# CDBG 2025 Funding Applications

Housing Activities





# Community Development Block Grant (CDBG) Program Year 2025 Request for Proposal (RFP) Application due January 10, 2025, by 5:00 pm

#### **HOUSING ACTIVITIES ONLY**

# **Community Development Block Grant (CDBG) Program Overview**

The City of Auburn (City) receives an annual CDBG allocation from the U.S. Department of Housing and Urban Development (HUD) to fund a broad range of activities that preserve and develop a viable community. The program's principal beneficiaries are low to moderate-income (LMI) households defined as having incomes within 80% of the Area Median Income.

The City is seeking proposals and input for inclusion of its program year 2025 Action Plan. The 2025 program year begins on June 1, 2025, and ends May 31, 2026. Only non-profit organizations that develop housing to benefit low to moderate-income persons are eligible to apply for funds under the housing category.

Successful proposals must address the needs of the City of Auburn's CDBG 2025 – 2029 Consolidated Plan and must meet the guidelines articulated in the Request for Proposals (RFP). The Consolidated Plan will be available for review at the Community Development Office located at the Community Services Office/CDBG – Boykin Community Center, Auburn City Hall, and the Auburn Public Library located at 749 East Thach Avenue. The 2025-2029 Consolidated Plan is available digitally upon request from <a href="mailto:athomas@auburnalabama.org">athomas@auburnalabama.org</a>; 334-501-7280. All accommodations are considered.

#### **ELIGIBLE APPLICANTS**

# Non-Profit Agency

This application should only be completed by organizations that develop, construct, or rehabilitate housing to benefit low to moderate-income households <u>and have a 501(c)(3)</u> tax-exempt designation from the Internal Revenue Service. Funds are provided to the organization to subsidize eligible housing activities that meet HUD's guidelines and the City's local Consolidated Plan.

# Active Governing Body

Governance of the agency should be responsible and an active voluntary board, which meets at least quarterly and establishes and enforces policies. The Board should be structured to be representative of the community it serves. If funded, a signed resolution is required authorizing the agency to enter into a contractual agreement with the City of Auburn.

#### Personnel

The organization must provide for adequate administration of the program to ensure delivery of housing development. If awarded CDBG funds, the agency may allocate no more than 20% of its allocation for program administration.

# **Audits and Financial Reports**

An agency must provide a copy of its most recent Independent Audit and Management letter. Non-Federal entities that expend \$750,000 or more in a year in federal awards shall have a single or program-specific audit conducted for that year.

#### Insurance

If an agency is awarded CDBG funds, at the time of contract signing, the agency must provide evidence of insurance as deemed necessary by the City's Risk Manager, with an indemnification and hold harmless acceptable to the City of Auburn.

#### **DUNS Number**

The Federal government requires all applicants for Federal assistance to obtain a Data Universal Number System (DUNS) number provided by Dun & Bradstreet. Assignment of the number is FREE and can be obtained at 1.866.705.5711 or online at <a href="https://www.dnb.com">www.dnb.com</a>. You must have a DUNS number to apply for CDBG funds.

# Community-Based Development Organization (CBDO)

Only organizations that have a CBDO designation is eligible to apply for funds to construct new housing units.

#### E-Verify Form

In order to comply with the employment practices requirements of the Beason-Hammon Alabama Taxpayer and Citizen Protection Act (Act No. 2011-535 (Code of Alabama (1975) § 31-13-9), the City of Auburn requires a completed <u>E-Verify Affidavit</u> as a condition for the award of any contract, grant, or incentive. The affidavit presented must be a notarized original <u>City of Auburn Affidavit</u>. Please contact Tamara Yancy, Purchasing Officer (501-7229) in the Finance Department with questions concerning compliance with these affidavit requirements.

For more information regarding the Beason-Hammon Alabama Taxpayer and Citizen Protection Act, please visit the City's website at <a href="https://www.auburnalabama.org">www.auburnalabama.org</a>. The information will be located on the press release link titled "State Immigration Law Requirements".

#### **Capacity**

Applicants must have a familiarity with the area and population to be served and the ability to administer an effective program that is ready to start immediately upon the first day of the grant award period of performance.

CDBG grants are NOT awarded in a lump sum. Grant proceeds are allocated to the grantee on a reimbursement basis ONLY; therefore, an organization applying for CDBG funds MUST have sufficient cash flow to administer the program.

#### Section 3

Recipient of CDBG funds agrees to comply with the "Section 3" requirements which ensure that opportunities for training and employment arising in connection with a CDBG funded project/program that priority is given to low- and very low-income persons residing within the metropolitan area in which the CDBG-funded project is located; where feasible, priority should be given to low- and very low-income persons within the service area of the project or the neighborhood in which the project is located, and to low- and very low-income participants in other HUD programs;

#### 24 CFR 570.600-614

Recipient of CDBG funds agrees to comply with 24 CFR 570.600-614 (Subpart K) regulatory requirements to ensure opportunities for CDBG funded project/programs are provided to moderate, low and very low-income persons. See Subpart K Exhibit.

#### **APPLICATION SUBMISSION**

The City of Auburn will be accepting Request for Proposal Applications to fund projects funded by the 2025 Community Development Block Grant program. <u>ALL applications must be complete, emailed received and/or mailed or hand delivered to the following by January 10, 2025, by 5:00 pm:</u>

# **Mailing Address**

City of Auburn
Community Services Department/ CDBG
Boykin Community Center
CDBG PY25 Request for Funding Application
400 Boykin Street
Auburn, AL 36832

Please refer all questions regarding the Request for Proposal to Ashley Simpson, Community Services Manager at (334) 501-7280 or send via email to <a href="mailto:athomas@auburnalabama.org">athomas@auburnalabama.org</a>. In the "Subject" of your email correspondence, please make reference to the CDBG PY2025 Funding Application.

All completed proposal applications are due to the Community Development (CDBG) office without exception on January 10, 2025, by 5:00 pm. Late applications will NOT be accepted or considered for funding. There are no exceptions to this deadline.

# **ORGANIZATION**

| Name of Organization:                                     |   | _ |
|---|---|---|
| Address:  |   |   |
| Phone:  | Email:  | _ |
| Tax Identification Number: _                              | DUNS Number:  |   |
| Contact:  | Title:  | _ |
| PROGRAM   |   |   |
| Name of Program:  |   | _ |
| Program Location:   |   |   |
| ORGANIZATION'S STRUCT                                     | KE  |   |
| How long has the organizati                               | been in existence?  |   |
| How long has the organizati                               | provided the service that is being requested for funding?                     |   |
| On average, how many LMI l<br>program?                    | useholds/Individuals does the organization serve for the subject              |   |
| Briefly state your organization                           | 's mission below:   |   |
|   |   |   |
|   |   |   |
|   |   |   |
| Staffing  |   |   |
| Indicate below the number of operation of the Housing pro | positions that will be assigned to and responsible for the day-to-day<br>ram. |   |
| Full-time   | Part-time   |   |

## **List Board of Directors Below**

| Name | Position | Address |
|------|----------|---------|
|      |          |         |
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#### **ELIGIBLE HOUSING ACTIVITIES**

An organization may apply for CDBG funds to fund the following housing activities:

• Housing Rehabilitation

Housing New Construction (CBDOs only)

<u>Environmental Review Requirement</u>: An environmental review will be conducted for each proposed site as regulated by HUD. The City must receive an environmental clearance related to each site before funds are expended. Sites that do not receive an environmental clearance will not be eligible.

<u>Labor Standards Requirement</u>: Davis-Bacon is required for constructing/rehabilitating eight or more housing units.

## **CLIENTS SERVED**

Clients: The activity must benefit low to moderate-income residents of Auburn, AL.

**Client income verification:** To be eligible for CDBG assistance, a housing activity must serve low to moderate-income (LMI) persons as stated in the HUD income chart below. Documentation of LMI persons is required of every project funded.

#### **HUD 2024 Income Limits**

| Household Size | Maximum Household Income |
|----------------|--------------------------|
| 1              | 51,650                   |
| 2              | 59,000                   |
| 3              | 66,400                   |
| 4              | 73,750                   |
| 5              | 79,650                   |
| 6              | 85,550                   |
| 7              | 91,450                   |
| 8              | 97,350                   |

**Client data:** If funded, the agency is required to obtain, update, and maintain individual client files documenting program eligibility and statistical data.

## **PROGRAM INFORMATION**

will meet the CDBG national objective listed above.

moderate-income individuals and families.

moderate-income individuals and families.

| Summarize the purpose and activities of the program and what need or the gap in service the program will provide.  |
|--|
|  |
|  |
| Estimated start date:  |
| Estimated completion date:   |
| Note: Housing rehabilitation projects are expected to be implemented, and funds expended during PY2025 (June 1, 2025 – May 31, 2026). The completion of housing new construction projects is contingent on the scope of the project. |
| NATIONAL OBJECTIVES – BENEFIT TO LOW TO MODERATE-INCOME PERSONS  |
| Housing projects are required to benefit low and moderate-income persons that must be designed to  |

include participation by such persons. Indicate by placing an "x" below how the proposed housing activity

Housing-related CDBG activities "benefit" lower income people only if occupied by low and

In multifamily building (3 or more units), at least 51% of the units must be occupied by low and

#### **FUNDING INFORMATION**

<u>Housing Rehabilitation Grant</u>: Housing rehabilitation addresses substandard housing for low-income homeowners. The City provides grants for single-family (owner occupied) housing rehabilitation activities. An organization receiving a CDBG grant is prohibited from using the grant funds to finance other CDBG housing rehabilitation projects. Funds must be used by the organization to administer a housing rehabilitation project to provide a direct benefit to the property owner.

<u>Housing New Construction Loan</u>: The City provides construction loans for housing new construction projects. Funding amount is contingent on the scope of the project and the availability of funds. Only organizations with a CBDO designation are eligible.

CDBG funds will only be allocated to an organization for one housing project. Organizations are allowed to allocate no more than 20% of its CDBG allocation to be used for administrative expenditures. The purchase of equipment is NOT eligible.

CDBG PY25 begins on June 1, 2025, and ends on May 31, 2026. Housing activities are expected to be complete, and funds expended within a year from the date the agreement is executed.

Identify in the space below all planned funding sources for the project. Check the appropriate box to indicate whether the funding source is committed, or it has been applied for. If funds are committed, attach letter of commitment with your Request for Proposal application.

| Sources of Funds                    | Committed | Applied | \$ Amount |
|-------------------------------------|-----------|---------|-----------|
|                                     |           |         |           |
| CDBG PY2025 Funding Request - Grant |           |         |           |
| CDDC DV2025 Funding Demonstrate     |           |         |           |
| CDBG PY2025 Funding Request - Loan  |           |         |           |
| Other Funding Sources               |           |         |           |
| Other Funding Sources               |           |         |           |
| Other Funding Sources               |           |         |           |
| TOTAL PROJECT COST                  |           |         | \$        |

#### **HOUSING BUDGET FORM**

Please provide detailed explanation of each line item.

| Line Item                                    | CDBG Funding<br>Request | Other<br>Anticipated<br>Funds | Total Cost |
|--|-------------------------|-------------------------------|------------|
| Acquisition                                  |                         |                               |            |
| New Construction                             |                         |                               |            |
| Rehabilitation                               |                         |                               |            |
| Development/Administrative Fees              |                         |                               |            |
| Personnel                                    |                         |                               |            |
| Other (i.e. Financing, Insurance Legal Fees) |                         |                               |            |
| Other  |                         |                               |            |
| TOTAL PROJECT COST                           |                         |                               |            |

#### **EVALUATION CRITERIA**

CDBG funds are awarded through a competitive proposal evaluation process. The evaluation considers all aspects of the proposal as described in the RFP and proposal application.

Proposals are reviewed by staff of the City of Auburn who first review each application for threshold information and then for content. Staff reviews each proposal, based on the criterion listed below. Should a question arise during its review, staff reserves the right to contact the applicant for clarification. The results of those evaluations are then presented to the Mayor and City Council, which renders the final approval on awards.

# FUNDING AN AGENCY IS <u>NOT</u> A COMMITMENT OR AN OBLIGATION OF ANY SORT CREATED THAT WOULD OBLIGATE THE CITY OF AUBURN TO CONTINUE TO FUND A PROJECT IN A SUBSEQUENT YEAR. FUNDING RECOMMENDATIONS WILL BE BASED PRIMARILY ON THE FOLLOWING:

- Program must be an eligible CDBG activity.
- Program must meet the low to moderate-income national objective (additional information provided below)
- Program must address a need or gap in services of the Auburn community.
- Organization must have the capacity to carry out the project in a timely manner.
- Prior experience with the organization will be evaluated.
- Accomplishments must be measurable so that performance and outcomes can be evaluated.
- Leveraging other sources (does the agency rely solely on CDBG or are there other commitments)
- Description and soundness of the program will be evaluated.
- Timeliness of expending prior year CDBG allocation will be reviewed.
- Program must be practical, and the budget must be realistic

| <ul> <li>Funding request is reviewed to determine if the amount appears to be <u>necessary</u> and <u>reasonable</u>.</li> </ul>   |  |  |
|--|--|--|
| Additional factors may be considered when evaluating the p   | proposal.  |  |
| PROJECT ADMINISTRATION   |  |  |
| Performance Measurement  |  |  |
| Program Output Enter the number of LMI households that you expect to benefit   | efit from the CDBG funded project.                           |  |
| Housing Rehabilitation   | Construction of Housing                                      |  |
|  |  |  |
| Geographic Boundaries  |  |  |
| Accurately describe below the geographic boundaries of th  | ne service area or identify the target area(s) to be served. |  |
|  |  |  |
|  |  |  |
|  |  |  |
| Outcome Indicators   |  |  |
| What is the expected outcome of the program to be funded   | d by the CDBG program?                                       |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| National Objective:  |  |  |
| To be eligible for CDBG assistance, the activity <b>must serve lo</b> Documentation of LMI benefit is required of every project fu |  |  |
| . , , , ,  | , <del>.</del>   |  |
| Describe how your organization will document income an   | d demographic data.  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

# **TECHNIAL ASSISTANCE (TA)**

Ashley Simpson, Community Services Manager will be available for technical assistance. TA is available to clarify questions and information needed related to the RFP.

# **TIMELINE**

| Description   | Date   |
|---|--|
| CDBG funding notification   | December 12, 2024                                  |
| CDBG funding public hearing sessions Funding applications and Action Plan process | Session #1 January 9, 2025 @ 10:00AM and 5:30 PM.  |
| CDBG funding applications due   | January 10, 2025                                   |
| CDBG AP 2025 draft published for comment  | January 16, 2025                                   |
| CDBG funding public hearing sessions Proposed AP budget                           | Session #2 February 5, 2025 @ 10:00AM and 5:30 PM. |
| Citizen comment period expires  | February 22, 2025                                  |
| CDBG AP 2025 approved by City Council   | April 1, 2025                                      |
| CDBG 2025 program year  | June 1, 2025                                       |

<sup>\*</sup>Please note that dates are subject to change.

| <b>Authorized Representative:</b> Print the name and title of the individual authorized by the organization to submit this application. Submit with an original signature. |  |  |
|--|--|--|
| I hereby certify that to the best of my knowledge the accurate.  | e information contained in this proposal is true and |  |
| Name:  | Title:   |  |
| Signature:   | Date:  |  |
|  |  |  |