FFY 2015 Application Workshop

Florida Small Cities
Community Development Block Grant Program

Introduction

Roger Doherty, CLEP
Small Cities CDBG Planning Manager
Application Cycle

Tentative Dates for FFY 2015

NOFA published – December, 2015
Cycle opens ≈ January 25 – February 12, 2016
Cycle closes ≈ March 9 – 27, 2016 at 5 p.m. ET*

(*All applications must be received by 5 pm on the day that the cycle closes to be considered for funding, except ED.)

Dates will be finalized when the rule adoption date is known.

FFY 2015 Application Cycle

Tentative Dates

• Application self-scores will be posted by March 29, 2016
• Application reviews will be completed by April 29, 2016
• Site visits begin on May 9, 2016
• Site visits will be completed by May 27, 2016
• Completeness letters will be mailed by June 1, 2016
• Completeness period ends by June 29, 2016
• Final rankings will be published and contracts e-mailed to subgrant recipients by July 8, 2016

(These dates may change.)
### FFY 2015 Available Funding

- Neighborhood Revitalization: $8,587,336
- Economic Development: $6,869,869
- Housing Rehabilitation: $5,649,563
- Commercial Revitalization: + $1,491,485

**Total**: $22,598,253

**Additional Funding**
- Emergency Set-Aside: $600,483

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### It’s Super!

- The Super Circular, 2 CFR Part 200, has been implemented, and it supersedes many of the OMB and HUD regulations that applied to CDBG subgrants in past years.
- All Applicants for Federal funds must have an active DUNS number, and it needs to be registered both in the DUNS system and in SAM.gov.
Rule Revision

- Chapter 73C-23, FAC, has undergone a major revision, and technical cleanup is pending.
- Parts 2, 6, 7, 8, and 9 of the Small Cities CDBG Application for Funding are being revised as part of the technical cleanup and will be used for FFY 2015.
- The revised version of Form SC-60 will be available on the CDBG website in Word format as soon as the technical cleanup is approved. [www.FloridaJobs.org/CDBGApplicantInfo](http://www.FloridaJobs.org/CDBGApplicantInfo)

Filling in the Form

- A box is being added to the Application Profile for the Applicant to insert its official DUNS name as shown in SAM.gov.
- There is a place in Part 2 of the application form to record the CATF Score – a maximum of 10 points can be claimed.
Filling in the Form (cont.)

- There is a place in Part 2 of the application form to check for Neighborhood Revitalization Planning and Design funding, but no funds have been allocated for Planning and Design in FFY 2015.

- The Project Narrative must address all of the applicable criteria in the instructions for Part 2. Read the Project Narrative instructions and follow them when writing the narrative.

Filling in the Form (cont.)

- The information in the Project Narrative must agree with the activities that are indicated on the service area maps and listed in the Readiness to Proceed documents, if applicable. If the narrative and the maps don’t agree, the service area maps take precedent.

- If an application is funded, the Project Narrative will be “cut and pasted” into the subgrant agreement as Attachment C.
Filling in the Form (cont.)

- CDBG staff cannot add points to your application that you are entitled to receive but did not claim.
- It is the Applicant’s responsibility to make sure that the completed form is accurate and has all required parts, even if a consultant was hired to prepare the application.

Signature

- The chief elected official or the person designated by resolution must sign the application or a penalty is assessed.
  - Include a copy of the resolution in Appendix B.
- If someone who was not a full time employee of the Applicant prepared the application form, they must sign the application form in the space provided.
State Clearinghouse Review

- Do not send a copy of your application to the State Clearinghouse. The requirement to send applications to the Clearinghouse before the application deadline no longer exists. Parts of the CDBG application must be sent to the Clearinghouse for review only after an Applicant is notified that it is being funded.

Mail Your Applications Early!!!

Florida Small Cities CDBG Program
Department of Economic Opportunity
107 East Madison Street – MSC 400
Tallahassee, Florida 32399-6508

Don’t wait until the day before the deadline to overnight your application! Delays can happen!
We are here! The Caldwell Building

Madison St. → Vendor Parking

Gaines St. →

S. Adams ↑ S. Monroe ↑

Caldwell Building Vendor Parking

Vendor Entrance

Park in the CDBG designated spot.
Do not park in the Executive Director’s spot!
More information on filling out the application form to come!
Important Changes for Applicants

Roger Doherty, CLEP
Small Cities CDBG Planning Manager

Statute Changes
During the 2014 Legislative Session, the Florida Legislature made these major changes:
• Changed the CATF requirement to a voluntary citizen participation activity.
• Removed language allowing applicants to request Commercial Revitalization funding in addition to Neighborhood or Housing.
New Definitions in the CDBG Administrative Rule

73C-23.0031

(4) “Application cycle” means the 45-day period during which applications will be accepted by the Department for competitive scoring for a specified federal fiscal year’s funds. The application cycle is announced in the Notice of Funding Availability for each federal fiscal year.

(21) “Funding cycle” means the time period from the starting date of one application cycle through the last day before the starting date of the next application cycle.
73C-23.0031 continued

(1) **“Addressed need”** means the activities that the Applicant proposes to complete with the funds requested in its Small Cities Community Development Block Grant Application for Funding.

73C-23.0031 continued

(52) **“Unaddressed need”** means the activities that the Applicant listed in its Small Cities CDBG Application for Funding for which funds were not budgeted in the application. Unaddressed need activities can be added to a subgrant agreement through the modification process if CDBG funds are available after all addressed need activities have been procured. All addressed need activities must be completed before a local government can be reimbursed for unaddressed need activities.
73C-23.0031 continued

(8) “Biddable construction plans and specifications” means construction plans and specifications, certified by an engineer or architect as complete, that include all addressed need service areas and all addressed need work activities outlined in the application. Biddable construction plans and specifications that are submitted with the application must contain all of the documents, forms and information that a contractor needs to submit a bid, except for a wage decision and the CDBG Supplemental Conditions. These documents must be consistent with the project description in the application and the proposed budget and scope of work.

73C-23.0031 continued

(47) “Readiness to Proceed Points” are awarded in the Commercial Revitalization and Neighborhood Revitalization categories for projects that have biddable construction plans and specifications completed by the application deadline for all “addressed need” activities that require plans and specifications. All required permit applications for infrastructure activities must also have been submitted to the proper agencies by the application deadline.
73C-23.0031 continued

(30) “Leverage” includes local government funds, non-CDBG grants and loans to the local government, funds expended by other entities for the project (including by a Participating Party in an Economic Development project), fee waivers, or donated land required for the project. Special CDBG allocations awarded separately from the annual allocation, such as disaster recovery funding, may be used as leverage. Leverage funds must be spent on activities that are eligible for CDBG reimbursement in the program category that is being funded to receive leverage points for the respective application.

73C-23.0035 Eligibility

This is a new section of rule.

(1) The U. S. Department of Housing and Urban Development (HUD) determines which communities in Florida are eligible to receive funding through the Florida Small Cities CDBG Program. HUD publishes a list of eligible “non-entitlement” local governments annually...

(2)(d) If a National Objective is not met for a CDBG-funded activity, the Recipient shall repay all funds received for that activity.
73C-23.0041 Application Process

(3)(c) The funding limit for Economic Development subgrants shall be based on the number of jobs to be created or retained by the participating parties. The maximum subgrant amount shall be $1,500,000. No more than $34,999 may be requested for each full time equivalent job to be created or retained.

73C-23.0041(5)(c)

1. At least one public hearing shall be held within the 12 month period prior to the date that the application cycle closes to obtain citizens’ views... The public hearing must be conducted... at a time and location convenient to potential beneficiaries...
Is the location convenient?

73C-23.0041(5)(c) continued

... The local government must document all citizen participation at the hearing. If the documentation shows that the application was drafted prior to the First Public Hearing, the application shall be rejected.
The City of Hibernation, Florida
A sleepy little place to live a lifetime!

Minutes of the December 15, 2015 City Commission Meeting

Mayor Grissly Hatcher called the meeting to order at 6:01 p.m. Commissioners Joe Panda, Mary Black, John Brown and Nancy Ursidae were in attendance.

Following the Pledge of Allegiance, Commissioner Brown moved to approve the agenda, seconded by Ursidae, and approved unanimously.

Commissioner Black moved to temporarily adjourn the meeting for the purpose of conducting the first public hearing on applying for CDBG funding. Seconded by Brown and approved.

Mayor Hatcher opened the public hearing at 6:10 p.m. and asked the City’s consultant, J.R. Grantsman, to explain the purpose of the hearing.

Mr. Grantsman said that the purpose of the public hearing was to obtain citizens’ views regarding community development needs prior to the City drafting a CDBG grant application for FY 2015. He said that funding was available in commercial revitalization, neighborhood revitalization, housing rehabilitation and economic development. Grantsman said the City is eligible to apply for up to $1.5 million for Economic Development and $650,000 in the other three program areas. He listed some of the activities that could be funded under each program area. He then asked the people attending the hearing if they had any comments.
Amy Ursus asked if the City could apply for funding to fix the flooding problem in the West River Avenue area. She said that West River Avenue floods every time the area gets more than a half inch of rain and it is the only access road to her neighborhood. This makes it difficult to get to work and to shop for groceries. She added that it also makes it harder for emergency vehicles to get to residents when it rains. Grantsman said that stormwater improvements are an eligible activity.

James Kodiak said the City should try to get funding to fix the sewage problems in the Southside area. He said that three of his neighbors had come to the hearing with him to ask the City to fix the problem. He said they believed that old septic tanks on Ninth and Tenth streets were polluting nearby Brown Bear Pond where many older residents liked to fish. He added that area smells like raw sewage after heavy rains. Grantsman said that the City had applied last year for funding to replace leaking sewer lines in Southside and to extend sewer service to Ninth and Tenth streets, but the application was not funded. He said the application could be revised and resubmitted.

No other residents asked to speak. Mayor Hatcher closed the public hearing at 6:45 pm and re-opened the commission meeting.

Commissioner Panda moved to resubmit last year’s CDBG application to address the sewage problem in Southside. He said it was a potential health problem in the City. Ursidae seconded, adding that she agreed that the problem needed to be addressed. Grantsman recommended that the commission budget at least $10,000 in City funds as leverage. The commission voted 5-0 to resubmit the application. Mayor Hatcher asked Grantsman to update the application and prepare all paperwork needed to hold a second public hearing.

Mayor Hatcher opened the public hearing at 6:10 pm, and asked the City’s consultant, J.R. Grantsman, to conduct the hearing.

Mr. Grantsman said that the purpose of the public hearing was to obtain citizens’ comments prior to the applying for funding. He said that funding was available in four program areas – commercial revitalization, neighborhood revitalization, housing rehabilitation and economic development. Grantsman said the City is eligible to apply for up to $450,000. He then asked the people attending the hearing if they had any comments.

One citizen offered a comment. There were no further comments.

Mayor Hatcher closed the public hearing at 6:35 pm and re-opened the commission meeting.

Commissioner Panda asked Grantsman what the City should apply for. Grantsman said that fewer communities applied for housing rehab grants, so the City would have a better chance to get funded if it applied for a housing rehab grant. Panda said that he had seen some homes in the City that needed repairs, so he moved to apply for a rehab grant. Seconded by Ursidae. The commission voted 5-0 to submit a housing rehab application to DEO.

City Clerk Yogi Smith gave the City’s financial report. The City is currently on budget with revenues and expenses close to estimates. Commissioners Black asked if there were sufficient funds to...
Mayor Hatcher opened the public hearing and asked the City's consultant, J.R. Grantsman, to conduct the hearing.

Mr. Grantsman said that the purpose of the public hearing was to discuss the neighborhood revitalization application that the City planned to submit to the Department of Economic Opportunity. The grant application is for $650,000 to develop a park on land owned by the City on South Main Street. City staff had presented a draft application to the Citizens Advisory Task Force at its December 4, 2013, meeting, and the CATF had voted to support the staff’s recommendation. Funding would be used to purchase playground equipment, build a picnic shelter and jogging trail, and pave a parking area. Mr. Grantsman asked if there were any questions. Amy Ursus asked if the City could apply for funding to fix the flooding problem in the West River Avenue area. Mr. Grantsman said that a future application could request funding for flood control, but that the CATF had recommended the park for this year. There were no further questions.

Commissioner Panda moved to submit the park funding application to DEO. Seconded by Ursidae. The commission voted 5-0 to submit the application. Mayor Hatcher then closed the public hearing.

These minutes document multiple reasons for the application to be rejected.
73C-23.0041(5)(c) continued

2. After an Application for Funding has been drafted, citizens shall be given the opportunity to express their views... This opportunity shall include the following:

a. A notice for a second public hearing shall be published in a local newspaper at least five days prior to and no more than 20 days before the date of the second public hearing. The notice shall include a summary of the draft application and the date, time and address of a public hearing on the draft application. The summary shall include the following:

73C-23.0041(5)(c)2.a. continued

i) A description of the activities that will be undertaken with CDBG funding;

ii) A budget that lists the specific CDBG dollar amounts that will be allocated for each activity;

iii) The National Objective that will be met by each activity, except administration and engineering; and
iv) For Neighborhood Revitalization, Commercial Revitalization and Economic Development projects, the specific locations of the proposed activities, including street names or road numbers (e.g., County Road 50).

[Locations must be given for all activities. Not everyone knows where the city well or the treatment plant is located in their community.]

The notice shall also state where and when a copy of the draft application, other than the public hearing, will be available for citizen review and how citizens can submit written comments on the draft application.

[People who can’t attend the public hearing have to have the chance to review the application and make comments.]
Failure to include all of the required information in the public hearing notice shall result in the application being rejected as provided in section 290.0475(6), Florida Statutes.

b. If the notice for the second public hearing is published before the first public hearing is conducted, the application shall be rejected.
73C-23.0041(5)(c)2.c.

c. The public hearing on the draft application must be conducted within the 12 month period prior to the date that the application cycle closes by a member... of that local government at a time and location convenient to potential beneficiaries.

Time and Location Convenient... (2nd Public Hearing)

Is the public hearing site in Apalachicola convenient for the Lanark Village beneficiaries?
Time and Location Convenient…

Is the public hearing site in Apalachicola convenient for the Alligator Point beneficiaries?

73C-23.0041(5)(c) continued

c. Copies of the public notices, affidavits of publication, certified minutes and sign-in sheets/speaker cards for both public hearings shall be included in Part 9, Appendix D, of the Application for Funding, Form SC-60, which is further described in subsection (6)(a) below. The application shall be rejected if the affidavit of publication or certified minutes for either public hearing are not provided by the end of the Completeness Period.
73C-23.0041(5)(d)

The Applicant may appoint a Citizens Advisory Task Force (CATF) to make recommendations on community needs prior to drafting an Application for Funding and to provide input during the implementation of any subgrants that the Applicant receives. An Applicant can claim up to 10 points on its Application for Funding if it has an active CATF.

To claim points for having CATF participation in the application process, the following conditions must be met:

1. The task force shall be comprised of at least five residents of the Applicant’s jurisdiction, and at least 51% of the members must be from low- to moderate-income households.
2. No more than one employee of the Applicant can serve on the CATF, and no elected officials of the Applicant can serve as members of the task force.
3. The CATF shall conduct at least one meeting prior to an Application for Funding being drafted and prior to the notice for the second public hearing being published to discuss community needs and to provide recommendations to the local governing body. The meeting shall be advertised in accordance with 73C-23.0031(45). A minimum of 51% of the members must participate in the meeting.

Why 51% LMI?

“Where the applicant city or county chooses to set up a communitywide advisory committee, it must have substantial representation of low and moderate income citizens and members of minority groups.”

Quote from Citizen Participation in the Community Development Block Grant Program – a HUD Guidebook
(b) During each application cycle, “non-entitlement” local governments that are eligible to apply can submit applications in the following categories:

1. One application in either Housing Rehabilitation, Neighborhood Revitalization or Commercial Revitalization. If an Applicant submits more than one Application for Funding in these categories, only the first application logged in by the Department will be scored. The other application(s) will be rejected; and

2. One application in Economic Development. If an Economic Development application is rejected or withdrawn, the local government can submit another Economic Development application. A maximum of three Economic Development applications can be submitted during a funding cycle.
(g) Readiness to Proceed:
Points for “Readiness to Proceed” can be claimed for Commercial Revitalization and Neighborhood Revitalization projects if the following are submitted with the Application for Funding before 5 p.m. on the final day of the application cycle:

1. **Biddable construction plans and specifications** as defined in 73C-23.0031(8), FAC. The plans must be signed and sealed by the engineer responsible for developing them;

2. Documentation that all required permit applications for infrastructure activities were submitted to the applicable agencies prior to the CDBG application deadline. If the only agency that must issue permits for the activities is the Applicant, then documentation to that effect must be included in the application; and
3. A written certification from the engineer or architect who prepared the plans and specifications to the Chief Elected Official of the Applicant. The certification must list the date that the biddable construction documents were completed and state that all required permit applications for all infrastructure activities have been submitted to the applicable agencies. If the Applicant is the only permitting agency, this fact must be included in the certification.

Deficiencies with the Readiness to Proceed documentation cannot be cured after the application deadline for the purpose of getting the points. The Department will review the plans and specifications for completeness during the application review process, but the plans and specifications cannot be accepted by the Department until the Applicant has been issued the Environmental Release of Funds for the project.
Funding Implication

If, following the award of a subgrant, the State Clearinghouse or another agency notifies a Recipient that it needs a permit that was not applied for prior to the application deadline and included in the Readiness to Proceed documentation, the application will be rescoring and the subgrant will be terminated if it falls out of the fundable range.

73C-23.0041(6) continued

(h) Application Submission.

1. Applications shall be received by the Department in Tallahassee by 5:00 p.m. Eastern Time, on the date specified in the NOFA. Except as noted in 73C-23.0048(2)(b), applications received after the specified deadline shall not be considered.

2. By the application deadline, one copy of Part 2 and Part 3 from the Small Cities CDBG Application for Funding shall be sent to the Regional Planning Council that serves the Applicant.
2. Random Sample Survey Methodology – A sample-based survey of the beneficiaries must use the Household Income Certification Form, Form SC-49... The survey methodology must correspond with the random sampling requirements established by HUD in Notice CPD-14-013... The survey methodology must include a confidence level of 95%.

73C-23.0041(10)

(d) Except for the Community-Wide Needs Score, any scoring item left blank in Parts 2-7 of the Application for Funding will be scored as zero. This zero score cannot be changed because of information contained elsewhere in the application or as a result of documentation presented at a site visit. The Department shall correct mathematical errors made by the Applicant. The Department shall adjust scores claimed in Parts 2-7 of the Application for Funding if the documentation provided in the application does not support the points claimed...
73C-23.0041(10) continued

In instances where the Department has corrected mathematical errors or adjusted scores in Parts 2-7, the Department shall adjust the corresponding scores on the Application Scoring Summary page in Part 8. In instances where the Applicant claimed points in Parts 2-7 but failed to transfer the points to the Application Scoring Summary, the Department shall insert the points and adjust the score accordingly.

73C-23.0041(12)

(b) The maximum score possible in each category is 1,000 points. These points shall be divided among three program factors as specified below.

1. Community-wide needs: 250 points
2. Program impact: 660 points
3. Outstanding performance in equal opportunity employment and fair housing: 90 points
4. Factors. Three factors shall be used to determine the CWNS with the following maximum points available for each:
   a. Poverty Level (was 125 points)
      i) Number of persons below poverty level according to the latest HUD census figures: 50 points
      ii) Percentage of persons below poverty level according to the latest HUD census figures: 50 points
   b. Number of year-round housing units with 1.01 or more persons per room (was 62.5 points) according to the latest HUD census: 50 points; and
   c. LMI Population (was 62.5 points)
      i) Number of persons in the low- and moderate-income population according to the latest HUD census figures: 50 points.
      ii) Percentage of persons in the low- and moderate-income population according to the latest HUD census figures: 50 points.

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**LMI Population vs. % LMI Population**

- Town A has 200 residents of which 150 are LMI. The town is 75% LMI.
- Town B has 499 residents of which 300 are LMI. The town is 60% LMI.
- We split the CWNS points for LMI population and persons below the poverty level 50/50 between actual population and % to not give one town an unfair advantage over the other.
73C-23.0041(12)(c)5.

The CWNS factors shall be summed for each eligible local government for the overall CWNS. Each local government awarded subgrant funds shall have its CWNS reduced by one point for every $20,000 or fraction thereof, of contracted funding. If $20,000 or more in funding is deobligated at the time the administrative closeout is approved by the Department, the CWNS will be increased by one point for each $20,000 deobligated.

73C-23.0041(12)(i)

1. In the Housing Rehabilitation category, a penalty of five points per housing unit shall be assessed for failure to rehabilitate or address any low- or moderate-income housing units scored in the original application. The penalty shall be 10 points per unit for failure to address any very low-income housing unit scored in the original application. The maximum penalty shall be 50 points.
New Sections of Rule

- **73C-23.0045** Specific Requirements for Neighborhood Revitalization, Commercial Revitalization and Housing Rehabilitation.
- **73C-23.0048** Specific Requirements for Economic Development
- **73C-23.0049** Funding for Special Economic Development Projects

73C-23.0045(1)(c) (NR)

3. Sewer and water hookups shall only be provided in a service area where new or replacement sewer or water lines are being installed. Eligibility for a hookup shall be based on LMI certification of household income and sources not more than one year before the hookup is provided. If requested, LMIs shall provide verification of the household income. **Hookup beneficiaries are reported by household.**
73C-23.0045(2) (CR)

Applications submitted under this category shall be designed to revitalize commercial areas, which serve primarily low- and moderate-income persons, or to meet the National Objective of preventing or eliminating slum or blight. Applications addressing the slum and blight National Objective must conform to the requirements found in 24 CFR 570.483(c) and Section 163.340, Florida Statutes.

73C-23.0045(2)(d)

14. A property that poses a threat to public health or safety can be acquired, cleared, or rehabilitated with CDBG funds to eliminate spot blight. An environmentally contaminated property can be remediated. Dilapidated buildings can be demolished, rehabilitated, relocated or, if historically significant, preserved. If a privately owned blighted property is cleared to eliminate a health or safety hazard, the Recipient shall place a lien on the property to recover the CDBG cost of eliminating the blight.
(a) The primary objectives of the Housing Rehabilitation category are to improve housing conditions for low- and moderate-income persons. All housing units to be rehabilitated shall be located within the jurisdictional boundaries of the Recipient. For a county, all housing units to be rehabilitated shall be located in the unincorporated portion of the county.

(d) The local government shall provide a financial underwriting analysis and other Participating Party documentation to the Department that was not required at the time of application. The underwriting analysis must meet the requirements of 24 CFR 570.482(e), and Appendix A of 24 CFR 570, as incorporated in rule 73C-23.0031, F.A.C. The underwriting analysis must be prepared by... The underwriter shall not be approved if the State of Florida or the federal government has placed the underwriter on a list that prohibits them from working on state or federal contracts or if the Department determines that a conflict of interest exists. The underwriting analysis shall verify:
73C-23.0048(6)

(c) The application shall include a letter from an engineer certifying that the route, scope, cost, and size of the components of the proposed infrastructure are the minimum necessary to provide for the needs of a Participating Party at a job creation location. The Applicant cannot request a modification to decrease the size of the proposed minimum infrastructure because of price or change in needs after an agreement is awarded. Any difference in cost shall be paid either by the Applicant or the Participating Party.

73C-23.0049

(1) Special economic development projects can include the following:

(a) Business Incubators,
(b) Microenterprises, and
(c) Revolving loan funds.

(3) Request for Proposals

If funding for special economic development projects is allocated, the Department shall issue a NOFA announcing the funding availability through a Request for Proposals (RFP). The Department shall accept proposals from “non-entitlement” local governments during the time period listed in the NOFA.
Questions
on the Rule Changes

Eligibility and Eligible Activities

Patrick Howard
Government Operations Consultant II
Who is Eligible to Apply?

- Florida Small Cities CDBG
  - Counties under 200,000 (Unincorporated area)
  - Cities under 50,000 that have not accepted special entitlement status and are not participating in an entitlement program

Who Can’t Apply?
(for Small Cities CDBG Funding)

- Local governments that have been designated by the U.S. Department of Housing and Urban Development as an *Entitlement* community.
- Small communities that have opted to participate in *Entitlement Programs*. 
Other Eligibility Issues

• To apply for Housing, Neighborhood or Commercial funding:
  – No open Commercial, Housing, Neighborhood or Planning subgrants
  – Any open ED subgrants must be “on time” and “on schedule” (73C-23.0041, FAC)

• To apply for ED:
  – All open Small Cities subgrants must be “on time” and “on schedule” (73C-23.0041, FAC)

LMI National Objective

• Activities meet the **LMI national objective** by serving at least 51% low- and moderate-income (≤ 80% area median income) beneficiaries for Indirect Benefit activities.

• Direct Benefit activities must serve 100% low- and moderate-income beneficiaries.
Slum & Blight National Objective

- CR projects only
- Focus on spot blight
- Must conform to the requirements found in 24 CFR 570.483(c) and Section 163.340, F.S.

Urgent Need – Emergency Set-Aside

73C-23.0061(3) If more than one county is declared to be in a state of emergency as the result of a natural disaster, the Department shall rank the counties using damage estimates from FEMA and/or the Florida Division of Emergency Management. A Notice of Funding Availability (NOFA) shall be issued for those eligible communities in the county that incurred the highest estimated damage amount.
Urgent Need – NOFA

A NOFA will be published in the Florida Administrative Register to make our FFY 2015 Emergency Set-Aside funds available to eligible communities in the county that incurred the most damage during the July 24 – August 4, 2015, flooding. (Dixie, Pasco, Taylor, Hillsborough, and Pinellas counties were listed in the State of Emergency.)

Eligible Activities

- Infrastructure Improvements:
  - Water & Sewer Facilities (NR, CR and ED)
  - Street and Sidewalk Paving (NR, CR and ED)
  - Flood & Drainage (NR, CR and ED)
  - Fire Protection (NR, CR and ED)
  - Parking Lots (CR)
  - Natural Gas Lines and Rail Spurs (ED)
Eligible Activities (continued)

- Public Facilities
  - Community Center (NR)
  - Temporary Shelters (NR)
  - Parks and Playgrounds (CR and NR)

- Direct Benefit Activities
  - Housing Rehabilitation (HR)
  - Temporary Relocation (HR)
  - Water or Sewer Hookups (HR)
  - Loans to Businesses (ED)
  - Building Facades (CR)

Ineligible Activities

- Buildings for the general conduct of government
- General government expenses
- Political activities
- Purchase of equipment (w/exceptions)
- Operating and maintenance expenses
- New Housing (w/exceptions)
- Income payments (excludes emergency grants)
Resources

• Lists of eligible communities, special designations, census data, and scoring data are located on the DEO website.
• A list of eligible activities is included in the application form. (Located on DEO website)

www.FloridaJobs.org/CDBGApplicantInfo

Resources (cont.)

• HUD Guide to National Objectives and Eligible Activities (Updated December 2014)
  Available at:
  https://www.hudexchange.info/
  Or if you don’t want to have to download 19 individual files, it is available at:
  www.FloridaJobs.org/CDBGApplicantInfo
Questions?

Rejection Issues

Patrick Howard
Government Operations Consultant II
Section 290.0475, F.S.

Rejection of grant applications; penalties for failure to meet application conditions. –

Applications received for funding shall be rejected if any of the following circumstances arise:

(1) The application is not received by the Department by the application deadline;

(5 pm Eastern time on the day the cycle closes)
(2) The proposed project does not meet one of the three national objectives as contained in federal and state legislation;

(3) The proposed project is not an eligible activity as contained in the federal legislation;

(4) The application is not consistent with the local government’s comprehensive plan adopted pursuant to s. 163.3184;

(5) The applicant has an open community development block grant, except as provided in s. 290.046(2)(b) and(c) and department rules;
(6) The local government is not in compliance with the citizen participation requirements prescribed in ss. 104(a)(1) and (2) and 106(d)(5)(c) of Title I of the Housing and Community Development Act of 1974, s. 290.045(4) and department rules; or

(7) Any information provided in the application that affects eligibility or scoring is found to have been misrepresented, and the information is not a mathematical error which may be discovered and corrected by readily computing available numbers or formulas provided in the application.
Questions?

Citizen Participation

Roger Doherty, CLEP
Planning Manager
§ 570.486 Local government requirements.

(a) Citizen participation requirements of a unit of general local government. Each unit of general local government shall meet the following requirements as required by the state at § 91.115(e) of this title.

(1) Provide for and encourage citizen participation, particularly by low and moderate income persons who reside in slum or blighted areas and areas in which CDBG funds are proposed to be used;

(2) Ensure that citizens will be given reasonable and timely access to local meetings, information, and records relating to the unit of local government's proposed and actual use of CDBG funds;

(3) Furnish citizens information, including but not limited to:

   (i) The amount of CDBG funds expected to be made available for the current fiscal year (including the grant and anticipated program income);
24 CFR 570.486 continued

(ii) The range of activities that may be undertaken with the CDBG funds;

(iii) The estimated amount of the CDBG funds proposed to be used for activities that will meet the national objective of benefit to low and moderate income persons; and

(iv) The proposed CDBG activities likely to result in displacement and the unit of general local government's antidisplacement and relocation plans required under § 570.488.

73C-23.0031(45)

“Public notice” is an advertisement published in a local newspaper of general circulation at least five days and no more than 20 days prior to the day of the event for which the notice was placed. The calculation of the time period shall include the date of publication of the notice but not the day of the event.
Public Notices

- Public notices must be advertised in a newspaper of general circulation in the applicant’s jurisdiction with sufficient lead time to allow citizens to plan to attend the hearings.
- Additional methods of informing the public of hearings are encouraged, such as social media, notices on the applicant’s website, public service announcements and posters.
- Notices need to give enough information so that the people whom are affected by a proposed CDBG application know that they are affected!

Correct Notice Language

Sewer lines will be replaced in three service areas within the City limits, including: 1) Hill, Valley and Forest Streets between Nova and Esto Streets and Esto between Hill and Forest, 2) Gadsden Trail and Jefferson Circle, and 3) all streets in the Holly Hill area bordered by Little Road on the east, 12th Avenue on the south, Rattler Lane on the west and 17th Avenue on the north. Lift stations will be upgraded at the following locations: 1) the corner of Howard Court and 10th Street, 2) the 500 block of Sneads Road, and 3) Sebring Parkway next to Fire Station Number 2.
Timeline Example 1

OKAY!

Timeline Example 2

OKAY!
**Timeline Example 3**

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**Participation at Hearings**

- Public hearings must be held at times and locations convenient to potential beneficiaries. [24 CFR 570.431(b)(3)]
- Can you show that your hearings were held at times and locations convenient to potential beneficiaries if a citizen complains that the hearings were held at times and places to discourage citizen participation?
Remember

Public hearings do not have to be conducted as part of a county commission or city council meeting. They just have to be conducted by a member of the governing body of the applying local government or by a duly authorized employee of that local government at a time and location convenient to potential beneficiaries.

CATF

- The Citizens Advisory Task Force is no longer a mandatory part of the citizen participation process. It is voluntary, and points are awarded on the application if the criteria is met.
- The CATF must have at least 5 members appointed by the local governing board, must be at least 51% LMI, and at least 51% of the members must attend the meeting.
CATF (continued)

• The CATF can hold more than one meeting.
• The meetings must be properly noticed.
• The CATF must meet at least once before the Application for Funding is drafted to earn points on the application.
• Minutes from the meeting, a sign in sheet, and documentation of public notice must be included in the application.

CATF (continued)

• The CATF shall conduct at least one meeting to discuss community needs and to provide its recommendations regarding community needs to the local governing body.
• “Citizens know their own needs, and their advice and participation is essential to the success of the program.”

Quote from Citizen Participation in the Community Development Block Grant Program
CATF (continued)

• The CATF is not to be used by the local government to rubber stamp a project that the staff or local officials want funded.

• The CATF meeting should not be overrun by local government staff trying to sell a specific project to the CATF members.

CATF (continued)

• Past CDBG applications, both successful and unsuccessful, should not be discussed at the meeting until all of the members have had the opportunity to discuss what they see as the community’s current needs.
First Public Hearing

• Provide general information to residents on the availability of CDBG funding and the amount available.
• Discuss the types of activities that could be implemented with CDBG funds.
• Obtain the views of citizens on community development needs.

Second Public Hearing

• The proposed application is discussed, including the proposed activities, the specific location(s) of those activities, and the specific budget amounts for the activities.
• Citizens must be allowed to comment on the proposed application. Their comments need to be recorded.
• The applicant should consider all public comments and modify the application, as appropriate.
Documentation Required

• **Proof of publication** – an affidavit from the newspaper and a copy of the notice – must be included in the application. If the affidavit is not available, include copy of notice and have the affidavit available for a site visit.

• **Minutes** from the hearing must be included in the application. Include the names of everyone who spoke. If certified minutes are not available, include draft minutes and have certified minutes ready for a site visit.

Documentation Required (cont.)

• Include the *sign-in sheet* for the public hearing or copies of all *speaker cards*. You must be able to document who attended the hearing and, most importantly, who spoke. There have been recent challenges to the validity of public hearings, especially on ED applications.
The City of Hibernation will construct a new elevated storage tank next to Well #1 located on City property at High Road between 21st and 22nd Avenues.

The locations of the repaving work include the following roads: Oak, Pine and Maple Streets between Main Street and 3rd Avenue, 1st and 2nd Avenues between Oak and Maple Streets and all of Yaupon and Larch Streets.

The locations of the street improvements will be identified on a map at the public hearing.
The following item was included in the agenda for a commission meeting.

21. First Public Hearing to Review Categories and Proposed Project for Submission of a Community Development Block Grant (CDBG) for XXX’s XXX. Request the Board accept the recommendation of the CATF...

Consequences!

Failure to meet any of the citizen participation requirements discussed above will result in an application being rejected, as required by 290.0475(6), Florida Statutes.
Questions?

False Claims Acts

Roger Doherty, CLEP
Planning Manager
31 U.S.C. §§ 3729-3733

• The False Claims Act is the single most important tool U.S. taxpayers have to recover the billions of dollars stolen through fraud by U.S. government contractors every year.

• The FCA allows private persons to file suit for violations of the act on behalf of the government. A suit filed by an individual on behalf of the government is known as a “qui tam” action.

31 U.S.C. §§ 3729-3733 (cont.)

• Under the False Claims Act, those who knowingly submit, or cause another person or entity to submit, false claims for payment of government funds are liable for three times the government’s damages plus civil penalties of $5,500 to $11,000 per false claim.
31 U.S.C. §§ 3729-3733 (cont.)

• If the government intervenes in a *qui tam* action, the relator is entitled to receive between 15 – 25% of the amount recovered by the government through the *qui tam* action. If the government declines to intervene in the action, the relator’s share is increased to 25 – 30%

31 U.S.C. §§ 3729-3733 (cont.)

• The government recovered $38.9 billion under the False Claims Act between 1987 and 2013 and of this amount, $27.2 billion or 70% was from *qui tam* cases brought by relators.
Florida False Claims Act

• Sections 68.081-68.09, FS, may be cited as the “Florida False Claims Act.”
• The Florida False Claims Act allows whistleblowers to bring suit in the name of the State of Florida where a wrongdoer engages in conduct that defrauds the state or local governments of taxpayer dollars.

68.085, FS - Awards to plaintiffs bringing action.

(1)(a) If the department proceeds with an action brought by a person under this act, subject to the requirements of paragraph (b), the person shall receive at least 15 percent but not more than 25 percent of the proceeds of the action or settlement of the claim, depending upon the extent to which the person substantially contributed to the prosecution of the action.
How does this apply to CDBG applications?

• If there is a group, or an individual, opposed to an activity that is included in a CDBG application and the activity is funded, they will probably observe the project closely and if they think that something is being done that is not appropriate, they could file a civil suit under either the federal or state False Claims Act.

For example:
The proposed CDBG service area activity is upgrading the existing 4-inch and 1-inch water lines to 8-inch and 2-inch water lines to provide increased water pressure to the homes in the neighborhood.
After the project is funded, someone notices that the golf course adjacent to the service area has a new irrigation system being installed! Is it a coincidence?

The Moral Is –

The appearance of fraud can be just as damaging as actual fraud. Document everything.

One of the leading philosophers of our time, Leroy Jethro Gibbs, says, “I don’t believe in coincidence.”
Questions?

Acquisition

Ted Court
Government Operations Consultant II
Types of Acquisition

- Voluntary
- Involuntary

Voluntary Acquisition

- No specific site is needed.
- Acquisition is not part of a project where other properties will be acquired within specific period of time.
- The owner receives written notice that eminent domain will not be used to acquire property.
**Voluntary Acquisition (cont.)**

- The agency informs the owner in writing of the fair market value of the property and his/her right to just compensation.

- Displaced tenants are provided relocation assistance.

---

**Involuntary Acquisition**

- Written notice that eminent domain will be applied if negotiations fail.

- Failure to comply with requirements for voluntary acquisition may convert acquisition to involuntary.

- Displaced tenants are provided with relocation assistance.
URA Regulations

Establish minimum requirements for:

- Acquisition of real property,
- Assistance to displaced persons, and
- Temporary assistance for residential and non-residential relocation.

Don’t Be Surprised!

- Does your proposed project include work that needs easements to complete the activity?
- Do you have all the necessary easements?
- Do you have proof that you have the necessary easements?

The wrong time to learn that you need an easement is after the work has been done!
Acquisition & Relocation

• Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Public Law 91-646
• Surface Transportation and Uniform Relocation Assistance Act of 1987, Public Law 100-17
  – Codified in 42 USC 4601 et seq.,
  – Regulations in 49 CFR Part 24

Acquisition Requirements

• Expeditious acquisition
• Notice to owner
• Appraisal of real property to be acquired
  – Required if the value exceeds $10,000.
  – Not required if the value is $10,000 or less.
  – Not required if property is being donated and owner signs release.
  – Owner or representative has the right to accompany the appraiser.
• Review appraisal
Acquisition Requirements (cont.)

- Offer of just compensation and summary
- Negotiation with owner
- Update offer, if appropriate
- Administrative settlement
- Written justification required
- Use of Federal funds for acquisition requires the Department’s approval
- Payment must be made before taking possession of the property or easement

Applicability to CDBG

- Remember: **URA applies to CDBG**
- Consult with your grant manager
- Resources are available on-line and include guidance and forms:
  - [http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation](http://www.hud.gov/offices/cpd/affordablehousing/training/web/relocation)
  - [http://www.floridajobs.org/](http://www.floridajobs.org/)
Plan Ahead

• Acquisition of easements takes time.
• Shovel ready projects should already have acquired easements and documented compliance.
• Non-shovel ready projects must implement the acquisition process and document compliance ASAP after need is recognized.
• Failure to respond quickly and resolve the issues will only delay project and may foil it.
• Avoid excessive liability - comply with the URA.

Questions?
Defining Service Areas & Surveying Beneficiaries

Roger Doherty, CLEP
Planning Manager

Service Area (SA) Development

• A SA is needed for “indirect benefit” activities
  – Indirect benefit = “benefit to area”
  – Work is on public property (or easement)
  – Hookups allowed if indirect benefit activities are included
• SA boundaries are based on beneficiaries
  – “Work location” may be misleading for boundaries
  – At least 51% of SA beneficiaries must be LMI
• Procedure:
  – Locate activity on the map
  – Identify beneficiaries on the map
  – **Draw Service Area boundary**

• Multiple activities may require multiple Service Areas when the beneficiaries are **not identical** for all activities.
Multiple Maps Can Be Submitted

• SA map – visual representation of project
  – What activities, where located, & beneficiaries
  – Is it consistent w/beneficiaries identified & surveyed?

• Improperly drawn SA map
  – Can affect eligibility and funding
  – Improper beneficiaries
    ▪ Lose eligibility if LMI-based and the LMI % is overstated
  – Activity not in narrative or map, isn’t part of project
  – The service area map governs if it is inconsistent with application narrative

Service Area Map
Service Area & Map Issues

• All NR & CR activities must be in the Service Area(s)
• NR: Maximum 25% of beneficiaries outside jurisdiction
  – Exception: up to 50% of beneficiaries may be outside jurisdiction if all the work is done within the recipient’s jurisdictional boundaries or on property owned by the recipient.

Service Area & Map Issues (cont.)

• CR: Usually, the jurisdiction is the Service Area
  – May be able to justify a smaller Service Area (County CRA).
• Housing Rehabilitation applications don’t have Service Areas
  – No indirect benefit; all beneficiaries must be LMI.
SA – Example 1

New sewer and paving on all five streets. Since beneficiaries are identical for both activities, this is one Service Area, and it must be at least 51% LMI.

SA – Example 2

First, Second and Third Streets will receive new sewer lines and paving; Fourth and Fifth will only be paved. Since the beneficiaries are not identical, you need 2 SA’s, and each must be at least 51% LMI.
SA – Example 3
Replace sewer lines on First and Second Streets. No activity on Third Street. Replace sewer lines on Fourth and Fifth Streets.

Two Service Areas (no beneficiaries on Third).

SA – Example 4
Pave Nixon Drive from SR 1161 to end. No work done on Dusty Road. Service Area = Homes on Nixon and Dusty. (Residents of Dusty Road must use Nixon Drive to get to their street, so they benefit from the paving.)
Exercise 1

Draw the service area boundaries for the City of Hibernation’s CDBG application based on the information on the handout.

Surveying

Purposes:

- Establish at least 51% LMI benefit for national objective.
- Establish number of beneficiaries (LMI/VLI/over) for scoring.

Four Methods:

- Census Data
- Previous Survey
- Small Service Area
- Random Sample
Census Data

• Use Census (ACS) data only if a service area corresponds exactly to whole block groups, tracts, or (for jurisdiction wide activity) jurisdiction’s boundary.

• If a Service Area is a whole census unit and a partial unit, you can survey the partial unit and then add results to census info.

Service Area Containing One Full Census Block and Parts of Four Other Blocks

Census data from 003 could be used, but the area in yellow would have to be surveyed.
Previous Survey

Survey of a defined SA in previously funded grant:

• The Survey & Maps are valid for five years, unless info exists that they are not valid.
• The Service Area boundaries must be identical; no deletions/additions.
• Previous beneficiary totals must be used; no updating is allowed.

Previous Survey (cont.)

Survey of a defined Service Area from a previously submitted unfunded application:

• Service Area boundaries must be identical; no deletions/additions.
• Must use previous beneficiary totals; no updating allowed.
• Data will be reviewed for validity.
Small Service Area

• **Required** for service areas under 50 homes.
• All homes must be included in the survey.
• If you cannot survey a home, assume that it is *over income*!
• Unsurveyed household size
  – Use average household size from survey totals

Random Sample Survey

• Must use 95% confidence **level**.
• Local government selects confidence interval.
• Obtain non-repeating list of random numbers.
• Primary sample group is first group of homes that equals the minimum sample needed.
• Document three attempts to survey each home in the sample group.
• Use alternates in order and using same procedure.
Random Sample Survey (cont.)

• If the minimum sample size is not achieved, begin again.
• Option: To obtain the minimum sample, treat the remaining houses as over income.
• Resources:
  ▪ http://random.org/ (random number generator)
  ▪ http://www.surveysystem.com/sscalc.htm (sample size)

We Have a Form!

It has two sides! Both should be completed.
Random Sample Survey Results

• Show project total/LMI/VLI/Over Income beneficiaries from sample (worksheet).
• Calculate LMI % total for each Service Area.
• To determine the LMI benefit, subtract confidence interval from LMI % in each Service Area.
• If adjusted LMI % is less than 51%, the Service Area does not qualify.
• If Service Area qualifies, use the unadjusted LMI/VLI % to score the application.
Application Appendix A

• Required maps
  – Jurisdiction, service and/or project area, and flood maps
  – Color code the service area map showing all homes
  – Show all activities on service/project area maps

• In addition to the maps, include:
  – A description of how the beneficiary universe was established and what survey methodology was used
  – A copy of the randomly generated list of homes used for the survey, if applicable

Rejection Issues – Surveying

• Random sample survey problem
  – The primary sample was not randomly selected
  – Alternate houses were not randomly selected

• Beneficiaries left out or wrongly included in the universe

SA1 – The activity is to install sewer line on Pilgrim Drive. The beneficiaries on Grit Road were improperly included in service area!
Rejection Issues – Surveying (cont.)

Service Area Improperly Drawn
- The application requests funds for upgrades to the city’s water treatment plant.
- City limits are shown as service area border.
  - However, not all residents of the city are connected to the water system,
  - And some people outside the city limits are served by the water system.
  - The SA has to be redrawn; could be fatal flaw.

Rejection Issues – Surveying (cont.)
- Unable to survey the minimum required homes - small service area of 50+ houses:
  - People not home or don’t answer door
  - Only option – assume all unsurveyed homes are “over income”
- Multi-family housing units were not treated as individual households
Questions?

Fair Housing Requirements

Roger Doherty, CLEP
Planning Manager
Introduction

• Why have we increased our emphasis on Fair Housing?
  – HUD says that Florida – at both the state and local level – needs to do more to ensure fair housing practices.
  – Funding could be cut if Florida does not demonstrate improved efforts.

Requirements for Fair Housing

• Resolution or ordinance
• Local coordinator
• Method for tracking citizen concerns from start to resolution
Our goal is to improve efforts to affirmatively further fair housing!

Resolution/Ordinance

A Fair Housing resolution or ordinance that covers all federally protected classes [race, color, familial status, handicap, national origin, religion, and sex].
Fair Housing Coordinator

An employee of the recipient who is identified as the point of contact for fair housing issues in the city/county/town/village.

- Should have some training.
- Keeps records of fair housing complaints.
- Contact information shall be published quarterly.

Tracking Fair Housing Complaints

- Create a simple spreadsheet to record:
  - The nature of the calls,
  - The actions taken in response to the calls,
  - The results of the actions taken, and
  - The end results of any referrals to other agencies, when applicable.
Fair Housing Activities

• At least one activity each quarter.
  – Activity n: an educational procedure designed to stimulate learning by firsthand experience.

• Different activities during the year.

• Displaying one or two fair housing posters in a community is not an activity!

• Publishing the fair housing coordinator’s phone number is not an activity.

Remember!

• Why have we increased our emphasis on Fair Housing?
  – HUD says that Florida – at both the state and local level – needs to do more to ensure fair housing practices.
  – Funding could be cut if Florida does not demonstrate improved efforts.
Questions?

Lunch Break
Procurement of Professional Services

Ted Court
Government Operations Consultant II

Introduction

• If CDBG funds are used, the procurement is reviewed for compliance with:
  ➢ 2 CFR 200.317-200.326, (the Super Circular)
  ➢ 24 CFR 135.38 (contracts ≥ $100K, Section 3),
  ➢ 287.055, Florida Statutes (engineers),
  ➢ 73C-23.0051, Florida Administrative Code, and
  ➢ Recipient’s CDBG procurement policy.
• If CDBG funds are not used, there is no review.
Introduction (cont.)

- A separate procurement is needed for each service on each CDBG subgrant.
- HUD has issued a ruling that if inspection services were not listed in the RFP for engineering services (procured before submitting the application to get Readiness to Proceed points), then the inspection services must be procured by a new RFP. The Department will no longer be able to approve a sole source procurement of the design firm for inspection services unless it was in the RFP.

Procurement Types (2 CFR 200.320)

- Micro-purchases
- Small Purchase
- Competitive Bids
- **Competitive Negotiation**
  - When qualifications are a primary consideration
  - Price must be evaluation factor, unless CCNA applies
- Non-Competitive
Public Notice

• RFP must be published in a nearby MSA newspaper or at least three responsible and responsive proposals must be received.
• RFP must be published at least 12 days prior to bid close.
• Evaluation criteria must be provided; separate evaluation for separate services.
• Ads shall include a CDBG identifier (contract number or funding cycle).

Consultants Competitive Negotiation Act - 287.055, F.S.

• Engineers & architects (and some others)
  – “Design-build” contracts covered
  – “Construction manager” contracts not covered
  – Administrative support services not covered
• No price information before negotiations
• Cannot reconsider a firm after ending final negotiations
• Conduct “detailed cost analysis”
Procurement Review

• Competition is the most important review issue.
  – If the procedure undermines competition, the procurement will not be approved.
  – Did the public notice comply with regulations?
  – The evaluation criteria must have been available to all bidders.
  – Rankers cannot deviate from the published criteria during evaluation. Rankers should receive training before they begin scoring proposals. If problems are found, the procurement cannot be approved until corrected.

Procurement Review (cont.)

• Evaluation factors:
  – Are they relevant?
  – Are they measureable?
  – Price must be a factor, unless 287.055, F.S., applies

• Ranking procedure
  – Raw points?
  – Other method?
  – Can the procedure be manipulated?
**Procurement Review (cont.)**

- Elected officials role vs. evaluation committee
  - Elected officials can’t change rankings made by an evaluation committee
  - Elected officials can be on the committee
  - An evaluation committee can be used to “short list” the top 3-5 proposals
- Ranking – only establishes order of consideration
  - Must negotiate price with top-ranked firm
  - If negotiations cannot arrive at a price agreement, move on to next highest ranked firm

---

**If the Procurement Does Not Comply with a Policy or Regulation:**

- Implement corrective actions to bring the procurement into compliance; or
- Use local funds to pay for the costs.
Exercise 2 – Ranking Proposals

Price or Cost Analysis

• Must always conduct either price or cost analysis
  – Price analysis done if price was an evaluation factor
  – Price analysis is “bottom line” and needs other prices for comparison
  – Cost analysis used when no prices obtained, including single/sole source procurement
  – Cost analysis: labor - hours and cost, indirect, expenses, and profit
  – Cost analysis should be performed by someone qualified to do so
Conflict of Interest

- See 2 CFR 200.318(c)
  - Includes: employee, family members, partner, "about to employ"
- No participation of any kind at any stage
  - RFP, evaluation, award, administration
- No waiver possible
  - Disclose conflict and step aside

Questions?
Readiness to Proceed (RtP) Requirements

Roger Doherty, CLEP
Planning Manager

To Get “RtP” Points, the Application Must Have the Following:

1. A letter from the engineer or architect to CEO of the Applicant certifying the following:
   - The signed, sealed and dated plans and specifications are complete,
   - The bid documents contain all the information that a contractor needs to bid on the project, except for the current Davis-Bacon wage decision and the CDBG Supplemental Conditions, and
   - All permit applications needed for addressed need activities have been submitted to the permitting agencies.
To Get “RtP” Points, the Application Must Have the Following:

2. A signed and sealed copy of the plans and specifications and all bid documents, except for the current Davis-Bacon wage decision and the CDBG Supplemental Conditions, and

3. Documentation that the required infrastructure permits have been submitted to the permitting agencies.

The Letter – 1

April 17, 2017

Roger Joseph
Project Director
P.O. Box 995
Beverly, MA 01915

Dear Project Director:

Enclosed is the letter as copy of other project the approved CDBG project only a copy of the specifications

A Project Director can submit a copy of the letter to the Department of Economic Opportunity for consideration. The letter contains the names and addresses of the project teams and the required documentation for the project. This letter contains all necessary information for the project. This letter contains a complete list of the project teams and the required documentation for the project.

If you have any questions regarding the attached document, please call me at (508) 555-1234.

Sincerely,

Roger Joseph
Project Director
The Letter – 2

April 24, 2015

Mayor Harry Bear
City of Hibernation
200 Main Street
Hibernation, IL 32199

Dear Mayor Bear:

Enclosed with this letter is a copy of the plans for the proposed CDBG project and a copy of the specifications book. Both were completed on April 23, 2015, and have been signed and sealed by the engineer assigned to the project.

A full set of bid documents are enclosed with this letter. Everything that is needed to publish a request for proposals is included in the package, except for a Davis-Bacon wage decision and the CDBG Supplemental Conditions for Construction Projects. The wage decision will have to be requested after the release of funds has

The Letter – 3

April 24, 2015

Mayor Harry Bear
City of Hibernation
200 Main Street
Hibernation, IL 32199

Dear Mayor Bear:

Enclosed with this letter is a copy of the plans for the proposed CDBG project that were completed on April 23, 2015, and have been signed and sealed by the engineer assigned to the project. The specifications document is more than 200 pages long. To save the expense of printing extra copies, I have not enclosed a copy with this letter. Please contact me if one is needed.

A full set of bid documents are enclosed with this letter. Everything that is needed to publish a request for proposals is included in the package, except for a Davis-Bacon wage decision and the CDBG Supplemental Conditions.
Big, but Worth the Price!

Is avoiding a $20 print job worth losing the funding for a $700,000 infrastructure project?

The Letter – 4

Dear Mayor Brar,

Enclosed with this letter is a copy of the plans for the proposed CDBG project and a copy of the specifications book. Both were completed on April 22, 2015 and have been signed and sealed by the engineer assigned to the project.

A full set of bid documents are enclosed with this letter. Everything that is needed to publish a request for proposals is included in the package, except for a Davis-Bacon wage decision and the CDBG Supplemental Conditions for Construction Projects. The wage decision will have to be requested after the release of funds has been issued. The CDBG Office does not need to review the CDBG Supplemental Conditions during the application process since it created them, but the document will have to be included in the bid documents before publication of the request for proposals.

We have applied to FDEP for a General Permit for Domestic Wastewater Collection/Transmission Systems. A copy of the letter acknowledging receipt of the permit application is enclosed. This is the only permit needed for the project.
The Letter – 5

We have applied to FDEP for a General Permit for Domestic Wastewater Collection/Transmission Systems. A copy of the letter acknowledging receipt of the permit application is enclosed. This is the only permit needed for the project.

If you have any questions regarding the attached documents, please call me at (352) 555-1212.

Sincerely,

Roger Joseph
Roger Joseph, P.E.

Very Important Sentence!!!

The Letter – 6

We have applied to FDEP for a General Permit for Domestic Wastewater Collection/Transmission Systems. A copy of the letter acknowledging receipt of the permit application is enclosed.

If you have any questions regarding the attached documents, please call me at (352) 555-1212.

Sincerely,

The CDBG staffers are not engineers. We live in Tallahassee, not Crestview or Live Oak or Everglades City. We don’t know what permits are needed for your project. The letter must state which permits have been applied for and that they are the only ones needed or “RtP” points cannot be awarded!
The Letter – 7

We have applied to FDEP for a General Permit for Domestic Wastewater Collection/Transmission Systems. A copy of the letter acknowledging receipt of the permit application is enclosed. This is the only permit needed for the project.

Florida State Clearinghouse staff has received and reviewed the City’s CDBG-NR funding proposal under the following authorities: Presidential Executive Order 12372, § 403.063(42), Florida Statutes, the Coastal Zone Management Act, 16 U.S.C. §§ 1451-1464, as amended, and the National Environmental Policy Act, 42 U.S.C. §§ 4321-4347, as amended.

Please note that any onsite or offsite improvements associated with the project that impact Florida Department of Transportation (FDOT) right-of-way will require the appropriate FDOT permits. Required permits may include utility, access management, drainage or other permits depending on the work planned. Please contact the FDOT’s District Three Maintenance Office in Marianna at (850) 482-9546 for additional information.

If another permit is needed after the application is received, scoring and funding could be affected!

The Letter – 8

The only permits needed for the park improvement project are building permits that will be issued by the City. The contractor selected for the project will have to apply for these permits.

No permits are required from outside agencies.

If you have any questions regarding the attached documents, please call me at (850) 555-1212.

Sincerely,

If the only permits needed for the project are issued by the Applicant, state so in the letter.
Plans and Specifications

Signed, Sealed and Dated

DMUNDS & ASSOCIATES, INC.
15505 Cherrylake Boulevard, Second Floor
Jacksonville Florida 32211

Certificate of Authorization #1841

March 2014
Documentation that Permit Applications Have Been Submitted

Other “RtP” Issues

• Contingency Funds

If the project contains contingency funds for an activity for which the contractor will be required to prepare “shop drawings” prior to construction in lieu of engineer’s plans, the specifications must state that the contractor will prepare the shop drawings and list what is to be included in those drawings.
Other “RtP” Issues

• Not for Construction

If the plans have a notation that they are “Not for Construction,” you must explain why in the letter so that we know why and so that any auditors will understand why.

Other “RtP” Issues

All Addressed Need Service Areas Included in the Plans and Specs

• If the application narrative and service area maps show five service areas with addressed need activities and the plans only include drawings for four service areas, this is a non-correctible error.

• The Applicant needs to make sure that the narrative and maps agree with the plans before the Application for Funding is submitted.
Don’t Lose the Points!

• HUD, Congress, and the State of Florida want CDBG projects completed on time. That is why points are offered for Readiness to Proceed projects.

• A single missing document can make the difference between an application being funded or not.

• If you request Readiness to Proceed points, make sure that your application contains all of the required documentation. Grant managers will be reviewing all “RtP” applications closely for compliance with Chapter 73C-23, FAC.

Questions?
Economic Development

Patrick Howard
Government Operations Consultant II

Funding, Uses and Core Requirements

• $6.87 million for ED Projects in FFY 2015
• Eligible Activities = Infrastructure, local government owned buildings, loans to businesses (via eligible local governments) and grants and loans to non-profits (via eligible local governments)
Funding, Uses and Core Requirements (cont.)

- **Public Benefit Standards** = cost per job under $35,000 (e.g. – For a $750,000 grant: $750,000 divided by $34,999 = 21.429 = round up = 22 Jobs Minimum)
- **National Objective** = Job Creation with at least 51% of the jobs created going to LMI Persons. (e.g. Above 22 Jobs times .51 = 11.22 = round up = 12 LMI Jobs)

A Few Reminders for ED Projects

- Competitive until application deadline with remaining funds available for reservation on a first received – first reserved basis
- Project location must be zoned appropriately at application submission time to be consistent with Comprehensive Plan. [290.0475(4), F.S.]
More Reminders for ED Projects

• Communities with open grants that have been extended 12 months or more are not eligible to apply for a new CDBG project. See 73C-23.0041(2), F.A.C.

• Closeout after Cost per Job of Under $10K reached or one year following the completion of infrastructure activities

More Reminders for ED Projects

• No ED projects can be awarded without a job creator.
• Job creator must be identified in application and be a participant.
• Work in Non-Entitlement communities only.
• Underwriting analysis for startups and loans.
Narrative Content

Provide the following information:

• The roles of all parties whose actions or participation are necessary for the project’s success

• The number and types of jobs to be created and/or retained

Narrative Content (cont.)

• Additional development, spin-off jobs, and the need for additional goods and services which are likely to be stimulated by the proposed project.

• The proposed CDBG and non-CDBG work and the estimated costs of all project activities.
Narrative Content (cont.)

- Any increases to the tax base that will occur, including property, sales, and other taxes
- Anticipated training needs of LMI persons who may apply for the created jobs; and how and who will provide the training.

Narrative Content (cont.)

- That the cost per job to be created and/or retained by each Participating Party as a direct result of the CDBG assisted activity will be less than $35,000 in CDBG funds.
Support Documentation –
Local Government Provides

- Local Government Letter of Commitment
  (See application, Part 5 – ED Instructions)
- Engineer’s Project Cost Estimate and
  Certification of Minimum Infrastructure
- Multi-Jurisdictional Activity Information –
  Interlocal Agreements must be included and
  contain certain language and provisions

Support Documentation Local
Government Provides

- Documentation that the applicant has committed
  leverage funds to project
- Comprehensive Plan
  Conformance and
  Relevant Excerpts
- Maps
Support Documentation – Local Government Provides

- Participating Party Letter of Commitment
  - Must include the commitments listed in Part 5 - Economic Development Instructions of the application
  - Becomes Participating Party Agreement
- Site Control of the project area

Support Documentation – Business Provides

- Detailed cost estimate documentation for private investment activities
- Balance Sheet, P&L and Cash Flow Statements for two previous years
- Business Plan outlining business description, target market and marketing plan, competition, management plan, schedule and critical risks
3 Maps Must Be Included

- Map 1 - Jurisdiction Map
- Map 2 – Project Area Map – Use Site Plan if Available
- Map 3 – Flood Plain Map

Typical Process Timeline

- Application Review - 4 weeks from receipt of application
- Site Visit - 4 to 6 weeks from receipt of application
- Offer to Contract - 2 to 3 weeks following site visit
- Offer to Contract Period - 60 days
- Executed Agreement – 2 - 4 weeks
- Total Process 4.5 to 5.5 months
Loss of Funding Reservation

ED Applications can lose their funding reservation if all documentation has not been provided as required:
• In the application
• At site visit
• During the 60-day *Offer to Contract* period (showing all project costs available, signed CDBG contracts and executed Participating Party Agreement)

Local Government May Have to Pay Back Funds if:

• The cost per job is more than $34,999
• Less than 51% of all jobs created or retained are LMI
Questions?

If you have a potential CDBG Economic Development project and have questions, feel free to contact me:

- Phone – (850) 717-8418 or
- patrick.howard@deo.myflorida.com

Completing the Application Form
Required Parts to Submit

- NR – Cover and Parts 1, 2, 7, 8 and 9
- HR – Cover and Parts 1, 2, 6, 8 and 9
- CR – Cover and Parts 1, 2, 4, 8 and 9
- ED – Cover and Parts 1, 2, 5, 8 and 9
- If Leverage is being claimed for points, Part 3 must also be submitted.

Do not use glue to bind the application or supporting documents. The CDBG staff has to take applications apart and scan them for records retention. Prong fasteners or binders are preferred.