

STATE OF NEW JERSEY

2020 Annual Consolidated Plan

Small Cities Community Development Block Grant

Program Section

For

State Fiscal Year 2021

State of New Jersey
Philip D. Murphy, Governor

Department of Community Affairs
Lt. Governor Sheila Y. Oliver, Commissioner

Draft – June 17, 2020

**Small Cities
Community Development Block Grant
Program**

**Administered by the
New Jersey Department of Community Affairs**

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**Small Cities CDBG Program Section
New Jersey Department of Community Affairs**

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**Summary Information for State Fiscal Year 2021
Federal Fiscal Year 2020
Community Development Block Grant Program**

SFY 2021/ FFY 2020 Total Allocation:	\$ 6,852,205*
SFY 2021/ FFY 2020 State Administration:	\$ 305,566
SFY 2021 Funds to Award (projected budget):	\$ 6,546,639
Public Facilities	\$ 4,526,639
Housing Rehabilitation	\$ 800,000
Innovative and Economic Development	\$ 1,200,000
Emergency Housing Repair	\$ 20,000
108 Loan Authorization	\$34,261,000^

**Federal USHUD allocation for NJ State CDBG Program, 2/19/2020.*

^A nonentitlement unit of general local government may borrow up to \$2,000,000 for activities specifically eligible under the Section 108 Loan Guarantee program, which include many of the same activities that other CDBG funds may assist. The maximum amount of outstanding guaranteed loans for all nonentitlement borrowers in the State cannot exceed five times the amount of the State's most recent annual CDBG allocation. Additional security will also be required for repayment of the loans, with specifics determined on a case-by-case basis. UGLs interested in the 108 Loan program should contact NJEDA at <https://www.njeda.com/>.

Application Submission Schedule

Public Facilities Fund	SAGE applications must be submitted no later than Friday, September 18, 2020 .
Housing Rehabilitation Fund	SAGE applications must be submitted no later than Friday, September 18, 2020 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 Friday, September 18, 2020 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. Forms are available on the Program website. Contact DCA for more details.

Reallocation of Funds between Budget Categories

The NJ Department of Community Affairs (NJ DCA) reserves the right to move funds (including those recaptured from cancellations or closeout balances and program income) between budget/funding categories outlined on page 1 of the Plan based on demand for assistance demonstrated by the number of applications received. The Department may also consider funding additional projects after the application deadline should additional funds be recaptured, or entire allocation not awarded in November to December.

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 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 in the New Jersey Small Cities CDBG Program as the income of “lower income” families as set forth in the Section 8 Assisted Housing Program of the US Department of Housing and Urban Development (US HUD). The US HUD provides applicable standards, and the standards are included in application instructions distributed to all **eligible units of local government** (list attached).

State Program Objectives

- 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 on the US HUD's final approval of the State of New Jersey's Consolidated Plan, the distribution of CDBG funds will be as set forth below.

Administration and Technical Assistance

Administration and Technical Assistance \$305,566

The State is permitted to retain an amount equal to 3 percent of the grant award plus \$100,000 to cover costs associated with the State's administration and technical assistance of the CDBG program.

Funds

Public Facilities Fund \$4,526,639

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 grant awarded in this category will be \$400,000. However, this maximum may be exceeded if compelling reasons are presented and accepted by the NJ DCA. Estimate 13 awards.

Housing Rehabilitation Fund \$800,000

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 rehabilitate single-family owner-occupied housing. Estimate 6 awards.

Innovative Development Fund – Economic, Emergencies and Property Buyouts \$1,200,000

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. Grants may not exceed \$400,000. Estimate 3 awards

Emergency Housing Repair Fund \$20,000

The Emergency Housing Repair Fund has been established to correct emergency conditions in owner-occupied housing where the owner is income-eligible and unable to obtain assistance from any other public or private source. Assistance will be provided on a first-come, first-served basis to the extent funds are available. Only eligible units of local government may apply on behalf of the homeowner.

The maximum grant award in this category will be \$10,000. However, the NJ 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.

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 commit 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	5%
101 to 200	10%
201 to 300	10%
301 to 400	20%
401 and above	25%

The MRI Rank for each Small Cities-eligible unit of government is provided in the Appendix (p.17). 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 NJ DCA standards as set forth in the applicable application guide in SAGE. Applicants to the Innovative Development Fund must provide a 5 percent match and may request a reduced matching share percentage of 2 percent with justification.

Example: improvements to not-for-profit 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) are required to attend the mandatory NJ Small Cities Application Workshop to be eligible to apply for funding.**

Open Balances of Prior Awards

State CDBG programs are ranked nationally monthly by HUD on expenditure and balance ratios. Since 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 exist in prior grant awards at the time of application.

Evaluation Criteria

Community Development and Housing Needs Statement

To be considered for assistance from any Small Cities grant (apart from the Emergency Housing Repair Fund and the 108 Loan Program), 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. **Application must meet minimum threshold requirements to be eligible for funding.**

Innovative Development – Economic, Emergency Response and 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 partnership with non-profit 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 for real estate acquisition the lien will equal assistance with repayment upon sale or transfer of the property. The DCA retains the same percentage in the acquisition as when the property is sold or transferred.

The emergency response component is designed to fund projects that respond to the COVID-19 Emergency, urgent need or low and moderate-income benefit would be the most likely national objectives. See Attachment C for more information on Disaster & Emergency Response Funding.

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.

Projects meeting a national objective other than low and moderate-income benefit will be limited to \$1,963,990 in total, 30 percent of the funds available.

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 needs 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:** Refer to the Threshold Requirements in the Small Cities *Application Review Form* (pages 13-16) and refer to the NJ DCA SAGE Application Instructions, SC Program Handbook at <http://www.nj.gov/dca/divisions/dhcr/offices/cdbg.html> for more details.
- **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 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: to meet eligibility 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 for Competitive Contracting (there is no applicable threshold).

- 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 model resolution provided.

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 <http://www.nj.gov/dca/divisions/dhcr/offices/cdbq.html> 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 1, 2018, 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
1 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 10 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 NJ 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 safety, including the replacement of lead pipes.
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 more effectively administer the program.
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.

State and Federal 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 all other services including grant management services. Cost must be one of the factors used in the evaluation of proposals and at least three proposals must be obtained.

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 1 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.

Notice of Awards

NJ DCA will announce the Small Cities CDBG awards on the Department's website page on or around the last week of November.

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 the November 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 NJ DCA.

ATTACHMENT A: SFY 2021 Small Cities CDBG Application Review Form

APPLICANT: _____ \$ _____ Requested

Application No. _____

Proposed SC CDBG Project: Public Facilities (PF) Housing Rehabilitation (HR) Innovative Development - Economic, Emergency Response and 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 <small>Refer to the Plan.</small>	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 2021	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? 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 ----- HRs Automatically receive 20 points</p>	<p>PFs & IDs</p> <p><input type="checkbox"/> ≤ 29</p> <p><input type="checkbox"/> 30 to 99</p> <p><input type="checkbox"/> ≥ 100</p> <p>-----</p> <p>HR <input type="checkbox"/></p>	<p>JUSTIFICATION/Comments for scores:</p> <p>_____</p> <p>_____</p> <p>_____</p>	<p>PFs & IDs 0 - 20 points max. ----- 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 Awards = Balance Ratio</p> <p>Ratio Score:</p> <p>_____</p> <p><i>Include all open prior 2018 awards</i></p>	<p><input type="checkbox"/> Ratio of .50 or less will receive 10 points <input type="checkbox"/> Ratio of more than .50 will receive 0 points</p> <p>NJSFYs</p> <p>2020 Open Grant Balance: \$ _____</p> <p>2020 Total Award Amount: \$ _____</p> <p>2019 Open Grant Balance: \$ _____</p> <p>2019 Total Award Amount: \$ _____</p> <p>2018 Open Grant Balance: \$ _____</p> <p>2018 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><i>Include all open prior 2018 awards</i></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 2021	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><i>JUSTIFICATION for Past Performance:</i></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>----- - 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 No	<hr/> <p><i>Dates and description of Audit deficiencies:</i></p> <hr/> <hr/>	<p>5 points max.</p> <p>----- No points.</p>	<p>-----</p>
<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><i>Indicate the Grant Management Consultant/ Manager/ Comments:</i></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><i>Final Comments:</i></p> <hr/> <hr/> <hr/>	<p>5 points.</p>	
<p>Additional Application Considerations</p>		<p style="text-align: center;">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 No	<p>If yes, provide the amount \$ _____ and source: _____.</p>		
<p>For Housing Rehabilitation (HR) Applications, is a "Recaptured Funds Statement" provided?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	<p>Balance of Recaptured Funds \$ _____ Additional Comments?</p> <hr/> <hr/>		

ATTACHMENT A	SFY 2021	SC APPLICATION REVIEW FORM		
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.		<i>COMMENTS:</i> _____ _____ _____	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	<i>REVIEWER'S JUSTIFICATION:</i> _____ _____ _____ _____ _____		
		TOTAL SC CDBG APPLICATION SCORE: <i>Total 100 to 105 points max.</i>	Total Page 14	
Date: _____ —	Reviewer Name: _____		Total Page 15	
			Total Page 16	
			GRAND TOTAL	

Additional Commentary on SC Application, if needed:

<u>Mercer County</u>	<u>MRI Rank</u>	<u>Sussex County</u>	<u>MRI Rank</u>
East Windsor Township	275	Andover Borough	268
Hightstown Borough	201	Andover Township	375
Hopewell Borough	467	Branchville Borough	215
Hopewell Township	539	Byram Township	430
Lawrence Township	374	Frankford Township	328
Pennington Borough	460	Franklin Borough	149
Princeton	486	Fredon Township	423
Robbinsville Township	512	Green Township	490
West Windsor Township	554	Hamburg Borough	205
		Hampton Township	339
		Hardyston Township	433
<u>Morris County</u>	<u>MRI Rank</u>	Hopatcong Borough	276
Dover Town	85	Lafayette Township	371
Mendham Borough	534	Montague Township	135
		Newton Town	56
		Ogdensburg Borough	277
<u>Passaic County</u>	<u>MRI Rank</u>	Sparta Township	492
Ringwood Borough	396	Sandyston Township	311
		Stanhope Borough	217
		Stillwater Township	314
		Sussex Borough	34
		Vernon Township	280
<u>Salem County</u>	<u>MRI Rank</u>	Walpack Township	310
Alloway Township	260	Wantage Township	333
Carneys Point Township	54		
Elmer Borough	191	<u>Warren County</u>	<u>MRI Rank</u>
Elsinboro Township	156	Allamuchy Township	456
Lower Alloways Creek Twp.	214	Alpha Borough	158
Mannington Township	123	Belvidere Town	144
Oldmans Township	162	Blairstown Township	362
Penns Grove Borough	7	Franklin Township	380
Pennsville Township	142	Frelinghuysen Township	383
Pilesgrove Township	299	Greenwich Township	449
Pittsgrove Township	180	Hackettstown Town	161
Quinton Township	117	Hardwick Township	377
Salem City	2	Harmony Township	315
Upper Pittsgrove Township	246	Hope Township	318
Woodstown Borough	159	Independence Township	349
		Knowlton Township	282
<u>Somerset County</u>	<u>MRI Rank</u>	Liberty Township	251
Far Hills Borough	481	Lopatcong Borough	235

(Continued on next page)

Warren County - Continued

MRI Rank

Mansfield Township	244
Oxford Township	197
Phillipsburg Town	27
Pohatcong Township	200
Washington Borough	137
Washington Township	403
White Township	225

Eligible Counties

MRI Rank

Cape May County	153	excluding Ocean City
Cumberland County	116	excluding Bridgeton, Millville, Vineland
Hunterdon County	387	
Mercer County	430	excluding Ewing, Hamilton, Trenton
Salem County	160	
Sussex County	294	
Warren County	275	

DRAFT

Attachment C

Disaster & Emergency Response Funding - CDBG

The Department will consider in the event of a disaster or emergency using up to half of the total Small Cities CDBG Program annual allocation for disaster or emergency response. This notice will allow the Department to carry out disaster recovery activities faster and eliminated the need to revise the consolidated plan and annual action plans, if needed.

The Department will use the same procedures that are in place for the State's Small Cities CDBG Program, Final Plan, Program's Handbooks, System for Administering Grants Electronically (SAGE) system and instructions established for the Program except for the following modifications for disaster response.

Distribution of Funds

All funds reallocated will be available by competitive proposals to current eligible municipalities and counties. Eighty percent may be awarded to applicants that have received the most impact based on FEMA data, or need depending on the type of disaster or emergency. Applicants may be asked to submit pre-applications using forms on the Program's website, otherwise the standard application process using SAGE will be required. The remaining twenty percent, if applicable, will be awarded to applicants that may not have received the most impacts but can document damages. Any remaining funds after the initial projects have been funded and completed will be reallocated to projects remaining that have need or will revert to the Small Cities CDBG Program. Additionally, if a disaster or emergency occurs after the annual application round has begun and an award has been made Grantees may opt to change the award to disaster or emergency response if the grantee received impacts. Only unobligated funding can be subject to reallocation for disaster or emergency response efforts.

Process

Applicants will submit SAGE applications, or pre-applications forms available on the Program's webpage if notified of this requirement. Applications will be reviewed and ranked for eligibility and funding priority. The matching funds requirement will be waived. All waivers permitted for the disaster or emergency will apply to the portion of funds set aside if allowed. Where a pre-application is used eligible projects will be invited to submit SAGE applications if an award is offered. Effort will be made to streamline the application and grant agreement process, which will include streamlined citizen participation and environmental review where applicable. The requirement to hold a public hearing 20 days prior to submitting the application will be waived. Public hearing, including teleconferencing must provide at least a 5-day public comment period on projects proposed for CDBG funding. Program staff will draft each SAGE applications in conjunction with the grantee's coordinator if a pre-application is used. However, the grantee will be responsible for the resolutions, compliance items and submittal.

Overall Benefit

The Program will use a one-year certification period to certify that not less than 70 percent of the aggregate of CDBG expenditures shall be used to benefit persons of low and moderate income.

Citizen Participation

All standard Small Cities CDBG Program Citizen Participation Plan requirements apply, refer to the Program's handbook for instructions.

Use of Disaster Response Funds

The activities to be considered for disaster response funding include but are not limited to:

1. Charge pre-award costs,
2. Debris removal,
3. Repair to publicly owned utilities,
4. Reconstruction or replacement of public facilities,
5. Payment of the deductible amount of a homeowner's hazard insurance (public service activity),
6. Payments to providers of items or services – rent, security deposits, food and utilities (public service activity),
7. Demolition of buildings,
8. Acquisition programs that purchase properties in floodplains,
9. Housing rehabilitation,
10. Housing reconstruction,
11. New housing construction (replacement),
12. Homebuyer programs replacing disaster damaged residences,
13. Infrastructure improvements,
14. Small business grants and loans, and
15. Relocation assistance for people moved out of floodways.

Duplication of Benefits – Prohibition

A duplication of benefit occurs when funding is provided for the same costs paid by other source, including private insurance, and the total amount received exceeds the total need for those costs. The grant agreement will require Grantees to report all sources of funds received, anticipated and received after implementation of the funded activity. Each grant activity will be required to complete a duplication of benefits analysis prior to the disbursement of the final payment. Any amount found to exceed the total amount needed for the activity will be returned and reallocated to open project(s) with need or will be returned to the Program's fund.