

**Community Development
Block Grant – Coronavirus
(CDBG - CV)
Webinar**

June 22, 2022

IOWA
economic development

Teams Webinar Format

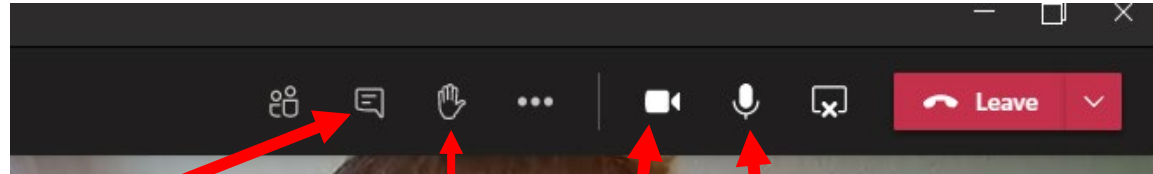
New technology – goal is to record and post.

Questions may be submitted through the Chat feature.

Periodically throughout the agenda we will pause for Q&A, first going through the chat box queue and then a live Q&A.

If the Q&A system doesn't work for you, please email questions to:

Sarah.Plowman@IowaEDA.com
and I will respond after the event.



Your camera will be automatically turned off. Your microphone will default to off unless the Webinar host allows you to unmute.

When the host indicates that you can unmute, you may do so to ask questions. Please, if possible, use the "Raise Hand" feature.

Today's Agenda

- » CDBG-CV Progress Policy
 - » High-level CV program updates
 - » Reviewing the Policy
 - » Q&A
- » Duplication of Benefits (DOB) & Claims
 - » Reviewing DOB forms
 - » Iowa Grants walk-through
 - » Subrecipient agreements
 - » Q&A
- » Documentation/Recordkeeping for low-mod jobs (LMJ)
 - » Qualifying a new hire as LMJ
 - » Recordkeeping documentation
 - » Q&A

CDBG-CV Progress Policy

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Progress Policy

High-level CV Program Updates:

» Allocations & Awards

- Applications closed
- Funds fully allocated

» Expenditures & Deadlines

- HUD is monitoring expenditures
- **Funds unspent after July 20, 2023, can be reclaimed by HUD!**
- Cities/counties responsible to cover the balance
- **Projects that do not meet a national objective will need to be repaid in full!**

» Program Guidance

- “Recipient Workshop” detail coming soon
- CDBG Management Guide updates for 2022

Progress Policy

Reviewing the Policy:

» Policy Intent/Design

- Context: short timetable and dire funding repercussions
- On-going risk monitoring: track progress *proactively* rather than troubleshoot issues *reactively*
- Goes into effect July 1, 2022

Progress Policy

» Expectations

- Sign and return the contract by the date listed in the award letter
- Submit the environmental/historic review within 90 days of the contract start date
- Go out to bid for construction (or other procurement) within 30 days of receiving the ROF
- Submit a claim/draw request at least every six (6) months, from the contract start date
- Expend 50% of the CV award by the 75% mark of the life of the contract
- Expend 100% of the CV award by the contract end date or July 20, 2023, whichever comes first

Progress Policy

» Strikes & Remediation

- Failure to meet any one expectation results in a “strike”
- Virtual meeting (IEDA, city/county, grant administrator)
- Remediation plan, subject to IEDA approval
- Strike removed if plan is followed; second strike issued if not, and/or issue remains unresolved
- **After three unresolved strikes, IEDA may suspend reimbursement for any current and future claims, and/or explore and initiate deobligation**

Progress Policy

» Notes & Further Detail

- Environmental/historic review submitted within 90 days, not approved
- “ROF” refers to Release of Funds for non-Tier II and Tier II approval in Iowa Grants, as applicable
- Bidding/procurement: grant administrators upload to Electronic Documents
- “Expend” refers to approved claims (not merely submitted ones)
- Remediation plans emailed to Sarah Plowman within one week of meeting
- On July 1, any/all issues grouped into one initial “strike”
- Claims are still expected every six (6) months even if reimbursement is temporarily suspended

Progress Policy

Q&A?

- » 50% expended by 50% of contract
 - Changed to 50% by 75
- » Idea: monthly update (accomplishments, anticipated, challenges)
 - Not necessary, but I won't stop you!
- » Other questions from chat...
- » Other questions live...

Duplication of Benefits (DOB) & Claims

DOB & Claims

Reviewing DOB Forms:

» DOB Organizational Certification

- To be filled out by every non-profit or public organization (food bank, daycare, community center, even the City, etc.)
- Completed once up front; updated if/as funding changes
- Checkboxes: listed in order of most, to least, common responses
- Uploaded with every claim in “DOB signed consent/ release form” if food bank or non-profit daycare; “Misc. Claim Documents” if other

DUPLICATION OF BENEFITS CERTIFICATION

CDBG-CV PROGRAM

The funding program to which you are applying (CDBG-CV) requires verification of additional financial assistance to comply with The Robert T. Stafford Disaster Relief and Emergency Assistance Act, (Stafford Act Section 312 42 U.S.C. 5121–5207) which prohibits federal agencies from providing financial assistance to any person, business concern, or other entity from receiving federal funds that are duplicative from any other program or any other source where the assistance amount exceeds the need for specific disaster recovery purpose.

Organization: _____

Program: _____

I/We, _____, affirm the following:
Print Name

I/We make this Affidavit in connection with Community Development Block Grant CARES Act (CDBG-CV) assistance through the Iowa Economic Development Authority (IEDA) and its local government partners.

I/We received or expect to receive the additional Program funding sources and amounts as listed on the CDBG-CV Application.	<input type="checkbox"/> (please check)
I/We received or expect to receive the additional Program funding sources and amounts as listed on the CDBG-CV Application with the following changes: (please list)	<input type="checkbox"/>
I/We received or expect to receive no additional Program funds	<input type="checkbox"/>

I/We agree to notify the local government in writing of any changes to the information contained in this certification from the date of this Certification through the completion of the Project(s).

Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

I/We certify under penalty of perjury that all information provided as part of this application is true and correct to the best of my/our knowledge. I give my consent to the sponsoring organization considering this application to use the information provided herein for the purpose of CDBG-CV program consideration.

Signature _____
Date

Signature _____
Date

DOB & Claims

DOB & Claims

Reviewing DOB Forms:

» Public Services DOB Certification

- To be filled out by every non-profit food bank or daycare beneficiary (low risk)
- Completed at first time of service and every 3 months thereafter
- Goal: to steward resources wisely and only provide the assistance that is needed at the time
- Uploaded with every claim in “Self-certification form”
- There is a Spanish version as well

DOB & Claims

DUPLICATION OF BENEFITS CERTIFICATION

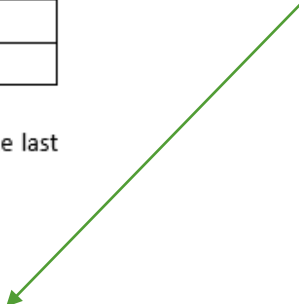
This certification must be completed **every three months** by all applicants that will receive any assistance from the CDBG-CV funded **PROGRAM NAME** being offered by the **City of [insert administrative entity]**. The information within this certification will provide the **City** with vital information for ongoing evaluation of duplication of benefits as required by the Stafford Act Section 312, as amended and the Coronavirus Aid, Relief, and Economic Security Act.

Please identify any other **food and nutrition** assistance funds that the individual or family/household has received or anticipates receiving. Sources of funds include but are not limited to: Federal, state, and local government, church, or nonprofit assistance programs.

I/We have received the following recovery assistance funds:

Assistance	Amount	Use of Funds
	\$	
	\$	
Other (please name):	\$	

Note the additional clarifying phrase in item 1, below



No members of the household have received any type of **food and nutrition** assistance in the last three months.

I hereby certify that:

1. I/We have received no other **food and nutrition** assistance funds other than that set forth above, and I/we still have remaining individual or household **food and nutrition** needs.
2. If I/We receive duplicated benefits, I will repay the duplicated benefits.
3. I/We certify under penalty of perjury that all information provided as part of this application is true and correct to the best of My/Our knowledge.

Date _____

Print Name

Signature

DOB & Claims

Reviewing DOB Forms:

» Individual Subrogation Agreement

- To be filled out by every for-profit developer, for-profit daycare, or microenterprise owner (higher risk)
- Completed once up front
- Uploaded once into “Electronic Documents”
- If the financial picture changes, alert IEDA

SUBROGATION AGREEMENT

DOB & Claims

This Subrogation and Assignment Agreement (“Agreement”) is made and entered into on this ___ day of _____, 20___, by and between _____ (“Applicant”) and the [insert name of administrative entity] (“Grantor”).

In consideration of Applicant’s financial situation or the commitment by Grantor to evaluate Applicant’s application for the receipt of funds (collectively, the “Grant”) under the [insert name of administrative entity] [insert name of rental, mortgage, or utility program] (the “Program”) administered by Grantor, Applicant hereby assigns to Grantor all of Applicant’s future rights to reimbursement and all payments received from any grant, subsidized loan, or assistance under any housing assistance programs that are determined in the sole discretion of [insert name of administrative entity] to be a duplication of benefits (“DOB”) as provided in this Agreement.

The proceeds or payments referred to in the preceding paragraph, whether they are from a federal grant or any other source, and whether or not such amounts are a DOB, shall be referred to herein as “Proceeds,” and any Proceeds that are a DOB shall be referred to herein as “DOB Proceeds.” Upon receiving any Proceeds not listed on the Duplication of Benefits Certification, the Applicant agrees to immediately notify the Grantor of such additional amounts. The Grantor will determine in its sole discretion if such additional amounts constitute a DOB. If some or all of the Proceeds are determined to be a DOB, the portion that is a DOB shall be paid to the Grantor.

Applicant’s assistance and cooperation shall include but shall not be limited to allowing suit to be brought in Applicant’s name(s) and providing any additional documentation with respect to such consent, giving depositions, providing documents, producing record and other evidence, testifying at trial, and any other form of assistance and cooperation reasonably requested by the Grantor. Applicant further agrees to assist and cooperate in the attainment and collection of any DOB Proceeds that the Applicant would be entitled to under any applicable housing assistance program.

If requested by the Grantor, Applicant agrees to execute such further and additional documents and instruments as may be requested to further and better assign to the Grantor, to the extent of the Grant paid to Applicant under the Program, the Policies, any amounts received under the the Program that are DOB Proceeds and/or any rights thereunder, and to take, or cause to be taken, all actions and to do, or cause to be done, all things requested by the Grantor to consummate and make effective the purposes of this Agreement.

Applicant explicitly allows the Grantor to request of any organization with which the Applicant has applied for or is receiving Proceeds, any non-public or confidential information determined to be reasonably necessary by the Grantor to monitor/enforce its interest in the rights assigned to it under this Agreement and give Applicant’s consent to such company to release said information to the Grantor.

Applicant represents that all statements and representations made by the Applicant regarding Proceeds received by the Applicant shall be true and correct as of the date of Closing.

DOB & Claims

NOTICE: Applicant executing this Agreement are hereby notified that intentionally or knowingly making a materially false or misleading written statement to obtain property or credit is a violation of Title 18 United

States Code Section 1001 and, depending upon the amount of the Grant, is punishable by a fine, imprisonment for not more than five (5) years, or both, which may be ruled a felony, for any violation of such Section.

The Applicant executing this Agreement hereby represents that he\she has received, read, and understands this notice of penalties for making a materially false or misleading written statement to obtain the Grant.

In any proceeding to enforce this Agreement, the Grantor shall be entitled to recover all costs of enforcement, including actual attorney's fees.

APPLICANT

Signature: _____
Name: _____
Date: _____

CO-APPLICANT

Signature: _____
Name: _____
Date: _____

GRANTOR:

[insert name of administrative entity]

Signature: _____
Name: _____
Title: _____
Date: _____

DOB & Claims

Iowa Grants Walk-Thru:

- » Filling out the Status Detail form
 - By type of project
 - Where to upload
 - What the fields mean

DOB & Claims

Subrecipient Agreements:

Section 17. Duplication of benefits.

» DOB Language

- Required – amend if missing
- Template on Management Guide website
- Should be in other types of “subrecipient” agreements

(a) The parties acknowledge that activities identified in this agreement are funded through the state of Iowa's CDBG-CV funds, allocated through the CARES Act.

(b) The parties acknowledge that prevention of Duplication of Benefits is a requirement per the CARES Act and corresponding HUD Federal Register Notice of Program Rules, Waivers, and Alternative Requirements Under the CARES Act for Community Development Block Grant Program Coronavirus Response Grants, Fiscal Year 2019 and 2020 Community Development Block Grants, and for Other Formula Programs. (FR-6218-N-01).

(c) For CDBG activities identified in this agreement, the parties agree to prevent Duplication of Benefits as required by Section 312 of the Stafford Act, as amended by Section 1210 of the Disaster Recovery Act of 2018.

(d) The Subrecipient agrees to follow the Duplication of Benefits policies and procedures as provided by the Local Government.

(e) The Subrecipient agrees to repay CDBG-CV funds received from the Local Government, if the Local Government determines a Duplication of Benefits has occurred.

DOB & Claims

Q&A?

- » Questions from chat...
- » Questions live...

Documentation & Recordkeeping for LMJ

LMJ Documentation

Qualifying a New Hire as LMJ:

» Four methods

- Document “presumed” LMI status
- Document annual wage salary of the position itself
- Document the individual income of the new hire (via Part 5)
- Document the household income (via Part 5)

LMJ Documentation

Qualifying a New Hire as LMJ:

» Four methods → More info...

– Document “presumed” LMI status:

1. Document “presumed” LMI status if one of the following conditions is met:
 - a. The person being hired resides in a census tract or block group with 70% LMI,
 - b. The person being hired resides in a census tract with 20% poverty rate and general distress,
 - c. The person being hired resides in a block group with a central business district and 20% poverty and general distress, or
 - d. The business and job are located in a census tract or block group with a central business district and 20% poverty and general distress.

***Note: a central business district has high land valuation, high concentration of businesses/offices/theaters/hotels etc., and high traffic flow. And “general distress” would mean all block groups in that census tract have a poverty rate of at least 20%, or the job is in a block group with 20% poverty, or there are other signs of general distress that you document and IEDA runs up the chain to HUD to confirm or deny.*

LMJ Documentation

Qualifying a New Hire as LMJ:

- » Communicate up front
 - Is the business owner aware?
 - Is the potential new hire aware?
- » Other options...
 - Create yet another position and try again
 - Return the funds

LMJ Documentation

Recordkeeping Documentation:

- » Agreement with the Business
 - Commitment, job specs, actions to be taken
 - Forgivable loan, subrecipient agreement, other
- » For Each New Hire
 - Job title and FTE
 - Name and income status of new hire
- » For New Positions (Unfilled)
 - Job title, description, and FTE
 - Prerequisites/skills required (and business commitment to provide)
 - First consideration given to LMI (interview name/date, and income status)

LMJ Documentation

Q&A?

- » Questions from chat...
- » Questions live...

Final Reminders

- » CDBG-CV funds not spent by July 20, 2023, will be recaptured by HUD, and projects that do not meet national objectives must repay the entire award.
- » Progress Policy goes into effect July 1, 2022.
- » All CV claims require the Status Detail DOB form to be filled out.
- » Failure to successfully document the LMJ national objective will require either additional new hires or repayment of funds.
- » More “Recipient Workshop”-type guidance to come.

Questions?

Thank You!

Sarah Plowman, CDBG-CV Project Manager

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