

STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor Kathleen Blumenfeld, Secretary

Division of Energy, Housing and Community Resources Notice of Funding Availability Community Development Block Grant Coronavirus Assistance (CDBG-CV)

ROUND FOUR

I. Funding Opportunity: CDBG-CV Overview

Under this Notice of Funding Availability (NOFA) and Guidance, the Division of Energy, Housing and Community Resources (DEHCR) is announcing that \$5,000,000 to \$10,000,000 of Wisconsin Community Development Block Grant – CV (CDBG-CV) funds are available to eligible municipalities to prepare for, respond to, or prevent the spread of the coronavirus. Funding is provided from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).

DEHCR is soliciting applications from eligible municipalities to implement programs/projects that are consistent with the objectives of the CARES Act, which are to be used to "prevent, prepare for, and respond to the coronavirus pandemic" and have a direct impact on low- and moderate-income residents and/or businesses. Applicants must be able to demonstrate an ability to successfully meet these objectives in compliance with all applicable federal and state requirements pursuant to the use of CDBG funds. **PROJECTS MUST BE COMPLETED NO LATER THAN MAY 15, 2026.**

- 1. <u>Eligible Municipalities:</u> CDBG-CV funds are available to non-entitlement local units of government located in the State.
- 2. <u>National Objective Compliance:</u> All activities funded with CDBG-CV funds must meet a CDBG National Objective (in accordance with HUD program regulations).

DEHCR reserves the right to reallocate CDBG-CV funds among activities and municipalities to best address the needs and requirements of municipalities to prevent, prepare, and respond to the coronavirus. Additionally, DEHCR reserves the right to award all or only part of the funds requested in any proposal in whole or in part, or to reject any and all proposals received. The maximum award amount is \$2,500,000 per eligible project. Local units of government may submit more than one application.

DEHCR reserves the right at any time and without notice to cancel or recommence this NOFA, narrow or amend its scope, or reject any and all responses if DEHCR determines that a fair and open competitive procurement has been compromised or that doing so is in the best interest of the State. DEHCR reserves the right to use this NOFA and responsive applications to allocate future CDBG-CV awards without further notice.

II. CDBG-CV Eligible Activities

The use of the CDBG-CV funds may be used to address the following activities, with primary emphasis and preference to the development of affordable housing units. **New construction of housing units is not an eligible activity under this NOFA.**

- Convert underutilized buildings to housing units. A minimum of 51% of the units must be reserved for low to moderate income (LMI) households. (80% or less county median income (CMI))
- 2. Public facility improvements
- 3. Acquisition and/or improvement of housing facilities for persons experiencing homelessness.

III. Application Requirements and Process

Municipalities wishing to apply for funding towards any of the eligible activities described in this notice should submit only one application for each activity/project. CDBG-CV funds are awarded through a competitive process, with priority and preference to the development of affordable housing units. For each grant application received on or before the application submission deadline, DEHCR reviews, scores, & ranks the applications based on a pre-approved list of scoring criteria. Successful Applications must meet a CDBG National Objective (in accordance with HUD program regulations) and prevent, prepare for, and/or respond to the coronavirus pandemic.

Final funding decisions are at the sole discretion of the State of Wisconsin.

APPLICATIONS WILL BE AVAILABLE ON February 18, 2024.

IV. Evaluation

DEHCR will evaluate all applications according to the following criteria. There are 140 possible points.

Affordable Housing Development: 50 possible points.

Projects designed to create and expand affordable housing units may be awarded up to 50 points.

Maximum points will be awarded to projects meeting/exceeding the following criteria:

- Number of affordable housing units (minimum of 51% of the newly created units must be made available to LMI households).
- Projects that include 3-bedroom units.
- Energy Efficiency/Sustainability features.
- Proximity to supportive services, including but not limited to, aging and disability, job service, public assistance benefit location.
- Proximity to resources or availability of transportation to these resources: medical facilities, daycare center, grocery stores.

Scale and Impact: 25 possible points.

The extent to which application activities will directly address the CDBG-CV requirement (preparing for, responding, to and preventing coronavirus). Applications that document the most severe needs will be awarded the most points.

 Severe Need = 12-25 points will be awarded to projects needed to alleviate a significant existing problem. A significant existing problem is determined where the applicant has demonstrated devastating economic, social, and physical impacts of CV. Documentation examples may include the loss of or deterioration of affordable housing units, loss of essential services, or increased homelessness.

- Moderate Need = 6-11 points will be awarded to projects needed to alleviate a moderate existing problem. A moderate existing problem is determined where the applicant has demonstrated remaining economic, social, and physical impacts of CV. Documentation examples may include some loss or deterioration of affordable housing units, loss of essential services, or increased homelessness.
- Slight Need = 0 to 5 points will be awarded to projects needed to address a slight existing problem. A slight existing problem is determined where the applicant has a tenuous demonstration of the remaining economic, social, and physical impacts of CV.

Project Readiness: 25 possible points.

The extent to which applicants have completed pre-project planning activities and the project(s) are "shovel ready". Project readiness may include the following: site control, proper zoning, conceptual site plan and elevations. If applicable, the preliminary engineering plan is completed. Higher scoring applications will document the availability of matching funds. If appropriate, housing developer commitments without contingency other than CDBG funding, or other funding sources are committed without contingencies. Applicant must show evidence of how the proposed program or project will mobilize and operate in a timely manner.

Capacity to Deliver: 20 possible points.

DEHCR will consider the extent to which the applicants and partners demonstrate the ability to deliver eligible services and perform eligible activities, while also complying with CDBG-CV requirements. Each project must be capable of being undertaken (design and construction) immediately to provide eligible outcomes to intended beneficiaries. For housing unit development, developers and staff must have prior experience completing at least one housing development project equal to at least half the size of the project included in the application. Consideration will also be given to applicants past performance with CDBG projects including outstanding monitoring findings, ineligible project repayments, and timeliness in completing past projects.

Proposes Cost Reasonable Budget: 20 possible points.

Proposal budgets reflect cost reasonableness and affirmative efforts to leverage CDBG-CV funds with additional funding to address unmet needs. Budget narrative reflects research, quotes and/or contracted pricing.

V. CDBG-CV Round FOUR Application Timeline

NOFA posted: February 15, 2024
Application available: February 18, 2024
Applications due: May 15, 2024
Anticipated Award date: July 15, 2024

Applications must be submitted by email to CDBGCV@wisconsin.gov. Applications must be submitted in PDF format and received no later than 4 p.m. on May 15, 2024. Applications received late or incomplete will not be considered.