Notice of Funding Availability PY 2019

Office of Economic Development
Housing
Neighborhood Development
Business Development
Welcome

Purpose:

- Review Housing and Neighborhood Equity programs under the Notice of Funding Availability (NOFA)
- 2019 NOFA Schedule
- Discussion – Q&As, comments, suggestions
Notice of Funding Availability (NOFA) addresses the program areas, scope, and selection process, with an emphasis on:

- **Housing Services**: Non-development activities designed to help low income and special needs persons:
  - Obtain affordable housing
  - Improve their housing conditions or
  - Stabilize current housing situation

- **Neighborhood and Business Development**: Activities designed to address the needs of low income populations and areas with regard to:
  - Community/resident support programs, which improve access to opportunities and resources (neighborhood and family support)
  - Adult and youth education support, as well as job training and placement (job/career mentoring)
  - Health and wellness access and activities, such as community/organization facilities, services/program access (health food or recreation/fitness)
  - Neighborhood business support and technical assistance
OED released two Notices of Funding Availability (NOFA) to the public in August 2018 for the 2019 and 2020 Program Years. The NOFA consists of three HUD funding sources and one City fund. The sources are designated the following general activities:

<table>
<thead>
<tr>
<th>CDBG (HUD)</th>
<th>HOME (HUD)</th>
<th>HOPWA (HUD)</th>
<th>Affordable Housing Fund (City)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing Support</td>
<td>Housing Production*</td>
<td>Supportive Services</td>
<td>Housing Production*</td>
</tr>
<tr>
<td>Business Development Support</td>
<td>Rental Assistance</td>
<td>Rental Assistance</td>
<td>Rental Assistance</td>
</tr>
<tr>
<td>Neighborhood Facilities/Improvements*</td>
<td>Single Family Rehabilitation</td>
<td></td>
<td>Rehabilitation and Preservation*</td>
</tr>
<tr>
<td>Neighborhood (Public) Services</td>
<td></td>
<td></td>
<td>Supportive Services</td>
</tr>
<tr>
<td>Small Business Lending*</td>
<td></td>
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</tbody>
</table>

*Facilities and Improvements, Lending and Housing Development proposals are considered year-round and not subject to the NOFA process.
<table>
<thead>
<tr>
<th>Program Funding Source</th>
<th>2019 Projected Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community Development Block Grant (CDBG)</td>
<td>$6,800,000</td>
</tr>
<tr>
<td>HOME Investment Partnership Program (HOME)</td>
<td>$3,200,000</td>
</tr>
<tr>
<td>Housing Opportunities for Persons with AIDS (HOPWA)</td>
<td>$2,000,000</td>
</tr>
<tr>
<td>Affordable Housing Fund (General Fund)</td>
<td>$30,800,000</td>
</tr>
<tr>
<td><strong>Total Projected 2019 Allocation</strong></td>
<td><strong>$42,000,000</strong></td>
</tr>
<tr>
<td>Program Income Anticipated (CDBG &amp; HOME)</td>
<td></td>
</tr>
<tr>
<td><strong>Total Projected 2018 Resources</strong></td>
<td><strong>$45,000,000</strong></td>
</tr>
</tbody>
</table>
OED Funding Priorities

Strategic Focus
- Small Biz Opportunity
- Business Development and Global Initiatives
- Catalytic and Neighborhood Projects
- Housing
- Workforce Development

OED Strategic Focus

Mayor’s Priorities
- Balanced Economic Growth/Affordability
- Safety Net
- Youth
- Mobility
- Public Safety

HUD Requirements

HUD Key Objectives
- Low/moderate income benefit
- Address slum and blight
- Urgent community need
NOFA Changes & OED Funding Opportunities

➢ New in 2019, OED published two separate NOFAs:
  - Division of Housing
  - Division of Neighborhood Equity

➢ As a reminder, the NOFA process ONLY covers public service programs.

➢ Separate applications are available for various types of lending support, accepted year-round on a rolling basis.

Visit OED’s website at https://www.denvergov.org/content/denvergov/en/denver-office-of-economic-development.html to locate applications and information for lending products:

➢ Public facilities and improvements/Neighborhood improvements
➢ Catalytic development projects
➢ Business development lending
➢ Housing development projects
Proposed activities (program or project support) will be reviewed individually:

- **Matches to stated priorities:** Please review stated priorities in the NOFA Guidelines.
- **Demonstrates commitment to and ability to meet stated program outcomes:** Evaluators will evaluate the ability of the organization to achieve their proposed outcomes (including review of previous contracted work and/or similar work undertaken (locally or in a similar setting)), organization capacity, and fiscal sustainability (including other funding sources).
- The reviews will be conducted by OED staff and other partner staff, with knowledge and experience in various program areas.
- Reviews will be conducted on the submittal proposal only.
- Decisions are anticipated in late 2018 to allow for early 2019 contracting.
- All awards and funding commitments are made contingent on HUD funding awards to Denver.
NOFA Evaluation Criteria

General
➢ Past performance (if applicable)
➢ Ability to leverage OED dollars with outside money
➢ Projects need to be ready to begin and get off the ground
➢ Clearly identified and quantifiable outcomes
➢ Organizational capacity (accounting, reporting & compliance)
   ➢ All partners need internal accounting personnel
   ➢ Contracts > $100K require annual audited financials

Ineligible Entities
➢ Any organization that has a defaulted loan (where there is no current agreement in principal with OED)
➢ Any organization that has unpaid audit fees or performance audit penalties/fees
➢ Any organization delinquent in taxes (sales or property)
Neighborhood/Catalytic Strategy

OED continues to use our proven approach to invest resources with greater and more meaningful impacts for Denver’s underserved neighborhoods.

Activities culminating with the strategy:

➢ Leveraging resources & investments
➢ Mitigating impacts from change & gentrification
➢ Community needs assessment/analysis
➢ Supporting partners through investments & support
➢ Catalytic/targeted investments
Priority consideration will be given to projects or programs in the following neighborhoods:

- Westwood
- Sun Valley
- Globeville/Elyria Swansea
- NE Parkhill
- Montbello

Additional neighborhoods may be as updated data suggestions changing needs
Funding Priorities:
Neighborhood Equity & Business Development

**Neighborhood Equity**

- **Support Services:** Increasing access to programs and services for neighborhood low/mod income residents, especially children and youth
- **Catalytic Development:** Support projects essential to the revitalization and balanced economic growth of target neighborhoods
- **Equity & Stabilization:** Grow partnerships and programs to support residents and businesses in key neighborhoods vulnerable to change (e.g. NEST programs and services)

**Business and Economic Development**

- **Resident-Serving Retail:** Stabilizing existing neighborhood businesses while creating new and diverse retail opportunities, such as fresh food access,
- **Business Support & Entrepreneurism:** Work to grow business and employment opportunities for neighborhoods residents, through business start-up, scale-up or success
### Description of OED Housing Funds

*In addition to the HUD (HOME, HOPWA, and CDBG) funds focused on affordable housing, OED manages several other funding sources.*

<table>
<thead>
<tr>
<th>Programs</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dedicated Housing Fund</td>
<td><strong>Local Funds</strong> that are appropriated each year through the City’s budgeting process; includes property taxes and linkage fees.</td>
</tr>
<tr>
<td>CDBG, HOME, HOPWA</td>
<td><strong>Federal Grants</strong> that can support affordable housing development and programming; appropriated annually</td>
</tr>
<tr>
<td>Metro Mortgage Assistance</td>
<td><strong>Local Funds</strong> that provide up to 4% down-payment assistance for low income homebuyers and accrue a small amount of revenue; appropriated annually</td>
</tr>
<tr>
<td>Revolving Affordable Housing Loan Funds</td>
<td><strong>Local Funds</strong> that provide gap financing for the acquisition and rehabilitation of affordable units; one-time appropriation</td>
</tr>
<tr>
<td>Skyline Housing Funds</td>
<td><strong>Federal Funds</strong> that are available to repair or purchase vacant buildings, build units, and grant funds for projects assisting low-income households; one-time appropriation</td>
</tr>
<tr>
<td>Inclusionary Housing Ordinance Funds, Affordable Housing Remediation Fund, Housing for the Mentally Ill Funds</td>
<td><strong>Historic Local Funds</strong> that are not appropriated on a continuing basis and can be used for affordable housing development or programming</td>
</tr>
<tr>
<td>Rental Rehabilitation Funds, NSP</td>
<td><strong>Historic Federal Funds</strong> that are not appropriated on a continuing basis and can be used for affordable housing development or programming</td>
</tr>
</tbody>
</table>
2019 Planned: OED Housing Investments

Budget by Funding Source
- Property Tax: 15%
- Linkage Fee: 14%
- GF/DHS Transfer: 14%
- RMIS Tax: 13%
- Federal Funds: 26%
- Non Federal Funds: 28%
- Total Budget: $53,280,589

Budget by Investment Type
- Administration: 51%
- Development: 34%
- Preservation: 8%
- Programs: 7%
- DHA IGA: 1%
- Total Budget: $53,280,589

Spending Priorities
- Homeless: 31%
- 30+: 20%
- 31-50: 13%
- Homeowner: 17%
- Total budget: $40,348,965

Variance: Administration & DHA IGA not included
Funding Priorities:
Housing Programs and Services

- **Housing Counseling:** direct housing services to low- and moderate-income households for the purpose of supporting homeownership, asset building, and economic prosperity.

- **Tenant/Landlords Rights and Related Housing Information and Referral Services:** provides assistance to low- and moderate-income Denver residents in resolving their housing problems.

- **Rental Housing Access Modification Program:** provides grants to low-income with disabilities accessibility improvements to their rental/owner-occupied housing.

- **Emergency Home Repair:** provides no-interest emergency repair loans to low-income households.

- **Tenant-Based Rental Assistance:** provides assistance in the form of a rent voucher to eligible residents who are experiencing homelessness, or those at risk of homelessness.
Funding Priorities:
Housing Programs and Services

➢ **Down Payment Assistance**: provides housing services to first-time and low- and moderate-income homebuyers.

➢ **Single Family Rehabilitation Program**: provides low- and no-interest rehabilitation loans to income-qualified homeowners.

➢ **Community Housing Development Organizations**: As authorized under CFR 92.208(a), jurisdictions may use a portion of their HOME allocation to fund the core-operating expenses of Community Housing Development Organizations (CHDOs).

➢ **Housing Opportunities for Persons With AIDS (HOPWA)**: programs and services to address the housing needs of persons living with HIV/AIDS and their families.

➢ **Temporary Rental and Utility Assistance (TRUA) Program**: provides rental and utility assistance to low- and moderate-income residents experiencing a housing crisis, including economic pressures, unsafe housing conditions, or potential eviction.
Funding Priorities:  
**Housing Programs and Services**

- **INNOVATIVE HOUSING PROGRAMS AND SERVICES:** OED is seeking applications for innovative housing programs or services that address the core goals and income targets outlined in Housing an Inclusive Denver and Draft 2019 Annual Action Plan. Based on current market conditions, OED will prioritize applications for programs or services that stabilize residents at risk of displacement, align with the priorities of the draft 2019 Action Plan, and leverage additional funds.

- Requirements for proposed programs or services:
  - Shall not have an administrative overhead that exceeds 10% of the total budget
  - Must serve residents at or below 80% area median income
  - The outcome of the program or service must be either to promote access to housing or to stabilize residents at risk of displacement
  - Must fill a gap or unmet need

- Applicants for innovative housing programs must address whether and how per household costs would differ from comparable existing programs as applicable. Applicants must also provide research, documented community input, or similar information supporting how the proposed program would address a housing need not currently met in Denver.
Federal Requirements

Compliance and Performance

➢ Environmental: (24 CFR 58.22) This regulation strictly forbids the commitment or expenditure of funds (Federal or Non-Federal) until an environmental clearance has been completed.

➢ Relocation: (49 CFR 24) Proposals that entail home rehabilitation or down-payment assistance must summarize their written policy and procedures for the following:
  ➢ Tenant-occupied homes are not eligible for down-payment assistance
  ➢ Provisions for occupants should they be temporarily displaced for their residence for longer than one day

➢ Davis Bacon and Related Acts (DBRA): (29 CFR Parts 1, 3, 5, 6 and 7) Proposals requesting funds for demolition, rehabilitation or new construction may be required to pay prevailing wages and comply with other requirements of the DBRA.

➢ Section 3: (24 CFR 135) Proposals requesting funding in excess of $100,000 that entail demolition, rehabilitation or new construction must submit a draft Section 3 Utilization plan describing how low-moderate income subcontractors will be used in the project.

➢ Performance: (2 CFR 200) The new Uniform Grant Guidance provides for rescission of the award for noncompliance or nonperformance. A Risk Assessment will be conducted prior to award.
Contract Requirements

Required provisions and documentation

- **DUNS Number & SAM Registration**: All contractors receiving Federal funds must be registered in the System for Award Management Database (www.sam.gov). This requires a Data Universal Numbering System (DUNS) Number.

- **Secretary of State**: All contractors must be registered with the Colorado Secretary of State and have an active Certificate of Good Standing prior to submitting an application.

- **Insurance**: Certificates of Insurance are required of all City Contractors evidencing the following policies:
  - Workers’ Compensation and Employer’s Liability
  - Waivers for Sole Proprietors
  - Commercial General Liability
  - Sexual Abuse and Molestation Exclusion (SAME) language: Any contractor working with youth and/or a vulnerable population will require SAME coverage as a part of the contractor’s commercial general liability coverage.
  - Business Automobile Liability
  - Exception for Sole Proprietors
NOFA Schedule of Events

➢ Applications Available                      Friday, August 31, 2018
➢ General Information Meeting                Wednesday, September 12, 2018
➢ Questions Due                               Monday, September 17, 2018
                                            4:00 p.m. MDT
➢ Addendum Issued                             Wednesday, September 19, 2018
➢ Housing Proposal Deadline                   Friday, September 28, 2018
                                            4:00 p.m. MDT
➢ Neighborhood Proposal Deadline              Thursday, October 4, 2018
                                            4:00 p.m. MDT
Questions

➢ Substantive/programmatic questions on the NOFA Guidelines will be accepted until the questions deadline of Monday, September 17. All questions and answers will be posted in the addendum, including from today.

➢ Technical questions (i.e. Wizehive issues) will be accepted until the proposal submission deadline.

➢ Neighborhood Questions:
  oed_neighborhoods.proposals@denvergov.org

➢ Housing Questions:
  oedhousingproposals@denvergov.org
Questions?