



**Notice of Funding Availability  
Community Planning and Development Grants**

**Community Development Block Grant  
HOME Investment Partnerships Grant**

**Program Year 2022**



**Pre-Application Deadline:  
April 11, 2022  
11:59 p.m. Central Standard Time**

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# TABLE OF CONTENTS

<b>PROGRAM DESCRIPTION</b>	<b>PG. 4</b>
NOTICE OF FUNDING AVAILABILITY (NOFA)	PG. 4
PROGRAM HISTORY	PG. 4
CDBG FUNDING PRIORITIES	PG. 4
INDICATORS OF SUCCESSFUL PROJECTS	PG. #5
CITATIONS OF AUTHORIZING STATUTES AND REGULATIONS	PG. #5
<b>FEDERAL AWARD INFORMATION</b>	<b>PG. #5</b>
AVAILABLE FUNDS	PG. #5
TYPE OF FUNDING INSTRUMENT	PG. #5
MINIMUM/ MAXIMUM AWARD INFORMATION	PG. #5
ANTICIPATED START DATE AND PERFORMANCE PERIOD	PG. #5
RENEWAL OR SUPPLEMENTATION OF EXISTING ACTIVITIES	PG. #6
<b>ELIGIBILITY INFORMATION</b>	<b>PG. #6</b>
ELIGIBLE APPLICANTS	PG. #6
INELIGIBLE APPLICANTS	PG. #6
STATUTORY AND REGULATORY REQUIREMENTS AFFECTING ELIGIBILITY	PG. #6
REQUIRED DOCUMENTATION TO SUPPORT APPLICANT ELIGIBILITY	PG. #7
APPLICANTS WITH LOCATION OUTSIDE OF TUSCALOOSA CITY LIMITS	PG. #7
COST-SHARING OR MATCHING	PG. #7
INELIGIBLE APPLICANTS	PG. #7
OTHER ELIGIBILITY CRITERIA	PG. #7
ELIGIBLE ACTIVITIES	PG. #7
INELIGIBLE ACTIVITIES UNDER THIS NOFA	PG. #8
ACTIVITIES NOT CONSIDERED FOR FUNDING	PG. #9
ACTIVITY ELIGIBILITY CRITERIA	PG. #9
PROGRAM PARTICIPANT ELIGIBILITY CRITERIA	PG. #9
<b>APPLICATION PROCESS, DEADLINE, &amp; SUBMISSION APPLICATION</b>	<b>PG. #9</b>
APPLICATION PROCESS	PG. #9
APPLICATION PROCESS SUMMARY	PG. #10
HOW TO REQUEST A PRE-APPLICATION	PG. #10
PRE-APPLICATION AVAILABILITY	PG. #10
ACTIVITY ELIGIBILITY CRITERIA	PG. #11
PROGRAM PARTICIPANT ELIGIBILITY CRITERIA	PG. #11
PRE-APPLICATION DEADLINE & SUBMISSION	PG. #11
CONTENT AND FORM OF PRE-APPLICATION SUBMISSION	PG. #11
FINAL APPLICATION INVITATION	PG. #11
CONTENT AND FORM OF FINAL APPLICATION	PG. #11
FINAL APPLICATION DEADLINE AND SUBMISSION	PG. #11
FINAL APPLICATION AVAILABILITY	PG. #11
APPLICATION LIMITS	PG. #12
WITHDRAWING AN APPLICATION	PG. #12
EFFECTS OF MISSED DEADLINE	PG. #12
<b>FUNDING RESTRICTIONS</b>	<b>PG. #12</b>
ALLOWABLE ACTIVITIES	PG. #12
DIRECT COST LIMITATIONS	PG. #12
INDIRECT COST LIMITATIONS	PG. #13
PRE-FEDERAL AWARD COST	PG. #13
<b>APPLICATION REVIEW INFORMATION</b>	<b>PG. #13</b>
PRE-APPLICATION REVIEW SELECTION PROCESS	PG. #13
APPLICANT EVALUATION-PHASE II: FINAL APPLICATION	PG. #14
SELECTION CONSIDERATIONS	PG. #17
ADJUSTMENT TO FUNDING	PG. #18

**CDBG AWARD ADMINISTRATION INFORMATION**

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**PG. #19**

FEDERAL AWARD NOTICES

PG. #19

ADMINISTRATIVE AND NATIONAL REQUIREMENTS

PG. #19

SELECTION CONSIDERATIONS

PG. #19

COMPLIANCE WITH NON-DISCRIMINATION AND OTHER REQUIREMENTS

PG. #19

REPORTING

PG. #19

OFFICES OF COMMUNITY AND NEIGHBORHOOD SERVICES CONTACT INFORMATION

PG. #20

TECHNICAL ASSISTANCE

PG. #20

## I. OVERVIEW

### A. General Information

The City of Tuscaloosa issues this Notice of Funding Availability (NOFA) to invite applications from eligible applicants for the programs and purposes described within this NOFA.

Prospective applicants should carefully read all instructions in all sections to avoid sending an incomplete or ineligible application. Community Planning and Development funding is highly competitive. Failure to respond accurately to any submission requirement could result in an incomplete or noncompetitive application.

During the selection process the City of Tuscaloosa is prohibited from disclosing 1) information regarding any applicant's relative standing, 2) the amount of assistance requested by an applicant, and 3) any information contained in the application. Prior to the final application deadline, the City of Tuscaloosa may not disclose the identity of any applicant or the number of applicants that have applied for assistance.

For Further Information Regarding this NOFA: Please direct questions regarding the specific requirements of this Notice of Funding Opportunity (NOFA) to the office contact identified in [Section VII](#).

### B. Program Description

#### 1. Notice of Funding Availability (NOFA)

**Notice of Funding Availability (NOFA).** The City of Tuscaloosa invites applications for community development activities under its PY 2022 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program. The resulting funding awards will be for the implementation of a variety of community development and housing activities to primarily benefit low to moderate-income persons residing within Tuscaloosa city limits.

Funding for these Community Planning and Development related activities are a result of the Housing and Community Development Act of 1974 and the Title II Cranston-Gonzalez National Affordable Housing Act of 1990 (NAHA). Through these Acts, the US Department of Housing and Urban Development (HUD) appropriates federal funding to two (2) of the City of Tuscaloosa's Community Planning and Development grant programs: Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) to improve the quality of life for low to moderate income persons in the Tuscaloosa community.

The Community Development Block Grant seeks applications for eligible activities related to public service, owner-occupied home rehabilitation, public facility and public infrastructure activities that meet the National Objectives of 1) benefit low to moderate-income persons, 2) prevent slums and blight, and/or 3) respond to an urgent need.

The HOME Investment Partnerships Program seeks well-qualified applications for acquisition, new construction of housing, and tenant based rental activities that 1) strengthen public-private partnerships, and/or 2) expands the supply of decent, safe, sanitary, and affordable housing for very low-income and low-income families.

Final award amounts are based on Congressional budget allocations. Until Congress adopts a final budget and U. S. Department of Housing and Urban Development (HUD) determines its PY 2022 allocation levels, the total amount of funds to be available will not be known. To this end, the City of Tuscaloosa estimates its PY 2022 funding on its PY 2021 allocations. Therefore, the City of Tuscaloosa anticipates **\$ 1,001, 587.12** for PY 2022 CPD awards.

This funding allocation is identified as Community Development Block Grant- CDBG or HOME Investment Partnerships Program – HOME. The **final** amount of the City's CDBG and HOME funding will be determined via HUD's Program Year 2022 (PY 2022) grant allocation formula. The description of the allocation formulas utilized to determine the City's annual allocations for the HOME and CDBG can be found at [24 CFR 92.50](#) and [24 CFR 570.4](#).

#### 2. Program History

The Housing and Community Development Act of 1974 created the Community Development Block Grant. In 1990, the Title II Cranston-Gonzalez National Affordable Housing Act (NAHA) established the HOME Investment Partnerships Program. As

such, the Office of Community and Neighborhood Services administers the program and aligns its management with the current priorities, statutes and regulations governing all CPD grants.

The intent of CDBG and HOME allocations is to support the City of Tuscaloosa’s efforts to improve outcomes for low to moderate-income persons within the limits of the city.

### 3. Funding Priorities

For PY 2022, the CDBG and HOME funding will be divided into the following distinct categories with a maximum available allocation for each specific category (the amounts shown reflect current PY 2021 funding levels; these amounts will be adjusted once the final allocations from HUD are determined and any reprogrammed and/or repayments have been ascertained.)

#### a. CDBG Funding Priorities

The City of Tuscaloosa has determined that a portion of its PY 2022 CDBG allocation shall be used to fund the following activities: Public Services, Owner-Occupied Home Rehabilitation, and Public Infrastructure Investments that serve a minimum of 51% of low to moderate-income persons.

CDBG FUNDING CATEGORY	PY 2022 ALLOCATION	FUNDING SOURCE
Public Service Activities (Youth Service and Affordable Housing Activities Only)	\$ 126,665.85	CDBG
Rehabilitation for Owner Occupied Homes	\$ 100,000.00	CDBG
Public Facility	\$ 100,000.00	CDBG
Public Infrastructure	\$ 347,552.67	CDBG
<b>TOTAL AVAILABLE</b>	<b>\$574, 218.52</b>	<b>CDBG</b>

#### b. HOME Funding Priorities

The City of Tuscaloosa has determined that a portion of its PY 2022 HOME allocation shall be used to fund the following activities: CHDO Set-Aside, Tenant Based Rental Assistance, and New Home Construction for benefit to 100% low to moderate income persons. Well-qualified CHDO’s may apply for CHDO Operating Expenses, which are awarded at the discretion of the City of Tuscaloosa. The HOME Program requires at least 15% of the City of Tuscaloosa’s annual allocation be set-aside for investment only in housing to be owned, developed, or sponsored by a CHDO. To achieve this, the City has set aside a minimum of \$71, 228.10 of the total HOME NOFA allocation (based on PY 21 allocations) for the CHDO set-aside.

HOME FUNDING CATEGORY	PY 2022 ALLOCATION	FUNDING SOURCE
CHDO Set-Aside	\$ 71, 228.10	HOME
CHDO Operating Expenses	\$ 356, 140.50	HOME
Tenant Based Rental Assistance		HOME
New Home Construction		HOME
<b>TOTAL AVAILABLE</b>	<b>\$ 427,368.60</b>	<b>HOME</b>

*The funding allocations shown are an estimate and is subject to change, based on the quality and quantity of applications received. In addition, the final allocations amounts are determined by the final total funding for PY 2022 as determined by HUD. The actual allocations and final awards may higher or lower than the amounts listed here. The City of Tuscaloosa reserves the right to adjust the funding categories and allocations accordingly.*

#### c. Strategic Plan Priorities and Goals

Under this NOFA, the City of Tuscaloosa restricts applications to CDBG and HOME eligible activities that meet the established **HIGH Priority Needs** as established in the City’s 2020-2024 Consolidated (also referred to as the Strategic Plan). While CDBG and HOME activities that meet LOW Priority Needs are eligible for consideration, **they are unlikely to be funded** under this NOFA.

PY 2022 Priority Needs and Goal Matrix	
HIGH PRIORITY NEEDS	
Priority Need	Increase and/or Maintain [ <i>the number of</i> ] Affordable Housing Units - emphasis added
Priority Level	<b>HIGH</b>
STRATEGIC GOAL	Quality Affordable Housing Units
Priority Need	Increase and/or Maintain Affordable Housing Units
Population	LMI Persons and Presumed Benefit Populations
Priority Geographic Areas	Low to Moderate Income Areas within Tuscaloosa city limits
Possible Eligible Activities	New home construction (HOME), Owner Occupied Home Rehabilitation (CDBG), Public Infrastructure (CDBG)
Priority Need	Increase Access [ <i>to</i> ]/Maintain Affordable Housing-emphasis added
Priority Level	<b>HIGH</b>
Strategic Goal	Quality Affordable Housing Units
	Poverty Reduction and Self-Sufficiency
Population	LMI persons and Presumed Benefit Populations
Priority Geographic Areas	Low to Moderate Income Areas within Tuscaloosa city limits
Possible Eligible Activities	Some Public Service Activities (CDBG), Homeowner Assistance (HOME), Tenant Based Rental Assistance (HOME)
Priority Need	Development & Stabilization of Communities
Priority Level	<b>HIGH</b>
Strategic Goal	Neighborhood Revitalization and Livability
	Poverty Reduction and Self-Sufficiency
	Public Services for L/M Income Individuals
	Economic Development/Workforce Development
Population	LMI Persons and Presumed Benefit Populations
Priority Geographic Areas	Low to Moderate Income Areas within Tuscaloosa city limits
Possible Eligible Activities	Public Services (CDBG)

LOW PRIORITY NEEDS	
Priority Need	Public Infrastructure and Facility Investment
Priority Level	<b>LOW</b>
Strategic Goal	Neighborhood Revitalization and Livability
Population	LMI Persons and Presumed Benefit Populations
Priority Geographic Areas	Low to Moderate Income Areas within Tuscaloosa city limits
Possible Eligible Activities	Public Facility and Improvements (CDBG), Public Infrastructure (CDBG)
Priority Need	Employment Training and Educational Opportunities
Priority Level	<b>LOW</b>
Strategic Goal	Poverty Reduction and Self-Sufficiency
	Economic/Workforce Development
Population	LMI Persons and Presumed Benefit Populations
Priority Geographic Areas	Low to Moderate Income Areas within Tuscaloosa city limits
Possible Eligible Activities	Special Economic Development Activities (CDBG)

#### 4. Indicators of Successful Projects

Successful applications to this NOFA will demonstrate the creation of a new activity or provide a quantifiable increase in the level of service for an existing activity that benefit low to moderate income persons, prevent slums and blight, meet an urgent need, strengthen public-private partnerships, or expands the supply of decent, safe, sanitary, and affordable housing for very low-income and low-income families.

If awarded funds, the applicant is required to implement and manage the activity it has applied for and show that it has the organizational, programmatic, and financial capacity to do so. In addition, successful applicants will demonstrate active



Board of Director participation, sufficient internal controls, encourage and engage in collaborative efforts, adequately and consistently verify of participant eligibility, consistently collect participant data and complete reporting as evidenced by active participation in ServicePoint or an equivalent database. Finally, a successful application will exhibit sufficient leveraging of funding to carry out the activity.

## 5. Citations of Authorizing Statutes and Regulations

The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The full Code of Federal Regulations governing CDBG program can be found at Code of Federal Regulations (CFR): [24 CFR Part 570](#) or at [Subpart A - General Provisions](#)

### Statutory Authority of the Community Development Block Grant:

**Authority:** [12 U.S.C. 1701x](#), [1701 x-1](#); [42 U.S.C. 3535\(d\)](#) and [5301-5320](#)

The HOME Investment Partnerships Program (HOME) is authorized under the Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended. The full Code of Federal Regulations governing HOME can be found at Code of Federal Regulations (CFR): [24 CFR Part 92](#) or at [Subpart A- General](#)

### Statutory Authority of the HOME Investments Partnerships Program:

**Authority:** [42 U.S.C. 3535\(d\)](#), [12 U.S.C. 1701x](#) and [4568](#)

## II. Federal Award Information

### A. Available Funds

Funding of approximately **\$574,218.52** from Community Development Block Grant (CDBG) funding is available through this NOFA.

Funding of approximately **\$ 427,368.60** from HOME Investment Partnerships Program (HOME) funding is available through this NOFA.

There is approximately **\$ 1,001, 587.12** in funding from both CPD Programs available through this NOFA.

Additional funds may be offered for award under this NOFA, due to further funds made available to the City of Tuscaloosa through reprogramming, recapture, or subsequent supplemental PY 2022 allocations. Use of these funds is subject to statutory constraints. All awards are subject to the funding restrictions contained in this NOFA and applicable local, state, and federal priorities, regulations, registers, guidelines, notices, and statutes.

### B. Type of Funding Instrument

If an application to the NOFA is successful, funds are awarded to the applicant as a reimbursable grant, deferred loan, and/or cost sharing/match reimbursable grant. A participating jurisdiction may invest HOME funds as equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of this part, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the purposes of this part and specifically approves in writing. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of this part

**All CPD funds are provided on a reimbursement basis.** The City of Tuscaloosa's Office of Community and Neighborhood Services' policies explicitly prohibits funding advances before project costs are incurred and paid. Reimbursement is made only upon completion and recipient's provision of timely and accurate invoices, which must be accompanied by acceptable source documentation (i.e. proof of payment).

### C. Number of Awards

#### A. CDBG

The City of Tuscaloosa expects to make approximately eight (8) CDBG awards from the funds available under this NOFA.

**B. HOME**

The City of Tuscaloosa expects to make approximately four (4) awards from the funds available under this NOFA.

**D. Minimum/ Maximum Award Information**

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)		
ACTIVITY	MINIMUM FUNDING AWARD	MAXIMUM FUNDING AWARD
Public Service Activities	\$ 25,000.00	\$ 126,665.85
Rehabilitation for Owner Occupied Homes	\$ 100,000.00	\$ 100,000.00
Public Facility and Improvements	\$ 100,000.00	\$ 347,552.67

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)		
ACTIVITY	MINIMUM FUNDING AWARD	MAXIMUM FUNDING AWARD
CHDO Set Aside	15% of PY 2022 funding	15% of PY 2022 funding
CHDO Operating Expenses		To be determined by CNS
Tenant Based Rental Assistance		\$ 332, 397.80
New Home Construction		\$ 332, 397.80

*\*Any Pre-Applications and/or Final Applications with funding requests below or above these thresholds are ineligible and will not be reviewed.\**

**E. Anticipated Start Date and Performance Period**

**A. Funding Availability.**

**Funding Availability.** The City does not expect funding for this NOFA to be available prior to September 1, 2022. If this date is accurate, September 1, 2022 is the earliest one can access PY 2022 funding, subject to an executed funding agreement has been executed between your agency and the County after all HUD requirements have been met. This is subject to the timing of award by HUD.

**B. Anticipated Start Date**

**Anticipated Start Date.** At this time, the anticipated start date for activities funded under this NOFA is Sept 1, 2022.

**C. Performance Period**

**Performance Period.** The performance period for CDBG funding is for one program year. For the City of Tuscaloosa, a program year is from April 1 to March 31 of the following year. Under this NOFA, the performance period for CDBG is April 1, 2022 until March 31, 2023. Applicants must submit all invoicing for CDBG by March 15, 2023.

For successful HOME applicants, all invoicing must be completed by March 15, 2027.

The period of performance and planned drawdowns for any grant awarded under this NOFA must be identified in the Implementation Schedules, and approved by HUD. Costs must be incurred during the period of performance identified on the grant award or addendum. HUD can require you to spend funds in accordance with the Implementation Schedule submitted with your application. If funded and you do not make progress toward meeting your Implementation Schedule, HUD reserves the right to recapture funds. The period of performance for projects considered under this NOFA cannot exceed 5 years. Applicants may request a shorter period of performance based on the project(s) that is being proposed for CDBG funding.

Funds not expended by that date are subject to recapture and reallocation by the City of Tuscaloosa.

**D. Pre-Award Costs**

**Pre-Award Costs.** The City of Tuscaloosa allows successful applicants to the CDBG program to incur pre-award costs. In order to be eligible, pre-award costs cannot occur before April 1, 2022. In addition, the expenditure must be an eligible AND allowable expense under the written agreement between the applicant and City of Tuscaloosa. Cost incurred prior

to April 1, 2022 are not eligible for reimbursement during this PY 2022 grant cycle. The allowable costs during this period must not occur prior to April 1, 2022. They must also be an eligible allowable cost under the written agreement between the applicant and the City of Tuscaloosa. The city will notify successful applicants of their pre-award status via email and/ or postal mail.

Public Facility, Public Infrastructure, Rehabilitation, New Home Construction activities shall not start until an Environmental Assessment has been conducted and an approved Authorization to Release Funds is received from HUD.

#### E. Funding Limitations

**Funding Limitations.** The federally funded HOME Program limits the amount of funds that can be spent in two categories: 1) At least fifteen percent (15%) of HOME funds must be awarded to a Community Housing Development Organization (CHDO); and 2) Administration (and other related activities) cannot exceed ten percent (10%) of the total grant. The federal government also limits the activities that can receive HOME funding.

#### F. Renewal or Supplementation of Existing Activities

**Renewal or Supplementation of Existing Activities.** Any applicant (including current City of Tuscaloosa Entitlement CDBG sub-recipients, HOME developers, sub-recipients, sponsors and contractors) may submit an application for renewal or supplementation of an existing activity as long as the activity meets the funding, eligibility, threshold, and evaluation requirements described in this NOFA and applicable local, state, and federal guidelines, statutes, notices, regulations and memorandums.

### III. Eligibility Information

The Pre-Application Phase of this NOFA is open to the public. The City of Tuscaloosa and the Office of Community and Neighborhood Services **does not** restrict the submission of pre-applications to NOFAs. To that end, any individual or entity **may** submit a CDBG or HOME Pre-Application. **However, only applicants and activities that meet the eligibility requirements listed in this section are considered for award.**

#### A. Eligible Applicants

To be eligible, at minimum, applicants must:

1. Be a department or division of the City of Tuscaloosa, a qualified 501(c) (3) or (c) (4) non-profit organization, a for-profit business operating as a Community Based Development Organization (CBDO), a non-profit operating as a Community Housing Development Organization (CHDO) or a faith-based organization.  
*Funds provided under this NOFA cannot be used for religious activities. However, HUD will allow the City of Tuscaloosa to award funds to faith-based organizations for activities meeting NOFA requirements and eligibility requirements described without having to form secular affiliates.*
2. Must operate within the city limits of Tuscaloosa
3. Possess a DUNS number/ Unique Entity Identifier at the time of application
4. Have active registration in the System for Award Management (Sam.gov) and be able to receive federal awards at the time of application

All claims of eligibility must be supported by documentation listed in Section IV of this NOFA.

#### B. Ineligible Applicants

Individuals, institutions of higher education, for-profit businesses, or any entity that does not meet the eligibility criteria listed above. Any person or entity that falls within the category will be deemed ineligible and will not be considered for an award. An application from any person listed in the aforementioned category will not be reviewed by CNS staff.

#### C. Statutory and Regulatory Requirements Affecting Eligibility

As an applicant for CDBG or HOME, which are federally funded grant programs, the applicant is subject to the same statutes and regulations that govern the City of Tuscaloosa's eligibility for the grant. Detailed information on each requirement is posted on HUD's website for Community Planning and Development Programs, [www.hudexchange.gov](http://www.hudexchange.gov).

Applicants should also be aware that the provisions of Section 109 and Section 282 might pose questions of conformance with Title VII of the Civil Rights Act of 1964

Regulatory/Statutory Citations:

24 CFR 570.200(a), 570.201–570. 208, 507.503

24 CFR 570.500(c), 570.506, 570.507, 570.601, 570.602, 570.607(b), 570.611

24 CFR 570.502–570.504, 570.506, 570.507, 570.610

24 CFR Parts 84 or 85, and OMB Circulars A-87 or A-122

Treasury Circular 1075 (Public Law 116-136)

24 CFR Part 5

2 CFR 200

24 CFR 92

#### **D. Required Documentation to Support Applicant Eligibility**

At minimum, applicants are required to submit the following required documentation to support its claim of eligibility:

1. Notice from Internal Revenue Service designating the non-profit status of the applicant
2. Articles of Incorporation
3. Most recent certified financial audit for applicants that receive \$750,000 in federal funds annually including any management letters
4. Most recent financial statement for applicants that receive less than \$750,000 in federal funds annually
5. Copy of active registration in SAM.gov
6. CHDO's must submit their CHDO Application and/or approved designation as a CHDO

#### **E. Applicants with Program or Activity Location Outside of Tuscaloosa City Limits**

If an applicant's physical organizational address is outside of Tuscaloosa city limits, the applicant **must** demonstrate that eligible residents of Tuscaloosa City will be the principle beneficiaries of the CDBG or HOME funds requested and awarded. Under no circumstances should any of the awarded funds be used to operate or maintain the applicant's building. Any applicant that falls under this section must adequately demonstrate its adherence to this requirement.

#### **F. Cost-Sharing or Matching**

##### **1. CDBG Cost-Sharing or Match Requirement**

For CDBG, there is no cost sharing or match requirement.

However, applicants must demonstrate the financial capability to manage a reimbursement grant and "float" funds during the invoice review period. The applicant must also demonstrate sufficient funding to operate the activity to the full capacity as described in the Pre-Application and Final Application.

##### **2. HOME Cost Sharing or Match Requirement**

For HOME, there is a cost-sharing or match requirement. The description of the amount, recognition of contribution, form of matching contribution, ineligible forms of match contributions, match credit, and reduction of matching contribution requirements can be found at [24 CFR 92.218-92.222](#).

#### **G. Other Eligibility Criteria**

In addition to applicant eligibility, the proposed activity must qualify as an eligible activity as defined in 24 CFR 570 and 24 CFR 92.

##### **1. CDBG Eligible Activities under this NOFA 24 CFR 570.201, 24 CFR 570.202**

- a. **Public services.** Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under [§ 570.207\(b\)\(4\)](#)), homebuyer down payment assistance, or recreational needs. If housing counseling, as defined in [24 CFR 5.100](#), is provided, it must be carried out in accordance with [24 CFR 5.111](#). To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by

the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the unit of general local government.) The amount of CDBG funds used for public services shall not exceed [paragraphs \(e\) \(1\) or \(2\)](#) of this section, as applicable: Youth Services

i. **Allowable Activities** under Public Service must fall within the following categories:

1. Youth Services
2. Services for Abused and Neglected Children
3. Child Care Services ( for children under age 13) including parenting classes
4. Crime Awareness/Prevention for children, youth and parental audiences
5. Legal Services for LMI persons facing affordable housing barriers due to legal concerns

b. **Public facilities and improvements.** Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in [§ 570.207\(a\)](#), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in [§ 570.207\(a\)\(1\)](#).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in [§ 570.207\(b\)\(3\)](#). Such facilities include shelters for the homeless; 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. In certain cases, nonprofit entities and sub recipients including those specified in [§ 570.204](#) may acquire title to public facilities. When such facilities are owned by nonprofit entities or sub recipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in [§ 570.200\(b\)](#).

i. **Allowable activities under public facilities and improvements must fall within the following categories:**

1. Youth Centers (for youth aged 13-19)
2. Homeless Facilities
3. Child Care Centers
4. Facilities for Abused and Neglected Children
5. Water/Sewer Improvements
6. Flood Drainage Improvements
7. Street Improvements
8. Broadband Installations

c. **Rehabilitation.**

i. Types of buildings and improvements eligible for rehabilitation assistance. CDBG funds may be used to finance the rehabilitation of:

1. Privately owned buildings and improvements for residential purposes; improvements to a single-family residential property which is also used as a place of business, which are required in order to operate the business, need not be considered to be rehabilitation of a commercial or industrial building, if the improvements also provide general benefit to the residential occupants of the building;
2. Low-income public housing and other publicly owned residential buildings and improvements;
3. Publicly or privately owned commercial or industrial buildings, except that the rehabilitation of such buildings owned by a private for-profit business is limited to improvement to the exterior of the building, abatement of asbestos hazards, lead-based paint hazard evaluation and reduction, and the correction of code violations;

4. Nonprofit-owned nonresidential buildings and improvements not eligible under [§ 570.201\(c\)](#); and
  5. Manufactured housing when such housing constitutes part of the community's permanent housing stock.
- ii. **Types of assistance.** CDBG funds may be used to finance the following types of rehabilitation activities, and related costs, either singly, or in combination, through the use of grants, loans, loan guarantees, interest supplements, or other means for buildings and improvements described in [paragraph \(a\)](#) of this section, except that rehabilitation of commercial or industrial buildings is limited as described in [paragraph \(a\)\(3\)](#) of this section.
1. Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties, for use or resale for residential purposes;
  2. Labor, materials, and other costs of rehabilitation of properties, including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors and dead bolt locks, and renovation through alterations, additions to, or enhancement of existing structures and improvements, abatement of asbestos hazards (and other contaminants) in buildings and improvements that may be undertaken singly, or in combination;
  3. Loans for refinancing existing indebtedness secured by a property being rehabilitated with CDBG funds if such financing is determined by the recipient to be necessary or appropriate to achieve the locality's community development objectives;
  4. Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, and conversion, modification, or replacement of heating and cooling equipment, including the use of solar energy equipment;
  5. Improvements to increase the efficient use of water through such means as water savings faucets and shower heads and repair of water leaks; Connection of residential structures to water distribution lines or local sewer collection lines;
  6. For rehabilitation carried out with CDBG funds, costs of:
    - a. Initial homeowner warranty premiums;
    - b. Hazard insurance premiums, except where assistance is provided in the form of a grant; and
    - c. Flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, pursuant to [§ 570.605](#).
  7. Costs of acquiring tools to be lent to owners, tenants, and others who will use such tools to carry out rehabilitation;
  8. Rehabilitation services, such as rehabilitation counseling, energy auditing, preparation of work specifications, loan processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in rehabilitation activities authorized under this section, under section 312 of the Housing Act of 1964, as amended, under section 810 of the Act, or under section 17 of the United States Housing Act of 1937;
  9. Assistance for the rehabilitation of housing under section 17 of the United States Housing Act of 1937; and
  10. Improvements designed to remove material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to buildings and improvements eligible for assistance under [paragraph \(a\)](#) of this section.
- iii. **Allowable types of rehabilitation under this NOFA must fall in the following category:**
1. Owner-occupied rehabilitation assistance

## 2. CDBG Ineligible Activities under this NOFA

- a. Buildings or portions thereof, used for the general conduct of government.
- b. General government expenses.
- c. Political activities or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration.
- d. Purchase of equipment, including construction equipment, other equipment, fixtures, motor vehicles, furnishings, or other personal property.

- e. Operating and maintenance expenses including the repair, operation and maintenance of public facilities, improvements, and services.
- f. Payment of salaries for staff, utility costs, and similar expenses necessary for the operation of public works and facilities.
- g. New housing construction except under certain conditions or when carried out by a CBDO.
- h. Income payments made to an individual or family for items such as food, clothing, housing, or utilities are ineligible
- i. Public Service activities that focus on other populations besides youth and children or maintaining/accessing affordable housing

### 3. HOME Eligible Activities 24 CFR 92.206

#### a. **Eligible activities.**

- i. HOME funds may be used by a participating jurisdiction to provide incentives to develop and support affordable rental housing and homeownership affordability through the acquisition (including assistance to homebuyers), new construction, reconstruction, or rehabilitation of non-luxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations; to provide tenant-based rental assistance, including security deposits; to provide payment of reasonable administrative and planning costs; and to provide for the payment of operating expenses of community housing development organizations. The housing must be permanent or transitional housing. The specific eligible costs for these activities are set forth in §§ 92.206 through 92.209. The activities and costs are eligible only if the housing meets the property standards in § 92.251 upon project completion.
- ii. Acquisition of vacant land or demolition must be undertaken only with respect to a particular housing project intended to provide affordable housing within the time frames established in paragraph (2) of the definition of “commitment” in § 92.2.
- iii. Conversion of an existing structure to affordable housing is rehabilitation, unless the conversion entails adding one or more units beyond the existing walls, in which case, the project is new construction for purposes of this part.
- iv. **Manufactured housing.** HOME funds may be used to purchase and/or rehabilitate a manufactured housing unit, or purchase the land upon which a manufactured housing unit is located. Except for existing, owner-occupied manufactured housing that is rehabilitated with HOME funds, the manufactured housing unit must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable period of affordability.

#### b. **Forms of assistance.**

- i. A participating jurisdiction may invest HOME funds as equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of this part, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the purposes of this part and specifically approves in writing. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of this part.
- ii. A participating jurisdiction may invest HOME funds to guarantee loans made by lenders and, if required, the participating jurisdiction may establish a loan guarantee account with HOME funds. The HOME funds may be used to guarantee the timely payment of principal and interest or payment of the outstanding principal and interest upon foreclosure of the loan. The amount of the loan guarantee account must be based on a reasonable estimate of the default rate on the guaranteed loans, but under no circumstances may the amount on deposit exceed 20 percent of the total outstanding principal amount guaranteed; except that the account may include a reasonable minimum balance. While loan funds guaranteed with HOME funds are subject to all HOME requirements, funds which are used to repay the guaranteed loans are not.

c. **Minimum amount of assistance.** The minimum amount of HOME funds that must be invested in a project involving rental housing or homeownership is \$1,000 times the number of HOME-assisted units in the project.

d. **Multi-unit projects.** HOME funds may be used to assist one or more housing units in a multi-unit project.

- i. Only the actual HOME eligible development costs of the assisted units may be charged to the HOME program. If the assisted and non-assisted units are not comparable, the actual costs may be determined based on a method of cost allocation. If the assisted and non-assisted units are comparable in terms of size, features, and number of bedrooms, the actual cost of the HOME-assisted units can be determined by prorating the total HOME eligible development costs of the project so that the proportion of the total development costs charged to the HOME program does not exceed the proportion of the HOME-assisted units in the project.



- ii. After project completion, the number of units designated as HOME- assisted may be reduced only in accordance with [§ 92.210](#), except that in a project consisting of all HOME- assisted units, one unit may be subsequently converted to an on-site manager's unit if the participating jurisdiction determines that the conversion will contribute to the stability or effectiveness of the housing and that, notwithstanding the loss of one HOME-assisted unit, the costs charged to the HOME program do not exceed the actual costs of the HOME- assisted units and do not exceed the subsidy limit in [§ 92.250\(b\)](#).
- e. **Terminated projects.** A HOME assisted project that is terminated before completion, either voluntarily or involuntarily, constitutes an ineligible activity, and the participating jurisdiction must repay any HOME funds invested in the project to the participating jurisdiction's HOME Investment Trust Fund in accordance with [§ 92.503\(b\)](#) (except for project- specific assistance to community housing development organizations as provided in [§ 92.301\(a\)\(3\)](#) and [\(b\)\(3\)](#)).
  - i. A project that does not meet the requirements for affordable housing must be terminated and the participating jurisdiction must repay all HOME funds invested in the project to the participating jurisdiction's HOME Investment Trust Fund in accordance with [§ 92.503\(b\)](#).
  - ii. If a participating jurisdiction does not complete a project within 4 years of the date of commitment of funds, the project is considered to be terminated and the participating jurisdiction must repay all funds invested in the project to the participating jurisdiction's HOME Investment Trust Fund in accordance with [§ 92.503\(b\)](#). The participating jurisdiction may request a one-year extension of this deadline in writing, by submitting information about the status of the project, steps being taken to overcome any obstacles to completion, proof of adequate funding to complete the project, and a schedule with milestones for completion of the project for HUD's review and approval
- f. **Allowable activities under HOME are tenant based rental assistance and new housing construction**

#### 4. HOME Ineligible Activities under this NOFA

- a. Provide project reserve accounts, except as provided in [§ 92.206\(d\)\(5\)](#), or operating subsidies;
- b. Provide tenant-based rental assistance for the special purposes of the existing section 8 program, in accordance with section 212(d) of the Act;
- c. Provide non-federal matching contributions required under any other Federal program;
- d. Provide assistance for uses authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds);
- e. Provide assistance to eligible low-income housing under [24 CFR part 248](#) (Prepayment of Low Income Housing Mortgages), except that assistance may be provided to priority purchasers as defined in [24 CFR 248.101](#);
- f. Provide assistance (other than tenant-based rental assistance, assistance to a homebuyer to acquire housing previously assisted with HOME funds, or assistance to preserve affordability of homeownership housing in accordance with [§ 92.254\(a\)\(9\)](#)) to a project previously assisted with HOME funds during the period of affordability established by the particular jurisdiction in the written agreement under [§ 92.504](#). However, additional HOME funds may be committed to a project for up to one year after project completion (see [§ 92.502](#)), but the amount of HOME funds in the project may not exceed the maximum per-unit subsidy amount established under [§ 92.250](#)
- g. Pay for the acquisition of property owned by the participating jurisdiction, except for property acquired by the participating jurisdiction with HOME funds, or property acquired in anticipation of carrying out a HOME project; or
- h. Pay delinquent taxes, fees or charges on properties to be assisted with HOME funds.
- i. Pay for any cost that is not eligible under [§§ 92.206](#) through [92.209](#). Participating jurisdictions may not charge (and must prohibit State recipients, sub recipients, and community housing development organizations from charging) servicing, origination, or other fees for the purpose of covering costs of administering the HOME program (e.g., fees on low-income families for construction management or for inspections for compliance with property standards) (see [§ 92.206\(d\)\(6\)](#) and [§ 92.207](#)), except that:
  - i. Participating jurisdictions and State recipients may charge owners of rental projects reasonable annual fees for compliance monitoring during the period of affordability. The fees must be based upon the average actual cost of performing the monitoring of HOME-assisted rental projects. The basis for determining the amount of for the fee amount must be documented and the fee must be included in the costs of the project as part of the project underwriting;



- ii. Participating jurisdictions, sub recipients and State recipients may charge nominal application fees (although these fees are not an eligible HOME cost) to project owners to discourage frivolous applications. The amount of application fees must be appropriate to the type of application and may not create an undue impediment to a low-income family's, sub recipient's, State recipient's, or other entity's participation in the participating jurisdiction's program; and
- iii. Participating jurisdictions, sub recipients and State recipients may charge homebuyers a fee for housing counseling.
- j. All fees charged under [paragraph \(b\) \(1\)](#) of this section are applicable credits under [2 CFR 200.406](#).
- k. The participating jurisdiction must prohibit project owners from charging fees that are not customarily charged in rental housing (e.g., laundry room access fees), except that rental project owners may charge:
  - i. Reasonable application fees to prospective tenants;
  - ii. Parking fees to tenants only if such fees are customary for rental housing projects in the neighborhood; and
  - iii. Fees for services such as bus transportation or meals, as long as the services are voluntary and fees are charged for services provided.

**I. CDBG and HOME Ineligible Activities under this NOFA**

Under this NOFA, the following activities will not be considered for funding:

**1. CDBG**

- a. Acquisition of Property
- b. Disposition of Property
- c. Clearance and Remediation
- d. Code Enforcement
- e. Homeownership Assistance
- f. Special Economic Development Activities
- g. Relocation
- h. Loss of Income
- i. Microenterprise Assistance

**2. HOME**

- a. Homeownership Assistance
- b. Homeowner Rehabilitation
- c. Multifamily Construction
- d. Multifamily Rehabilitation

**J. Activity Eligibility Criteria**

In addition to being a generally eligible activity type, the applicant's activity must meet additional criteria to be eligible.

**1. Meet a CDBG National Objective 24 CFR 570.208**

All CDBG activities must meet at least one of the National Objectives:

- a. Benefit low-to-moderate income persons(24 CFR 570.208(a))
- b. Prevent slums or blight (24 CFR 570.208(b)).
- c. Meet an urgent need (24 CFR 570.208(c)).

**Please note** that under current guidelines, most activities will not qualify as an urgent need activity.

**2. Meet a HOME Program Requirement 24 CFR 92. 200-203**

All HOME activities must meet the following Program Requirements:

- a. Public Private Partnerships
- b. Distribution of Assistance
- c. Site and Neighborhood Standards
- d. Income Determinations

**K. Program Participant Eligibility Criteria**

CDBG and HOME funds are to provide services for eligible program participants.

**Applicants are required to verify the income eligibility of its program participants.** At minimum, program participants must meet the following criteria:

- 1. Reside within city limits of Tuscaloosa
- 2. Income eligible based on household size and gross annual according to the most recent publication of the HUD Income Limits. The PY 2021 Income Limits are listed below. Applicants are expected to adjust income determinations as the HUD Income Limits are updated.

PY 2021 Income Limit Area	Median Family Income	PY 2021 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Tuscaloosa , AL HUD Metro FMR Area	\$70,900	Very Low (50%) Income Limits	24,850	28,400	31,950	35,450	38,300	41,150	44,000	46,800
		Extremely Low Income Limits	14,900	17,420	21,960	26,500	31,040	35,580	40,120	44,660
		Low (80%) Income Limits	39,700	45,400	51,050	56,700	61,250	65,800	70,350	74,850

- 3. Be a member of a presumed benefit population. Presumed benefit populations are as follows
  - a. Senior Citizens
  - b. Homeless persons
  - c. Victims of Domestic Violence
  - d. Abused children
  - e. Disabled persons
  - f. Illiterate person
  - g. Persons living with HIV/AIDS
  - h. Migrant workers

**IV. Application Process, Deadline, and Submission Information**

**A. Application Process**

This NOFA has two (2) application phases. In Phase I, there is an open pre-application period. The pre-application is open to the public. CNS uses the pre-application to access the eligibility of the applicant and its proposed activity and to determine overall suitability for CPD funding. During Phase I, all pre-applications are graded and given an evaluation percentage. Pre-applications that receive a minimum 75 percent (75%) evaluation score are invited to Phase II. **Only applications invited to Phase II are considered for financial award.**

**In the Phase II, invited applicants complete and submit a final application.** The final application is significantly more detailed and all supporting documents are submitted at that the time of application. The final application is evaluated on 29 areas:

- 1) Organizational Leadership
- 2) Oversight and Planning
- 3) Organizational Capacity
- 4) Soundness of Program Delivery
- 5) Soundness of Program Description
- 6) Program Alignment with Eligibility and Community Development Priorities
- 7) Client Identification
- 8) Program Participant Verification
- 9) Data Collection and Reporting Systems
- 10) Length and Level of Service
- 11) Performance Management Identification and Measurement
- 12) Program Site Analysis
- 13) Program Implementation Including Client Safety and Privacy
- 14) Standards of Operation
- 15) Implementations to Mitigate COVID-19
- 16) Timeliness of Expenditures
- 17) Project Schedule
- 18) Collaboration
- 19) Need for Program
- 20) Unique Service Proposition
- 21) Engagement
- 22) Marketing
- 23) Outreach to Non-English Speakers and Persons with Physical Disabilities
- 24) Financial Management
- 25) Compliance History with Federal Awards Including CNS
- 26) Organizational Revenue Allocation
- 27) Program Revenue Allocation
- 28) Operations Budget For Activity And
- 29) Required Document Submission.

These applications are graded and given an evaluation percentage. The final applications with an evaluation percentage of 85 percent (85%) or higher will get first consideration of funding. Phase II is the final step in the process.

## 1. Application Process Summary

- a. **Phase I: Pre-Application (Eligibility Assessment)**
  - i. Any person, group, or organization can apply
  - ii. Pre-applications are MANDATORY
  - iii. Scored for eligibility, CPD, and City of Tuscaloosa priority alignment

- b. **Phase II: Final Application (Capacity and Funding Assessment)**
  - i. INVITATION ONLY
  - ii. Only applications that reach Phase II will receive consideration for CDBG funding

**Note:** *Not all Phase II applications will receive funding. An application may not receive full funding requested however; no funding award will be less than the minimum award of \$10,000. Several factors influence project funding: Number of pre-applications meeting program threshold, number of final applications received, number of final applications meeting funding threshold of 85 percent or higher, City of Tuscaloosa CPD allocation, Consolidated Plan and City of Tuscaloosa priorities.*

## 2. How to Request a Pre-application

Applicants may request a copy of the pre-application by emailing [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com). Applicants may also request a copy of the pre-application by calling the Office of Community and Neighborhood Services at (205) 248-5080.

## 3. Pre-application Availability

The pre-application will also be available on the City of Tuscaloosa's website at the following link:  
<https://www.tuscaloosa.com/live-play/PY22PreAppCDBG>

<https://www.tuscaloosa.com/live-play/PY22PreAppHOME>

Pre-applications will be available for pick-up at Tuscaloosa City Hall at the 3<sup>rd</sup> Floor Annex at the Security Desk.

**No Pre-application packets will be mailed.**

#### 4. Pre-application Deadline and Submission

PY 2022 pre-application deadline is **11:59PM** Central Standard Time on **April 18, 2022**.

The pre-applications must be submitted in one of the following ways:

- a. Email a completed PDF copy of the pre-application to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com)
- b. Mail a completed PDF copy of the pre-application to:

City of Tuscaloosa  
C/o Office of Community and Neighborhood Services  
2201 University Boulevard  
Tuscaloosa, AL 34501

Mailed pre-applications must be postmarked **by April 18, 2022**. Pre-applications postmarked after **April 18, 2022** are disqualified.

#### 5. Content and Form of Pre- application Submission

Applicants must use the Pre-Application form provided by the Office of Community and Neighborhood Services. This form can be found online at [www.tuscaloosa.com/live-play/PY22PreAppCDBG](http://www.tuscaloosa.com/live-play/PY22PreAppCDBG) or [www.tuscaloosa.com/live-play/PY22PreAppHOME](http://www.tuscaloosa.com/live-play/PY22PreAppHOME) . This form is a fillable PDF. The applicant may save the PDF and email the completed pre-application to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com). The pre-application must be signed and dated. Electronic signatures are permitted. Unsigned pre-applications will be disqualified.

#### 6. Final Application Invitation

Applicants cannot directly submit a final application. Only pre-applications receiving a 75% or higher evaluation percentage will be **invited** to submit a final application. An Invitation to Apply will be sent to the eligible applicants via email and/or postal mail.

#### 7. Content and Form of Final Application

The Office of Community and Neighborhood Services has created a Final Application to reduce the upfront administrative burden for applicants. This form must be used to submit a Final Application. NO Exceptions. The link and/or PDF version of the Final Application will be sent via email to the eligible applicant.

#### 8. Final Application Deadline and Submission

PY 2022 CPD final application deadline is **11:59PM** Central Standard Time on **May 5, 2022**.

The final application must be submitted in one of the following ways:

- a. Email a completed PDF copy of the final application to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com)
- b. Mail a completed PDF copy of the final application to:

City of Tuscaloosa  
C/o Office of Community and Neighborhood Services  
2201 University Boulevard  
Tuscaloosa, AL 34501

Mailed final applications must be postmarked by **May 5, 2022**. Final applications postmarked after **May 5, 2022** are disqualified.

#### 9. Final Application Availability

Final application information will be available via the Invitation to Apply emailed by the Office of Community and Neighborhood Services.

**Final Applications will not be available for pick-up. No Final Application packets will be mailed.**

## 10. Application Limits

Applicants may submit up to two (2) pre-applications. Each pre-application must be for ONLY one (1) activity. If an applicant is invited to Phase II, CNS will notify the applicant which activity or activities have received an invitation to apply. The applicant may submit a final application for the CNS selected activity. Only one (1) final application is allowable per activity. If an applicant receives an invitation to Phase II for multiple activities, only one (1) final application is permissible for each activity. The applicant cannot combine different activities in one application.

Although an applicant may submit multiple final applications, it is unlikely that multiple activities from one applicant will receive funding.

## 11. Withdrawing an Application

Applicants may withdraw their application from consideration at any time. Withdrawn applications are removed from the pool of applicants. Once an application is withdrawn, it cannot be resubmitted or reinstated for consideration. Formal withdrawals are emailed to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com).

### a. Withdrawal Email Content

- i. SUBJECT LINE: CDBG Application Withdrawal. Please include the name of organization and the activity name of the withdrawn application.
- ii. Responses to withdrawals will only include confirmation of the withdrawal receipt. Informal withdrawals are the non-submission of a pre-application or final application.

## 12. Effect of Missed Deadline

CNS Staff will not review applications that miss submission deadlines. This applies to pre-application and final application submissions. **NO exceptions will be granted.**

## V. Funding Restrictions

### A. CDBG Allowable Activities 24 CFR 570.201 (e),

**Under this NOFA, allowable activities are eligible activities, which fall under the category of Public Service, Public Facilities and Improvements and Owner Occupied Rehabilitation.**

### B. HOME Allowable Activities 24 CFR 570.201 (e),

**Under this NOFA, allowable activities are eligible activities, which fall under the category of Tenant Based Rental Assistance and New Housing Construction.**

### C. Direct Cost Limitations

This NOFA allows direct costs. Direct costs include the salary of employees providing direct services to program participants/clients, supplies and materials for the operation of the program and for use by program participants, equipment for the provision of services, such as computers, lap tops, and handheld tablets. Final allowable direct costs are determined at the time of sub-recipient agreement execution.

### D. Indirect Cost Restrictions

Indirect Costs are not allowable under this NOFA. Indirect costs are expenses for rent or mortgage of the applicant's building, utility payments, shared use equipment. **NO salary expenses for administrative and clerical staff including executive director, accountant, or other members of applicant's staff are permitted.**

### E. Pre-Federal Award Costs

City of Tuscaloosa's Office of Community and Neighborhood Services will grant successful applicants the ability to invoice **CDBG** for prior eligible expenses. CNS will explain this process in a letter to approved applicants.

## VI. Application Review Information

**CNS staff evaluates all Pre-Applications and Final Applications.** CNS's selection process is designed to ensure grants are awarded to eligible applicants submitting the most meritorious applications. CNS will only consider the information submitted by the application deadline date. After the application deadline date, CNS may not, consistent with regulations in 24 CFR part 4, subpart B, consider any information not requested explicitly by CNS that the applicant or any third party might want to provide. CNS may verify information provided in the application as needed by sending a written request for clarification. Responses to such inquiries will be required within two (2) business days.

### A. Pre-application Review and Selection Process

#### 1. Applicant Screening

Prior to conducting an eligibility evaluation, CNS will screen each application to determine if it meets the threshold criteria. If any of these criterion are not met, the application will be deemed ineligible and will not receive further review.

#### 2. Applications that will not be scored

CNS will not score pre-applications that do not meet the eligibility or threshold criteria, or are otherwise incomplete. Such pre-applications will not be eligible for funding.

#### 3. Pre-Application Rating

Reviewers rate each eligible pre-application based SOLELY on the information provided in the pre-application and the rating factors and assign a score for each rating factor and total score. Pre-applications receiving a minimum score of 75% will receive an invitation to submit a Final Application, which are considered for funding.

#### 4. Threshold Criteria

Threshold Criteria is the basic information required to consider a pre-application for evaluation. If a pre-application does not meet any one of the criterion, the pre-application will be invalidated, automatically deemed ineligible, and will not be reviewed.

In order to be considered for an eligibility evaluation and a subsequent an invitation to submit a Final Application, the pre-application must be received on time, be complete, signed and dated, **and** provide enough information to evaluate.

### B. Pre-Application Evaluation Criteria

Evaluation Criteria	Points Possible
Activity Eligibility	25
Activity Management and Implementation	40
Organizational Eligibility, Capacity, and Past Performance	30
Funding	25
	<b>120 Points Possible</b>

Once an application is determined to meet the threshold criteria, the application is then evaluated against the additional criteria:

#### 1. Activity Eligibility

This portion evaluates the extent to which the proposed activity meets national objectives, national goals, eligible activity identification, strategic plan priorities, and aligns with the core values of the City of Tuscaloosa.

#### 2. Activity Management and Implementation

This portion evaluates the applicant's activity management and implementation.

- a. Scope of Work: The extent to which applicant describes the activity to be undertaken, the number of anticipated program participants per instruction in the Pre-application
- b. Activity Operation Length: Applicant identifies if the activity is a new activity or has been in existence.
- c. Service Delivery Area: Applicant identifies the districts in which services are provided or indicates if the project is Citywide. Identifies areas that shown to have large populations of low-to-moderate income persons.
- d. Participant Eligibility: Extent to which applicant describes eligible participants and how eligibility is determined.
- e. Evidence of Outcomes: Extent to which applicant provides identifiable outcomes for activity.
- f. Evidence of Performance Measurements: Extent to which applicant describes performance measurements for identified activity outcomes.
- g. Populations Served: Applicant identifies the intended population served by the activity and describes how the identified population is an eligible or presumed benefit population.

**3. Organizational Eligibility, Capacity and Past Performance**

This section evaluates the eligibility of the applicant to receive a Federal award by being in possession of Federal Employer Tax Identification Number, 501(c) (3) status, and a DUNS number. This section also evaluates the length of time an applicant’s organization has been in operation and if the applicant has experience with CDBG, HOME or other federal grants. Such information is to provide a baseline of the applicant’s ability to manage CDBG funding appropriately.

**4. Funding**

- a. Identification of all funding sources and reasonableness of request: Extent to which the applicant has identified all the funding sources to implement the activity as listed in the Total Cost of Program. Reasonableness is the funding requested does not exceed the total amount of the activity or represents a justifiable percentage of the funds requested.
- b. Leveraging: Extent to which other funding sources have been sought and committed to Activity.

**C. Applicant Evaluation- Phase II: Final Application**

**1. Application Screening**

CNS will screen each application to determine if the Key Eligibility Criteria in Section III are met (including screening for technical deficiencies). If these criteria are not met, the application will be deemed ineligible and will not receive further review.

**2. Final Application Ranking and Review**

CNS staff will review all Final Applications in accordance with the threshold and evaluation criteria for the final phase of the application process.

**3. Final Application Threshold Criteria**

In order to be considered for evaluation and subsequent funding, all Final Applications must have received an eligible Pre-Application score of 75% or more. In addition, Final Applications must be received on time, be completely filled out, signed and dated, consist of enough cumulative information to evaluate, and include all of the required supporting documentation.

**4. Final Application Evaluation Criteria**

<b>Final Application Evaluation Criteria</b>	<b>Points Possible</b>
Activity Priority	35
Activity Management and Implementation	110
Organization Capacity and Past Performance	100
Funding	150
Other: Documentation Review	100
Other: Application Completeness	5
	<b>500 Points Possible</b>

## 5. Application Rating System

### a. Activity Priority

This section will evaluate the applicant's identification with established national objectives, national goals, strategic plan priorities, eligible activities, and the City of Tuscaloosa's core values.

Alignment with the following priorities and activities will weigh more than other categories:

**Affordable Housing**

**Youth Activities**

**Child Services**

*\*In addition, if the applicant does not meet National Objectives, Goals, Strategic Plan Priorities, or does not select an eligible activity, the Final Application will not be considered for funding\**

### b. Activity Management and Implementation

The application will be scored on the management and implementation of the proposed activity. This section will review the adequacy of responses throughout the application. Under Activity Management and Implementation, the following sections:

- i. Program Information: Illustration of the duties and responsibilities of the program lead and program staff to deliver the program. Reviewers should be able to ascertain how, when, where, what, and who of the operation of the program.
- ii. Program Narrative: Extent to which applicant describes the main problem/issue the activity seeks to resolve including adequately illustrating how it will meet the national objectives, components of the program and the expected outcomes.
- iii. Program Client/Participant Information: Assesses the extent to which the applicant has identified its target population and describes the target population in detail and then identifies and provides the documentation used to verify participant eligibility.
- iv. Provision of Participant Information/Data Collection and Reporting: Determine the extent to which applicant has or will collect participant information, including the data collection methods and systems used.
- v. Level of Service: Extent to which applicant meets the requirement to provide a new or quantifiable increase in level of service provided through activity.
- vi. Number of Clients Served: Determination of applicant's proper identification of clients in relation to the overall administration of program and prior year's activities.
- vii. Performance Measurement: Evaluation of the outcomes/goals listed in the program narrative and the adequate description of goals, benchmarks, evaluation tools and timeliness of evaluation.
- viii. Activity Site: Assesses the extent to which the applicant has made its activity accessible to those that need it most and provides service delivery in districts and areas that have identified as 51% or more low-to-moderate income or having a significant concentration of presumed benefit individuals.
- ix. Quality Assurance: Evaluation of the extent applicant uses identified best practices to measure quality of services.
- x. Client Safety: Evaluation of applicant's provisions for ensuring client's physical, mental, emotional, financial and social safety.
- xi. Client Privacy: Evaluation of applicant's protections of client information and privacy.
- xii. Timeline and implementation Schedule: Evaluates applicant's ability to meet timeliness and start activity within 60 days of award.
- xiii. City of Tuscaloosa Resident Benefit: Determination that 100% of CDBG will be used to benefit City of Tuscaloosa residents and evaluation of the tracking, disbursement and other systems to manage/oversee this.
- xiv. Collaboration: Evaluation of the extent to which applicant has identified key collaborators, quality of collaborations, cooperation with similar service providers.
- xv. Need for Program: Determination of the extent to which applicants have demonstrated a documented need for activity and how the activity differentiates itself from similar service providers within Tuscaloosa County.
- xvi. Outreach: Assessment of the engagement and marketing efforts of the applicant and the applicant's plan to reach non-English speakers and visually, hearing and/or physically impaired.
- xvii. APPENDIX Points will be awarded to applicants based on documentation and information provided, showing that the resources, such as funding, site control, etc., needed to implement the proposed activity are available and ready.



**c. Organizational Capacity and Past Performance**

- i. **Organizational Leadership:** Evaluates the work experience of the Executive Director and Chief Financial Officer to ensure adequate funding and administration of the proposed activity.
- ii. **Organizational Oversight:** Assessment of engagement of Board of Directors in supervision of applicant and its activity implementation. Board of Directors evaluation also includes the inclusion of members of the target population community.
- iii. **Activity Staff Qualifications and Training:** Determines the work experience of assigned activity staff to ensure compliant operation of activity to also include professional development experiences and training to implement any identified best practices and/or curriculum.
- iv. **Planning:** Determination of adequate plans to guide the immediate and long-term operation of the applicant's organization. Plans for this NOFA, should include a strategic plan, Emergency Response Operations Plan which includes provisions for Infectious Disease, organizational and activity policy and procedure, employee manual.
- v. **Compliance:** Evaluation of the presence and adequate training for personnel to management and for the administration of activity in accordance with 2 CFR 200.
- vi. **Experience and Past Performance:** The experience of the applicant, including the length of time in business and experience in undertaking projects of similar complexity as the one for which funds are being requested will be evaluated. In addition, the applicant will be evaluated in terms of its past performance in relation to any local, state, or Federal funding program. The past performance will refer to attainment of objectives in a timely manner and expenditure of funds at a reasonable rate in compliance with contract. Compliance with the contract will include but not be limited to submission of reports and adherence to the scope of services.

**d. Funding**

- i. **Organizational Revenue Allocation:** Presence of thorough revenue allocation, which documents all sources of revenue for applicant and the predetermined uses.
- ii. **Activity revenue allocation:** Presence of thorough activity revenue allocation, which accurately documents the sources, uses and flow of revenue for activity. In addition, identified revenue should reflect revenue sources described in the organizational revenue allocation.
- iii. **Operations Budget:** Presence of mathematically sound, itemized and reflective of eligible expenses in relation to the activity funds request.
- iv. **Audit/Financial Support and Viability:** More than sufficient long-term financial resources to ensure operation of activity. Audit report by independent CPA does not reveal any ongoing concerns, risks and/or material weaknesses.
- v. **Program Income:** In the instance, applicant charges fees for services, assessment of the adequacy of the accounting procedures and use of funds within the organization.
- vi. **Financial Systems and Internal Controls:** Financial staff responsibility is adequate to preserve functionality of the activity. In addition, internal controls are present and preserve grant funds, personal information and ensure grant funds are used for authorized purposes as described by financial management policies and procedures.
- vii. **Financial Management Policies and Procedures:** Determination of existence and strength of financial management policies and procurement standards.
- viii. **Leveraging:** Needs are clearly identified to address total project requirements. Additional funds are secured and firm written commitments are available. The extent to which CPD funds are intended as GAP funding. Minimum of 2:1 ratio.

**e. Other**

- i. **Documentation File Review:** Evaluation of the submitted required documents to ascertain the capacity and strength of applicant organization: Review to include at Minimum Organizational policy and procedure, Organizational Chart, Job Descriptions, Board of Director's minutes, Data collection, etc.
- ii. **Application Completeness:** Applications will receive up to 5 points, based on completeness. Applications that have not been signed will not be considered.

**D. Selection Considerations**

**1. Minimum Scoring**

To qualify for a CDBG grant, applicants must earn a minimum of 50 percent of the points for each overall Rating Factor category in Activity Management, Capacity and Funding. Any applicant not earning these minimum ratings will not be awarded a grant.

**2. Tie Scores**

If two or more applications have the same score and there are insufficient funds to select all of them, CNS will select the application(s) with the highest score for the overall Activity Management. If a tie remains, CNS will select the application(s) with the highest score for the overall Organizational Capacity, then overall Funding Rating Factors.

**3. Grant Type**

CNS will first award CPD funds to the top scoring applicants. Applications that do not score high enough to receive CPD grant will then be considered for funding through additional supplemental funding grants, as determined by the statutes, regulations and guidelines of said funding.

**E. Adjustments to Funding**

To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, CNS reserves the right to fund less than the amount requested in an application. CNS also reserves the right to not fund any applicant for a history of non-compliance or if higher scoring applicants meet the funding priorities of this NOFA, or if the City of Tuscaloosa elects to implement an eligible activity through one of its departments or divisions.

At no time will CNS fund any portion of an application that:

1. Is not eligible for funding under applicable statutory or regulatory requirements;
2. Does not meet the requirements of this notice; or
3. Directly duplicates other locally known programs or directly duplicates any General Fund/CPD funded activities from prior year awards or through other selected applicants.

**1. Remaining Funds**

CNS reserves the right to reallocate remaining funds from this NOFA to other eligible activities under section 24 of the 1937 Act, including CDBG and HOME grants.

**2. Total requests less than NOFA funding**

If the total amount of funds requested by all applications found eligible for funding under this NOFA is less than the amount of funds available from this NOFA, all eligible applications shall be ranked based on priority need and final score and will be awarded funds according to this determination. If all qualified applicants have been funded, those funds in excess of the total requested amount may be considered remaining funds.

**3. Total requests more than NOFA funding**

If the total amount of funds requested by all applications found eligible for funding under this NOFA is greater than the amount of funds available from this NOFA, all eligible applications shall be ranked based on priority need and final score and will be awarded funds according to this determination. For instance, applicants that meet a priority need AND have a high score shall be fully funded. After awarding funds to the highest scoring applicants, the remaining applicant shall receive reduced funding in direct proportion to the applicants rank order, until the amount of non-awarded funds is less than the amount required to feasibly fund additional eligible applications. In this case, the funds that have not been awarded may be considered remaining funds.

If funds are available after funding the highest-ranking applications, CNS may fund all, a part, or none of other eligible fundable applications.

**F. Applicant Award Rejection**

If an applicant turns down an award offer, or if CNS and an applicant do not successfully complete grant negotiations, CNS may make an offer of funding to another eligible application.

If funds remain after all selections have been made, remaining funds may be made available within the current PY for activities within the priority program area, or be used as otherwise provided by authorizing statute or appropriation.

If, after announcement of awards made under the current NOFA, additional funds become available either through the current appropriations, a supplemental appropriation, other appropriations or recapture of funds, CNS may use the additional funds to provide additional funding to an applicant awarded less than the requested amount of funds to make the full award, to fund additional applicants that were eligible to receive an award but for which there were no funds available and/or to fund eligible activities not considered under this NOFA.

## **VII. CDBG Award Administration Information**

### **A. Federal Award Notices**

CNS makes every effort to keep applicants informed of the application process and the status of its application. To this end, CNS will inform applicants via email and via postal mail of the following application status changes:

1. Selection of CDBG Pre-Application for invitation to Phase II- Final Application
2. Non-selection of CDBG Pre-Application for Phase II, with provision of reason for non-selection
3. Final Application Award, including the amount of the award
4. Non-Selection of Final Application for Award and reason for non-selection

All notices will be sent via email to the Executive Director of the organization and to the postal address provided in the pre-applications. It is imperative that this information is correct and up to date.

### **B. Administration and National Policy Requirements**

For this NOFA, the following administrative, national and department policy requirements and terms for HUD financial assistance awards apply.

### **C. Compliance with Non-discrimination and Other Requirements**

Unless otherwise specified, these non-discrimination and equal opportunity authorities and other requirements apply to all NOFAs. Please read the following requirements carefully as the requirements are different among HUD's programs.

Compliance with Fair Housing and Civil Rights Laws, which encompasses the Fair Housing Act and Related Authorities (cf. 24 CFR 5.105(a))

Affirmatively Furthering Fair Housing

Economic Opportunities for Low-and Very Low-income Persons (Section 3)

Improving Access to Services for Persons with Limited English Proficiency (LEP)

Accessible Technology

Real Property Acquisition and Relocation

Participation in HUD-Sponsored Program Evaluation

Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards

Safeguarding Resident/Client Files

Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended

Accessibility for Persons with Disabilities

Conducting Business in Accordance with Ethical Standards/Code of Conduct

Environmental Requirements

24 CFR part 5, subpart A

24 CFR part 35, Lead Based Paint Poisoning Prevention Act, Lead Based Paint Hazard Reduction Act of 1992

### **D. Reporting**

Data collection and reporting are an integral part of CPD grant implementation and administration.

#### **1. Performance Reporting**

All HUD-funded programs, including this program, require recipients to submit, not less than annually, a report documenting achievement of outcomes under the purpose of the program and the work plan in the award agreement. For CDBG, applicants are required to submit monthly progress reports, bi-annual reports and a final year report. For HOME, applicants are required to submit an annual expenditure report. All reporting requirements are subject to change at the discretion of the City of Tuscaloosa.

**2. Race, Ethnicity and Other Data Reporting**

HUD requires recipients that provide HUD funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and 58 of 59 Community Development Act of 1987.

If awarded grants under this NOFA, applicants are required to submit the aforementioned data in all bi-annual reports and final reports.

**3. Required Participation in WellSky/ ServicePoint**

All successful applicants for CDBG and HOME which are awarded funds through this NOFA, are required to participate in WellSky/ ServicePoint, which is a private, proprietary participant database. All program participants are required to be entered into this database. Agencies are required to maintain adequate licenses and updated training for program staff.

**VIII. Office of Community and Neighborhood Services Contact Information**

The City of Tuscaloosa's Office of Community and Neighborhood Services will be available to assist with any questions or concerns about the application process. For information about the application process, please contact the Department of Community and Neighborhood Services' office at 205-248-5080 or via email questions or concerns to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com)

**XI. Technical Assistance**

Technical assistance is available by appointment only. Technical assistance will be conducted by phone or video conference. To schedule an appointment, please call (205) 248-5080 or email [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com) Please include the SUBJECT LINE: Technical Assistance. In your request for technical assistance, please include the dates and times for applicant staff availability.

To preserve the equity and fairness of the application process, the staff of the Office of Community and Neighborhood Services is restricted from providing any opinion on the quality of any portion of the Pre- Application or Final Application.

Specifically, CNS will not provide the following types of assistance:

- a. The reasonableness of the financial request
- b. The quality of the proposed activity, program or project
- c. A review of the completeness of an application prior to submission