



Nonprofit Capital Improvements 2024 Policies and Procedures

OVERVIEW

This application is for **capital improvements for nonprofit facilities** that provide services for low- and moderate-income persons. A total of \$200,000 will be available for 2024. Funding will come from American Rescue Plan (ARP) dollars. All federal CDBG requirements apply to this program.

ELIGIBILITY AND APPLICATION PROCESS

Applicants must be nonprofit organizations that are incorporated under state law and designated as a 501(c)3 from the U.S. Internal Revenue Service. Applicants must demonstrate the ability to comply with all the Department of Housing and Urban Development (HUD) rules and regulations, including those governing the procurement of goods and services with federal funds. The applicant cannot have any active code violations at any properties owned by the organization or have a debt owed to the City of Peoria. In addition, the property must have no liens other than mortgages, which must be in good standing and not overdue.

Applicants must submit all of the following at the time of application:

- Articles of incorporation
- Organization bylaws
- IRS tax exempt letter
- List of board of directors
- Organizational chart
- Resumes of chief administrator(s) and chief fiscal officer(s)
- Most recent financial statement and audit (no older than 2 years)
- Total organization budget for current fiscal year
- Anti-discrimination policy for employees and clients
- Insurance/bond/worker's compensation policies
- Certification of Financial Accountability Standards

- City form signed by authorized representative of organization, demonstrating acknowledgement of and responsibility to comply with financial management and internal controls standards found in 2 CFR 200.302-303.
- Statement of compliance with the Americans with Disabilities Act (ADA)
 - Signed document on agency letterhead that addresses the organization's adherence to the ADA and how the agency's building is accessible
- City of Peoria EOO certificate
 - All agencies are required to register with the City of Peoria Equal Opportunity Office using [this form](#). An [instruction guide](#) is also available.
 - Contractors, subcontractors, and subrecipients are also subject to obtaining these required registrations.
- Proof of ownership of the building
- Minimum of two current, professionally obtained replacement cost estimates for the project.
 - Applicants must relay to all contractors bidding on this project that contractors must adhere to Federal Davis-Bacon Act wage rates and definitions.
- SAM Cage Code
 - All agencies receiving federal money must register for a SAM Cage Code. Applicants may request a SAM cage code at www.sam.gov. The SAM cage code is provided at no charge.
 - Contractors, subcontractors, and subrecipients are also subject to obtaining these required registrations.

Late and incomplete applications will not be considered. Organizations and agencies barred from receiving federal funding, from the City of Peoria or any other governmental agency, are ineligible to apply.

PROGRAM REQUIREMENTS

Capital improvements must be used for a facility designated to serve low- and moderate-income persons. Agencies must provide services that benefit low- and moderate-income persons, and the facility must be open to the general public during regular business hours.

Applicants must describe the services provided at the physical location at which they are requesting the replacement. In addition, applicants must outline the replacement needs of the facility. The facility must be owned by the nonprofit organization. All buildings will be inspected by a City inspector to assess the need for improvements and the proper installation of the new systems. Funding will be provided on a reimbursement basis. All contractors must adhere to Federal Davis-Bacon wage rates and definitions and Section 3 regulations and reporting requirements

Applicants must also provide a detailed description of the proposed project. They must be able to explain how the project will improve their ability to provide services to low- and moderate-income individuals, as well as the benefit to their target population and the geographic area their program(s) serve. Applicants should be able to provide the demographics of their potential CDBG-eligible

clients that their facility/facilities will serve. They must demonstrate they have the capacity to maintain and operate the facility on their own once improvements are made and provide information about other sources of funding and the amount provided to the project and its support.

CDBG Public Facilities are required to be open and available to the public. To this effect, applicants are required to describe their hours of operation and accessibility to the facility by the public. Homeless shelters or those facilities with limited access are exempt from this requirement.

Agencies must provide their financial information in the application, including their experience with publicly funded projects, funders, audits and monitoring records, procurement procedures, budgets, and comprehension of and adherence to federal regulations.

Faith-based organizations are eligible to apply for funding. In order to do so, they must explain how they will comply with 24 CFR 570.200(j) and the criteria in HUD Notice SD-2016-01, which prohibits inherently religious activities as a requirement for participation in or service from a HUD-funded activity. These regulations also prohibit the organization from discriminating against participants based on religion. These organizations must also explain how their organizations will comply with 24 CFR 5.109(g) within the scope of their proposed project, which prohibits the use of HUD funds for improvements an organization uses as their principal place of worship, including, but not limited to, sanctuaries, chapels, and other rooms. For structures that are used for both eligible and inherently religious activities, HUD funds may not exceed the proportional cost of those activities that are eligible under the CDBG and HUD regulations.

The City of Peoria requires the disclosure of all conflicts of interest that arise in the proposal of projects, including involvement in the decision-making process, financial interest and benefit, and any direct relation that stands to benefit from the application. Those with a conflict of interest must provide an explanation of the potential conflict.

Awarded agencies may be required to submit monthly reports on progress and will be required to submit reports for reimbursement.

Examples of **eligible costs** include:

- Building rehabilitation
- Replacement of mechanical systems
- Vehicles
- Roof repair/replacement

Examples of **ineligible costs** include:

- Building acquisition
- Ongoing operating/maintenance costs
- Purchase of construction equipment
- Furnishing and other personal items
- Staff expenses

Awarded agencies will be expected to complete improvements within six months of award. The application must also be consistent with the City of Peoria’s HUD Consolidated Plan, the Analysis of Impediments to Fair Housing Choice, and other City Council priorities.

Partial funding will NOT be awarded. Requests must be between \$50,000 and \$75,000.

Applications will be reviewed and selected by CDBG Public Services Advisory Commission.

Applicants with questions or comment about the application are asked to contact the Grants Division at grants@peoriagov.org prior to the application deadline.

Proposed Timeline:

- 2/12 - 3/8: Application period
- 3/11 - 4/4: Commission evaluates applications
- April 19: Commission makes funding recommendations
- May 14: Council votes to approve recommendations

VI. NATIONAL OBJECTIVES

The CDBG statutes and regulations set forth eligible activities as well as the national objectives that each activity must meet. The national objective for a Public Facilities activity is “benefit to low- and moderate-income (LMI) persons.” To meet the LMI national objective, the category of “limited clientele activities” is used.

The “limited clientele” category is a way to qualify specific activities under the “LMI benefit” national objective. Under this category, 51 percent of the beneficiaries of an activity must qualify as LMI. With respect to determining the beneficiaries of activities as LMI and qualifying under the limited clientele category, activities must meet one of the following:

- Benefit a clientele that is generally presumed to be principally LMI. This presumption covers abused children, battered spouses, elderly persons, severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
- Require documentation on household size and income in order to show that at least 51 percent of the clientele are LMI; or
- Have income eligibility requirements limiting the activity to LMI persons only; or
- Be of such a nature and in such a location that it can be concluded that clients are primarily LMI.

Participants must be at or below 80% of area median income by household size as outlined below:

Total maximum annual income per household (limits are subject to change as updated by HUD)

Household Size	1	2	3	4	5	6	7	8
Income	\$42,750	\$48,850	\$54,950	\$61,050	\$65,950	\$70,850	\$75,750	\$80,600

VII. ENVIRONMENTAL REVIEW

All projects will need to have an environmental review completed by the City of Peoria in accordance with the National Environmental Protection Act (NEPA). The scope of the environmental review will depend on the nature and size of the project. The City of Peoria may need to incur costs related to the completion of the NEPA review. Any third-party costs will be passed on to the applicant as a project cost. Once the funding application is received, the applicant and anyone else in the development process cannot take any choice-limiting actions until the environmental review is complete. Choice-limiting actions include the acquisition of property, beginning rehabilitation activities, signing binding contracts, etc. If a choice-limiting action is taken without the environmental review being completed, the project will be disqualified from receiving federal funding. In addition, the project may be deemed ineligible by the findings of the environmental review.

VIII. EVALUATION

Each member of the CDBG Public Services Advisory Commission will evaluate each application using the following evaluation:

Evaluation Criteria	Mark Score (Low > High)					
	0	1	2	3	4	5
1. Organization meets CDBG National Objective "Benefit to Low/Moderate Income Persons."						
2. Organization helps advance principles of equity and inclusion.						
3. Need for improvements is clearly identified and reasonable.						
4. The funding request is clear and reasonable.						
5. The project is financially feasible.						
6. Organization has experience in managing federal awards.						
7. The project provides a public benefit.						
8. Organization has clear understanding of federal requirements of grants and awards, including but not limited to Davis-Bacon, Section 3, and 2 CFR 200.						
9. Organization has public or private partners and/or leveraged non-CDBG resources available.						
10. Organization has capacity to maintain and operate facility of its own accord once improvements are made.						
11. Organization provides a service unique from others in scope and scale.						
12. The project has a clear plan and design.						
13. The organization and the project have clear and reasonable budgets.						
14. Organization understands the procurement process to federal standard.						
15. Organization has identified well-qualified staff available and capable of maintaining oversight of the project while it is conducted.						
16. Organization has a greater impact on the target beneficiaries than other applicants.						
17. Organization has previous experience with the City of Peoria.						
Total Score = _____ /85						

This is only an evaluation tool; it does not dictate which proposals are ultimately recommended for funding. The City reserves the right to reject any and all proposals, to waive or modify any

requirement contained in this application, to amend without consult any proposal, and to affect any agreement deemed be in the best interest of the City and its residents. The City also reserves the right to use the results of this procurement process to make funding recommendations for other funding sources.

IX. GENERAL CONDITIONS

The City of Peoria reserves the right to reject any or all applications and to waive any informalities in the proposal process.

The City of Peoria reserves the right to make an award based solely on the proposals or to negotiate further with one or more applicant. The applicant(s) selected for the award will be chosen based on the greatest benefit to the City of Peoria and not the lowest price. Past performances with the City of Peoria will also attribute to the validity of the applicant's application. The City's decision is final; there is no appeal process.

The City of Peoria reserves the right to terminate the contract for unsatisfactory performance or such other justifiable causes. In the event the applicant is performing unsatisfactorily, a 30-day prior written notice shall be given to rectify any outstanding issues concerning the contract with the option of termination for causes such as loss or reduction in availability of funding.

The applicant shall provide access to any books, documents, papers, and records that are directly pertinent to contract services for the purpose of making audit examination, excerpts, and transcriptions at no charge. Such access shall be made to the City of Peoria, U. S. Department of Housing and Urban Development officials, Comptroller General of the United States, or any of their duly authorized representatives.

The applicant shall retain all required records for four (4) years following the date of expiration and all other pending matters are closed and shall provide access to the City at no charge during that period.

The applicant shall protect, defend, indemnify, and hold harmless the City of Peoria against any and/or all claims that may result or arise from performance of this contract.

In accordance with federal regulations, the City of Peoria requires a drug-free workplace. The applicant shall require all employees sign copies of the notice to honor and abide by the requirements of the Drug Free Workplace Act. Signed copies must be maintained for every employee.

All construction work shall be performed in compliance with standards and regulations adopted by the City of Peoria and in compliance with Community Development Block Grant regulations and other related requirements. These include the National Environmental Protection Act, Davis-Bacon Prevailing Wage, and Section 3 regulations.

X. PROPOSAL SPECIFICATIONS

Specific payment terms will be negotiated with successful applicants, based on the overall costs of the replacements and the amount of award. The City will ensure all costs are necessary and reasonable in approving awards and negotiating final terms.