



2023 LUG CDBG Training

TUESDAY MAY 16, 2023

THURSDAY MAY 18, 2023

CDBG Basics

- ▶ What is CDBG?
 - ▶ Community Development Block Grant
 - ▶ Funds from the U. S. Department of Housing and Urban Development (HUD)
 - ▶ Used for community development activities
- ▶ What projects are eligible?
 - ▶ Projects that are located in low to moderate income areas
 - ▶ Projects directly benefiting low to moderate income persons or households
 - ▶ Must meet a National Objective



CDBG Basics

► National Objectives

- Each CDBG activity must meet one of the following:
 1. Provide benefit to low and moderate income persons and households
 2. Aid in the prevention or elimination of slums or blight condition

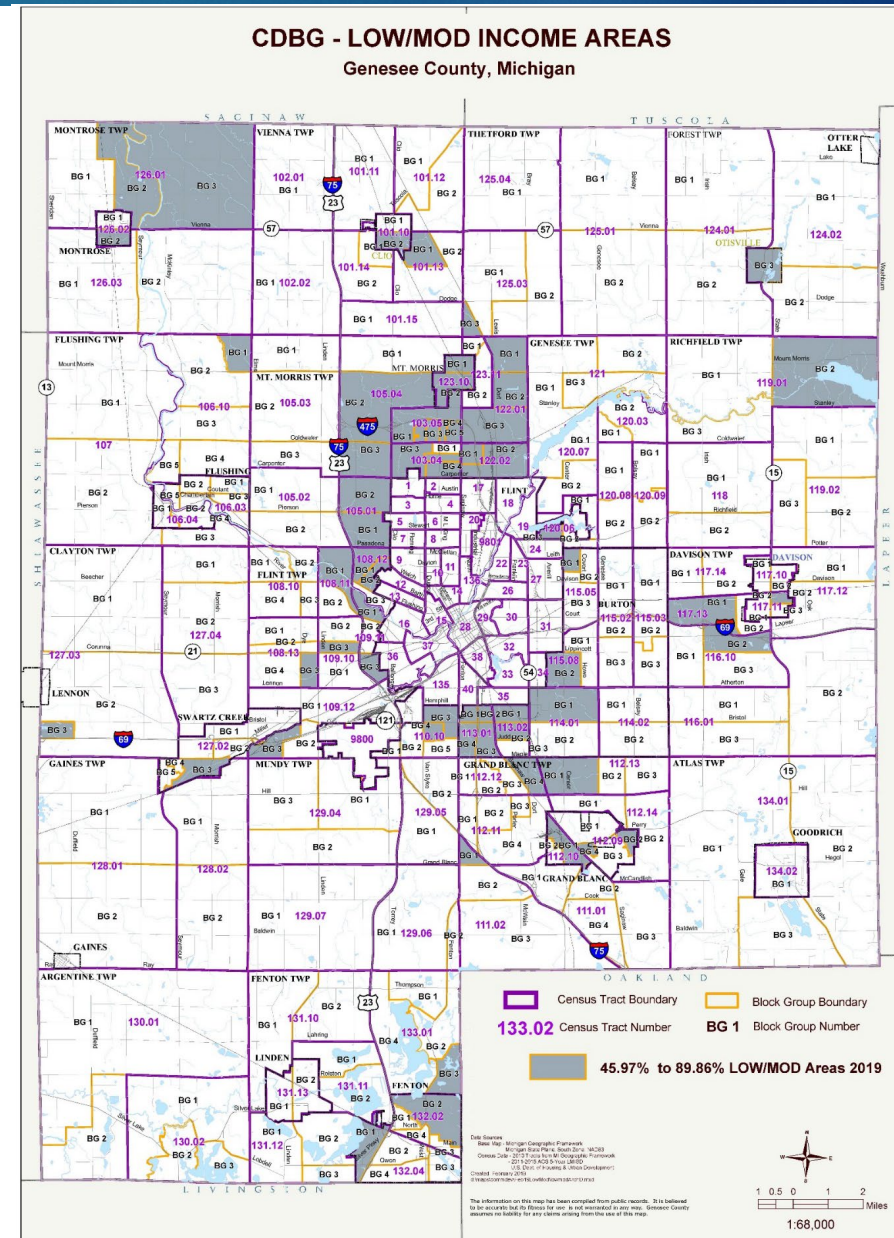


Low/Mod Income

- Low/Mod Areas: 51% of households fall below 80% of Area Median Income (AMI)

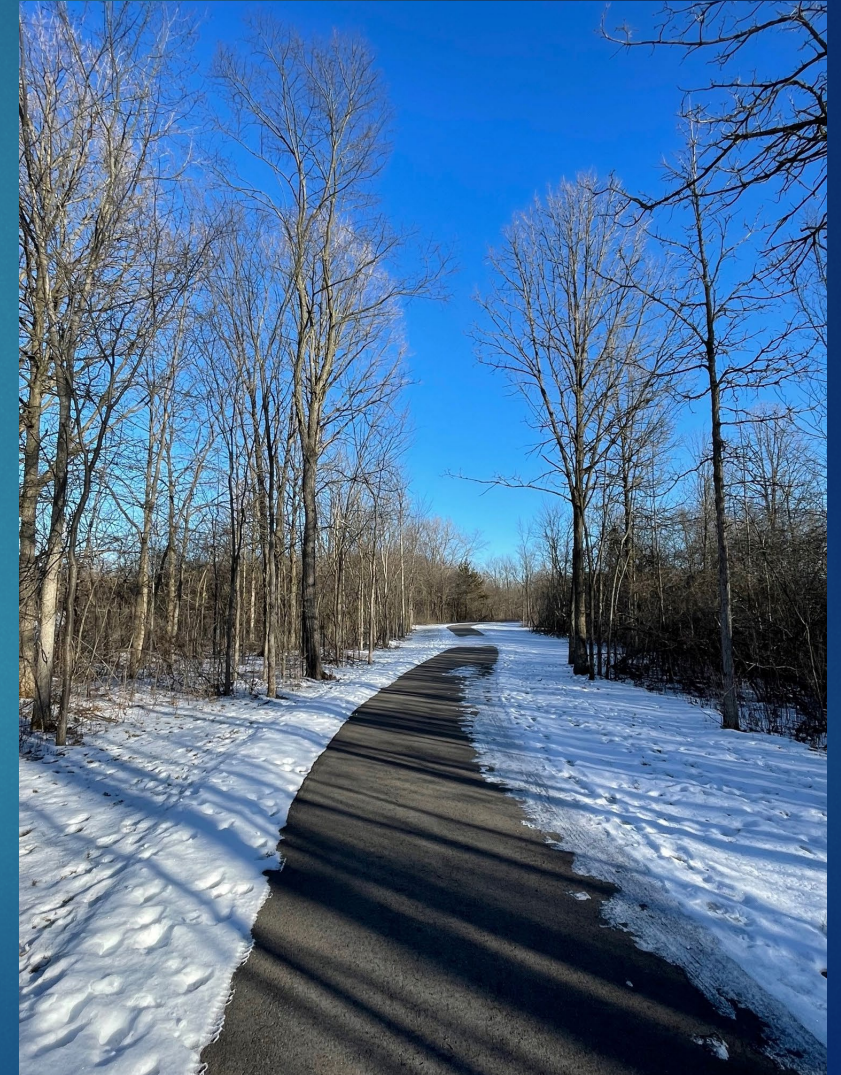
Limited-Clientele Projects

- Determined by income survey
- Presumed to be low to moderate income
 - Abused children
 - Battered spouses
 - Elderly persons
 - Homeless persons



CDBG Basics: Types of Projects

- ▶ Public Service
 - ▶ Senior center operations
 - ▶ Youth programs
 - ▶ Training programs
 - ▶ Food pantry assistance
- ▶ Construction
 - ▶ Public facility improvements such as roof or flooring installation
 - ▶ Removal of Barriers
 - ▶ Street/sidewalk improvements
- ▶ Demolition
- ▶ Code Enforcement



CDBG Basics



- ▶ Funding Allocation
 - ▶ Determined by using a formula based on population, poverty, and over-crowded housing
 - ▶ Example from 2022-2024: [Funding Allocations](#)
- ▶ Urban County Requalification and Cooperative agreements
 - ▶ Every 3 years, communities can opt into or out of the county's CDBG program
 - ▶ Must have cooperative agreement in order for HIP or HOME projects to take place in your community

CDBG Basics



- ▶ SAM Registration
 - ▶ System for Awards Management
 - ▶ Allows you to apply for federal assistance
 - ▶ Required for any organization doing business with the US government
 - ▶ Can be accessed at www.sam.gov

Application Process

- ▶ Applications are submitted in a 3 year funding cycle
 - ▶ The next round of applications will cover 2025-2027, will be announced Fall 2023
- ▶ Allocations are awarded each year once GCMPC signs grant agreements with HUD (typically mid-Summer)



Application Process

- ▶ An initial pre-application is required to be submitted before an application will be considered
- ▶ The full application will include a scope of work for each project and timeline for completion
- ▶ Allocation amounts are estimates based on the previous program year
 - ▶ Actual amounts will be updated for each project when that information is received from HUD



Application Process



- ▶ Public Involvement:
 - ▶ A public hearing must be held for all CDBG projects
 - ▶ A notice of the hearing must be published in your local paper at least 1 week in advance of the hearing
 - ▶ An attendance list must be signed by all in attendance at the hearing
 - ▶ Any potential projects to be included in the CDBG application must be discussed
 - ▶ Detailed meeting minutes must be taken and submitted with the application

Application Process

▶ Program Policies:

- ▶ Public service projects and construction projects will have one year to complete the project
- ▶ Inter-local loan agreements not allowed
- ▶ Project funding that remains after project completion can be transferred to another project
- ▶ Any funding remaining after projects have been approved will be disbursed via formula to the approved projects
- ▶ New projects will not be approved after projects are approved for the 3-year cycle
- ▶ Participating local units can apply for up to 30% of their estimated funding to be used for public service projects

Application Process

- ▶ Every HUD funded project requires an environmental review to be completed before funds can be committed to a project
 - ▶ This review considers the environmental impacts of each project to determine if there will be any negative effects or disturbances to the natural and built environment surrounding it
 - ▶ Mitigation measures might be necessary for the completion of the project
 - ▶ An approval of the request for release of funds and other related certifications must be signed by the Genesee County Board of Commissioners and the county's HUD representative before funding can be spent
 - ▶ For all construction projects, application must include detailed location and dimensions of proposed work

Application Process



- ▶ Annual Action Plan: The county submits to HUD, includes all proposed projects and goals for the Program Year
- ▶ This our funding application to HUD
- ▶ Program Year: May 1 – April 30
- ▶ Contracts with subrecipients are typically signed around August/September

Procurement/Bidding

- ▶ At least 3 price quotes are required for any equipment or service contracts over \$250.00.
- ▶ Contractor used to complete work (Construction):
 - ▶ Projects over \$2,000: Davis Bacon requirements kick in – wage decision required
 - ▶ Projects over \$10,000: Must post bid advertisement in Flint Area Journal and Flint Area Building Trades or other local trades journal
 - ▶ Must send bid advertisement to at least 3 minority, woman, or disadvantaged business enterprise
 - ▶ Projects under \$10,000: Must request 3 or more companies to submit bids, posting is not required
 - ▶ Must send to at least 1 minority, woman, or disadvantaged business

Procurement/Bidding

- ▶ Construction Projects:
 - ▶ Municipal staff of Genesee County Road Commission (GCRC) used to complete work:
 - ▶ Do not have to post bid advertisement unless obtaining materials
 - ▶ Staff does not have to follow federal wage requirements
 - ▶ Material cost more than \$10,000: must post bid advertisement
 - ▶ Materials cost less than \$10,000: must request 3 or more companies to submit bids, posting is not required



Procurement/Bidding

- ▶ Demolition Projects:
 - ▶ Pre-demolition hazard survey
 - ▶ Do not have to post a bid advertisement, must obtain 3 price quotes
 - ▶ Abatement and Demolition
 - ▶ Must post bid advertisement for each, can be 1 bid advertisement or separate
 - ▶ Must send bid advertisement to at least 3 minority/woman/disadvantaged businesses
- ▶ Send any documents to project manager before advertising
 - ▶ Obtain wage decision after project manager reviews documents (must be included in bid packet provided to bidding contractors)

Davis Bacon/Labor Forms

- ▶ Labor standards must be met for all construction projects
- ▶ Laborers and mechanics employed on CDBG projects must be paid prevailing wages under the Davis-Bacon Act
- ▶ Contractors will receive work force and job site assessment information prior to construction and payroll record requirements and federal labor standards provisions while construction is ongoing ([Contractor Labor Packet](#))
- ▶ A preconstruction meeting will be held with each contractor and each local unit before a project begins
- ▶ Wage interviews will be conducted onsite as the project is completed

Reimbursement Process

- ▶ Reimbursement requests are submitted through Neighborly
- ▶ Required Attachments
 - ▶ Attachment A – Reimbursement Request Form
 - ▶ Attachment B – Accomplishment Report
 - ▶ Backup documentation related to the expense (Receipts, copies of checks, quotes obtained, payroll information)
- ▶ A signature card is required from all LUGs to is authorized to sign CDBG documents on behalf of the designated municipality

Record Keeping & Monitoring

- ▶ Required documentation includes:
 - ▶ Conflict of interest policy
 - ▶ Certificate of insurance (liability insurance)
 - ▶ Internal controls (financial policies)
 - ▶ Chart of accounts showing line item for CDBG
 - ▶ SAM registration (annual renewal)



Record Keeping & Monitoring

- ▶ Documentation that should be in every project folder:
 - ▶ Project application
 - ▶ Public hearing publication, minutes, and sign in sheet
 - ▶ Board resolution and/or meeting minutes for approval of projects
 - ▶ Contract
 - ▶ Original signed contract
 - ▶ Any signed amendments
 - ▶ Resolution or meeting minutes from local board approval of amendment if project funding or scope changes

Record Keeping & Monitoring



- ▶ Documentation that should be in every project folder:
 - ▶ Reimbursement requests
 - ▶ Attachment A- Reimbursement Request Form
 - ▶ Attachment B- Accomplishment Data Sheet
 - ▶ All backup documentation related to the expense
 - ▶ Copy of any reimbursement checks and/or corresponding letters received from GCMPC

Record Keeping & Monitoring

- ▶ Procurement/Bidding:
 - ▶ Bid advertisement and wage decision
 - ▶ Minority outreach and Section 3 documentation
 - ▶ Bids received
 - ▶ Bid Tabulation Chart showing award to lowest bidder
 - ▶ Board Resolution and or meeting minutes accepting bid award
 - ▶ Service agreement/contract between prime contractor and LUG
 - ▶ Any other supporting documentation that is relevant to your project

Record Keeping & Monitoring

- ▶ During on site monitoring, staff is looking for LUG files to match GCMPC files
- ▶ The best practice is to save any documentation submitted to GCMPC in respective project folders
- ▶ Saving any relevant correspondences with GCMPC and contractors is highly recommended
- ▶ Each CDBG project should be kept in its own folder
- ▶ HUD's recommended record retention is 4 years after the project's end date



Neighborly

- ▶ Live Demonstration
 - ▶ [Neighborly Login](#)



Conclusion

- ▶ Link to CDBG Informational Videos

- ▶ https://www.youtube.com/channel/UCzHw94b2juBITOnrNknZNNA?view_as=subscriber

- ▶ Questions?

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