

FFY2023/2024 CDBG Colonia Set Aside Notice of Funding Available

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Introduction

The Arizona Department of Housing ("ADOH" or the "Department") is pleased to announce a Notice of Funding Availability ("NOFA") for approximately \$2,003,229 in Community Development Block Grant (CDBG) funding from the Colonia Set-aside account. The FFY 2023/2024 combined Colonia Set-aside funds will be distributed in one competitive funding round and the application submission deadline is Friday, September 20, 2024 at 4 p.m.

The Application Process for the Colonia Set-aside funding allocation is described in the CDBG Application Handbook (REV. March 2020) with any changes or additional requirements outlined in this NOFA. The CDBG Application Handbook can be obtained from the ADOH website at: https://housing.az.gov/documents-links/handbooks. The FFY2023-FFY2024 CDBG Colonia Set-aside Application Rating Tool and CDBG Application Form can be obtained from the ADOH website at: https://housing.az.gov/documents-links/forms/community-revitalization.

Eligible Applicants

Consistent with federal law, eligible applicants for the State CDBG Colonias Set Aside are all incorporated cities and towns, unincorporated areas within counties and communities on Tribal lands outside of Maricopa County and Pinal County that are located within 150 miles from the U.S./Mexico Border and have documented the following:

- Defined geographical boundaries;
- Existence as a colonia prior to November 28, 1990;
- Lack of potable water or sanitary sewer prior to November 28, 1990; and
- Lack of decent, safe and sanitary housing prior to November 28, 1990.

PLEASE NOTE: Most if not all incorporated cities and towns are not qualified in their entirety as a Colonia. Rather, a smaller defined area or neighborhood within the city or town may be the designated Colonia.

The most current list of Colonia designated by ADOH is dated May 16, 2024 and is available on the ADOH website at: https://housing.az.gov/documents-links/forms/community-revitalization. Additional designated Colonia may be added to this list periodically. Applicants unsure of their Colonia designation are encouraged to contact ADOH staff prior to application submission to determine their eligibility. ADOH will accept colonia certification/designation documentation until August 16, 2024 to establish eligibility to participate in this NOFA application round.

Eligible Activities

Eligible activity categories are found in the CDBG Application Handbook at Section 6 Colonias. Activities must meet a CDBG National Objective. Applicants unsure of an activity's eligibility are encouraged to contact ADOH staff to discuss the project.

Eligible activities should be ready to begin implementation within thirty-(30)-days of execution of the Funding Agreement, and must anticipate completion within the self-determined and approved contract timeframe, generally not to exceed twenty-four (24) months.

Public Participation

ADOH encourages each community to combine Colonia Set-aside, SSP and Regional Account Projects in the public participation and publication process to avoid the need for additional publications and hearings. *All documented evidence of Public Participation process where the project for this Colonia Set-aside application was selected must be submitted.* Please refer to Section 5 of the CDBG Application Handbook (Rev. March 2020).

Thresholds and Application Requirements

There are general thresholds that apply to every application and thresholds that are project specific. Applications must meet both general and project specific thresholds in order to be eligible for scoring. Any application that does not meet all applicable threshold requirements will not be competitively scored and will be denied for funding.

Please review Part I "Thresholds" of the ADOH FY2023/2024 CDBG Colonia Set-aside Application Rating Tool.

For the FY2023/2024 Colonia Set-Aside only, Completed Environmental Reviews at time of application is not a threshold requirement. Points will be awarded to a project if documentation is provided, that evidences the Environmental Review is completed and the Colonias application includes a copy of the signed E-13.

Scoring

Only projects with the highest competitive score that meet threshold and eligibility requirements will qualify for an award of CDBG Colonia Set-aside funds under this NOFA. Applications shall be competitively scored in accordance with the criteria outlined in the 2023/2024 Colonia Set Aside Application Rating Tool. The rating tool can be obtained from the ADOH website at: https://housing.az.gov/documents-links/forms/community-revitalization.

| Point Scoring Summary | Maximum Points |
|--------------------------------|------------------------------|
| Poverty Level | Up to twenty (20) |
| Leverage | Up to ten (10) |
| Project Need | Up to thirty (30) |
| Project Priority | Up to ten (10) |
| Project Readiness | Up to twenty (20) |
| Environmental Review | Up to ten (10) |
| Contract Non-compliance | Deduction of five (5) points |
| Contract un-timely Expenditure | Deduction of five (5) points |
| Organization Capacity | Up to twenty (20) |
| Total Maximum Points | One hundred twenty (120) |

It is highly recommended that applicants use the rating tool to be sure that they not only meet thresholds but also ensure correct and sufficient documentation is included to receive points in each of the scoring criteria.

Selection Notification

ADOH anticipates notifying all applicants within thirty-(30)-days of application deadline as to whether they will be funded. Applicants approved for funding should be prepared to initiate projects within thirty-(30)-days of notification.

Upon request, both funded and unfunded applicants will have the opportunity to review their application's scoring with ADOH staff in order to increase their competitiveness in subsequent application and funding processes.

Maximum Grant Amount

The maximum grant available including administrative funding under this notice cannot exceed the total amount of the Colonia Set Aside for FY2023/2024 as determined by HUD through its formula allocation to the State of Arizona. Funds unexpended at contract termination shall be returned to ADOH.

Technical Assistance

The Department will not preview, comment on, or pre-judge any element of any application prior to its initial submittal. A limited amount of assistance is available regarding the interpretation of the Department's policies, the CDBG Colonia Set-Aside program in general, and how program requirements should be applied. All requests for clarification shall be made in writing via e-mail to kathy.blodgett@azhousing.gov.

Application Timeline

The following is a listing of key dates in the application and funding process:

Application Handbook (REV. March 2020) release: March 2020

NOFA release: May 20, 2024

Application Deadline: September 20, 2024

Application Submittal

ADOH will accept an application for <u>one</u> project from each community/county eligible to receive funding from the State CDBG Colonia Set-aside Program.

Applications must be electronically submitted and received by ADOH through the CDBG and HOME Portal located on the ADOH website at: https://housing.az.gov/portals/document-upload-portals no later than Friday, September 20, 2024 by 4:00 p.m.

Applications *may not* be submitted via U.S. mail, Fed-ex, UPS, e-mail or fax. Questions regarding application submission may be sent via e-mail to: <u>kathy.blodgett@azhousing.gov</u>