

Small Cities Community Development Block Grant Program

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► 2024-25 APPLICATION MEETING

► **NOVEMBER 4, 2024**

- VISIT THE SMALL CITIES WEBSITE:
- NJ.GOV/DCA/DHCR/OFFICES/CDBG.SHTML



NJ DCA Small Cities State Distribution of CDBG Funds

- ▶ THE STATE OF NEW JERSEY IS THE CDBG GRANTEE AND IS THE RESPONSIBLE ENTITY
- ▶ UNITS OF GENERAL LOCAL GOVERNMENTS (UGLG) ARE CDBG SUB-RECIPIENTS (GRANTEES TO NJDCA)
 - STATE CDBG PROGRAMS ARE PROHIBITED TO FUND ENTITLEMENT COMMUNITIES, NON-PROFIT/FOR PROFIT ORGANIZATIONS
 - MAXIMUM FEASIBLE DEFERENCE - STATE CDBG PROGRAM (24 CFR PART 570.480)
 - STATE ACTS AS HUD AND MONITORS SUB-RECIPIENTS FOR COMPLIANCE

NJ DCA Small Cities National Objective

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► ALL PROJECTS MUST MEET AT LEAST ONE OF THESE NATIONAL OBJECTIVES:

- UNDERTAKE COMMUNITY DEVELOPMENT ACTIVITIES THAT BENEFIT PERSONS OF LOW AND MODERATE INCOME
- TO PREVENT OR ELIMINATE SLUMS AND BLIGHT
- MEET URGENT COMMUNITY DEVELOPMENT NEEDS FOR WHICH NO OTHER FUNDING IS AVAILABLE

NJ DCA Small Cities FINAL PLAN

Summary For State Fiscal Year 2025 (FFY 2024)	ALLOCATION
Total Allocation	\$6,730,317.
State Administration	\$201,910.
<i>Funds Available to Award</i>	<i>\$6,528,407.</i>

NJ DCA Small Cities

DISTRIBUTION OF FUNDS

AMOUNTS FOR STATE FY 2025 (FFY 2024)

PROJECT TYPE	ALLOCATION
Public Facilities	\$4,628,407.
Housing Rehabilitation / Emergency Housing Repair	\$1,500,000.
Innovative Development	\$400,000.
<i>Total Funds to Award</i>	<i>\$6,528,407.</i>

*****\$0 FOR LEAD-BASED PAINT REMEDIATION/ABATEMENT*****

NJ DCA Small Cities Public Facilities Fund

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- ▶ PUBLIC FACILITIES FUNDS THE CONSTRUCTION OR RECONSTRUCTION OF ESSENTIAL PUBLIC INFRASTRUCTURE THAT PRIMARILY BENEFITS PEOPLE OF LOW AND MODERATE INCOME.
 - PUBLIC FACILITY FUNDS – ARE NOT ELIGIBLE FOR MAINTENANCE PROJECTS
 - QUALIFY PROJECT BY LOW/ MODERATE CENSUS DATA OR INCOME SURVEYS
 - ALSO, REMOVAL OF ARCHITECTURAL BARRIERS (FOR A.D.A. COMPLIANCE) – LIMITED CLIENTELE BENEFIT

▶ **MAXIMUM GRANT AWARD:** \$400,000.

NJ DCA Small Cities Housing Rehabilitation Fund

- ▶ SINGLE-FAMILY, OWNER-OCCUPIED HOUSING REHABILITATION PROGRAM
- ▶ GRANTEE DEVELOPS HOUSING REHABILITATION MANUAL AND ESTABLISH A LOCAL REVOLVING LOAN FUND
- ▶ REALISTIC GOALS FOR HOUSING REHABS (# OF UNITS, # OF PERSONS)
 - ▶ **MAXIMUM GRANT AWARD :**
 - ▶ MUNICIPALITY: \$200,000.
 - ▶ MULTI-JURISDICTION \$300,000.
 - ▶ COUNTY: \$400,000.

NJ DCA Small Cities Emergency Housing Repair Fund

► ASSIST INCOME-ELIGIBLE OWNER-OCCUPIED HOUSEHOLDS WITH
“EMERGENCY REPAIRS.”

- MUNICIPALITY OR COUNTY MUST APPLY ON BEHALF OF HOMEOWNER & CERTIFY THAT THE CONDITION IS AN EMERGENCY.
- ASSISTANCE PROVIDED ON A FIRST COME FIRST SERVE BASIS - PROVIDED FUNDS ARE AVAILABLE.

► **MAXIMUM GRANT AWARD:** \$20,000

NJ DCA Small Cities Innovative Development Fund

► PROVIDES FUNDS TO A NEW, INNOVATIVE, OR TIMELY COMMUNITY DEVELOPMENT PROJECT THAT FALLS OUTSIDE OF A TRADITIONAL FUNDING CATEGORY.

- FUNDS AWARDED TO A UGLG, THEN PASSED THROUGH TO A NON-GOVERNMENT ENTITY IN FORM OF A LOAN.
- PRIORITY GIVEN TO LOW/MODERATE INCOME ELIGIBLE PROJECTS, OR THOSE WHICH CREATE ALTERNATIVE ENERGY SOURCES.

► **Maximum Grant award: \$400,000**

MRI RANK	MATCH REQUIREMENT
0 to 100	10%
101 to 200	15%
201 to 300	20%
301 to 400	30%
401 and above	50%

NJ DCA Small Cities Local Match Requirement

APPLICANT MUST COMMIT A PERCENTAGE OF THE GRANT REQUEST, BASED ON THE MUNICIPAL REVITALIZATION INDEX (MRI)

NJ DCA Small Cities Number of Applications

▶ **APPLICANTS MAY APPLY FOR THE FOLLOWING EACH YEAR:**

- ONE (1) HOUSING REHABILITATION GRANT
- ONE (1) PUBLIC FACILITIES GRANT, OR ONE (1) INNOVATIVE DEVELOPMENT GRANT
- EACH GRANT APPLICATION CAN ONLY COVER ONE SPECIFIC PROJECT
- *NJDCA RETAINS DISCRETION TO AWARD ONLY ONE GRANT A YEAR PER JURISDICTION

NJ DCA Small Cities

APPLICATION EVALUATION CRITERIA

NJ DCA Small Cities Application Reference Material

For further details regarding the information in the following slides, refer to:

- Small Cities Final Plan for SFY 2025 (FFY 2024)
 - View/download from Small Cities webpage, also from SAGE Application Menu Page
 - Attachment A is the application review form (both Threshold and Evaluative Reviews)
 - Attachment B is the Eligible Municipalities and Counties list *updated for 2024
- SAGE Application Instructions (view/download from SAGE Application Menu Page)

NJ DCA Small Cities Application Threshold Requirements

*Threshold Requirements **MUST** be Achieved*

- ✓ Is Application CDBG Eligible & meet National Objective?
- ✓ Low-Mod Benefit Targeting Requirements?
- ✓ Address one of the State Objectives?
- ✓ Compliance with Citizen Participation?
- ✓ Local Match Certification?
- ✓ Housing Rehabilitation- Revolving Loan/Housing Manual?
- ✓ 9 Federal and State Compliance Items?

NJ DCA Small Cities Municipal Revitalization Index

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MRI Rank	Score
0 to 100	20 points
101 to 200	15 points
201 to 300	10 points
301 to 400	5 points
401 and above	0 points

NJDCA Small Cities Community Development & Housing Needs Statement

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► THE APPLICANT MUST PROVIDE A COMMUNITY STATEMENT OF NEED.

- ❑ Community development needs
- ❑ Housing needs
- ❑ Status of applicable land use plans

► PROPOSED PROGRAM MUST ADDRESS AT LEAST ONE (1) OF THE AREAS IDENTIFIED IN THE STATEMENT.

MAX SCORE = 20 POINTS

NJ DCA Small Cities Program Impact

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► LOW/MOD INCOME PEOPLE BENEFITTING FROM PROPOSED PROJECT?

- GREATER THAN 100 L/M PEOPLE= 20 POINTS
- 30 TO 99 L/M PEOPLE= 10 POINTS
- LESS THAN 29 L/M PEOPLE= 0 POINTS
- HOUSING REHAB PROGRAMS= 20 POINTS

NJ DCA Small Cities Balance Ratio

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- ▶ OPEN PROGRAM BALANCES of the past three funding years.
- ▶ Ratio score divides total balance by 3 (years)
- ▶ Balance ratio less than .50 = 10 points
- ▶ Balance ratio greater than .50 = 0 points
- ▶ NJDCA reserves the right NOT to fund an applicant should a substantial balance exist in prior grant awards at the time of application.

NJ DCA Small Cities Readiness to Proceed

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How quickly can the project commence?

- ▶ Draft Environmental Review Record (ERR)
- ▶ Approved plans & project specifications
- ▶ Ready-to-go to bid?
- ▶ Housing Rehab- five (5) or more income eligible projects in queue

▶ **Maximum Score = 5 Points**

NJ DCA Small Cities Past Performance

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GRANTEE PAST PERFORMANCE

- ▶ **Grant management**
- ▶ **Deficiencies**
- ▶ **Audits**
- ▶ **Guidelines**

▶ **MAX SCORE = 10 POINTS**

NJ DCA Small Cities Address Community Deficiencies

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Does Application adequately
address previously identified
community need or deficiencies?



Does it make sense?



Maximum 5 points

NJ DCA Small Cities Audit Findings

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Does the Applicant list past
Audit Findings?



General Findings or related to
Grant Programs?



Is the grantee considered HIGH
RISK?



No Points awarded but may
Disqualify Applicant!

NJ DCA Small Cities Grant Management

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Has the Applicant identified a competent Grant Manager or Consulting Firm to Manage potential grant?

Is Grant Writer the same as Grant Manager?

Maximum 5 Points

NJ DCA Small Cities Emergency Situation

Does Applicant indicate that project addresses an emergency that threatens the Health and Safety of the Community?

Must be Documented and Certified

Priority Consideration

Maximum 5 Points

NJ DCA Small Cities Exceptional Application

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Application is Complete and Well Written

Viability of Project with defined Project Outcomes

Unique approach to Meet Community Need

Applicants' ability to complete Project within Grant Term

Substantial Local Matching Funds

Maximum 5 Bonus Points may be awarded on Merits of Application and Applicant

Build America Buy America Act (BABA)

Background

- ▶ On November 15, 2021, the Biden Administration signed the Infrastructure Investment and Jobs Act into law, investing \$1.2 trillion dollars into American infrastructure. The Act included a set of provisions, Build America Buy America (BABA), stipulating that construction materials used in infrastructure projects will be domestically sourced. BABA is being implemented on a phased schedule.

SFY 2025 BABA Implementation

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The following materials used in Small Cities projects will have to be acquired within the US:

- ▶ Iron
- ▶ Steel
- ▶ Specifically listed construction materials
 - Non-ferrous metals
 - Lumber
 - Composite building materials
 - Plastic/polymer-based pipe and tube

Grantees will receive further guidance regarding documentation requirements. Please see 88 Federal Register 17001 (March 15, 2023) for further details.

DRAFT PLAN/RFP ANNOUNCEMENT POSTED ON DCA WEBSITE	APPLICATION MEETING (VIA TEAMS)	SAGE APPLICATION DEADLINE	REVIEW TEAM RECOMMENDATIONS COMPLETED	COMMISSIONER'S ANNOUNCEMENT OF AWARDS
October 29, 2024	November 4, 2024	December 18, 2024	On or about February 7, 2025	On or about March 7, 2025

NJ DCA Small Cities CDBG Application Schedule

NJ DCA Small Cities Application Submission

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All applications must be submitted electronically, via SAGE by the SAGE Application Deadline.

- ❖ Initiation Deadline is 2 days prior to the Application Deadline
- ❖ Use “Check Errors” link on the SAGE Application Menu page
- ❖ Submitted applications will be considered “final product” and will be reviewed accordingly

NJ DCA Small Cities Application Submission

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Submit **one** hard-copy binder with the attachments, certifications and supportive documents that accompany the SAGE application

- ❖ 8 ½ by 11 inches, 3-ring preferred
- ❖ Place dividers between all sections and major documents and label them to correspond with the table of contents.
- ❖ Due to DCA by the Application Deadline – overnight delivery, regular mail, in-person

NJ DCA Small Cities Federal Compliance

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- ▶ Environmental Review Record (ERR)
- ▶ Citizen Participation Plan
- ▶ Fair Housing and Civil Rights
- ▶ Procurement and Professional Services Agreements
- ▶ Section 3 and MBE
- ▶ Active SAM Registration (Unique Entity Identifier)

NJ DCA Small Cities Document Submittals

When submitting the following documents to your grant manager, please also carbon copy (CC): **SmallCities@dca.nj.gov**

- ▶ Monitoring forms
- ▶ Request for Release of Funds/ERR
- ▶ Bid package
- ▶ Final Performance Reports
- ▶ Certification of Project Completion and any other relevant document that is pertinent to the grant

NJ DCA Small Cities Staff Contacts

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- ▶ Program E-mail Address: SmallCities@dca.nj.gov
- ▶ Program Webpage: <https://www.nj.gov/dca/dhcr/offices/cdbg.shtml>
- ▶ Brad Harrington (NPU Administrator): Bradley.Harrington@dca.nj.gov
- ▶ Arham Barbhuiya: Arham.Barbhuiya@dca.nj.gov
- ▶ April Shadell: April.Shadell@dca.nj.gov