Community Development Block Grants (CDBG) 301

DAY 1: OCRA & GRANT SERVICES

Housekeeping

BEFORE WE GET STARTED, LET'S GO OVER SOME INFORMATION THAT WILL BE HELPFUL DURING THE COURSE.

We ask that raise your hand to ask questions.

Presenters will take questions as they walk through their presentations.

You may write down any questions you have and Armica Bash Gaspar, CDBG Program Manager, will get them to the team.

Agenda
Day 1

8:30 – 9 a.m.

- Registration
- Breakfast

9 a.m. – 5 p.m.

- Welcome & Introductions
- CDBG 201 Review
- Application Management
- Planning Administration
- Construction Administration
- Review

Course Objectives

Review the overall CDBG granting process and outline the role of application management.

Define all key milestones and required activities to successfully administer an OCRA CDBG-funded project.

Employ more advanced knowledge of all CDBG-funded planning and construction grant administration procedures.

Introductions

Class Participants
- Name
- Organization
- What sticks out in your mind from CDBG 201

OCRA & Grant Services Staff
- Name
- Position
- You can reach out to me about…

Pre-Course Knowledge Check

KAHOOT!

CDBG 201 Review

OCRA CDBG Phases

Project Development → Application/Award → Administration → Implementation → Monitoring and Administrative Closeout

Project Development

Community Engagement

Stakeholder Management

National Objective

Eligible Communities and Activities

Application Management

Environmental Review

Procurement

Site Control

Labor Standards

Implementation/Modification

Monitoring

Closeout

CDBG Knowledge Areas

CDBG Planning & Construction Grants

Planning

- The main goal of the plan is to provide the municipality with enough information to make well-informed, logical decisions

Construction

- Implements corrective capital improvements to solve an identified & planned community development need
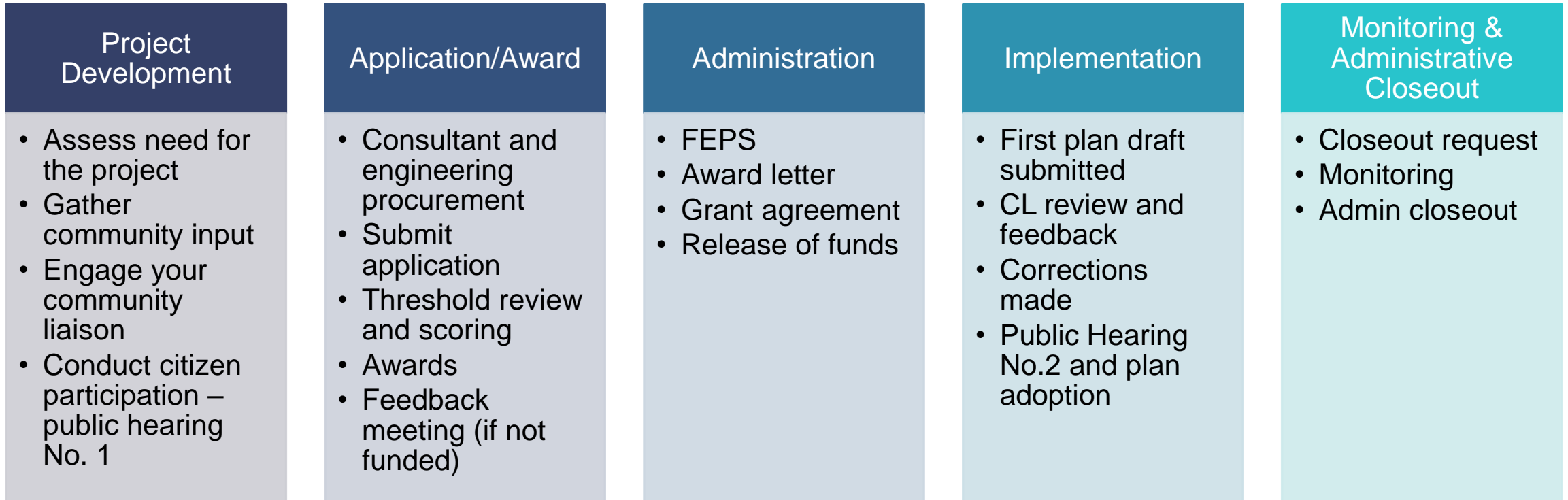
Application Differences

Planning

- Require only one application
- 4-month application process
- Requires one public hearing prior to the application and one public hearing before closeout
- Applications are quarterly

Construction

- Require a proposal and an application
- Administration process is more extensive
- 12-month application process (18 months total)

Project Development	Application/Award	Administration	Implementation	Monitoring & Administrative Closeout
• Assess need for the project • Gather community input • Engage your community liaison • Conduct citizen participation – public hearing No. 1	• Consultant and engineering procurement • Submit application • Threshold review and scoring • Awards • Feedback meeting (if not funded)	• FEPS • Award letter • Grant agreement • Release of funds	• First plan draft submitted • CL review and feedback • Corrections made • Public Hearing No.2 and plan adoption	• Closeout request • Monitoring • Admin closeout

Planning Grants

Planning Grant Funding Breakdown

Plan	Maximum Grant Amount	Local Match Requirement
Water Infrastructure	$90,000	10%
Comprehensive	$60,000	10%
Economic Recovery	$50,000	10%
Broadband	$70,000	10%
Public Facilities	$20,000	10%
Environmental Assessment	$40,000	10%
Historic Preservation	$20,000	10%
Downtown Revitalization	$40,000	10%

Grant Administrator Notes

WHAT ARE THE BIGGEST CHALLENGES WITH PLANNING GRANT APPLICATIONS?

Project Development	Application/Award	Administration	Implementation	Monitoring & Administrative Closeout
• Assess the need for the project • Community input • Preliminary engineering and design • Engage your community liaison • Citizen participation – Public Hearing No.1	• Submit proposal • Threshold & site visit • Citizen participation – Public Hearing No.2 • Submit application • Threshold & scoring • Awards • Feedback meeting (if not funded)	• FEPS • ERR • Award letter • Grant agreement • PRE-ROF • ROF • Labor release	• Construction • Claims submission • Semi-annual reporting	• Closeout request • Monitoring • Admin closeout • Five-year follow-up verification

Construction Grants

Construction Grant Funding Breakdown

Program	Maximum Grant Amount	Local Match Requirement
Wastewater Drinking Water (WDW)	$750,000	20%
Stormwater Improvements Program (SIP)	$750,000	10%
Blight Clearance Program (BCP)	$500,000	10%
Public Facilities Program (PFP)	$750,000	10%
Main Street Revitalization (MSRP)	$500,000 / $600,000	20%

Grant Administrator Notes

WHAT ARE THE BIGGEST CHALLENGES WITH CONSTRUCTION GRANT APPLICATIONS?

HERE'S WHAT'S DIFFERENT…

Break

Application Management

THE **HOW** AND THE **WHAT**

Components of Application Management

Proposal and application requirements/administration

Thresholds

Feedback and technical assistance

Scoring

Proposal and Application requirements/administration

If a community is eligible to receive CDBG funding, there are still other grant management principles and requirement that are essential before applying.
- i.e. a SAMS, UEI, etc.

Read the instructions and announcements.

Communicate with your Community Liaison throughout the process.

The Dangers of Incomplete Proposals

Submitting an incomplete proposal is doing a disservice to YOU and the community.

When you submit an incomplete proposal, the CL will not be able to provide the best technical assistance to improve your application. This could lead to an incomplete application, threshold issues, and, even worse, a denied application.

It's best to treat your proposal as an application to prevent any potential issues down the line.

Application Submitted

The application containing digital signatures and supportive documentation can be uploaded as a PDF to the online submission form found on the OCRA website.

Upon submittal, one can expect a two (2) month turnaround for grant award notification.

A site visit may be required after submission if grant administrator skipped step 1, which delays the process.

Planning grant applications take about 3-4 months to complete.

Construction grant applications take about 12 months to complete.

Threshold Review

Grant Services will review documentation and make sure it meets federal and state compliance.

- Occurs twice for construction grants or after a proposal is submitted and after an application is submitted.

- Occurs once for planning grants or after an application is submitted.

- Receive communication from CL about the site visit.

- As the GA, you will not need to do anything during a threshold unless necessary.

Site Visit

Prepare feedback on proposal with a site visit.

- Optional for planning grants and mandatory for construction grants.

- Invite a chief elected official (CEO), any sort of town services (wastewater superintendent, utility operator, and anyone with specific knowledge) to site visit.

- Prepare to discuss FEPS and status of project.

- Be open to feedback and technical assistance on your proposal.

What does "incorporate technical assistance" mean?

The purpose of a site visit is to receive feedback on a proposal for construction grants and an application for planning grants. This is for the community's benefit but grant administrators can also learn from these meetings.

It is advantageous that you incorporate the feedback from these meetings into your application!

Scoring

DETERMINES WHICH APPLICATIONS RECEIVE FUNDING.

Scoring Process

Threshold Review

Legal and Regulatory Check | Two (2) Reviews Done

Scoring Committee

Initial Individual Scoring | Final Committee Scoring

Award Recommendations

Review of Threshold and Scores | Approved by Executive Staff
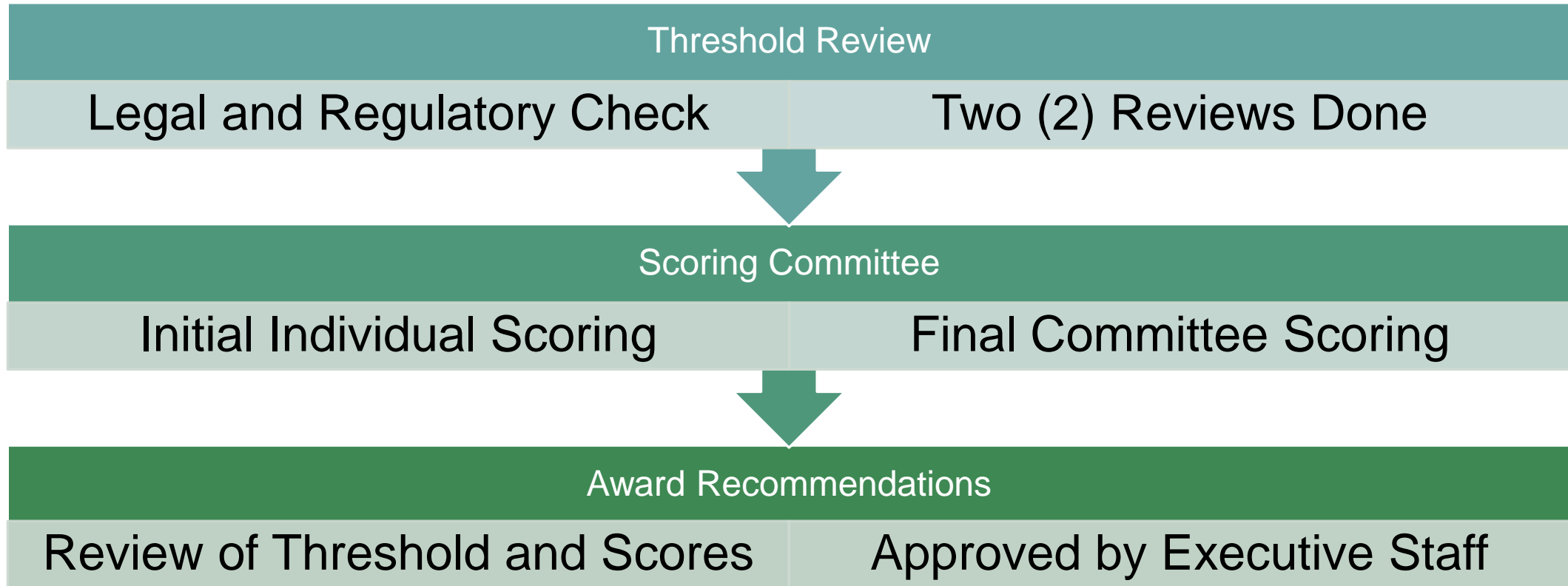
Scoring Committee

Made up of community liaisons (CLs), grant services, and OCRA program staff.

Facilitator observes and writes down notes.

Committee reviews the application and scores each section based on a rubric.

Feedback Meeting

If not funded, you will have a feedback meeting where you will receive information about why your application did not meeting the scoring requirements.

After receiving feedback, you will be able to re-apply when the program is accepting applications again.

The meeting will consist of key stakeholders to the project such as the community's town official, engineer, and you.

During this time, you will be given a sheet called a "Scoring Overview"
- This will have comments from the scoring committee on it, and you can use it to apply for the next round.

Awarded!

First, your project will go through FEPS and ERR.

Then, the award process will start.

Generally, the process will include the following documents:
- Award Letter
- Grant Agreement (Signed by Community and approved by different state agencies)

Award Letter vs. Grant Agreement

An award letter is an unofficial document/notice that states the guidelines of the award. It is emailed and uploaded to eGMS.

The grant agreement is an official document that must be signed by the community. Once it is signed by the community, it will go through an approval process, which can take a few months.

Project Kick Off Meeting

It is your responsibility to make sure that everyone (town council, clerk-treasurer, operators, engineers, attorney, etc) has a clear understanding of the project goals/objectives and timeline.

Do not assume since you reviewed this at the public hearing stage they will remember.

Suggestions for Project File Organization

Completed grant application

Grant Award
- Award letter
- W-9
- ETF
- Grant Agreement

Professional procurement documentation

Copy of each professional contract

Financial management
- Required financial forms
- Invoices
- Drawdowns
- Disbursements
- Semi-annual reports

Grant Modifications (copies of scope changes, time extensions, if applicable)

Completed study for planning grants (completed plan, meeting minutes, approval letter from OCRA, adoption resolution, etc)

Phase 1 & 2 closeout documentation

Execution of a Grant Agreement

Managed in the State's Contracting System

Digitally signed

OCRA must have the current contact information of the CEO

Lunch Break

Knowledge Check

KAHOOT!

Planning Grants

ADMINISTRATION, IMPLEMENTATION, MONITORING, AND ADMINISTRATIVE CLOSEOUT

Grant Administrator Notes

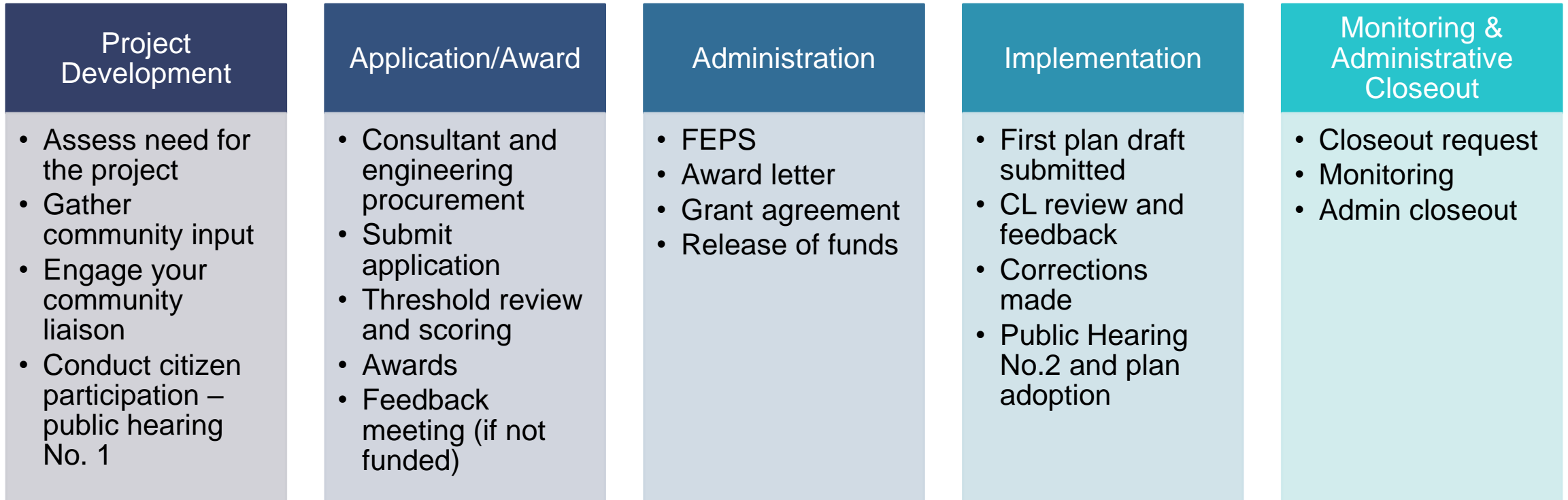WHAT ARE THE BIGGEST CHALLENGES WITH PLANNING GRANT ADMINISTRATION?

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Planning Grants

Project File Organization

Although the documentation associated with a planning grant is far less extensive than that of a construction grant, you will still need to make sure your files are organized.

It is good practice to call a meeting upon the grant award to get all relevant parties together to discuss:

Professional contract execution	Scope of project (goals/objectives and alternatives to be considered)	Milestones
Payment process	Review/approval process	Final plan technical requirements

Consultant and Engineer Procurement

Procurement is a process that occurs at different phases in the project.

Note: For planning grants, procurement of consultant services can occur prior to application.

For more information, please visit review the QBS Planning Procurement Policy

Release of Funds (Planning Only)

YOU CAN DRAW 60% OF FUNDS ONCE YOU HAVE EXECUTED YOUR CONTRACTS WITH THE ENGINEERING FIRM.

Planning grants are limited to two drawdowns.

The first drawdown cannot exceed more than 60% of the executed contract amount.

This information needs to be communicated with the consultant and community chief financial officer up front.

Once the consultant has reached the 60% study completion mark, they can submit an invoice to the Grantee, which must be approved at a public meeting.

Once a claim is approved, a drawdown can be processed.

Drawdowns are electronically submitted into the GMS system by the GA

Expect funds to be electronically deposited within 35 days of the request.

Once funds are deposited, the community has 5 business days to disburse the funds.

Suggest the periodic review meetings be conducted with the applicable community representatives and public.

These meetings are a good way to involve the community that will benefit from the recommended improvements.

These meetings are over and above the required Public Meeting to take place once the plan/study has been officially approved by OCRA.

For planning grants, most of the MPR's have a requirement for an advisory committee to work with the consultant throughout the process of gathering data/information and then the development of the final product.

It is the responsibility of the consultant completing the plan to arrange meetings updates with the community.

CDBG Semi-Annual Report

Submit Semi-Annual Report(s): After the Grant Award, each Grantee is required to submit the scheduled Semi-Annual Reports to OCRA which simply provide an update on the project's status.

Semi-Annual Reports are Due:

Recording Period January 1 to June 30 are due by July 31.

Recording Period July 1 to December 30 are due by January 31.

During the planning grant phase, Grantees should not need to submit any more than two semi-annual reports.

THE EXCEPTION TO THIS RULE WOULD BE IF A TIME EXTENSION MODIFICATION WAS FILED AND APPROVED.

No Later Than The Ninth Month After Grant Award, The Consultant Should:

✓ Review the plan with the Grantee and verify that it meets all OCRA's technical requirements.

⊞ Make requested changes / additions.

▤ Submit the plan / study electronically.

Grant Services will log the plan into the system and send the plan to the Grantee's Community Liaison for review and approval.

The things that the Grant Administrator should be able to discern from the plan include (but are not limited to):

✓ Clear Description of Project Elements

📍 Map Indicating Precise Location of Proposed Project Elements

🖩 Detailed Cost Estimate of Proposed Project Elements

📄 Documentation of Substantiating Project Need

✗ All OCRA Minimum Plan Requirements Have Been Met

Community Submits Draft Plan and CL Reviews

When a community submits a draft plan, the CL will review it. As a grant administrator, you will assist the community with feedback.

CLs do a self-guided comparative analysis and do the following:

Read the draft plan prepared by the community's consultants to confirm that the minimum plan requirements for that plan type have been met and then provide subjective feedback on those items.

Work with the consultant when the plan is drafted. However, we encourage you to be involved with this process.

Minimum Requirements for Planning Grants

https://www.in.gov/ocra/cdbg/files/Covid19_Economic_Recovery_Plans.pdf

https://www.in.gov/ocra/cdbg/files/Comprehensive_Plan_MPR_2020.pdf

https://www.in.gov/ocra/cdbg/files/Water_Infrastructure_Plan_FINAL_2018.pdf

https://www.in.gov/ocra/cdbg/files/Economic_Development_Plan_FINAL_2018.pdf

https://www.in.gov/ocra/cdbg/files/Environmental_Assessment_FINAL_2018.pdf

https://www.in.gov/ocra/cdbg/files/Public-Facilities-Feasibility-Study-7-18.pdf

https://www.in.gov/ocra/cdbg/files/Historic-Preservation-Plan-7-18.pdf

Downtown Revitalization Plan

Review Draft Plan Timeline

Typically takes 60 days to review.

An additional **review is completed** if revisions are requested and after an updated draft has been submitted.

Any barriers or obstacles with the draft should be proactively communicated with the CL/ Grant Services in a timely fashion.

Community Informed on Technical Specifications Not Met

CLs will provide feedback to the community on how to improve their plan.

Once any necessary revisions have been incorporated and the plan meets the MPRs, OCRA will approve the draft.

It is highly recommended YOU communicate with your CL throughout the process of creating a plan.

Adoption of Plan at
Public Meeting:
Once the community has obtained OCRA's approval of the plan, the Grantee will then need to conduct a public meeting to present the plan to the general public.

Before the meeting:

The meeting notice will need to be advertised in the local newspaper no less than 10 days prior to the meeting.

The meeting notice needs to be placed in the legal advertising section and only needs to run one (1) time.

Check the (Four Factor Analysis / Language Access Plan) data on OCRA's website to see if the notice needs to be published in any other language aside from English.

Make sure the hearing occurs on the eleventh day or after.

ALWAYS check that the ad was published on the date specified.

At the meeting

The consultant will present the plan and its findings.

Be sure to obtain a sign-in sheet and take minutes at the meeting.

Once the plan is presented, the Grantee will then officially adopt the plan via RESOLUTION.

Prior to submitting the final claim, the Grant Administrator must submit the:

Proof of publication of the public meeting

Minutes of the public meeting

Sign-in sheet

Adoption resolution

Process Payment # 2 Next Steps:

Once the public meeting has been conducted and the plan has been officially approved by the Grantee, the consultant can submit their final invoice.

Drawdowns are electronically submitted into the GMS system by the GA.

Federal funds will be electronically deposited into the Grantee's account within 35 days.

Once the funds are deposited, the Grantee has five working days to disburse the funds.

Request Close-Out and submit Desktop monitoring documents.

After the final federal draw is received and ALL funds (federal & local) have been disbursed, the Grant Administrator will need request closeout via GMS.

The Close-Out and Monitoring Documents:

All executed professional contracts with third party provisions attached	All drawdown requests	All deposit notices	All project invoices- Both federal & local	All disbursement payments
Copies of checks	All completed financial management forms	Federal cash control register	Fully updated disclosure form	Contract obligation form
	Contractor expenditure form	Local match expenditure form	Property inventory form	

Financial & Administrative Closeout

After Grant Services receives and approves the closeout request, along with the applicable desktop monitoring materials, Grant Services will request that Closeout Form 2 be submitted.

Once received and approved, Grant Services will issue a letter to the Grantee indicating that the project is administratively closed and that no further reporting is necessary.

Maintain File for a Minimum of Five Years

Break

Knowledge Check

KAHOOT!

Construction Grants

ADMINISTRATION, IMPLEMENTATION, MONITORING, AND ADMINISTRATIVE CLOSEOUT

Grant Administrator Notes

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Construction Grants

Financial, Engineering, Permits & Site Control (FEPS)

Financial

Obtain/approve all project funding, over and beyond the requested CDBG grant amount.

Financial documentation needed:
- Forms not included with the app
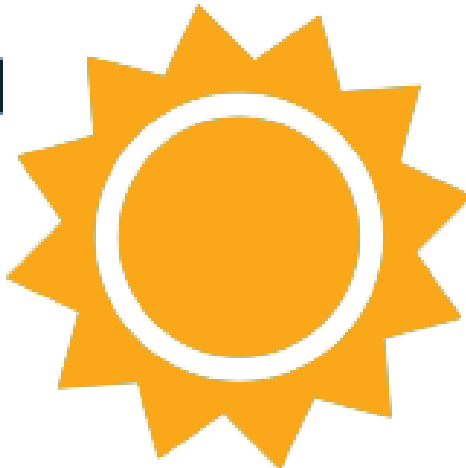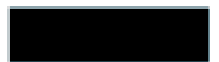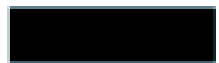- Updates on local match amount (if applicable)

Engineering

Complete all preliminary engineering and provide enough information so that the Grant Applicant can select the best alternative from a design/cost stand-point to address their problem.

Permits

Identify any/all construction permits that will be necessary to implement the project.

Certify that all construction permits can be obtained in a timely manner; e.g., within six to eight months from the grant award.

Site Control

List any/all real property and/or easements that will be needed to carry out the project. All easements and/or real property must be under "option" at the time of Grant Application.

All activities affiliated with acquiring the property/easement you need for your project are set forth by the Federal Uniform Relocation and Real Property Act (URA) of 1970, as amended.

The URA applies to all federally assisted activities that involve the acquisition of real property, easements or the displacement of persons, including displacement caused by rehabilitation and demolition activities.

If CDBG assistance is used in any part of a project, the URA governs the acquisition of real property and any resulting displacement, even if local funds were used to pay the acquisition costs.

The Four Main Site Control Situations

Real Property Acquisition/Easement Compensation

Willing Buyer/Seller Transaction

Property Donation

Relocation

- *If your project involves relocation, you will need to work directly with OCRA's grant management personnel throughout the entire process.*

Real Property Acquisition / Easement Compensation

This method is utilized when the implementation of the project will result in the need to acquire a parcel of property or a utility easement.

Determine What Properties Will Need to Be Acquired

Determine Ownership of the Properties to Be Acquired –*(the Engineer or Architect will determine this)*

Establish A File for Each Property or Easement to Be Acquired

Notify Property Owner of Grantee's Interest in Acquiring the Property/Easement –via URA brochure

Determine the Value of the Needed Property via **Market Estimate** or **Appraisal.**

Establish and Offer **Just Compensation**

Complete the Acquisition Project via a **Purchase Option** or **Easement Agreement**

Willing Buyer/Seller Transaction-

This method is utilized when the implementation of the project will result in the need to acquire a parcel or property that is currently already for sale by owner.

Determine Ownership of the Properties to Be Acquired —*(the Engineer or Architect will determine this)*

Establish A File for Each Property or Easement to Be Acquired

Determine the Value of the Needed Property **via Appraisal**

Issue **Letter of Offer via the URA Brochure**

Complete the Acquisition Project via **Purchase Option**

Property Donation

Sometimes, grantees find out that the property owner is willing to donate all or a portion of the property:

After sending the **initial letter of interest** under the **Real Property Acquisition/Easement Compensation method**, the Property Owner is Willing to Donate the parcel in its **entirety**:
  ➢ An **appraisal / review appraisal is not needed**
  ➢ Property owner must sign the **Full Donation of Property with No Appraisal Form** (*Acquisition Form 9*)

After the **letter of offer** with **Appraisal / Review Appraisal** is delivered, the property owner is willing to donate:
  ➢ The **entire parcel**
     ➢ **Full Donation of Property After Appraisal (*Acquisition Form 7*)**
  ➢ A **portion** of the parcel
   ➢ **Partial Donation of Property After Appraisal (*Acquisition Form 8*)**

Relocation

In the event the Grantee is acquiring a property that will require individuals to be **temporarily or permanently relocated**, the Grantee must follow **additional rules and regulations** stated in the URA.

If relocation procedures are required, the Grantee should contact the OCRA Acquisition Specialist for step-by-step relocation instructions.
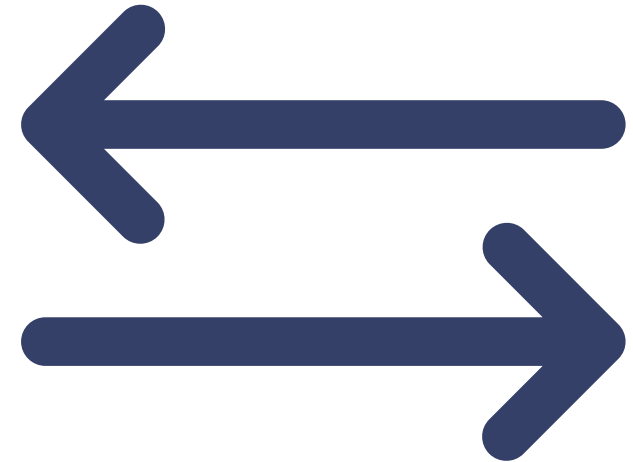
Choice-limiting actions will reduce or eliminate your opportunity to choose alternatives. Examples are below:

Property acquisition

Leasing

Demolition

Rehabilitation

Construction

Site Improvements

Site Clearance

WARNING: Do not do the following:

Take

Take ANY action until environmental release is achieved.

Execute

Execute contracts that will be paid for with HUD funds.

Knowledge Check

KAHOOT!

Review Time: Liked, Learned and Challenged.

Take 2-3 minutes and analyze today's presentation.

Name one thing:
- you liked,
- you learned,
- you found challenging to understand.

When you are ready, please raise your hand.

Thank You for Attending CDBG 301 Day 1.