

# City of Bremerton CDBG

Technical Assistance Training  
September 13<sup>th</sup> 10:00-12:00

# Welcome!

- You are at the Technical Assistance session for the 2017 Grant Application Cycle for CDBG funds.
  - Housekeeping

# Introductions

- City of Bremerton Block Grant Administrator,
  - Sarah Achaoui
  - Around the room

# Agenda

- Overview of Funding Streams
- Review of RFP's
- Reporting requirements
- Application Review and Awards Process
- Getting Help and Questions

# 2017 Grant Application Timeline

- 9/8-Application goes live
- 9/13-Technical assistance
- 9/8-9/19-One-on-one technical assistance available
- 9/21-Applications Due
- 9/26-9/28-Project Review Committee Interviews and funding recommendations
- 9/30-Funding Recommendations published and public comment begins on projects and action plan
- 11/2-Adoption of action plan by Council



# Federal-CDBG

## Community Development Block Grant

- Benefits moderate, low, and very low income households.
- Flexible program that addresses a wide-range of unique community development needs.
- Funds assist in the development of:
  - Decent Housing
  - Creating suitable living environments
  - Expanding economic opportunities primarily for persons of low-and moderate-income.

# CDBG-Priorities

- Priority needs and strategies have been developed for the 2016-2020 Bremerton-Kitsap Consolidated Plan
- Two Target Areas:
  - Downtown/Residential Core
  - Neighborhood Revitalization Strategy Area

# Funding Priorities

1. Capital Projects in the Target Area to revitalize neighborhoods for the creation of affordable housing
  - Applications must demonstrate that the proposed activity leads to the creation of affordable housing
  - \$250,000
2. Target-Area Weatherization and Minor Home Repair
  - Fixed amount of \$32,000
3. City-Wide Economic Development for Job Training Programs
  - Assistance to carry out economic development projects for job training purposes.
  - Fixed amount of \$50,000



# Eligible Activities

## Capital Projects in Target Area to Revitalize Neighborhoods to Create Affordable Housing

- Façade Improvements
- Demo of Blighted buildings
- Acquisition and rehab of buildings
- Public Infrastructure Improvements (Including engineering and design)
- Acquisition of real property by purchase or lease
- Planning Activities
- Rehab of Buildings for future residential purposes

## City-Wide Economic Development for Job Training Programs

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

## Target Area Weatherization and Minor Home Repair

- Energy Efficiency Improvements
- ADA Improvements
- Rehab/Repair of homes

# Ineligible activities

- Buildings for the general conduct of government
- General government expenses
- Political activities
- The following may not be assisted with CDBG funds unless carried out as a special economic development activity:
  - Purchase of equipment
  - Construction equipment
  - Fire protection equipment
  - Furnishings and personal property
  - Operating and Maintenance expenses
  - Payment of salaries
  - New housing construction
  - Income payments

# Affordable Housing

- According to the U.S. Department of Housing and Urban Development a low income household is defined as having income equal to or less than the Section 8 very low-income limit established by HUD.
  - For a 4 person family: \$39,050
- A moderate-income household is defined as a household having an income equal to or less than the Section 8 low-income limit and greater than the Section 8 very-low income limit established by HUD.
  - For a 4 person family: \$62,500

# Affordable Housing

FY 2016 Income Limits Summary										
FY 2016 Income Limit Area	Median Income	FY 2016 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Bremerton-Silverdale, WAMSA	\$78,100	Very Low (50%) Income Limits (\$)	\$27,250	\$31,250	\$35,150	\$39,050	\$42,200	\$45,300	\$48,450	\$51,550
		Extremely Low Income Limits (\$)	\$16,450	\$18,800	\$21,150	\$24,300	\$38,440	\$32,580	\$36,730	\$40,890
		Low (80%) Income Limits (\$)	\$43,750	\$50,000	\$56,250	\$62,500	\$67,500	\$72,500	\$77,500	\$82,500

# Affordable Housing

- To be considered affordable a household must not spend more than 30% of its total combined income on housing costs (rent + utilities)
- Moderate Income (80% AMI) Rental Amounts:

Studio/1BR	2BR	3BR	4BR	5BR	6BR
\$1,094	\$1,250	\$1,406	\$1,562	\$1,687	\$1,812

- Low Income (50% AMI) Rental Amounts:

Studio/1BR	2BR	3BR	4BR	5BR	6BR
\$681	\$781	\$879	\$976	\$1,055	\$1,132

# Selecting Activities that Comply

- Step 1: Is your activity eligible?
- Step 2: Does it meet a national objective?
- Step 3: Does it fall within a Council Priority?

# CDBG National Objectives

- Benefiting low and moderate income persons
- Preventing or Eliminating Blight
- Meeting an Urgent Need



# Council Priority

- Capital Projects in the Target Area to revitalize neighborhoods to create affordable housing
- City-Wide Economic Development for Job Training Programs
- Weatherization and Minor Home Repair for housing in the Target Area



# Estimated Fund Availability

Application Type	Funds Available	Funding Sources
Capital-Projects in Target Area to Revitalize Neighborhoods to Create Affordable Housing	\$250,000	CDBG
City-Wide Economic Development for Job Training Programs	\$50,000	CDBG
Target area weatherization and minor home repair	\$32,000	CDBG

*Based on an estimated entitlement allocation of \$415,000*

# Capital Projects

Things to be aware of for Federally Funded Capital Projects:

- Environmental Clearance
- Davis Bacon
- Acquisition & Relocation issues
- Timely expenditure of funds and project completion
- 5-20 year period of Affordability/Restricted use

# Environmental Clearance

- The purpose of the environmental review process is to analyze the effect a proposed project will have on the people and the natural environment within a designated project area and the effect the material and social environment may have on a project
- The City, because it receives CDBG funds is considered a responsible entity and must complete an environmental review of all project activities prior to obligating CDBG funds.
- Subrecipients are responsible with complying with all HUD rules and regulations regarding environmental reviews
- The HUD rules and regulations which govern the environmental review process can be found at 24 CFR part 58.



# Environmental Continued

- City cannot enter a legally binding commitment to a particular site before the environmental review is complete unless it is conditioned upon environmental site clearance
- Examples of a legally binding commitment are: sub recipient agreement, notice to proceed, executed contract for services, land purchase (closing, unconditioned purchase and sales agreement, unconditioned opinion).

# Davis Bacon

- Construction work that is financed in whole or in part with CDBG funds must adhere to Federal labor standards requirements.
- Under these laws the prime or general contractor is responsible for full compliance with applicable requirements, including all employers/subcontractors.
- The City is responsible for the administration and enforcement of the requirements to ensure compliance

# Davis Bacon

- The Davis Bacon Act is triggered when work over \$2,000 is financed in whole or in part with CDBG funds. It requires that workers receive no less than the prevailing wages being paid for similar work in the same area.
- Davis-Bacon does not apply to the rehabilitation of residential structures containing less than eight units or force account labor (construction carried out by employees of the grantee).
- All grantees who are subject to Davis Bacon compliance will receive a pre-construction conference from City Staff

# Davis Bacon

- The **Copeland Anti-Kickback Act** requires that workers be paid weekly, that deductions from worker's pay be permissible, and that contractors maintain and submit weekly payrolls.
- The **Contract Work Hours and Safety Standards Act** applies to contracts over \$100,000 and requires that workers receive overtime compensation for hours they have worked in excess of 40 hours in one week.
- **Section 3 of the Housing and Urban Development Act of 1968** as amended requires the provision of opportunities for low- and very low-income persons residing in the area.

# Procurement

- Any sub recipient using CDBG funds to purchase goods or services shall have a formalized written procurement procedure in place prior to contracting for any goods or services. Regulations governing the purchases and procurement of goods and services with block grant funds must be followed to assure that:
  - Procurement transactions are conducted in a manner that provides maximum free and open competition;
  - National goals (Equal Employment opportunity, participation of Minority Business Enterprises, and Fair Labor Standards) are attained throughout the procurement process;
  - Small, minority owned business, women's business enterprises, and project area firms have an opportunity to bid on CDBG funded projects; and
  - Unnecessary or duplicate purchases are not made

# Acquisition & Relocation Issues

- Whenever Federal funds are used in a project involving the acquisition, rehabilitation, or demolition of real property, the Uniform Relocation Assistance and Real Property Acquisition Policies act of 1970 generally applies. In some cases the use of CDBG funds in a project involving the demolition or conversion of lower income dwellings may also trigger another Federal law under Section 104(d) of the Housing and Community Development Act of 1974.

# Relocation & Acquisition

- The Uniform Act is a Federal law that establishes minimum standards for Federally funded programs and projects that require the acquisition of real property or that displace persons from their homes or businesses.
- The Uniform Act's protections and assistance apply to the acquisition, rehabilitation, or demolition of real property for Federal or Federally funded projects.

# Relocation & Acquisition

- Real Property Acquisition (Involuntary Acquisition – under threat or eminent domain)
  - Appraise property before negotiations;
  - Invite the property owner to accompany the appraiser during the property inspection;
  - Provide the owner with a written offer of just compensation and a summary of what is being acquired;
  - Pay for property before possession; and
  - Reimburse expenses resulting from the transfer of title such as recording fees, prepaid real estate taxes, or other expenses.
  - *Note that agency responsibilities for voluntary acquisitions differ. Refer to 49 CFR 24.101(b) for additional information*
  - For additional information and resources visit HUD's Real Estate Acquisition and Relocation website at <http://www.hud.gov/relocation>

# Section 104 (d)

- Section 104(d) of the Housing and Community Development Act provides minimum requirements for CDBG funded programs or projects when units that are part of a community's low-income housing supply are demolished or converted to a use other than low-or moderate-income dwellings.
- Requirements:
  - Replacement on a one-for-one basis of all occupied and vacant occupiable low-or moderate-income dwelling units that are demolished or converted to a use other than low-or moderate-income housing in connection with an activity assisted under the HCD Act; and
  - Provision of certain relocation assistance to any lower income person displaced as a direct result of the following activities in connection with Federal assistance:
    - Demolition of any dwelling unit or
    - Conversion of a low-or moderate-income dwelling unit to a use other than an LMI residents

# Section 104 (d)

- What triggers Section 104(d)?
  - Section 104 (d) requirements are triggered by the use of CDBG funding in a project involving the demolition or conversion of low-or moderate-income housing. It should be noted that CDBG funding used solely for relocation assistance or project administration does not trigger Section 104(d) requirements.
- What are the relocation requirements under Section 104(d)?
  - The relocation assistance and payments for eligible persons under Section 104(d) are similar to those required to the URA but there are a number of differences. One significant difference is the period of time used to calculate a rental assistance payment: Section 104(d) factors in 60 months vs. 42 months for the URA.

Please see <http://www.hud.gov/relocation> for more information

# How do I apply?

- All applicants are required to obtain a DUNS number.
- Purpose of DUNS
  - A DUNS number is a unique nine-character number used to identify your organization. The federal government uses this number to track how federal money is allocated.
- Before registering for a DUNS number
  - Check to see if your organization already has a DUNS number. You should contact your grant administrator, financial department, chief financial officer, or authorizing official to identify your organization's DUNS number.

# How to register for a DUNS number

- If your organization does not have a DUNS number, visit the Dun & Bradstreet website at: <http://fedgov.dnb.com/webform/displayHomePage.do> or call 1-866-705-5711 to register or search for a DUNS number.
- Registering is free
- You will need all of the following information:
  - Name of organization
  - Organization address
  - Name of the chief executive officer (CEO) or organization owner
  - Legal structure of the organization (e.g. corporation, partnership, proprietorship)
  - Year the organization started
  - Primary type of business
  - Total number of employees (full and part time)
- Allow up to two business days to obtain a DUNS number

# Access the online RFP

- To find the RFP please go to:  
<http://www.ci.bremerton.wa.us/198/Federal-Grants--CDBG>
- If you would prefer a paper copy of the RFP, this can be accommodated, please ask.

# Review & Award Process

## 1. Eligibility Review:

- Is submission from an eligible applicant?
- Is it an eligible activity?
- Does it serve the funding source's target population?
- Does the project meet the funding source's priorities?



# Review & Award Process

- 2. Completeness Review:

These factors may disqualify your application:

- Applicant must attend Technical Assistance meeting if first time applicant, or have never received City of Bremerton CDBG funds
- Application must be submitted by Noon, September 21, 2016
- Application is submitted with incomplete or badly completed sections or forms



# Review & Award Process

## 3. Application Review

- ✓ Organizational Capacity
- ✓ Financial Management Capacity
- ✓ Project Soundness, Design & Readiness
- ✓ Project Management Capacity
- ✓ Community Need and Benefit

# Review and Award Process

## 4. Interviews

- Interviews will be scheduled during the days of September 26-27<sup>th</sup>
- All interviews will take approximately 35 minutes
- You may bring anyone you like, but include those who can best answer questions about the overall organizational capacity and about the specific project

# Review and Award Process

5. Project Review Committee Recommendations
  - PRC reviews projects & recommends project funding
  - Staff works with PRC to match funding sources to ranked projects based on eligibility
  - PRC finalizes funding recommendations
  - PRC recommendations are forwarded to the Bremerton City Council for public hearing and approval

# Roles and Responsibilities

- Who is the Project Review Committee (PRC)?
  - PRC will consist of the DCD Director, Assistant Finance Director, Councilman Greg Wheeler, and three community volunteers.
- What is the role of the PRC?
  - Reads applications and completes independent, reviews
  - Review projects for community need and benefit
  - Reviews evaluations
  - Conducts interviews
  - Discusses, reviews and recommends projects for funding.

# Application Submittal

- Start your application early
- Provide back-up information as needed
- Applications must be turned in by September 21, 2016 at Noon.
- Applications available on the City's website:  
<http://www.ci.bremerton.wa.us/198/Federal-Grants--CDBG>
- Paper copies can be provided by request
  - Submit the application to:  
Sarah Achaoui, CDBG Administrator  
345 6<sup>th</sup> Street, Suite 600  
Bremerton, WA 98337

# 5 Tips for a Great Application

1. Give the full story about your project within the parameters of the question and instructions provided
2. Have someone else proofread-checking for clarity content and continuity (and typos)
3. Double check your math-do the budget forms correctly!
4. Make sure you have included the correct forms
5. Don't wait until the last minute to submit your application

