

## **CDBG Program Year 2023**

### **Solicitation Guide:**

### **Public Services, Programs and Facilities**

#### **General Information:**

Proposal applications for Ramsey County Community Development Block Grant (CDBG) funds and required documents will be accepted February 14, 2023 through March 14, 2023 at 4PM and must be uploaded via the [ZoomGrants portal](#). Solicitations will be used to determine program eligibility, and if awarded funds, it will also be used for HUD reporting, performance and outcome requirements, and program monitoring. Applications will be reviewed for project eligibility and feasibility by Ramsey County Community and Economic Development (CED) staff. Staff will then make funding recommendations to the Ramsey County Housing and Redevelopment Authority (HRA) board for final approval on May 9th.

If there are questions regarding the application, application process, and/or required documents, please contact: Heather Posthumus at 651-413-4972 or email [Heather.Posthumus@co.ramsey.mn.us](mailto:Heather.Posthumus@co.ramsey.mn.us). For any technical questions, applicants can search at ZoomGrants University ([help.zoomgrants.com](http://help.zoomgrants.com)), or if extra assistance is needed contact Technical Support M-F 8am – 5pm MST at 866.323.5404 ext. 2 or email [questions@zoomgrants.com](mailto:questions@zoomgrants.com).

Suburban Ramsey County communities and nonprofits are eligible to apply for funding. Funding is usually available after July 1, 2023, the start of the fiscal year. However, actual date relies on the federal government and congressional release.

#### **Timeline**

- February 14, 2023, Public Services, Programs, and Facilities Solicitation Opens
- February 16, 2023, Ramsey County staff will host a Public Services, Programs, and Facilities Informational Webinar found here: [ramseycounty.us/CDBGSolicitations](http://ramseycounty.us/CDBGSolicitations)
- March 14, 2023, Public Services, Programs, and Facilities Solicitation Closes
- April 6, 2023, is deadline for project selection
- April 8, 2023, begins 30-day comment period for community feedback on project selection
- May 8, 2023, a public hearing will take place for any additional community feedback on project selection
- May 9, 2023, the Ramsey County Housing Redevelopment Authority (HRA) will vote for approval on selected projects.
- July 1, 2023, is the anticipated first date of program year 2023.
- June 30, 2024, program year closes.

#### **Priority Needs**

- Tenant Advocacy
- Homeless Prevention Services
- Transportation for Seniors and Disabled
- Infrastructure
- Job Readiness and Skills Training

#### **Goals**

- Owner-occupied Housing Rehabilitation
- Public Improvements
- Public Services

The more frequently funded projects include investment in infrastructure and facility improvements. Program funding may also support social service programs including tenant counseling, food resources, legal aid services, homeless prevention services, and employment training.

### **Economic Competitiveness and Inclusion Plan**

With more than 550,000 residents, Ramsey County is the most racially diverse and densely populated county in Minnesota. The Ramsey County CED team, in conjunction with Ramsey County communities, businesses, and organizations, developed the [Economic Competitiveness and Inclusion Plan](#) (ECI Plan). Ramsey County is guided by a comprehensive economic development strategy centered on equitable growth. This strategy prioritizes inclusion in future investments and other actions related to housing, job creation, workforce development, and place-based investments. Some ECI Plan goals include:

- A renewed - and targeted - focus on job access, skill training, and high-wage industry growth, coupled with intentional efforts to dismantle institutional racism, to help create economic pathways.
- Taking action to undo the racism and the symptoms of racism experienced by residents for generations because of economically and racially exclusive policies and actions of the past.
- County leaders and staff, together with partners across the housing spectrum, will work together to address critical housing needs, support services, and disparities; to align public, private, and philanthropic resources in support of preserving existing affordable housing while improving climate resiliency and reducing household utility costs.

### **Eligibility**

Eligible applicants must be or are applying on behalf of one of the following:

- Nonprofit (IRS Designated 501(c)3 or 501(c)4) or
- Governmental Agency

If you are unsure if your organization is eligible, please contact Ramsey County staff listed above.

Eligible projects and programs must:

- Serve and primarily benefit low-to-moderate-income residents.
- Be located in or serve suburban Ramsey County communities and residents.
- Address community priorities and/or goals listed above.
- Meet federal guidelines for the respective programs.

### **Meeting a National Objective**

Every CDBG-funded activity must qualify as meeting one of HUD's three national objectives, except for administration and planning. The criteria to determine whether a CDBG-assisted activity complies with one or more of the national objectives are listed under Subpart C, 570.208. The three national objectives include:

- Benefiting low- and moderate-income (L/M) persons,
- Preventing or eliminating slum and blight, or
- Meeting urgent community development needs.

CDBG spending must also meet HUD's "overall benefit" requirements, including:

- At least 70 percent of the County's grant funds must be used for activities principally benefiting L/M income persons.
- No more than 15 percent of the County's grant funds can be used for public service activities.

**National Objectives:** HUD requires that CDBG funded activities must meet at least one of HUD's three national objectives:

1. **Benefit Low- and Moderate-Income (LMI) Households:** These are households at or below 80% of the area median household income.

- Here is a link to HUD income limits:  
<https://www.huduser.gov/portal/datasets/il/il2022/2022summary.odn>
- Below are current income levels as of the date of this solicitation. **All income limits are subject to change and are expected to change prior to the release of program year funds.** The income information listed below is for your reference.

Area Median Income (AMI) Household (HH) annual income maximum based on HH size and % of AMI – **Effective as of 6/1/2022**

HH Size/AMI	1	2	3	4	5	6	7	8
<b>30%</b>	\$24,650	\$28,200	\$31,700	\$35,200	\$38,050	\$40,850	\$43,650	\$46,630
<b>50%</b>	\$41,100	\$46,950	\$52,800	\$58,650	\$63,350	\$68,050	\$72,750	\$77,450
<b>80%</b>	\$62,600	\$71,550	\$80,500	\$89,400	\$96,600	\$103,750	\$110,900	\$118,050

2. **Limited Clientele (LMC) Benefit:** Activities that predominately benefit LMI households. At least 51% of activity beneficiaries must be LMI. The subrecipient must do one of the following to demonstrate a benefit to LMC:
  - a. Certain activities that are exclusively created and serve a group of persons in any one or a combination of the following categories may be presumed to benefit persons:
    - abused children,
    - battered spouses,
    - elderly persons,
    - adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled,"
    - homeless persons,
    - illiterate adults,
    - persons living with AIDS,
    - and migrant farm workers.
  - b. Require documentation on household size and income to show that at least 51 percent of the clientele are low-and-moderate-income.
    - i. Documentation is **one** of the following:
      1. Organization intake/survey method – HUD requires that a minimum 20% sample of self-certification forms be verified by third-party documentation.
      2. Third-Party Documentation – Using this method, 100% of income is verified through third-party documentation such as paystubs or recently filed income tax returns.
  - c. Have income eligibility requirements limiting the activity to LMI persons only.
  - d. Provide the benefit that is of such a nature and in such a location that it can be concluded that clients are primarily LMI.
3. **Low-and-Moderate-Income Area (LMA) Benefit:** Activities that will benefit all residents in a primarily residential area and the activity must meet the identified needs of LMI persons. Activities must be in a census tract where 51% or more of the population is low-moderate-income. An activity that serves an area that is not primarily residential in character does not qualify under this criterion.
  - Project addresses can be looked up here to find census tract data on the percentage of population that is at or below 80% area median income:  
<https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=ffd0597e8af24f88b501b7e7f326bedd>

- Street improvements (not repairs), water and sewer lines, neighborhood facilities, and façade improvements in a commercial district that serves a low- and-moderate income neighborhood are all examples of activities that have an area benefit.

### **General Instructions:**

1. All applicants should review the Ramsey County Economic Competitiveness Inclusion Plan to compare how proposed project or program aligns with the plan, the link listed above.
2. **Public Service Projects:** CDBG funds may only be used for **new** or **expanded** social services. CDBG funds, by statute, may not be used to replace other funds. Awarded funds will be on a reimbursement basis based on a per client cost for each LMI eligible client served.
  - a. **Definition of New and Expanded Programs:**
    - i. *New programs/activities* are those that have not been funded with state or local dollars in the last 12 months.
    - ii. *Expanded programs/activities* must have a quantifiable increase in those receiving service in the last 12 months.
  - b. Public service projects will be reimbursed, based on a per-client cost for each LMI eligible client served.
    - i. Per-client cost should include reasonable, allowable, and allocable overhead costs and combined salaries/benefits that will be charged for each LMI eligible client served. The per-client cost base should reflect a fair share of indirect costs in reasonable relation to the benefits received from those costs.
3. **Public Facilities Non-Residential and Owner-Occupied Housing Rehabilitation Projects:** CDBG funds can be used by subrecipients for the acquisition, construction, reconstruction, installation, or rehabilitation of public facilities. Maintenance of public facilities is not an eligible expense. Federal and local labor standards, prevailing wages, hiring, and procurement requirements may apply to your project. Please consult with Ramsey County staff prior to initiating any binding construction activities. Specific language is required in all construction bid documents. Staff will work with you on bid packages and pre-construction conferences.
  - a. Public Facility Projects may include:
    - i. Publicly owned facilities and infrastructure such as, streets, playgrounds, and underground utilities; or
    - ii. Buildings owned by nonprofits that are open to the public.
  - b. Owner-Occupied Housing Rehabilitation Projects may include:
    - i. Home rehabilitation programs for low-to-moderate income households; or
    - ii. Weatherization programs for low-to-moderate income households.
  - c. ***All applicants for capital projects*** (non-public service) are expected to submit a completed National Environmental Policy Act (NEPA) Environmental Statutory Checklist (Include in attached documents in ZoomGrants). **Only owner-occupied housing programs are exempt from the NEPA Checklist.**
  - d. ***Environmental Review Must Precede Any Project Work:*** Acquisition, rehabilitation, or construction projects cannot start until Ramsey County staff has conducted a HUD required Environmental Review. Agencies cannot put projects out to bid until the Environmental Review has been completed by Ramsey County staff and the agency has received notice advising the project may

proceed. Agencies failing to wait until the HUD environmental review is complete will forfeit the allocated funds.

- e. **Site Control:** Applicants must demonstrate acceptable evidence of title/site control, which could include the following: a purchase agreement, purchase option, or letter of intent from a governmental body for a sole developer. If there is no transfer of ownership, then the warranty deed or contract for deed is acceptable. If the project involves acquisition, you **MUST** submit the Informational Notice to the Owner/Seller prior to submitting the option or conditional contract.
- f. **Procurement Policies:** When a subrecipient elects to hire a contractor, whether to administer a program, complete a task, or do construction, those contractors must be procured competitively. Subrecipients should adopt procurement policies that describe how the subrecipient or their contractors will procure supplies, materials, services, and equipment. The policy should assure that all purchases are handled fairly and in a manner that encourages full and open competition. Subrecipients should follow the procedures established in the policy, and document how all procurements were handled. Your organization must have written procurement procedures in accordance with [24 CFR Part 85.36](#).

### **Solicitation Submissions:**

**Project Narrative:** Describe the existing situation (need) and outcomes (impact) related to suburban Ramsey County priorities.

1. Include a one paragraph summary that can be used to describe the project and can be used to present the project to HRA board members and the public.
2. Provide additional details describing the project including the information requested below:
  - a. **Beneficiary Information:** This section will allow you to project how many beneficiaries your service will be new and how many existing beneficiaries are expected to receive an improved service throughout program year 2022. How will this project benefit low- and moderate-income residents of suburban Ramsey County communities? Refer to the household rent and income limits. Please include the number of persons/households expected to benefit, household income levels, and method for verifying client income. Explain how the figures were calculated, including:
    - i. Estimated number of new and existing people to be served
    - ii. Estimated cost per person/household served
    - iii. Describe any cost increases/decreases or other changes experienced over the past 24 months
    - iv. If direct benefit is not being achieved, describe how the project will meet the area benefit or presumed benefit test.
  - b. **Implementation:** Describe previous experience with this or a similar type of activity or project. Have modifications been made to reflect current housing market/economic conditions in the community? Are other agencies/ organizations involved? How will successful performance be measured?
  - c. **Data Collection:** Some form of verification must be made to assure that a CDBG-funded activity meets the national objective regarding low-and-moderate-income persons.
    - i. **For public service programs/activities**, the two categories are: 1) area benefit, and 2) limited clientele. Indicate which method will be used and describe the process for collecting beneficiary data, including who will collect it and how the data will be controlled to eliminate duplicated data.
  - d. **Total Unduplicated:** A public service must report the number of unduplicated people it will assist. HUD defines “persons” in their federal reporting system as equal to an individual and “households”

as equal to all household members. Reporting documents provided by Ramsey County staff will advise if persons or all households members should be reported in the total count of new clients served. **Do not count a person/household more than once through the program year.** HUD will use the beneficiary data provided to measure the program/activities success. At the program/activities end, the application will be compared to the final accomplishment data supplied. If there is a noticeable discrepancy between the application information and the final accomplishment information, you will may be required to submit written clarification.

3. **Budget Narrative and Budget Worksheet Section:** Describe how your program determines cost per client served or unit cost of service. Have costs increased, decreased, or remained constant over the previous 24 months? What factors lead to these changes? All questions under this section must be fully completed.
4. **Availability of Funds:** Funds will be available upon completion of all regulatory requirements for use of federal funds, including, but not limited to, completion of a HUD Environmental Review. If awarded, funds may be reimbursed from the effective date of a contract but will not be disbursed to the awardee until the grant written agreement is executed by both parties.
5. **Federal Grant requirements:**
  - a. Federal labor standards requirements (also known as "**Davis-Bacon**") is triggered when construction work over \$2,000 is financed in whole or in part with CDBG funds per [29 CFR Parts 1, 3, 5, 6 and 7](#). It requires that workers receive no less than the prevailing wages being paid for similar work in the same area. Davis-Bacon does not apply to the rehabilitation of residential structures containing less than eight units or force account labor (construction carried out by employees of the subrecipient). If the project is funded, the agreement will require compliance with Davis-Bacon requirements, including (but not limited to):
    - i. Working with Ramsey County Davis Bacon and Related Acts consultant; and
    - ii. Obtaining wage decisions for use in the project; and
    - iii. Including federal labor standards provisions in bid and agreement documents; and
    - iv. Monitoring contractors for compliance with wage rates and collecting restitution from contractors that violate wage requirements; and
    - v. Other federal reporting and compliance requirements may apply to the project, including Procurement, Acquisition, Anti-Displacement and Relocation Assistance provisions, Environmental and Equal Opportunity regulations.
  - b. **Section 3:** If your project is chosen **and** includes labor hours, the general contractor is required to complete a **Section 3 Compliance Plan and Reporting Form** for any project that is:
    - i. Over \$200,000 or more of HUD sourced funding, i.e., CDBG, HOME, etc.; or
    - ii. The threshold is \$100,000 where the assistance is from the Lead Hazard Control and Healthy Homes programs;
    - iii. The General Contractor will have a contract with the subrecipient of \$100,000 or more.

**Section 3 Contract Goals:** Where Section 3 requirements are applicable, the following minimum goals have been identified to meet the safe harbor benchmarks:

25% of Labor Hours are performed by Section 3 Workers or Section 3 Targeted Workers.

**Breakdown of 25% Labor Hours Goal:**

Total number of labor hours worked – 100%

Total number of labor hours worked by Section 3 workers – 20%

Total number of labor hours worked by Section 3 targeted workers – 5%

The goals apply to all costs included in the building contract, not just the amount of local financial assistance. Records must be kept regarding efforts to reach goals and any impediments encountered. (Sub)contractors will keep and provide their Ramsey County contact with a summary of the project's Section 3 worker and/or business information through quarterly reports. **Should Section 3 apply to your project, a Compliance Plan and Reporting Form will be provided by Ramsey County staff.**

- c. **Minority and Women Owned Business Enterprise (MWBE):** Subrecipients will use their best efforts to provide small businesses, minority business enterprises, and women's business enterprises the maximum practicable opportunity to participate in the performance of any funded project. The terms "small business" means a business that meets the criteria set forth in section 3(a) of the Small Business Act, as amended (15 U.S.C. 632), and "minority and women's business enterprise" means a business at least fifty-one (51) percent owned and controlled by minority group members or women. The subrecipient may rely on written representations by businesses regarding their status as minority and female business enterprises in lieu of an independent investigation.

- 6. **Conflict of Interest:** No person may obtain a financial interest or benefit from a CDBG program/activity that has exercised any function or responsibility with respect to that activity. This includes any person who can participate in a decision-making process or gain inside information about such activities, or has an interest in any contract, subcontract, or agreement. A person who obtains proceeds, either for themselves or those with whom they have family or business ties is considered a conflict of interest. HUD's regulations regarding conflict of interest are found in 24 CFR Part 570.611 and Part 85.36.

Each applicant must disclose if there are Ramsey County Commissioners, Ramsey County HRA Trustees, or Ramsey County staff on the applicant's decision-making board. The applicant must also disclose board members that may benefit or participate in the services you provide with possible financial gain. If the applicant answers, "yes" to any of the questions in this section, the information needs to be identified and any necessary steps will be taken to satisfy federal requirements.

#### 7. **Scoring Criteria**

- a. Does the project meet one of HUD's national objectives and does the project align with the County's priority needs and goals? **Up to 25 Points**
- b. What are the applicant qualifications? (Experience, technical ability, etc.). **Up to 25 Points**
- c. How well does the project or program align with Ramsey County's [Economic Competitiveness and Inclusion Plan](#)? **Up to 25 Points**
- d. Is the project or program Cost-Effective? How will the project or program leverage funding to assist, connect, or provide services or access to an adequate or higher than expected number of people compared to project cost. **Up to 25 Points**

### **Required Attachments**

#### 1. All projects and programs must include items a-e listed below:

- a. A one paragraph summary that can be shared with the public and officials.
- b. Signed Lobbying Certification (template located in Attachments in ZoomGrants) *May be submitted in another format.*

- c. Filled out and signed Risk Assessment Form (template located in Attachments in ZoomGrants). *May be submitted in another format.*
- d. Solicitation Certification (template located in Attachments in ZoomGrants). *May be submitted in another format.*
- e. Resolution of Governing Body (Required for local units of government; private and public nonprofit firms); organizations proposing a site-specific project must have a resolution of support from the applicable Ramsey County municipality. Nonprofits must have a resolution of support authorizing the request for CDBG funds. **Please provide written statement if a project can't get their city council board resolution until after application submittal.**
- f. Signed Public Facilities Compliance Acknowledgement (template located in Attachments in ZoomGrants). *May be submitted in another format.*
- g. If applicable, NEPA Checklist for all public facility and improvement projects. (Template located in Attachments in ZoomGrants). *May be submitted in another format.*
- h. If applicable, map identifying location of project, site maps and other illustrative material, as applicable.
- i. If applicable, third-party project cost estimates.
- j. If applicable, Certification of Federal Assistance (required for projects with other federal dollars).
- k. If applicable, anticipated implementation/construction schedule.
- l. If applicable, proposed drawdown schedule (Ramsey County prefers to reimburse no more frequently than monthly).
- m. If applicable, written financial commitments from other sources, as appropriate.
- n. Other attachments identified in the general instructions.
- o. IRS form 990 (Return if Organization is income tax exempt)