CITY OF ROCKVILLE

PLANNING AND DEVELOPMENT SERVICES DEPARTMENT

APPLICATION INSTRUCTIONS

COMMUNITY DEVELOPMENT BLOCK GRANT

(FISCAL YEAR 2021 - JULY 1, 2020 through JUNE 30, 2021)

An **original** and **five** copies of this application
must be submitted no later than
Monday, September 16, 2019 at 5:00 P.M.

to:

Planning and Development Services Department
111 Maryland Avenue
Rockville, Maryland 20850

(240) 314-8200   FAX (240) 314-8210   TDD (240) 314-8137

APPLICATION INSTRUCTIONS

WHO SHOULD APPLY?

Only non-profit organizations and government entities are eligible to apply. For-profit entities are not eligible for funding.

Nonprofits: A nonprofit organization must have a 501(c)(3) designation from the U. S. Internal Revenue Service. People interested in undertaking new activities that have not yet formed a nonprofit organization may still apply. An organization that has applied for a nonprofit designation, but has not yet received the designation, must ensure that the designation will be in place before the beginning of the fiscal year (July 1, 2020).

Government Agencies: Governmental and quasi-governmental agencies are encouraged to apply in partnership with a local nonprofit organization. The nonprofit organization should be, whenever practical, the primary applicant.

WHAT ACTIVITIES WILL BE FUNDED?

All CDBG-eligible activities EXCEPT FOR PUBLIC SERVICES are eligible for funding.

The following activities are examples of eligible for funding:
- Assist existing eligible homeowners with the repair, rehabilitation, or reconstruction of an owner-occupied unit.
- Acquisition and clearance of land to support the development of homeownership or rental housing for low and moderate-income persons.
- Acquisition and rehabilitation of rental housing for low and moderate-income persons.
- Direct homeownership assistance, such as down payment or closing cost assistance, to help an eligible household purchase a home.
- Development of housing for homeless or formerly homeless individuals or households.
- Improvements to public facilities, such as neighborhood or community facilities and facilities for persons with special needs, including accessibility improvements.
- Economic development activities.
- Historic preservation activities.

WHAT ACTIVITIES WILL NOT BE FUNDED?

In FY21 / Year 46 the City of Rockville has prioritized CDBG funding for capital and physical improvements. As a result, public services (i.e., social services) activities will not be funded through CDBG.

This means that administrative costs, such as labor, supplies, or other operating costs, for a variety of social services programs are ineligible activities. Public services include, but are not limited to, those programs concerned with employment, crime prevention, childcare, health services, drug abuse programs, fair housing counseling, education, energy

conservation, services for seniors, services for homeless persons, welfare services, or recreational services.

If you have questions about whether the activity you want to propose is eligible please contact Asmara Habte, Chief of Housing Programs, Planning and Development Services Department, at 240-314-8203 or ahabte@rockvillemd.gov .

ARE THERE PROGRAM REQUIREMENTS THAT I SHOULD KNOW ABOUT?

1. There are Federal and Montgomery County Requirements that may apply to the project you propose. For example:

    a. **Davis-Bacon Requirements:** If your organization proposes construction or rehabilitation for a commercial building or a residential property that contains eight (8) or more units, Federal Davis-Bacon requirements apply.

    b. **Section 3 Requirements: "**Section 3" (of the Housing and Urban Development Act of 1968) mandates that federally funded construction and related activities take affirmative action to provide employment, training and business opportunities for low-income project area residents and businesses.

    c. **Minority Business Enterprise (MBE):** Participation and outreach to Minority, Women, or Disabled-Owned businesses is required in the bidding process for construction/rehabilitation projects.

    d. **Environmental Review**: Montgomery County must complete an environmental review prior to project work beginning for all CDBG projects.

    e. **Historic Preservation Review (SHPO)**: Montgomery County must complete a historic preservation review prior to project work beginning for all CDBG projects.

2. **The <u>minimum</u> grant amount an applicant can request is $15,000.**

    The City encourages applicants to leverage the requested CDBG grant amount. Points will be awarded to applicants who demonstrate that CDBG dollars will be leveraged. See the "Scoring Criteria" section for details.

3. Funding recipients are required to meet:

    a. City and Montgomery County general commercial liability insurance requirements and provide a certificate of insurance. See the City's insurance requirements in Attachment 1 of this document.

b. Federal, County, and City regulations for financial management of CDBG funds.

c. Quarterly Reporting requirements, providing information on the number of individuals or households served, including demographic information.

4. **CDBG funds must be expended within a 12-month period.** Unspent funds remaining at the end of the subgrantee agreement term may be recaptured.

ARE THERE SUBMISSION REQUIREMENTS THAT I SHOULD KNOW ABOUT?

1. Submit a separate application for each funding request.

2. Complete all information requested in the application. Do not vary your submission from the sequence or format presented in the application. Do not alter the content or format of questions.

3. Applications must be typed, or computer generated. Responses must be provided in **a font that is 11pt Times New Roman or larger**. **The page limit for the application is 15 pages, <u>not</u> including attachments.** Any pages beyond 15 will not be considered in the scoring process.

4. An original and five copies must be submitted.

5. **Only complete applications received by the deadline will be considered for funding and reviewed.** Use both the Completeness Checklist and the Attachments Checklist included in this application packet to help ensure that your application is complete.

6. Incomplete applications will be returned to the applicant. An applicant will be given seven calendar days to provide missing information for applications that are substantially complete but have minor omissions. Examples of omissions that an applicant will be given the opportunity to correct include a missing signature or federal identification number. **Minor omissions do <u>not</u> include application questions that have been left unanswered or failure to submit a budget or requested attachments.**

7. Applicants must use the required forms, **including the CDBG Project Budget Form.**

WHERE SHOULD I SUBMIT MY APPLICATION? WHAT IS THE DEADLINE?

Submit **one original** and **five copies** of the application **no later than 5:00 p.m. <u>*on Monday, September 16, 2019 to:*</u>**

City of Rockville

Department of Planning and Development Services
Attention: CDBG Applications
111 Maryland Avenue
Rockville, Maryland 20850

I HAVE SUBMITTED AN APPLICATION; WHEN WILL I HEAR ABOUT FUNDING?

If your application is approved by the Mayor and Council, you will be notified about Mayor and Council approval by December 31, 2019. Approved applications will be submitted to Montgomery County. The County staff will make funding recommendations to the County Executive in January/February 2020. The applications then become incorporated in the County budget approval process. Funds will not be available until after **October 1, 2020.**

Even if your project is approved, it may be recommended at a smaller level of funding than was requested. Please develop contingency plans for smaller CDBG awards.

INCOME LIMITS

CDBG funds must benefit low- and moderate-income persons or households. The most recent income levels for these two income categories are shown below:

HUD INCOME LIMITS
Effective April 2019

Family Size	Low	Moderate
1	$42,500	54,350
2	$48,550	62,100
3	$54,600	69,850
4	$60,650	77,600
5	$65,550	83,850
6	$70,400	89,850
7	$75,250	96,250
8	$80,100	102,450

WHAT IF I HAVE QUESTIONS?

Staff of the Planning and Development Services Department encourages your questions and is available to provide technical assistance over the telephone or in person. You should contact PDSD staff prior to submitting an application to confirm your project is eligible. Asmara Habte, Chief of Housing Programs, can be reached at 240-314-8203 or ahabte@rockvillemd.gov.

THRESHOLD REQUIREMENTS AND SCORING CRITERIA

Threshold Requirements
- The project must propose a CDBG-eligible activity
- The applicant must be a non-profit organization or governmental agency

Scoring Criteria
Applications will be scored on the following criteria:

1. Benefit to Low and Very Low-Income Persons – 10 points
   - Based on percentage of LMI persons project will serve

2. Need – 15 points
   - Application presents relevant data and evidence of need

3. Proposed Solution and Scope of Work – 30 points
   - Scope of work is clear, the solution meets the needs identified, project performance can be measured, and the project will have a long-term effect for LMI individuals
   - Resources (financial, staffing, organizational capacity, experience) in place to successfully complete project within 12 months
   - Reasonable long-term plan for sustaining/maintaining the project, including how housing affordability will be preserved for residents (i.e., subsidy source)

4. Budget and Leveraging – 20 points
   - The program budget is realistic and matches the scope of work
   - Construction estimates were based on a reliable source
   - Leveraging funds greater than 20% of CDBG request, between 1-19% of CDBG request, no leveraging funds

5. Organizational Capacity – 10 points
   - Longevity of organization, agency completed similar activities in the past, proposed activity fits with organizational mission, demonstrated experience of staff

6. Experience and Past Performance – 10 points
   - Demonstrated successful performance with local, state, or federal funding
   - Demonstrated successful expenditure of CDBG grant of similar size and scope

7. Overall Quality of Application – 5 points