

Small Cities Community Development Block Grant Program

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▶ 2023-24 APPLICATION WORKSHOP

▶ **OCTOBER 27TH, 2023**

▶ VISIT THE SMALL CITIES WEBSITE:

▶ [NJ.GOV/DCA/DHCR/OFFICES/CDBG.
SHTML](https://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)
- 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

▶ ALL PROJECTS MUST MEET AT LEAST ONE OF THE THREE NATIONAL OBJECTIVES:

- UNDERTAKE COMMUNITY DEVELOPMENT ACTIVITIES THAT BENEFIT PERSONS OF LOW 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 2024 (FFY 2023)	ALLOCATION
Total Allocation	\$6,746,804.
State Administration	\$302,404.
<i>Funds Available to Award</i>	<i>\$6,444,400.</i>

NJ DCA Small Cities

DISTRIBUTION OF FUNDS

AMOUNTS FOR STATE FY 2024 (FFY 2023)

PROJECT TYPE	ALLOCATION
Public Facilities	\$4,444,400.
Housing Rehabilitation / Emergency Housing Repair	\$1,200,000.
Innovative Development	\$800,000.
<i>Total Funds to Award</i>	<i>\$6,444,400.</i>

PROJECT TYPE	ALLOCATION
Lead-Based paint Remediation/Abatement	\$5,000,000

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

▶ **MAXIMUM GRANT AWARD:** \$400,000.

NJ DCA Small Cities Housing Rehabilitation Fund

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- ▶ SINGLE-FAMILY, OWNER OCCUPIED HOUSING REHABILITATION PROGRAM

- ▶ GRANTEE DEVELOPS HOUSING REHABILITATION MANUAL AND ESTABLISH A LOCAL REVOLVING LOAN FUND.
 - ▶ **MAXIMUM GRANT AWARD :**
 - ▶ MUNICIPALITY: \$200,000.
 - ▶ MULTI-JURISDICTION \$300,000.
 - ▶ COUNTY: \$400,000.

NJ DCA Small Cities Emergency Housing Repair Fund

▶ TO ASSIST INCOME ELIGIBLE OWNER OCCUPIED HOUSEHOLDS WITH "EMERGENCY REPAIRS."

- TOWN 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 TRADITIONAL FUNDING CATEGORY.

- FUNDS AWARDED TO A UGLG, BUT 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

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▶ **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
- * LEAD FUNDS REQUESTS, WILL BE INCLUDED IN THE SMALL CITIES APPLICATION, AS A SEPARATE PROGRAM COMPONENT

NJ DCA Small Cities

APPLICATION EVALUATION CRITERIA

PAGES 13 -16

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

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

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 (05) 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

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 Application

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

Lead Remediation and
Abatement Program
(LRAP)
Funding

FY2023

Background

- ▶ In the SFY23 budget, the Murphy-Oliver Administration made an unprecedented commitment of \$180 million to address the ongoing threat of childhood lead poisoning. These funds will be used to fund community-based organizations to conduct lead-safe repairs and energy efficiency improvements in residential units and to build capacity within the Department of Community Affairs and throughout New Jersey to address these hazards through employment opportunities and apprenticeships, training, and provision of seed capital to expedite the entrance of new community-based organizations into the field. Through recruitment of trusted organizations from underserved and disproportionately impacted communities to participation in the NJ Lead Training Institute and seed capital pool, this funding will create new capacity in an equitable way to invest in the improvement of health and remediation and abatement of lead hazards in affordable housing across the state.

Background

- ▶ This RFP will provide \$5 million over two years to conduct lead-safe repairs and energy efficiency improvements in residential units built prior to 1978. These funds will be used to identify and remediate lead-based paint hazards through encapsulation, replacement, or abatement.

Eligible Program Participants

- ▶ Households whose income is at or below 80% of the area median income for the County in which the municipality is located and who reside in **one to four family residential properties** constructed prior to 1978.

Eligible Activities Goals

- ▶ Identification of lead-based paint hazards via the coordination of a Lead Inspection Risk Assessment (LIRA) via a NJDCA certified lead evaluation contractor.
- ▶ Confirmation of reduction of lead-based paint hazards via the coordination of a lead clearance exam via a NJDCA certified lead evaluation contractor.

Eligible Activities

- ▶ Remediation or Abatement of lead-based paint hazards in residential units in accordance with EPA standards and with reference to HUD's [Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing](#) (Second Edition 2012).
- ▶ Temporary relocation of the household in conjunction with lead remediation/abatement work **when necessary** to ensure the health of the household members during activities.

Examples of Lead Work

- ▶ Window Replacement/ wet scrape and encapsulation
- ▶ Window trim replacement/ wet scrape and encapsulation
- ▶ Baseboard replacement / wet scrape and encapsulation
- ▶ Molding replacements/ wet scrape and encapsulation
- ▶ Door replacement / wet scrape and encapsulation
- ▶ Wall repair/replacement/repaint
- ▶ Housing exterior wet scrape/ encapsulation
- ▶ Porch repair wet scrape and encapsulation
- ▶ Other ancillary measures to protect integrity of measures installed

- ▶ **Surfaces must test positive for lead-based paint for them to be done with Lead Program Funds**

Unit Maximums

- ▶ **Remediation:** The expected average remediation cost per unit is **\$13,000.**
- ▶ **Abatement:** In eligible households where an elevated blood lead level has been identified in a child under the age of six or in a pregnant woman and whereas the local health department requires full lead abatement activities, the grantee may provide lead abatement services of up to **\$25,000 per unit**

Funding Activities

- ▶ Funding to eligible clients is in the form of 100% grants.
- ▶ No second liens/mortgages and no payback or forgiveness period.
- ▶ No match requirements for funding.

Minimum Qualifications of Applicants

- Knowledge of and the capacity to accomplish the following:
 - 1. Dangers of lead-based paint hazards, and the importance of why properties need to be lead-safe.
 - 2. Coordinate with a NJDCA certified Lead Evaluation Contractor for Lead Inspection Risk Assessment and Lead Clearance exams.
 - 3. Temporary Relocation and case management of relocated occupants as per Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as amended.
 - 4. Monitor all projects, insuring project completion, project clearance and project close-out.
 - 5. Compliance with proper waste disposal methods; and
 - 6. Compliance with Federal Fair Housing, Non-Discrimination, and Equal Opportunity.

Project Requirements

- ▶ Each project must include, but is not limited to, the following actions:
 - Distribution of educational pamphlets prior to renovation activities in compliance with federal Title X and RRP requirements.
 - Market program throughout awarded target service area(s).
 - Identification of temporary lead-safe relocation options when necessary.

Project Requirements

- Lead hazard control (remediation or abatement) activities conducted by certified lead professionals based on lead hazard control methods being used and in compliance with NJAC 5:17 and the HUD Lead Safe Housing Rule.
- Management of contractors to remediate or abate lead-based paint hazards to pass clearance testing to ensure lead-safe conditions in the home in compliance with the HUD Lead Safe Housing Rule.
- Education on lead-safe home maintenance for tenants and homeowners.

SAGE App. Budget Categories

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- ▶ ADM- Personnel Costs (10% maximum)
 - Salaries/Wages
- ▶ PROGRAM- Personnel
 - Salaries/Wages
 - Travel
- ▶ PROGRAM- Development
 - Lead-Lead Abatement Units
 - Lead-Lead Remediation Units
- ▶ PROGRAM- Other
 - Lead-Operating/Support Costs
 - Lead-Lead Inspection
 - Lead-Liability Insurance (2% max)
 - Lead-Audit (2% max)

DRAFT PLAN/RFP ANNOUNCEMENT POSTED ON DCA WEBSITE	APPLICATION WORKSHOP AT NJDCA	SAGE APPLICATION DEADLINE	REVIEW TEAM RECOMMENDATIONS COMPLETED	COMMISSIONER'S ANNOUNCEMENT OF AWARDS
October 23, 2023	October 27, 2023	December 7, 2023	On or about January 31, 2024	On or about February 14, 2024

NJ DCA Small Cities CDBG Application Schedule

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 Staff Contacts

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When submitting the following documents to your grant manager, please also carbon copy (CC) the specified email: 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 Staff Contacts

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