



# Community Development Block Grant: CDBG Request for Proposals Supplemental PY2018 Funding

**OVERVIEW.** Community Development Block Grant (CDBG) funds from the US Department of Housing & Urban Development (HUD) can be used to fund activities that meet a national objective and that are eligible for CDBG funding. Projects must comply with CDBG program regulations (24 CFR Part 570).

The City of Bellevue has unallocated Program Year 2018 CDBG funds that must be spent by **September 15, 2018**. The City is requesting proposals (submitted through this application process) from organizations with prospective projects that may be eligible for CDBG funding. The City is considering only **non-construction** capital projects (e.g. architectural/engineering and other eligible soft costs, pre-acquisition or acquisition costs, rehabilitation) and limited public services projects. The estimated amount of available PY2018 funds is as follows:

Capital projects:	Approximately \$250,000
Public Services:	\$35,800

The City makes no guarantees regarding the availability or awarding of funding through CDBG. Projects funded should align with the City's 2015-2019 Consolidated Housing and Community Development Plan, which informs the City's Annual Action Plan. City funding decisions are subject to change based on funding availability.

*All funds must be spent, and the City must be billed, no later than September 15, 2018.*

## **Overview of Eligibility and Suitability Considerations**

CDBG funds come with significant compliance and reporting burdens that are required of funded projects and affect organizational operations. Responsive performance reporting, specific demographic data records, and meticulous documentation requirements can extend for years beyond the completion of a CDBG-funded activity.

**PLEASE NOTE:** Receiving CDBG in your organization opens your operations to additional monitoring not only through the City, but also through HUD and the State Auditor. These monitoring and audit activities are beyond those experienced by organizations who receive non-CDBG funds from the City. Additional exposure to liability and costs (in real dollars and staff time, among other resources) comes with the risk associated with CDBG. As such, we strongly encourage organizations to understand the administrative burden that comes with CDBG funding and take that into consideration before applying. Please see [Playing by the Rules: A Handbook for CDBG Subrecipients on Administrative Systems](#) for detailed information on CDBG administrative requirements.

The City will consider funding CDBG-eligible activities which can be characterized as follows:

- Acquisition or design-related (“architectural and engineering”) and other soft (non-construction) costs;
- Home repair/rehabilitation and maintenance activities;
- Acquisition/rehabilitation of public facilities;

- Other activities allowed by CDBG regulations, depending on the resulting administrative burden; and
- Projects provided by agencies/organizations with a verifiable history of receiving and successfully administering CDBG funds.

*Prospective applicants are strongly encouraged to contact the City of Bellevue CDBG staff (via email to Dee Dee Catalano at [dcatalano@bellevuewa.gov](mailto:dcatalano@bellevuewa.gov)) in advance of applying to determine whether your project is eligible.*

### **Examples of projects funded in previous years include:**

- Architectural and engineering costs for a new Bellevue Boys & Girls Club clubhouse in downtown Bellevue.
- Pre-acquisition costs for 30Bellevue, a multi-family apartment project for low-income and homeless families and individuals.

### **❖ GUIDELINES**

Capital/facilities requests will be evaluated under the following guidelines:

1. *Need for the project or activity:* has the applicant sufficiently documented the need for the project?
2. *Expenditure of funds:* does the proposal show the intent to expend CDBG funds by September 15, 2018?
3. *Need for involvement by the City:* is it appropriate and important for the City to become involved financially in this project?
4. *Realistic development, maintenance and operating budgets:* has the applicant shown that the project can be developed and resulting operations sustained with reasonable revenue assumptions in future years (if applicable)?
5. *Applicant experience and capacity:* does the applicant have sufficient successful experience (or have access to such expertise) to efficiently and effectively follow through on the project and all requirements associated with CDBG?
6. *Benefit to low- and moderate-income persons:* how does the project benefit low- and moderate-income residents of the City? Note: The project must be able to clearly show that at least 51% of participants benefiting from the project/facility are low- or moderate-income. Projects will also have to show this for the year following the project's completion.
7. *Project readiness:* is the project ready to be implemented immediately?
8. *Project Objectives:* does the project conform to the City of Bellevue's Consolidated Plan objectives, as well as other locally developed priorities? (See <https://bellevuewa.gov/city-government/departments/community-services/human-services/consolidated-plan/> for these objectives.)

## ❖ FEDERAL CDBG APPLICATION REQUIREMENTS AND RESTRICTIONS

All proposed capital projects must meet the following minimum requirements:

1. **NATIONAL OBJECTIVES:** Projects must meet one of the national objectives established for the Community Development Block Grant Program per CFR 570.208 (*NOTE: Most projects address Limited Clientele.*). Please refer to the application for detailed information.
2. **ELIGIBLE ACTIVITIES:** A project must be an eligible activity per CFR 570.201. The City will prioritize eligible activities as follows:
  - Acquisition or design-related (“architectural and engineering”) and other soft costs;
  - Home repair/rehabilitation and maintenance activities;
  - Acquisition/rehabilitation of public facilities;
  - Other activities allowed by CDBG regulations, depending on the resulting administrative burden.
3. **INELIGIBLE ACTIVITIES:** Funds may not be used to pay off existing debt or to acquire equipment or fixtures which are not permanently affixed to a structure. CDBG funds may not be used for the acquisition of property or construction or rehabilitation of structures to be used for primarily religious purposes or which will primarily promote religious interests. Organizations which acquire or improve facilities with CDBG funds, may not subsequently lease space to organizations using the space for primarily religious purposes. CDBG funds for capital projects may not be used to pay for agency overhead, administrative, or fundraising costs. CDBG funds may not be used to pay solely for portions of new construction associated with accessibility.
4. **ELIGIBLE APPLICANTS:** CDBG projects must be implemented by a nonprofit organization or public agency. Nonprofit organizations leasing a facility may request CDBG funds to improve the facility provided the property owner agrees to a restricted use of the property for a specified length of time.
  - The City will prioritize funding recommendations for agencies/organizations with a verifiable history of receiving and administering funds from HUD.
5. **APPLICANT AUTHORIZATION:** Applications submitted by nonprofit organizations or special districts must be submitted by an authorized representative, e.g. Executive Director, as authorized by the board of directors.
6. **ENVIRONMENTAL REVIEW:** Capital projects which are awarded CDBG funds are subject to the federal environmental review requirements of the National Environmental Policy Act (NEPA). These requirements are in addition to any local requirements under the State Environmental Policy Act (SEPA). Environmental review procedures cover issues such as:
  - Location within Federal Emergency Management Agency (FEMA) 100-year floodplain;
  - Eligibility for local, state, or federal historic or landmark registers;
  - Exposure to airport or highway noise; or

- Endangered species that are listed or proposed for listing under the Endangered Species Act (ESA).

You are encouraged to consult with City staff prior to submitting an application to determine whether your project will require a consultant study. If a project requires a consultant study, a portion of the funds awarded can be used to procure the study.

The City's environmental review of projects must be completed ***prior to funds being committed to a project or any choice-limiting action has been taken***. It is possible that the award may be withdrawn due to the results of an environmental review.

## ❖ CDBG CONTRACT REQUIREMENTS

Agencies that are awarded CDBG funds for capital projects are subject to the following contract requirements. Please consider these when planning your proposal.

1. **DAVIS-BACON FEDERAL LABOR STANDARDS PROVISIONS:** Capital projects which utilize CDBG funds for new construction, alteration, or rehabilitation are subject to Federal labor standards provisions including Davis-Bacon wage rates. These regulations require that construction contractors paid with CDBG funds pay a wage which is typically higher than those paid for projects which are not federally assisted. All construction work is covered even in instances where only a small portion of the work is actually paid for with CDBG funds. *The City of Bellevue is not funding projects that invoke Davis-Bacon regulations at this time.*
2. **LEAD-BASED PAINT:** Projects must comply with HUD regulations regarding lead-based paint. These requirements prohibit the use of lead-based paint and require elimination of immediate lead-based paint hazards in residential structures (including emergency and transitional housing) and notification of the hazards of lead-based paint poisoning to purchasers and tenants of residential structures constructed prior to 1978.
3. **SECTION 3:** Projects awarded \$200,000 or more in CDBG and/or other funds from HUD (if any portion of the funds are used to pay for construction contracts of over \$100,000) will be required to comply with Section 3 regulations at 24 CFR Part 135. These regulations require that a minimum of 30% of new positions generated by the construction work be filled by low- and moderate-income persons.
4. **ACCESSIBILITY:** Agencies awarded CDBG funds must certify the organization's accessibility and, if applicable, plans for corrective action.
5. **COMPETITIVE PROCUREMENT:** Agencies which use CDBG funds to purchase goods or services, including consultant services and construction services, must select the vendor, consultant or construction firm based on a competitive process. Agencies shall take all necessary affirmative steps to assure that minority firms, women's business enterprises and labor surplus area firms are used when possible.
6. **CHANGE OF USE RESTRICTION, PROMISSORY NOTE AND MORTGAGE OR DEED OF TRUST:** CDBG-assisted properties must be used for CDBG eligible activities, as opposed to other private or even other public activities, for a specified length of time. Please check with City staff for specific requirements in this area.

7. **AUDIT:** Agencies receiving CDBG funding are required to submit an independent audit on an annual basis. Agencies which spend \$750,000 or more in federal funds in a given year must meet federal financial auditing requirements, as documented in Super Circular 2 CFR 200 from the federal Office of Management and Budget: [https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200\\_main\\_02.tpl](https://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title02/2cfr200_main_02.tpl)
8. **INSURANCE REQUIREMENTS:** Agencies will be required to provide evidence of general liability and property insurance to the jurisdiction awarding funds as an additional insured and as a loss payee under their policy. Other additional insurance requirements may apply.

**Other CDBG requirements may apply.**

## **❖ CAPITAL/FACILITY PROJECTS APPLICATION INSTRUCTIONS**

*\*\*If you are applying for public services funds under this RFP, please email [dcatalano@bellevuewa.gov](mailto:dcatalano@bellevuewa.gov) to request that application\*\**

In general, please be brief, only providing sufficiently detailed information to answer the question.

### **1. AGENCY INFORMATION**

Self-explanatory. Make sure to collect signatures from your agency's Chief Volunteer Officer (e.g. Board Chair, Board President, or similar title) and Chief Professional Officer (e.g. President, Executive Director, CEO, or similar title).

### **2. AGENCY BUDGET**

Enter the amount of the total agency budget for the calendar years 2017 and 2018. If the agency budget for 2018 has not been determined, estimate as closely as possible, based on past years and expectations for the next year.

### **3. AGENCY PURPOSE OR MISSION STATEMENT**

Describe, in one or two sentences, the agency's statement of purpose or mission statement.

- a. Identify whether the agency is a women's business enterprise.
- b. Identify whether the agency is a minority-owned business.

### **4. TITLE OF PROPOSED PROJECT**

Enter the name of the project or activity. The title should be a briefly stated description of the project capturing the name of the facility or location and the type of activity to be undertaken. Examples: "Eastside Transitional Housing Acquisition" or "Woodland School Renovation".

### **5. PROJECT COST**

Enter the amount of CDBG funds requested and the total project cost. If this same project has been funded with CDBG in previous years, please indicate this.

**6. PROJECT LOCATION**

Enter the full street address of the project location if different from the agency address given in Question 1.

**7. PROPOSED USE OF CDBG FUNDS**

Describe specifically what the CDBG funds will be used for in the overall project. Examples: *CDBG funds will be used to replace a failing roof on a facility in Issaquah serving primarily low- and moderate-income seniors.*

- a. Select the CDBG-eligible activity under which you believe your proposal falls.
- b. Select the National Objective under which you believe your proposal falls.

**8. PREVIOUS EXPERIENCE**

Describe the capacity and history of your organization in administering funds from HUD. Describe the capacity of your organization to manage a project of the magnitude that you are applying for. Discuss any previous project management experience of the agency. If consultants are assisting in project management, please list.

**9. QUALIFICATIONS**

Describe the agency staff (or consultant) that will manage the project or which will provide the service in question. Detail your procurement/bidding procedure and timeline by describing your plan for publishing and collecting bids in order to select a qualified contractor to provide the services in question (e.g., construction, architectural design, etc.).

**10. AUDIT**

Agencies which spend \$750,000 or more in federal funds in a given year must meet federal financial auditing requirements, as documented in Super Circular 2 CFR 200 from the federal Office of Management and Budget. Super Circular 2 CFR 200 can be found at [https://www.whitehouse.gov/omb/grants\\_circulars/](https://www.whitehouse.gov/omb/grants_circulars/)

**11. LOBBYING/ATTACHMENTS**

Self-explanatory.

**12. NEED**

Give a brief description of the existing circumstances which made this a needed capital project. Please describe the need for the project in two distinct areas. First, the human service needs of the population benefiting from the project. Second, the capital needs for the facility in question. Example: *Expansion is necessary to provide enough space for service delivery – existing roof is 32 years old and is leaking in four places, resulting in interior water damage.* Give local, specific statistics or documentation which confirm the situation.

**13. PROJECT DESCRIPTION**

Describe the project for which funding is requested. Explain which aspect of the project this City's dollars will fund. For example, describe the architectural services that will be undertaken.

**14. EXISTING PROPERTY DESCRIPTION**

Self-explanatory. Contact specific city staff if you require assistance in obtaining this information.

**15. PROJECT TIMELINE**

Each milestone must have a target completion date. If any of the steps have already been completed, that should be indicated. If your project is funded, you will be expected to report

regularly on your progress towards these milestones. Normally, CDBG funds should be spent within a year of their receipt.

**16. PROJECT BUDGET: SUMMARY**

This section is designed to provide an overall picture and details of the total expenses and revenues for your project. It explains what the funds requested from the City will be used for and who else is contributing money to the project. It will form the basis of contract reimbursement should your project receive City funding. Please remember all capital/facility projects involving construction costs over \$2,000 are required to pay federal wage rates, e.g. Davis-Bacon wages.

**17. PROJECT BUDGET: COST ITEMS**

Please explain how the cost estimate for the aspects of your project were derived. If work was performed by a consultant, please indicate. Indicate the basis for your cost estimates, such as engineers' estimates, contract estimates, including standard engineering cost formulae or experience. Attach copies of bids or estimates.

**18. PROJECT REVENUE**

Describe the revenue for the project, including the funding agency and the type of funds. Either give the date funding was secured or the estimated decision date.

**19. PROJECT PHASING AND REDUCTION OPTIONS**

Please be as descriptive as possible in this section, as staff and recommendation committees will use this information in their processes.

**20. OPERATING FUNDS**

Describe your operation plan for capital improvement. Describe how the improvement will be maintained and how this will be paid for.

**21. LEVERAGING**

Be clear in describing how these CDBG funds will separately leverage capital and/or operating expenses.

**22. PROJECT BENEFIT**

Describe who will primarily benefit from the project. For example, while a shelter may serve clients who are also victims of domestic violence, the primary beneficiaries of the shelter would be homeless families.

**23. CLIENT BENEFIT**

Self-explanatory.

**24. PROJECT BENEFIT DESCRIPTION**

Describe the process that determined the client benefit information. Are the numbers projections (if an increase in service is a byproduct of the capital improvement)?

**25. SERVICE DELIVERY SYSTEM**

Please discuss how your project fits into, coordinates with, or complements the existing network of services or regional efforts. Describe actions you've taken to coordinate with other organizations and groups serving the population or addressing the problem(s) your project targets.

**26. ACCESSIBILITY**

Describe how persons with special needs, including such factors as language barriers or physical handicaps, will be able to gain access to the facility.

**27. RELOCATION**

Applicants contemplating projects that will involve relocation should contact the City **before** completing the application forms.

**28. NATIONAL OBJECTIVE**

See directions in the application. Contact city staff if you have any questions at the email address in the Submission section. The project must be able to clearly show that at least 51% of participants benefiting from the project/facility are low- or moderate-income. Projects will also have to show this for at least the year following the project's completion.

**SUBMISSION AND QUESTIONS.** You are encouraged to e-mail your completed application before the deadline. If you have questions about this application, submit them via email only to Dee Dee Catalano at [dcatalano@bellevuewa.gov](mailto:dcatalano@bellevuewa.gov).

**DEADLINE FOR SUBMISSION:**

**Monday, April 23, 2018 at 4:00 p.m. Pacific Time**

Late applications will not be accepted.

**Applications shall be e-mailed to:**

[dcatalano@bellevuewa.gov](mailto:dcatalano@bellevuewa.gov)

Subject Line: [*Insert Your Agency's Name*] CDBG Supplemental PY2018 Application

Paper copies are discouraged. However, if you wish to submit a paper version, please first explain why this is necessary by emailing [dcatalano@bellevuewa.gov](mailto:dcatalano@bellevuewa.gov). If the need is reasonable, you will be asked to submit **one, double-sided original** of this application to the Human Services Division, Parks & Community Services Department. Use 11 point Arial font in narrative sections. Do not staple, three-hole punch or bind the paper original. Secure each with a paper clip only.