STATE OF SOUTH CAROLINA

Department of Commerce



COMMUNITY DEVELOPMENT BLOCK GRANT – CORONAVIRUS (CDBG-CV1) PUBLIC SERVICES PROGRAM

INTENT TO APPLY INSTRUCTIONS February 15, 2021



CDBG-CV1 PROGRAM CONTACT INFORMATION

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PLEASE NOTE:

CDBG-CV1 Grant Application materials, as they become available, can be downloaded from the South Carolina Community Development Block Grant website at cdbgSC.com.

Please <u>download any available electronic document(s) prior to application submission</u> to ensure that you are referencing the most up-to-date version of the document(s). Periodic revisions may have been made.

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Background on the Public Services Program

The South Carolina Community Development Block Grant Coronavirus (CDBG-CV1) program provides funding to non-Entitlement units of local government (towns, cities, and counties) to undertake CDBG eligible activities to prevent, prepare for, and respond to coronavirus, principally for the benefit of persons of low- and moderate- income. Please see the South Carolina CDBG-CV1 Program Description on the cdbgsc.com website for more details.

Funding

The CDBG-CV1 grant program includes three allocations of CDBG-CV1 funding for South Carolina. CDBG-CV1 includes 8.5M to assist non-entitlement local governments with projects involving public services in HUD's list of eligible activities.

Regional Allocations: Please note that both administrative and project delivery costs are included in the allocations amounts below:

Region	# Counties	# Non- Entitlement Counties	Regional CDBG-CV Public Services Allocation
Appalachian	6	4	\$858,483
BCD	3	2	\$429,242
Catawba	4	4	\$858,483
Central Midlands	4	2	\$429,242
Lowcountry	4	4	\$858,483
Lower Savannah	6	6	\$1,287,725
Pee Dee	6	6	\$1,287,725
Santee-Lynches	4	4	\$858,483
Upper Savannah	6	6	\$1,287,725
Waccamaw	3	2	\$429,242
Total	46	40	\$8,584,833

There is no limit to the proposed project costs in the public services program, but funds requested cannot exceed the amount allocated to each region.

However, the CARES Act specifically requires that projects funded must involve activities that **prevent, prepare for, and respond to coronavirus**. These projects will involve a quantifiable increase in the level of existing service or the addition of other related services, or the establishment of new public services. Examples of activities that can be directly connected to coronavirus include food banks or food delivery, provision of childcare, purchase of personal protective equipment (PPE), etc. There must be a clear connection between the project and COVID-19 and the local governments efforts to prevent, prepare for and respond to coronavirus.

Additional consideration will be provided for project with a completion date before December

31st, 2021.

Under the State's CDBG–CV1 Program, available funding has been allocated to the ten Regional Council of Government areas of the state. Applicants will apply for funds allocated to their region, starting March 1st, 2021. Thereafter, funds not yet awarded will be available to any eligible non-Entitlement local government in the state.

Application Process

The application process is a two-part process consisting of submission of an Intent to Apply (ITA), followed by eligible applicants receiving an invitation to submit a final application. Intent to Apply submissions will be accepted on a rolling basis starting February 16th, 2021. Final application submissions will open on March 1st, 2021. Funding for regionally coordinated applications will be considered beginning March 1, 2021, and funding decisions will be based on need, if requests exceed available funding. Funds remaining after regional projects will be awarded on a first-come, first-serve basis for each region. Intent to Apply submissions will be accepted until July 1, 2021, as long as regional funding remains for projects determined to be eligible and fundable. After July 1, 2021, any regionally allocated funds not yet awarded will become available to any eligible non-entitlement local government in the State.

- Projects meeting the LMI national objective will be given priority consideration.
- Projects indicating the Urgent Need eligibility will be subject to the HUD limitation on the percentage of overall funding that can be used for non-Low to Moderate Income national objectives. HUD requires that 70% of CARES Act CDBG-CV1 funds benefit LMI. This applies to the entire CDBG-CV1 allocation to the State. For this reason, Urgent Need projects will be carefully screened and funding availability cannot be guaranteed for projects meeting this national objective.

To be considered for CDBG-CV1 grant funding, a completed and signed Intent to Apply must be submitted to SCCDBG.CV1@sccommerce.com.

PLEASE NOTE:

- Intent to Apply forms must be submitted via email to SCCDBG.CV1@sccommerce.com.
- Label the subject line as follows: CV ITA PUBLIC SERVICES (ADD NAME OF APPLICANT/MUNICIPALITY)
- **Electronic** signature will be accepted **in lieu of** an **original** signature. An acceptable form of electronic signature includes:
 - 1. a scanned copy of the specific document being approved/certified that has the CEO's original signature;
 - 2. a signature through DocuSign or other electronic signature certification software on the specific document being approved/certified; and/or
 - a copy of an email approval/certification from the CEO. If using an email approval in lieu of a signature, the email from the CEO must specify the exact items/documents and sections of the Intent to Apply that the CEO is certifying/approving through the email correspondence.
- Intent to Apply forms must be submitted with <u>one email</u> as <u>one PDF</u> document when
 possible. If the file size exceeds the Applicant's email system file size limitations, either
 submit the complete Intent to Apply as <u>one</u> document in a zip file folder attached to the
 email or split the Intent to Apply file into multiple PDFs and submit them through multiple

emails, only if necessary, to meet the Applicant's email size requirements.

Note: In total, applicants will submit two separate ITAs: One for the Public Facilities program and one for the Public Services program. Each emailed application should abide by the above guidelines.

Invitation to Submit Final CDBG-CV1 Application

The State will evaluate funding requests, submitted via an Intent to Apply as described above, in the order received by applicants from each region. Please see the CDBG-CV1 Program Description for information on how projects will be evaluated and program requirements.

Applicants with eligible, fundable projects, for which adequate funding remains as of the date the Intent to Apply was submitted, will be invited to submit a final application starting March 1st, 2021. Invitation to submit final application letters will be sent to the local government indicated on the Intent to Apply submission. Unsuccessful local governments will be contacted and notified with a written decision.

The full application and all other program materials will be posted on the cdbgSC.com website as available.

Final CDBG-CV1 Applications

The deadline for submitting a final application will generally be July 1,2021 however if allocated funds remain unused, applications may continue to be accepted on a rolling basis. Applications will be reviewed for completeness, eligibility, and fundability. Upon review of the application, the State may request changes to the application and/or additional information, as required. Award letters will be issued to successful applicants, depending on funding availability as of the date of receipt of a complete application, including any requested changes or additional information.

Applicants failing to submit final applications by the due date will be withdrawn from consideration during the initial funding round, but may be considered after July 1st, 2021, if a completed application is received and funds are remaining when the application is received. Note, however, that funding availability after July 1, 2021 cannot be guaranteed.

Applicants intending to apply for an Urgent Need project, for which funding is limited and for which funding is not available when the application is submitted, will not be eligible to re-apply unless the project can be redesigned as an LMI project. Projects meeting the LMI national objective will be given priority.

Additional Information

Check the cdbgsc.com website for additional information on the CDBG-CV1 requirements, grant timelines, training sessions, and other updates:

https://www.cdbgsc.com/consolidated-plan/cares-act-CDBG-CV-program/

Guidance for Completing the CDBG-CV1 Intent to Apply:

Regional Coordination

Indicate whether the project was developed in coordination with the regional council of government (COG). Projects that are developed in coordination with the regional COG and provide regional or county-wide benefit will be given priority.

Applicant Information

Enter the unit of general local government (UGLG) full name (e.g., City of Camden), address, email address, UGLG contact person name and phone number and the CDBG Housing Region where the applicant is located. The contact person should be an UGLG representative who is very familiar with the proposed projects.

For the Chief Elected Official Signature, the CEO must sign (through original or electronic signature) and date the Intent to Apply.

Proposed Activity

Provide a concise description of the proposed project and describe the activities to be funded with CDBG-CV1. This section must include:

• List all eligible activities to be funded including a description for each activity identifying how the CDBG money will be used.

CDBG funds must be used for one or more "eligible activities" enumerated in section 105(a) of Title 1 of the Housing and Community Development Act of 1974 and are directly linked to preventing, preparing for, and responding to coronavirus.

Describe the activities to be funded and how the activities prevent, prepare for, or respond to coronavirus. Please describe who and how the project or program will be operate and the roles of partners in delivering outcomes. Examples of eligible activities are listed below.

Examples of CDBG-CV1 Eligible Activities That May Be Funded:	
Micro Enterprise Grants	Meals on Wheels programs
Business Assistance Grants	Senior Ride and delivery programs
Food Bank/Pantry	Broadband Improvements to address LMI
	student needs
PPE Purchases	Isolation Centers
Public Space/Buildings modifications	Homeless Shelters
Childcare/Daycare	Senior Center Improvements

CDBG can fund a wide range of public services that meet a CDBG national objective. Included below are some of the definitions and codes for CDBG eligible public services. Services that most likely needed to respond to COVID-19 impacts are highlighted. CDBG funded public services may cover labor, supplies, materials, and other costs directly tied to service delivery). Planning and community organization activities, not directly linked to the delivery of an eligible public service to a client, are not eligible. CDBG cannot fund general outreach activities or partnership building activities, unless you can count and report on the clients receiving a direct service from those activities.

HUD CODE	Type of Services and Definition
05A	Senior Services
	Services for the elderly. 05A may be used for an activity that serves both the elderly and persons with disabilities provided it is intended primarily to serve elderly.
	If the activity is intended primarily to serve persons with disabilities, use 05B instead.
05B	Services for Persons with Disabilities
	Services for the persons with disabilities, regardless of age.
	If the activity is intended primarily for elderly persons, use 05A instead.
05C	Legal Services
	Services providing legal aid to low- and moderate-income (LMI) persons.
	If the legal service is only for the settlement of tenant/landlord disputes, use 05K.
05D	Youth Services
	Services for young people age 13 to 19 that include, for example, recreational services limited to teenagers and teen counseling programs. Also use 05D for counseling programs that target teens but include counseling for the family as well.
	For services for children age 12 and under, use 05L; for services for abused and neglected children, use 05N.
05E	Transportation Services
	General transportation services.
	Transportation services for a specific client group should use the matrix code for that client group. For example, use 05A for transportation services for the elderly.
05F	Substance Abuse Services
	Substance abuse recovery programs and substance abuse prevention/education activities.
	Services for victims of domestic violence, dating violence, sexual assault or stalking
	Services for victims of domestic violence, dating violence, sexual assault or stalking.
	For services limited to abused and neglected children, use 05N.
05H	Employment Training
	Assistance to increase self-sufficiency, including literacy, independent living skills, resume writing, job coaching, "how to get and keep a job" training, or training students in a particular field on skill when there is no tie to a specific position or business.
051	Crime Awareness/Prevention
	Promotion of crime awareness and prevention, including crime prevention education programs and paying for security guards.
<u>L</u>	<u> </u>

HUD CODE	Type of Services and Definition
05J	Fair Housing Activities (subject to Public Services subrecipient) Fair housing services (3.g., counseling on housing discrimination) that meet a national objective.
05K	Tenant/Landlord Counseling Counseling to help prevent or settle disputes between tenants and landlords.
05L	Child Care Services Services that will benefit children (generally < age 13), including parenting skills classes.
05M	Health Services Services addressing the physical health needs of residents of the community. For mental health services, use 05O.
05N	Services for Abused and Neglected Children Daycare and other services exclusively for abused and neglected children.
050	Mental Health Services Services addressing the mental health needs of residents of the community.
05P	Screening for Lead Poisoning Activities undertaken primarily to provide screening for lead poisoning.
05Q	Subsistence Payments One-time or short-term (no more than three month) emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service and rent/mortgage payments to prevent eviction.
05R	Homebuyer Downpayment Assistance - Excluding Housing Counseling If needed, see the full definition in HUD's list of CDBG Eligible Activity Codes.

HUD CODE	Type of Services and Definition
058	Rental Housing Subsidies
	Tenant subsidies exclusively for rental payments for more than six months. Activities providing this form of assistance must be carried out by CBDOs or 105(a)(15) entities.
05T	Security Deposits
	Tenant subsidies exclusively for payment of security deposits.
05U	Housing Counseling only
	Housing counseling for renters, homeowners, and/or potential new homebuyers that is provided as an independent public service.
05Ua	Energy Conservation Counseling
	Energy conversation counseling and testing for renters, homeowners, and/or potential new homebuyers that is provided as an independent public.
05V	Neighborhood Cleanups
	One-time or short-term efforts to remove trash and debris from neighborhoods. Examples include neighborhood cleanup campaigns and graffiti removal.
05W	Food Banks
	Costs associated with the operation of food banks, community kitchens, and food pantries, such as staff costs, supplies, utilities, maintenance, and insurance.
05X	Housing Information and Referral Services
	An activity that provides housing information, education, and referral services, or general budget/financial counseling that does not meet the 24 CFR 5.100 Housing Counseling.
05Y	Housing Counseling - Supporting Homebuyer Downpayment Assistance (05R)
	Housing Counseling that is provided to in conjunction with homebuyer downpayment assistance (05R) as a public service.
03T	Homeless/AIDS Patients Programs
	Costs associated with the operation of programs for the homeless or for AIDS patients, such as staff costs, utilities, maintenance, and insurance.

HUD CODE	Type of Services and Definition
	Other Public Services Examples are client referrals to social services, neighborhood cleanup, graffiti removal, and food distribution (community kitchen, food bank, and food pantry services).

Here is guidance on specific types of services that are eligible under only limited conditions:

- **Housing Related Services –** Many housing related activities are not eligible as a CDBG public service because they are eligible instead for a housing rehabilitation, facility, or homeownership assistance type of CDBG grant. Make sure your service description of any housing related services clearly shows how the service meets the definition of an eligible CDBG public service.
- Resource Referral If CDBG is to fund a staff person (such as a receptionist) who refers clients to both COVID-19 and non-COVID-19 response services, then CDBG-CV1 can cover the referral service costs only in the proportion of total persons receiving COVID-19 response services, as well as meet the LMI National Objective. Contact SCCDBG.CV1@sccommerce.com if seeking to fund resource referral services.
- Outreach costs Outreach is not an eligible CDBG public service in of itself. Outreach to inform clients of a specific program can be an allowable expense, but only as part of that program's service delivery costs. Specific partnership building costs necessary to provide a direct client service could be an allowable expense as part of that program's service delivery costs and that Program Name and service description would be listed in the table.

Project Eligibility

Project Need and How the Project will Prevent, prepare for, or Respond to COVID-19:

Describe the need for the project and how the activities will prevent, prepare for, or respond to the coronavirus.

New or Quantifiably Increased Public Service

Identify for each activity how the proposed Public Services represent a new or expanded service and how the service will continue after CDBG assistance.

Project Area

Describe the area of primary benefit of the proposed project. The service area should be the geographic area which the proposed project or program will serve. A regional program such as business assistance or rental assistance can be described as covering specific counties. A community-based program should list the specific units of local government served. If the project serves a specific neighborhood or census tract, please include a map of that area.

Beneficiaries

Indicate whether the project will have community-wide benefit, with the entire population of the UGLG being the primary beneficiaries of the project. For proposals benefiting businesses describe the number of businesses that will benefit from the activity.

When entering the number of individuals who will benefit from the project and the number who meet the qualification of LMI, enter the numbers from the source used to determine the

population and number of LMI persons in the service area (i.e., primary beneficiary area) for the proposed project.

National Objective

To ensure compliance with federal regulations requiring that CDBG-funded activities meet a national objective, the Intent to Apply must clearly demonstrate how the objective is met. The HUD CDBG-CV1 national objectives are:

- 1. Benefit to Low- and Moderate-Income (LMI) Persons
- a. LMI Area Benefit
- b. LMI Limited Clientele
- 2. Urgent Local Need

1. Benefit to Low- and Moderate-Income (LMI) Persons

Under the CDBG CV program, a project can meet the Low- and Moderate-Income (LMI) National Objective by serving an area in which at least 51.0% of the residents are LMI persons (area basis) or by providing services to a group of persons principally made up of LMI individuals (i.e., low- and moderate-income clientele classified as limited clientele (LMC)).

Area Benefit

Indicate if HUD LMISD and/or income survey data for the service area were used to demonstrate the proposed CDBG project will meet the LMI National Objective through LMI Area Benefit.

An activity may qualify as benefitting LMI persons on an "area basis" (i.e., LMI Area Benefit) if at least 51.0% of the persons residing in the area served by the activity (i.e., the service area/beneficiary area) have low- to moderate-income. Determining whether an activity qualifies as benefitting LMI persons on an area basis requires the UGLG to determine both the area served by the activity and the percentage of LMI persons residing in the service area. Service areas may or may not be coterminous with municipal boundaries, census tracts or other officially designated boundaries.

When a service area is coterminous with municipal boundaries (i.e., the project will have community-wide benefit), census tract(s) or other officially designated boundaries, HUD LMI Summary Data (LMISD) should be used to the greatest extent feasible to determine the percentage of LMI residents within the area.

HUD LMISD for Local Governments:

Using HUD LMISD for local governments for demonstrating LMI Area Benefit is only allowed for projects having community-wide benefit (i.e., the entire population of the UGLG are primary beneficiaries of the project) or projects having primary benefit to multiple entire municipalities.

LMI data for South Carolina local governments are available at:

https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low- mod-summary-data-local-government/

These data are also viewable by geographic area on the HUD LMISD map application at: https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=ffd0597e8af24f88b501b7e7f32 6bedd

Instructions for using the HUD LMISD map application are available at: https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd

The nature of the work described in the Intent to Apply must reflect that the project has primary benefit to only and all residents in the entire community; or to only and all residents in all the municipalities involved, if combining LMISD of multiple municipalities to calculate the total population and LMI percentage of the service area.

If the project will have community-wide benefit to two or more entire communities or will have primary benefit to a combination of entire communities and census tracts, and the HUD LMISD are used to demonstrate LMI Area Benefit, the applicant must show the calculations used to determine the LMI percentage for the total service area and must also be submitted in the CDBG application attachments.

HUD LMISD for Census Block Groups/Tracts:

Using HUD census block group/tract LMISD for determining Area Benefit is only allowed when the service area is coterminous with or covers only and a majority of one or more census tracts (i.e., a majority of the residents in the census tract(s) are primary beneficiaries of the project and only the residents living within the selected census tract(s) are the beneficiaries).

Data on LMI residents in South Carolina census block groups and tracts are available at:

https://www.hudexchange.info/programs/acs-low-mod-summary-data/acs-low-mod-summary-data-block-groups-places/.

These data are also viewable by geographic area on the HUD LMISD map application at:

https://hud.maps.arcgis.com/apps/webappviewer/index.html?id=ffd0597e8af24f8 8b501b7e7f326bedd

Instructions for using the HUD LMISD map application are available at:

https://hud.maps.arcgis.com/home/item.html?id=ffd0597e8af24f88b501b7e7f326bedd

The work described in the Intent to Apply must reflect that the project has primary benefit to only and all or a majority of residents in the selected census tract(s).

If the project will have primary benefit to two or more census tracts or will have primary benefit to a combination of entire communities and census tracts, and the HUD LMISD are used to determine Area Benefit, the applicants must show the calculations used to determine the LMI percentage for the total service area and must also be provided in the CDBG-CV1 application attachments.

Limited Clientele

A project/activity that provides exclusive benefit to one or more specific groups classified as "Limited Clientele," rather than residents within a specific service area, may be presumed to meet the LMI National Objective. HUD guidance specifies that the groups listed below are presumed to be primarily low- and moderate-income clientele (LMC):

- abused children;
- elderly persons;
- battered spouses;

- homeless persons;
- severely disabled adults;
- illiterate adults;
- persons living with AIDS; and/or
- migrant farm workers.

Activities that principally benefit LMI persons may also qualify as serving Limited Clientele.

To demonstrate the proposed CDBG project will meet the LMI National Objective through serving Limited Clientele, the UGLG must provide a narrative in the CDBG application that describes how the project:

- 1. *Exclusively* benefits persons in one or more of the Limited Clientele groups (listed above) that are generally presumed by HUD to be principally LMI persons; or
- 2. Supports an activity that requires information on family size and income so that it is evident that at least 51.0% of the clientele are persons whose family income does not exceed the LMI limit; or
- 3. Supports an activity of such a nature and in such a location that it may be reasonably concluded that the activity's clientele will primarily be LMI persons; or
- 4. Describe the funding that is requested and identify any additional funding and sources that may be needed to implement this project/program. Describe if any additional funds have been secured, applied for, or not applied for at this time. Complete the budget table identifying each activity. No matching funds are required.
- Will remove material or architectural barriers to mobility or accessibility of elderly persons
 or of adults meeting the Bureau of Census' Current Population Reports definition of
 "severely disabled" for an existing public facility.

2. Urgent Local Need

Activities may qualify under the National Objective of an Urgent Local Need if conditions threaten the safety or welfare of the community and must be linked to coronavirus. To document the existence of an urgent local need, an UGLG must provide written certification that the funded activities are designed to alleviate conditions that:

- Pose a serious and immediate threat to the health or welfare of the community; and
- Are of recent origin or which recently became urgent, meaning that the conditions developed or became critical within 18 months preceding the certification; and
- The local government is unable to finance the activity on its own, and other sources of funding are not available to carry out the activity.
- Note that South Carolina's ability to fund projects declaring Urgent Local Need is very limited. Applications meeting Low to Moderate Income Benefit national objective will be given preference.

Project Timeframe

Enter details regarding the project schedule and timeframe to complete key project activities. To be considered feasible, proposed projects must be completed by November 2023. **Projects**

that can be completed by December 31, 2021 will be given priority. Please be as specific as possible on the project timeframe.

Project Administration and Personnel

Identify who will administer the project to ensure compliance with federal CDBG regulations and who will carry out the delivery of the project. If applicable, identify any anticipated subrecipients that will be used and/or any professional services contracts for which procurement will be needed. In some cases, the administrator may be the UGLG taking the lead while the delivery might be accomplished through the regional council of government. Some projects may further involve subrecipients to assist in delivery and contactors that will need procured to provide goods or services. Please provide as much detail as is known about how the proposed project will be accomplished.

Budget Narrative

Describe the funding that is requested and identify any additional funding and sources that may be needed to implement this project/program. Describe if any additional funds have been secured, applied for, or not applied for at this time. Complete the budget table identifying each activity. No matching funds are required.

Project Budget

Please list the CDBG-CV1 funds being requested for each activity. You may apply for one or more program activities. Add more lines if necessary.

Provide the estimated project cost, amount of CDBG funds to be requested and sources, amounts and dates secured for all other sources of funds. Clearly state the source of the cost estimates used for the project budget. Contact SCCDBG.CV1@sccommerce.com with any questions related to completing the project budget.

Grantee Representative

The Chief Elected Official of the unit of local government that will submit a final application must sign the Intent to Apply.