

NEW JERSEY DEPARTMENT OF COMMUNITY AFFAIRS

Small Cities Community Development Block Grant Program

RFP GUIDELINES

**State Fiscal Year 2026
(Federal Fiscal Year 2025)**

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Summary Information for State FY 2026 / Federal FY 2025

Community Development Block Grant Program	
Total Allocation:	\$6,878,551
State Administration:	\$ 206,356
Programmatic:	\$6,672,195
<i>Public Facilities</i>	\$4,772,195
<i>Housing Rehabilitation/Emergency Housing Repair</i>	\$1,500,000
<i>Innovative and Economic Development</i>	\$ 400,000

Application Submission Schedule

Public Facilities Fund	SAGE applications must be submitted no later than Thursday, March 19, 2026
Housing Rehabilitation Fund	SAGE applications must be submitted no later than Thursday, March 19, 2026 for priority funding. However, applications will be accepted throughout the year if funds are available.
Innovative Development Fund	SAGE applications must be submitted no later than Thursday, March 19, 2026 for priority funding. Pre-applications will be accepted throughout the year and awards will be based on the availability of funding.
Emergency Housing Repair Fund	Pre-applications accepted throughout the SC Program year for communities that do not have an existing housing rehabilitation program. Forms are available on the Program website. Contact DCA for more details.

Reallocation of Funds between Budget Categories

The NJ Department of Community Affairs (DCA) reserves the right to move funds (including those recaptured from cancellations or closeout balances and program income) between the budget/funding categories outlined on this page, based on need. The Department may also consider funding additional projects after the above-cited application deadline if funds are recaptured, or the entire allocation is not awarded.

Objectives

State Conformance to National Objectives

The New Jersey Small Cities Community Development Block Grant (CDBG) program is guided by federal rules and regulations. All projects **must meet** one of the following three national program objectives set forth in the Housing and Community Development Act of 1974, as amended:

1. To undertake community development activities that principally benefit persons of low and moderate income.
2. To prevent or eliminate slums and blight.
3. To meet urgent community development needs for which no other resources are available.

The State of New Jersey certifies that at least 70 percent of the annual allocation will be used for activities that benefit persons of low and moderate income. Low and moderate income is defined as household gross income up to 80% of Area Median Income as defined by the US Department of Housing and Urban Development (HUD).

State Program Objectives

The program objectives are as follows:

- Support housing rehabilitation programs that maintain the supply of safe, decent, and affordable housing.
- Support and encourage efficient patterns of community development, redevelopment, and capital funding by giving priority to proposals that address documented health and safety concerns.
- Encourage innovative proposals that improve housing, and other eligible activities to renew designated revitalization areas.
- Encourage the development of facilities needed to support welfare to work programs such as job training and child and elder care.
- Support and encourage neighborhood revitalization efforts identified in locally developed plans and strategies.
- Improve the availability and adequacy of essential public facilities, and remedy serious deficiencies in areas that principally serve people of low or moderate income.
- Ensure that municipalities have the capacity to implement community development programs and maintain community development improvements.
- To support community development projects of urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and where other financial resources are unavailable.

Distribution of Allocation

Contingent upon HUD’s final approval of the SFY 2026 State of New Jersey’s Action Plan, the distribution of CDBG funds will be as set forth below.

Administration and Technical Assistance

Administration and Technical Assistance \$206,356

The State is permitted to retain an amount equal to 3 percent of the grant award to cover costs associated with the State’s administration and technical assistance of the CDBG program.

Funds

Public Facilities Fund \$4,772,195

This funding category assists units of local government to construct or improve essential public facilities that will primarily benefit people of low and moderate income. The maximum funds request in this category will be \$400,000. However, if compelling reasons are presented and accepted, DCA may approve a greater award amount. Estimate 12 awards.

Housing Rehabilitation Fund \$1,500,000

This funding category assist units of local government improve the condition of affordable housing within their jurisdiction. County-managed programs may be awarded up to \$400,000. Multi-jurisdictional programs may receive grants of up to \$300,000. Awards to programs serving only one municipality may not exceed \$200,000. This fund is limited to rehabilitating single-family owner-occupied housing. Estimate 8 awards.

Emergency Housing Repair Fund

The Emergency Housing Repair Fund (HRF) has been established to correct emergency conditions in owner-occupied housing where the owner is income-eligible, unable to obtain assistance from any other public or private source, and located in an eligible municipality listed in Attachment B of this document. \$40,000 is set aside within the HRF for this activity should it be necessary. The maximum grant award in this category will be \$20,000. However, the DCA will consider exceeding this ceiling if the applicant presents a compelling reason.

Prospective applicants are required to contact the Small Cities CDBG Program prior to applying for assistance.

Innovative Development Fund – Economic Activities, Property Buyouts \$400,000

This funding category assist units of local government to fund new, innovative, and/or timely community development projects that fall outside the traditional funding categories of housing rehabilitation or public facility (improvement) projects; see page 5 for more information. The maximum funds request in this category will be \$400,000. However, if compelling reasons are presented and accepted, DCA may approve a greater award amount. Estimate 1 award.

Matching Requirements

Units of local government (municipalities/counties) seeking assistance from the Innovative Development Fund, the Public Facilities Fund, and the Housing Rehabilitation Fund are required to match a percentage of the grant request, based on the applicable Municipal Revitalization Index ranking (MRI Rank). The matching share is determined as follows:

MRI Rank	Matching Share
1 to 100	10%
101 to 200	15%
201 to 300	20%
301 to 400	30%
401 and above	50%

The MRI Rank for each Small Cities-eligible unit of government is provided in Attachment B (p.18). Where more than one municipality is participating in the proposed project, the matching requirement will be determined by combining the MRI Rank of each participant and dividing by the number of participating municipalities.

Where costs for professional services will be used, identified costs borne by the applicant must be consistent with established DCA standards as set forth in the applicable application guide in SAGE. Applicants to the Innovative Development Fund must provide a 10 percent match and may request a reduced matching share percentage of 5 percent with justification (**Example:** improvements to a nonprofit facility that provides services to low-income people or special-needs populations). Emergency Housing Repair grants do not require local matching funds.

Number of Applications

Applicants may apply for one (1) Public Facilities grant or one (1) Innovative Development grant per year and one (1) Housing Rehabilitation grant. Each grant application in SAGE is limited to one (1) specific project. The DCA retains discretion to award a single grant per year to each jurisdiction. **Units of Local Governments (applicants) or designee are required to participate in the mandatory NJ Small Cities Application Workshop to be eligible to apply for funding.**

Open Balances of Prior Awards

State CDBG programs are ranked monthly by HUD on expenditure and balance ratios. Large program balances are detrimental to the State's performance and national rankings; the Department reserves the right not to fund an applicant should a substantial balance (70%) exist in prior grant awards at the time of application.

Evaluation Criteria

Community Development and Housing Needs Statement

To be considered for assistance for any Small Cities grant (except the Emergency Housing Repair Fund), an applicant must provide a Community Development and Housing Needs Statement. This statement must include at least three components – community development needs, housing needs, and status of applicable land use plans. The proposed project must address in detail at least one of the areas identified in the Statement of Community Development and Housing Needs to be considered for a grant. Instructions for preparing this document are set forth in the SAGE application guide for each Small Cities Fund.

Public Facilities, Housing Rehabilitation, Innovative and Economic Development Funds, Housing Buyouts and Emergency Housing Repair

All applications are subject to a review process that utilizes the Application Review Form (Attachment A). NJDCA staff will review all applications to determine if threshold requirements are met. *An application must meet minimum threshold requirements to be eligible for funding.*

Innovative Development - Economic Activities, Property Buyouts

The Innovation Development Fund (IDF) including economic activities and property buyouts dedicates resources for new, innovative community development projects that fall outside the traditional funding categories above. This category is specifically designed to fund innovative, small-scale pilot projects such as entrepreneurship (small business) development, employment development, alternative energy sources, energy conservation or other initiatives that provide cost savings measures and efficiencies for the community. While units of local governments (ULG) may only apply, the IDF was established to encourage partnerships between nonprofit and for-profit organizations that serve the area and have the capacity to implement these projects. Assistance is in the form of a secured forgivable loan for the life of the improvement for nonprofits. Where funds are used to purchase real estate (acquisition), a lien that equals the amount of assistance must be repaid upon sale or transfer of the property.

The property buyout component is designed to fund projects that eliminate flood prone or blighted properties and convert them to public open space in perpetuity. Cost for tenant relocation may apply.

Grants may not exceed \$400,000 unless compelling reasons for exceeding that amount are set forth by the applicant and accepted by the DCA. Priority consideration will be given to projects that are designed to provide 100 percent benefit to people of low and moderate-income.

Emergency Housing Repair

Funding to correct emergency conditions in single family owner-occupied housing units may be requested by an eligible local government at any time throughout the funding year. To be eligible, the project must: 1. Meet CDBG income eligibility guidelines; 2. Provide documented need and costs; and 3. Certify that other public or private funding sources are not available. The application can be found on the Small Cities website.

Threshold Requirements

- **Attachment A:** the *Small Cities Application Review Form* (page 14 of this document) lists the Threshold Requirements.
- **All Federal Compliance Items:** (submit the following with the SAGE application)
 - 1) Resolution for Citizen Participation Plan:
 - a. Display Advertisement
 - b. Cannot reuse a previous notice
 - 2) Resolution for Affirmatively Furthering Fair Housing
 - 3) Grant Management Plan (GMP) and resolution (applications may be suspended or terminated if changes to the GMP occur without DCA's approval)
 - 4) Environmental Review Record (ERR). One of the following may be submitted:
 - a. A complete draft of the environmental review record (ERR) for the level of review required (completed to the point before publishing a public notice) and include a draft Notice of Intent to Request Release of Funds, (NOI/RROF), or combined notice of Finding of No Significant Impact (FONSI) and NOI/RROF
 - b. The Final or completed ERR must include proof of official public notice, NOI/RROF or combined notice FONSI and NOI/RROF, letters documenting findings, and a Phase I environmental site assessment if required, (Refer to the Small Cities ERR Handbook section on the Program's web page or contact the Small Cities Program for more information)

Note: to meet eligibility the ERR cannot be more than 18 months old unless justification is provided and accepted by the Small Cities Program.
 - 5) Professional Services Agreement drafts specific to the project that have met CDBG procurement requirements, see page 10.

Note: procurement must comply with HUD requirements - OMB Circular 2 CFR (Code of Federal Regulations) Part 200, Uniform Administrative Requirements, and NJ Local Public Contracts Law.
 - 6) Third party cooperative agreement draft for ID projects
 - 7) Policies and Procedures Manual for housing programs
 - 8) Matching Funds Certification
 - 9) Municipal/County Resolution to apply and accept grant funds, must use the model resolution provided in SAGE (at Certification Sheets/Resolution).

All items above, except for the ERR, must be current (no older than 10 months at the time of submittal), specific to the application, complete and executed before submitting the application. Citizen Participation notices from prior applications cannot be reused. Applicants that do not complete and submit the above items with the application may not be eligible for funding. Please refer to the Program’s web page at <https://www.nj.gov/dca/dhcr/offices/cdbg.shtml> for more information.

- **Housing Rehabilitation Applications:** All housing rehabilitation programs are required to establish and maintain a local revolving loan fund and include such provision in an adopted policies and procedures manual. **At least 50 percent of the funds provided** to homeowners must in the form of a loan to be paid back to provide funding for a local revolving loan program. The Small Cities Program requires a revolving loan balance statement for each application.

Rated Criteria

The **maximum number of points** a Small Cities application can receive is **100, plus 5 bonus points**.

Applications that meet all threshold requirements will then be scored based upon the following criteria:

- **Municipal Distress:** The relative need of an applicant will be evaluated by using the Statewide Municipal Revitalization Index (MRI) updated January 25, 2024, which appears in the attached table. The indices are used by State agencies in allocating need-based assistance to municipalities. Applicants may receive up to 20 points as follows:

MRI Rank	Score
0 to 100	20 Points
101 to 200	15 Points
201 to 300	10 Points
301 to 400	5 Points
401 and above	0

- **Needs Statement:** Your proposed project must be a specific component of the applicant’s Community Development and Housing Needs Statement. Refer to the Small Cities Application Instructions in SAGE for further guidance. An application can receive a maximum of 20 points for this category.
- **Program Impact:** A public facility project must serve an acceptable critical mass. A public facility application project serving more than 99 low and moderate-income people will receive 20 points. An application with a project serving from 30 to 99 low and moderate-income people will receive 10 points. Applications with projects that serve a low/moderate population less than 30 people will receive zero (0) points. All housing programs that meet threshold requirements will automatically receive 20 points.

- **Balance Ratio:** Applicants will be rated on the remaining balance of grant awards received in a funding category over a three-year period, including all open grants at the time of application. Applicants with ratios of .50 or less will receive 10 points and applicants with ratios above .50 will receive zero points.
- **Readiness to Proceed:** Applicants must demonstrate that they can complete their proposed project within the two-year grant period. The degree to which an applicant is ready to proceed with the proposed project will be evaluated as follows:

Housing Rehabilitation - applications that include proof of a municipal property maintenance code and a list of five or more income-eligible households with work write-ups that can go out for proposals will receive 5 points.

Public Facilities and Innovative Development - applications that include biddable plans and specifications will receive 5 points.

- **Past Performance:** Past performance will affect an applicant’s overall rated score. A past performance rating of “Good” will indicate that the grantee submits timely reports, spends grant funds on schedule, completes the project within the two-year grant term and has no “administrative findings” during monitoring visits. However, multiple instances of poor performance in managing grants, i.e., where staff concerns were documented because of monitoring visits and failure to adhere to reporting requirements and policies will lower the overall rated score. A documented finding within the past 2 program years will result in score of zero (0). New applicants, or applicants that have not received a grant in more than 3 years will receive 5 points.

The DCA reserves the right not to fund an applicant based on the past performance, lack of competency or experience of the management team including the project coordinator, which may be an employee or consultant. Slow progress, multiple and repetitive instances of noncompliance with program requirements will weigh heavily in the decision-making process.

Past Performance Rating	Score
Good	10 Points
Fair	5 Points
Poor	0 Points
New Applicant	5 Points

- **Address Deficiencies:** Applicants will be rated on how well the proposed project will address a community deficiency, need, or problems. Applicants must submit the audit summary of their most recent audit. Do not submit the entire audit. An audit finding relating to a prior DCA funded activity may disqualify the application. Applicants will receive up to 5 points.

- **Grant Management:** Applicants will be rated on the evidence submitted that a competent management team or coordinator will implement the project. Applicants will receive up to 5 points.
- **Emergency:** Applicants will be rated on the evidence submitted that the proposed project will address an emergency that threatens the health and safety of the residents. Funding priority may be given. Applicants will receive 5 points.
- **Bonus Points:** Applicants can receive bonus points for exceptional applications that demonstrate a unique or exceptional approach to address their community development needs. Bonus points can also be awarded to applications that the review team deems are thorough, complete, and well organized. Applicants can receive up to 5 additional points.

Eligible CDBG Activities:

Activities assisted under the Small Cities CDBG Program are limited to the following:

1. Acquisition of real property that is blighted, appropriate for rehabilitation, appropriate for preservation as a historic site, or used for provision of public works or other public purposes.
2. Activities necessary to address lead-based paint issues through lead remediation/abatement activities and the replacement of lead pipes. These activities will be done in conjunction with approved housing rehab grant funded work.
3. Acquisition, construction, reconstruction, or installation of public works or facilities (except buildings for the general conduct of government) and site and other improvements.
4. Code enforcement in deteriorated or deteriorating areas in which such enforcement may arrest the area's decline.
5. Clearance, demolition, removal, and rehabilitation of buildings.
6. Special projects directed to the removal of architectural barriers that restrict the accessibility of the elderly and handicapped.
7. Payments to housing owners for losses of rental income incurred in holding units for relocated individuals and families displaced by activities under the program.
8. Disposition of real property acquired pursuant to the program.
9. Provision of public services if the local government has not provided such services during the 12-month period immediately preceding implementation of the program.
10. Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of this program.
11. Payment of the cost of completing a project funded under Title I of the Housing Act of 1949.
12. Relocation payments for displaced individuals, families, businesses, and organizations because of activities under the program.

13. Activities necessary to develop a comprehensive community development plan and to develop a policy-planning-management capacity to enable the recipient to administer the program more effectively.
14. Payment of reasonable administrative costs.
15. Activities carried out by public or private non-profit organizations including:
 - a. Planning
 - b. Acquisition, construction, reconstruction, rehabilitation, or installation of public facilities (except for buildings for the general conduct of government), site improvements, and utilities and commercial or industrial buildings or structures.
16. Assistance to non-profit organizations serving non-entitlement areas, local development corporations or entities organized under the Small Business Investment Act of 1985 to carry out a neighborhood revitalization or community economic development or energy conservation projects, including the development of shared housing opportunities for the elderly (other than by construction of new facilities).
17. Activities necessary to the development of a comprehensive community-wide energy-use strategy.
18. Assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project.
19. Rehabilitation or development of housing assisted under Section 17 of the United States Housing Act of 1937.
20. Assistance to facilitate the substantial reconstruction of housing owned and occupied by low- and moderate-income persons.
21. Technical assistance to increase the capacity of public or non-profit entities to carry out eligible neighborhood revitalization or economic development activities.
22. Housing services designed to assist homeowners, tenants, and others seeking to participate in eligible housing activities.
23. Assistance to institutions of higher education capable of implementing eligible activities.
24. Assistance to public and private organizations (for-profit as well as non-profit) to facilitate the development, stabilization, and expansion of micro-enterprises.
25. Assistance to facilitate and expand homeownership by subsidizing interest rates, financing acquisition, guaranteeing mortgages, paying up to 50% of down payments, or paying reasonable closing costs for income-eligible people.
26. Activities necessary to repair and operate housing units acquired through tax foreclosure to prevent abandonment and deterioration.

Procurement Requirements

Grantee shall use N.J.S.A. 40A:11-4.1 thru 40A:11-4.5 Competitive Contracting **(without a bid threshold)** when Federal funds are used to pay for engineering and other services including grant management. Cost must be one of the factors used in the evaluation of proposals.

Grantee shall upload the following in the attachment section of the SAGE application:

- 1) Municipal resolution committing to Competitive Contracting procurement process N.J.S.A. 40A:11-4.1 thru 40A:11-4.5 (no threshold will apply) and
 - a. commit to the process of competitive contracting
 - b. strives to obtain three or more proposals, and
 - c. proceeds with the RFP evaluation process if at least two or more proposals are received
- 2) A copy of the notice of the availability of request for proposal documentation shall be published in an official newspaper of the contracting unit at least 20 days prior to the date established for the submission of proposals.
- 3) A copy of the Request for Proposal (RFP) for services that includes a notice that cost will be one of the evaluation factors.
- 4) A copy of the purchasing agent or counsel or administrator report evaluating and recommending the award of a contract. The report shall be made available to the public at least 48 hours prior to the awarding of the contract.
- 5) A copy of the resolution of the governing body of the contracting unit awarding the contract within 60 days of the receipt of the proposals.
- 6) A copy of the notice published in the official newspaper of the contracting unit summarizing the award of a contract.

Refer to the SAGE Application Instructions for more information. (Drafts of items 2 thru 6 may be submitted)

Grantee must use public bidding (sealed bids) when Federal funds are used to pay for construction. Procurement of housing rehabilitation contractors must comply with the housing project's policies and procedural manual developed by the applicant and approved by NJDCA. However, municipal contracts for services such as housing cost writeups, inspections, lead safety and clearance testing must also comply with Competitive Contracting as above.

Additional instructions are in the application instructions in SAGE. The above methods of procurement must be used for complying with Federal OMB Guidance at CFR, Part 200, et al Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, if not funds will be reallocated to program development, or withdrawn from the project.

Grant Funds Recaptured and Other Recaptured Funds (Program Income)

CDBG Grants

Recaptured grant funds may be retained by the grantee if they demonstrate, as determined by the Department, that recaptured funds can be distributed in a timely way to carry out the same activity for a specific project in accordance with a reuse plan that has been approved by the Department.

The State of New Jersey interprets the phrase "the same eligible activity" to mean that the grantee must use the recaptured funds for the same activity for which it was originally funded, as taken from the list of eligible activities. For example, if the recaptured funds were derived from a loan to a private firm, it must be used again for loans to private firms. This does not mean that the income may only be used for an additional loan to the same firm. Nor can "continuing the activity" be so broadly defined as to mean use for the same general purpose, such as economic development.

The State will consider exceptions to this policy on a case-by-case basis. However, in the event a grantee fails to demonstrate an acceptable reuse of recaptured funds, the State will recapture program funds and distribute such funds in accordance with the provisions set forth in the applicable plan for **Distribution of Allocation**.

Recaptured Funds Statement

A recaptured funds statement **must be** included in the application documenting the balance of all previous grant funds recaptured by applicant as of the date of application. The Department reserves the right not to fund a new project should a substantial balance exist that is not obligated in a funding category.

Applicants are required to submit a summary statement each year on the balance of the revolving loan funds. The funds must be in separate accounts that are based on the original activity of the local program from the Housing Rehabilitation, Innovative Development, and Employment Development funds. Refer to the Small Cities Program Handbook, Grant Management Section, and Revolving Loan Fund Reporting Procedures for further guidance.

Displacement

The Small Cities CDBG Program will seek to minimize involuntary displacement of persons from their neighborhoods and homes and to mitigate the adverse effects of any such displacement on low-and moderate-income persons. The State will require applicants to assess all feasible alternatives to any activity resulting in involuntary displacement.

If involuntary displacement is the only feasible alternative, the State will require that grantees comply with the requirements of the Housing and Community Development Act of 1974, as amended; the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended; and the statutory amendments implementing regulations (CFR Part 24). In addition, the State will require that grantees comply with the requirements of the New Jersey Relocation Assistance Acts (P.L. 1971, c.362 and P.L. 1967, c. 79) and the New Jersey Regulations for Provision of Relocation Assistance (N.J.A.C. 5:40-1 et seq.) where applicable.

Build America, Buy America

The Small Cities CDBG Program is subject to Division G, Title IX of the “Infrastructure Investment and Jobs Act”, known as “Build America Buy America.” As such, construction materials and manufactured products used in funded projects will need to be domestically sourced. Grantees will receive additional guidance regarding documentation and reporting requirements. See HUD Notice CPD-25-01 (January 13, 2025) for further details.

Notice of Awards

DCA will announce the Small Cities CDBG awards by Spring 2026.

Additional Awards

The NJ Small Cities CDBG Program is flexible and may consider funding additional projects throughout the year should funds become available through cancellations or projects that were completed under budget. Applications that were unsuccessful in receiving an award during this year's announcements due to the limited resources (funds) may be considered for an award.

The NJ Small Cities CDBG Program may consider offering recent or existing grantees the opportunity to amend their grant agreement/project scope should they experience a subsequent unforeseen disaster (natural or man-made) and have no other means to address the problem. All amended projects must be an eligible CDBG activity, meet the National Objective and be reviewed and approved by DCA.

ATTACHMENT A: SFY 2026 Small Cities CDBG Application Review Form

APPLICANT: _____ \$ _____ Requested

Application No. _____

Proposed SC CDBG Project: Public Facilities (PF) Housing Rehabilitation (HR) Innovative and Economic Development, Housing Buyouts (ID)

Reviewer: _____ FINAL Score _____

SC CDBG Threshold Requirements		Comments
Does application meet one (1) of the National Objectives set forth in the Housing and Community Development Act (HCDA), and are the activities permitted by the HCDA?	<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Benefit to Low/Moderate Income People <input type="checkbox"/> Prevention or Elimination of Slums & Blight <input type="checkbox"/> Urgent Need Comment(s): _____
Where Benefit to Low/Moderate Income people is claimed, indicate the source of the claim and whether the claim is Area-Wide or targeted at a Special Population or HR.		<input type="checkbox"/> Census <input type="checkbox"/> Survey <input type="checkbox"/> Housing Rehabilitation <input type="checkbox"/> Area-Wide <input type="checkbox"/> Special Population
Provide total number of person(s) served, and #number of low/moderate (L/M) income person(s) served and the percent (%) L/M.		Total number of people served by project: Population _____ #Number of L/M _____ %Percent L/M _____ Comments: _____
Does application address at least one of the State Program Objectives?	<input type="checkbox"/> Yes <input type="checkbox"/> No Refer to the Plan.	Indicate Objective: _____
Does application include a Public Notice (display ad) in compliance with Citizen Participation Requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Date: _____
Does application include evidence that required Local Match of grant funds will be met?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Source: _____
Does application establish a revolving loan fund, and include provision for same in the HR Policy and Procedures Manual? <i>(HR applications only)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No	Indicate location/page(s) in HR P&P manual: _____
Does application include evidence that the Compliance Items have been completed? Note: An application may be rejected if applicant failed to complete the required compliance items and failed to establish a revolving loan fund (for HR program only).	<input type="checkbox"/> Yes <input type="checkbox"/> No	Compliance Items: 1 <input type="checkbox"/> Citizen Participation Resolution 2 <input type="checkbox"/> Fair Housing Resolution 3 <input type="checkbox"/> Matching Funds Certification 4 <input type="checkbox"/> Grant Management Plan & Resolution 5 <input type="checkbox"/> Professional Services Agreements (Drafts) 6 <input type="checkbox"/> Complete Draft Environmental Review Record, OR 100 % Complete Final ERR <i>(circle one)</i> 7 <input type="checkbox"/> Policy & Procedure Manual & Resolution (HR) 8 <input type="checkbox"/> Cooperative Agreement (ID Only)
Does application meet ALL SC CDBG Threshold Requirements?	<input type="checkbox"/> Yes <input type="checkbox"/> No	If YES- Continue to next page. If NO- Application is ineligible for funding.

ATTACHMENT A	SFY 2026	SC APPLICATION REVIEW FORM		
SC Application Rated Criteria		Comments	Eligible Score	Review Score
<p>Municipal Distress: What is the applicant’s Municipal Revitalization Index rank (MRI)?</p> <p><i>See MRI Ranking Table on pp. 17-19 of this plan, ACP-SC CDBG Program Section</i></p>	<p>MRI Rank:</p> <p>_____</p>	<p>Score(s) for MRI Rank: 1 to 100 (20 pts), 101-200 (15 pts) 201 to 300 (10 pts) 301 to 400 (5 pts) 401 and above (0 pts)</p>	<p>0 - 20 points</p>	
<p>Needs Statement: Does the proposed project outlined in the application accurately reflect the applicant’s Community Development and Housing Needs Statement?</p>		<p>Justification:</p> <p>_____</p> <p>_____</p>	<p>0 - 20 points max.</p>	
<p>Program Impact: How many L/M income people will benefit, PFs and IDs?</p> <p>Scoring: 20 points – Greater than 99 L/M people 10 points – 30 to 99 L/M people 0 points – less than 30 L/M people</p> <p>_____</p> <p>HRs Automatically receive 20 points</p>	<p>PFs and IDs</p> <p>___ 29 or less</p> <p>___ 30 to 99</p> <p>___ 100 +</p>	<p>Justification/comments for scores:</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>PFs & IDs 0-20 points max</p> <p>_____</p> <p>HRs = 20 points</p>	
<p>Balance Ratio: Is Applicant’s balance ratio equal to or less than .50?</p> <p>The balance ratio is the total of the past three (3) years of an applicant’s open balances of SC CDBG grant funds, divided by the past three years of the total SC CDBG grant funds awarded to applicant.</p>	<p>Ratio Calculation:</p> <p>3yr Balance / 3yr Total Award Amt. = Balance Ratio</p> <p>Ratio Score %:</p> <p>_____</p>	<p><input type="checkbox"/> Ratio of .50 or less will receive 10 points <input type="checkbox"/> Ratio above .50 will receive 0 points</p> <p>NJSFYs</p> <p>2024 Open Grant Balance: \$ _____</p> <p>2024 Total Award Amount: \$ _____</p> <p>2023 Open Grant Balance: \$ _____</p> <p>2023 Total Award Amount: \$ _____</p> <p>2022 Open Grant Balance: \$ _____</p> <p>2022 Total Award Amount: \$ _____</p> <p>TOTAL Three (3) years. Open Grant Balance: Amount: \$ _____</p> <p>TOTAL Three (3) years Total Grant Award: Amount: \$ _____</p>	<p>10 points max.</p>	
<p>Readiness to Proceed: Does the Application claim “Readiness to Proceed”? <i>Reviewer may justify a partial score with written justification</i></p>	<p><input type="checkbox"/> Yes, 5 pts <input type="checkbox"/> No, 0 pts</p>	<p>1 <input type="checkbox"/> A minimum of five (5) income-eligible housing units to be improved including bid ready work write-ups and resolution for a property maintenance code (HR Only). Note: Existing HR programs with a balance of funds greater than 50 percent will not receive readiness points.</p> <p>2 <input type="checkbox"/> Bid-Ready (within 45 days) Plans and Specifications (PF & ID Only)</p>	<p>5 points max.</p>	

ATTACHMENT A	SFY 2026	SC APPLICATION REVIEW FORM		
SC Application Rated Criteria		Comments	Eligible Score	Review Score
<p>PAST PERFORMANCE: Check the box that best describes the applicant's past grant management performance. Provide a brief justification for each category. <i>Scoring Criteria: Good = 10 points, Fair = 5 points, Poor = 0 points, New Appl. = 5 points</i></p>	<input type="checkbox"/> Good 10 <input type="checkbox"/> Fair 5 <input type="checkbox"/> Poor 0 <input type="checkbox"/> New 5	<p>JUSTIFICATION for Past Performance:</p> <hr/> <hr/> <hr/>	<p>10 points max.</p>	
<p>ADDRESS DEFICIENCIES: How well does this application and proposed project address a community deficiency, need, or problem?</p> <p>-----</p> <p>Indicate any Applicant Audit findings:</p> <p>This is used for identifying high risk applicants/ grantees, or to disqualify the application. _____</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Yes <input type="checkbox"/> No	<hr/> <hr/> <p>Dates and description of Audit deficiencies:</p> <hr/> <hr/>	<p>5 points max.</p> <p>No points.</p>	<hr/> <hr/>
<p>GRANT MANAGEMENT: Does application include evidence that an experienced and competent management team/coordinator will implement the project?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Indicate the Grant Management Consultant/ Manager/ Comments:</p> <hr/> <hr/>	<p>5 points max.</p>	
<p>EMERGENCY: Does the project address an emergency that threatens the health and safety of the residents?</p> <ul style="list-style-type: none"> • Documentation must be provided. • Funding priority may be given for such projects. 	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>Final Comments:</p> <hr/> <hr/> <hr/>	<p>5 points.</p>	
<p>Additional Application Considerations</p>	<p>Comments</p>			
<p>Will other funds be leveraged (beyond the required match) if an award is made?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No	<p>If yes, provide the amount \$ _____ and source: _____.</p>		

For Housing Rehabilitation (HR) Applications, is a "Recaptured Funds Statement" provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Balance of Recaptured Funds \$ _____ Additional Comments? _____ _____		
SUMMARY OF SC-CDBG APPLICATION REVIEW		COMMENTS	Eligible Score	Review Score
BONUS POINTS: Exceptional Application - up to 5 points can be awarded on the merits of the application, the viability of the project and the applicant's ability to complete project in the grant term. Points can be given to projects that use unique solutions to solve problems or address needs. Thorough and well-organized applications can receive bonus points.		COMMENTS: _____ _____ _____	Max 5 points	
Based on the threshold requirements and rated criteria, is this an eligible application?	<input type="checkbox"/> Yes <input type="checkbox"/> No			
Based on the Threshold Requirements and Rated Criteria, is this Application fundable? Grant Amount Requested: \$ _____ Grant Amount Recommended: \$ _____	<input type="checkbox"/> Yes <input type="checkbox"/> No	REVIEWER'S JUSTIFICATION: _____ _____ _____ _____ _____		
		TOTAL SC CDBG APPLICATION SCORE: <i>Total 100 to 105 points max.</i>	Total Page 15	
Date: _____	Reviewer Name: _____	Total Page 16		
		Total Page 17		
		GRAND TOTAL		

Additional Commentary on SC Application, if needed: **ATTACH COMMENTS ON SEPARATE SHEET**

Attachment B

SFY 2026 NJ Eligible Small Cities Municipalities & Counties

With Municipal Revitalization Index (MRI) Ranking (1 = most distressed, 565 = least distressed)
(Effective January 25, 2024)

<u>Atlantic County</u>	<u>MRI Rank</u>	<u>Cumberland County</u>	<u>MRI Rank</u>
Egg Harbor City	15	Commercial Township	22
Hammonton Town	93	Deerfield Township	163
		Downe Township	72
<u>Burlington County</u>	<u>MRI Rank</u>	Fairfield Township	39
Beverly City	71	Greenwich Township	248
Mount Holly	34	Hopewell Township	214
North Hanover Township	175	Lawrence Township	51
Palmyra Borough	210	Maurice River Township	35
Pemberton Borough	62	Shiloh Borough	106
Pemberton Township	95	Stow Creek Township	170
Riverside Township	52	Upper Deerfield Township	59
Wrightstown Borough	46	<u>Hunterdon County</u>	<u>MRI Rank</u>
		Alexandria Township	448
<u>Camden County</u>	<u>MRI Rank</u>	Bethlehem Township	435
Gloucester City	42	Bloomsbury Borough	117
Tavistock Borough	564	Califon Borough	354
		Clinton Town	374
		Clinton Township	463
		Delaware Township	512
<u>Cape May County</u>	<u>MRI Rank</u>	East Amwell Township	433
Avalon Borough	526	Flemington Borough	89
Cape May City	81	Franklin Township	484
Cape May Point Borough	160	Frenchtown Borough	343
Dennis Township	238	Glen Gardner Borough	266
Lower Township	108	Hampton Borough	92
Middle Township	58	High Bridge Borough	167
North Wildwood City	54	Holland Township	400
Sea Isle City	376	Kingwood Township	452
Stone Harbor Borough	532	Lambertville City	337
Upper Township	387	Lebanon Borough	355
West Cape May Borough	195	Lebanon Township	385
West Wildwood Borough	24	Milford Borough	157
Wildwood City	11	Raritan Township	472
Wildwood Crest	61	Readington Township	419
Woodbine Borough	10	Stockton Borough	291
		Tewksbury Township	522
		Union Township	333
		West Amwell Township	450

(Continued on next page)

<u>Mercer County</u>	<u>MRI Rank</u>		
East Windsor Township	310	Frankford Township	326
Hightstown Borough	316	Franklin Borough	142
Hopewell Borough	426	Fredon Township	380
Hopewell Township	494	Green Township	478
Lawrence Township	367	Hamburg Borough	268
Pennington Borough	501	Hampton Township	289
Robbinsville Township	520	Hardyston Township	369
West Windsor Township	518	Hopatcong Borough	298

<u>Morris County</u>	<u>MRI Rank</u>		
Dover Town	63	Newton Town	97
		Ogdensburg Borough	259
		Sparta Township	474
		Sandyston Township	383
		Stanhope Borough	390
		Stillwater Township	348
		Sussex Borough	79
		Vernon Township	321
		Walpack Township	471
		Wantage Township	245

<u>Salem County</u>	<u>MRI Rank</u>		
Alloway Township	267		
Carneys Point Township	69		
Elmer Borough	211		
Elsinboro Township	140		
Lower Alloways Creek Twp.	182		
Mannington Township	135		
Oldmans Township	261		
Penns Grove Borough	3		
Pennsville Township	100		
Pilesgrove Township	209		
Pittsgrove Township	153		
Quinton Township	193		
Salem City	2		
Upper Pittsgrove Township	173		
Woodstown Borough	147		

<u>Warren County</u>	<u>MRI Rank</u>
Allamuchy Township	460
Alpha Borough	177
Belvidere Town	102
Blairstown Township	302
Franklin Township	353
Frelinghuysen Township	381
Greenwich Township	495
Hackettstown Town	231
Hardwick Township	276
Harmony Township	301
Hope Township	253
Independence Township	340
Knowlton Township	224
Liberty Township	281
Lopatcong Borough	246
Mansfield Township	262
Oxford Township	287
Phillipsburg Town	36
Pohatcong Township	288
Washington Borough	109
Washington Township	335
White Township	207

<u>Somerset County</u>	<u>MRI Rank</u>
Watchung Borough	475

<u>Sussex County</u>	<u>MRI Rank</u>
Andover Borough	169
Andover Township	280
Branchville Borough	188
Byram Township	401

<u>Eligible Counties</u>	<u>MRI Rank</u>	
Cape May County	110	Excluding Ocean City
Cumberland County	59	Excluding Bridgeton, Millville, Vineland
Hunterdon County	402	Excluding Ewing, Hamilton, Princeton, Trenton
Mercer County	430	
Salem County	55	
Sussex County	308	
Warren County	213	