



516 Cooper Avenue, Suite 101  
 Grafton, ND 58237  
 701-352-3550  
 www.RedRiverRC.com

# Pre-Application Requirements & Considerations

## North Dakota Community Development Block Grant (CDBG) Program

A two-step process is utilized to determine the highest priority public facilities and housing projects in Region IV, which includes Grand Forks, Nelson, Pembina and Walsh counties. Pre-Applications are reviewed by the Red River Regional Council (RRRC) Board of Directors for funding consideration. The RRRC receives about \$200,000 annually to be used on public facilities and housing projects in Region IV. Applicants can be allocated all, some, or none of the amount requested. Applicants are invited to meet with the RRRC board members at the August meeting to review the project and answer questions.

If a project is allocated funds from the RRRC’s regional pool, the applicant will complete the second step of a CDBG award, which is the full CDBG application. This includes meeting environmental requirements (with assistance from RRRC staff), completing a community needs assessment, finalizing the project’s funding package, and completing the full application document. The full application is submitted to the ND Department of Commerce – Community Services Division for review and ultimate grant award.

### **CDBG GRANT AMOUNT REQUIREMENTS**

Changes to the FY2021 CDBG program at the state level will require increased grant minimums for CDBG supported projects as follows:

| Category  | Minimum Grant Amount |
|---|----------------------|
| Public Facilities & Public Services                                     | \$75,000             |
| City/County Housing Single Family Projects<br>(amount is not per house) | \$200,000            |
| City/County Multi-Family Projects                                       | \$100,000            |
| Economic Development – Retail Sector & Tourism                          | \$50,000             |
| Economic Development – Primary Sector                                   | \$100,000            |
| Governor’s Fund for Community Development                               | \$100,000            |

### **PRE-APPLICATION REQUIREMENTS**

Pre-applications for public facility and housing funds must be completed and received by the regional council by the deadline date. To apply for funding consideration, eligible applicants must complete the Pre-Application and submit the required attachments, which include:

1. Pre-Application

2. Verification of the city's or county's current and public SAM (federal system for award management) registration. Even if a city or county is applying for a CDBG grant on behalf of another organization, the city or county must have a current SAM registration. [www.SAM.gov](http://www.SAM.gov)
3. Resolution of Sponsorship (example attached on page 4)
4. For public facilities projects, facility rates and/or capital improvement fund balance for the public facility being proposed for construction or improvement
5. Project Area Map
6. A Preliminary Engineer's (PER) or Architect's Report (PAR) is required for new housing construction, public facilities, and handicap accessibility projects. Costs of the engineer/architect are part of the local match.

The PER/PAR report should include:

- a. Description of existing facility (age, purpose, etc.)
  - b. Description of the problem to be addressed
  - c. Alternatives to solving the problem
  - d. Discussion of the scope of the work to be performed
  - e. Plans for the project's long-term maintenance and operation
  - f. Name and address of the professional completing the report
  - g. Date the report was prepared
  - h. Detailed line item estimates of potential costs. Construction contingency should be included as part of the project costs. Legal/advertising are part of the local share.
7. Applicant's letter of commitment of local funds indicating the fund any loans will be paid from
  8. Applicants should have a current state-approved ADA/504 Transition Plan as all cities/counties were required to develop one to meet ADA needs in the 1990s. Any entity subject to Title II of the American with Disability Act (public services) must complete and/or submit a copy of their transition plan with the pre-application, especially when applying for funds to remove architectural barriers (handicap accessibility projects). Certification must be provided by the applicant that all programs, services, and activities delivered in the structure being considered will be fully accessible.

### **OTHER CONSIDERATIONS**

Considerations to be reviewed when applying for CDBG funds, include:

1. A city or county must be the applicant and all applicants must have a DUNS number. The city or county must also have an active and public SAM registration. Processing of a SAM registration can take several weeks, please plan ahead. (Contact the RRRC for guidance).
2. The applicant should apply for funds the year **preceding** the proposed construction/rehabilitation. For example, an applicant should apply to the RRRC in June 2021 for a project with a proposed 2022 construction timeline.

3. No construction contract can be signed without prior release of funds (formal grant award) from the North Dakota Department of Commerce. **No work, even work not supported by CDBG, can begin before release of funds.**
4. All projects have a local match as follows:
  - a. Public facilities projects: Cost of E/A services; legal/advertising; and 10% of CDBG award for grant management
  - b. All housing projects and public facilities projects utilizing CDBG for payment of special assessments: Cost of E/A services; legal/advertising; and 15% of CDBG award for grant management.
5. Applicants must be aware of any potential Conflict of Interest in projects and plan accordingly for who will sign the full application and subsequent documentation. For example, if the project intends to utilize CDBG to pay special assessments and the Mayor or a member of the city council would like to apply to have their special assessments paid by the grant, this needs to be disclosed and discussed at the beginning of the process, before any public hearings are held, and before the full application is completed.
6. All contractors hired for CDBG projects must be licensed in North Dakota, including sub-contractors regardless of contract amount. Any unlicensed contractor operating in North Dakota can be found guilty of a Class A misdemeanor. All contractors must also be registered in the federal System of Award Management ([www.SAM.gov](http://www.SAM.gov)) prior to contract award. Registration is FREE but must be completed for a contractor to participate in a CDBG-supported project.
7. CDBG requires contractors working on a project to pay applicable Davis Bacon wage rates which can increase the overall cost of a project.
8. Development in a floodplain requires additional public comment periods, therefore extending the project timeline.

**RESOLUTION OF SPONSORSHIP**

Sponsoring units of government (city/county) must adopt and submit a Resolution of Sponsorship with the Pre-Application. The following is an example:

**RESOLUTION OF SPONSORSHIP**

Be it resolved that the \_\_\_\_\_ (Sponsoring unit of government) will act as sponsoring unit of government for the project titled \_\_\_\_\_ to be conducted during the period of \_\_\_\_\_ through \_\_\_\_\_.

\_\_\_\_\_ (Title of authorized official) is hereby authorized to apply to the North Dakota Division of Community Services for funding of this project on behalf of the \_\_\_\_\_ (sponsoring unit of government) on \_\_\_\_\_ (date).

I certify that the above resolution was adopted by the \_\_\_\_\_ (City Council, County Commission) of \_\_\_\_\_ (sponsoring unit of government) on \_\_\_\_\_ (date).

SIGNED (Mayor/Commission Chair):

WITNESSED (Auditor):

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

***This document may not include all guidelines and considerations for every project. Please contact CDBG Program Manager Stacie Sevigny at 701-352-3550 or Stacie@redriverrc.com for further information. Additional information about the CDBG program can be found at www.redriverrc.com.***