



**City of Rapid City, South Dakota
Neighborhood Lift Program
FY2020**

**Application for the use and ownership of:
627 Saint Cloud Street, Rapid City, SD 57701
Legal Description: Flormann, block 17, W1/2 of Lot 14 & all of Lot 15**

**Application Due by 4:00 p.m. Mountain Time
October 1, 2019**

PROGRAM OVERVIEW

The Neighborhood Lift Program is funded through the City of Rapid City's Community Development Block Grant (CDBG) Program, as a recipient of Community Development Block Grant Funds from the U.S. Department of Housing and Urban Development (HUD) under Title 1 of the Housing and Community Development Act of 1974, as amended (P.L. 93-383). The City of Rapid City's Neighborhood Lift Program is subject to all CDBG funding requirements and regulations.

ELIGIBILITY

Eligible applicants must be a public or private non-profit 501(c)(3) organization.

Housing must be set aside for households at or below 80% AMI, where housing costs are no more than 30% of household's gross monthly income as of the date of initial occupancy and in continued compliance with annual adjustments published by HUD for the duration of the affordability period.

Rents must include allowances for utilities and services (excluding telephone, cable, and internet). Applicants are encouraged to utilize the allowances established by the local Public Housing Authority or calculate their own allowances based on documentation from service providers.

For owner-occupied housing, the selling price of the home shall not exceed the appraised value. Applicants are to carefully consider the AMI being targeted and develop housing accordingly. Factors to consider include the percentage of the homebuyer's income available to pay the principal, interest, taxes, and insurance (PITI).

Land banking, the acquisition and holding of land for future use, is prohibited.

AFFORDABILITY PERIOD

Housing must be kept in compliance with affordability for a period of 20 years. The City of Rapid City will place an Indenture of Restrictive Covenants on the property to ensure the period of affordability is met.

Owner-occupied housing must remain the resident's principal residence during the affordability period. Applicant agrees that the use of such property may not change from that for which the acquisition was made unless the Applicant provides affected citizens with reasonable notice of, and opportunity to comment on, any proposed change, and either (1) the new use of such property qualifies as meeting one of the national objectives in Volume 24 of the Code of Federal Regulations, Section 570.208 (24 CFR 570.208), or (2) if the Applicant determines, after consultation with affected citizens, that it is appropriate to change the use of the property to a use which does not qualify under 24 CFR, Section 570.208. After such determination is made, Applicant may retain or dispose of the property for the changed use if the CDBG program is reimbursed in the amount of the current fair market value of the property, less any portion of the value attributable to expenditures of non-CDBG funds for the acquisition of, and improvements to, the property.

APPLICATION REVIEW PROCESS

Site work cannot begin before a 'Letter to Proceed' has been issued by the CDBG Program Division office.

- Applicant submits a complete application along with supporting documents
- Application review, including financial feasibility, is conducted
- Recommendations made to the City Council and Applicant notified of preliminary funding award, 30-day public comment period begins
- Final funding decision made by the City Council

WHAT TO EXPECT IF YOU ARE AWARDED

The award is based upon information provided in the application. Any significant changes, which include but are not limited to: a change in the number of units, a change in target AMI, a change in the number of bedrooms, a change in square footage, a change in financial feasibility, or a change supportive services may result in loss of funding. **Any proposed changes must be submitted to the CDBG Program Division office, in writing, and receive written approval.**

- Project setup and submit a revised budget, if applicable
- Contracts, Indentures of Restrictive Covenants, Mortgage, Promissory Note, and other appropriate instruments executed
- Plan review approved and building permits issued by Building Services
The Applicant must obtain all required permits, including but not limited to, building, grading, and stormwater drainage within **4 months** of the final funding decision.
- Environmental Review conducted by the City of Rapid City
If an environmental review is not completed prior to any funding commitment, the project may become ineligible.
- Applicant and CDBG Program Division staff outlining Environmental Review findings and program requirements
- Deed transferred to Applicant
- Applicant solicits bids
CDBG Program Division will provide guidance on required language to be included in the solicitation
- Applicant contracts with developers and/or contractors
- CDBG Program Division conducts Federal debarment check on all parties
- CDBG Program Division issues 'Notice to Proceed' letter
Projects that begin before a "Letter to Proceed" has been issued by the CDBG Program Division office may become ineligible.
- Project and monthly reporting begins; Applicant can begin submitting draw requests
- CDBG Program Division conducts site visits
- Project complete, final draw and reports submitted

Project Setup

CDBG staff will work with Applicant to revise budget documents, if necessary, pursuant to final award, and complete other reviews including Procurement Standards and Code of Conduct policy, Conflict of Interest policy, Affirmative Action/Non-Discrimination policy, Fair Housing Policy, etc., and assist with Section 3, Davis-Bacon, and other requirements.

The System for Award Management (SAM)

All parties, including, but not limited to Applicant, engineers, architects, developers, general contractors, consulting firms, and subcontractors must have DUNS numbers registered in The System for Award Management (SAM) government system and must not be debarred by HUD. It is recommended the Applicant complete this registration prior to submitting a funding application. Registration is free.

Conflict of Interest

If any part of the project may pose a potential conflict of interest, the Applicant should immediately notify the CDBG Program Division to begin a conflict of interest waiver process for HUD approval. The conflict of interest process takes approximately 6-8 weeks to complete.

Indenture of Restrictive Covenants, Mortgage, Promissory Note and Other Requirements

If CDBG funding is used for rehabilitation, renovation, or acquisition of property, an Indenture of Restrictive Covenants and/or Mortgage will be required to be filed against the property to recover funding if building ceases to be used for an eligible activity or to benefit low-to-moderate income people for the compliance period.

Environmental Review

An environmental review will be conducted by the City. **If an Environmental Review is not completed prior to funding commitments, the project may become ineligible.**

Reporting Requirements and Monitoring

Applicant is responsible for maintaining sufficient written records to document client income, project eligibility, and project activities. Monthly reports are required.

Construction Projects*

Davis-Bacon regulations are required on construction projects in excess of \$2,000. *Construction includes building, alteration and/or repair, including painting and decorating, or ground work of public buildings, public works, or residential housing. Davis-Bacon regulations **are not** required for single family homes or multi-family housing with less than 8 units, except where ground work of public buildings, public works, or residential housing is part of the project. Certified weekly payroll reports are required for Davis-Bacon projects.

Davis-Bacon projects require Davis-Bacon and Labor Standard (HUD form 1040) in all advertisements, solicitations, bids, and contracts. The CDBG Program Division will provide guidance on mandatory language and provide a wage determination.

NOTE: If a project is delayed, a new wage determination may be required and any wage increases must be incorporated in the project.

A pre-construction meeting must be scheduled with the CDBG Program Division Manager prior to site work beginning.

Site work cannot begin before a 'Letter to Proceed' has been issued by the CDBG Program Division office.

Disbursement of CDBG Funds

The Applicant is responsible for submitting draw requests on a reimbursement basis and including invoices and all supporting documentation for payment. Missing documentation and/or reporting will delay payment. Payments must be approved by City Council and are subject to agenda deadlines (allow 3-5 weeks.)

Reports must be current before CDBG funds will be disbursed.

Project Changes

Any significant changes, which include but are not limited to: a change in the number of units, a change in target AMI, a change in the number of bedrooms, a change in square footage, a change in financial feasibility, or a change supportive services may result in loss of funding. **Any proposed changes must be submitted to the CDBG Program Division office, in writing, and receive written approval.**

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Incomplete proposals will not be considered for funding.

PROJECT SPECIFICATION

Project Name: _____
 Project Location: 627 Saint Cloud Street, Rapid City, SD 57701
 Legal Description: Flormann, Block 17, W1/2 of Lot 14, & all of Lot 15
 Application is for the use and ownership of the property described above for the development of the project described in this application. Project must meet a HUD National Objective of the Housing and Community Development Act of 1992, and be an eligible activity defined by the federal regulations.

GENERAL INFORMATION

Agency Name: _____ DUNS Number: _____
 Federal I.D. Number: _____ Organization Tax Exempt Status: _____
 Agency Address: _____ Mailing Address: _____

CONTACT INFORMATION

Agency Director: _____ Phone: _____ Email: _____
 Board President: _____ Phone: _____ Email: _____
 Person in Charge of Reporting/Draw submittals: _____ Phone: _____ Email: _____

Personnel Assigned to Scope of Work (*list all who will be involved*)

Staff Member	Job Title	General Program Duties	Est. Time Allocation Per Week
<i>Jane Doe</i>	<i>Counselor</i>	<i>Intakes, counseling</i>	<i>10 hours/wk</i>

APPLICANT HISTORY

Mission of the organization:

Narrative describing your organization (*Brief – 3-5 sentences*):

Does the agency have income eligibility requirements which limit services or activities exclusively to low/moderate income persons? Yes No

Explain: _____

Does your agency currently require information on:

Household Size Yes No

Income Yes No

Number of clients served during the last twelve (12) months: In Rapid City: _____ Outside Rapid City: _____

Has the organization expended over \$750,000 in Federal Awards in the previous Year? Yes No

Has the Applicant received CDBG funds in the past? Yes No

Does the Applicant have unexpended CDBG funds? Yes No

If answered Yes, how much? \$_____

When will the unexpended funds be drawn? _____

Did the organization have any findings on the previous year’s audit? Yes No

If answered Yes please attach Audit, findings narrative, and resolution.

PROJECT CHARACTERISTICS

Provide a detailed description of project (*3000 character max.*):

Briefly state why this project is needed in this community: _____

Number of Buildings __ Number of Total Units __

Number of Total Units by Bedroom Size:

0 Bdr__ 1 Bdr__ 2 Bdr__ 3 Bdr__ 4 Bdr__ Other__

Number of Employee/Staff Units __

Number of Employee/Staff Units by Bedroom Size:

0 Bdr__ 1 Bdr__ 2 Bdr__ 3 Bdr__ 4 Bdr__ Other__

Type of Housing (Applicant is responsible for any necessary rezoning, Planned Development, etc.)

Single Family__ Apartment__ Townhome__ Condo__ Group Home__ Transitional Housing__ Other__

Occupant Type – For Every % Units Set-Aside:

For Area Median Income	Receive Points
30%	10
50%	8
80%	6

Must have a minimum of 36 points. 100 Maximum Points earned for 100% set-aside for 30% AMI.

Example: Project with 20% of units set-aside for 30% AMI, 20% set-aside for 50% AMI, and 60% set-aside for 80% AMI= 72 points

Applicant Self-Score: _____/100 points

Income verification method used:

Presumed Lower-Income Populations	OR	Income Verification Method
<input type="checkbox"/> Elderly Adults <input type="checkbox"/> Severely Disabled Adults <input type="checkbox"/> Abused Children <input type="checkbox"/> Victims of Domestic Violence <input type="checkbox"/> Illiterate Adults <input type="checkbox"/> Homeless Persons <input type="checkbox"/> Migrant Farm Workers <input type="checkbox"/> People with HIV/AIDS		<input type="checkbox"/> Pay Stubs/Wage Statements <input type="checkbox"/> W-2's <input type="checkbox"/> Income Tax Returns <input type="checkbox"/> Social Security Documentation (SSI/SSA) <input type="checkbox"/> Bank Statements <input type="checkbox"/> Support Checks Documentation <input type="checkbox"/> Other: _____ <input type="checkbox"/> Other: _____
		AND
		<input type="checkbox"/> Annual Income as defined under Section 8 Housing Assistance Payments Program (24 CFR 5.609); or <input type="checkbox"/> Adjusted gross income as defined for purposes of reporting under IRS Form 1040 (long form) for Federal individual income tax purposes; or <input type="checkbox"/> Annual income as defined for reporting under the Census long form for the most recent available decennial Census.

Check the populations the project will specifically serve. Check all that apply.

- Homeless
- Elderly
- Persons with physical disabilities
- Persons with mental disabilities
- Persons with developmental disabilities
- Unaccompanied youth
- Veterans
- Victims of Domestic Violence
- Individuals/Single Occupancy
- Illiterate Adults
- Migrant Farm Workers
- People with HIV/AIDS
- Other
- None of the above

List any other criteria used or any other population served by this project (optional) : _____

Is this a rental project? Yes No

If no, move to Service Enriched Housing section.

Applicant will manage the property
 Years of rental management experience. _____

Rental management will be: _____

Management will be contracted to: On-Site Off-Site

Other: _____

SERVICE ENRICHED HOUSING

Will on-site services be provided? Yes No

If no, skip this section.

If yes, briefly describe and attach fee schedule: _____

Target population services will be provided to. Check all that apply.

- Homeless
- Elderly
- Persons with physical disabilities
- Persons with mental disabilities
- Persons with developmental disabilities
- Unaccompanied youth
- Veterans
- Victims of Domestic Violence
- Individuals/Single Occupancy
- Illiterate Adults
- Migrant Farm Workers
- People with HIV/AIDS
- Other

PROJECT READINESS, BUDGET & TIMELINE

_____ % of project funding is secured.

PROJECT FUNDING (whole numbers only)	AMOUNT
Secured Funding	
	\$ _____
	\$ _____
	\$ _____
	\$ _____
	\$ _____
SUBTOTAL	\$ _____
Funding Pending Approval	

Award Notification Date_____	\$_____
Award Notification Date_____	\$_____
Award Notification Date_____	\$_____
SUBTOTAL	\$_____
Funding Not Yet Applied For	
Award Notification Date_____	\$_____
Award Notification Date_____	\$_____
Award Notification Date_____	\$_____
Award Notification Date_____	\$_____
SUBTOTAL	\$_____
TOTAL	\$_____

The City may require a more detailed budget breakdown than the one contained herein, and the Applicant shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the Grantee. Any amendments to this budget must be approved in writing.

PROJECT COSTS (SPECIFY ALL "OTHER" COSTS)	AMOUNT
Construction	
Site Improvements	\$_____
Foundation	\$_____
Construction	\$_____
Landscaping/Hardscaping	\$_____
Other (specify)_____	\$_____
Construction SUBTOTAL	\$_____
Professional Fees	
Architect Fee	\$_____
Engineer Fee/Survey	\$_____
Attorney Fee	\$_____
Real Estate Agent Fee	\$_____
CPA-Cost Certification	\$_____
Property Appraisal	\$_____
Environmental Reports/Testing	\$_____
Other (specify)_____	\$_____
Professional Fees SUBTOTAL	\$_____
Financing	
Bond	\$_____
Construction Insurance	\$_____
Interest	\$_____
Origination Fee	\$_____
Title and Recording	\$_____
Other (specify)_____	\$_____
Financing SUBTOTAL	\$_____
Other Costs	

Developer Fee	\$ _____
Other (specify) _____	\$ _____
Other SUBTOTAL	\$ _____
TOTAL COSTS	\$ _____

Cost estimates prepared by:

Name/Title

Contact Email and Telephone Number

Sustainability

How will the project will be financed and/or maintained in the future. Be specific. _____

For rentals, include rent roll projections. Long-term viability must be demonstrated and the applicant must demonstrate rental incomes cover the property's debt and operating expenses.

For owner-occupied, list estimated selling price; the selling price; the selling price of the home shall not exceed the appraised value. Selling price must be tailored for targeted AMI.

How will progress toward meeting the project's goal and objectives be measured?

- # of persons housed
- # of persons benefitting from building renovations
- # of occupied beds per night By-Laws
- # of case management sessions provided
- # of clients receiving treatment
- # of clients with increased income
- # of households purchasing homes
- # of people employed
- # of clients who remained housed
- # of children receiving childcare
- # of clients transported
- Other: _____ (Explain)
- Other: _____ (Explain)

The following businesses/agencies/volunteer groups have committed to working on this project. (optional)

BUSINESS/AGENCY/ORGANIZATION	TYPE OF WORK

Time Line (insert month for projected progress and completion):

- _____ Site Plans Approved
- _____ Permits Issued (must be obtained within 4 months of final award notification)
- _____ Solicitation of bids
- _____ Award Bid(s)
- _____ Construction Begins
- _____ Certificate of Occupancy Received
- _____ Building Occupied

List any other pertinent information to be consider (optional): _____

Required Supporting Documents

- Financial Statements
- List of Board Members and Affiliations
- Articles of Incorporation
- By-Laws
- Procurement Standards
- Code of Conduct Policy
- Affirmative Action/Non-discrimination Policy
- Conflict of Interest Policy
- Fair Housing Policy

Additional Supporting Documents, if applicable:

- Architectural drawings and engineering plans
- Site plan
- Zoning documentation

Certification

I certify that I have read and understood all the instructions related to this application and the information provided is true and correct.

This proposal is submitted for your review by:

Signature of Applicant Director

Print
Name: _____

Date: _____

Signature of Board President

Print
Name: _____

Date: _____

APPLICATION DEADLINE

Completed applications must be delivered (via U.S. Postal Service, Private mailing service, or hand delivery) to the CDBG Program Office by **4:00 p.m. Mountain Time on October 1, 2019.** Applications via facsimile or e-mail will NOT be accepted.

By mail:

*City of Rapid City
CDBG Program Division
300 Sixth Street, Rapid City, SD
57701 or*

In person:

333 Sixth Street – CDBG Program Division Office

Incomplete applications will not be included for consideration.

(605) 394-4181

If awarded, the following reporting information will be required.

NOTES:

- 1) Income eligibility is not required for the following national objectives:
 - a. Area benefit,
 - b. Presumed limited clientele
 - i. abused children,
 - ii. battered spouses,
 - iii. elderly persons,
 - iv. adults meeting the Bureau of the Census' Current Population Reports
 - v. definition of "severely disabled,"
 - vi. homeless persons,
 - vii. illiterate adults,
 - viii. persons living with AIDS, and
 - ix. migrant farm workers;
 - c. slum/blight, or
 - d. urgent need (emergency such as natural disaster).
- 2) The same income definition must be used **for all** clients, "pick one method and stick with it."
- 3) Methods to verify income
 - a. Obtain evidence that the household/person assisted qualified under another program having income qualification criteria at least as restrictive as this program (less than 80% of HUD median income)
 - b. Obtain evidence that the assisted person is homeless; or
 - c. Obtain a verifiable certification from the assisted person that his/her family income does not exceed the applicable income limit; or
 - d. Obtain a referral from a state, county or local employment agency or other entity that agrees to refer individual it determines to be LMI persons based on HUD's criteria and agrees to maintain documentation supporting these determinations.

**NEIGHBORHOOD LIFT PROGRAM
PROJECT ACCOMPLISHMENT REPORT**

	Unit 1	Unit 2	Unit 3	Unit 4
Unit Size				
Unit Occupancy (Vacant or Occupied)				
Total Household Income % of Median Family Income				
Number of people in Household				
Race				
Hispanic? Yes or No				
Household Characteristics (Elderly, Female Head of Household, Disability, Homeless, Youth)				
Total existing monthly Rent + Utilities \$				
Type of Rental Assistance, if any: Section 8, other assistance, no assistance)				