

2020

REGION III

**NORTH CENTRAL
PLANNING COUNCIL**

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**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).

2020 Regional Funds Available	\$259,949
Allocated as follows:	
Housing	\$ --
Public Facilities	\$259,949
Main St. Slum & Blight (Cities)	\$ --

Other Funds Available – Economic Development and Main Street CDLF Slum & Blight projects, based on Region III fund balance. **70% must go to LMI projects and 30% to slum/blight*

Eligible projects and activities include those described in the 2020 State Program Distribution Statement. Allocations to one or more categories may be adjusted accordingly without notice and at the sole discretion of the NCPC Executive Board of Directors

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

IMPLEMENTATION SCHEDULE

Public Facilities and Housing

April 1, 2020	Pre-Applications available (online and by request).
June 19, 2020	Submission deadline for pre-applications (original and one copy must be postmarked on or before deadline date).
August 20, 2020	Pre-applications will be reviewed, scored and recommended funding amounts determined.

Emergency Projects

Open Applications for Emergency Projects will be accepted any time.

Economic Development

Open Applications for Economic Development will be accepted at any time. Economic Development Projects, when approved, will be funded out of the State Revolving Loan Fund.

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 and meet all the requirements of that emphasis area 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. \$75,000 grant/loan maximum, \$25,000 minimum.
 2. 100% benefit to LMI for single family housing rehab. All others must be at least 51% LMI.
 3. No local match required.
 4. 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 \$5,000 and a maximum of \$11,250. **
 5. The project must conform to all “lead base paint” requirements in place at the time of the award.
 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.

PUBLIC FACILITIES

- Goals**
1. Upgrade infrastructure (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. \$100,000 grant maximum, \$20,000 minimum.
 4. No 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 \$5,000 and a maximum of \$10,000.**
 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.

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 publicly owned infrastructure essential to economic development.
 2. \$500,000 maximum, \$50,000 minimum.
 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, maximum \$10,000; Economic Development Construction – 15% of CDBG project funds requested, up to a maximum of \$15,000, \$5,000 minimum.

SLUM AND BLIGHT – Economic Development

- Goals**
1. Long Term Community Development
 2. Promote Livable Communities
 3. Address Unmet Community Development Needs
 4. Retention and expansion of existing business
 5. Use of vacant buildings/facilities
 6. Enhance Local Economic Development Efforts.

- Requirements**
1. Loan funds available through the NCPC CDLF for private business owners and non-profits.
Grant funds available to Cities & Counties through the Annual Regional Allocation.
Projects are to alleviate slum and blight through streetscapes, façade improvements, code enforcement, renovation of closed/abandoned

- buildings, energy system improvements/retrofitting, and architectural design features.
2. Funding will be awarded based on 70% of recipients being LMI Communities and 30% can be non-LMI communities.
 3. City declaration of slum and blighted area must accompany pre-application.
 4. Slum and Blight Inventory must be completed for each building in City declared slum and blighted area.
 5. \$100,000 maximum loan.
 6. 10% owner equity required.
 7. 1:1 match requirement.
 8. Administration Economic Development Construction – 15% of CDBG project funds requested, up to a maximum of \$15,000, \$5,000 minimum.
 9. See the ND State Public Distribution Statement for full program guidelines. This includes the following forms: Declaration of Slum and Blighted Area, Slum and Blight Inventory. ND State PDS can be found at:
<https://www.communityservices.nd.gov/communitydevelopment/Programs/CommunityDevelopmentBlockGrant/Mainstreet/>

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.

***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 without public notice can only be completed if one or more of the following conditions are met.

1. The project meets the criteria of Urgent Need as defined in this document.
2. The project meets the criteria of Emergency Project as defined in this document.
3. The funding allocation from any category may, at the discretion of the ranking committee, be transferred to another category if no applications are received in that category.

GRANT APPLICATION SUBMISSION REQUIREMENTS

A. Housing and Public Facilities

1. Applicants have the option of submitting either a pre-application or a full application by June 19, 2020. This is to allow applicants wishing to begin a project as soon as possible the opportunity to receive a final grant award in a timelier manner. To be in consideration, the minimum requirements of a pre-application must be met; to be considered a full-application, all requirements for a full-application must be met. However, because scoring is based on only information required in the pre-application, full applications will have no advantage in scoring over pre-applications.
2. Applicants who have been invited for a full-application may change the proposal shown in the pre-application, but only if the proposal is within the same emphasis area, is intended to address the same problem identified and the amount of CDBG funds is not more than identified in the pre-application. If any changes affect the score it received in the pre-application, the NCPC-CDBG Board reserves the right to re-score and adjust rankings.
3. Although projects must meet the minimum requirements of the project emphasis area (outlined in that section of this document), a project may exceed these requirements and, in most cases, receive bonus points during the ranking process.
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 match.

GRANT REVIEW AND SELECTION PROCESS

A. Public Facilities and Housing

1. The CDBG Review Board will consist of 11 members. The members will include three officers of North Central Planning Council, one North Central Planning Council

member from each Indian Reservation and one member of North Central Planning Council from each of our six counties. 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. Only proposals which meet the full requirements of the pre-application and those determined by Council staff to be eligible will be reviewed.
4. Upon receiving proposals, Council staff will review each for eligibility and completeness. Prior to the CDBG Review Board meeting on August 20, 2020, staff will send to each member a project summary from the submitted pre-application.
5. Staff will prepare summary reviews for each application to be given to Board members at the ranking and scoring meeting.
6. 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.
7. 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.
8. 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.
9. The Board will establish funding levels for each project in order of ranking, but if 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.
10. 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.
11. 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.

12. 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.
13. 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 to North Central Planning Council to be reviewed by staff to determine eligibility. If the project is determined eligible for the NCPC-CDLF Program, the applicant will be notified and an Economic Development Packet will be given, which will contain the information needed to submit a full application.
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 500 points – **The Ranking Committee reserves the option to not fund any projects scoring less than 200 points.**

1. Project Need - Maximum 100 points

On the basis of 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

On the basis of 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. Project Appropriateness - Maximum 100 points

On the basis of project appropriateness the project will be scored using the following criteria:

- a. High Appropriateness: 70-100 points will be awarded to proposals that show the applicant has substantially met all the following criteria:

The project would address the best immediate solution to the problem;

The project would address the best long-term solution to the problem;

The project would meet all Federal and State requirements and standards;

The project's cost-effectiveness appears reasonable considering the number of people to benefit and the indicators of community readiness;

Cost estimates appear to be reasonable and are well documented (based on either architect/engineer estimates or multiple vendor quotes as is appropriate); and,

Project is shovel ready and can proceed in a timely manner.

- b. Moderate Appropriateness: 40-69 points will be awarded to proposals which substantially meet most of the above criteria and no major concerns are apparent with those criteria it does not clearly meet.
- c. Low Appropriateness: 0-39 points will be awarded to proposals which meet few of the above criteria, or which meet most criteria, or which meet most criteria but one or more major concerns are apparent which affect the appropriateness.

4. 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.

5. 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 500 Points – **The Ranking Committee reserves the option to not fund any projects scoring less than 200 points.**

1. Project Need – Maximum 100 points

On the basis of 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

On the basis of 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. Project Appropriateness – Maximum 100 points

On the basis of project appropriateness, the committee will score each proposal using the following criteria:

- a. High Appropriateness: 70-100 points will be awarded to proposals that show the applicant has substantially met all the following criteria:

The project would address the best immediate solution to the problem;

The project would address the best long-term solution to the problem;

The project would meet all Federal and State requirements and standards;

The project's cost-effectiveness appears reasonable considering the number of persons to benefit and the indicators of community readiness;

The project will promote fair housing activities that will optimize the integration of minority populations;

Cost estimates appear to be reasonable and are well documented (based on either architect/engineer estimates or multiple vendor quotes as is appropriate); and,

Project is shovel ready and can proceed in a timely manner.

- b. Moderate Appropriateness: 40-69 points will be awarded to proposals which substantially meet most of the above criteria and no major concerns are apparent with those criteria it does not clearly meet.
- c. Low Appropriateness: 0-39 points will be awarded to proposals which meet few of the above criteria, or which meet most criteria, or which meet most criteria but one or more major concerns are apparent which affect the appropriateness.

4. 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.

5. 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.

6. 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 family homes and apartments handicapped accessible where needed, or modernizing single family homes owned by the elderly or rehabilitated 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.
- b. Project is designed to provide assistance to clients in the welfare-to-work program.

C. Economic Development & Slum/Blight Economic Development (private businesses).

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
- 8. Alleviation of Slum & Blight

D. Slum and Blight – Cities & Counties, Maximum 500 points – **The Ranking Committee reserves the option to not fund any projects scoring less than 200 points.**

1. Project Need - Maximum 100 points

On the basis of 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

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

- d. 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:

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

- e. 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).

- f. 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. Project Appropriateness - Maximum 100 points

On the basis of project appropriateness meaning readiness and community/regional benefit, the project will be scored using the following criteria:

- a. High Appropriateness: 70-100 points will be awarded to proposals that show the applicant has substantially met all the following criteria:

The project would address the best immediate solution to the problem;

The project would address the best long-term solution to the problem;

The project would meet all Federal and State requirements and standards;

The project's cost-effectiveness appears reasonable considering the number of people to benefit and the indicators of community readiness;

Cost estimates appear to be reasonable and are well documented (based on either architect/engineer estimates or multiple vendor quotes as is appropriate); and,

Project is shovel ready and can proceed in a timely manner.

- b. Moderate Appropriateness: 40-69 points will be awarded to proposals which substantially meet most of the above criteria and no major concerns are apparent with those criteria it does not clearly meet.
- c. Low Appropriateness: 0-39 points will be awarded to proposals which meet few of the above criteria, or which meet most criteria, or which meet most criteria but one or more major concerns are apparent which affect the appropriateness.

4. 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.

5. 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.