

2021

REGION III

**NORTH CENTRAL
PLANNING COUNCIL**

**PO Box 651
Devils Lake, ND 58301
Phone: 701-662-8131
Fax: 701-662-8132
sandyncpc@gondtc.com
www.northcentralplanningcouncil.com
TTY: 800-366-6888
ND Relay Voice: 800-366-6889
Spanish: 800-435-8590**



**ALTERNATIVE FORMATS FOR DISABLED
PERSONS ARE AVAILABLE UPON REQUEST**

ALLOCATION OF FUNDS

The following are based on the actual amount of funds available from the North Dakota Division of Community Services (DCS).

<u>2021 Regional Funds Available</u>	<u>\$269,321</u>
Allocated as follows:	
Housing	\$ 0
Public Facilities	\$269,321
Main Street Slum & Blight	\$ 0

Other Funds Available – Economic Development CDLF projects, based on Region III fund balance.

Eligible projects and activities include those described in the 2021 State Program Distribution Statement.

Application Information

Any county or city having questions on the eligibility of a project may contact North Central Planning Council staff.

Pre-application and final application forms may be obtained from:

North Central Planning Council
417 5th St NE
PO Box 651
Devils Lake, ND 58301
Telephone - 662-8131

Or from the NCPC website at: <http://www.northcentralplanningcouncil.com/cdbg-forms.html>

IMPLEMENTATION SCHEDULE

Public Facilities and Housing

April 1, 2021	Pre-Applications available (online and by request).
June 18, 2021	Submission deadline for pre-applications (original and one copy must be postmarked on or before deadline date).
August 19, 2021	Pre-applications will be reviewed, scored, and recommended funding amounts determined.
August 27, 2021	Applicants notified of results.
February 19, 2022	Final applications due to ND Department of Commerce Division of Community Services.

Emergency Projects

Open Applications for Emergency will be accepted any time.

Economic Development

Open Applications for Economic Development will be accepted at any time. Economic Development Projects, when approved, are funded through the Community Development Loan Fund (CDLF).

GOALS AND REQUIREMENTS

North Central Planning Council has established goals and requirements for each emphasis area. To be eligible to receive funding, pre-applications and notices of intent must address at least one of the program goals, be an eligible activity and meet a national objective.

HOUSING

- Goals**
1. Site preparation for new low-income units.
 2. Acquisition and site preparation for multi-family units.
 3. Activities that support construction of new single family LMI housing (site work, utility hook ups etc.)
 4. Rehabilitation of single family and multi-family units.
- Requirements**
1. \$100,000 minimum for City/County Multi-family projects.
 2. \$200,000 minimum for City/County Single Family projects.
 3. 100% benefit to LMI for single family housing rehab. All others must be at least 51% LMI.
 4. No local match required.
 5. Engineering/Architectural costs, when present, and CDBG administration are to be paid by grant recipient. Administrative costs will be 15% of total project costs with a minimum of \$15,000.**
 6. The project must conform to all “lead base paint” requirements in place at the time of the award. Lead testing is a requirement for all construction projects. It is recommended that this be done by the applicant prior to submitting an application as this can significantly change the cost of a project.
 7. Asbestos testing is a requirement for all construction projects. It is recommended that this be done by the applicant prior to submitting an application as this can significantly change the cost of the project. Asbestos testing prior to the application is not a covered cost of CDBG.
 8. Removal of Architectural Barriers (handicapped accessibility) projects require a Section 504 self-evaluation transition plan be submitted with the pre-application.

9. Housing quality standards inspection forms and resident income verification forms are required with a pre-application.

PUBLIC FACILITIES

- Goals**
1. Upgrade infrastructure (i.e., water, sewer, or community facilities).
 2. Expand infrastructure where growth takes place.
 3. Removal of architectural barriers.
- Requirements**
1. CDBG funds are grant funds.
 2. At least 51% benefit to LMI, special assessments or limited clientele.
 3. \$75,000 minimum.
 4. No local match required.
 5. Engineering/Architectural costs, when present, and CDBG administration are to be paid by grant recipient. Administrative costs will be 10% of total project costs, with a minimum of \$7,500.**
 6. Asbestos testing is a requirement for all construction projects. It is recommended that this be done by the applicant prior to submitting an application as this can significantly change the cost of the project. Asbestos testing prior to the application is not a covered cost of CDBG.
 7. Removal of Architectural Barriers (handicapped accessibility) projects require a Section 504 self-evaluation transition plan to be submitted with the pre-application.

ECONOMIC DEVELOPMENT

- Goals**
1. Job creation (primary sector, retail, tourism)
 2. Value-added manufacturing activities
 3. Diversification
 4. Retention and expansion of existing business
 5. Use of vacant buildings/facilities
- Requirements**
1. Grant and/or loan funds available for economic development.
 2. Retail Sector & Tourism - \$50,000 minimum, \$300,000 maximum as funds allow.
 3. Primary Sector - \$100,000 minimum, \$500,000 maximum as funds allow.
 3. 10% owner equity required.
 4. 1:1 match requirement.
 5. Grant funds available at the discretion of the NCPC/CDLF Review Board
 6. Administration of 10%, minimum \$5,000; Economic Development Construction – 15% of CDBG project funds requested.

SLUM AND BLIGHT – Economic Development

APPLICATIONS FOR NEW SLUM AND BLIGHT MAIN ST. PROJECTS WILL NOT BE TAKEN IN 2021

URGENT NEED

Urgent need and all other application submission requirements will utilize the submission requirements and deadlines established for public facilities and housing projects, depending on project type. Eligible activities in this category are those that demonstrate an immediate threat to health and safety.

EMERGENCY PROJECTS

Eligible activities in this category are those that alleviate a condition that poses a serious health, welfare, or safety threat or that may result in a loss of jobs and/or the inability of the community to provide essential services to its jurisdiction area. The project will need to meet the eligibility requirements and have concurrence that the project constitutes an Emergency Project from the North Dakota Division of Community Services (DCS). No funding is set-aside for Emergency Projects. However, funding for an Emergency Project may be allocated at the time of the application from funding unallocated, returned funds, or funds transferred from another emphasis area. Funding decisions including transfer from one allocation to another will be made by the Executive Board at their monthly meeting. CDBG funding for emergency projects can be up to 100% of the total project. Emergency Public Facility match requirements may be waived at the discretion of the Review Committee.

Construction Contracts cannot be executed nor can work begin on Emergency Projects prior to receiving the Financial Award and Environmental Release of Funds from the State.

***Applicants must request a waiver to use CDBG funds. These requests must be sent in writing with the pre-application and show significant financial hardship to be considered. Additional documents that may be required for consideration include financial reports, bank statements, etc.*

TRANSFER OF FUNDS

The transfer of allocations from one funding category to another is allowed as needed and will follow the requirements and guideline of the State PDS.

GRANT APPLICATION GUIDELINES

A. Housing and Public Facilities

1. Applicants will submit a pre-application by June 18, 2021. To be in consideration, the minimum requirements of a pre-application must be met.
2. Applicants who have been invited for a full application may add to the proposal shown in the pre-application, but only if the addition is within the same emphasis area, addresses the same problem and the amount of CDBG funds is not increased to more than identified in the pre-application.
4. Public facilities pre-applications should include a preliminary architect/engineering report as required by state law. If an architect or engineer is not used and a report is not

included, the applicant must state the reasons why. All public facility projects exceeding \$200,000 must comply with the North Dakota Program Distribution Statement.

5. Engineering/architectural costs, when present, and CDBG Administration are to be paid by local funds.
6. Asbestos testing is a requirement for all construction projects. It is recommended that this be done by the applicant prior to submitting an application as this can significantly change the cost of the project. Asbestos testing prior to the application is not a covered cost of CDBG.
7. Removal of Architectural Barriers (handicapped accessibility) projects require a Section 504 self-evaluation transition plan to be submitted with a pre-application.
8. Housing projects require housing quality standards inspection forms and resident income verification forms are required with a pre-application.
9. Housing projects must conform to all "lead base paint" requirements in place at the time of the award. Lead testing is a requirement for all construction projects. It is recommended that this be done by the applicant prior to submitting a pre-application as this can significantly change the cost of a project.

GRANT REVIEW AND SELECTION PROCESS

A. Public Facilities and Housing

1. The NCPC Executive Board will serve as the CDBG Review Board. Prior to Scoring and Ranking, each member of the CDBG Review Board will sign a "Conflict of Interest Disclosure." The disclosure states that if they have a conflict of interest with any application being reviewed, that they do not take part in the ranking or discussion of that application.
2. The CDBG Review Board will be responsible for reviewing, scoring, ranking, and making grant award recommendations.
3. Upon receiving proposals, Council staff will review each for eligibility and completeness prior to the CDBG Review Board meeting on August 19, 2021. Proposals must meet all requirement of the pre-application to be reviewed.
4. Representative(s) of applicants will be given the opportunity to present their proposal to the Board at the meeting, with up to 10 minutes each for presentations and questions from the committee and staff.
5. After all proposals have been reviewed by the Ranking Committee, the Board Members will score each application with points and formulas described in the scoring and ranking criteria section.

6. After rankings have been determined, the Board will consider the amount requested for each project according to ranking. The Board reserves the right to adjust the amount of each award from the amount requested as it determines appropriate.
7. The Board will establish funding levels for each project in order of ranking, if there are not enough funds are available to fund an application, the Board may:
 - a. Offer to the applicant the funds remaining in the allocation, and if it is not accepted, offer the funds to the next eligible applicant in order of ranking until the funds are expended; or,
 - b. Adjust the regional allocation to reflect needs by emphasis area on the timeline permitted by the State Program Distribution Statement.
8. Pre-applicants recommended for funding will be invited to submit final applications. Final applications which staff determines are different to the extent that the pre-application score may be reduced will be re-scored, re-ranked and funding levels altered as the Board deems necessary.
9. If an applicant fails to meet the requirements of the full application within a reasonable period of time (typically 90 days from notification), the CDBG Review Board reserves the right to withdraw its recommendation of funds and recommend to another suitably ranked project.
10. All final applications recommended for funding will be delivered to the Division of Community Services for review as to their compliance with Federal and State requirements and for final Financial Award.
11. The City or County has the responsibility to obtain a lead-based paint and asbestos certified contractor and risk assessor. If one is not available, the County or City must relinquish their grant allocation back to CDBG to fund other eligible projects.

B. Economic Development

1. Funding recommendations under the economic development allocation, to be called the North Central Community Development Loan Fund (NCCDLF) will be made by the North Central Planning Council CDLF Review Board.
2. Prior to submitting a full-application, applicants must submit a Request for Financial Assistance and required documents to North Central Planning Council to be reviewed by staff to determine eligibility. If eligible NCPC Staff will prepare the project for the Review Board.
3. The NCPC-CDLF Review Board will meet as needed to review all final and complete applications. The applicant will be adequately notified of the time and place of the meeting.

4. Prior to consideration by the CDLF Review Board of the final application, staff will review the final application and prepare recommendations regarding denial or approval, terms, conditions, and other matters.
5. After discussing the proposal with representative(s) of the applicant as well as consideration of staff recommendations, the CDLF Review Board may:
 - a. approve as proposed,
 - b. approve with modifications or conditions,
 - c. agree to withhold a decision until a later date, or
 - d. deny the request.
6. Applications recommended for approval will be forwarded to the Division of Community Services for review as to their compliance with Federal and State requirements and for final grant award agreements.

SCORING AND RANKING CRITERIA

A. Public Facilities - Maximum 400 points.

1. Project Need - Maximum 100 points

Based on project need, the committee will score each proposal using the following criteria:

- a. High Need: 70-100 points will be applied to proposals that:
Address an already demonstrated significant problem which clearly affects health and/or safety;

Address a significant problem which in the immediate future is likely to affect health and/or safety; or

Address a situation in which all or the most critical services otherwise available cannot be provided because of architectural barriers or other physical impediments to the handicapped.

- b. Moderate Need: 40-69 points will be applied to proposals that:

Address a potentially significant problem which could clearly and significantly affect health and/or safety, but the likelihood or immediacy is not clear or apparent;

Address an immediate problem of health and/or safety but where no life-threatening or serious health/safety problems can be anticipated; or

Address a situation in which services to the handicapped can be provided, but not fully or only with major inconvenience and/or additional costs.

- c. Low Need: 0-39 points will be applied to proposals that:

- Have not shown that immediate or serious health and/or safety problems exist; or
 - The applicant has not shown that services to the handicapped cannot be provided with any more than minor inconvenience and/or costs.

2. Local Commitment - Maximum 100 points

Based on local commitment each application will be scored on the perceived commitment. The following criteria will be considered:

- a. Strong Commitment: 65 – 100 points will be awarded to projects that demonstrate the applicant is asking for minimum amount of grant funds. This can be shown by demonstrating the following:

- Project cannot proceed without the requested funds;

- Applicant can show it is without additional existing funds to fully fund a project;

- Other potential sources of funding assistance have been explored but no other sources of grants or affordable loans are likely or available to meet the immediate need;

- The problem is:

- I. Long standing or existing but the applicant has made all reasonable efforts to obtain local or other financing to address the problem; or
 - II. Immediate and unexpected not reasonably foreseen by the applicant.

- b. Moderate Commitment: 35 - 64 points will be awarded to application which show grant funds are needed to proceed with the projects and which meet most, but not all, of the criteria in 2.a. (above).
- c. Low Commitment: 0 - 34 points will be awarded to applications that do not show grant funds are needed to proceed with the project and which other funds are available, or which meet few of the criteria in 2.a. (above).

3. Low and Moderate Benefit - Maximum 100 points

One point for each percent of LMI to benefit will be applied. Projects to assist exclusively low- and moderate-income persons, senior citizens, handicapped accessibility or removal of architectural barriers will receive 100% LMI benefit. Otherwise LMI benefit will be determined from American Community Survey 5-Year 2015 Low- and Moderate-Income Summary Data or from approved survey method results.

4. Minority Living in Project Area – Maximum 100 points.

One point for each percent of minority population to benefit will be applied. The minority percentage will be determined from census data or from approved survey method results.

B. Housing – Maximum 400 Points

1. Project Need – Maximum 100 points

Based on project need, the committee will score each proposal using the following criteria:

a. High Need: 70-100 points will be applied to proposals that:

Address an already demonstrated significant problem which clearly affects health and/or safety;

Address a significant problem which in the immediate future is likely to affect health and/or safety;

Address a situation in which architectural barriers or other physical impediments to the handicapped are present in the home; or

Address a potential fair housing problem of segregating minority populations.

b. Moderate Need: 40-69 points will be applied to proposals that:

Address a potentially significant problem which could clearly and significantly affect health and/or safety, but the likelihood or immediacy is not clear or apparent;

Address an immediate problem of health and/or safety but where no life-threatening or serious health/safety problems can be anticipated; or

Address a situation in which architectural barriers or other physical impediments are present but only as an inconvenience.

c. Low Need: 0-39 points will be applied to proposals that:

If the applicant has not shown that immediate or serious health and/or safety problems exist.

2. Local Commitment – Maximum 100 points

Based on local commitment each application will be scored on the perceived commitment. The following criteria will be considered:

a. Strong Commitment: 65 – 100 points will be awarded to projects that demonstrate the applicant is asking for minimum amount of grant funds. This can be shown by demonstrating the following:

Project cannot proceed without the requested funds;

Applicant can show it is without additional existing funds to fully fund a project;

Other potential sources of funding assistance have been explored but no other sources of grants or affordable loans are likely or available to meet the immediate need;

The problem is:

- I. Long standing or existing but the applicant has made all reasonable efforts to obtain local or other financing to address the problem; or
- II. Immediate and unexpected not reasonably foreseen by the applicant.

- b. Moderate Commitment: 35 - 64 points will be awarded to application which show grant funds are needed to proceed with the projects and which meet most, but not all, of the criteria in 2.a. (above).
- c. Low Commitment: 0 - 34 points will be awarded to applications that do not show grant funds are needed to proceed with the project and which other funds are available, or which meet few of the criteria in 2.a. (above).

3. Low and Moderate Benefit – Maximum 100 points

One point for each percent of LMI to benefit will be applied. Projects to assist exclusively low- and moderate-income persons, senior citizens, handicapped accessibility or removal of architectural barriers will receive 100% LMI benefits. Otherwise LMI benefit will be determined from American Community Survey 5-Year 2015 Low- and Moderate-Income Summary Data or from approved survey method results.

4. Minority Living in Project Area – Maximum 100 points.

One point for each percent of minority population to benefit will be applied. The minority percentage will be determined from census data or from approved survey method results.

5. Bonus Points – Maximum 50 points

Homeownership – 10 points

- a. 10 points will be given if the project is designed to help homeowners to obtain home financing or will assist with other home ownership activities.

Rehabilitation – 10 points

- a. 10 points will be given if the project is designed to make single/multifamily homes and apartments handicapped accessible where needed or rehabilitating single family homes owned by the elderly or rehabilitating rural single family and multi-family housing.

Construction – 20 points

- a. Use CDBG funds to help with Infrastructure for Construction of affordable rental housing projects and planned unit developments for low- and moderate-income households.
- b. Design all State administered housing programs to require compliance with the State building code and State energy code in the use of funds for new construction.

Other – 10 points

- a. Project leverages at least 15-25 percent local or private investment where not in conflict with program regulations.

C. Economic Development

No point system will be utilized for economic development (CDLF) requests; however, decisions will be based on the following:

1. Financial strength
2. Likelihood of success
3. Likelihood of repay ability
4. Need and appropriateness for funds and terms
5. Management strength, expertise, and past performance
6. Marketing
7. Degree of likely benefit to the economy and very low and low income persons