



COMMUNITY DEVELOPMENT PROGRAM FUNDING FY 2021 APPLICATIONS INSTRUCTIONS

Applications Due: October 19, 2020

These instructions pertain to the application process for the Fiscal Year 2021 City of Duluth Community Development Program. The city annually receives entitlement funds from the U.S. Department of Housing & Urban Development (HUD), including; Community Development Block Grant (CDBG), HOME Investment Partnership (HOME), and Emergency Solutions Grant (ESG).

ELIGIBLE APPLICANTS

Applicants must be nonprofit agencies, for-profit businesses, governmental units or Institutions of Higher Education. Applications are scored on criteria as defined in the Application Rating Criteria.

Potential new applicants are encouraged to communicate with Ben VanTassel via phone or by email: 218-730-5299; bvantassel@duluthmn.gov regarding eligibility and all other application questions.

NEW APPLICANTS

In addition to the application, new applicants (only) should also submit the following: 1) Articles of Incorporation and 501(c)3 designation letter; 2) the most recent IRS 990 form; 3) A summary of state or federal grant administration experience; and 4) A Board of Directors list.

ELIGIBLE ACTIVITIES

Please note the following activities are generally ineligible under HUD rules:

- Buildings for the general conduct of government
- Political activities
- Income payments for housing
- Religious activities

Applicants must describe how the proposal will meet an eligible activity as described by HUD at <https://www.hudexchange.info/onecpd/assets/File/CDBG-National-Objectives-Eligible-Activities-Chapter-2.pdf>. City staff is available to assist applicants in whether a prospective project meets HUD requirements.

FY 2021 FUNDING TARGETS

	<i>Funding Category</i>	<i>FY 2020 Actual Allocations</i>	<i>FY 2021 Funding Targets</i>
CDBG	Housing	47%	45%
	Economic Development	15%	15%
	Public Facilities	3%	5%
	Public Services	15%	15%
	Planning & Program Administration	20%	20%
HOME	CHDO Operations	0%*	0%
	Homeowner Development and/or Homeowner Rehab	37%	25%
	Rental Development	37%	50%
	Tenant Based Rental Assistance	16%	15%
	Program Administration	10%	10%
ESG	Street Outreach and Shelter Operations	55.8%	60%
	Administration	7.5%	7.5%
	HMIS Administration	2%	2%
	Rapid Re-Housing and Prevention	34.7%	30.5%

*Includes all CHDO activities (Homeowner & Rental development)

APPLICANT AND PROPOSAL INFORMATION

The application is a fillable-PDF and all sections should be completed.

Applicant Information

Please fill in the organization's name, address, contact person, phone and email address. For

Type of Organization, choose from one of the following:

- Non-Profit agency
- Public Authority
- City Department
- Private Business

Proposal Information

Proposal Name	Enter the name of Project/Program for which the applicant is seeking funding.
Funding Amount Requested	Put the amount of Community Development funds (CDBG, HOME, ESG) being requested.
Proposal Service Goal	Indicate the numeric service goal and units (units should be households, people, businesses, housing units, etc.)
LMI Service Goal %	Indicate the percentage of the service goal that will be Low- to Moderate-Income.
Program Category	Identify the category from which funds are being requested. More than one source can be selected. City staff can assist with determining the best fit for the proposed activity.

NARRATIVE SECTIONS

For more information on how applications will be scored, please see the "2021 Application Rating Criteria" available on the Planning & Development webpage of the City of Duluth's website, or request a copy from the Planning & Development office.

1. CONSOLIDATED PLAN PRIORITY & ELIGIBILITY

Proposal Summary

Briefly describe the project or program activity in 40 words or less. *(This summary is used for communication with the public and City Council.)*

Consolidated Plan Goals

Describe how the proposed project is consistent with the Consolidated Plan in addressing a priority need and plan goals. View the Consolidated Plan goals below.

CONSOLIDATED PLAN GOALS

GOAL	GOAL DESCRIPTION
Infrastructure Improvements	Invest in improvements to infrastructure that serves LMI neighborhoods, including; sidewalks, streets, bicycle infrastructure, ADA improvements, and other infrastructure.
Transportation Access	Provide opportunities that ensure LMI people have access to all modes of transportation to access employment, services, health care, food, recreation, and other basic needs.
Affordable Housing	Increase the number and condition of affordable housing units for LMI people. Project locations should be available throughout the community with convenient access to jobs, amenities, and services. Housing should serve people in need of support services, accessible units, individual units, and those that are seniors. Housing should utilize energy efficient practices. All housing efforts should support the policies and strategies of the Imagine Duluth 2035 Comprehensive Plan.
Neighborhood Revitalization	Improve LMI neighborhoods by addressing vacant, condemned, and deteriorated properties. Provide neighborhood infrastructure/amenities that improve safety and livability. Improve buildings that provide essential services and basic needs to LMI people. Revitalization efforts should include strategies to prevent displacement of LMI people.
Increase Incomes	Provide job training and skill development to assist people who are LMI in accessing living wage jobs. Job training should include collaboration with the CareerForce Center and ensure a focus on needed job sectors. Assist LMI people to grow/start their business and grow their income. All efforts should support the city's Workforce Development Strategic Plan.
Create Living Wage Jobs	Create jobs by providing assistance/incentives to businesses to grow and hire LMI people.
Health Services	Provide health, dental, and mental health services to people who are LMI.
Food Access	Provide easy access to healthy and affordable food to people who are LMI.
Homeless Services	Provide shelter, services, and rental assistance to people who are homeless or at risk of becoming homeless.
Public Services	Provide services to LMI people that fulfill basic needs, prevent evictions, and address other needs.
Childcare Access	Ensure childcare is available in LMI neighborhoods and for LMI people that is safe, affordable, and convenient.

CD Committee's Mission

Describe how the proposed project meets the stated Community Development Committee's mission *to invest in community programs that help low and moderate income people by addressing basic needs, providing affordable housing, and increasing economic self-sufficiency.*

Anti-Poverty Strategy

Describe how the proposed project addresses policies under the Anti-Poverty Strategy in the consolidated plan. View the Anti-Poverty policies below.

ANTI-POVERTY STRATEGY POLICIES

POLICY	POLICY DESCRIPTION
Policy 1: Training and Career Development	Provide occupational training programs coupled with career development and job placement in partnership with the City's Workforce Development Division and the Financial Opportunity Center at Community Action Duluth to enable people to obtain employment.
Policy 2: Remove Barriers to Obtaining Employment	Assist families with removing barriers to obtaining employment through long term or sustainable solutions that reduce the cost of essentials or burdens to household incomes.
Policy 3: Reduce Housing and Utility Costs	Focus on efforts to reduce the costs on household's budgets through energy efficiency programs that lower utilities and/or programs that assist with building assets of families through planned savings programs or assistance with homeownership opportunities.
Policy 4: Increase Affordable Housing Units	Increase the amount of affordable housing units within the City that have long-term affordability restrictions (greater than 30 years), to maintain housing for low-to-moderate-income residents within our community.
Policy 5: Increase Access to Affordable and Healthy Food Options	Increase access to affordable and healthy food options as well as educational programs that contribute to healthy living in order to address the long-term health and economic impacts on households experiencing poverty.

Eligible Activity and National Objective

Please identify which HUD eligible activity the proposal falls under and explain how it meets this activity. A helpful reference to eligible activities can be accessed here:

<https://www.hudexchange.info/onecpd/assets/File/CDBG-National-Objectives-Eligible-Activities-Chapter-2.pdf>

Specialized Improvement Area (SIA):

If the project is located in and/or benefits an SIA, explain how. Proposals that benefit SIAs will be highlighted to the Community Development Committee. See map of SIAs here:

<https://duluthmn.gov/media/5642/sias.pdf>

HUD encourages entitlement communities to be careful about funding to organizations or

projects that may require ongoing or continued annual CDBG funding, and organizations that provide duplicative services. Dependence on CDBG funding is a serious concern considering the potential that exists for budget cuts to CDBG funding proposed every year by Congress, and with grant amounts available to entitlement communities decreasing as more and more communities become eligible to receive CDBG funding.

2. PROJECT READINESS

It is a requirement of the Community Development Program that funds are spent in a timely manner. Each proposal should state when the project will be completed. Project completion expectations are as follows:

Public Services (CDBG): March 31, 2022
Economic Development (CDBG): March 31, 2022
Housing (CDBG): June 30, 2022
Public Facilities (CDBG): June 30, 2022
HOME Investment Partnership-Housing Development: June 30, 2022
HOME Investment Partnership- Other: March 31, 2022
Emergency Solutions Grant: March 31, 2022

Please include additional actions or approvals still needed for the proposal and explain any potential delays that may impact timing.

3. PROJECT IMPACT AND DELIVERY

Describe the services that will be provided to the participants in the project. Then address the following areas:

Achievement of Expected Results: Describe the need for the proposed activity, using related documentation and/or statistics and research to support the need.

Target Clientele: Describe who the project is intending to serve. What percent of participants will be low-income (at or below 80% area median income) What geographic area(s) does the project cover?

Outcome Measurements: What is the impact or benefit (outcome) of the activity proposed for the participants to be served? Examples might include improved condition, increased knowledge or skills, or other impact. How will impact be measured and what benchmarks will be used? *(NOTE: If funded, outcomes will be a part of the grant agreement.)* Describe how well outcome objectives were met for the most recently completed project funded through CDBG/HOME/ESG programs. If an organization has not received these funds in the past, describe in general other past goals, outcomes, and accomplishments.

Business/Operations Plan Approach: Describe the critical issues or factors that hinder the implementation or maintenance of the proposed project activities and outcomes over the long term. How will applicant ensure continued success?

Proposals must include what need the project/program will address and how referrals are handled. When might the program refer people to other services/agencies? How are people that are referred elsewhere, included in reported number of people served?

4. BUDGET NARRATIVE - FINANCIAL CONSIDERATIONS

- A. Program Sources: To complete this portion of the application, fill in the chart at the top of the Budget Narrative page of the application, listing all sources of funding being leveraged for this project/activity. The amount should be placed in the applicable box (Secured or Anticipated) based on the status of those funds. Secured funds means the applicant has received funding commitments such as award letters or agreements. Anticipated funds are funds that have been applied for but are not yet secure.
- B. Program Uses: In the space below the chart, describe what costs the CDBG/HOME/ESG funding will be specifically used for.
- If funding is for staff time, list position titles (including Full Time Equivalency of each position).
 - Provide a per unit cost for the amount of funds from all sources of funding listed for the proposed service goal.
 - Provide a per unit cost for the amount of Community Development funds requested for the proposed service goal.
- C. Funding Need: Briefly explain how if funding is not received, it will affect the budget or stability of the program.
- D. Budget Spreadsheet: List all sources and uses by funding type for the proposal. Use common budget line items (e.g. staffing salaries, utilities, acquisition, construction costs). Be sure to include the Project Service Goal (# of people, households, jobs, etc.) at the top of this table.

Additional Forms Required for Housing Proposals

All proposals applying for CDBG-Housing or HOME Investment Partnership funds must fill out the Housing Spreadsheet provided in the application.

Projects that include the construction/rehabilitation of housing or public facility improvements will be subject to a reduction of up to 10% of the recommended grant amount for administration. This amount is to be used for city project administration costs and to ensure the successful completion of the project.

In addition, if construction of new housing units or major housing rehabilitation is being proposed additional budget forms will be required. Please contact city staff at duluthcommdev@duluthmn.gov to receive additional budget information that is required to be included with application submittal.

NOTE TO APPLICANTS

Applicable projects as described in City Ordinance 18-038O are required to follow the provisions for Project Labor Agreements as described in the ordinance. Covered projects include: “... a project owned by the city for which the city has a contract for construction services equal to or in excess of the city investment threshold, or a project in which the city has an ongoing proprietary interest because it provides financial support equal to or in excess of the city investment threshold through a grant, subgrant, loan, loan guarantee or tax credit to pay for some or all of the costs of a project, including financial support having its source in tax increment proceeds, loan guarantees, state of Minnesota funds, community development block grant funds, HOME investment

partnership funds, and other federal or state programs including low income tax credits, federal or state historic tax credits, federal new market tax credits, or similar funding or tax credit programs.”

APPLICATION SUBMISSION

Application deadline is **Monday, October 19, 2020 at 4:00 PM**. Late applications will not be accepted. All applications shall be submitted in fillable PDF, and emailed to duluthcommdev@duluthmn.gov. No paper applications will be accepted without prior approval from the Planning & Development office.

What's a complete application?

A complete application will:

1. Adequately describe how it meets a HUD National Objective and propose an Eligible Activity.
2. Application (fillable PDF) submitted by email before the deadline.
3. Clearly and completely respond to all components outlined in the *Application Instructions*.
4. Submitted by an Eligible applicant that is not currently on probation. New applicants should contact city staff about supplying documents that demonstrate organizational capacity and structure.

Incomplete applications will be rejected based upon not meeting application requirements and are not eligible for funding consideration. The applicant will be informed of the rejection by email after the funding is finalized. All funding is based upon annual priorities, availability of funding, and determination of acceptability to Planning & Development Division, Community Development Committee, City Council, and Mayor.

Acceptable attachments:

- New applicants only: please submit 1) Articles of Incorporation and 501(c)3 designation letter; 2) the most recent IRS 990 form; 3) A summary of state or federal grant administration experience; and 4) A Board of Directors list.
- Proposals constructing new housing or major rehabilitations should submit additional budget forms. (Contact duluthcommdev@duluthmn.gov for forms)
- Do not submit: brochures, letters of support, or other supplemental information.

The information provided on this application is classified as public data under the Minnesota Government Data Practices Act. Public data must be provided to any person or entity that requests it.

APPLICATION REVIEW PROCESS

There is no interview, however after review the Community Development Committee may send questions via city staff or ask questions at the Public Hearing. Each application will be scored based on the Application Rating Criteria. The resulting application scores will be available for public review on the City's website upon finalization.

QUESTIONS?

Applicants can contact Ben VanTassel at 218-730-5299 or at bvantassel@duluthmn.gov between 8:00 a.m. and 4:30 p.m., Monday through Friday. All applicants are encouraged to seek guidance from city staff to review drafts, answer questions, or discuss new ideas. Please make appointments via phone or email prior to October 14, 2020 to ensure staff availability before the application deadline.