

September 16, 2016

Addendum #1
2017 NOTICE OF FUNDING AVAILABILITY

The following questions and their answers are hereby incorporated into and made part of this Notice of Funding Availability:

(Q) Questions and (A) *Answers*

Q1: For Neighborhoods Public Services, are the identified priority neighborhoods simply preferences? Or will OED award to those neighborhoods exclusively?

A1: OED has identified these neighborhoods as priorities, however last year OED exclusively awarded programs within priority neighborhoods.

Q2: We are starting a program in Montbello that recruits and supports local churches to provide temporary shelter to homeless families. The program would accommodate 2-4 families at any given time for a period of 30-90 days while they are on a waiting list for a 2-year transitional housing program, which would result in shelter for 50-100 individuals per year that would otherwise be without stable housing. Working with our churches would result in a low-cost and sustainable homeless prevention program, while our community family resource center would provide needed case management, employment and other support with our existing resources. While this program does not seem to specifically fall under any of the examples given in the NOFA, it does support many of the overall stated goals of the funding, and so I would like to know if this program might be eligible for OED support before investing our resources in the application process.

A2: The program described is outside the scope of the 2017 Neighborhood Public Services NOFA. However, these activities may be eligible for funding under Denver's Road Home Emergency Services RFP, scheduled to be posted September 19, 2016.

Q3: Though there were no specifications in the NOFA, could you confirm the eligibility of faith-based organizations?

A3: Housing and Urban Development's Community Development Block Grant guidelines pertaining to faith-based organization are as follows:

24cfr570.200 General Policies (2)(j)

(j) Faith-based activities. (1) Organizations that are religious or faith-based are eligible, on the same basis as any other organization, to participate in the CDBG program. Neither the Federal government nor a State or local government receiving funds under CDBG programs shall discriminate against an organization on the basis of the organization's religious character or affiliation.

(2) Organizations that are directly funded under the CDBG program may not engage in inherently religious activities, such as worship, religious instruction, or proselytization, as part of the programs or services funded under this part. If an organization conducts such activities, the

activities must be offered separately, in time or location, from the programs or services funded under this part, and participation must be voluntary for the beneficiaries of the HUD-funded programs or services.

(3) A religious organization that participates in the CDBG program will retain its independence from Federal, State, and local governments, and may continue to carry out its mission, including the definition, practice, and expression of its religious beliefs, provided that it does not use direct CDBG funds to support any inherently religious activities, such as worship, religious instruction, or proselytization. Among other things, faith-based organizations may use space in their facilities to provide CDBG-funded services, without removing religious art, icons, scriptures, or other religious symbols. In addition, a CDBG-funded religious organization retains its authority over its internal governance, and it may retain religious terms in its organization's name, select its board members on a religious basis, and include religious references in its organization's mission statements and other governing documents.

(4) An organization that participates in the CDBG program shall not, in providing program assistance, discriminate against a program beneficiary or prospective program beneficiary on the basis of religion or religious belief.

(5) CDBG funds may not be used for the acquisition, construction, or rehabilitation of structures to the extent that those structures are used for inherently religious activities. CDBG funds may be used for the acquisition, construction, or rehabilitation of structures only to the extent that those structures are used for conducting eligible activities under this part. Where a structure is used for both eligible and inherently religious activities, CDBG funds may not exceed the cost of those portions of the acquisition, construction, or rehabilitation that are attributable to eligible activities in accordance with the cost accounting requirements applicable to CDBG funds in this part. Sanctuaries, chapels, or other rooms that a CDBG-funded religious congregation uses as its principal place of worship, however, are ineligible for CDBG-funded improvements. Disposition of real property after the term of the grant, or any change in use of the property during the term of the grant, is subject to government-wide regulations governing real property disposition.

Q4: Will programs that request funding for amounts less than \$80,000 be considered?

A4: No, programs will only be considered for funding requests between \$80,000-\$130,000 this year. This is a change from the 2016 NOFA.

Q5: Is payment for performance an option for contracts this NOFA cycle?

A5: The OED doesn't currently have a policy for pay for performance for this NOFA.

Q6: Is it permissible for one entity to submit 2 applications for separate projects in two distinct priority neighborhoods?

A6: Yes, multiple applications are allowed for separate projects.

Q7: Is the NOFA soliciting applications for two year contracts, in both Housing and Neighborhood programs?

A7: The NOFA guidelines contain the following language regarding contract terms:

Applications awarded for Housing Services will serve a period of two years and initial awards will be based upon 2017 proposed budgets. However, contracts will be executed with a one-year term, with renewal for the second year at OED's discretion based upon satisfactory contractor performance and available funding.

Applications awarded for NPS projects will serve a period of two years and initial awards will be based upon 2016 budgets. However, contracts will be executed with a one-year term, with renewal for the second year at OED's discretion based upon satisfactory contractor performance and available funding.

Q8: One of our programs is in Adams County but has a Denver address – is that something that would be considered or should it be exclusively in Denver County?

A8: OED will look to award programs exclusively within Denver County.

Q9: On the funding history attachment for the NOFA application, do you want us to list the City funds the whole organization receives or the funds specific to the project?

A9: The funding history spreadsheet should list the City funds that the whole organization receives.

Q10: Our program received an award for the 2016 NOFA, and currently operates in Sun Valley. We would like to re-apply for the 2017 NOFA in Sun Valley, however it looks like we have choice neighborhood initiatives starting next year in Sun Valley. If we took the same model we applied with last year and attained, would it be detrimental to apply for Westwood this year and bring the program out of Sun Valley, or would it look better to OED to keep that program in Sun Valley?

A10: This is a difficult question to answer without seeing the application. The performance of the current program would have some bearing on the decision to award next year's funds. In terms of geography, both Westwood & Sun Valley are priorities; whether you're operating in one or the other or both, those programs would be eligible.

Q11: Do we as vendors or contractors have to be a MBE (Minority Business Enterprise) or a DBE (Disadvantaged Business Enterprise) to apply?

A11: No, nor is it a consideration during the evaluation process. However, it is always encouraged.

Q12: Our entity is looking to acquire property for multiple projects, including housing programs.

A12: While we cannot provide technical assistance to write or edit applications, development projects are not part of this NOFA. Those are accepted via a separate application on a rolling basis at our website: <https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development/funding-opportunities.html>

Q13: You mentioned organizations applying for funding should have the capacity to keep up with reporting requirements; can you speak more to that?

A13: This refers to an organization's administrative capacity, and to accept and use any funds awarded. The scope development process is also intensive. Quarterly or monthly reports are

required depending on organization experience, and the program must be able to prove it's addressing the needs of low and moderate income populations. OED will work with programs during scope development to ensure your program has the right documentation to prove those metrics.

Q14: It seems the NOFA is addressing both unduplicated number of people served but also has the potential for total services provided to one person. Can you speak to the interest in that kind of model – multiple services for one person versus multiple people served in one service? Would it be considered that the total cost for each participant would be higher based on them receiving those multiple services?

A14: OED would consider such an application. OED would address those program model details up-front in the scope development process after an award is made. We would count each program participant as one unduplicated person; while it will lower the total amount of people impacted, it would be understood that it is based on the program design. The total cost for each participant would be considered with an understanding of the program model being more narrowly focused to each participant.

Q15: Our entity conducts projects across the State, however we may be working with job trainees who live in Denver. Those trainees may go to on-site trainings in another county to take advantage of equipment located on those sites. Would a job training program for Denver residents be considered even though a portion of those trainings occur in other counties?

A15: If the benefit is job training for Denver residents, although training may occur outside of the City, OED would consider that application as the benefit is to Denver residents. To clarify, OED would not award funds to pay for the training equipment. We would be funding the job experience.

Q16: Our entity traditionally receives funds under a single family rehabilitation program for solar installation projects, but now we are looking to fund our training program. When attempting to fund our training program in the past using CDBG funds, we were told those activities were administrative and therefore we could not pay for the staff that conducts those trainings. Is it the same here?

A16: The Single Family Rehabilitation program would be different from the training activities, so you would want to distinguish those activities. OED would be exclusively focused on the job development and training activities, and not on the installation services. You would want to make a distinction between those two costs somewhere in your budget.

Q17: Would there be an opportunity to fund a scholarship program for a certification that would normally be paid for elsewhere?

A17: Yes, if it is a scholarship for a paid-for certification, for Denver residents out of target neighborhoods. Also, OED would check to see which entity is providing the training, and that it is a legally recognized training provider.

Q18: We have programming in two of the priorities neighborhoods, each offering programs in two of the listed program areas. Would there be a preference from the review committee if it's all included in one application, or we take a geographical focus, or a content focus?

A18: Since your two programs are different programs, one being a neighborhood public service and one being an EDI, OED would prefer two separate applications for each program, in each neighborhood.

Q19: Our program is relocating to Westwood in quarter two of 2017. Needing to have activities offered on day one, would it be possible to host some of those activities from our central Denver location, and then in quarter two picking up the services in Westwood?

A19: Yes, as long as your program is still targeting the residents in those neighborhoods that OED identified. During the move and quarter one, you would continue to work with the Westwood residents.

Q20: In the NOFA Guidelines section B.2.1, where it says “Neighborhood Public Service (NPS) awards will assist neighborhood-based non-profit organizations to build capacity by funding existing or new public service programs that provide services to address community needs”, how can we be applying for money that is going to be an expansion, but if we lose it, we lose everything we’re doing, therefore it wouldn’t be an expansion of services? Does it have to be new and different, or can it be a continuation of what we’re already doing? Also, where it states “CDBG funds cannot be substituted for any recent City or State funds that were supporting public services”, that relates to other funding that is not CDBG, correct?

A20: The preference is that OED is leveraging funds with other existing funds. There is an expectation that there is some expansion, or that you will scale in some way, or you will provide a new service. Because of how tenuous our funding has been, OED is reluctant to have organizations’ entire programs contingent on annual funds from our CDBG program. It is correct that the section covering substitution of other recent City or State funds relates to other funding that is not CDBG.

Q21: For the shovel-ready projects, how “shovel-ready” does it have to be? Some aspects of our program are ready, but other acquisition activities are not. For example, we are considering a Down Payment Assistance (DPA) program.

A21: OED would suggest to defer applications until projects are ready to begin. Specifically, with Down Payment Assistance (DPA), a mortgage product would need to be approved and ready to execute with a specified home buyer and property address.

Q22: Acknowledging that this NOFA does not include PF&I (public facilities and improvement) projects, how appropriate would a capital improvement/ facility improvement request be if it complied with everything else as a neighborhood development program?

A22: Separate from the NOFA, the PF&I applications are accepted on a rolling basis. That application was rolling until July of last year. Once those funds run out, OED will close the application. However, if you have a project that is ready to go in January 2017, go ahead and submit an application as a PF&I, and OED will consider it as part of our pipeline. However, it will be separate from our discussion of the NOFA awards.

Q23: Regarding Down Payment Assistance (DPA), Item 10 Loan servicing options, (2) Repayment option: This NOFA describes the rate for a deferred loan for years 6 to 30 at 4%. This is a change from the

program guidelines that have been in place since 2006... Is this correct or is this a typo and should read 6% as it has in the past?

A23: *The rate is still 4%, as it was in the 2015 and 2016 NOFAs.*