



**Homes and
Community Renewal**

Office of Community Renewal

NYS Community Development Block Grant Program

Annual Competitive

Public Infrastructure, Public Facilities and Community Planning

Open Round

Microenterprise, Small Business Assistance and Economic Development

**Consolidated Funding Application
Round 11
May 24, 2021**

Good Morning.

Today's webinar is for Public Infrastructure, Public Facilities, Planning with an overview of the open round applications for economic development, small business assistance and economic development.



Please note, the former application kit is now referred to as Request for Application or RFA

NYS CDBG Program

Program Summary


- Overview
- Eligible Activities
- Ineligible Activities
- Funding History

Application Process

- Preparing to Apply
- Consolidated Funding Application (CFA)
- CDBG Scoring Criteria Overview

Application Tips & Updates

- Scoring Criteria
- Application Tips
- Common Deficiencies
- Additional Program Guidance



NEW YORK
STATE OF
OPPORTUNITY | **Homes and
Community Renewal**

This presentation will be provided in three sections.

This includes a Program Summary, the Application Process and finally, Application Tips & Updates.

Throughout the webinar, questions can be submitted through the chat box. All questions will be addressed at the end of the presentation.

First word of advice, don't sweat it.

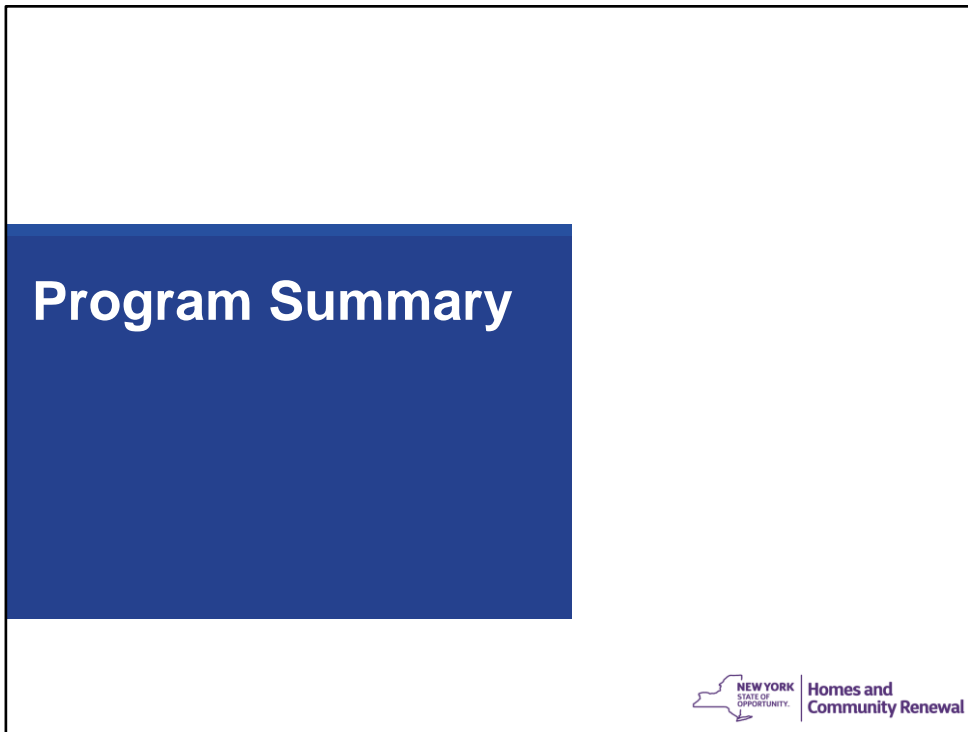
NYS CDBG Program

CDBG Public Facility, Public Infrastructure and Community Planning [Application materials](#) are available now. Applications for **Public Infrastructure, Public Facility and Community Planning projects will be accepted until 4:00 pm on Friday July 30, 2021.**

CDBG Economic Development, Small Business & Microenterprise [Application materials](#) are available now. Applications for **Open Round Economic Development and Microenterprise applications will be accepted throughout 2021 with rolling awards.**



This is a quick link to the two applications that will be discussed today.



The presentation today will begin with the Program Summary.

CDBG Program Summary

Overview

- Develop viable communities by providing decent housing and a suitable living environment principally for persons of low- and moderate-income.
- NYS must ensure that at least 70% of its CDBG grant funds are used for activities that benefit low- and moderate-income persons (at or below 80% of median) and meet one of the following National Objectives:
 - Benefit low- and moderate-income persons or families; or
 - Aid in the prevention or elimination of slums or blight; or
 - Meet an urgent community development need



NYS receives CDBG funding with the intent of ensuring that communities throughout the state are viable by providing decent housing and suitable living environments for low- and moderate-income persons, and that at least 70% of NYS CDBG funds are used for activities benefiting low- and moderate-income persons (meaning that they are at or below 80% of the area's median income) and meets one of the following national objectives:

Benefits low- and moderate-income persons, aids in the prevention or elimination of slums or blight or meets an urgent community development need.

CDBG Program Summary

Overview

- Annual Competitive Applications
 - Public Water, Sewer, Facility and Community Planning
- Open Round Application
 - Economic Development, Small Business Assistance and Microenterprise
- User defined area of need
- Two (2) year contract term, with 14 months for planning
- Eligible Applicants: Units of Local Government with populations of less than 50,000 and counties with populations of less than 200,000
 - Refer to the [list of eligible communities](#) on the website, select Program Guidelines
 - Refer to the [LMI data tool](#) on the website



CDBG funding for infrastructure, facility and planning is provided through a competitive application process.

Funding for Economic Development, Small Business Assistance and beginning with this round, Microenterprise, is provided through an open round application process.

What is the user defined area of need? This is the target area, or benefit area of beneficiaries. For example, a defined area of need for infrastructure would be the residents that will benefit from water system improvements.

For all economic development-based activities, the defined area of need is jobs and who the jobs are made available to and taken by.

All CDBG awards are based on a two-year time frame from award to completion, with 14 months for community planning.

Eligible Counties, Cities, Towns and Villages may apply for NYS CDBG funding assistance.

- Direct assistance is not provided by the OCR to:
 - Any business
 - Any not-for-profit

- Any individual

Take advantage of the LMI data tool, this is a valuable resource. There is also a how-to video available for the data tool.

CDBG Program Summary

Overview

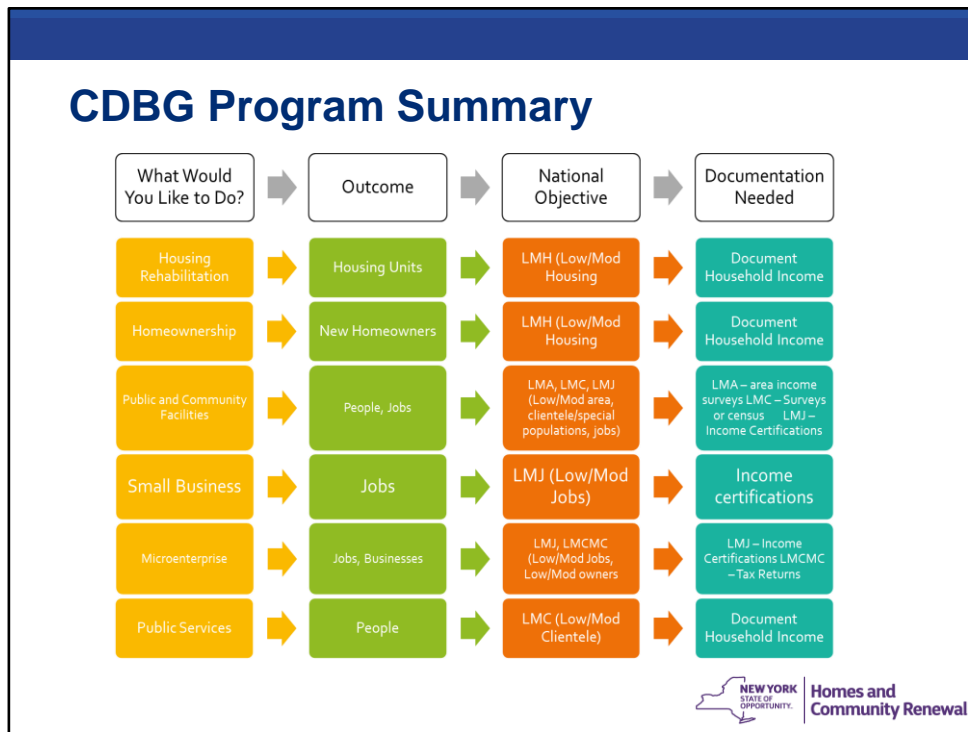
- 18% maximum of the CDBG requested funds for Public Infrastructure, Facilities for Administration, Program Delivery, Engineering and Architecture
 - Of the 18%, no more than 5% can be allocated to Administration
- For Microenterprise, applicants may request up to 15% of the CDBG award in program delivery, administration, and training combined. Of the 15%, administration must not exceed more than 5% of the total project cost.
- For Economic Development and Small Business Assistance, cannot exceed \$16,000 combined for Program Administration and Program Delivery
- Refer to [Chapter 3](#), Financial Management of the OCR GAM for further guidance

Program Overview



Allowable soft costs will vary based on the activity type.

Please note that there is no separate soft cost allowance for Community Planning activities, the line item in the budget is simply 'planning'.



CDBG funded projects must demonstrate compliance with one of the National Objectives listed on the slide

LMA -Activities that benefit an entire community are considered to have an area-wide benefit and the service area is the entire community excluding social service residences.

For activities that benefit a smaller or targeted group only benefit a designated area of a community, an income survey may need to be undertaken. Based on this, for area benefit activities, such as public infrastructure projects, income survey data may be used to demonstrate that 51% of the area is LMI and to help demonstrate the need for the proposed activity.

In certain cases, the most recent Census data can be used to determine and provide evidence of compliance with the LMI area Benefit National Objective. If it is believed that the data does not accurately reflect the current economic condition of the area, the applicant may conduct an income survey.

For more information on income surveys, please reference the 2021 CDBG RFA, beginning on page 20.

LMC – Activities in this category provide benefits to a specific group of persons

rather than everyone in an area. This often can be used to meet a National Objective for Public Facility projects such as Senior Centers.

LMJ – for Economic Development, Small Business, and Microenterprise activities and is based on full time equivalent jobs created. 51% of all jobs created must benefit LMI persons by being ‘taken by’ or ‘made available to’ or both. Family Income forms are required to document household income based on the current HUD income limits.

LMCMC – for Microenterprise activities; when the business owner is determined to be LMI. Family Income forms and the most recent tax returns are required to document LMI status.

Eligible Activities



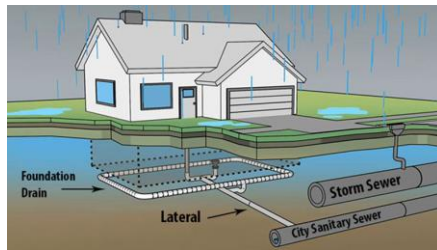
The following slides represent eligible public infrastructure activities which include Public water and Public sewer projects, Public facilities activities which include day care facility projects, community center projects and senior center projects, economic development, small business, and microenterprise activities, housing and community planning.

CDBG Program Summary

Eligible Activities

Public Infrastructure

- Public Water
- Public Sewer
- Stormwater Sewer
- Flood drainage improvements
- Other public improvements



Public infrastructure improvements address public water and public sewer improvements.

This can include new or improved treatment facilities, installation or replacement of water and sewer lines and construction of new water tanks.

Public infrastructure activities that are maintenance items, such as dredging, or painting of water tanks are not eligible.

This is not a comprehensive list. Please contact OCR for project specific questions.

Example Public Infrastructure

Village of South Corning Steuben County



\$1,000,000	NYS CDBG
\$1,000,000	DEC Water Quality Improvement Project
\$335,000	Bank Loan



The Village of South Corning has an aging water system and portions of it have exceeded their useful lifespans without replacement. Improvements to the water treatment and conveyance systems are required to continue to protect public and environmental health.

The Village used \$1,000,000 in CDBG funds, along with a \$1,000,000 of Environmental Facilities Corporation funding and a \$335,000 loan towards construction, engineering, and legal or administrative costs to make needed improvements to its water system.

Improvements will include a new storage tank, replacing existing valves and pumps, installation of a UV disinfection system, installing a new generator.

Example Public Infrastructure

Town of Martinsburg, Water and Wastewater Lewis County



\$750,000	NYS CDBG
\$1,242,484	NYS EFC Drinking Water State Revolving Fund
\$1,860,000	WIIA Grant



The Town of Martinsburg in Lewis County used \$750,000 in NYS CDBG funding, \$2,350,000 in NYS EFC Driving Water State Revolving Fund, and \$1,860,000 from a WIIA grant to complete repairs to the existing water system within the Hamlet of Glenfield.

The project included the construction of approximately 5,300 linear feet of 8-inch diameter water distribution pipe, 6,500 linear feet of water service laterals, gate valves, fire hydrant assemblies, curb stops, and corporation stops.

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CDBG Program Summary

Eligible Activities

Public Facilities

- Fire Stations
- ADA Compliance (except new construction)
- Community Centers
- Healthcare Centers
- Senior Centers



Public facility can address new or improved fire/emergency response centers, community, healthcare or senior centers.

ADA compliance specifically is to address removal of architectural barriers. If the project is new construction, ADA compliance will not be considered an eligible activity.

This is not a comprehensive list. Please contact OCR for project specific questions or to discuss any potential activity.

CDBG Program Summary



Town of Harrietstown
Harrietstown Housing Authority Lake Flower Apartments
Façade Restoration and ADA Compliance



The Harrietstown Housing Authority operates the Lake Flower Apartments, which is a 78-unit public housing located in the Town of Harrietstown.

The deteriorated and spalling façade of the entire structure was in replacement. The prior condition of the façade was allowing moisture to penetrate the building and was causing significant heat and energy losses.

The Town of Harrietstown was awarded \$500,000 in NYS CDBG funds for a façade restoration of the Harrietstown Housing Authority Lake Flower Apartment building. The Housing Authority administered the project as subrecipient to the Town.

The current brick façade will be replaced with new insulated steel façade panels that will completely seal and stabilize the structure.

Total project cost was \$1.9 million and includes \$814,000 in funding from HUD and \$600,000 from the Housing Authority. The improvements benefitted the 78 low-and moderate-income residents of Lake Flower.

The Town of Harrietstown was also previously awarded NYS CDBG funding assistance for the installation of ADA compliance elevators at Harrietstown Housing Authority's Lake Flower Apartments. New fixtures were required to interface properly and provide code required operational capabilities. All work was done in compliance with ADA, New


York State Building Code, National Electric Code, Safety Code for Elevators and Escalators, and the Occupational Safety and Health Act.


CDBG Program Summary

Eligible Activities, continued

Community Planning

- Preliminary Engineering
 - Drinking water, sanitary sewer, stormwater
- Strategic Plans or Community Needs Assessment
 - Public Facilities
 - Economic Development
 - SWOT or Strengths, Weaknesses, Opportunities and Threats
 - Energy Conservation Plans
 - Housing Conditions Survey





**Homes and
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Community planning is an eligible activity.

The eligible planning activities include full or preliminary engineering reports for public infrastructure.

Strategic plans are eligible.

Please note, comprehensive plans and master plans are not eligible for CDBG planning funding assistance.

Eligible applicants do not need to be 51% low-and moderate income to be eligible for community planning, however, the resulting plan or report must result in a future application for CDBG assistance that will benefit low-and moderate-income persons.

Community planning does require a minimum 5% cash match, in-kind and donated services **cannot** be used as match.

CDBG Program Summary

Eligible Activities, continued

The following are now all available through an Open Round format:

- Traditional Economic Development
- Small Business Assistance (25 or fewer employees)
- Microenterprise Assistance (5 or fewer employees)



A Microenterprise business is defined as having 5 or fewer employees, including the owner, at the time of assistance. Microenterprise projects require a 10% cash match and the completion of an entrepreneurial assistance training course. A minimum of 50% of the CDBG award must be awarded to start-up businesses. A start up is defined as a business that has been in operation for fewer than 6 months at the time of the application for assistance.

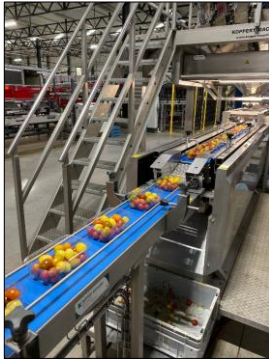
The Traditional Economic Development and Small Business programs are offered through an open round format within the CFA portal. These activities do not follow the 2021 CFA schedule and are available throughout the year. Economic development activities must address job creation that can be made available to and/or taken by low-and moderate-income persons and does not require advanced education or training. 51% of all jobs created must be held by or made available to low-and moderate-income persons.

Eligible activities can include infrastructure improvements to assist in development of or expansion of business, construction of new facilities, purchase of equipment, working capital and inventory.

Applicants are strongly encouraged to contact OCR before proceeding with any proposed economic development activity.

The Microenterprise program is now available through the CFA in an open round format, like the Economic Development and Small Business programs.

CDBG Program Summary



The Town of Ontario
Intergrow East, Inc



The Town of Ontario used \$750,000 in NYS CDBG Economic Development funds to assist Intergrow East, Inc.

The project allowed the company to purchase machinery and equipment needed for the development of their new greenhouse-tomato facility.

The \$37,150,000 project created 79 full-time equivalent jobs over two years, with 77 (97%) benefitting low- and moderate-income persons.

CDBG Program Summary



The Village of Delhi
O'Neill's Shire Pub, Inc

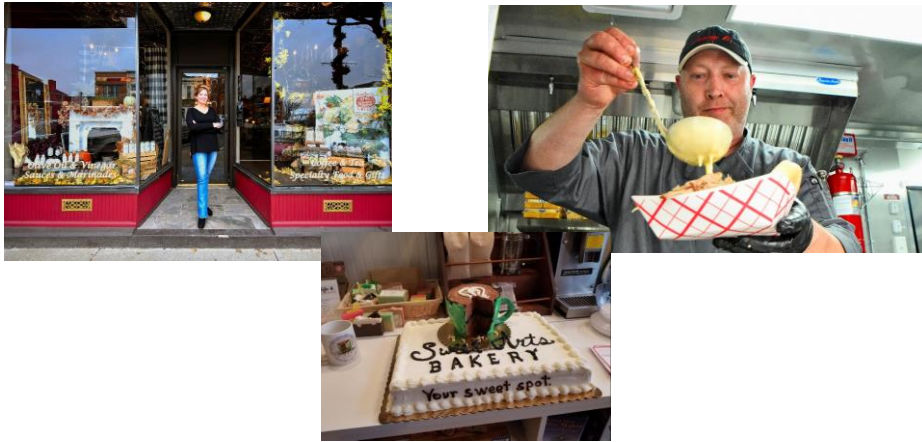


The Village of Delhi used \$85,000 in NYS CDBG Small Business funds to assist O'Neill's Shire Pub, Inc.

The project assisted Shire Pub with the purchase of furniture, fixtures and equipment needed to continue operations in their existing facility, renovated from a devastating fire.

The \$230,438 project created 19 full-time equivalent jobs over two years, all benefitting low- and moderate-income persons.

CDBG Program Summary



Livingston County
Microenterprise Program



Livingston County used \$200,000 in CDBG funds to assist in the establishment of the Livingston County Microenterprise Assistance Program.

The total program cost was \$225,000 and assisted 9 microenterprises, of which 5 are owned by LMI owners.

Additionally, the program proposes to create at least 15 full-time equivalent LMI jobs.

CDBG Program Summary

Ineligible Activities

- Projects that do not meet a National Objective
- Construction of new housing
- Any item that is considered to be maintenance
 - Painting of water tanks
 - Dredging of water reservoirs
 - Activities caused by deferred maintenance
- Buildings for the general conduct of government
- General government expenses
- Political activities
- Projects already in progress at time of application
- Comprehensive plans, master plans





**Homes and
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This is a general list of ineligible activities.

Construction of new housing is not eligible, however, activities in support of construction of new housing, such as water, sewer, utility improvements, may be eligible.

Examples of projects that do not meet National Objective would be when the group of proposed beneficiaries are less than 51% low-and moderate-income persons.

When in doubt, do not proceed, reach out to OCR to determine if the project is eligible or not.

Funding Limits



The Office of Community Renewal submits an Annual Action Plan which reveals the activities that the State intends on funding and maximum funding limits.

The next few slides will list the caps by activity.

CDBG Program Summary

Funding Limits



Public Infrastructure Maximum

Counties, Towns, Cities or Villages	\$1,000,000
*With NYS Co-Funding Initiative	\$1,250,000
Joint Applicants	\$1,500,000
*Joint w/Co-Funding Initiative	\$1,750,000
*Consultation with NYS Co-Funding Initiative is strongly encouraged	

Public Facilities

Counties, Towns, Cities or Villages	\$ 300,000
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Planning

Counties, Towns, Cities or Villages	\$ 50,000
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These are funding limits for infrastructure and facility projects.

A project that addresses shared municipal infrastructure may be eligible for up to \$1,750,000.

Note that for this funding year, for certain “co-funded” Public Infrastructure projects, applicants may apply for an amount of funding not to exceed \$1,000,000 (\$1,250,000 for shared projects).

“Co-funded” projects are those projects that include other State and/or Federal sources including, but not limited to, USDA Rural Development and the NYS Environmental Facilities Corporation (EFC).

In order to qualify for this higher funding threshold, the applicant must clearly demonstrate that other co-funded sources are firmly committed and in place at the time of application. Qualifying documentation includes:

For USDA -Letter of Condition (LOC)

For NYS EFC - Project must be listed on the Intended Use Plan (IUP), either the Annual or Multi-Year list, and financing application must have been submitted

Any other Sources – Contact NYS OCR

All qualifying documentation must be submitted as an attachment to the CFA.

OCR will also allow certain eligible pre-development costs for **water or sewer/stormwater projects only**. These include pre-development costs necessary to complete the environmental review process. This will encourage projects that are more “shovel-ready” upon award. Pre-development costs are limited to:

- Engineering or design work needed to obtain approval from state or federal agencies
- Administrative costs incurred consulting with state and federal agencies
- Permitting activities needed to complete the Environmental Review Record (ERR) and/or Request for Release of Funds (RROF). This includes addressing State Environmental Quality Review Act (SEQRA) process requirements as applicable

Pre-development costs incurred up to 12 months prior to grant award may be eligible for reimbursement. Eligible costs must still meet all CDBG rules and regulations including federal procurement and civil rights requirements. Applicants are strongly urged to contact OCR prior to considering incorporating pre-award costs into the project budget to ensure that those costs are eligible.

CDBG Program Summary

Funding Limits, continued

For Open Round applications:

Economic Development

- Up to \$15,000 per job, maximum CDBG of \$750,000
- Up to 40% of total project cost

Small Business Assistance

- Minimum \$25,000
- Maximum \$100,000
- Up to 40% of total project cost
- 20% owner equity
- 1 FTE for every \$25,000

Microenterprise

- \$5,000 to \$35,000 per business
- \$300,000 total per application



For economic development activities, at the time of application, the target per job should be \$15,000 per job.

Small Business is limited to for-profit businesses with 25 or fewer full-time employees at the time of application.

Program Income

Gross income generated by Recipient or Subrecipient from the use of CDBG funds, such as:

- Sale/lease/disposition of property purchased or improved with CDBG
- Gross income of rental property constructed/improved with CDBG
- Principal and interest payments on CDBG loans
- Interest earned



We should also discuss program income. The CDBG Rule (at 24CFR570.489(e)) defines program income as gross income in an amount equal to or exceeding \$35,000 per year received by a state, unit of general local government (UGLG) or a subrecipient of UGLG that was generated from the use of CDBG funds. This includes all funds received from revolving loan funds, regardless of amount.

Program income can come from such things as:

- Sale, lease or disposition of real property or equipment purchased or improved with CDBG;
- Gross income of rental property constructed or improved with CDBG funds;
- Principal and interest payments on CDBG loans;
- Interest earned on CDCBG accounts

The gross income of activities or properties partially assisted with HOME funds may be prorated to reflect the percentage of CDBG funds used.

For those communities that are finishing projects that were approved to use program income cannot use new CDBG funds to reimburse the PI.

The Office of Community Renewal is responsible for all program income generated after 2000, HUD continues to administer program income for 1999 and earlier.

Program Income (PI) Procedures

- OCR has revised program income policy
- After March 31st, 2019, all program income generated from NYS CDBG funded activities must be returned to the OCR

Moving Forward:

- All revolving loan revenues generated from NYS CDBG are considered program income
- All non-revolving loan revenues generated from NYS CDBG must be held until the end of the State's fiscal year (3/31) – “Treated as PI until it is not”
- Recipients will remit PI on monthly (for revolving loans) and annual basis (other PI)



OCR has revised its policy around Program Income.

- After March 31, 2019, all program income that meets the definition on the last slide, and was generated through the NYS CDBG program, will be returned to the OCR
- Starting in 2020, past and present recipients of CDBG funds can expect a program income report sent in early March for an April return.
- This report will ask recipients to report on any program income received during the year and will contain instructions to remit any PI to the OCR
- After March 31st, 2019, any recipients with uncommitted program income may have all other OCR funds suspended until the PI is returned
- **After March 31st, 2019, recipients may not commit PI to additional activities as in the past**

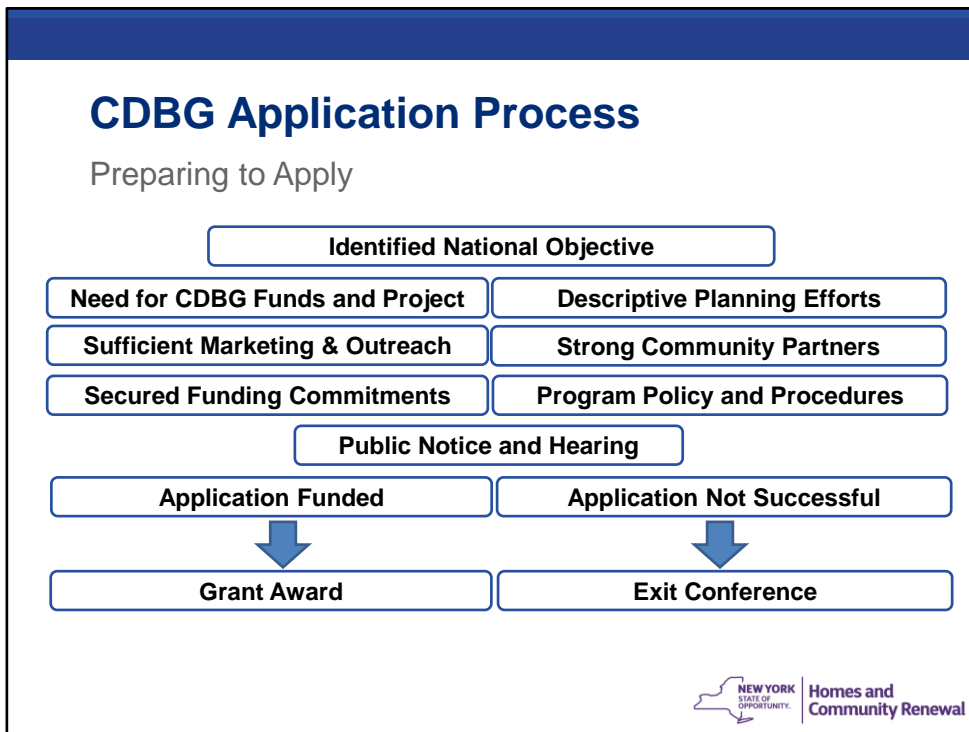
A few helpful tips on program income moving forward (after March 31st, 2019):

- All revolving loan revenues generated from NYS CDBG are considered program income and must be remitted to the OCR on a monthly basis
- All revenue received from CDBG-funded activities (other than revolving loans) must be treated as program income until it is not. After the close of the State's

fiscal year (3/31), the recipient must total all receipts. If the total amount received exceeds \$35,000, the entire amount must be returned. If the total does not exceed \$35,000, the recipient may transfer that amount to their general fund with prior approval from the OCR



The CDBG basics have been covered, now it's time to decide if you are ready to apply.



This flowchart describes the process that the municipality must consider before preparing to apply to the OCR.

In regard to the public notice and hearing, CDBG requires compliance with the State's Citizen Participation Plan.

Each municipality must hold a public hearing prior to the submission of an application that identifies the program year for which funds are applied for.

For example, the municipality can schedule and hold a public hearing now, that covers all potential CDBG eligible activities for program year 2021.

CFA Application

- **Public Infrastructure**
- **Public Facility**
- **Community Planning**
- **Microenterprise**
- **Economic Development**
- **Small Business**



The following slides will provide some basic guidance on the application process.

CDBG Application Process

Preparing to Apply

The following application types will be available for CDBG assistance through the Consolidated Funding Application (CFA):

- Public Infrastructure
- Public Facilities
- Community Planning

Reminder, the following application types will be available for CDBG assistance through an Open Round format:

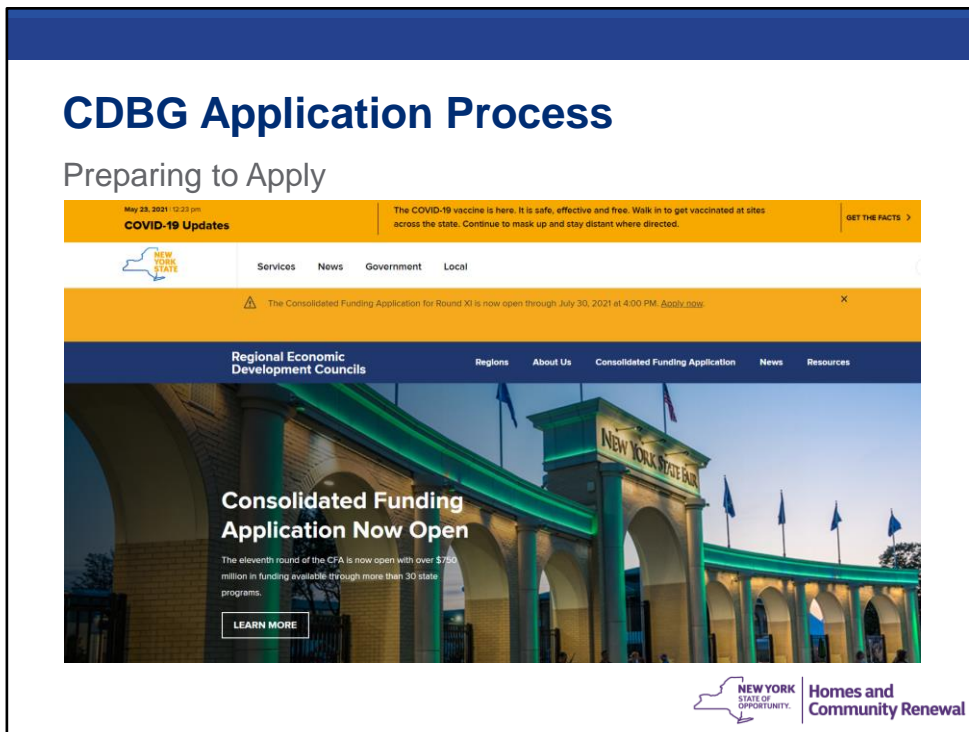
- Microenterprise
- Small Business Assistance
- Economic Development



This is the list of CDBG eligible activities that must go through the CFA.

Applications for public infrastructure, public facilities and community planning will be accepted through the CFA portal until 4:00pm, Friday, July 30, 2021.

Applications for Economic Development, Small Business, and microenterprise are not subject to the CFA due date of July 30, 2021. This is a 2-step open round application process. Applications can be submitted at any time throughout the year through the CFA portal for those activities only.



This screenshot is from the current CFA website, a link to the site is on the next slide.

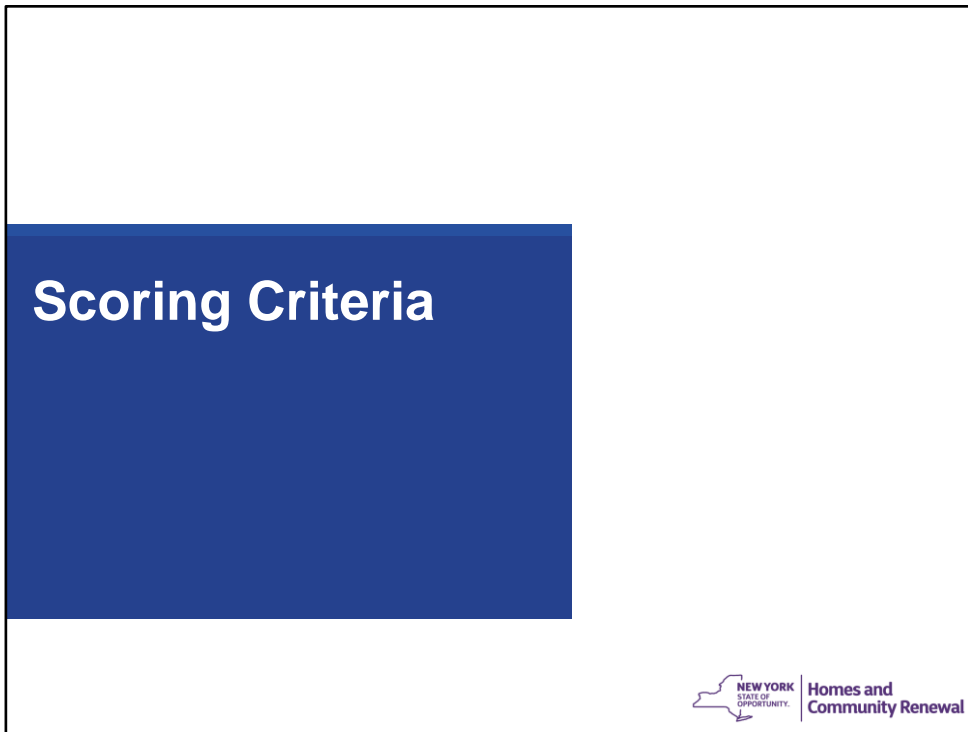
CDBG Application Process

Resources

- [NYS CDBG Program Guidelines](#)
- [NYS CDBG Economic Development Program Guidelines](#)
- [Regional Economic Development Councils](#)
- [Consolidated Funding Application](#)



Some useful links to help get you started.



The following slide provides a list of scoring criteria for reviewing applications

CDBG Application Process

Scoring Criteria

Applications competitively rated and scored on:

1. Need 15 Points
2. Impact 15 Points
3. Financial Capacity 25 Points
4. Administrative Capacity 25 Points
5. REDC Score of up to 20 Points



NEW: Penalty Points up to 20 points may be deducted

Scoring criteria is clearly explained for all activity types in the RFA beginning on page 6



The OCR uses these criteria when assessing and scoring applications.

Open round scoring is based on several threshold criteria including but not limited to HUD underwriting criteria.

For competitive applications (PR/PW/PF):

Need

- What is the need to undertake the activity
 - Are there consent orders, notice of violations issued requiring a specific course of action be taken
 - Is there an engineering reports or preliminary engineering report
- What is the need for NYS CDBG funding assistance
 - Is the project on the Intended Use Plan (IUP)
 - Provide the IUP Listing Number
 - Can the project adequately demonstrate that other funding has been pursued?
 - Do not provide a self analysis, OCR is looking for letters of denial or if funding in the form of a loan has provided, how CDBG can help make the project more affordable
 - Projects must be fully funded, do request NYS CDBG dollars first
 - CDBG must be last in to full in a budget gap or make a project more affordable

Impact

- Impact of the project and on the community
- Impact of NYS CDBG funds in terms of affordability
 - Be sure the Activity Detail Form is completed correctly

Financial

- Demonstrate affordability, that current user costs based on median household income are unaffordable

Administrative

- Ability to undertake the activity
 - Understanding of the Recipient of CDBG rules and regulations
- Ability to implement upon award
 - Think environmental review, regulatory review and approval
- Ability to complete within 24 months of award
 - Can the application adequately demonstrate that all activity can be completed within 24 months

Refer to the RFA for guidance on the penalty points. First time applicants and first-time awardees are not negatively impacted by this.

Application Tips & Updates



The following are tips for making your way through the application process.

CDBG Application Process

Application Tips

Only eligible units of general local government may apply for CDBG assistance

Tips:

- Use the correct [forms](#), check for updates
- Use the [submission checklist](#) to ensure completeness
- Document [citizen participation](#) (public hearing)
- Don't take choice limiting actions prior to award and clearance



On the slide are some very helpful application tips.

Remember, the NYS CDBG program can only fund eligible units of general local government (UGLG).

Please pay close attention choice limiting actions. The regulation that governs the environmental review process when developing affordable housing with any kind of federal funds (whether it is CDBG, HOME or other federal sources) is 24 CFR §58.22. The regulation states:

Neither a recipient nor any participant in the development process, including public or private nonprofit or for-profit entities, or any of their contractors, may commit HUD assistance under a program listed in section 58.1(b) on an activity or project until HUD or the state has approved the recipient's [Request for Release of Funds] and the related [environmental review] certification from the responsible entity. 24 CFR §58.22(a).

What this means is do not start a project or any component of a project until as such time as the awardee has received in writing, from OCR, approval for the release of funds. If a contract for construction is awarded or signed prior to the approval, it implies the local municipalities intention to incur costs and those costs will be deemed ineligible for NYS CDBG funding assistance.

Please contact OCR with any questions prior to submitting the application through the CFA.

CDBG Application Process

Updates

1. [Revised Activity Detail Form](#)
2. [Revised Smart Growth Criteria Form](#)
3. Compliance with Water Resources Development Act (WRDA)
4. Income Surveys



On the slide are some very helpful application tips.

1. The Activity Detail Form has been updated, please contact OCR with any questions
2. The updated Smart Growth Criteria must be submitted
3. If the application is for a drinking water source that serves more than 3,300 users, include documentation on municipal letter head, signed by the Chief Elected Official that compliance with WRDA has been completed. This cannot be submitted by the engineer or consultant
4. If National Objective Compliance is by income survey:
 1. Follow guidance in the RFA
 2. If survey is more than three (3) years old as of July 30, 2021, a waiver must be requested from OCR
 3. If the survey is more than five (5) years old, no survey will be granted
 4. This is spelled out on page 25 of the RFA

CDBG Application Process

Updates

1. Revised Activity Detail Form

NYS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PUBLIC FACILITIES/PUBLIC INFRASTRUCTURE/LATERAL CONNECTIONS ACTIVITY DETAIL

APPLICANT NAME: _____
 CFA APPLICATION #: _____

SECTION A. Complete this section for all activity types: Drinking Water, Sanitary Sewer and Public Facility (required).

Beneficiaries From Activity

Median Income: HAMFI – HUD Adjusted Median Family Income, documentation of source data is required

Source of Data: Income Survey ☐ Census ☐ Tract ☐ Block Group ☐ HUD ☐ # of Persons

0-30% of HAMFI _____

31-50% of HAMFI _____

51-80% of HAMFI _____

81% and Above _____

National Objective Claimed: Select One Totals: 0

SECTION B. Complete this section ~~in its entirety~~ for project assistance for public drinking water and public sanitary sewer. Do not use this table for storm water management projects or public facility projects. Penalties on completing this section, please contact OCR. Failure to complete correctly will negatively impact competitive scoring. What is the median household income?!

Public Drinking Water and Sanitary Sewer System: Per EDU (Equivalent Dwelling Unit)

Total EDU's (required)	Water System (per EDU)		Sanitary Sewer System (per EDU)		Total Sewer	
	Annual Debt Service	Annual O&M* Costs	Total Water	Annual Debt Service		Annual O&M* Costs
One time hook up fee for residential only						
\$						
A. Existing System Costs	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
B. Project Costs without CDBG	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
C. Project Costs with CDBG	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
D. CDBG Impact (B-C)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	
E. Total Project Costs (A + C)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	



Pay close attention to this form

- As part of the National Objective Compliance, the application must identify the source data for low-and moderate-income surveys
 - Income Survey
 - Census
 - Block Group or Tract Level
 - If HUD, the data source is the LMI data tool available on the OCR website
- Identify the National Objective claimed
- Provide the median household income, the source for this must also be identified in the National Objective compliance section.
- User costs must be based on the entire system.

CDBG Application Process

Updates, Revised Activity Detail Form

NYS CDBG Program
Proposed Project Hook-Up Information

Applicant: _____
Project: _____

In order for NYS CDBG to adequately rate and rank a request for funding for a system, the number of EDUs (Equivalent Dwelling Units) that will pay debt service for the project must be determined.

1 EDU = 1 Typical Residential Household
Village - EDU count must include the entire Village and all outside direct bill residential customers.
Town - EDU count only includes services within the proposed/existing district.

Drinking water and sanitary sewer systems must demonstrate that at least 51% of the system EDU's are residential.
Using the calculation below, determine the total EDU's and then determine the total residential EDU's.

(1) Number of residential services (hook-ups) in proposed/existing system	<input type="text"/>	gpd
(2) Total residential flow (actual or estimated) in proposed system	<input type="text"/>	gpd
(3) Residential flow per day from typical residential user - (2)/(1)	<input type="text"/>	gpd
(4) Number of commercial/business/industrial services (hook-ups) in proposed/existing system	<input type="text"/>	gpd
(5) Total commercial/business/industrial flow (actual or estimated) in proposed/existing system	<input type="text"/>	gpd
(6) Number of commercial / business / industrial EDU's - (5)/(3)	<input type="text"/>	

If vacant land owners will be charged debt service, fill in line (9)

(7) Number of buildable parcels	<input type="text"/>
(8) What percentage of a user will the parcel be charged for debt service	<input type="text"/>
(9) Number of vacant land EDU's - (7) x (8)	<input type="text"/>



TOTAL EDU's

(10) Total number of EDU's to pay Debt Service - (1)+(6)+(9)	<input type="text"/>
(11) Total number of EDU's to pay Operation & Maintenance - (1)+(6)	<input type="text"/>

Operation & Maintenance for proposed system (Annual Costs) (attach copy from budget)

1- Administration	<input type="text"/>
2- Cost to treat / purchase	<input type="text"/>
3- Salaries / Benefits	<input type="text"/>
4- Supplies	<input type="text"/>
5- Utilities	<input type="text"/>
6- Other (specify) _____	<input type="text"/>

Total:


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**Homes and
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It is important to use this page on the Activity Detail Form, it assists populating the first, including calculating the EDU's and O & M costs.

CDBG Application Process

Updates

PRELIMINARY BUDGET (USE & SOURCE OF FUNDS):

Applicant Name:										
CFA Application Number:										
USE OF FUNDS	CDBG \$ Requested	SOURCE OF FUNDING								
			C** Y/N		C** Y/N		C** Y/N		C** Y/N	SUB-TOTAL
Select Use	✓									0
Select Use	✓									0
Select Use	✓									0
Select Use	✓									0
Select Use	✓									0
Select Use	✓									0
Select Use	✓									0
										0
										0
Engineering*										0
Administration*										0
Program Delivery*										0
TOTAL PROJECT COSTS	0	0		0		0		0		0

* Applicants may request up to **18%** of the CDBG award in program delivery, administration, and engineering costs combined. Administration must not exceed more than **5%** of the total CDBG award. **Choose (Y) for "yes" or (N) for "no" to provide committed status of other funds.

I certify, to the best of my knowledge, that the information provided in the pre-submission form and any related attachments are true and accurate as of the stated date. I authorize OCR to make inquiries as necessary to verify the accuracy of the statements made and to evaluate this proposal for NYS CDBG funding.

Chief Elected Official Signature

Typed Name

Date



Use the correct preliminary budget form, there is a different form for economic development projects

This must be consistent with CFA budget and narrative

Floodplains & Flooding Risk Assessment

New requirements for Public Infrastructure projects

- [Community Risk and Resiliency Act \(2014\)](#)
 - Consideration of sea-level rise, storm surge, and flooding (coastal and inland) in facility siting, permitting, and funding
- [Smart Growth Form](#) (updated form) Criterion 11:
 - “To mitigate future physical climate risk due to sea level rise, and/or storm surges and/or flooding, based on available data predicting the likelihood of future extreme weather events, including hazard risk analysis data, if applicable.”
- [FEMA's National Flood Hazard Layer Viewer](#)
- Resources:
 - [Community Risk and Resiliency Act – Guidance for Consideration of Flood Risk in Smart Growth Public Infrastructure Assessment](#)
 - [New York State Flood Risk Management Guidance for Implementation of the Community Risk and Resiliency Act](#)
 - [Using Natural Measures to Reduce the Risk of Flooding and Erosion](#)



New York State enacted the Community Risk and Resiliency Act in 2014. The purpose of the law is to ensure that certain state funding, facility-siting regulations, and permits include consideration of the effects of climate risk and extreme weather events. The DEC released new documents on guidance for floodplain adaption and risk assessment in response to comply with the provision set by the CRRRA. Public infrastructure projects that involve new construction or groundbreaking may be subject to these new regulations. New public infrastructure projects must demonstrate how their project will mitigate or adapt to the flooding risks.

These new guidelines may affect how you answer in the required Smart Growth Form, notably Criterion 11.

If you are planning a project that involves new infrastructure, you must check that it is not in a floodplain area. You can do this by using FEMA's National Flood Hazard Layer Viewer. This is a public tool that can assist with the identification of floodplains.

Floodplains & Flooding Risk Assessment

New requirements for Public Infrastructure projects

➤ Resources:

- [Community Risk and Resiliency Act – Guidance for Consideration of Flood Risk in Smart Growth Public Infrastructure Assessment](#)
- [New York State Flood Risk Management Guidance for Implementation of the Community Risk and Resiliency Act](#)
- [Using Natural Measures to Reduce the Risk of Flooding and Erosion](#)



Again, I would like to remind you that this a consideration for public infrastructure projects that involve new construction or groundbreaking. For more information, you can access Chapter 2 of the CDBG Grant Administration Manual which covers the environmental review record requirements. You can also utilize the resources listed on the slide for additional guidance.

Common Deficiencies

This next slide will review common application deficiencies.

CDBG Application Process

Common Deficiencies

- [Public hearing](#) is not held prior to application or was not held by the legislative body.
- For guidance on holding a remote public hearing, contact the [Committee on Open Government](#)
- Activity does not meet a [National Objective](#).
- Applicant is not an [eligible](#) unit of local government.



The single biggest deficiency is that the required public hearing is not held prior to the submission date of the application.

Refer to the Public Hearing Template and the Public Hearing Requirements on the OCR website.

This must be a public hearing held by a quorum of the legislative body of the local unit of government and must be held specific to the program year for which the application is being submitted.

Public meetings will not be considered. Hearings must be advertised in a newspaper of general circulation at least 7 days before it is held, with the date of publication day zero. The notices must be conspicuously posted at least 72 hours prior to the hearing.

There are no waivers available if the public hearing requirement is not met.

Refer to Chapter 8 of the OCR Grant Administration Manual for further guidance.

Applications that fail to hold the required public hearing, do not meet a National Objective or are submitted by not-for-profits, businesses or individuals are deemed ineligible and will not be reviewed. Click on the link to Guide to National Objectives Compliance for further guidance.

Applicants are strongly encouraged to contact OCR with any questions prior to the deadline.

CDBG Application Process

CDBG Public Hearing Requirements

The Federal Housing and Community Development Act "encourages citizen participation, with particular emphasis on participation by persons of LMI," both in the preparation of CDBG applications and throughout the implementation of local CDBG projects.

- Public hearings should be held at a time and place convenient to the general public, with accommodations for persons with disabilities
- Two (2) public hearings are required:
 - First hearing must happen between proposal and application (see [template](#))
 - Notice should identify the amount of CDBG funding requested, the program year, and the proposed activities
 - For those awarded, second hearing must be complete before submission of the request for closeout
 - Current guidance allows for virtual hearings
 - Must be conducted before a quorum of the legislative body (must be the municipality's official legislative body, not a division of local government)
 - Municipality must provide a minimum seven (7) day period between the publication of the hearing notice and the hearing itself. **Note that the date of publication is day "zero".** See below.

```

graph LR
    D0((Day 0: Notice Published)) --> D1((Day 1))
    D1 --> D2((Day 2))
    D2 --> D3((Day 3))
    D3 --> D4((Day 4))
    D4 --> D5((Day 5))
    D5 --> D6((Day 6))
    D6 --> D7((Day 7: Hearing Held))
    D7 --> D8((Day 8: Notice Closed))
  
```

- Hearing notice must be conspicuously posted in one or more public locations at least seventy-two (72) hours prior to the actual hearing. This can be a physical posting (e.g. Town hall bulletin board) or on a website. Evidence of posting must be attached to the application.
 - Acceptable evidence of posting: Website screenshot or digital photo with date, written attestation, or other clear evidence documenting the above

Ready to Submit an Application?

- The following list **MUST** be submitted with all applications to serve as documentation that the Citizen Participation requirements have been fully met:

- Affidavit of Publication as provided by the newspaper
- A full, clearly legible copy of the legal notice as published
- Copy of minutes from the hearing
- Copy of sign-in/attendance sheet
- Clear, legible documentation of 72-hour attestation

NEW YORK
STATE OF
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This is critical, if all elements are not strictly adhered to, the application will be deemed ineligible.

This is available on the OCR website, go to Application and Schedule A Condition Forms.

There are no waivers available for problems with public hearing requirements.

When in doubt, call OCR.

CDBG Application Process

Common Deficiencies

- [Activity Detail Form](#) is not completed correctly
- Project need is not demonstrated.
- Need for CDBG assistance is not clearly defined or funding commitments provided are insufficient.
- Evidence of commitment letters for all sources of leveraged funds contributing to the project is not provided or not adequate.
- Budget narratives do not match budget tables, and budget presented is not feasible.
- Program readiness is not evident, including community interest, eligible projects and funding commitments.
- [Administrative capacity](#) is not described, including staff roles and administrative procedures.



These are other common deficiencies are listed here as well.

CDBG funds need to be last in and the application should clearly demonstrate that CDBG funds are necessary to make the project more affordable, are being used to fill a gap in financing or the application is able to demonstrate that other funds are not available

Funding commitments that are insufficient or inadequate may result in the application appearing to have a gap in funding.

Stating that funds will be pursued is not the same as demonstrating that other funds have been pursued.

For infrastructure, having the project listed on the Annual or Multi-Year Intended Use Plan (IUP) is an example of demonstrating that other funds have been pursued.

For economic development projects, commitment letters from third party lenders would constitute evidence of funding.

Letters of intent or interest rate quote do not qualify.

CDBG must be last in, all other funds must be committed, and the application can clearly demonstrate that CDBG funds are filling a budget gap or making a project more affordable.

To adequately ensure administrative capacity can be demonstrated, refer to Exhibit 1-1 CDBG Local Recipient Administrative Plan

Applicants are strongly encouraged to contact OCR with any questions prior to the submission of the application.

OCR can and will discuss any application or questions up until the due date or the application has been submitted.

Further Program Guidance

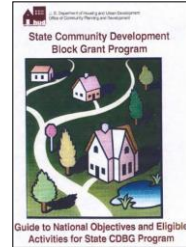


For further program guidance, the following slides will provide useful links and contact information.

CDBG Application Process

Additional Program Guidance

- [NYS CDBG Program](#)
- [NYS CDBG Economic Development Program](#)
- [Guide to National Objectives and Eligible Activities for State CDBG Programs](#)
- ["Basically CDBG" Course Training Manual](#)
- [HUD Income Limits](#)



Please submit questions regarding any of this guidance to HCR_CFA@nyshcr.org

CDBG Application Process

Additional Program Guidance

- Efforts to Affirmatively Further [Fair Housing](#)
- Identify, remediate [environmental](#) hazards (Lead based paint, asbestos, mold)
- Minority and Women-Owned Businesses ([MWBE](#))
- Title VI of the Civil Rights Act of 1964, as amended (42 U.S.C. 2000d et seq.)
- The Fair Housing Act (42 U.S.C. 3601-3620)
- Equal Opportunity in Housing (Executive Order 11063, as amended by Executive Order 12259)
- Age Discrimination Act of 1975, As Amended (42 U.S.C. 6101)
- Affirmative Marketing
- Americans With Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, 225)
- [Section 3](#) of the Housing and Urban Development Act of 1968
- [Davis Bacon](#) Related Acts
- Anti-Job [Pirating](#)



This list provides a brief description of other program requirements that may need to be met.

Questions regarding fair housing must be directed to the Fair and Equitable Housing Office (FEHO), the link to the website is provided

For guidance on addressing environmental concerns, refer to Chapter 2 of the OCR GAM. This is not intended to be conclusive guidance, additional state and local environmental review may be required.

M/WBE and Section 3 compliance is handled by FEHO, questions for either should be directed to Section3MWBE@nyshcr.org.

Please note, all Recipients of CDBG funds are required to address Affirmatively Furthering Fair Housing, this applies to all activity types.

Davis-Bacon is the federal version of prevailing wages and applies to any public works contract in excess of \$2,500 and any housing project with with (8) or more units.

The application must clearly demonstrate a clear understanding of all potential rules, regulations and requirements. This is not a comprehensive list, there maybe others that a specific project is subject to.

Questions?

If you have any questions, please contact
NYS Homes & Community Renewal at HCR_CFA@nyshcr.org.

The OCR [Grant Administration Manual](#) is available online

Technical assistance for any potential project or application is
always available upon request.



Again, please submit all questions to HCR_CFA@nyshcr.org