

**CITY OF MIDDLETOWN
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**REQUEST FOR FUNDING PROPOSALS
FOR PROGRAM YEAR 2020
(5/1/20 – 4/30/21)**



PROPOSAL PACKET AND INSTRUCTIONS

Released: January 3, 2020

**Administrative Services Department
City of Middletown, OH
One Donham Plaza
Middletown, OH 45044
Mrs. Susan Cohen, Director**

Submission Deadline: 4:00 p.m. Friday, January 31, 2020

The City of Middletown through its Department of Administrative Services is inviting nonprofit organizations and City Departments to submit proposals for Community Development Block Grant funds for projects and programs that will benefit residents of the City of Middletown. The program year will start May 1, 2020 with funds anticipated to be released by HUD and available for reimbursement to subrecipients on or around August 1, 2020. The City is anticipating an allocation of CDBG funds in PY 2020 equal to the PY2019 allocation of \$724,744.

This Request for Proposals (RFP) is being disseminated electronically to agencies and individuals on an extensive list of prior applicants and is posted on the City's website as well as being provided on social media.

Requests for funding must be submitted to Department of Administrative Services by 4:00 p.m. on Friday, January 31, 2020. Proposals may be submitted electronically to idah@cityofmiddletown.org, in person by hand-delivery to One Donham Plaza, Middletown, OH 45042 or via postal mail. **Any proposal not received by on or before the deadline will not be accepted.**

SUMMARY OF ELIGIBLE AND INELIGIBLE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM ACTIVITIES

This is a summary, based on the Final Rules published in March 1996, of the activities that are eligible and ineligible for assistance under the Community Development Block Grant (CDBG) Program pursuant to the governing regulations of the Code of Federal Regulations, Title 24, Part 570, Sections 570.200-570.207.

General Policies -- 570.200

The primary objective of the CDBG Program is the development of viable urban communities, by providing decent housing and a suitable living environment, and expanding economic opportunities, principally for persons of low- and moderate-income. Funds must be used so as to give maximum feasible priority to activities which will carry out one of the three broad national objectives of: (1) benefit to low- and moderate-income families; (2) aid in the prevention or elimination of slums or blight; or, (3) activities designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. At least 70% of the total CDBG funds must be used for activities that benefit low- and moderate-income persons; and at least 51% of the beneficiaries of individual activities must be low- and moderate-income persons.

Basic Eligible Activities -- 570.201

- (a) Acquisition in whole or in part by purchase, long-term lease, donation, or otherwise, of real property for any public purpose.
- (b) Disposition of real property acquired with CDBG funds through sale, lease, donation, or otherwise; or its retention for public purposes, including reasonable costs of temporarily managing such property.
- (c) Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except buildings for the general conduct of government. Activities may include:
 - Removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities or improvements;
 - Design features and improvements which promote energy efficiency;
 - Architectural design features and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance.

Eligible facilities include homeless shelters; convalescent homes; hospitals; nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons; and temporary housing for disaster victims.

- (d) Clearance, demolition and removal of buildings and improvements; movement of structures to other sites; and remediation of known or suspected environmental contamination.
- (e) Provision of public services (including labor, supplies and materials) such as those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare, homebuyer down payment assistance, or recreational needs. The services must meet each of the following criteria:
 - A service must either be new or be a quantifiable increase in the level of an existing service above that which has been provided with State or Local funds in the previous twelve calendar months; and
 - The amount obligated for public services shall not exceed 15 percent of the annual grant and of program income received during the immediately preceding program year.
- (f) Interim assistance to correct objectively determinable signs of physical deterioration in areas where immediate action is necessary and where permanent improvements will be carried out as soon as practicable; or to alleviate emergency conditions threatening the public health and safety and requiring immediate resolution.
- (g) Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities.
- (h) Completion of urban renewal projects.
- (i) Relocation payments and assistance for relocated individuals, families, businesses, nonprofit organizations, and farm operations.
- (j) Payment to housing owners for losses of rental income incurred in holding units for individuals and families displaced by relocation activities.
- (k) Housing services, such as tenant counseling in connection with tenant-based rental assistance and affordable housing projects, energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities participating or seeking to participate in housing activities assisted under title II of the Cranston-Gonzalez National Affordable Housing Act.
- (l) Acquisition, construction, reconstruction, rehabilitation, or installation of the distribution lines and facilities of privately owned utilities.
- (m) Rehabilitation of privately-owned real property, and development grants for new construction or substantial rehabilitation of real property to be used for primarily residential rental purposes.
- (n) Direct homeownership assistance to low- and moderate-income homebuyers:
 1. To subsidize interest rates and mortgage principal amounts;
 2. To finance the acquisition of owner-occupied property;
 3. To acquire guarantees for mortgage financing obtained from private lenders but not to guarantee such mortgage financing directly or provide such guarantees directly;
 4. To provide up to 50 percent of any required down payment;
 5. To pay reasonable closing costs.
- (o) Microenterprise assistance through the provision of assistance to facilitate economic development by providing credit for the establishment, stabilization and expansion of microenterprises; providing technical assistance, advice and business support service to owners or developers of microenterprises; and providing general support to owners and developers or microenterprises. Training and technical assistance may also be provided.
- (p) Provision of technical assistance to public or nonprofit entities to increase their capacity to carry out eligible neighborhood revitalization or economic development activities.
- (q) Assistance to institutions of higher education to carry out eligible activities.

Eligible Rehabilitation and Preservation Activities -- 570.202

- (a) Rehabilitation assistance for:
 - Privately owned residential buildings and improvements for residential purposes;

- Low-income public housing and other publicly owned residential buildings and improvements;
 - Publicly and privately owned commercial or industrial buildings;
 - Nonprofit-owned nonresidential buildings and improvements; and
 - Manufactured housing that is part of the permanent housing stock.
- (b) Financing assistance through grants, loans, loan guarantees, interest supplements, or other means for:
- (1) Private individuals and entities, including profit making and nonprofit organizations, to acquire and rehabilitate, and to rehabilitate properties for use or resale for residential purposes;
 - (2) Labor, materials and other rehabilitation costs, including repair, replacement of principal fixtures and components, installation of security devices, and renovation of existing structures;
 - (3) Loans for refinancing existing indebtedness secured by a property being rehabilitated;
 - (4) Improvements to increase the efficient use of energy;
 - (5) Improvements to increase the efficient use of water;
 - (6) Connection of residential structures to water distribution or local sewer collection lines;
 - (7) Initial homeowner warranty premiums, hazard insurance premiums, flood insurance premiums and lead-based paint testing and abatement;
 - (8) Acquisition of tools to be lent to carry out rehabilitation;
 - (9) Rehabilitation services related to assisting participants in rehabilitation activities;
 - (10) Rehabilitation of housing under Section 17 of the U.S. Housing Act of 1937; and.
 - (11) Improvements designed to remove material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons.
- (c) Code violations inspections and enforcement to arrest the decline of deteriorating or deteriorated areas.
- (d) Rehabilitation, preservation or restoration of publicly or privately-owned historic properties.
- (e) Renovation of closed school or other buildings for use as an eligible public facility or for housing.
- (f) Lead-based paint hazard evaluation and reduction.

Special Economic Development Activities -- 570.203

Activities that are listed as eligible may be carried out as part of an economic development project. In addition, special economic development activities that are necessary or appropriate to carry out an economic development project, including costs associated with project-specific assessment or remediation of known or suspected environmental contamination --but not including assistance for the construction of new housing--may be carried out including:

- (a) Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the recipient, or public or private nonprofit subrecipients.
- (b) The provision of assistance to private for-profit businesses, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project --except for buildings for the general conduct of government, general government expenses, and political activities. Displacement of existing businesses and jobs in neighborhoods shall be minimized to the extent practicable.
- (c) Economic development services including, but not limited to, outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of all necessary agreements; management of assisted activities; and the screening, referral and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities, including the costs of necessary training.

Special Activities By Community-Based Development Organizations (CBDOs) -- 570.204

Grants or loans may be provided to CBDOs to undertake activities directly or through contract with an entity other than the grantee, or through the provision of financial assistance for activities in which it retains a direct and controlling involvement and responsibilities, including: activities listed as eligible; and activities not otherwise listed as eligible -- excluding, buildings for the general conduct of government business, general government expenses, and political activities.

- (a) Neighborhood revitalization projects that include activities of sufficient size and scope to have an impact on the decline of a geographic location within the jurisdiction of general local government unit designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a general local government unit which is under 25,000 population;
- (b) Community economic development projects that include activities that increase economic opportunity, principally for low- and moderate-income persons, or that stimulate or retain businesses or permanent jobs, including projects that include one or more such activities that are clearly needed to address a lack of affordable housing accessible to existing or planned jobs; and may include costs associated with project-specific assessment or remediation of known or suspected environmental contamination;
- (c) Energy conservation projects that include activities that address energy conservation, principally for the benefit of the residents of the recipient's jurisdiction; and

Eligible Planning, Urban Environmental Design and Policy-Planning-Management-Capacity Building Activities -- 570.205

- (a) Planning activities such as data gathering, studies, analyses, preparation of plans, and identification of actions to implement plans.
- (b) Policy, planning, management and capacity-building activities.

Program Administration Costs -- 570.206

- (a) Reasonable costs of overall program management, coordination, monitoring, and evaluation, - including:
 - Staff salaries, wages, and related costs;
 - Travel costs;
 - Administrative services such as general legal, accounting and audit services performed under third-party contracts; and
 - Other goods and services required for administration of the program.
- (b) Provision of information and other resources to residents and citizen organizations.
- (c) Provision of fair housing services.
- (d) Indirect costs.
- (e) Preparation of applications for Federal programs.
- (f) Necessary administrative expenses in planning or obtaining financing for housing units which are identified in the HUD approved Housing Assistance Plan.
- (g) Overall program management of the Rental Rehabilitation and Housing Development programs.
- (h) Overall program management of:
 - (1) A Federally designated Empowerment Zone or Enterprise Community; and
 - (2) The HOME program under title II of the Cranston-Gonzalez Affordable Housing Act.

Ineligible Activities -- 570.207

- (a) Assistance for:
 - Buildings used for the general conduct of government
 - General government expenses; and
 - Political activities.
- (b) Assistance for:

- Purchase of construction equipment, fire protection equipment, furnishings and personal property;
- Repairing, operating and maintaining public facilities, improvements and services;
- New housing construction; and
- Income payments.

except when carried out as a special economic development activity, or as a public service, or by an eligible community-based development organization, or by the recipient as specifically authorized.

SUMMARY OF GUIDELINES FOR ENSURING EQUAL TREATMENT OF FAITH-BASED ORGANIZATIONS

This is a summary, based on the Final Rules published July 9, 2004, of the guidelines regarding participation of faith-based organizations in programs and activities funded by the U.S. Department of Housing and Urban Development pursuant to the governing regulations of the Code of Federal Regulations, Title 24, Part 5, Section 109. This summary is based upon the Final Rules published July 9, 2004.

A. Equal Participation of Faith-Based Organizations in HUD Programs and Activities

Faith-based organizations are eligible, on the same basis as any other organization, to participate in the full range of HUD's programs and activities. This includes programs that make funds available through contract, grants, cooperative agreements, or other instruments for eligible goods, services, and activities as well as programs that do not make funds available, but involve other forms of benefit or resources, e.g., Federal Housing Administration (FHA) mortgage insurance or foreclosed properties that are available to qualifying organizations. Neither the Federal government, nor a State or local government, nor any other entity that administers any HUD program or activity shall discriminate against an organization on the basis of the organization's religious character or affiliation.

B. Inherently Religious Activities

Organizations that receive direct HUD funds under a HUD program or activity may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services directly funded under the HUD program or activity. If an organization conducts such activities, the activities must be offered separately, in time or location, from the programs, activities, or services supported by direct HUD funds, and participation must be voluntary for the beneficiaries of these programs, activities, or services.

The term "direct HUD funds" refers to direct funding within the meaning of the Establishment Clause of the First Amendment. For example, direct HUD funding may mean that the government or an intermediate organization with similar duties as a governmental entity under a particular HUD program selects an organization and purchases the needed services straight from the organization (e.g., via a contract or cooperative agreement). In contrast, indirect funding scenarios may place the choice of service provided in the hands of a beneficiary, and then pay for the cost of that service through a voucher, certificate, or other similar means of payment.

C. Independence of Faith-Based Organizations.

A faith-based organization that participates in a HUD program or activity will retain its independence from Federal, State and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not engage in any inherently religious activities, such as worship, religious instruction, or proselytization, as part of the program or services supported by direct HUD funds. Among other things, faith-based organizations may use space in their facilities to provide services under a HUD program, without removing religious art, icons, scriptures, or other religious symbols. In addition, a faith-based organization participating

in a HUD program retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members and otherwise govern itself on a religious basis, and include religious references in its organization's mission statements and other governing documents.

D. Exemption From Title VII Employment Discrimination Requirements

A faith-based organization's exemption from the Federal prohibition on employment discrimination on the basis of religion, set forth in section 702(a) of the Civil Rights Act of 1964 (42U.S.C. 2000e-1), is not forfeited when the organization participates in a HUD program.

E. Nondiscrimination Requirements

An organization that receives direct HUD funds shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief. Organizations participating in HUD program and activities must also comply with any other applicable Federal fair housing and nondiscrimination requirements.

F. Acquisition, Construction and Rehabilitation of Structures

HUD funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. HUD funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under a HUD program or activity. Where a structure is used for both eligible and inherently religious activities, HUD funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to the HUD program or activity. Sanctuaries, chapels, and other rooms that a HUD-funded religious congregation uses as its principal place of worship, however, are ineligible for HUD-funded improvements. Disposition of real property after use for the authorized purpose, or any change in use of the property for the authorized purpose, is subject to government-wide regulations government real property disposition (see. e.g., 24 CFR parts 84 and 85).

STANDARDS TO DETERMINE COMPLIANCE WITH NATIONAL OBJECTIVES

Each CDBG funded activity must meet one of three broad national objectives:

1. Benefit to low- and moderate-income persons.
2. Aid in the prevention or elimination of slums or blight.
3. Designed to meet community development needs having a particular urgency.

At least 70 percent of the grantee's funds must be used for activities that benefit low- and moderate-income persons; while individual activities must benefit at least 51 percent low- and moderate-income persons.

1. Activities Benefiting Low- And Moderate-Income Persons

- a. **Area benefit activities:** An activity whose benefits are available to all of the residents in a primarily residential area where at least 51% of the residents are low- and moderate-income persons.
- b. **Limited clientele activities:**
 - 1) An activity which benefits a specific group of people, at least 51% of whom are low- and moderate- income persons:
 - i. Clientele presumed to be principally low- and moderate-income: abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, migrant farm workers;
 - ii. Individuals whose family income does not exceed Section 8 low- and moderate-income limits;
 - iii. An activity with eligibility requirements exclusively for low- and moderate-income persons; or
 - iv. Activities of such nature and in such location that it may be concluded the clientele will primarily be low- and moderate-income persons.
 - 2) An activity that serves to remove material and architectural barriers to the mobility and accessibility of elderly or severely disabled persons.
 - 3) A microenterprise assistance activity carried out by low- and moderate-income owners or developers.
 - 4) An activity designed to provide job training and placement and/or other employment support services for less than 51% low- and moderate-income persons if the proportion of the total cost of the project borne by CDBG funds is no greater than the proportion of the total number of low- and moderate-income persons assisted.
- c. **Housing activities:** An activity which provides or improves permanent, residential structures which will be occupied by low- and moderate-income households upon completion.
- d. **Job creation or retention activities:** An activity designed to create or retain permanent jobs, at least 51% of which, computed on a full-time equivalent basis, involve the employment of low- and moderate-income persons.

2. Activities Which Aid In The Prevention Or Elimination Of Slums Or Blight

- a. Activities to address slums or blight in a designated area.
- b. Activities to address slums or blight on a spot basis.
- c. Activities to address slums or blight in an urban renewal area.

3. Activities Designed to Meet Community Development Needs Having A Particular Urgency

- a. Posing a serious and immediate threat to the community's health or welfare.
- b. Being of recent origin or recently becoming urgent (generally within the past 18 months).
- c. The grantee is unable to finance the activity on its own.
- d. Other sources of funding are not available.



**CITY OF MIDDLETOWN OHIO CDBG
PROPOSAL COVER SHEET**

Date: _____

Submitted By: _____ Title: _____

Organization: _____

Address: _____

City: _____ Zip Code: _____ Phone/Ext: _____

Fax: _____ Email: _____ EIN: _____

Project Title: _____ D-U-N-S# _____

Total Request for FY20-21: _____

Checklist of Required Documents

Please check "Yes" to indicate that the documents are attached. Attach a written explanation if any are not included. Submit proposal documents in the order listed below.

	Yes	No	Explanation Attached
1. Proposal Cover Sheet	_____	_____	_____
2. Project Narrative	_____	_____	_____
3. Budget	_____	_____	_____
4. Articles of Incorporation and Bylaws	_____	_____	_____
5. IRS tax-exempt letter of determination	_____	_____	_____
6. List of Board of Directors	_____	_____	_____
7. Board of Director's authorization to submit request and designation of authorized official	_____	_____	_____
8. Organizational chart	_____	_____	_____
9. Resume of program administrator	_____	_____	_____
10. Resume of fiscal officer	_____	_____	_____
11. Financial statement, audit	_____	_____	_____

CDBG PROJECT NARRATIVE

1. Describe your proposed program/project including how it will impact the community.

2. Which National Objective does your project meet?

- Benefit to low- and moderate-income persons.
- Aid in the prevention or elimination of slums or blight.
- Designed to meet community development needs having a particular urgency.

Describe how your project meets this National Objective.

3. Please identify what outcomes you hope to achieve with this program/project. Include in your description any measurable results you anticipate achieving as a result of your project/program (i.e., feet of sidewalk, number of buildings renovated, number of people assisted, additional jobs created, etc.)

4. Please describe how you will monitor the progress and success of this project/program over the program year.

5. Include any additional information you think would be helpful in the consideration of this program/project for funding.

FY 2020-21 CDBG BUDGET

Column 1: Use general categories such as salaries, office expenses, equipment/supply purchases and administrative cost for operational funding. Use categories such as architectural expenses, construction cost, materials, etc. for construction/rehab projects. Reminder: Construction/rehab projects over \$2,000.00 are subject to Davis-Bacon & Related Acts and other Federal requirements.

Column 2: Please list the amount of CDBG funds requested for various categories appropriate to your project/program.

Column 3: Other funds used to implement the project/program, list the amount and sources; state if the funds are in-kind or cash.

Column 4: Enter the total cost for each line item in Total Budget.

Column 1		Column 2	Column 3		Column 4
Expense Category & Total Expenses (line items)		Amount of CDBG Requested	Other Sources of Funds Provide Commitment Letter for Each		Total Budget
(Please prioritize budget)			Amount	Source	
1		\$ -	\$ -		\$ -
2		\$ -	\$ -		\$ -
3		\$ -	\$ -		\$ -
4		\$ -	\$ -		\$ -
5		\$ -	\$ -		\$ -
6		\$ -	\$ -		\$ -
7		\$ -	\$ -		\$ -
8		\$ -	\$ -		\$ -
9		\$ -	\$ -		\$ -
10		\$ -	\$ -		\$ -
11		\$ -	\$ -		\$ -
12		\$ -	\$ -		\$ -
13		\$ -	\$ -		\$ -
14		\$ -	\$ -		\$ -
15		\$ -	\$ -		\$ -
16		\$ -	\$ -		\$ -
TOTAL		\$ -	\$ -		\$ -