City of Danbury – Community Development Block Grant

2022 Notice of Funding Availability

General Information

The City of Danbury is allocated funds each year by the U.S. Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) Program. Danbury will accept proposals for funding from community-based organizations, non-profits, City Departments, and citizens. Please review all of the information in this Notice of Funding Availability so that you understand the process and the requirements for CDBG funding.

Project proposals for 2022 must be submitted on or before Thursday, June 23, 2022 by 3:00 PM.

An original and two (2) copies of the Application Form must be mailed or delivered so it is received no later than the time and date above to:

   City of Danbury  
   Department of Finance, 2nd Floor  
   155 Deer Hill Avenue  
   Danbury, CT  06810

Email submissions will also be accepted at cdbg@danbury-ct.gov. The same deadline applies to email submissions.

Applications are then reviewed for eligibility and compliance thresholds. Eligible applications are then reviewed by the City of Danbury CDBG Policy Committee.

Timeline

<table>
<thead>
<tr>
<th>Event</th>
<th>Date</th>
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<tbody>
<tr>
<td>Applications become available</td>
<td>May 20, 2022</td>
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<tr>
<td>1st Public Hearing (Review of community needs)</td>
<td>June 20, 2022</td>
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<td>Application Deadline</td>
<td>June 23, 2022</td>
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<tr>
<td>2nd Public Hearing (focus on projects funded)</td>
<td>August 09, 2022</td>
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Funding Availability

HUD has not yet provided the City with the specific allocation amount for 2022. We are proceeding based on an estimated allocation of $600,000.

Projects

Public Service Projects

Public Service Projects are restricted to no more than 21.96% of the total CDBG funds allocated for this year minus public service carried over funds from prior years. It is estimated that no more than $125,000 will be available for social services funding in 2022. The City reserves the right to fund a lesser amount if unspent carryovers from prior years are greater than expected or non-social service awards are higher.

Development Projects

Development grants can be used for public facilities and improvements, economic development initiatives, or housing (excluding new construction).

Each application for CDBG funding must comply with the Federal eligibility requirements in CFR 570.201.

Eligibility Requirements

All Applications for CDBG funding must meet the requirements of both Section A (relating to national objectives) and Section B (relating to eligible activities) below. These are Federal requirements prescribed by the Housing and Community Development Act of 1974, as amended, and by the implementing Federal regulations at 24 CFR Part 570.

A. Threshold Criteria – National Objectives

In order for a project to be funded with CDBG funds, it must meet one of the following three national objectives:

1. Benefit low and moderate income persons as per the guidelines established by the U.S. Department of Housing and Urban Development.

Locally, the primary use of CDBG funds is for services and programs for low and moderate income persons. In order to be eligible, the project must either serve persons residing in an eligible geographic area (see attached map) or it must benefit low and moderate income persons directly (through serving a targeted population). A direct benefit to low and moderate income persons may come through services, through housing or through jobs.

If your project falls in the direct benefit category, then at least 51% of the people served by your project/program must be low and moderate income residents.

You must keep records (i.e., intake form, application, etc.) to verify the income by household size and the residence of all those served by your project/program.
Certain groups of people are presumed by HUD to be principally low/moderate income persons. Those groups include: abused children; elderly persons; battered spouses; homeless persons, adults meeting Bureau of Census’ definition of severely disabled persons; illiterate adults; persons living with AIDS; and migrant farm workers. If your project/program exclusively serves one of these groups, you may document the limited nature of your clientele without documenting actual client income. You can use participation in other programs (i.e., JTPA, National School Lunch Program) as a “proxy” for CDBG income-eligibility if the income guidelines for that program are the same or less than CDBG guidelines.

"Moderate income" means a household whose income does not exceed 80% of the median family income for the area.

2. Aids in the prevention or elimination of slums and blight.

3. Meets other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and where other financial resources are not available to meet such needs.

If you are proposing a project under either the “elimination of slums and blight” or the “immediate threat to health and safety” objective, please contact the Grant Administrator prior to completing your application.

B. Eligible Activities

This section describes many of the activities which can be assisted with CDBG funds under the Federal regulations. There are a limited number of additional miscellaneous activities which may be eligible for funding. If you have a question about the eligibility of an activity for which you want to seek funding, please send an email to cdbg@danbury-ct.gov and we will research your activity and determine eligibility.

Eligible activities include:

1. Purchase, sale, lease or other disposition of real property.
2. Clearance, demolition and removal of buildings.
3. Rehabilitation of publicly or privately owned residential property; commercial/industrial property (but if privately-owned, only for exterior improvements and correction of code violations); and nonresidential buildings and improvements owned by a nonprofit. Funding cannot be used for costs of equipment, furnishings or other personal property, or for the labor costs for homeowners to rehabilitate their own property. Funding can be used for:
   a. Labor, materials and other costs relating to rehabilitation.
   b. Grants, loans, loan guarantees and other forms of assistance for financing rehabilitation.
   c. Loans for refinancing indebtedness.
   d. Improvements to increase the energy efficiency of buildings and/or the efficient use of water.
   e. Installing sprinkler systems, smoke detectors, dead bolt lock and other security devices.
   f. Connecting residential structures to water or sewer collection lines.
g. Initial homeowner warranty premiums and hazard or flood insurance.

h. Lead-based paint hazard evaluation and reduction.

i. Rehabilitation services (counseling, energy auditing, preparation of work specifications, loan processing, inspections, etc.).

j. Historic preservation.

k. Converting a closed building from one use to another.

l. Removal of architectural barriers to accommodate people with disabilities.

4. Relocation assistance to businesses, individuals, families, and non-profit organizations displaced by CDBG activities, and loss of rental income incurred in connection with the temporary relocation of displaced individuals and families.

5. Code enforcement.

6. Homeownership assistance.

7. Interim assistance either to alleviate an emergency condition or to cover limited, immediately needed improvements to a deteriorating area as a prelude to permanent improvements. These limited improvements can include special neighborhood cleanup campaigns.

8. Purchase, construction, reconstruction, rehabilitation or installation of public facilities and improvements. Public facilities include schools, libraries, and special needs shelter facilities (nursing homes, hospitals, domestic violence shelters, homeless shelters, halfway houses, group homes, emergency shelters). Public improvements include streets, sidewalks, curbs, parks, playgrounds, water and sewer lines, parking lots, and aesthetic amenities on public property (trees, sculptures, etc.).

   a. A "public facility" may be owned and operated by a non-profit (i.e., senior centers, neighborhood centers) as long as it is open to the general public.

   b. Buildings used primarily for the general conduct of government are ineligible.

   c. Flood and drainage facilities and parks established as a result of reclamation of land near a river are ineligible unless certain requirements are met.

   d. CDBG funds cannot be used to operate or maintain public facilities/improvements.

   e. CDBG funds cannot be used to buy construction equipment, to buy furnishings or other personal items, or for new construction of public housing.

9. Public services, including but not limited to child care, health care, job training, recreation programs, education programs, public safety services, services for seniors, services for the homeless, substance abuse treatment, fair housing counseling, and energy conservation.

   a. Grants for public services may not exceed 21.96% of the City’s total annual CDBG appropriation.

   b. CDBG funds should be substituted for City or State funds supporting public services. The service must be a new service or a "quantifiable increase in the level of service" above that provided by or on behalf of the City through City or State funds.

   c. Ongoing grants or non-emergency payments to individuals for food, clothing, rent, utilities or other income payments are not eligible activities.

10. Special economic development activities, including:

    a. Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and improvements.
b. Grants, loans, loan guarantees, interest supplements, and technical assistance to private for-profit businesses.

c. Economic development services including outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of necessary agreements; management of assisted activities; and screening, training, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities.

11. Microenterprise assistance in the form of loans, grants, technical assistance and general business support services.

12. Grants or loans to any qualified Community-Based Development Organization to carry out a neighborhood revitalization, community economic development, or energy conservation project.

Ineligible Activities

The general rule is that any activity which is not specifically authorized above is ineligible for CDBG funding. There are also some activities which are specifically identified in the Federal regulations as categorically ineligible. These activities cannot be assisted with CDBG funds under any circumstances:

1. Buildings or portions thereof, used predominantly for the general conduct of government, including city halls, jails, police stations, courthouses, and other state and local government buildings. (This does not include removal of architectural barriers or land acquisition costs).

2. General government expenses.

3. Political activities.

4. The following activities are generally ineligible unless authorized as a Special Economic Development Activity or when carried out by a Community-Based Development Organization:

   a. Purchase of equipment.
   b. Repairing, operating or maintaining public facilities (streets, parks, playgrounds, water and sewer facilities, parking, neighborhood centers, and similar public facilities).
   c. New housing construction (with certain exceptions).
   d. Income payments.

Applicants should be clear as to how they will provide completed architectural/engineering plans or specifications prior to July 6, 2022 (at their own expense) and be "ready-to-go" when the City receives funding.