



COMMUNITY DEVELOPMENT

333 Broadalbin Street SW, PO Box 490, Albany, Oregon 97321-0144 | BUILDING 541-917-7553 | PLANNING 541-917-7550

CARES Act and Community Development Block Grant (CDBG) Program Requirements

The City received a special allocation of \$249,360 in Community Development Block Grant (CDBG-CV2) funds from the U.S. Department of Housing and Urban Development (HUD) that must be used to prevent, prepare for, and respond to the coronavirus (COVID-19). This allocation was authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The City also allocated an additional \$40,000 of its 2020 annual CDBG award to respond to effects of this public health crisis.

October 2020 CDBG-CV2 Application Deadline: Applications are due to anne.catlin@cityofalbany.net by **5:00 p.m. Wednesday, October 7th, 2020**. The application is very short and should not take more than 1 to 2 hours to complete.

Eligible Applicants: Applicants must be non-profit 501(c)(3) or (c)(4) charitable organization or a public entity.

Grant Time Frame for CDBG-CV2 Round 1:

- October 12, 2020 - the Community Development Commission (CDC) will review grants and make a recommendation to the Albany City Council for how to allocate the funds
- October 12-15 – City staff may contact applicants with follow up questions from the CDC
- October 28, 2020 –Albany City Council hearing on proposed funding allocations
- October 29, 2020 – submit plan to HUD for approval
- Early-Mid November – get under contract with the City if all of the required documents are provided
- Applicants will generally have 12 months to use the funds and meet performance objectives.

Grant Funding Priorities and Scoring:

1. The proposal addresses an identified gap in community needs to prevent or respond to impacts of the COVID-19 pandemic and provides an effective strategy to improve conditions or solve the identified problem. [30 points]
2. The activity primarily benefits Albany's low-to moderate-income residents, those earning 80 percent or less of area median income (AMI), and/or businesses impacted by COVID-19. [20 points]
3. The activity utilizes already existing resources in effective and innovative ways and does not duplicate services provided by another organization. [15 points]
4. The budget and timeline are realistic, and the proposal demonstrates a gap in funding, no duplication of benefit, and CDBG funds are an appropriate funding source for the project. [20 points]
5. The applicant has the capacity to carry out the project and meet performance objectives within a 12-month period. [15 points]

City May Request Clarification, Additional Research, and Revisions

- a. The City reserves the right to obtain clarification of any point in an Application or to obtain additional information necessary to properly evaluate an Application. Failure of an Applicant to respond to such a request for additional information or clarification could result in a finding that the Applicant is non-responsive and consequent rejection of the Application.
- b. The City may perform, at its sole option, investigations of the responsible Applicant including evaluation of its successful performance of similar projects, conformance to Owner's budget, compliance with specifications and contractual obligations, its completion or delivery of a project on schedule, and its lawful payment to employees and workers or other criteria as determined by the City.
- c. The City reserves the right to request revisions of Applications after the submission of Applications and before award to address scope of services, performance measures, and budget.
- d. To the maximum extent allowed by law, the City may waive minor irregularities or strict compliance with any

requirement herein if it concludes such action to be in its best interest.

City Requirements/Submittals: .

- Application
- Duplication of Benefit Certification
- March and June 2020 Financials. Please submit agency financial statements (income expense reports) for March, 2020 and June, 2020.
- Exhibit A - Conflict of Interest and Disclosure. Conflicts of interest, or the appearance thereof, can plague activities supported with federal funds. The general rule is that no employee, board member, officer, agent, consultant, elected official, or appointed official of the recipients or subrecipients that receive CDBG assistance, who has responsibilities with respect to the CDBG activities, or is in a position to participate in decision making processes, or has access to inside information with regard to the activities, can obtain a financial interest or benefit from a CDBG assisted activity during their tenure or for one year thereafter (see Federal Regulation CFR 570.611). *If an issue seemingly exists but agency management determines that CDBG funds can be protected and not be compromised, the issue should be fully disclosed in the proposal so that the review committee can ascertain the ramifications of any potential conflict of interest.*

If awarded funding, agencies must submit the following items before an agreement can be signed.

- Exhibit B: Debarment or Suspension. Applicants must certify that neither it nor its principals or members is presently debarred, suspended, or proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency, and that the agency shall not knowingly enter into any contract or covered transaction with a person who is similarly debarred or suspended from participation in any project that is federally funded.
- Exhibit C: Religious/Faith Based Organization Certification – All agencies must sign this form..
- Exhibit D: Anti-lobbying Statement.
- Tax Return/990: Please submit the agency's most recent tax return or 990, if applicable.
- Insurance Certificates. Please see the city's insurance requirements. The City must be listed as an additional insured, and the City will require a copy of the insurance certificate and any endorsements. Please email insurance certificates or coverage information to anne.catlin@cityofalbany.net as soon as possible so we can work on meeting the City requirements.

Eligible Activities. CDBG-CV2 and CDBG funds dedicated to addressing the COVID-19 emergency may be used for a range of activities but as long as they ***address a community issue that is related to the COVID-19 pandemic.***

The project or program must be listed as an "eligible" activity in the CDBG statute found at 24 CFR 570. Eligible activities that may be associated with addressing the COVID-19 emergency include, but are not limited to:

- Public Services (such as daycare, emergency housing, etc. – see a full list below),
- Building or Facility Improvements (to prevent the spread of COVID-19, for example), and
- Economic Development Activities (provided by a non-profit or eligible entity)

Eligible Public Service activities include, but are not limited to (per 24 CFR 570.201(e)):

- Senior Services
- Handicapped Services
- Legal Services
- Youth Services (Ages 13-19)
- Transportation Services
- Substance Abuse Services
- Services for Battered and Abused Spouses
- Employment Training (self-sufficiency, independent living Skills, and job training)
- Fair Housing Activities
- Tenant/Landlord Counseling
- Housing Counseling
- Child Care Services (ages 0-12) – including parenting skills classes
- Health Services

- Services for Abused and Neglected Children
- Mental Health Services
- Screening for Lead Poisoning
- Homeownership Assistance (not direct)
- Rental Housing Subsidies, Security Deposits
- Food Banks
- Operating Costs of Homeless Programs
- Emergency Subsistence Payments (up to 6 months)
- Other Public Services

Meeting a CDBG Program National Objective. Activities must meet at least one national objective: a) to benefit low-mod residents; b) meet an urgent need; or c) eliminate slums or blight.

CDBG Low-Mod Requirement. The CDBG program also requires that at least that 70 percent of funds be used to benefit low-to moderate-income (LMI) residents as determined by HUD for the Albany metropolitan statistical area (Albany MSA) per below. The following table outlines the most common ways to meet the Low-Mod requirement and the Urgent Need national objective.

	National Objective Benefit Description	24 CFR
1	Low/mod limited clientele benefit (LMC) - Activities that benefit a limited clientele, who are either generally presumed to be persons of principally low and moderate incomes (abused children, battered spouses, elderly persons, handicapped persons, homeless persons, illiterate persons, migrant farm workers, persons with developmental disabilities or mental retardation, persons living with HIV/AIDS, and persons with mental or emotional disturbances) OR at least 51% of beneficiaries served ARE low-to moderate-income persons based on the current income limits established by HUD for the Albany MSA.	570.208(a)(2)
2	Low/mod limited clientele, micro-enterprises (LMCMC) - Activities carried out under 24 CFR 570.201(o) that benefit micro-enterprise owners/developers who are low/mod income.	570.208(a)(2)(iii)
3	Low/mod limited clientele, job service benefit (LMCJS) - Activities that provide job training, placement and/or employment support services in which the percentage of low/mod persons assisted is less than 51%, but the proportion of the total cost paid by CDBG does not exceed the proportion of the total number of persons assisted who are low/mod.	570.208(a)(2)(iv)
4	Low/mod job creation and retention (LMJ) - Activities undertaken to create or retain permanent jobs, at least 51% of which will be made available to or held by low/mod persons.	570.208(a)(4)
5	Urgent need - Activities that alleviate emergency conditions of recent origin which pose a serious and immediate threat to the health or welfare of the community; eligible only if the grantee cannot finance the activity on its own and no other sources of funding are available.	570.208(c)

How to Determine Low-to Moderate Income (LMI). Typically an activity or program will have an income-eligibility requirement that limits the activity to exclusively low-to moderate income persons or the agency serves clients that are presumed to be low-mod as described in 1 in the above table. The City provides agencies with a client certification form to collect demographics and household income to demonstrate that at least 51 percent of beneficiaries of the service or activity are LMI persons. While agencies may serve residents from Linn and Benton counties, you will only report on Albany residents served, so a majority of Albany residents must meet the low-mod requirement.

Albany, OR MSA: 2020	Persons in Household							
HUD Income Limits	1	2	3	4	5	6	7	8
30% of median income	\$13,550	\$15,500	\$17,450	\$19,350	\$20,900	\$22,450	\$24,000	\$25,550
50% of median income	\$22,600	\$25,800	\$29,050	\$32,250	\$34,850	\$37,450	\$40,000	\$42,600
80% of median income	\$36,150	\$41,300	\$46,450	\$51,600	\$55,750	\$59,900	\$64,000	\$68,150
> than 80% of median	Over	Over	Over	Over	Over	Over	Over	Over



What can the funds be used for? Expenses related to preventing or responding to impacts of COVID-19 could include supplies, costs to modify spaces, staff costs to deliver services in response to impacts to Albany residents. Funds may not be used for political activities, lobbying, or religious activities.

How does the grant work? CDBG funds are paid on a reimbursement basis. Agencies are asked to submit requests for reimbursements on a quarterly basis accompanied by a quarterly performance report, but reimbursement requests can be made monthly if needed.

Other CDBG Requirements. Federal funds and the Community Development Block Grant program come with requirements that are outside of the City's control. Below are some of the requirements.

1. A DUNS Number. A DUNS (Data Universal Numbering System) number is required by the federal government, and CDBG funds are provided to the City by the U.S. Department of Housing and Urban Development (HUD). The DUNS Number is assigned by the company Dun & Bradstreet, is required when submitting any application for Federal funds. If your organization does not already have a DUNS Number, please visit the Dun & Bradstreet website at www.dnb.com or call 1-800-700-2733. The DUNS Number is free and should take less than 15 minutes to get.
2. Registration in SAM.GOV is REQUIRED. Recipients of federal financial assistance are required to register in the System for Award Management (SAM) – <https://sam.gov/SAM/>. Registration is FREE, but you will need your DUNS # first, and it takes PATIENCE and PERSEVERENCE, and several days to get all the way through the system. Get started on this right away! The organization must be registered before we can get under contract.
3. Duplication of Benefits Certification. These funds cannot be used to pay for services that are already paid for by other sources of funding. Please see the Certification Form included at the end of the application.
4. Fair Housing, Non-Discrimination and Equal Opportunity: Grant recipients must comply with various federal, state, and local laws that provide equal opportunity and prohibit discrimination against persons on the basis of race, color, national origin, religion, sex, age, or disability. Discrimination is prohibited in the provision of services, in access to the services and to the facilities where the services are provided, and in all other aspects of administering a CDBG project such as employment and procurement.
5. Fiscal Management: Grant recipients are required to comply with federal uniform administrative requirements regarding fiscal management including financial reporting, record keeping, accounting systems, payment procedures, procurement of goods and services, conflict of interest, and audit requirements. Non-profit organizations must administer programs in compliance with [24 CFR Part 84](#). Public agencies must administer programs in compliance with 24 CFR Part 85.
6. Audits. SUBRECIPIENTS must comply with the Uniform Guidance in 2 CFR Part 200 "Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards" as applicable. If the SUBRECIPIENT spends \$750,000 or more in a fiscal year in federal awards, the SUBRECIPIENT hereby agrees to have an annual agency audit conducted in accordance with the OMB Super Circular.
7. Purchasing and Procurement Standards. The federal rules and regulations related to purchasing and procurement are based on the principles and expectations that tax-funded projects should be managed responsibly and effectively. Prices for goods and services should be reasonable, competitive, and well documented. The integrity of purchasing procedures must be documented, substantiating the decision-making process and recording results of the purchases of goods and services. For items purchased and charged to the grant, keep a file with copies of invoices, sales receipts, and checks or charge slips.
8. Records Management: Records to be maintained are found in [24 CFR 570.506](#) and reporting requirements in [24 CFR 570.507](#).
9. Applicants must be **compliant with Local, State, and Federal laws**, including tax laws.