Community Development Block Grant Program

2023 Round 1
RHP
Instructions

Indiana Office of Community and Rural Affairs
CDBG Program
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Indianapolis, IN 46204

General CDBG Information and Instructions

The Office of Community and Rural Affairs (OCRA) seeks applications from eligible local units of government that would like to be considered for programs funded through the state Community Development Block Grant (CDBG) program. Eligible local units of government are counties, cities, incorporated towns, and entitlement communities. Unincorporated areas must apply through the county in which they are located.

General CDBG Information

The goal of the Community Development Block Grant (CDBG) Program through the Office of Community and Rural Affairs (OCRA) is to encourage communities with eligible populations to focus on long-term community development. Competitive projects must demonstrate the following:

- They meet the goal of the Federal Act;
- The particular project addresses the long-term planning and development efforts of the community;
- The funds granted will have a significant impact on the overall project;
- The community has demonstrated a strong commitment to the project and its sustainability; and
- The project is ready to proceed upon grant award and will be completed within 18 months after grant award.

Minimum Requirements

To be eligible for CDBG assistance, projects must meet the following minimum requirements:

- The lead applicant must be an entitlement city, non-entitlement city, county, or incorporated town that possesses the legal capacity to carry out the proposed program.
- The lead applicant may contract with a 501(c)(3) not-for-profit organization to carry out the activities of an eligible project, provided that the organization can document its nonprofit status with the U.S. Internal Revenue Service, the Indiana Department of Revenue, and the Indiana Secretary of State.
- The proposed project must meet a national objective and be an eligible activity under Section 105 (a) of the Housing and Community Development Act of 1974, as amended in Notice of FY2020 Allocations, Waivers, and Alternative Requirements for the Pilot Recovery Housing Program. In general, the project must:
  - Benefit a limited clientele whose population is at least 51% low- and moderate-income, as modified by Notice of FY2020 Allocations, Waivers, and Alternative Requirements for the Pilot Recovery Housing Program.
- If the applicant has previously received any CDBG funds through the Office of Community and Rural Affairs or the Indiana Housing and Community Development Authority (IHCDA), the applicant must **NOT** have:
  - Any unresolved monitoring/audit findings;
  - Any overdue grant reports or closeout documents.
- Any CDBG Program Income collected from a previous CDBG grant must be obligated for a use that has been approved by the Indiana Office of Community and Rural Affairs before another CDBG application can be submitted. Program Income may be used as part of the local match for a CDBG application. Please contact the CDBG program staff for additional information regarding Program Income.
- There is no local match requirement for this program, although match can be provided to support the project.
- All requests to use in-kind match must be submitted by the **pre-approval deadline of Friday, September 1, 2023 via email** to OCRA's CDBG program staff. Eligible sources of the in-kind match include but are not limited to:
  - The appraised fair market value of donated land. Land donations by applicants, developers, organizations or individuals with financial or ownership interest in the project are ineligible as an in-kind match;
  - Volunteer labor is calculated at $15.00 per hour regardless of the type of work; and
  - Donated goods or services are valued at cost.

  Requests must include:
  - A summary of the request that shows a breakdown of how the amount was calculated;
  - A letter from the chief elected official requesting the use of in-kind match and identifying the amount requested;

- o Supporting documentation, including a commitment letter from the donor regarding what is being donated and the value; and
- o In the case of land donation, a copy of the fee appraisal (a review appraisal is not required) and all supporting URA documentation.

Eligible Activities

RHP funding is only for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder in accordance with Section 8071. The following activity is eligible for funding this round:

Public Facilities and Improvement

- Construction, reconstruction, rehabilitation or installation of public facilities and improvements for the purpose of providing stable, temporary housing for individuals in recovery from a substance use disorder.

For all programs, the following general activities are eligible for CDBG funding. This list is not meant to include or to exclude any particular project.

Property Acquisition
- Surveying and appraisal costs
- Legal costs related to the acquisition
- Actual purchase costs of land or easement provided URA is followed, and the property is not purchased before release of funds.

Administration
- Reasonable and eligible costs associated with the administration of the proposed project (Maximum of 8% of the grant, if paid with CDBG.)

Environmental Review
- Costs related to obtaining the necessary review of the proposed project.

Ineligible Activities

This list is not exhaustive; please consult your Community Liaison for questions regarding specific projects. The following is a list of **some** activities that are not eligible for CDBG funding:
- The acquisition, construction or rehabilitation of buildings for the general conduct of government;
- Real property acquisition for ineligible activities;
- General equipment purchase;
- Purchase of items that are living (plants, trees, sod, animals, etc.);
- Operation and maintenance expenses associated with public facilities or services;
- General government expenses; or
- Political activities of any nature.

Projects Combining Eligible and Ineligible Activities

Depending on a community's needs, it may be appropriate for a project to combine CDBG eligible and ineligible activities. Such a project may still be eligible for CDBG funds, provided:
- that the budget clearly delineates the costs of the eligible and ineligible activities;
- that CDBG funds will not pay for any ineligible activities; and
- that local funds comprise at least the minimum percentage required local match portion of the project.

Please consult your Community Liaison or email CDBG@ocra.in.gov for further guidance.

Meeting a National Objective of the Federal Act

Title I of the Housing and Community Development Act of 1974, as amended, identifies the national objectives of the CDBG program.

RHP Projects must benefit a limited clientele whose population is at least 51% low- and moderate-income, as modified by Notice of FY2020 Allocations, Waivers, and Alternative Requirements for the Pilot Recovery Housing Program. The Notice expands eligible categories of Limited Clientele to include persons who meet the federal poverty limits or persons who are insured by Medicaid. RHP may not be used to aid in the prevention or elimination of slums or blight or for activities designed to meet urgent needs.

For Limited Clientele projects serving other persons, the benefit to low- and moderate-income persons must be documented by an income verification process and should include at least three (3) months of data. For a limited clientele project, the following questions will need to be answered in the application on the National Objective Identification page:

- Who will use the proposed facility? Are the beneficiaries in a group presumed to be low- and moderate income, or will beneficiaries be qualified based on income?
- Will any other groups or the general public also use the facility? If so, to what extent?
- If the facility is to be used on an income-eligible basis, how will income and family size information of users be documented? How was the percentage of low- to moderate-income users determined or estimated?

More information on the LMI limited clientele national objective can be found in 24 CFR 570.483(b)(2) (note that Federal Register FR-6225-N-01 modifies 24 CFR 570.483(b)(2)(i)(B) such that the LMI limited clientele national objective can apply to acquisition, rehabilitation, reconstruction, or new construction activities funded Recovery Housing Program Guidelines by RHP, as well as 24 CFR 570.483(b)(2)(ii)(A) to add persons who meet the federal poverty limits or are insured by Medicaid to the list of presumed LMI groups).

Maximum Grant Amounts
The Indiana Office of Community and Rural Affairs (OCRA) has established **a maximum grant award of $750,000** for eligible projects.

Grant Administration
The Community Development Block Grant (CDBG) program requires the Qualifications Based Selection (QBS) procurement method for architectural and engineering services. All other professional services must be procured using the Request for Application (RFP) method if being paid with CDBG funds.

All grant administrators involved in CDBG projects must be fully Accredited CDBG Grant Administrators. This certification must be current at the time of application. A list of such Grant Administrators and other information on certification can be found at http://www.in.gov/ocra/2536.htm.

- For the Recovery Housing Program, OCRA requires the grant administration entity to have 5 years of grant administration experience. This does not have to be RHP-specific and an example of eligibility is that a GA team can be comprised of a lead GA with 2 years experience supported by a GA with 3+ years experience. This would meet the 5-year requirement for GA's who don't have 5 years independently.

- If a GA has 5-years experience independently, they do not need any supervisory engagement.

NOTE: Private firms or non-governmental entities that perform project development and administration activities for CDBG-assisted projects (project development, environmental review, grant application preparation, procurement assistance, grant administration) will NOT be allowed to perform architectural, engineering, planning, or other related services/activities for grantees or their non-profit sub-recipients on those projects.

If paid from CDBG funds, Grant Administrators may charge the following:
- Environmental Review $5,000 maximum
- Labor Standards $5,000 maximum
- Administration   8% of the CDBG grant amount

Public Hearings
Two public hearings must be held at different stages of project development. One public hearing must be held before submission of the proposal, and the second must be held before the submission of the full application. **Note: New public hearings must be held for each grant round, regardless of prior application(s).**

Applicants should be aware of local newspaper deadlines for submitting advertisements. Some smaller newspapers are published weekly and will require that the advertisement is placed well in advance of the public hearing. Other methods of advertising the public hearing are also encouraged. All public hearings must be accessible to disabled persons. Public hearings should also be made convenient to the low- and moderate-income residents who will benefit from the project.

The public hearing notice and the publisher's affidavit documenting publication dates, the dated sign-in sheet, and signed minutes must be attached to the application for **both public hearings**. The affidavits are the **only** application document accepted after the application due date. **The affidavits must be received within 14 days of the application due date. OCRA is not responsible for reminding applicants to submit the documents.** Public hearing documentation should be packaged independently, as Hearing 1 and Hearing 2.

Minutes must be signed and dated by the party that recorded them. *If a third party, such as a grant administrator, takes the minutes of the meeting, the applicant **must** include a document stating that the third party is acting as the applicant's representative.* It is recommended that an audiotape of the public hearing be recorded and kept until the grant is closed out. OCRA may request transcripts of the public hearings.
- Place all documents from each public hearing together in the application. Do not separate by type of documentation.
- All public hearing ads submitted with the application must be of sufficient size to be readable upon review.
- Minutes should be a transcript that documents the topics of discussion and comments made. Not merely state, "there was a discussion."
- Minutes are a great source of quotes showing residential impact.

All questions regarding Limited English Proficiency must be answered on the Citizen Participation page. Please attach the 4 Factor Analysis and Language Access Plan as required.

For more information, please refer to the OCRA website.

Proposal and Application Process
There are two stages to the application process: the Proposal stage and the Application stage. The Proposal stage consists of a community submitting a proposal, **which is a draft of the application**, and allows OCRA to review project information and determine if it is likely to meet a national objective, and an eligible activity before submitting a full application. **Proposals that do not include all the required elements, have incomplete or vague information, or contain statements such as "Will complete by application," will not be invited to move to full application.**

OCRA will also conduct a site visit between the Proposal and Application with the community to go over details of the project, explain the rules of the grant program, provide technical assistance, and address any questions.

The second stage is the full application. Applicants should be aware that preparation of a full application is a complex process that requires a substantial investment of time and resources. OCRA receives more applications in each grant cycle than can be funded. Applicants are strongly urged to take advantage of the assistance of their Community Liaison so the most competitive application can be submitted. A map of community liaison districts is located at www.in.gov/ocra/2330.htm.

Submission of both a proposal and application requires detailed supporting materials and documentation. Therefore, such materials and documents must be referenced in narratives using the file name and page number. For example, (Filename-00). Do not include attachments that are not discussed and referenced in the narratives unless required by federal or state policy.

Proposal Submission
The proposal must be submitted via the Indiana Electronic Grants Management System (INeGMS) by a certified Grant Administrator. The system is accessed via the main CDBG webpage at www.in.gov/ocra/cdbg.htm. Community members can also access the system but are not able to submit.

The proposal MUST be submitted by 11:59 PM ET Friday, September 15, 2023. Failure to comply with submission requirements could render a project ineligible to submit a full application to the current round.

Application Submission
The application must be submitted via the Indiana Electronic Grants Management System (INeGMS) by a certified Grant Administrator. The system is accessed via the main CDBG webpage at www.in.gov/ocra/cdbg.htm. Community members can also access the system but are not able to submit.

The application MUST be submitted by 11:59 PM ET on Friday, October 20, 2023.
Failure to comply with submission requirements could render an application ineligible.

Reminders
- Review each section and make sure all information is accurate.
- Use line breaks to separate paragraphs in the narratives.
- Pictures should be in a single PDF file at the highest resolution possible with clear captions and dates.
- Be sure to reference the file name and page number of each piece of supporting documentation that has been uploaded, and do not include uploads that are not discussed or referenced in the narrative, or related to the project unless federal or state policy requires.
- There should be no handwritten notes, dates, etc. within any upload — handwriting is not considered in scoring.

If you have any questions about the Indiana Electronic Grants Management System (INeGMS) contact the CDBG program staff or a member of our Grant Services team. Contact information can be found at https://www.in.gov/ocra/about/staff-directory/ or you may refer to the GMS FAQ page on OCRA's website.

Proposal Threshold
OCRA will review each proposal and determine if it is likely to meet a national objective and is an eligible activity. Information from the site visit will be considered in making that determination. Proposals must be approved to move forward to the application stage.

Application Evaluation and Scoring
Each application will be evaluated and scored by a scoring committee based on the program-specific criteria that follow. To ensure that proposals are being reviewed by experienced RHP subject matter experts, OCRA have identified the following agencies to provide staff that will comprise the scoring committee:

- Office of Community and Rural Affairs - Recovery Housing Program Manager
- Indiana Family and Social Services Administration – Division of Mental Health and Addiction Services
- Indiana Department of Health – Overdose Prevention Program

OCRA will also provide a scoring committee facilitator that will ensure that all viewpoints and perspectives are taken into account during the scoring process.

RHP GRANT EVALUATION CRITERIA

There are a total of 700 points possible. Applications must achieve a minimum score of 450 points to be eligible for an award.

NATIONAL OBJECTIVE SCORE (100 POINTS):
Depending on the National Objective to be met by the project, one of the following two mechanisms will be used to calculate the score for this category.

1. National Objective = Benefit to Low- and Moderate-Income Persons: 100 points maximum awarded according to the percentage of low- and moderate-income individuals to be served by the project. The total points given are computed as follows:

National Objective Score = % Low/Mod Beneficiaries X 1

COMMUNITY DISTRESS FACTORS (175 POINTS):
Various factors are used to determine the distress of a community. OCRA has partnered with Stats Indiana, an Indiana University entity, to analyze and calculate the distress of Indiana's small cities, towns, counties, and townships. Factors used to calculate the Community Distress points used for CDBG scoring include:

Poverty Rate
Median Household Income
Unemployment Rate
Non-seasonal Housing Vacancy Rate
Housing Cost Burden
Population Change (10-year % Change)

Local government scores, which are updated and published annually, can be found at www.stats.indiana.edu.

LOCAL MATCH CONTRIBUTION (75 POINTS):
A maximum of 75 points based on the percentage of local funds devoted to the project, not grant request. This total is determined as follows:

Total Match Points = % Eligible Local Match X 1

The points total is capped at 75 points or 75% match, i.e., a project with a 75% match or greater will receive 75 points. Below 75% match, the formula calculation will apply.

The eligible local match can be local cash, debt, or in-kind sources. Federal, state, and local government grants are considered eligible match. In-kind sources may provide eligible local match for the project, but the amount that can be counted as the local match is limited to 5% of the total project budget or a maximum of $25,000. Use of in-kind donations as eligible match requires approval from the RHP Program Director approximately two weeks before application submission (date of the deadline will be announced each round).

PROJECT DESIGN FACTORS (300 POINTS):
A maximum of 300 points awarded according to the evaluation in three areas:

Project Description – Is the project clearly defined as to determine eligibility? – 50 points
Project Need - Is the community need for this project documented and compelling? – 125 points
Financial Impact - Why is grant assistance necessary to complete this project? – 125 points

The points in these categories are awarded by the OCRA Scoring Committee when evaluating the projects. Scoring questions for these categories are defined for each round and are provided to applicants that submit a proposal at the site visit. The questions are subject to change each round. **Applicants should refer to the application packet, scoring guide, and other resources to address all questions present.** Applicants are encouraged to work with their OCRA Community Liaison to identify ways to increase their project's competitiveness in these areas and of the application as a whole.

PROGRAM SPECIFIC POINTS (50 POINTS):
Recovery Housing Program:
- Non-Entitlement Communities (10 points) – A maximum of 10 points will be awarded to applicants that are non-entitlement.
- Recent Planning Documents (10 points) – A maximum of 10 points will be awarded to applicants who have a project-specific planning document or PER that is dated within the last 12 months.
- Beds Available to Pregnant Women or Women with Dependent Children (10 points) – A maximum of 1 point will be awarded per new bed that is provided by the facility that is available to pregnant women or women with dependents up to 10 points.
- Individuals with Justice Involvement (10 points) - A maximum of 1 point will be awarded per new bed that is provided by the facility that is available to persons involved in the court-ordered rehabilitation up to 10 points.
- Project Sustainability (10 points) - A maximum of 10 points will be awarded for documentation of National Opioid Settlement Funds being used as project match.

BONUS POINTS (25 POINTS):
It is the Division of Mental Health and Addiction's policy to encourage Medication Assisted Treatment (MAT) amongst providers. As such a grant application should include how the provider will support residents in their recovery through the acceptance of individuals on medication for the treatment of their substance use disorder.

Applications that include policies written in a manner to encourage and support the use of medications including, but not limited to, nicotine replacement, long-acting injectables, and daily medication for substance use disorder will be awarded a maximum of 25 points.

Award and Feedback
Awards will be announced in mid-November 2023, through a press release. Grant Services will contact each community after the announcement to start the next steps in the granting process. Applications that are not funded will be contacted by their Community Liaison to schedule a feedback meeting.

If you have any questions, please reach out to your Community Liaison. A map of community liaison districts can be found at www.in.gov/ocra/2330.htm.

Project Design Scoring Questions

PROJECT DESCRIPTION
Project Description
Is there a detailed easy to understand project description, in non-technical terms?
Are there clear and measurable desired outcomes that relate to the issues being addressed by the project after completion?
Project location is clearly detailed an clear why neighborhood was selected. Connection to transit, employment, childcare clear.
Scope of Work
Is the scope of work clear and logical for the type of project? Are ineligible items noted?
Does the scope of work correlate with detailed budget? Per item costs are included.
Project Development and Support
Is there documentation of a robust project development process? Was there an evaluation of alternative solutions? Were multiple methods of public input used?
Are there high-quality, clearly labeled maps that identify the project area?
PROJECT NEED
Priority
Is there documentation of a 3 to 5 year history of issues?
Is frequency/prevalence of the issue(s) compelling? Is adequate documentation included in the Appendix?
Is there a risk of the issue(s) having a significant impact on residents? Is adequate documentation included in the Appendix?
Is this project a community priority? Is adequate documentation included in the Appendix?
Are survey results and other data included to adequately describe the need? (Photos are not considered data.)
Describe population of individuals to be served. Extra points for serving women who are pregnant or with dependent children, and individuals with justice involvement
Current Conditions
Are the current system/facility conditions well explained and documented?
Are the current and proposed uses, programs, or services explained? If project is an expansion, does it explain why it is necessary with documentation?
Are high-quality color pictures showing conditions within the past 5 years included? Does every picture have a caption and date stamp? If no pictures, are reasons provided?
What partnerships have been established?
Residential Impact
Is the residential impact of the issues being addressed by the project explained and documented?
Is residential support/need of the project outlined and documented?
Health and Safety
Are health and safety issues present and explained in detail?
Are health and safety issues well documented?
FINANCIAL IMPACT
Previous Efforts
Have there been previous efforts to address the issues by the community?
Is supporting documentation included explaining past efforts including partnerships, expenditures and labor hours?
Sustainability
Is there an adequate sustainability plan for this project? If planning, does the community have a timeline to update the plan?
Are there commitments to maintain the project/plan past the 5-year closeout window? Are they documented?
Is there detailed experience opening or operating recovery residence?

Describe funding sources that will be used to support ongoing housing assistance for individuals residing in residence.
What level of NARR recovery residence will be established? Describe services and supports to be offered including those above and beyond NARR level requirements.
Identify workforce recruitment plan including efforts to hire staff that are reflective of the community and people served.
Include policies for trauma informed care
Financial Options
Were other financial options for the project/plan investigated?
Is there an explanation of why CDBG is the best option for the project/plan? Why are other financial options not the best option?
If CDBG funds are not awarded, will the project/plan move forward?
Local Match
Is the local match option well explained and documented?
Fund Balances
Are the fund balances and relevant documentation for the applicant and sub-recipient adequately explained?
Are all discretionary fund balances accounted for and explained?
Is fiscal responsibility (roles) of the applicant and sub-recipient adequately shown?