

2023 CDBG CODE ENFORCEMENT PROGRAM GUIDELINES

INTRODUCTION

The Community Development Block Grant (CDBG) program is a United States Housing and Urban Development (HUD) program that provides communities with resources to address community development needs. Since its establishment by Congress in 1974, the CDBG program has been one of the longest continuously run programs at HUD. As an entitlement community and Participating Jurisdiction (PJ), the City of Racine Department of City Development receives annual funding allocated by HUD.

The Federal objectives of the CDBG Program are to provide the following, principally for persons of low and moderate income (LMI): decent housing, a suitable living environment, and expanded economic opportunities.

Code Enforcement funding is available to the government, with successful implementation of other grant programs. FY2023 CDBG is allocated for Code Enforcement activities to implement the RENTS ordinance. Funds will be used to pay the wages and benefits of inspectors working in selected LMI Area Benefit block groups within the Neighborhood Stabilization and Enhancement District. (See Attachment A)

For public services such as job training, youth programming, and crime prevention please see the City of Racine Public Services CDBG NOFA and Application. For capital improvement assistance to microenterprises or other for-profit entities when the recipient determines that such assistance is appropriate to carry out economic development projects please see the Economic Development Microenterprise Assistance Program [MAP] CDBG Application.

On May 16, 2023, the City of Racine will the 2023 Annual Action Plan, allocating the funds to certain specific programs and other uses as outlined in this NOFA.

REQUESTS FOR REASONABLE ACCOMMODATION

The City of Racine's Department of City Development (hereafter referred to as the "City") will provide reasonable accommodation to allow for equal participation in the Request for Proposal (RFP) application process. To request a reasonable accommodation, please contact Brendan Saunders at 262.636.9151, or email Brendan.Saunders@cityofracine.org. This document will be provided in alternate formats, upon request.

ACCESS TO REFERENCED DOCUMENTS

This document contains active hyperlinks. Prospective applicants who are unable to access the Internet may request copies of the documents referenced in this RFP by contacting Brendan Saunders at 262.636.9151, or email Brendan.Saunders@cityofracine.org. All documents will be available on City Development's website.

NOTICE OF SOLICITATION

In addition to providing required notification via the City's publication of record, *The Racine Journal Times*, the City will provide notification to all known interested parties, and to other organizations and individuals currently on the Department's e-mail distribution list. Individuals or organizations wishing to receive future notices of funding opportunities may request to be added to the Department's e-mail distribution list by contacting Brendan Saunders at 262.636.9151, or emailing Brendan.Saunders@cityofracine.org. This Notice of Funding Availability and associated Request for

Proposal (RFP) will be posted to the department’s website at <https://www.cityofracine.org/CityDevelopment/NeighborhoodServices/>. Failure of the City to notify any interested party or parties directly regarding the availability of this RFP shall not void or otherwise invalidate the RFP process.

AVAILABILITY OF FUNDS

The City of Racine is soliciting applications for Community Development Block Grant – to provide funding for code enforcement and neighborhood enhancement that benefit low-income communities and/or low-income people through inspection.

Fiscal year 2023 funds may be used over two (2) -years (January 1, 2023 – December 31, 2024). **Requests must be for the full amount of funding available.** Projects must have all spending completed within twenty-one (24 months).

Program Anticipated Funding

CDBG: CODE ENFORCEMENT- Total	:	\$ 195,943
LMI Area Benefit block groups within the Neighborhood Stabilization and Enhancement District:		\$195,943

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CITIZEN PARTICIPATION

The United States Department of Housing and Urban Development (HUD) program regulations require that citizens be given the opportunity to examine and appraise the City’s use of funds. Citizens are afforded an opportunity to participate by membership on the CDBG Advisory Board (CAB) and by attendance at Board meetings throughout the review and recommendation process. All CAB meetings are open to the public and published on the City’s website. Members of the CAB establish priority funding categories based on the needs of the community, and are responsible for making funding recommendations for the use of the funds made available. A 30-day public comment period began on March 10, 2023 through close of business on April 10, 2023.

Applicants will present their applications to the review panel and public as part of the review process, allowing applicants the opportunity to answer questions or clarify their project goals.

DESCRIPTION OF SOLICITED SERVICES

Each year the City of Racine receives an allocation of Federal Community Development Block Grant (CDBG) dollars under the Housing and Community Development Act of 1974 (HUD). The primary objective of the program is the development of viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for low- and moderate-income persons (LMI) persons. Low- and moderate-income refers to household income at or below eighty percent (80%) of the area median income, as defined by HUD (see Table 1 below). These federal funds are to be used to provide housing, capital improvements, community facilities, and economic development activities to improve living conditions in low-income areas and for low-income residents of the City of Racine, WI.

FY 2023 Income Limit Area	FY 2023 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Racine City	Extremely Low (30%)	\$18,150	\$20,750	\$23,350	\$27,750	\$32,470	\$37,190	\$41,910	\$46,630
	Very Low (50%)	\$30,250	\$34,550	\$38,850	\$43,150	\$46,650	\$50,100	\$53,550	\$57,000
	Low (80%)	\$48,350	\$55,250	\$55,600	\$69,050	\$74,600	\$80,100	\$85,650	\$91,150

In the CDBG program, Code Enforcement will be broadly defined as Costs incurred for inspection for code violations and enforcement of codes in deteriorating or deteriorated areas when such enforcement together with public or private improvements, rehabilitation, or services to be provided may be expected to arrest the decline of the area.

Code Enforcement Activities will be used for:

1. For CDBG program purposes, code enforcement is defined as a process whereby local governments gain compliance with ordinances and regulations regarding health and housing codes, land use and zoning ordinances, sign standards, and uniform building and fire codes.
2. The CDBG program expects the focus of code enforcement to be on health and safety issues in buildings and structures.
3. Supplemental efforts to address code violations related to vacant lots, signs, and motor vehicles are allowed in conjunction with efforts involving buildings and should only be a minor part of the City's code enforcement program.

Special requirement for City/County Department Applicants Only: Please note that federal regulations prohibit using CDBG funds to supplant (replace or substitute for) local or state funds for ongoing responsibilities of general local government. The intent of this federal regulation is to prevent local government from using the availability of federal CDBG dollars to reduce local funding commitments.

CDBG Project Requirements

To be eligible for funding under the CDBG Capital Projects program, **an application must meet three (3) basic requirements:**

REQUIREMENT #1

The project must meet **HUD's CDBG National Objective** (24 CFR 570.208 (a)), which is to benefit **Low/Moderate Income (LMI)** persons (see Table 1, above). For an activity to be eligible under HUD's National Objective LMI, the activity must qualify under either A) area benefit; or B) limited clientele, as described in further detail below:

- A. Area Benefit Activities (24 CFR 570.208 (a) (1))
Under **area benefit** the public facility or improvement must benefit all residents of an area where at least fifty-one percent (51%) of the residents are LMI within the NRSA.
Note: Prior to submittal of application, please contact Brendan Saunders at (262) 636-9151 to verify a particular area is in an LMI census tract or if an income survey is needed.
- B. Limited Clientele Activities (24 CFR 570.208 (a) (2))
Under **limited clientele** activities at a facility must benefit a specific targeted group of persons,

of which at least fifty-one percent (51%) must be LMI. This can be achieved by meeting one (1) of the following criteria:

- 1) Serving a group primarily presumed to be LMI by HUD: abused children, victims of domestic violence, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers 24 CFR 570.208 (a) (2)(a); or
- 2) Serving at least fifty-one percent (51%) LMI, as evidenced by documentation and data concerning beneficiary family size and income (see Table 1, above) 24 CFR 570.208 (a) (2)(b); or
- 3) Having income-eligibility requirements that limit the service to persons meeting the LMI income requirement, as evidenced by the administering agency's procedures, intake/application forms and other sources of documentation 24 CFR 570.208 (a)(2)(c).

REQUIREMENT #2

The project must **address the priority** established by the Community Development Block Grant Advisory Board (CAB) by meeting the needs of residents of Racine, WI. The priority for this funding category was established through the amended 2020 – 2024 Consolidated Plan as:

A. Priority: Code Enforcement and implementation of the RENTS Initiative

1. Pay the wages and benefits of inspectors and related staff working in selected LMI Area Benefit block groups within the Neighborhood Stabilization and Enhancement District.
2. Pay the wages and benefits of inspectors working in selected LMI Area Benefit block groups within both the Neighborhood Stabilization and Enhancement District and the Greater Uptown Neighborhood Revitalization Strategy Area (NRSA)

REQUIREMENT #3

The project must be **an eligible activity** under U.S. Department of Housing and Urban Development (HUD) **regulations (24 CFR 570.200-570.204)**. **Eligible CDBG Project Activities** (24 CFR 570.201-204 but not including 24 CFR 570.201(e)) must qualify under one (1) or more of the following activities:

A. Basic Eligible Activities (24 CFR 570.201)

The following activities may be eligible if they meet the above stated National Objective (to benefit low-moderate income (LMI) persons):

- 1) **Disposition** - Disposition of real property previously acquired with CDBG funds.
- 2) **Public Facilities and Improvements** - Acquisition, new construction, reconstruction, rehabilitation or installation of public facilities, and improvements. (Applicant must be legal owner of public facility being rehabilitated or improved.)
- 3) **Clearance Activities** - Clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites.
- 4) **Interim Assistance** - The following activities may be undertaken on an interim basis in areas where determination has been made that signs of physical deterioration necessitate immediate action and that permanent improvements will be carried out as soon as practicable: repair of streets, sidewalks, parks, playgrounds, publicly-owned utilities and public buildings; or removal of garbage, trash and debris, including neighborhood cleanup campaigns, but not the regular curbside collection of garbage or trash in the area.
- 5) **Payment of Non-Federal Share** - Required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities provided payment is limited to eligible activities.
- 6) **Urban Renewal Completion** - Payment of the cost of completing an urban renewal project.
- 7) **Removal of Architectural Barriers** - Removal of material and architectural barriers which restrict mobility and accessibility of elderly or individuals with disabilities.
- 8) **Privately Owned Utilities** - CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install distribution lines and facilities of privately owned utilities.

B. Eligible Rehabilitation and Preservation Activities (24 CFR 570.202)

The following activities may be eligible if they meet the above stated National Objective (to

benefit low-moderate income (**LMI**) persons):

- 1) CDBG funds may be used to finance rehabilitation of:
 - a. Privately-owned residential buildings and improvements;
 - b. Low-income public housing and other publicly owned residential buildings and improvements; or
 - c. Publicly and privately owned commercial and industrial buildings. However, assistance is limited to improvements to the exterior of the building or the correction of code violations.
- 2) Financial assistance through other grants, loans, loan guarantees, interest supplements, or other means may be provided for rehabilitation activities for the buildings described above, including:
 - a. Assistance to private individuals and entities, including profit or non-profit organizations, to acquire for the purpose of rehabilitation properties for use or resale for residential purposes;
 - b. Labor, materials, and other rehabilitation costs;
 - c. Loans for refinancing existing indebtedness secured by a property being rehabilitated;
 - d. Improvements to increase efficient use of energy in structures;
 - e. Improvements to increase efficient use of water;
 - f. Connection of residential structures to water distribution or local sewer collection lines;
 - g. For rehabilitation carried out with CDBG funds, costs of initial homeowner warranty premiums, hazard insurance premiums, and flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973;
 - h. Costs of acquiring tools to be lent to owners, tenants, and others who will use such tools to carry out rehabilitation;
 - i. Rehabilitation services related to assisting participants in CDBG-funded rehabilitation activities, such as rehabilitation counseling, energy auditing, preparation of work specifications, loan processing, inspections, and other services;
 - j. Code Enforcement – Costs incurred for inspection for code violations and enforcement of codes in deteriorating or deteriorated areas where such enforcement together with public or private improvements, rehabilitation, or services to be provided may be expected to stop decline of the area;
 - k. Historic Preservation - Rehabilitation, preservation and restoration of historic properties, publicly or privately owned. Historic properties are those listed in or eligible to be listed in the National Register of Historic Places, listed in state or local inventory of historic places, or designated as a state or local landmark or historic district by appropriate law or ordinance;
 - l. Renovation of Closed School Buildings – Rehabilitation of closed school buildings for use as an eligible public facility or to rehabilitate such buildings for housing; or
 - m. Lead-based paint activities – Removal of lead-based paint.

C. Ineligible Project Activities (24 CFR 570.207)

The following activities are ineligible and will not be funded:

- 1) Public facilities such as city halls, police stations, churches, exhibit halls, and stadiums, schools, airports, hospitals, and nursing homes, unless the activity to be done in these facilities is the removal of architectural barriers;
- 2) The purchase of motor vehicles;
- 3) Purchase of construction equipment, personal property, and furnishings;
- 4) Operating and maintenance expenses of a CDBG assisted facility;
- 5) General government expenses;
- 6) Political activities;
- 7) New permanent residential housing construction (emergency shelters are allowed);
- 8) Income payments (series of payments made to an individual or family for food, clothing,

housing, rent, mortgage, etc).

PROGRAM REGULATIONS

Complete CDBG Program Regulations are found at [24 CFR Part 570](#).

Income calculations to determine LMI clientele program eligibility are found at [24 CFR Part 5](#).

Definitions and regulation subparts:

- Activity eligibility: 24 CFR 570.201-204 but not including 24 CFR 570.201(e)
- Area benefit: 24 CFR 570.208 (a) (1)
- Ineligible activities: 24 CFR 570.207
- Limited clientele: 24 CFR 570.208 (a) (2)
- Majority (>51%) LMI clientele: 24 CFR 570.208 (a) (2)(b);
- Presumed LMI clientele: 24 CFR 570.208(a)(2)(a)
- Special Economic Development Activities: 24 CFR 570.203

REQUIRED RECORDS

Each agency is responsible for keeping and maintaining the proper records to demonstrate compliance under the applicable national objective category. All of the below categories pertain to HUD's CDBG National Objective to benefit low- and moderate-income (LMI) persons. The following lists are not all inclusive. If funded, City staff will communicate any additional documentation and reporting requirements.

Area benefit activities

Records to be maintained, including but not limited to:

- Boundaries of the service area;
- Documentation that the area is primarily residential (e.g., zoning map);
- Percentage of low- and moderate-income (LMI) persons that reside in the service area; and
- The data used for determining percentage of LMI persons.

Limited clientele activities

One (1) of the following types of documentation must be kept for each activity:

- Documentation showing that the activity is designed for and used by a segment of the population presumed by HUD to be principally low- and moderate-income; or
- Documentation showing the size and annual income of the family of each person receiving the benefit.

ELIGIBLE APPLICANTS

Currently, the City of Racine is only considering internal applications from City of Racine departments. Additional requirements are stated below and based on the funds for which an applicant applies.

REPORTING REQUIREMENTS

In accordance with 24 CFR 570.503 (b)(2), the applicant will be required to submit Quarterly Progress Reports and maintain these records for six (6) years after the term of the agreement. In addition, the applicant will be required to report on approved performance measures, client financial and demographic information for the City's Consolidated Annual Performance Evaluation Report (CAPER), and other required information as requested by the City to comply with the City's reporting requirements.

ANTICIPATED TIMELINES

The following anticipated timeline is subject to change, at the discretion of the City:

Due Date	Task
May 1, 2023	Notification of Funding Availability issued to known interested applicants, and posted on the City's website.
May, 12 2023	Questions from prospective applicants are due via email/in writing no later than 4:30 p.m.
May 17, 2023	The City's written response to each question submitted will be sent to all known prospective applicants for whom the City has a valid e-mail and/or postal address. The responses will also be posted on the City's Website
May 26, 2023 (Friday)	Application submission deadline <u>no later than 4:00 pm.</u>
June 12, 2023	Members of the Community Development Block Grant Advisory Board (CAB) hear applicant and staff presentations, evaluate applications, and make preliminary funding recommendations at the CAB meeting, 6:00 p.m.
July 18, 2023	Members of the Common Council hear applicant and staff presentations, evaluate applications, and make final funding recommendations. 7:00 p.m.
July 2023	Award letters sent to agencies. Assumes HUD-issued funding agreement with the City of Racine.
January 1, 2023	Service begins. Program funds will not be officially allocated until a written agreement is signed. Beware of engaging in choice limiting actions by not having an Environmental Review conducted prior to physical work.

APPLICATION EVALUATION AND CRITERIA

Racine City Development staff will review applications to ensure the minimum requirements are met. This review will include a threshold review to ensure applications specify and include the minimum criteria stated below. Projects must meet ALL four (4) criteria.

- 1) The activity must be eligible under HUD regulations (24 CFR 570.200-570.207) and applicable City regulations;
- 2) The activity must meet a HUD CDBG National Objective to benefit low to moderate income (LMI) persons; and
- 3) Implements the Consolidated Plan; and
- 4) The applicant has the ability to meet and maintain compliance with applicable federal, state, and/or local regulations.

All applications that meet the minimum threshold will be presented to the CDC. Past performance is critical and the CDC will be provided information relating to the applicant's past performance under the CDBG program as applicable. The CDC will host public meetings for presentations from applicants, and will ask applicants questions regarding the proposed services.

Applications will also be evaluated on a competitive process according to, but not limited to, the following criteria:

- The conceptual soundness of the project;
- The financial feasibility of the project;
- Demonstrated ability to implement and administer the program;

- The applicant’s ability to meet and maintain compliance with applicable federal, state, and/or local regulations, as identified.
- Value for the money (cost versus community impact);
- **Demonstrable** positive impact on the community made apparent through rational and accountable performance metrics.
- **Engagement of “Section 3 Residents” and “Section 3 Business” to the greatest extent feasible.**

REQUIRED MONITORING

City Development staff will work with successful applicants to ensure specific benchmark or milestone requirements are met. Staff will require monitoring activities to be conducted at each of the following phases of a project:

Predevelopment: Upon award of funding City staff will meet with the applicant to review all of the CDBG program and monitoring requirements. Applicants will be required to report on the status of the project on a quarterly basis. The report should include the status of the site plans, financing, permits, and other predevelopment activities;

Development: During the development phase of the project, staff will meet regularly with the Sub-recipient to ensure all program requirements are being met. Onsite inspections will be conducted during construction prior to any release of funds; and

Close Out: Prior to project close out, all compliance documentation and beneficiary data must be received by the City. A cost certification and completion checklist may be required prior to final close out.

UNACCEPTABLE SUBMITTALS

Applications submitted that are not responsive to the minimum requirements of the solicitation are unacceptable and shall not be considered. Unacceptable applications are those which are subject to at least one (1) of the following shortcomings:

1. Does not address the essential requirements of the NOFA.
2. Clearly demonstrates that the applicant does not understand and/or address the essential requirements of the NOFA.
3. The applicant would not be able to fully satisfy the requirements defined in the NOFA, or would be financially unable to provide the services in a timely manner.
4. Does not meet the deadline for submittal.
5. Does not contain the signed original.
6. Does not include the required original signed assurance document.
7. The applicant does not meet the qualifications listed under “Eligible Applicants”.
8. Does not include all the information and documents required as part of the application

CONTACT

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QUESTIONS FROM APPLICANTS AND RESPONSE BY THE CITY

Inquiries regarding the content of this NOFA must be submitted to the City in writing, no later than **Friday, May 12, 2023 at 4:30pm** and time indicated in the Anticipated Timelines section of the NOFA. Questions received after this date and time will not be answered. Questions may be submitted electronically or via U.S. mail to either contact person identified in the Contact Section of this NOFA. City will time- and date-stamp all questions received via U.S. mail.

The City will provide a written response to each question received, and, as applicable, will issue any resulting amendments to this NOFA no later than the date indicated in the Anticipated Timelines section of the NOFA. A response will be provided electronically via email to the applicant, and simultaneously to any other interested party who have provided the City with a valid email address. Responses will also be posted on the City's website.

SUBMITTAL DUE DATE AND INSTRUCTIONS FOR SUBMITTAL

Inquiries regarding the content of this NOFA must be submitted to the City in writing or electronically, no later than **Friday, May 26, 2023 at 4:00pm** as indicated in the Anticipated Timelines section of the NOFA. Questions received after this date and time may not be answered. Questions may be submitted electronically to nsdapplications@cityofracine.org or via U.S. mail to either contact person identified in the Contact Section of this NOFA. City will time- and date-stamp all questions received via U.S. mail.

The City will provide a written response to each question received, and, as applicable, will issue any resulting amendments to this NOFA electronically via email to the applicant. Responses will also be posted on the City's website.

OWNERSHIP OF MATERIAL

Responses, applications, and other materials submitted in response to this request become the property of the City, are documents of public record, and will not be returned. By applying, applicants acknowledge and agree that they and/or their organization claim no proprietary rights to the ideas or approaches contained in the applications.

APPLICATION COSTS AND PAYMENT OF CONTINGENT FEES

The City is not liable for any costs incurred by an applicant prior to the issuance of a contract. All costs incurred in response to this solicitation are the responsibility of the applicant, including travel costs to attend workshops, presentations, public meetings, and/or contract negotiation sessions.

If the applicant's application was developed with the assistance of other individuals (i.e., non-employees) and/or organizations, the applicant understands and agrees that no contingent fees will be paid under any resulting award.

ACCEPTANCE OF TERMS AND CONDITIONS

By submitting a response to this NOFA, the applicant acknowledges and accepts all terms and conditions of this request and all City and State regulations and requirements related to the delivery of the eligible activities. If the applicant is awarded a contract, the applicant's application will become part of the contract agreement. The applicant is bound by the terms of

the application unless the City agrees that specific parts of the application are not part of the agreement. The City reserves the right to introduce different or additional terms and/or conditions during final contract negotiations. Applicants will be required to enter into a formal written agreement with the City.

RIGHT TO REJECT OR NEGOTIATE

The City reserves the right to reject any or all applications, if such a rejection is in the City's best interest. This Notice of Funding Availability is a solicitation for offers and shall not be construed as an offer, a guarantee, or a promise that the solicited services will be purchased by the City. The City may withdraw or modify this notification at any time and for any reason without liability to applicants for damages, including, but not limited to, bid preparation costs.

Additionally, the City reserves the right to negotiate with selected applicants and may request additional information or modification from an applicant. When deemed advisable, and before a contract is issued, the City reserves the right to arrange an on-site visit/review to determine the applicant's ability to meet the terms and conditions described in this NOFA.

CONTRACT AWARD AND NOTIFICATION TO SELECTED APPLICANTS

Decisions regarding final contract awards for services solicited by this announcement will be made as indicated in the Anticipated Timeline section of this NOFA.

After the environmental reviews are approved by City staff, a contract will be developed. Awarded contracts will become effective on the date signed by the Mayor or the appointed representative. CDBG funds will not be committed prior to the execution of an agreement with the City of Racine.

Contracts will not be signed unless the applicant can demonstrate sufficient financing to accomplish a national objective through the proposed project activity.

Applicant agencies must demonstrate site control through ownership or a formal lease arrangement extending throughout the period during which activities must take place to meet the intended CDBG national objective.

EXPECTED TERM OF RESULTING AGREEMENT

The initial contract period shall be for 24 months. At the discretion of the City (and informed by availability of Federal funding), the period of performance may be extended for the CDBG – Public Service contracts. Extending or renewing contracts will also be based on the contractor's performance.

RIGHT TO APPEAL

Applicants whose applications are not selected have the right to appeal the decision of the City, limited to procedural errors in the selection process. If no such procedural errors are found to have occurred, the decision of the City's shall be final.

An aggrieved applicant may, within seven (7) business days after the selection of prospective eligible projects, appeal in writing to the Director of City Development or their designee. The appeal must state all facts and arguments upon which the appeal is based. The City Development Director, or the appointed Designee, will review the content of the City's solicitation document (NOFA), the applicant's application, and the facts which form the basis for

the appeal. The Director, or the appointed Designee, will render a written decision within thirty (30) business days of the receipt of the appeal.

CANCELLATION OF APPLICATION

The City reserves the right, with or without cause, to cancel any contract resulting from this NOFA with a thirty (30) calendar day written notice sent by certified mail, return receipt requested, to the applicant's address of record, as indicated on the applicant's application to this NOFA (or last known address on file).

NOTIFICATION OF REQUIRED ASSURANCES

Applicants who are awarded a contract agree to provide services in accordance with the requirement of the contract, and with the statutes, regulations, requirements, and policies identified below, including but not limited to:

FFATA: The City will require agencies that are awarded CDBG funds to comply with the new Federal Funding Accountability and Transparency Act (*FFATA). FFATA requires the Office of Management and Budget (OMB) to maintain a single, searchable website that contains information on all Federal spending awards.

*For further information on FFATA visit <http://www.USASpending.gov>

Prime Awardee: As a "prime awardee" of CDBG federal funds the City is responsible to input information into the Federal Funding Accountability and Transparency Act Sub-award Reporting System (FSRS) regarding "sub-awardees/sub-recipients" that are awarded CDBG funds. In order to comply with FFATA, the key data elements that the City will collect from agencies that are awarded CDBG includes (this list is not necessarily all inclusive):

- The "sub-awardees" nine (9)-digit Data Universal Numbering Systems (DUNS) number.
- The name of the "sub-awardees" organization.
- The "doing business as" (DBA) name of the "sub-awardees" organization, if applicable.
- Addresses where the sub-awardees" organization is located.
- "Sub-awardees" parent DUNS number, if applicable.
- "Sub-awardees" principal place of performance (primary site where the work will be performed).
- Sub-awardees" names and compensation of highly compensated officers if:

Q1. In your business or organization's previous fiscal year, your business or organization (including parent organization, all branches, and all affiliates worldwide) received:

(a) Eighty percent (80%) or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; AND

(b) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements.

If not, Q2 is not applicable. If yes, you will be required to respond Q2.

Q2. Does the public have access to information about the compensation of the senior executives in your business or organization (including parent organization, all branches, and all affiliates worldwide) through periodic reports filed under Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m (a), 78o (d)) or section 6104 of the Internal Revue Code of 1986?

If awarded funds, these data elements will be inputted into FSRs by the City. The public will have access to this information on <http://www.USASpending.gov>.

Conflict of Interest: The Applicant covenants that no person who presently exercises any functions or responsibilities in connection with the City of Racine's Community Development Block Grant (CDBG) program has any personal financial interest, direct or indirect, in this Agreement. The Applicant further covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The Applicant further covenants that in the performance of this project/application, no person having any conflicting interest will be employed. Any interest on the part of the Applicant or its employees must be disclosed to the City.

No officer, employee, or agent of the Applicant shall participate in the selection, award, or administration of activity funded in whole or in part with CDBG funds if a conflict of interest, real or apparent, would exist, nor shall their families, or those with whom they have business ties, so benefit.

Changes to Scope: For agencies that are funded with CDBG funds, if any changes are made to the scope, location, and/or beneficiaries of the program, the agency will be responsible for any costs associated with public notices placed in the Racine Journal Times the City's legal paper of record, notifying the public of the programmatic change.

Environmental Review: All projects will need to have an environmental review completed by the City in accordance with the National Environmental Protection Act (NEPA). The scope of the environmental review will depend on the nature and size of the project. The City may need to incur costs related to the completion of the NEPA review. The cost will be passed on to the applicant as a project cost. Once the funding application is received the applicant and anyone else in the development process cannot take any choice limiting actions until the environmental assessment is complete. Choice limiting actions include the acquisition of property, beginning construction activities, signing binding contracts, etc. If a choice limiting action is taken without the environmental assessment being completed, it will disqualify the project from receiving federal funding.

Choice Limiting Actions: HUD only allows the use of a conditional purchase and sale contracts conditioned on completion of the environmental review for the purchase of properties. The responsible entity or applicant may enter into a purchase option on these projects if the option agreement meets the standards of Part 58.22(d). (Applicants will need to work with City staff to ensure that the option agreement meets the requirements of Part 58.22(d)). Regulations at 24 CFR Part 58.22 make it clear that a recipient, any participant in the development process (including public or private nonprofit or for profit entities), or any of their contractors may not commit HUD or non-HUD funds on a project until the environmental review process has been completed and the Request of Release of Funds and related certification have been approved, if needed. *The City may request applicants submit a Phase I environmental, or other related studies if applicable.*

Uniform Relocation Act/Section 104(d): All projects that involve acquisition, rehabilitation or demolition are subject to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), as implemented by HUD regulation 24 CFR 570.606, as applicable. Projects that will result in the loss of housing units that rent (or would rent) at or below Fair Market Rents, or convert such units to use other than lower income housing are subject to 104(d). All applicants with a project that has or will include acquisition (including right-

of-way), rehabilitation, or demolition as part of their project must contact Brendan Saunders at 262.636.9151 or by email at Brendan.Saunders@cityofracine.org for project review and determination of applicability of Uniform Act/104(d) requirements and associated budget. **City review must be completed prior to the application due date.**

Labor Standards: Projects involving new construction or rehabilitation more than \$2,000 will adhere to federal labor laws which include:

- a) Davis Bacon Act: *Applicable to all projects (except residential housing projects with seven (7) or fewer housing units).* Provides assurance that workers employed in construction work under federally assisted contracts are paid wages and benefits equal to those that prevail in the locality where the work is performed. If applicable, the cost of compliance monitoring for federal Davis Bacon may be passed on to the applicant as a project cost.
- b) Contract Work Hours and Safety Standards: *Applicable to all projects.* Provides assurance that workers employed in construction work under federally assisted contracts are paid one and a half (1½) times their normal salary for working over forty (40) hours per week.
- c) Copeland Act: *Applicable to all projects.* Governs the deductions from paychecks that are allowable and requires submission of weekly payroll.
- d) Fair Labor Standards: *Applicable to all projects.* Establishes a basic minimum wage for all work and requires the payment of time and a half for overtime.

Equal Employment Opportunity: This law prohibits discrimination against any employee or application for employment because of race, color, religion, sex, or national origin. Provisions to effectuate this prohibition must be included in all construction contracts. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, or national origin. The Contractor will take affirmative action to ensure that applicants are employed and that employees are treated during employment without regard to their race, creed, color, or national origin.

Section 3 Requirements: All construction contracts must meet Section 3 requirements to the greatest extent feasible. Opportunities for training and employment arising from the project will be provided to low-income people residing in the program service area. To the greatest extent feasible, contracts for work to be performed in connection with the contractor will be awarded to business concerns that are in or owned by a person residing in the program service area. A Section 3 plan for the project will be required to be completed prior to the start of construction and a Section 3 clause will need to be included in any construction contracts.

Minority Business Enterprise/Women's Business Enterprise (MBE/WBE): Developers of federally funded housing projects *must adopt* procedures to establish and oversee a minority outreach program to ensure, to the maximum extent possible, that minorities and women, and businesses owned by minorities and women (MBE/WBE's), are offered contracts. Applicants will need to include an outreach plan and include MBE/WBE provisions in all construction contracts.

Lead Based Paint: If the project involves acquisition and/or rehabilitation on a building or buildings built before 1978, federal regulations require that testing for lead paint be conducted, and a risk assessment be provided. Any lead-based paint hazard must be corrected in accordance with federal and state guidelines.

Contracting and Procurement: Projects may be subject to certain Federal procurement rules

which include:

- a) Conflict of Interest.
- b) Debarred contractors.
- c) Procurement Standards under 24 CFR 85.36 and 24 CFR Part 84.40-48, as applicable.
- d) Inclusion of CDBG and other federal requirements in all contracts and subcontracts associated with the project.

Fair Housing and Affirmative Marketing: All projects must comply with the following federal fair housing laws, including but not limited to:

- a) Title VI of the Civil Rights Act of 1964 as amended.
- b) The Fair Housing Act.
- c) Equal Opportunity in Housing Act.
- d) Age Discrimination Act.

All projects must adopt affirmative marketing procedures in compliance with federal and City policy. An affirmative marketing plan must be provided on HUD form HUD935.2A. The plan must, to the greatest extent possible, provide information to the public and potential tenants that may be underserved in the community.

Accessibility: All projects must comply with the following federal accessibility laws:

- a) Americans with Disabilities Act.
- b) Fair Housing Act.
- c) Section 504.

Financial Management: The applicant agrees to comply with the City and Federal audit requirements contained in the Office of Management and Budget Super Circular 2 CFR 200 which requires that non-profit organizations expending \$750,000 or more in federal funds in a fiscal year must secure an audit.

Other Federal Requirements: Recipients of CDBG funding will be required to comply with all federal laws and requirements including all OMB circulars and other federal requirements not listed in these instructions. These requirements will be included in any written agreement between the applicant and the City. Further information is available on request.

CITY REQUIREMENTS

Compliance with the policies of the City of Racine, WI.

Purchase of comprehensive liability insurance and bonding, as required by the City.

Compliance with federal and state laws requiring the safeguarding and disclosure of confidential information.

Completion and subsequent renewal of background checks for all employees, volunteers, or interns who will or may have unsupervised contact with children or vulnerable adults.

Certification that the firm, association, corporation, or any person in a controlling capacity or any position involving the administration of federal, state, or local funds is not currently under suspension, debarment, voluntary exclusion, or a determination of ineligibility by any agency; has not been suspended, debarred, voluntarily excluded, or determined ineligible by any agency within the past three (3) years; does not have a proposed debarment pending; has not been indicted, convicted, or has not had a civil judgment rendered against said person, firm, association, or corporation by a court of competent jurisdiction in any matter involving fraud or

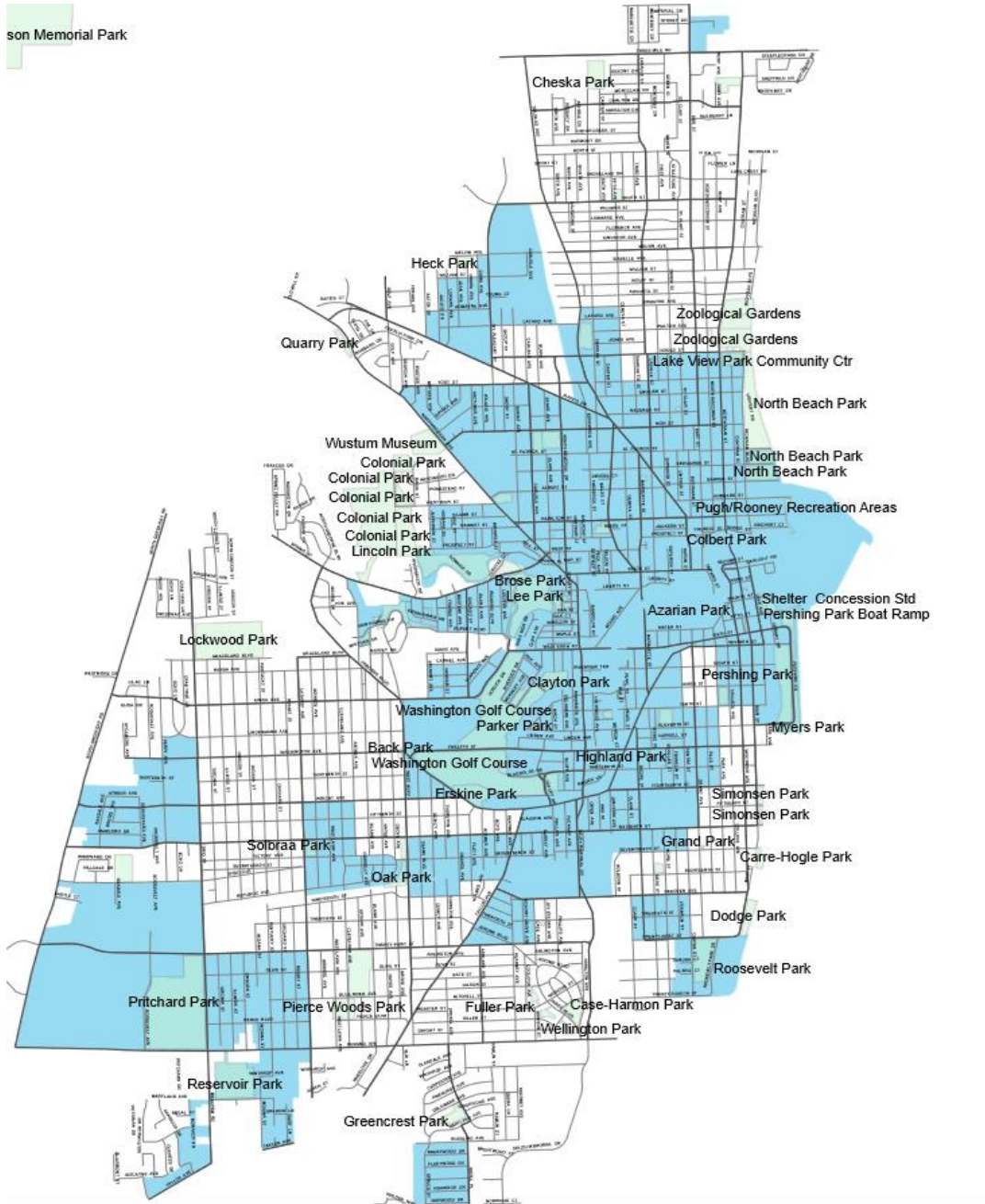
misconduct with the past three (3) years.

Maintaining program and financial records for audit review and providing access to documentation upon request by the City.

Submission of program and financial reports, as required by the City.

Programs that incorporate elements of workforce training, apprenticeship opportunities, or volunteer/community participation are strongly encouraged.

ATTACHMENT A: CITY OF RACINE LMI BLOCK GROUPS (AREAS IN BLUE ARE LMI BLOCK GROUPS)



son Memorial Park

ATTACHMENT B: CITY OF RACINE APPLICATION RATING SYSTEM

Minimum Qualifications – If all application requirements and conditions are not met, application is disqualified: Must be typed, complete, on time, and meet a national objective.

Criteria to Earn Points	Total Possible	Points Earned
Activity Need/Justification: 20 Pts awarded if activity is demonstrated as directly furthering an Annual Action Plan public service project, with fewer points possible for a less direct connection. Sliding scale, 0-20 Pts. possible	20	
Racial Equity: Up to 15 Pts awarded for activities that directly address racial equity disparities. Sliding scale, 0-15 Pts possible.	15	
Activity Management & Implementation: Up to 15 Pts awarded for demonstrated ability to effectively manage and implement activity within parameters of the agreement. Sliding scale, 0-15 Pts possible.	15	
Experience & Past Performance: Awarded for those with experience and prior positive monitoring. 25 Pts for those with experience, qualified staff and prior excellent monitoring (or proof of such with another funding source), 15 Pts for those with experience, qualified staff and adequate monitoring (or proof of other), 10 Pts for experience, qualified staff and corrected monitoring issues (and now in compliance and good standing) and 0 Pts for no experience or existing monitoring /compliance issues	25	
Collaboration: 10 Pts awarded for activities that are carried out through formal (documented through contracts/agreements) collaboration, 5 Pts for activities that have demonstrated collaboration but not under a formal contract with other agencies, 0 pts for no collaboration	10	
Matching Contribution: Up to 10 Pts awarded based on ratio of matching funds to the grant funds requested: 10 Pts for 10:1 or more, 8 Pts for 5:1, 5 Pts for 1:1, 2 Pts for ¾:1 and 0 points for a lower ratio	10	
Application Completeness: 5 Pts earned for applications with all concise descriptions and backup information, professional writing, and accurate math. 1 point deducted for each piece of missing documentation or application error.	5	
Total Points Earned	100	