

**CITY OF
HARRISONBURG**
**COMMUNITY DEVELOPMENT BLOCK
GRANT (CDBG) PROGRAM**

2024-2025 FUNDING APPLICATION PACKET



**APPLICATIONS DUE BY
FEBRUARY 15, 2024
12:00 P.M.**

at

**OFFICE OF THE CITY MANAGER
409 SOUTH MAIN STREET**

HARRISONBURG, VA 22801
PHONE: (540) 432-7701
EMAIL: kristin.mccombe@harrisonburgva.gov
2024-2025 CDBG APPLICATION PACKAGE

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GENERAL APPLICATION INFORMATION

1. INTRODUCTION:

The Housing and Community Development Act of 1974, as amended, has as its primary objective the development of viable urban communities through the provision of decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income. Grant recipients must certify that their use of funds will address one of three broad objectives – 1) benefit low- and moderate- income (LMI) individuals and families (specifically, 70% of the City's CDBG funds must benefit LMI persons), 2) aid in the elimination of slums and blight, or 3) meet urgent needs which pose a serious threat to the health or welfare of a community.

2. DEADLINE:

Applications are due in the Office of the City Manager, City Municipal Building, 3rd Floor, 409 South Main Street, Harrisonburg, Virginia 22801, by **12:00 P.M. noon, February 15, 2024**. ***This is not a postmark deadline. If sending application via U.S. Mail, please allow sufficient time for delivery to ensure that applications are RECEIVED by the deadline.***

3. APPLICATION ELIGIBILITY:

- a. Proposed projects must be eligible under U.S. Department of Housing and Urban Development (HUD) CDBG regulations. A wide variety of activities may be eligible, such as housing rehabilitation, economic development/job creation activities, or small business loan programs. **Funding requests for administrative and overhead costs will not be considered. DO NOT APPLY FOR REPLACEMENT FUNDING FOR SALARIES OR STAFF WAGES.** If you are unsure whether your application would be eligible, contact Kristin McCombe in the Office of the City Manager.
- b. The application must also be "fundable" under CDBG regulations. CDBG-funded activities must meet one of HUD's three national objectives: 1) benefit low- and moderate-income (LMI) persons (see [Attachment A](#), page 24), 2) eliminate slums and blight, or 3) meet an urgent need.
- c. Applications may be submitted by government agencies, non-profit organizations, and for-profit organizations or businesses. Private individuals are not eligible to submit project applications at this time. Projects must benefit a group of people and be administered by an agency, organization, or business (i.e., a legal entity). **The administrative capacity of the agency, organization, or business is one of the factors considered in the review and selection of applications. Applicants must demonstrate the financial management and programmatic expertise to successfully develop, design, implement, and monitor the proposed activities.**
- d. Applicants must be able to meet all federal requirements relative to the CDBG program, specifically those concerning equal opportunity and fair housing, affirmative action, environmental review, displacement, relocation, acquisition, labor, lead-based paint, conflict of interest, debarment and suspension, historic properties, and flood insurance. All applicants should be aware, however, that if funded, additional federal requirements apply.

4. **APPLICATION FUNDING CATEGORIES AND TENTATIVE FUNDING:**

For this 2024-2025 budgeting cycle, the City has designated funding for certain categories of activities for which it is explicitly requesting applications. To compete for the funds in these designated categories, applicants must submit requests which respond to the purposes and activities indicated. Applications which do not conform to the limitations, if any, for the applicable category may be rejected. Tentative funding percentages shown are subject to change at the sole discretion of the City. Further, as HUD has not yet notified the City of a specific entitlement amount for HUD FY2024-2025, these amounts will change, as they are based on an estimated allocation of \$507,000.

a. **Housing and Property Improvements (Tentative Funding- \$164,000):**

In previous years, individual awards in this category ranged from \$10,000 - \$140,000. This application category is for activities that are designed to increase the availability of affordable housing (e.g., activities offering new homeownership opportunities) and activities designed to reduce substandard housing, including rental housing (e.g., property rehabilitation projects). Please note that assisted rental units may be subject to rent guidelines. Assistance must be targeted to low- and moderate-income homebuyers or homeowners or to rental properties that are or will be rented to low- and moderate-income families.

Examples of activities that may qualify under this category include, but are not limited to:

- Acquisition of property and rehabilitation of existing structures for sale to eligible homebuyers;
- Rehabilitation of eligible, substandard owner-occupied housing;
- Rehabilitation of eligible, substandard rental properties;
- Housing modifications to assist the daily life activities of individuals with special needs;
- Construction of infrastructure related to any of the above housing activities; and
- Historic Preservation.

Applications in this category must indicate the types of activities to be conducted and the forms of financial assistance that may be offered to homebuyers or homeowners. **Individual housing rehabilitation projects ARE NOT ELIGIBLE – they must be part of a larger housing rehabilitation program for which funds may be requested.**

b. **Community & Public Facilities (Tentative Funding - \$163,000):**

This category is usually limited to projects carried out by City Departments. In previous years, individual awards in this category ranged from \$4,500 - \$300,000. This application category is for activities that are designed to (1) improve the quality of life in neighborhood/residential areas in which the residents are predominantly of low and moderate incomes, (2) improve the quality of life for individuals with special needs (homeless, battered spouses, abused children, elderly, severely disabled adults, persons living with AIDS, and migrant farm workers), or (3) enhance the economic opportunities in such neighborhoods or for such individuals.

Examples of activities that may qualify under this category include, but are not limited to:

- Acquisition of property and renovation of existing structures or construction of new structures for use as community centers or other types of public facilities;
- Neighborhood facilities (e.g., recreational facilities, parks, playgrounds);
- Business assistance centers and similar activities that create or result in the creation of

permanent employment for LMI persons; and

- Facilities for persons with special needs (e.g., facilities for the homeless or battered spouses, nursing homes or group homes for the disabled).

c. **Fair Housing Enforcement, Operations, and Education (\$3,000):**

Applications are not being accepted for this funding category at this time.

d. **Administration (Tentative Funding - \$101,000):**

Applications are not being accepted for this funding category at this time.

e. **Public Services (Tentative Funding - \$76,000):**

Most non-profit applicants should apply under this category. In previous years, individual awards in this category ranged from \$2,500 - \$28,000. This application category is ONLY for activities that will create a new public service or provide a quantifiable increase in the level of an existing service which has been provided by the applicant through state or local government funds in the 12 months preceding the submission of the City's 2024-2025 Annual Action Plan to HUD. If the public service was funded by CDBG in the preceding year, this criteria has already been met and does not need to be demonstrated again, as long as existing service levels are maintained.

Applicants applying for funding under Public Services MUST COMPLETE ATTACHMENT E – PUBLIC SERVICE ELIGIBILITY DETERMINATION WORKSHEET.

Examples of activities that may qualify under this category include, but are not limited to:

- Employment services (e.g., job training and/or job placement);
- Crime prevention;
- Child care;
- Health services;
- Substance abuse services (e.g., treatment and counseling);
- Fair housing counseling;
- Energy conservation;
- Welfare services (excluding income payments, except under certain conditions);
- Downpayment assistance; and
- Recreational services.

5. **APPLICATION REVIEW, RATING, AND SELECTION PROCESS:**

- a. The written application must stand alone and will serve as the primary vehicle for applicants to provide information on proposed projects. However, applicants may also be asked to submit additional information and/or to attend an interview with the review committee(s). Inaccurate, incomplete, or unclear applications may be disqualified. **Your application must convince the review committee that your project is well thought out, will be ready to start when you say it will, and that the results you specify through June 30, 2025, can be achieved.** If this is a multi-year effort, you will be asked to define the performance outcomes to be accomplished by June 30, 2025, and for the overall project. You will also be asked to provide separate budgets for the period for which you are applying and for the overall project. (Note: Awards do not imply a commitment by the City to provide funds in subsequent years of multi-year projects.)
- b. The City Manager's Office will review each application for eligibility based on the federal regulations. Eligible applications will then be forwarded to the review committee.
- c. The review committee and the City Manager's Office will evaluate the eligible applications based on a variety of factors. See Attachment B, page 25, for details concerning the evaluation process and criteria.
- d. Additional information or clarification may be requested during the application review process or even after the City officially agrees to fund your project. Applicants must respond satisfactorily to requests within specified time frames. **Failure to provide needed information may result in the project not being recommended to City Council.**

TENTATIVE Schedule for the 2024-2025 CDBG Program

December 22, 2023	Advertise RFP in DNR & on website for grant proposals.
January 9, 2024	Council Meeting/Public Hearing #1 (get input regarding what types of projects should be funded, what need is, explain purpose of grant and answer questions) – 7:00 PM
January 11, 2024	Training Session for CDBG Applicants, 2pm
February 15, 2024	Grant Application Deadline – receipt by NOON
March 13, 2024	Selection Committee Meeting, Consideration of Proposals, & Development of Action Plan
April 9, 2024	Council Meeting/Public Hearing #2 (Present Budget, 2024 Action Plan, & open thirty day Public Comment Period – 7:00 PM
May 10, 2024	All public comments must be received by 9:00 AM on May 10, 2024 to be considered.
May 14, 2024	Council Meeting/Council Final Approval of 2024 CDBG Budget/Action Plan (Council to consider approval of budget, & plan)*
May 15, 2024	Plans due to HUD
July 2024	Anticipated HUD Approval of 2024 CDBG Action Plan

***Funding of specific projects is not final until approved by HUD.**

6. **AGREEMENT AND RELATED REQUIREMENTS:**

- a. A written agreement will be required for funds awarded to entities other than City government offices. The agreement must be fully executed (i.e., signed by all parties) before the City can disburse any funds.
- b. Direct loans will have promissory notes and deeds of trust securing them in addition to the loan agreement itself.
- c. In most cases, HUD funds are granted only for the twelve-month period of the program year for which applications are solicited. All grant funds must be used by the completion date specified in the grant agreement, which will be in mid June 2025.
- d. Extensions of agreements may be considered; however, in some cases, the approval of City Council and/or HUD may be required. Requests for extensions should be submitted to the Office of the City Manager at least 60 calendar days prior to the agreement's termination date.
- e. Specific contract management requests and procedures will be discussed individually or in a group meeting with the organizations selected for funding. **BEFORE APPLYING, PLEASE GIVE THE FOLLOWING VERY SERIOUS CONSIDERATION: THIS GRANT PROGRAM MAY REQUIRE EXTENSIVE DOCUMENTATION AND RECORDKEEPING, ESPECIALLY FOR PUBLIC SERVICE FUNDING.** In the past, some CDBG Subrecipients have given up CDBG funding because the required documentation was too extensive. Before applying, please consider whether your organization is willing to accept the responsibility for documentation and recordkeeping. If you have questions as to exactly what this may entail for your specific project, you are strongly encouraged to contact Kristin McCombe at (540) 432-8926 prior to applying to discuss this issue.

7. **COST CONSIDERATIONS AND PAYMENT METHODS:**

- a. There is no minimum or maximum dollar amount limit on requests. Be certain that the requested amount of funding is realistic to complete the project by June 30, 2025.
- b. Leveraging of funds is important to the rating of your application. While pleased to contribute toward meritorious activities, the City prefers to invest where other funding entities also contribute substantially to the cost. Additional rating points are awarded to applications that include funds from other sources. If leveraged funds are promised in your application, the City may choose to award the grant or loan contingent upon those funds being provided. If you are unsure what qualifies as leveraged funds, please contact the Office of the City Manager.
- c. Organizations awarded more than \$750,000 in Federal funds from the **City or other sources** are generally required to undergo an independent audit which conforms to the guidelines of federal OMB Circular A-133. The amount by which an organization's audit costs increase due to this requirement may be included as part of the budget in your application. Audits are not required for organizations receiving less than \$750,000 in Federal funds; therefore, the costs of any audit undertaken at the organization's own discretion are unallowable, and no portion of such costs may be included in your application. Consult the City Manager's Office if you are uncertain about audit requirements.
- d. The purchase of equipment is generally **not** an eligible expense. Please contact the City Manager's Office for assistance regarding whether equipment necessary for your project may be purchased with CDBG funds.
- e. Depending on the nature of your project, you may be required to obtain and retain documentation

of the eligibility of the individuals or families served by or benefiting from your activities. This may be as simple as obtaining data from the City Manager's Office that 51% of the residents of the area you plan to serve meet LMI limits. Others may have to obtain, evaluate, record, and retain specific information from each individual or family to document qualifying income or special need. Such documentation may be required before any funds can be expended or before individuals or families can be served. Because projects vary widely, no single set of documentation guidelines applies to all. These requirements can, however, affect project designs and costs. Therefore, you are encouraged to contact the City Manager's Office regarding requirements which may apply to your specific project.

- f. The preferred payment procedure is by reimbursement of funds.
- g. Final reimbursements must be requested by mid-June 2025 (specific date to be given in grant agreement) in order for the City to process final requests before the end of the fiscal year. Please note that the City is under no obligation to honor requests for payments received after the deadline. Costs incurred prior to the effective date or after the expiration date of your agreement with the City cannot be reimbursed without prior authorization from the City Manager's Office.

8. **TECHNICAL APPLICATION INSTRUCTIONS:**

- a. On the application cover form, the "description of activity" (application summary) must be written carefully to be clear, concise, and specific. It will be used for all references to your project.
- b. Identify the sections of the narrative by Roman numerals (I., II., III., etc.), letters (A., B., C., etc.), and numbers (1., 2., 3., etc.) corresponding to the "Application Narrative Guidelines", and underline the section headings. State what will be accomplished, by whom, when, and how. **The narrative should be no longer than eight pages.**
- c. Do not use abbreviations or acronyms unless you explain them first. Please avoid terminology which someone outside your field may not understand.
- d. Applications must be **typed in black ink** to allow adequate photocopying. Please use a **font size of at least 11 point**. All pages, including any attachments, must be on **8.5" x 11" white paper and single-sided only**.
- e. The amount of your request must be shown on the application cover form, as well as in your itemized budget.
- f. Submit **one (1) original (unbound) plus four (4) bound copies** of the application. Note: All attachments to the application must be included in the original and all copies.
- g. Applications from organizations other than the City Government must be accompanied by **one (1) Organizational Information Package**. This package must include the following, where applicable:
 - (1) **Articles of Incorporation**
 - (2) **Current Bylaws of the Organization**
 - (3) **IRS 501 (C) Tax Exemption Determination Letter, if applicable**
 - (4) **Current List of the Organization's Board of Directors** (Indicates their addresses, telephone numbers, and terms of appointment.)

- (5) **Organization's Most Recent Audit/Financial Statement**
- (6) **Certification of 504 Accessible Facilities** (Signed statement by applicant certifying handicapped accessibility of facilities in which proposed activities will be conducted, if applicable, or how CDBG funds will be used to provide accessibility.) See attachment E.
- (7) **Evidence of Insurance** (Listing of policies by type and coverage amount, indicating policy end dates, or copies of certificates of insurance.)
- (8) **State Corporation Commission Certificate and Evidence of Current Renewal**
- (9) **W-9 Form**

If your organization has been funded in a previous year, this organizational information package is not required unless specifically requested by City staff.

APPLICATION CHECKLIST

Use this sheet to help ensure that you have completed your application properly and that you have provided all materials which must be included in the application, in the order outlined below.

_____ All pages of the application, including attachments, are **single-sided, 8.5" x 11" white paper, at least 11 pt. font**, and sufficiently legible to allow for photocopying.

_____ **One (1) original (unbound) plus four (4) bound copies** must be submitted.

Application Content – This application must include the following, where applicable:

1. Application Cover Form – One page; note especially the following:

- _____ a. Name of applicant project manager or contact, phone number, fax number, email address, organization physical AND mailing addresses.
- _____ b. The description of activity (application summary) is typed in the space provided.
- _____ c. Activity location has been provided (neighborhoods(s), census tract(s), and street address). Please note if the project is City-wide.
- _____ d. Applicant Chief Executive Officer or other authorized representative has signed the cover form.

_____ 2. Application Narrative – See the guidelines on Page 14 for specified content. **The Narrative should be no longer than eight (8) pages.**

_____ 3. Action Plan – Showing quarterly schedule of planned accomplishments. (Page 20)

_____ 4. Itemized Project Budget – Include budget narrative for any cost that is not clearly self-explanatory (see budget preparation guidelines on Page 21 for additional details).

_____ 5. Statement of the Applicant – Read & sign. (Attachment C, Pages 27-28)

_____ 6. Attachments – As applicable; e.g., map of service area, criteria to be used for project eligibility, etc.

7. Organizational Information Package -- This package must include the following items, where applicable:

- _____ a. Articles of Incorporation
- _____ b. Current Bylaws of the Organization
- _____ c. IRS 501(C) Tax Exemption Determination Letter, if applicable
- _____ d. Current List of the Organization's Board of Directors
- _____ e. Organization's Most Recent Audit/Financial Statement
- _____ f. Certification of Accessible Facilities or Planned Accessibility
- _____ g. Evidence of Insurance
- _____ h. State Corporation Commission Certificate/Evidence of Current Renewal
- _____ i. W-9 Form
- _____ j. A-133 Audit (required only if applicant receives > \$750,000 annually from federal funding sources)

APPLICATION NARRATIVE GUIDELINES

General Instructions: Respond to each item in the order given below. Number and title your responses to correspond with the guidelines, but it is not necessary to repeat the guidelines themselves.

- I. **Funding Category:** To be eligible for consideration, your application must address one of HUD's three national objectives – 1) benefit low- and moderate-income (LMI) persons (see Attachment A, Page 24), 2) eliminate slums and blight, or 3) meet an urgent need. Your application must also identify the funding category listed in Section 4, pages 4-6, under which you are applying. Each application may be submitted under only one category.
 - A. Identify the HUD national objective your application addresses, and describe how your project addresses that objective. If you cite LMI Benefit as your national objective, you must describe your procedures for tracking and documenting that benefit. ***NOTE – It is rare that a project qualifies under the federal definition of “urgent need”, therefore applicants intending to apply under this objective MUST discuss their application with Kristin McCombe at 540-432-8926 PRIOR TO SUBMITTING THE APPLICATION.**
 - B. Identify the funding category in which your application is competing for funds. (See Section 4, pages 4-6, for descriptions of each funding category.) **REMEMBER:** The PUBLIC SERVICE category is ONLY for activities that will create a new public service or provide a quantifiable increase in the level of an existing service which has been provided by the applicant through state or local government funds in the 12 months preceding the submission of the City's 2024-2025 Annual Action Plan to HUD. If the public service was funded by CDBG in the preceding year, this criteria has already been met and does not need to be demonstrated again, as long as existing service levels will be maintained. **Applicants applying for funding under Public Services MUST COMPLETE ATTACHMENT E – PUBLIC SERVICE ELIGIBILITY DETERMINATION WORKSHEET.**
- II. **Problem Statement or Assessment of Need:** Your project must address at least one of the GOALS identified by the City during the development of the City's Consolidated Plan. Qualifying GOALS are listed in Attachment D, Page 30. Additionally, your application must demonstrate that financial assistance from the City is necessary to address this need and achieve this objective.
 - A. Describe the overall problem your application proposes to address. Document the existence and extent of the problem through statistical evidence, information from studies, statements by experts or other data. Indicate the sources for your data. YOU MUST SPECIFICALLY IDENTIFY THE CITY GOAL LISTED IN ATTACHMENT D THAT YOU PROPOSE TO ACCOMPLISH.
 - B. Clearly define the part or parts of the overall problem on which your application intends to concentrate.
 - C. Explain why financial assistance from the City is necessary to address this problem, including other funding sources which have been sought prior to or concurrently with this request for City funding.
 - D. Explain the effect upon this project if the City does not select your application to receive funding or if funding awarded is substantially less than requested.
- III. **Current Status of Project:** If this project is already underway, describe what has been done so far, including the sources and amounts of financial assistance already received. If this application requests additional funding for a project currently receiving funding from the City, indicate the anticipated date of project completion and estimate any additional financial assistance which must still be secured, including the amount requested by this application, to complete the project. (Information provided here must be

consistent with other application sections.)

- IV. Project Objectives & Action Plan: Based on the problem you identified in II.B. above, list the objectives you intend to achieve within the program year for which you are requesting funds. Part of the evaluation of your application depends on your objectives being **specific, measurable**, attainable, realistic, and time-referenced. (For example: "By June 30, twelve substandard owner-occupied homes of eligible families will be rehabilitated to comply with code requirements.") The objectives listed here must be the same as those given in your Action Plan, which indicates how much of each objective will be accomplished each quarter. If this is a new project that will take more than one year to complete, please indicate the total estimated time from beginning to completion.
- V. Project Design: Describe how you will go about achieving the objectives listed in the previous item.
- A. Explain the activities that will take place as part of your project and the methods you will use. Describe any special materials, curricula, or processes involved, and when and where the activities will be conducted.
- B. Identify the staff, by name and title, and any consultants who will participate in conducting the project; what percentage of each staff person's time will be devoted to the project; and for which parts of the project each person will be responsible.
- C. Describe any special targeting of assistance to particular groups, neighborhoods or defined areas of the City (such as Technology Zones, Rehabilitation Districts, or other special areas). Please describe the target population and the number of persons to be served.
- D. For "development projects" which consist of acquisition, construction, rehabilitation, or related activities involving housing or public, neighborhood, commercial, or industrial facilities, respond to the following items.
1. Identify the properties involved and indicate whether you have site control or the anticipated date when you will have site control.
 2. Attach your project proforma or other financial feasibility data and describe how this information supports the feasibility of the project.
 3. Indicate whether preliminary engineering, designs, and/or specifications have been prepared and approved by the City's Planning Department or other authorizing agencies.
 4. Indicate the total cost of this project (from start to finish) and whether all financing required, other than the amount applied for in this application, is in place. (Your response here must be consistent with other sections of this application.)
 5. Describe the contacts and coordination you have had with neighborhood groups and other appropriate stakeholders and any support or resistance they have indicated regarding your plans to conduct this project.
 6. Assuming your application is selected, indicate the number of days following the execution of an agreement with the City until your project could begin and until it could be completed. (For projects currently receiving funding from the City, your response here must be consistent with or refer to the response given in item III. above. For new projects, your response here must be consistent with item IV. above.)

- VI. Experience: Your application must convince reviewers that you have the experience and administrative capability to undertake and complete all aspects of the proposed project.
- A. Indicate the number of years experience your organization has in conducting activities which are the same as or similar to what you are proposing. If you are a new organization, indicate the years of experience each of the project's principal staff and any consultants (named in V. B. above) have in conducting the same or similar activities.
 - B. If you are not presently receiving CDBG funding from the City for this or any other project, provide information regarding recent projects of a similar nature which you have conducted for other funding agencies. Provide each project's name and identification number, if any; the time period when conducted; the funding agency name, contact person, and phone number; a brief description of the project; the amount of funding planned and expended; and the planned goals and actual results achieved.
- VII. Linkages: The City encourages public and private, nonprofit and for-profit collaborations in order to expand or enhance projects awarded CDBG funds. Your application will receive additional evaluation credit for evidence of collaborations which result in tangible assistance to your project. List each organization linked to your project and briefly describe the specific assistance the organization has committed to provide. (For example: "The Health Department will provide free physical exams for all program participants.") Attach evidence of the assistance to be provided in the form of letters, cooperative agreements, or other documents from the organizations you have listed. Please note that general letters of support that do not indicate specific, tangible assistance to be provided will not receive additional evaluation credit, though they *will* demonstrate community support of the project.
- VIII. Evaluation: The City considers it highly important that every project awarded CDBG funds have a credible evaluation plan to maintain awareness of and measure its progress and performance during as well as at the conclusion of its activities. Describe your evaluation plan for this project. Include in your description the specific methods you will use and the points in time when interim assessments will occur. Describe how you will allow for mid-course corrections in project activities, should interim assessments indicate obstacles to achieving project objectives. Describe any reports which you will produce to maintain awareness of and measure your progress and performance, as well as any final reports you will produce to record your overall results, successes, and recommendations for improving future projects.
- IX. Budget: Your budget must give reviewers as complete a picture of the financing of your project as possible, including the resources and expenses for the coming funding period and, if a multi-year project, the resources and expenditures for the entire project. Applicants will receive additional evaluation credit for providing matching funds from its own resources or leveraged funds from other public or private entities (other than the City). If you are applying for funds for an ongoing activity, you must address how you will maintain operations after the grant funds are spent.
- A. Using the form supplied with this package, provide an itemized project budget for the July 1, 2024, to June 30, 2025 period. The budget must individually list all planned amounts and sources of funds for this period, including those requested by this application, as well as the anticipated dates you will be notified regarding any amounts not yet awarded. The budget must also provide an itemized listing of all expenditures for the period, distributed across the funding sources. See the sample budget and budget guidelines for details.
 - B. If this project requires more than one year to complete, use the form supplied with this package to also provide an itemized project budget for the entire project, following the same general

directions given above. (Note: You must still provide the single-year budget for the July 1, 2024, to June 30, 2025 period in addition to this overall project budget.) Submission of the overall project budget does not commit the City to providing funding beyond any awards you may receive for the 2024-2025 period.

- X. Program Income: Program income is the gross income directly attributable to the use of CDBG funds provided by the City. Such income can include proceeds from the sale, rental, or use of property purchased or improved with CDBG funds, repayment of loans made with CDBG funds, and fees or other types of directly-generated income. In most cases, this income must be returned to the City. Where the City provides only part of the funding for the project, it receives only its share of the income generated. In some cases, the amount to be shared with the City may be reduced by the costs you incur in generating the income (if these costs are not covered by CDBG funds provided by the City).
- A. Indicate whether the funding for which you are applying is to be in the form of a grant or a loan of CDBG funds from the City, which you agree to repay under terms to be negotiated with the City. (Note that the City's share of program income generated by grant-funded projects must still be returned to the City.)
 - B. Indicate the amount of program income you anticipate this project will generate through proceeds from the sale, rental, or use of property purchased or improved with CDBG funds, repayment of loans which you will make to others with the CDBG funds provided to you, or fees or other charges you will apply to others.
- XI. Environmental Considerations: Federal regulations require that the City complete an Environmental Review for each project it chooses to fund. To assist the City in this endeavor, please answer the following questions. For any "YES" answer, you must indicate whether your project will have **ANY** effect, whether favorable or adverse, on the area or issue that the question addresses, and you must describe what that effect will be and any measures that will be taken to mitigate adverse effects and circumstances.
- A. Will your project affect any property that is 50 years or older or is listed or is eligible for listing on the National Register of Historic Places? (This includes properties located in a Historic District or in an area eligible for Historic District status) If so, describe.
 - B. Is any part of the project located in a floodplain? If "YES", please indicate whether 100 or 500 year floodplain.
 - C. Is any part of the project located in or will it affect a wetland?
 - D. Is any part of the project located within an area covered by a federally-approved Coastal Zone Management (CZM) Program? Does the project receive any "watershed" funding? If so, describe.
 - E. Will any part of the project occur in an area designated by the Environmental Protection Agency (EPA) as a sole source aquifer?
 - F. Does the project involve the conversion of farmland to non-agricultural use?
 - G. Will the project affect an endangered species of plants or animals, or a critical habitat?
 - H. Will the project have an effect on a river which is a component of the National Wild and Scenic Rivers System or that is under consideration for inclusion in the System?
 - I. Is the project within a non-attainment area for which the EPA has approved the State Implementation Plan (SIP), and are there SIP controls for such a project?

(Addresses Air Quality Issues)

- J. Does the project involve noise sensitive uses, and is the ambient noise level at the project site above 65 dB or will it be at any time?
 - K. Is the project in the vicinity of hazardous operations involving explosive or flammable fuels or chemicals?
 - L. Is any part of the project located in a Runway Clear Zone at a Designated Commercial Service Airport or a Clear Zone or Accident Potential Zone at a Military Airfield?
 - M. Is the proposed project site on or in the general proximity to such areas as dumps, landfills, industrial sites, or other locations that have created or are creating problems, or that were/are suspected of creating problems related to hazardous materials, contamination, toxic chemicals and gases, or radioactive substances?

If “NO”, was the site ever used for any purpose that could create the perception of possible site-contamination?
 - N. Has the project been determined to have adverse health or environmental effects, which disproportionately impact a minority or low-income population relative to the community at large?

If “NO”, does any circumstance exist that could create this perception? Describe.
(Addresses Environmental Justice)
 - O. If you are applying under the “Public Facilities” category, is the facility a NEW facility (i.e., there is nothing currently located at the proposed site)?
 - P. Is the project located within 1000 feet of an arterial road, within 3000 feet of a railroad, or within 15 miles of an airport? If so, describe.
- XII. Prior City Assistance: Indicate whether your organization has received ANY City assistance, financial or otherwise, within the last five (5) years. You must include ALL City assistance received, including but not limited to general budget appropriations, CDBG assistance, use of City real estate, and technical assistance. For financial assistance, you must list amounts.

ACTION PLAN

Project Name: _____

Applicant Organization: _____

Applicant Project Manager: _____

- I. List the objectives stated in part IV of your application narrative in descending order of importance (i.e., Objective #1 is the most important).

Objective #1:

Objective #2:

Objective #3:

- II. Projected Accomplishments (IMPORTANT: Include measurable numbers):

- A. By September 30, 2024

Objective #1:

Objective #2:

Objective #3:

- B. By December 31, 2024

Objective #1:

Objective #2:

Objective #3:

- C. By March 31, 2025

Objective #1:

Objective #2:

Objective #3:

- D. By June 30, 2025

Objective #1:

Objective #2:

Objective #3:

BUDGET PREPARATION GUIDELINES

An important component of the grant application process is the preparation of a detailed budget for our review. The document you prepare will enable us to link the funding you have requested with specific elements of the project you have proposed. Therefore, you must take care to ensure that the budget you propose is both appropriate and accurate.

Any budget submitted will be reviewed in detail and negotiated to ensure that it fits the goals and objectives of your proposed project and that it is consistent with HUD regulations and policies. Therefore, during negotiations, your budget might need revision.

Using the suggested BUDGET FORM provided, or comparable format:

- First, under REVENUE, list all sources of funds that will be used for this project and the amounts for each. Explain the status of each (i.e., received, applied for, pending, etc.). If non-CDBG funding sources are to be used to accomplish your objectives, normally those funds have to be committed in writing prior to the City signing an agreement for HUD funds. If you will be using "in-kind" match for some of the costs, explain in a budget narrative the basis for your evaluation of the in-kind contribution. Volunteer time should be valued at the equivalent rate for the expertise contributed (if skilled labor) or at the standard federal volunteer rate (\$26.75 per hour), whichever is greater. All volunteer time must be explained in the budget narrative. Further clarification is available by contacting the City Manager's Office.
- Second, under EXPENSES, list all expenditures. Use the sample budget provided as a guide. Unfortunately, no one budget format works for every project, so comparable formats will be accepted. The total amount of revenue projected and the total expenditures must balance. Show the expenditures in separate columns reflecting the revenue source(s) and which will support the particular line item. Line items entitled "Salaries", "Staff Wages", and "Miscellaneous" will not be funded.

If any line item of your budget is not clearly self-explanatory, please submit an explanation of the item (i.e., budget narrative).

If you are seeking other City funds as part of this project, list the specific City source on the budget page under Revenue.

If awarded a CDBG grant or loan, monthly or quarterly financial and narrative reports will be required. Further information about the form and timing of these reports will be forthcoming to recipients.

If your project will take more than one year to complete, you must furnish a budget for the overall project and a separate budget for the July 1, 2024, to June 30, 2025 period. (See the Narrative Guidelines, Item IX.B., page 17, for additional information.) Note that submission of the overall project budget does not commit the City to providing funding beyond any awards you may receive for the 2024-2025 period.

Questions concerning the preparation of the budget can be directed to the City Manager's Office.

BUDGET FORM

Revenue (List all Project Funding Sources, with HUD first)	Amount	Type Code*	Status Received, applied for, etc.	Anticipated Notification Date
CDBG Funds		F	Applied For	5/15/24
Total				

*Key for Type Code -- Federal(F), State(S), Local Government(L), Private(P), In-Kind (IK)

Expenses (list)	Total	CDBG				
Total						

SAMPLE BUDGET

Revenue (List all Project Funding Sources, with HUD first)	Amount	Type Code*	Status Received, applied for, etc.	Anticipated Notification Date
CDBG Funds	\$12,000	F	Applied for	5/12/24
State Grant	\$25,000	S	Applied for	6/1/24
United Way Grant	\$7,000	P	Received	N/A
Applicant Contribution	\$1,250	P	Pending CDBG Award	7/1/24
Total	\$45,250			

*Key for Type Code -- Federal(F), State(S), Local Government(L), Private(P), In-Kind (IK)

Expenses (list)	Total	CDBG	State	United Way	Applicant	
Staff Wages	\$20,000		\$20,000			
Staff Benefits	5,000		5,000			
Staff Travel	1,500			1,500		
Telephone	2,500			2,000	500	
Copying	750			500	250	
Training Supplies	9,500	6,000		3,000	500	
Bus Passes	1,000	1,000				
Child Care	5,000	5,000				
Total	\$45,250	\$12,000	\$25,000	\$7,000	\$1,250	

ATTACHMENT A

(Please note that this table will be updated in early 2024)

Area: Harrisonburg / Rockingham		FY 2023 Median Family Income: \$ 95,500						
	-----ADJUSTED INCOME LIMITS (by household size)-----							
	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 + Persons
30% Limits	\$17,050	\$19,450	\$21,900	\$24,300	\$26,250	\$28,200	\$30,150	\$32,100
Very Low Income (50%)	\$28,350	\$32,400	\$36,450	\$40,500	\$43,750	\$47,000	\$50,250	\$53,500
Low & Moderate Income (80%)	\$45,400	\$51,850	\$58,350	\$64,800	\$70,000	\$75,200	\$80,400	\$85,550

**Extremely Low, Very Low, and Low Income Limits
Harrisonburg, Virginia**

ATTACHMENT B

APPLICATION EVALUATION CRITERIA

All applications received will be evaluated through a multi-level review process, which may include one or more interviews of any or all applicants. In the first stage, applications must pass an "eligibility" review to ensure the activities to be conducted are fundable under the federal CDBG regulations. Any application which does not meet these legal eligibility criteria can not be considered further. The second stage involves a qualitative and quantitative evaluation by a review committee. Preliminary funding recommendations will be issued by the review committee for consideration by the City Council. Applications at this stage of the review will be incorporated into a draft budget/plan to be presented for citizen comments at a public hearing tentatively scheduled for April 9, 2024. ***Applicants are strongly encouraged to attend and participate in all public hearings.*** Citizens will have 30 days to comment on the proposed plan. Thereafter, the draft will be placed before City Council for final decision-making in May 2024.

Evaluation Criteria:

1. The applicant makes a compelling case regarding the need for this project, including supporting statistical evidence and statements from authorities, and that the financial assistance requested from the City is critical to the project's success. (30 pts.)
3. Project methods and activities are clearly related to the problem statement and objectives to be achieved. (20 pts.)
4. Funding requested is reasonable and necessary in relation to the project's design, goals to be attained, and benefits to be gained. (30 pts.)
5. The objectives to be achieved by the project are clear, specific, measurable, attainable, reasonable, and time-referenced. The applicant demonstrates a credible evaluation plan, including such features as interim assessments of performance against plans/schedules, the ability to make mid-course corrections, and a final report of results and improvements needed. (25 pts.)
6. The applicant has prior experience in the same or similar activities as proposed (measured by years of experience indicated by applicant or known from other sources). The applicant has demonstrated that they have the knowledge, skills and team to carry out the activity for which they applied. (25 pts.)
7. The applicant has a track record of demonstrated capability and performance (measured in relation to such factors as percentage of budgeted funds expended, objectives attained within stated timeframes, timely reporting, and similar factors in projects during the current year to date and most recently completed year with the City or other funding sources). The applicant has either performed CDBG activities well in the past, or shows the capability to carry out CDBG activities properly as a new recipient. (25 pts.)
8. The applicant demonstrates linkages and collaborations through letters, cooperative agreements, or other documents evidencing specific commitments of assistance from other organizations which will enhance the project's opportunities for success. The project also leverages funding from the applicant's own resources (measured in relation to the amount of funding requested). (25 pts.)

TOTAL SCORE: 180 PT. MAX

"Development projects" consisting of acquisition, construction, rehabilitation, or related activities involving housing or public, neighborhood, commercial, or industrial facilities will also be evaluated as "Satisfactory" or "Unsatisfactory" upon the additional factors listed below. These factors may be evaluated prior to as well as after consideration of the above criteria. Funding applications which exhibit significant weaknesses in the factors below may be rejected, regardless of the scores resulting from the above criteria.

- Site control has been established or is anticipated at a date which allows for timely project initiation and completion.
- The proforma or other financial data provided supports the feasibility of the project.
- Preliminary engineering designs and/or specifications have been prepared and approved by the City's Planning Department or other authorizing agencies.
- Required financing is in place or is anticipated to be in place at a date which allows for timely project initiation and completion.
- Appropriate contacts and coordination have taken place with neighborhood groups and other appropriate stakeholders and evidence overall support for the project.
- The project is an appropriate use of HUD funds, taking into account the regulatory burdens imposed in relation to the funding requested or being contemplated for award.

In general, applications with the highest evaluation scores, and, where applicable, satisfying the factors for development projects, will be recommended by the review committee for the further consideration. Final decision-making regarding the selection and funding of applications rests with City Council.

ATTACHMENT C

STATEMENT OF THE APPLICANT

The undersigned acknowledges the following:

1. To the best of my knowledge and belief, all factual information provided in this application is true and correct and all estimates are reasonable.
2. This request may be forwarded for consideration under other budget processes if it is determined that alternative sources may be appropriate.
3. No revised proposals/applications may be made in connection with this application once the deadline for applications has passed.
4. The City of Harrisonburg may request or require changes in the information submitted and may substitute its own figures, which it deems reasonable for any or all figures provided. The applicant will participate in any required interviews for project assessment and cooperatively assist in the review process.
5. If the project is recommended to and approved by City Council, the City reserves the right to reduce and/or cancel the allocation if federal entitlements are cancelled, reduced, or rescinded.
6. The City of Harrisonburg reserves the right not to fund any submittals received.
7. By submission of this application, the applicant agrees to abide by all local, state, and federal regulations applicable to this program.
8. If the project is funded, the applicant agrees to abide by the City's locally established policies and guidelines.
9. Past program and financial performance will be considered in reviewing this application.
10. Services are to be provided at no cost to citizens during the grant period. All program income resulting from the use of CDBG funds (i.e., fees, repayments, foreclosures, etc.) must be remitted to the City.
11. If the project is funded, the City or a designated agency may conduct an accounting system inspection to review internal controls, including procurement and uniform administrative procedures, prior to issuance of payments for projected expenditures.
12. If the project is selected, the City may assess the project to determine whether an environmental review is necessary. If the City determines that an environmental review is necessary, the applicant must complete said review to City/HUD satisfaction, at applicant's expense, prior to the obligation of funds.
13. If the project is funded, a written agreement that includes a statement of work, records retention and reporting, program income procedures, local and federal requirements, circumstances that would trigger grant suspensions and terminations, and reversions of assets would be required between the recipient and the City.
14. **A project's funding does not guarantee funding in subsequent years.**

15. Proof of insurance (general comprehensive public liability insurance with a company licensed to do business in Virginia, and in the aggregate naming the City, its employees and agents as additional insured) will be submitted to the City prior to receiving funds.
16. Proof of Fidelity Bonding, in an amount to be determined by the City of Harrisonburg, with a company licensed to do business in Virginia, will be submitted to the City prior to receiving funds.
17. The applicant will provide written signatory authority from its governing body indicating who is authorized to execute contracts and amendments on its behalf.

By signing below, the applicant acknowledges the above in its name on this

_____ day of _____, 20_____.

(Name of Applicant)

By:

(Signature of Authorized Representative)

(Title)

ATTACHMENT D

CITY FIVE YEAR GOALS TO BE MET

The needs identified in the 2022-2026 Consolidated Plan are as follows. Each project funded with CDBG funds must address at least one of the following goals. *Should you have any questions about eligibility or meeting the needs of the city, please contact Kristin McCombe at 540-432-8926.*

Goal: Increase Access To and Quality of Affordable Housing

Includes activities offering new homeownership opportunities and activities designed to reduce substandard housing, including rental housing. This can include rehabilitation of low- and moderate-income owner-occupied units, providing accessibility improvements for persons with physical disabilities, and increasing the supply of decent, safe, sanitary and accessible rental housing that is affordable to low- moderate-income households. This could include the construction of new units or rehabilitation of existing vacant units/buildings into affordable rental units.

Goal: Improve Public Infrastructure

Improve, expand and/or maintain public infrastructure servicing households in low-to moderate income areas. Public infrastructure such as streets, playgrounds and underground utilities are essential to quality of life and to building communities that support community diversity and stability.

Goal: Provide Public Services (This is the category under which most non-profit applicants will apply.)**

Expand and continue non-housing community development supportive services.

Goal: Strengthen fair housing enforcement, operations, and education

Strengthen fair housing enforcement, operations, and education by working to ensure that discriminatory activities are properly investigated by a trained agency and improve the level of fair housing knowledge and understanding among local housing developers, real estate professionals, local elected officials, design and construction professionals, and the general public with a focus on members of the protected classes.

Goal: Planning and Administration

This includes all administrative and planning costs to operate the CDBG program successfully.

Goal: Improve Public Facilities

Improve, expand and/or maintain public facility improvements servicing households in low- to moderate income areas. Public facility improvements are important to supporting the quality of life by providing adequate space for the provision of services and holding of events that bring the community together.

ATTACHMENT E

PUBLIC SERVICE ELIGIBILITY DETERMINATION WORKSHEET

If your application is being submitted under the Public Services category, you **MUST** complete this worksheet. Please sign in **ONE** box if your project is eligible.

1. Did your proposed public service project receive **CDBG** funding in the 2023-2024 year? If **YES**, please sign the certification in this box and your eligibility certification is complete. **If NO, please skip to question 2.**

I hereby certify that the public service that is being proposed in this application received CDBG funding in 2023-2024. Further, I certify that, if awarded funding, we will, at a minimum, maintain the levels of service that were proposed and/or achieved in 2023-2024.

Signature

Date

Printed Name

Title

2. Is your proposed public service project a **NEW** service? If **YES**, please sign the certification below and your eligibility certification is complete. **If NO, please skip to Question 3.**

I hereby certify that the public service that is being proposed in this application is a NEW public service. The public service proposed in this application has never before been offered by our organization or any other organization in the area of which we are aware.

Signature

Date

Printed Name

Title

3. Does your proposed public service project quantifiably increase the level of a service that you have already been providing in the last 12 months? If **YES**, please describe the quantifiable increase in the space below and sign below and your eligibility certification is complete. **IF NO, YOUR PROJECT IS NOT ELIGIBLE.**

I hereby certify that the public service that is being proposed in this application did not receive CDBG funding in 2023-2024. Further, I certify that, if awarded funding, we will, at a minimum, quantifiably increase the level of a service that we have already been providing in the last 12 months. This funding will not be used as a substitution for recent support using our own, local, or state government funds.

Signature

Date

Printed Name

Title

ATTACHMENT F



CERTIFICATION REGARDING SECTION 504 OF THE REHABILITATION ACT OF 1973 CDBG PROGRAM APPLICATION PROCESS

Section 504 of the Rehabilitation Act of 1973 prohibits discrimination against persons with disabilities in the operation of programs receiving federal financial assistance. HUD regulations implementing Section 504 contain accessibility requirements for new construction and rehabilitation of housing as well as requirements for ensuring that the programs themselves are operated in a manner that is accessible to and usable by persons with disabilities. Both individual units and the common areas of buildings must be accessible under Section 504.

Section 504 states that “no qualified individuals with a disability in the United States shall be excluded from, denied the benefits of, or be subject to discrimination under” any program or activity that receives Federal financial assistance. Requirements common to these regulations include program accessibility; effective communication with people who have hearing or vision disabilities; and accessible new construction and alterations (See 24 CFR Part 8). Further information concerning compliance with any of these requirements may be obtained through the HUD webpage: <http://portal.hud.gov/portal/page/portal/HUD/programdescription/sec504>.

Signature and Certification:

The undersigned certifies that it has read and understands all of its obligations under the Section 504 requirements. The undersigned acknowledges that this certification will be relied upon by the City of Harrisonburg in its review and approval of proposed funding and any misrepresentations of information or failure to comply with any conditions stated in this certification could result in disqualification of the application, disallowance of reimbursement requests, or termination of CDBG contract. The undersigned also agrees to cooperate in any compliance review and to provide reasonable access to the premises of all places of business and employment and to records, files, information and employees therein to the City of Harrisonburg for reviewing compliance with Section 504 requirements.

- Good faith self-certification
- Not in compliance with Section 504/ADA requirements, but seeking CDBG funds to address Section 504 issues

Name of Agency

Signature of Authorized Signing Official/Representative

Date

(Print/Type Name of Authorized Signing Official/Representative)