

City of Bangor
Community Development Block Grant (CDBG) Program
Notice of Funding Availability (NOFA)
Fiscal Year 2024-2025



CITY OF BANGOR

DEADLINE FOR PROPOSALS

Tuesday, March 12, 2024, at 11:59 p.m. EST
Neighborly application automatically closes at midnight.

PRE-APPLICATION WORKSHOP

Friday, March 9, 2024, at 1:30 p.m.

Virtually via Zoom

Email to RSVP: comm.dev@bangormaine.gov

APPLICATION DEADLINE

Sunday, March 31, 2024, at 11:59 p.m. EST
Neighborly application automatically closes at midnight.

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More information can be found on our website:

www.bangormaine.gov/cdbg

INTRODUCTION

The City of Bangor is requesting proposals for the use of Fiscal Year 2024-2025 Community Development Block Grant (CDBG) Program funding for public service activities and capital projects. This federal grant program is administered by the U.S. Department of Housing and Urban Development (HUD).

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

The CDBG Entitlement Program, established in 1974 and administered by HUD, provides metropolitan cities and urban counties with funds to assist in achieving their goals of neighborhood revitalization, improved community facilities, prevention and elimination of slums and blight, and assistance to low and moderate-income persons. An appropriation amount is determined by a statutory formula which uses measurements of need. The City of Bangor has participated as an entitlement city under this program since 1987 and receives a yearly grant.

To qualify for CDBG funding, the applicant must meet one of the three national objectives:

- ✓ Benefit to low- and moderate-income persons as defined HUD; or
- ✓ Aid in the prevention or elimination of slums or blight; or
- ✓ Meet a community development need having a particular urgency where existing conditions pose a serious and immediate threat to the health or welfare of the community, and no other funding sources are available.

ELIGIBLE ACTIVITIES UNDER CDBG

- ✓ Acquisition or disposition of real property
- ✓ Acquisition, construction, reconstruction, rehabilitation, or installation of public facilities and improvements
- ✓ Site improvements
- ✓ Privately-owned utilities
- ✓ Clearance, demolition, removal of buildings and improvements, and/or movement of structures to other sites
- ✓ Interim assistance in areas exhibiting physical deterioration where immediate action is necessary to arrest deterioration and permanent improvements will be conducted as soon as practicable
- ✓ Removal of architectural barriers, ADA improvements
- ✓ Housing rehabilitation
- ✓ Code enforcement
- ✓ Historic preservation
- ✓ Commercial or industrial rehabilitation
- ✓ Special activities by subrecipients
- ✓ Public services
- ✓ General program administration

NOTE: For public services eligibility (ONLY if not previously funded):

Must be a new service -OR- Must be an increase in the level of an existing service above that provided in the previous twelve months.

CITY OF BANGOR PRIORITIES FOR FISCAL YEAR 2024-2025

1. Prevent and alleviate homelessness and their related health and social effects

- Assist low to moderate income persons in need of food, shelter, clothing, health care and/or safety.
 - Prevent and divert at-risk youth from homelessness
 - Address the housing, health care, accessibility and service needs of underserved populations such as, but not limited to: elderly and persons with mental, physical, emotional and developmental disabilities and/or diseases.
-

2. Support Landlords and tenants through Eviction Prevention and Housing Navigation Programs

- Support and develop social services that offer short-term case management for tenants at risk of eviction, to find and negotiate leases, and to mediate landlord/tenant issues.
 - Encourage programs and services which support housing providers with education and assist with communication barriers with rental assistance programs.
 - Support and encourage programs to reduce costs of leasing assisted units.
-

3. Provide affordable housing

- Develop and support programs and projects to increase the supply of affordable housing for low to moderate income persons.
 - Maintain and upgrade existing low to moderate income neighborhoods and preserve the affordable housing stock.
 - Provide rehabilitation services that will assist low to moderate income homeowners and renters to continue living in their homes safely.
-

4. Revitalize existing neighborhoods

- Revitalize existing neighborhoods in low to moderate income areas by increasing services such as supportive social services, and upgrading public infrastructure, such as street lighting, improved sidewalks, parks, and recreational public facilities.
-

The priorities are not listed in order of importance. They are numbered for referencing purposes only.

PRIORITIES #1 AND #2 WILL ONLY BE CONSIDERED FOR PUBLIC SERVICES FUNDING.

CRITERIA CONSIDERED FOR PUBLIC SERVICES

In addition to the Federal guidelines for eligibility, the City of Bangor has established the following local criteria for allocating CDBG funds to agencies that provide public services:

- **Public Service agencies should provide support to Bangor residents. CDBG funds may only apply to the scope of an organization's services that will directly or indirectly benefit individuals that live or work in the City of Bangor. There is no requirement that the organization's offices be located within the limits of the city.**
- **Priority will be given to those programs that prevent eviction, support successful tenancies, provide services to at-risk youth and meet compelling and critical social service needs.**
- **The agency does not provide duplicative services, i.e. already being effectively provided by another agency or organization for the same population and area.**
- **The agency demonstrates it has sought funding from a variety of sources. CDBG funding should leverage multiple streams of income, and augment an organization's financial resources rather than keep it afloat.**
- **The agency demonstrates a high level of cooperation and coordination with existing related programs and other community resources.**
- **Past performance and history of the agency or organization are considered to assess the agency's prospects for achieving its goals and objectives. Priority will be given to those agencies that have effectively provided services for at least three years.**

With the limited amount of funding that is available for public services and the tremendous need in the community, it is not possible to provide seed money to agencies for new services. It is important that agencies demonstrate an effective, efficient, and proven level of service, responsible administration, and public trust.

CRITERIA CONSIDERED FOR CAPITAL FUNDING

The criteria below are regarding Capital projects.

- **Project Readiness** – How quickly can the project commence work and expend the funding awarded?
- **Financial Feasibility** – How realistic is the budget, and is the project or program able to operate sufficiently based on the budget?
- **Cost Efficiency** – Is the budget efficient and are the costs reasonable to develop a capital or housing project or deliver program services? Does the budget effectively accomplish the goals of the project or program without using more funding than necessary to accomplish those goals?
- **Administrative Capacity** – Is the project team able to deliver project results in compliance with complex program regulations and other federal requirements, including applicants experience with similar projects, Federal grant programs, finance, and past performance under City projects and/or programs?

NOTE: See two major federal funding requirements that may impact the cost and administration of your agency's project (page 11).

ANTICIPATED FUNDING FOR FISCAL YEAR 2024-2025

As of February 2, 2024

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM

Anticipated Entitlement Amount

2024-2025 Entitlement Grant	\$ 817,564
Anticipated Program Income ¹	\$ 250,000
Reprogrammed CDBG Funding ²	\$ 1,430,000
Total CDBG Resources	\$ 2,497,564

Anticipated CDBG Allocations

Allocation for Public Services	\$ 160,132
Allocation for Capital Projects ³	\$ 1,151,792
Allocation for Administration and Planning	\$ 213,990
2024-2025 Annual Allocation	\$ 1,425,914

*Anticipated amounts subject to change before the start of Fiscal Year 2024-25
Allocations are subject to the approval of the City Council*

¹ Program Income received through repayments to the Residential Rehabilitation Program may fluctuate, these program funds and income are not included in the above calculations.

² Carryforward funding – estimate as of 01/31/2024

³ Capital projects include public facilities, street and sidewalk improvements, historic preservation and façade grants, property investments and acquisitions .

APPLICATION PROCESS

The City of Bangor's CDBG application is available on our new Neighborly Portal; all applications must be submitted using this online platform. New users must create a user account, and returning users may use their existing log in credentials.

NEIGHBORLY PORTAL WILL BE ONLINE MARCH 11. Please use our traditional application, available on our website. Both online and traditional applications are appropriate for this cycle.

Agencies must submit a separate application for each proposed program, project, or activity. Please note that the CDBG application is similar for both public service and capital project. Ensure the correct branching question is selected at the beginning of the application which will route you to the correct application. Questions must be answered thoroughly; if a question is not applicable, enter "N/A" and a brief explanation. Copies of the Federal Guidelines for Eligibility, the current HUD Income Limit Schedule and the current priorities are available on our website, in this NOFA, and by request to assist the applicant in determining if a particular project or activity is eligible for funding.

Site Visits and Selection Committee

The selection committee will review all applications and conduct in-person site visits for each proposed program/project. The purpose of the site visit is to learn more about the agency's program/project and ask questions related to the agency's application. **Site visits will take place in mid-April.**

Funding recommendations will then be presented to the Business and Economic Development Committee, where CDBG allocations will be discussed to set the budget for Fiscal Year 2024-2025. Agencies and organizations are then invited, but not required, to discuss their proposals at a public meeting where residents may learn about their projects, before moving to the Bangor City Council for approval.

The anticipated approval of the Fiscal Year 2024-2025 CDBG Funding Allocation is May 13, 2024. Funding will be available to spend on July 1, 2024.

Important Application Dates:

- **Project Pre-Application Proposal**

Agencies wishing to apply for 2024-2025 CDBG funds must first submit a pre-application proposal. This preliminary proposal will give the City staff an opportunity to evaluate the project before an agency goes through the extensive application and bid process. The pre-application should receive brief, 1-2 sentence responses, budget estimates, and project details, as the full application will ask for more in-depth discussion of the project. Proposals that are eligible for CDBG funding may move forward with a full application. It is recommended that an organization's manager or Director should plan on attending the Pre-Application Workshop. **The deadline to submit project proposals in Neighborly is Tuesday, March 12, 2024, at 11:59 p.m. EST. (the Neighborly application automatically closes at midnight). Applications that are emailed or hand-carried will also be due no later than that date.**

- **Pre-Application Workshop**

ALL agencies interested in applying for public service and capital project funding are **strongly encouraged** to attend a pre-application workshop. At least one representative from each agency should attend the workshop to consider the undertaking that this funding commitment requires.

Date: Friday, March 8, 2024, at 1:30 p.m.

Location: Virtually via Zoom

RSVP: Email comm.dev@bangormaine.gov

- **Application Deadline**

The deadline to submit public service and capital project applications in **Neighborly is Sunday, April 1, 2024, at 11:59 p.m. EST. (the Neighborly application automatically closes at midnight). Applications that are emailed or hand-carried will also be due no later than that date.**

Technical Assistance

Neighborly Technical Support staff can assist with **technical questions or general inquiries about the system**. When this contact information is available, this NOFA will be updated with the relevant information.

For **content-related questions**, contact the City's Community Development Division at (207) 992-4280.

INSURANCE REQUIREMENTS

Agencies approved for CDBG Fiscal Year 2024-2025 funding must comply with the City's insurance requirements, per the contract agreement.

Share the insurance language below with your agency's insurance agent to ensure that any additional insurance costs do not negatively impact the agency's budget. Additional insurance costs may be billed to the grant, if needed.

INSURANCE REQUIREMENTS

SUBRECIPIENT and/or their contractor, as applicable, shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the SUBRECIPIENT, their agents, representatives, or employees. If the SUBRECIPIENT maintains broader coverage and/or higher limits than the minimums shown above, the CITY requires and shall be entitled to the broader coverage and/or higher limits maintained by the SUBRECIPIENT.

A. Minimum Scope and Limits of Insurance Coverage shall be at least as broad as:

1. All statutory requirements for worker's compensation insurance
2. Employer's Liability insurance: \$500,000 for each accident; \$500,000 disease-policy unit; and \$500,000 disease-each employee;
3. Comprehensive automobile Liability Insurance insuring bodily injury and property damage arising from all owned, non-owned, and hired vehicles, if any, with minimum limits of liability of \$1,000,000 combined single limit, per accident;
4. Errors and Omissions liability insurance appropriate to the SUBRECIPIENT's profession. Architects' and engineers' coverage is to be endorsed to include contractual liability.

B. Minimum Limits of Insurance for Contractors

SUBRECIPIENT shall ensure the contractor maintain limits no less than:

1. General Liability - \$2,000,000 combined single limit per occurrence and \$5,000,000 aggregate umbrella liability.
2. Automobile Liability - \$1,000,000 per accident for bodily injury and property damage.
3. Workers' Compensation: Statutory limits.
4. Builder's Risk Insurance for the duration of the Project.

CONTRACT REQUIREMENTS

ATTENTION POTENTIAL CAPITAL PROJECT APPLICANTS

The following are some guidelines to consider when preparing an application that will use a contractor.

Davis-Bacon Prevailing Wage Requirement

When obtaining three bids and ultimately hiring a prime contractor for this CDBG-funded Capital project, the City of Bangor will ensure that a Contractor tied to this project is eligible to receive federal funds and is not on a federal debarred list. The City will also expect the subrecipient (in this case the entity that receives CDBG funding) to ensure that the Contractor hired for the project is complying with Federal Labor Standards Provisions and Davis-Bacon prevailing wages as determined to be applicable. In the event of discrepancies between the minimum wage determinations made by the Maine Department of Labor and by the U.S. Department of Labor, the higher value shall apply. Any subcontract/agreement resulting from the prime contract must contain the same language pertaining to Federal labor standards and applicable wage rates.

Section 3 Requirement

Per CDBG, the Contractor and Subcontractor(s) must also abide by CDBG's Section 3 requirements. Section 3 requires that economic opportunities generated using Federal funds be made available to low- and very low-income persons, particularly those who receive Federal financial assistance for housing and those residing in communities where the financial assistance is expended. This applies to CDBG funded projects that are over \$200,000, whether the project is fully or partially funded with CDBG.

A Section 3 worker is any worker who currently fits, or when hired within the last five years, fits at least one of the following categories, as documented:

- a. The worker's individual income for the previous or annualized calendar year is below 80 percent of the Santa Barbara County Area Median Income (AMI) limit established by HUD. The current income limits can be found on the City's website; or
- b. The worker is employed by a Section 3 business; or
- c. The worker is a YouthBuild participant.

(Section 3 requirement continued)

In accordance with Section 3 benchmark requirements, the following are required to be met for every Section 3 Project:

- (a) 25 percent of total labor hours worked by Section 3 workers, and
- (b) five (5) percent of total labor hours worked by Targeted Section 3 workers.

Failure to meet the benchmarks does not automatically trigger sanctions against the Contractor and Subcontractor(s). However, if Section 3 benchmarks are not met, the Contractor and Subcontractor(s) must demonstrate and document actions that were taken to direct employment opportunities to Section 3 Workers and Targeted Section 3 Workers and/or contract with Section 3 Businesses, and what impediments were encountered.

There may be exceptions to the above-mentioned Capital project requirements. For example, a minor home repair program whose overall project is made up of assisting individual single-family homes or apartments may be exempt from triggering Davis-Bacon prevailing wage requirements. Contact the Community Development Division) if you have any questions regarding these requirements.

It is important to know what will be expected of you as a Capital project subrecipient as it may financially and administratively impact the funding and management of the project.

GENERAL CONTRACT REQUIREMENTS – All Projects

Accounting Standards: Subrecipients of federal funding are required to comply with certain administrative requirements to responsibly manage public dollars. The applicant should review 2 CFR Part 200 “Uniform Administrative Requirements, Cost Principles, and Requirements for Federal Awards”, as this will become part of the contract and a condition of funding. These are statutory requirements and therefore cannot be waived.

Subrecipients shall apply the accounting standards contained in OMB Circulars A-122, “Cost Principles for Non-Profit Organizations,” or A-21, “Cost Principles for Educational Institutions,” as applicable. These principles will be applied for all costs incurred whether charged on a direct or an indirect basis.

Funding Source Recognition: The Subrecipient will ensure recognition of the roles of The City and of HUD’s CDBG program, in providing services through this Agreement. All activities, facilities and items utilized pursuant to this Agreement will be prominently labeled as to funding source. In addition, the Subrecipient will include a reference to the support provided herein in all publications made possible with funds made available under this Agreement.

Documents and Recordkeeping: Subrecipients must maintain adequate records which are pertinent to the activity being funded, including operational, financial, and beneficiary data. Such data shall include, but not be limited to, client name, address, income level or other basis for determining eligibility, and description of service provided.

It is important to note that client information that is collected and distributed to comply with this directive is and continues to be private, and the use or disclosure of such information, when not directly connected with the administration of the City of Bangor's or Subrecipient's responsibilities with respect to services provided under this Agreement, is prohibited by law unless written consent is obtained from such person receiving service and, in the case of a minor, that of a responsible parent/guardian.

REPORTING REQUIREMENTS

In addition to maintaining records of their activities, a report will be requested for every project on a quarterly basis. These reports are intended to assist the Community Development Staff in the City's responsibility to HUD and to ensure that the funds are being used on eligible activities. Reports generally due with interim payments under this agreement.

This includes:

- Request for Payments with Supporting Documentation
- Client Intake Forms
- Quarterly Reporting
- Annual "Final" Report
- Site Monitoring
- Record Keeping & Record Retention

It is imperative that the agency applying for funding understands the post-award requirements set in place regarding the management and administration of this grant.

APPENDIX: APPLICATION TOOLS STANDARD DEFINITIONS

The following pages contain general information about the CDBG program's regulatory guidance as it pertains to its benefits and outcomes. This is provided so that applicants may refer to it as needed throughout the project planning process.

Beneficiary:

Definition: The individuals that are served, or benefit from, either directly or indirectly, by the activity being funded. To be eligible for CDBG funding, businesses, agencies, and other organized entities provide these to Bangor residents on behalf of the City.

These are:

- Persons: individuals served, such as clients, employees, or patients.
- Residents: individuals or households that live in a target area.
- Households: Groups of individuals ("see "household"), or the housing unit itself.
- Microenterprises: Businessowner is an eligible beneficiary and employs 5 or fewer employees.

"Eligible" Beneficiaries

Definition: The City of Bangor receives funding based on population characteristics, which must be used to assist residents who may have a more difficult time navigating the community than others, based on these areas of *social vulnerability*. Many federal agencies use this [Social Vulnerability Index](#) to target public health, environmental, and community development initiatives to increase the well-being of those with economic, aging, ability, cultural minority, and education barriers.

- Low-and Moderate Income: <50%, <80% of Area Median Income (AMI)
- Severely Disabled: persons needing an assistive mobility device (wheelchair), help with activities of daily living, require supervision, are blind or deaf, or need assistance to remove accessibility barriers at home
- Homeless: persons who are unsheltered or chronically homeless (unstably housed)
- Victims of abuse or neglect: domestic violence survivors, homeless children, or foster children
- Illiterate Adults: persons who cannot read or write at a 4th grade level
- Cultural Minorities: persons with a cultural, ethnic or racial identity that is protected from discrimination or who are marginalized on the basis of their identity
- Older Adults: persons aged 62 or older

INCOME DETERMINATION

The chart below includes the income limits for many HUD programs based on the Area Median Income (AMI). The top column lists the AMI bases for each household size, and the Low Income, and Moderate-Income, limit for each household.

Household Size Income Level	1 PERSON	2 PERSONS	3 PERSONS	4 PERSONS	5 PERSONS	6 PERSONS	7 PERSONS	8 PERSONS	rounded to the nearest \$5
AMI	\$60,315	\$68,940	\$77,565	\$86,125	\$93,065	\$99,950	\$106,825	\$113,690	
80% AMI	\$48,250	\$55,150	\$62,050	\$68,900	\$74,450	\$79,950	\$85,450	\$90,950	
50% AMI	\$30,150	\$34,475	\$38,780	\$43,060	\$46,535	\$49,975	\$53,410	\$56,845	

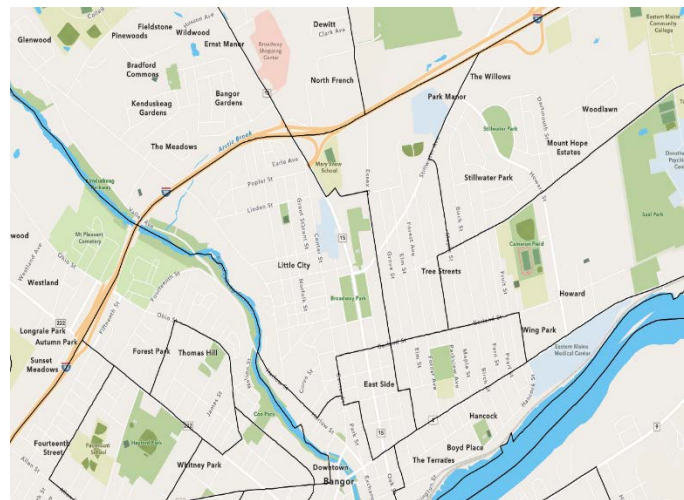
Low- And Moderate-Income Limits
As of May 2023

For a list of income that is counted, or that is disallowed, please consult the federal regulations at 24 CFR [“Part 5”](#)

CENSUS BLOCK GROUPS

Where a project will benefit a larger group of individuals, such as in a public facility, a neighborhood or even a single street, the effects of the project are aggregated to include all of the residents within that area. HUD requires all projects which claim to benefit a Low-Mod Area (LMA) to determine the percentage of the eligible beneficiaries that live in that area or that will use the facility being proposed.

If the project will target a specific area or neighborhood, Applicants should be prepared to discuss their proposal in terms of low-and moderate-income population using census tract data. You can look up this information using [HUD’s Mapping Tool](#),



COST BURDENED HOUSEHOLDS AND “AFFORDABLE” HOUSING

An accepted definition of “cost burden” used by the U.S. Census, has been adopted by many federal agencies as a basis of affordability guidelines. A cost-burdened household is one that spends more than 30% of total household income on their housing expenses (rent, mortgage, utilities, taxes, and insurance). HUD anchors this definition to the Area Median Income. When generalized using AMI, their annual publication of Fair Market Rents (FMR) sets a threshold for low- and moderate-income families to avoid becoming cost burdened.

This challenges any community to expand the definition of what is affordable when housing factors such as transportation, education, infrastructure, and amenities all play a role in housing supply and demand. Therefore, activities to equitably distribute these amenities across neighborhoods throughout the City is as impactful as housing development. The City of Bangor’s Community Development and Housing programs apply these broad concepts to influence housing needs and choices by targeting CDBG resources.

Housing in Bangor should be available (plentiful) and accessible (within the means of) every citizen. Our federally-funded programs will support projects that, at a minimum, enable residents to live comfortably without becoming cost burdened:

Housing that is easily obtained with less than 30% of their household’s monthly income.

HUD restricts some activities using the published FMRs, or are based on the occupancy of an eligible beneficiary.

When feasible, expenses might exceed FMR when the higher amount does not exceed the cost-burdened standard definition.

Public Benefit Standard

Finally, while all of these guidelines suggest an ethos for public investments, it can sometimes be difficult to determine how much assistance will have the desired effect. The Public Benefit Standard provides a benchmark for those decisions.

This is a simple calculation of the total (maximum) amount of funding per eligible beneficiary:

Job: \$10,000 per employee – *Housing*: \$35,000 per unit – *Public Service*: \$1000 per individual

Remember that CDBG can only serve beneficiaries, and therefore can only logically fall into these categories.