

**GLOUCESTER COUNTY
COMMUNITY DEVELOPMENT BLOCK GRANT
PUBLIC FACILITIES AND INFRASTRUCTURE PROJECT
APPLICATION INSTRUCTIONS AND GUIDELINES**



Prepared by:
Gloucester County Department of Economic Development
Office of Housing & Community Development
856-307-6664

GLOUCESTER COUNTY BOARD OF COMMISSIONERS
FRANK J. DIMARCO, DIRECTOR
JOANNE GATTINELLI, LIAISON

**GLOUCESTER COUNTY
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
APPLICATION AND INSTRUCTIONAL GUIDE**

I. INTRODUCTION

The purpose of this guide is to provide sufficient detail for the development of a successful proposal for potential municipal applicants for funding through Gloucester County Community Development Block Grant Program. Eligible applicants are participating units of local governmental that are part of the County Consortium.

ALL APPLICATIONS MUST BE SUBMITTED USING THE NEIGHBORLY SOFTWARE ONLINE PORTAL:

<https://portal.neighborlysoftware.com/GLOUCESTERCOUNTYNJ/Participant>

Municipalities wishing to submit an application to the County must first adopt a Resolution authorizing submission of the application and identifying the proposed activity. Beginning on April 4, 2022, as part of the federal government's transition for all federal awards, all entities doing business with the federal government will use the Universal Entity Identifier (UEI) assigned by the General Services Administration (GSA) through the System for Award Management (SAM.gov). Entities are able to manage organizational information, such as legal business name and physical address associated with a UEI, directly from [SAM.gov](https://sam.gov).

The application process is a competitive process and funds will be awarded based on criteria set forth below. This application guide provides information on the types of eligible activities as well as the process for application submission. The funding Program Year begins on September 1 and ends on August 31 of the following year.

Applicants should consider this guide as a supplement to the Community Development Block Grant Program Entitlement Grant Regulations, Title 24 of the Code of Federal Regulations, Part 570 which can be found at: http://www.ecfr.gov/cgi-bin/text-idx?c=ecfr&tpl=/ecfrbrowse/Title24/24cfr570_main_02.tpl. Applicants are strongly encouraged to become familiar with these regulations. The County's office of CDBG will provide applicants with technical assistance, interpretation of regulations and support upon request.

Municipalities may apply for no more than two projects/activities; however, no single project/activity can exceed \$75,000 in its request for CDBG funds. Municipalities may apply on behalf of a nonprofit agency for facility funding that will not count against its own municipal application submission. You must have a separate resolution and agreement in place with the nonprofit agency to make application on its behalf.

Please ensure that budgets consider the CDBG funding limits when conceptualizing the scope in the application.

Municipalities submitting more than one request must submit a separate application for each project along with the requested documentation for each. (Please indicate in the project name: Proj #1 and Proj #2)

Applications submitted by Agencies and Non-profits that apply for funding for eligible structural improvements (not public service activities) should be sponsored by a municipality or a separate NOFA will be determined based on funding levels and priority needs of the County.

II. PROGRAM GOALS

The **Community Development Block Grant Program (CDBG)** provides eligible metropolitan cities and urban counties (called "entitlement communities") with annual direct grants that they can use to revitalize neighborhoods, expand affordable housing and economic opportunities, and/or improve community facilities and services, principally to benefit low- and moderate-income persons. The County of Gloucester Program Goals are concurrent with those stated in the National Objective and in the 2025-2029 Five (5) Year Consolidated Plan. The County funds organizations who exemplify the capacity to promote benefit to low and moderate income persons within the County of Gloucester. CDBG activities must adhere to federal eligibility requirements to ensure consistency with the national objectives. Your proposed activity must satisfy a priority set for the County of Gloucester in the Annual Action Plan.

III. PROJECT SELECTION CRITERIA

A. Project Eligibility – only projects listed under Eligible Activities will be considered for funding. CDBG regulations mandate that funded activities ***must meet one of three National Objectives***. In order to meet CDBG objectives, Gloucester County gives highest priority to activities that benefit low and moderate-income residents.

1. Benefit to low- and moderate- income persons

a. Area Benefit: Service area for the activity has a predominantly lower income population

- (1) As an **Exception Level County**, Census block group areas with a low-mod population of more than **44.9%** are eligible.
- (2) If the service area for an activity is smaller than a block group, that activity may trigger the need for an income survey to be performed. Contact CDBG prior to undertaking a survey.

b. Presumed benefit

- (3) Removal of Architectural Barriers – such projects are presumed to meet a low-mod objective
- (4) Providing a facility or service to one of the following categories of persons including, but not limited to: abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, persons living with AIDS

c. Income Intake – activities that may require income qualification to receive benefits

2. Prevention or Elimination of Slums or Blight

a. Activity on an area basis:

- (1) Activity is located in an area, which meets a state or local definition of a slum, blighted, deteriorated, or deteriorating area.
- (2) There are a substantial number of deteriorated buildings in the area.
- (3) The activity addresses one or more of the conditions, which contribute to the deterioration of the area.

b. Activity on a spot basis:

- (1) Activity eliminates specific conditions of blight or physical decay through acquisitions, clearance, relocation, historic preservation or building rehabilitation (rehabilitation is limited to elimination of specific conditions detrimental to public health and safety)
- (2) The designated area must meet the definition of a slum, blighted, deteriorated or deteriorating area under state or local law.

c. No activity for demolition will be funded unless the municipality's proof of ownership is included with application.

3. Urgent Need – Qualified activities must meet the following conditions: Existing conditions:

- a.** must pose a serious and immediate threat to the health or welfare of the community;
- b.** are of recent origin or recently became urgent (generally within 18 months);
- c.** grantee is unable to finance the activity on its own; AND
- d.** Other sources of funding are **not** available

B. Project Timeliness – Projects must be ready for implementation upon application.

Municipalities will have 12 months from the effective Program Year (Sep 1-Aug 31) to complete the project and expend the grant allocation in order for the County to comply with HUD's expenditure deadline. CDBG funds become available from HUD in or around November of the Program Year.

C. Past Performance – CDBG will review the applicant's past performance in the CDBG program with particular attention to the timely implementation of previously funded activities. Scoring of the application may be adversely affected if previous projects were not completed within the imposed limits.

D. Matching Funds/Leveraging – As CDBG funding has been reduced by HUD, **it is strongly recommended** that applicants secure other sources of funding to leverage project costs. As a regulation, only architectural and engineering services (soft costs) that have been procured through federal labor standards will be reimbursed at a maximum 20% of project award. However, soft costs incurred by the applicant (as well as force labor accounts) will qualify as leveraged funds on the application. Matching funds include but are not limited to other local and state grants or loans, municipal and private funding. Supporting documentation **must be attached** to the application.

- E. Severity of Issue** – Priority will be given to activities that address significant health and safety concerns. Examples of activities are sewer, water, and storm drainage where the health and safety of low-moderate income residents are compromised.

IV. ELIGIBLE ACTIVITIES

The following is a listing of general categories of eligible activities. In addition, project related architectural and engineering costs may be funded when part of an eligible project and comply with Gloucester County Housing and Community Development Program Policy and Procedures manual.

- Public Facilities Improvements
- Barrier Free ADA Improvements
- Street Improvements
- Sidewalks
- Parking Facilities
- Flood Drain Improvements
- Water/Sewer Improvements
- Demolition of Blighted/Condemned Properties
- Rehabilitation and Preservation Activities, including:
 - Rehabilitation of Public Residential Structures, including Public Housing
 - Rehabilitation of Private Residential and Non-Residential Properties
 - Code Enforcement
 - Energy Conservation Activities
 - Historic Preservation Renovation of Closed School Buildings
- Park & Recreation Projects
- Neighborhood Facilities
- Senior Centers
- Historic Preservation
- Asbestos Removal Activities

V. INELIGIBLE ACTIVITIES

CDBG funds may not be used for:

- Purchase of equipment, furnishings, or personal property
- Improvements to facilities used for exhibitions, spectator events and cultural purposes,
- Operating and maintenance expenses
- Improvements to buildings used for general government activities except that improvements to municipal buildings to provide barrier free access may be undertaken.

VI. ACTIVITY LIMITATIONS

Planning, administration and other activities listed in Part 570.205 and 570.206 will not be funded.

No activity will be funded which will result in the demolition or conversion to other use of occupied or vacant habitable low moderate income dwelling units or which will cause displacement of persons from their homes.

Engineering and architectural design fees will only be eligible if the professional services are competitively procured. CDBG will assist in the procurement process if necessary. If a municipality elects not to undertake this Request for Proposal process, such fees will not be eligible costs. All projects must comply with federal and local requirements, including but not limited to, Build America-Buy America, Davis-Bacon prevailing wage requirements, Equal Employment Opportunity (EEO), and Environmental Review.

VII. APPROVALS AND IMPLEMENTATIONS

Applicants with activities that have been selected and approved to be included in the County's program year application to HUD will be notified in writing. All proposed projects are subject to local and state environmental review. Final approval from HUD is required before any activities can be funded. Activities that

are approved for the program year must be completed within a strict time period anticipated to begin November of the program year and end in August of the following year.

Once a project is selected for inclusion in the Annual CDBG program, no change of activity will be permitted. No project substitution will be allowed. Only projects awarded below the funding application may request a change in scope of activity that is proportionate to the funds awarded.

If funded, recipients will be held to an implementation schedule that completes the proposed activity within the established period. In developing proposed activities, applicants must look at all factors affecting the implementation time of the activity; i.e. design, permitting, contracting or manpower, other funding sources, etc., to be sure they can be coordinated to work within the established time frame for the project. Penalties will be imposed in future funding years for applicants that do not complete activities within the period.

No project may begin without written authorization to proceed from the CDBG Office. Notification of Award of funding is NOT authorization to proceed. Vouchers will not be processed for payment for activities undertaken without prior approval. This includes pre-construction activities.

VIII. PROJECT PHOTO REQUIREMENTS - *Per NJ DEP*

A set of four (4) digital clear photographs, must be submitted with application. Each photo should be captioned with the project name. Photographs should be numbered and keyed to a map of the project area or site plan to illustrate the location and orientation of the camera for each one.

Content of photos should be as follows:

- Photos of the project site taken from the outside inward from several angles to illustrate the project site, adjacent buildings, ground conditions and landscape elements;
- Photos from the project site looking outward to illustrate the project vicinity in the four cardinal directions;
- Projects with an area of potential effect (APE) which extends beyond one building require photographs taken from several locations within the APE at varying distances from the project site;

Photographs of any buildings or sites discovered adjacent to the site or in the APE that are older than 50 years and therefore potentially eligible for listing on the National Register of Historic Places.

IX. TIMELINESS

Enforcement of the time limit on spending is essential to the County meeting the spending deadlines established by HUD. Therefore, the following penalties for poor performance will be imposed.

If an applicant does not complete its project by the end of the sub-grantee agreement term, reduction or exclusion of funding in the next program year may result. The extent of reduction will be in compliance with HUD's timeliness guidelines. The CDBG staff reserves the option of granting extensions to project completion dates of no more than three months when additional time is warranted. The reduction will not be applied against an extension if CDBG personnel considered the extension to be warranted. Applicants that received an extension and do not complete the project by the end of the extension will receive additional reductions for each month of the late performance. CDBG personnel may also approve extensions to the term of a sub-grantee agreement for convenience when a project will not be completed by the original date. The reductions will be applied to an extension period if it was approved only for convenience (not as warranted).

X. APPLICATION PACKET

The Community Development Division reserves the right to require additional information, not stated in the application packet, when deemed necessary to determine eligibility of a proposed activity or management capacity of the application.

APPLICATION CHECKLIST

This checklist is provided as a guide for the most vital documentation and information needed for a complete CDBG application. This does not relieve any applicants from reading the entire guide or submitting all information required within the application or requested from the Office of Community Development.

- ☐ Program/Project Eligibility as defined in 24 CFR Part 570.201
- ☐ Meet a national objective as defined in 24 CFR Part 570.208
- ☐ UEI number
- ☐ SAMS/CAGE number
- ☐ Federal ID number
- ☐ Budget (total project or in construction proposed budget) with breakdown of Sources and Uses and how funds needed are to be used
- ☐ Four or more digital quality photographs of the proposed site (Pictures of the completed project will be required) must be attached as separate Exhibit to application. (hard copies please)
- ☐ Acknowledge you will provide all necessary information for completion of Environmental Review requirements prior to allocation – NEPA checklist included in application
- ☐ Mayor's Signature
- ☐ Public Hearing at the municipal level (For all Applications)
- ☐ HUD maps detailing project location with detailed narrative as to how very low, low and moderate income people will be serviced with percentages and numbers of those who will be serviced

Christina Velázquez

cvelazquez@co.gloucester.nj.us

856-307-6664

UPDATED

CDBG MATRIX CODES

MATRIX CODE DEFINITIONS

Matrix codes are used to indicate—but do not establish—activity eligibility. An activity must be eligible in accordance with the regulations at 24 CFR 570.201 – 570.207 for Entitlements, 570.703 – 570.705 for the Section 108 loan guarantee program, and with Section 105(a) of the HCDA [42 USC 5305] and 24 CFR 570.482 for States. Grantees need to refer to the regulations to determine an activity’s eligibility; the codes defined below are used in IDIS On-Line chiefly to categorize activities for reporting purposes.

Code	Definition with Entitlement, State, or Section 108 loan Guarantee citations
04	Clearance and Demolition 24 CFR 570.201(d) or 42 USC 5305(a)(4) Clearance or demolition of buildings/improvements, or the movement of buildings to other sites.
04A	Cleanup of Contaminated Sites 24 CFR 570.201(d) or 24 CFR 570.482(c)(3) [Public Law 105-276] Activities undertaken primarily to clean toxic/environmental waste or contamination from a site.
Public Facilities and Improvements Use matrix codes in this section when the CDBG funds are used by the grantee or other public or private non-profit entities for public facilities and improvements. <i>Note:</i> <ul style="list-style-type: none">• Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related activities are funded with CDBG, the grantee needs to set up a separate activity for each facility or improvement.• When a facility is used only by a specific client group, the activity should be assigned the matrix code specific to that group, not the type of facility. For instance, assign 03Q to a health facility for abused and neglected children, not 03P.• If CDBG funds are only used to acquire property for a public facility, use matrix code 01. If the grantee uses CDBG funds to pay for the acquisition and construction, or rehabilitation of a public facility or improvement, use the appropriate 03* matrix code.	
03A	Senior Centers 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities (except permanent housing) for seniors. 03A may be used for a facility serving both the elderly and persons with disabilities, provided it is not intended primarily to serve persons with disabilities. If it is, use 03B instead.
03B	Facilities for Persons with Disabilities 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of centers, group homes, and other facilities (except permanent housing) for persons with disabilities. 03B may be used for a facility serving both persons with disabilities and the elderly, provided it is not intended primarily to serve the elderly. If it is, use 03A instead.

03C	<p>Homeless Facilities (not operating costs) 24 CFR 570.201(c) or 42 USC 5305(a)(2)</p> <p>Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees.</p> <p><i>Note: For facilities for abused and neglected children, use 03Q.</i></p>
03D	<p>Youth Centers 24 CFR 570.201(c) or 42 USC 5305(a)(2)</p> <p>Acquisition, construction, or rehabilitation of facilities intended primarily for young people age 13 to 19. These include playground and recreational facilities that are part of a youth center. For the acquisition, construction or rehabilitation of facilities intended primarily for children age 12 and under, use 03M; for facilities for abused and neglected children, use 03Q.</p>
03E	<p>Neighborhood Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2)</p> <p>Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers.</p>
03F	<p>Parks, Recreational Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2)</p> <p>Development of open space areas or facilities intended primarily for recreational use.</p>
03G	<p>Parking Facilities 24 CFR 570.201(c) or 42 USC 5305(a)(2)</p> <p>Acquisition, construction, or rehabilitation of parking lots and parking garages. Use 03G if rehabilitation of a public facility or street improvement is a small part of an activity to improve a parking facility. However, if parking improvements are only a small part of a larger street improvement activity, use 03K.</p>
03H	<p>Solid Waste Disposal Improvements 24 CFR 570.201(c) or 42 USC 5205(a)(2)</p> <p>Acquisition, construction or rehabilitation of solid waste disposal facilities. The eligible costs can also include equipment, such as bulldozers, used exclusively at the facility.</p>
03I	<p>Flood Drainage Improvements 24 CFR 570.201(c) or 42 USC 5305(a)(2)</p> <p>Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds, catch basins, streambank erosion controls, channelization of streambeds, or dams. 03I can also be used for “Green Infrastructure” improvements to manage stormwater. However, if stormwater management improvements are integral to some other activity like a park or a street project, it should be included in that matrix code (03F for parks, 03K for streets) rather than 03I.</p> <p><i>Note: Do not use 03I for construction/rehabilitation of storm sewers, street drains, or storm drains. Use 03J for storm sewers and 03K for street and storm drains.</i></p>

03J	<p>Water/Sewer Improvements <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants. Costs of street repairs (usually repaving) made necessary by water/sewer improvement activities are included under 03J.</p> <p>For water/sewer improvements that are part of:</p> <ul style="list-style-type: none"> • More extensive street improvements, use 03K. For example, an activity that involves paving six blocks of Main Street and installing 100 feet of new water lines in one of those blocks. • A housing rehabilitation activity such as water/sewer hookups (lines from a house to the street), use the appropriate 14* housing rehabilitation matrix code.
03K	<p>Street Improvements <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs. Also use 03K:</p> <ul style="list-style-type: none"> • For improvements that include landscaping, street lighting, and/or street signs (commonly referred to as “streetscaping”). • If sidewalk improvements (see code 03L) are part of more extensive street improvements.
03L	<p>Sidewalks <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Improvements to sidewalks. Also use 03L for sidewalk improvements that include the installation of trash receptacles, lighting, benches, and trees.</p>
03M	<p>Child Care Centers <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of facilities intended primarily for children age 12 and under. Examples are daycare centers and Head Start preschool centers. For the construction or rehabilitation of facilities for abused and neglected children, use 03Q; for the construction or rehabilitation of facilities for teenagers, use 03D</p>
03N	<p>Tree Planting <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Activities limited to tree planting (sometimes referred to as “beautification”). For streetscape activities that include tree planting, use 03K; for sidewalk improvement activities that include tree planting, use 03L.</p>
03O	<p>Fire Stations/Equipment <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency rescue equipment.</p>
03P	<p>Health Facilities <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of physical or mental health facilities. Examples of such facilities include neighborhood clinics, hospitals, nursing homes, and convalescent homes. Health facilities for a specific client group should use the matrix code for that client group. For example, use 03Q for the construction or rehabilitation of health facilities for abused and neglected children.</p>

03Q	Facilities for Abused and Neglected Children <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of daycare centers, treatment facilities, or temporary housing for abused and neglected children.
03R	Asbestos Removal <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Rehabilitation of any public facility undertaken primarily to remove asbestos.
03S	Facilities for AIDS Patients (not operating costs) <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> Acquisition, construction, or rehabilitation of facilities for the treatment or temporary housing of people who are HIV positive or who have AIDS. For the construction or rehabilitation of facilities for AIDS education and prevention, use 03P.
03Z	Other Public Improvements Not Listed in 03A-03T <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i> This matrix code replaces matrix code 03. Only use this code when an activity does not fall under a more specific 03A – 03S matrix code. Check the following before using this matrix code: <ul style="list-style-type: none"> • Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related facilities are funded by CDBG, the grantee needs to set up a separate activity for each facility or improvement. • 03Z can be used for seawalls, bus shelters, retaining walls, and wind turbines. 03Z can be used for activities that assist persons with disabilities by removing architectural barriers from or providing ADA improvements to government buildings (activities that otherwise would not be eligible for CDBG funding).