 at noon)
- All required application questions/sections/attachment are completed in an adequate manner.

Assistance with the Application

A Mandatory Technical Assistance Session for first time applicants or for those who have never been awarded City of Bremerton CDBG funds will be held on **September 13th at 10:00 am** in the Norm Dicks Government Center Mayor's Conference Room, 6th Floor.

One-on-One Technical Assistance may be scheduled between September 8-September 19th by contacting the staff listed in the front of this notice.

Application Review and Rating Process

This is a competitive application process for limited funding; therefore, applications that meet all criteria are not guaranteed an award of funds and successful applications may be funded for less than the amount requested

Applications not meeting the requirements will be disqualified from consideration for funding and will not move any further through the process.

Written notice will be sent to the disqualified Applicant.

Applicants will need to demonstrate that they are able to spend down funds in a timely manner and that they have the capacity to complete the project.

All applications will go through the following review and rating process.

1. Initial Eligibility Screening
 - a. Application is complete.
 - b. Applicant meets eligibility requirements as of the application due date.
 - c. Project or activity is an eligible use of funds.

2. Staff Technical Review
 - a. Organizational Financial Review – RFP’s will be reviewed City will review for Agency financial soundness.
 - b. Organizational Capacity – Staff will review the capacity of the agency to manage grants based on previous grant performance, board makeup, organizational structure (including staffing), organizational data, etc.
 - c. Project Priority Review – Staff will review project goals and population served for alignment with the Funding Priorities.

3. Project Review Committee (PRC) - The committee will make funding decisions using the following process:
 - a. Review and evaluate each application using review and scoring guides.
 - b. Conduct interviews with each applicant; review responses using review and scoring guides.
 - Non-capital interviews (City-Wide Economic Development) will be 20 minutes in length which includes 10 minute agency presentation and 10 minute question/answer.
 - Capital interview will be 35 minutes in length which includes 15 minute agency presentation and 20 minute question/answer.
 - Interview length for agencies with multiple submissions of the same type (non-capital, for example), may be shortened.
 - c. Assign a priority ranking and recommended funding level to all projects.
 - d. Staff matches ranking with available and appropriate funding sources.
 - e. PRC finalizes recommendations and sends to the Bremerton City Council.

4. Bremerton City Council – Public hearings to consider the Project Review Committee recommendations will be held before the Bremerton City Council. Council will make the final funding approval.
5. Approved funding recommendations which include Federal funds are send to HUD for approval in the annual Action Plan. Projects awarded funds must be included in the 2017 (Year 2) Action Plan to the 2016-2020 Consolidated Plan and submitted to HUD for approval. The Action Plan cannot be finalized until the City of Bremerton receives federal award amounts from HUD.
6. Final Awards-Funding recommendations were made based on estimated funds. Once the actual amounts are known, project awards will be adjusted based on the contingency set by the PRC and approved by the Bremerton City Council.

Project Review Committee (PRC)

The Project Review Committee reviews and recommends funding for the CDBG Grant Application. PRC members read applications, review agency and financial capacity analyses, conduct applicant interviews, score, rank and develop funding recommendations. Recommendations are then presented to the Bremerton City Council, which make final funding decisions.

PRC volunteers are selected based on their knowledge of the community’s needs and willingness to donate their time to PRC activities. PRC members must demonstrate the specific skills, qualifications and background needed to evaluate applications and recommend funding, such as:

- | | |
|---------------------------------|--|
| Affordable housing | Grant writing or grant management experience |
| Architecture and planning | Homeless programs |
| Compliance monitoring | Housing development |
| Practical experience with HUD | Mortgage lending |
| Construction project management | Non-profit community service provider experience |
| Economic development | Project management experience |
| Finance and accounting | Real estate |

2017 Project Review Committee Makeup

There is one project review committee for all CDBG applications. The committee is comprised of 6 members: Two members are City of Bremerton staff volunteers and three members are volunteers from the community, and one is a City Council representative. The committee members are assigned to review and rate each of the grant applications submitted and all PRC members take part in the Applicant interviews.

PRC positions are filled by appointment. The Mayor of the City of Bremerton appoints three members to the PRC committee.

HUD Income Limits

Median Family Income (MFI) is determined periodically by the Department of Housing and Urban Development (HUD) on the basis of state and local earnings data and is published for cities and counties.

The Median Family Income for the Bremerton-Silverdale MSA effective March, 2016 is \$78,100 for a four-person household.

HUD updates income limits annually each December. The most up-to-date income limits will apply to all CDBG and HOME funded projects. They may be found at www.huduser.org.

Median Family Income Bremerton-Silverdale MSA; Effective March, 2016

NUMBER IN HOUSEHOLD	EXTREMELY LOW INCOME (BELOW 30% MFI*)	VERY LOW INCOME (31% - 50% MFI*)		LOW INCOME (51% - 80% MFI*)
1	\$16,450	\$27,350		\$43,750
2	\$18,800	\$31,250		\$50,000
3	\$21,250	\$35,150		\$56,250
4	\$24,300	\$39,050		\$62,500
5	\$28,440	\$42,200		\$67,500
6	\$32,580	\$45,300		\$72,500
7	\$36,730	\$48,450		\$77,500
8	\$40,890	\$51,550		\$82,500

*MFI = Median Family Income is determined periodically by the Department of Housing and Urban Development (HUD) on the basis of state and local earnings data and is published for cities and counties. These figures represent percentages of MFI for Bremerton – Silverdale Metropolitan Statistical Area (MSA) published by HUD March, 2016.

If Your Agency is Awarded Funds

If your project/program is awarded funding, you will need to understand and follow the regulatory requirements associated with each of the funding sources.

Please refer to the following documents for guidance:

- Bremerton CDBG/HOME Policy Plan
<http://www.ci.bremerton.wa.us/198/Federal-Grants---CDBG>
- Bremerton CDBG/HOME Guidebook
<http://www.ci.bremerton.wa.us/213/Subrecipient-CDBG-HOME-Guidebook>

Things you should know:

1. CDBG funds are Federal funds. Use of Federal funds may affect the way your agency does business.
 - If you are applying for Federal funds for the first time, you are required to meet with Block Grant staff to discuss Federal regulations.
 - In addition to the rules and requirements of CDBG, there are several additional broad Federal rules that must be followed including rules surrounding non-discrimination and equal access, employment, contracting and procurement, environmental requirements, record keeping and financial controls.
2. Contracting
 - Your agency will be required to enter into a contract with the jurisdiction providing the funding, the City of Bremerton.
 - The City of Bremerton manages their CDBG and HOME contracts separately. However, for both jurisdictions, the following applies:
 - Capital contracts must receive a notice to proceed before costs can be incurred.
 - Contracts for federal funds operate on a reimbursement basis.
 - The program year begins January 1, 2017.
 - NOTE: If you are a recipient of federal funds you may not receive a contract until mid-year, based on when the federal budget is approved and when the City receives a contract from HUD. Depending on your project, your contract term may coincide with the program year start date.
3. Reporting Requirements
 - Quarterly Reports: It is your responsibility to submit quarterly performance and demographics reports, beginning January 1, 2017. Reports are to be submitted to each funding agency you are under contract with.