

## FFY 2024 CDBG Application Training – Q & A

Q 1. Threshold expenditures also do not include PI added to the grant, as in prior years, correct?

A. Yes – that is correct.

Q 2. Can grants be used for design and architectural work related to Senior Centers?

A. You may come in for design in one funding year and the work in a subsequent year. Since bid-ready plans and specs. are a threshold requirement for Senior Centers, you wouldn't be able to apply for both at the same time. As an additional note, there is a risk of repayment if you come in for design funds, but project construction is not completed within five (5) years.

Q 3. If a city or town is completing their infrastructure designs and bids in-house, and a letter from an engineering firm is not available, is it acceptable that the professional engineer for the city/town submit the letter?

A. Yes, that would be acceptable.

Q 4. Regarding public social services, how should Mini-Entitlements plan on budgeting for services that we fund in each round and are currently funded in 22-23? 22-23 will overlap with FY24 except for the final six months--should we assume FY24 will not have started up by the time 22-23 ends?

A. For PSS it would be fine to budget for 12 months and identify in your project description that you intend to continue the same PSS activity and list the start date for when the FFY22/23 PSS activity is expected to conclude. Please note, for other activities that are not pass/fail, EOHLC reviewers do take points off if an activity isn't ready to proceed upon receiving an award (see page 21 of Application Guidance – Project Feasibility and Readiness).

Q 5. Does BABA apply to Housing Rehab program?

A. BABA is unlikely to apply to the Housing Rehab program as the threshold amount (\$250,000 from all sources) applies to the program, not individual units. It may be a consideration for larger Housing Authority projects though.

Q 6. Is there a specific % of total materials that must be American built?

A. Guidance continues to be released related to BABA and we will make further information/resources available as needed. There is a general waiver that can be applied to a portion of the products used in an infrastructure project if the *cumulative cost of those products does not exceed five percent* of the total cost of covered products used in the project (up to \$1 million). In such cases, the BAP would be waived for part of the project, but the rest would still need to comply with the BAP. *However*, EOHLC has not seen anything yet that applies to the *amount* of materials. The BABA determination form is available on EOHLC's CDBG website and must be used for infrastructure projects. The BABA documentation form(s) should be uploaded to the Miscellaneous Attachments link on the forms page of the application (see pages 8 and 9 of the Application Guidance for more information).

Please note that infrastructure projects for this purpose are defined as “any activity related to the construction, alteration, maintenance, or repair of infrastructure in the United States”. This includes

most physical activities traditionally supported by the CDBG Program including rehabilitation of buildings and real property, construction of public facilities and improvements, utilities, water systems, electrical transmission facilities, broadband and transportation infrastructures.

Q 7. Is an independently operated water district, with its own Board, tax ID, UEI and banking considered a separate entity from the municipality?

A. Yes – it sounds like the water district is independent from the municipality. Please note, you may work with a municipality to see if they are interested in applying, however EOHLIC only contracts with municipalities for regular CDBG rounds.

Q 8. Does the 20% funds of total grant for PSS programs include the Program Delivery funds to administer those programs?

A. Yes – it does. The delivery for PSS is considered part of the activity and so it is subject to the 20% cap in the MA CDBG program. We will not count 8A (PSS delivery) towards the Program Delivery + General Admin. cap of 30% however.

Q 9. Is there a specified percentage of the grant that can be used for administration/management?

A. Yes, up to 15% of the grant can be used for general administration. Total cap for program delivery plus general administration is 30% for the FFY24 CDBG round.

Please note, however, CDBG cannot displace local funds. From page 32 of the Application Guidance – “The Chief Elected Officer of the city/town must certify that CDBG funds are not used to displace non-CDBG funds under the control of the municipality.”

Q 10. Are hook ups from road to home for failed Title V to sewer connections eligible under rehabilitation?

A. Yes. The household would need to income qualify.

Q 11. Have you distributed the template for BABA or will it be in the Application Guidance?

A. The BABA documentation template is now available on EOHLIC’s CDBG website.

Q 12. Does BABA only apply to FY22 and later funds or does it apply to any project from this day forward regardless of funding year?

A. BABA does not apply to FFY22 funds. It is being rolled out with a phased approach and corresponds to the date HUD executed the CDBG grant agreement with EOHLIC. BABA applies to the purchase of iron and steel for infrastructure projects using CDBG funds obligated on or after November 15, 2022. BABA applies to the purchase of specifically listed construction materials beginning with funding obligations from FFY 2024 CDBG funds, as well as iron and steel. Grantees should make sure to include the BABA language in all contracts and subcontracts. As an additional note, FFY22/23 CDBG infrastructure projects were funded with FFY22 funds so as not to trigger BABA requirements, however, the BABA language should still appear in all contracts.

Q 13. When you say PSS are pass/fail, how does that work within this process? If the other packet is approved then so is PSS if it is eligible?

A. Each PSS packet is weighed on its own merits as a pass/fail. If the other packet(s) is approved and the PSS receives a “pass”, then it will move forward. If the other packet didn’t receive the minimum amount of points needed for EOHLIC to make an award, then the PSS will not move forward (even if it received a pass), as EOHLIC does not currently support PSS as a stand-alone activity.

Q 14. Can we expect that FFY25 will follow a similar application timeline and period of performance as FY24? Completely understand this might not be knowable yet!

A. It is a bit early to say, however it is EOHLIC’s intention to keep a similar schedule with the application training/opening in mid-December and the application due in March. Please note that we moved the deadline a few weeks out to March 25, 2024, in response to some stakeholder commentary and due to the fact that clearances are still in process for FFY22/23. This accommodation was just for the FFY24 CDBG application round - we anticipate that FFY25 will be due in the first week of March.

Q 15. You just mentioned family income and not household. Under the impression from other documents that for HR is household. All people residing in the dwelling. Please confirm.

A. Family income was mentioned when discussing limited clientele activities – that is what is used to qualify. For HR it is household income.

Q 16. This was also confusing to us--we just held a public meeting with a very rough CDS "draft" to take initial public comment. Our plan is to have a second public hearing before we submit the application with a more final draft that we will also submit to EOHLIC.

A. There is nothing barring you from having more community/stakeholder input on the Community Development Strategy (CDS). That is fine to have a second public hearing/session before submitting. The key is that the last CDS public session should be at least two months before the application submission. Please note, it is important to remember that the proposed application activities must appear on the CDS.

*Note: The CDS is only applicable to Mini-Entitlements.*

Q 17. Will this PowerPoint presentation be posted on your website?

A. Yes, it has been posted along with this Q & A document and is available at the following location: <https://www.mass.gov/info-details/community-development-block-grant-cdbg>

**Stakeholder Comment:** The BABA could be a problem for HRPs when renovation contractors frequently purchase materials from Home Depot/Lowes, which carry a high percentage of foreign-made materials in many merchandise categories. In short, the extent of the problem will rest on the required documentation/certification process.

**EOHLIC Correction** to Slide #43: EOHLIC had originally stated that Applications will not be considered “regional” if the only activity taking place in more than one of the communities is public social services. This requirement was removed a few funding cycles back, but was inadvertently left on the slide.

## EOHLC Reminders:

Please make sure to remove reference to DHCD from Professional Services Contracts, NOIRRFs etc. We are now the Executive Office of Housing and Livable Communities (EOHLC).

Please read the Public Hearing requirements carefully, as missing a crucial component can negatively impact your application. The language from the Application Guidance is included below:

### **PUBLIC HEARING DOCUMENTATION**

Applicants are required to hold at least *two* formal public hearings *during a CDBG grant cycle*. At least *one must be held before submitting an application* for CDBG funds. EOHLC encourages but does not require applicants to hold more than one public hearing during the application process.

1. Public hearings should be held at least two (2) weeks prior to the submittal of the application. The hearings must be held during times that the public can reasonably be expected to attend. The meetings dates must also allow sufficient time for the applicant to make changes in the proposal if public input so warrants.

2. Advance notice must be sufficient to reasonably allow for attendance.

Notices should include:

- a. Identify the public body that is to hold the hearing;
- b. Identify the project area(s) and proposed activities;
- c. The names of each community participating in the proposed activities;
- d. Identify the agency that is to undertake the project(s);
- e. Identify the date, time, and place of the hearing;
- f. State that any person or organization wishing to be heard will be afforded an opportunity to be heard; and
- g. Allowance for submittal of written comments by those wishing to do so.

3. Public notification can include the following: newspaper articles notices; public service spots on radio or cable television; brochures/flyers at various locations within each of the communities participating in a joint activity or program; bulletin boards, and legal advertisements. Please note, an official municipal website can be used for posting, but this should be in addition at least one other non-digital location and the complete description of the notice must be visible on the website.

4. Public Notice Documentation: Describe and attach a copy of the notices, articles, etc., which informed the public of hearing.

5. Minutes: Attach a copy of the minutes of any hearings. Minutes must include presentations and concerns raised or comments made by those in attendance, and a list of persons who attended the hearing. Please ensure prior to the hearing that you are able to record an attendance list with whatever platform used (Zoom, Teams, etc.) if you are holding a virtual hearing. If you are unable to capture documentation using a tool on the platform, you may need take attendance verbally and record on a separate word document.

6. If the municipality's FFY 2024 application proposes to continue a previously funded CDBG project/program, please attach a copy of the minutes from the public hearing that includes citizens' views on the outcomes and the effectiveness of the previously funded CDBG project/program and ways of improving these projects/programs.