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CITY OF DETROIT  
HOUSING AND REVITALIZATION DEPARTMENT  
PUBLIC FACILITY REHABILITATION PROGRAM



NOTICE OF FUNDING AVAILABILITY

FEDERAL PROGRAM YEAR 2024 - CITY OF DETROIT FISCAL YEAR 2025

Michael E. Duggan, Mayor  
Julie Schneider, Director

RFA: #185013  
Date Released: August 26, 2024  
Closing Date: September 26, 2024

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## SECTION 1: INTRODUCTION

In the 2024 program year, the City of Detroit through the Housing and Revitalization Department (HRD) seeks to use its Community Development Block Grant (CDBG) Public Facility Rehabilitation<sup>1</sup> (PFR) funds to address the needs of residents that utilize Public Facilities, Neighborhood Facilities, and Homeless Shelters. The City is seeking applications from nonprofit organizations that have the skills and expertise to undertake eligible projects described in this Notice of Funding Availability (NOFA). The City intends to award a total of up to \$3.5 million in CDBG PFR funds. Funding decisions will be awarded based on the quality and quantity of applications received.

### 1.1 PROGRAM GOALS

The PFR program is designed to aid public service providers in the rehabilitation of their facilities. Nonprofit organizations that operate a public service located in the City of Detroit are encouraged to apply for funding if operating a facility that requires repair and/or renovation. Funding will be made available for predevelopment costs associated with the development of the project scope and budget as well as the construction phase of the project.

### 1.2 ELIGIBLE ACTIVITIES

Eligible costs for PFR activities include the renovation and/or acquisition of public facilities and neighborhood facilities. Examples of these types of facilities include (but are not limited to) homeless shelters, emergency shelters, and community/neighborhood centers (24 CFR 570.201(c)). Typical PFR construction projects include (but are not limited to) roof replacements, bathroom replacements, ADA accessibility updates, and other building needs.

- **Predevelopment Phase:** Predevelopment funding is available to support nonprofit organizations with predevelopment costs in anticipation of a rehabilitation project. This includes costs associated with developing a comprehensive project plan and budget for a proposed project. Examples of costs include master rehabilitation plan/capital needs assessment services, project planning consultants, architectural and engineering services, contractor procurement, and environmental consultant costs. The maximum award of predevelopment funding is \$50,000 unless authorized by HRD. Organizations may choose to only apply for predevelopment funding and apply to a future NOFA for construction funding.
- **Construction Phase:** Funding is available to support the construction phase of PFR projects. Typical costs include architectural services, general contractor procurement, environmental consultants, construction/project management consultant services, and construction costs. Applications must be for a minimum of \$300,000 and a maximum of \$1.25 million unless authorized by HRD.

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<sup>1</sup> Public Facility Rehabilitation is broadly interpreted to include all improvements and public facilities that are either publicly owned or that are traditionally provided by the government, or owned by a nonprofit, and operated so as to be open to the general public.

### 1.3 AWARD AND CONTRACT PROCEDURE

Once NOFA applications have been scored and ranked, award letters will be sent to the selected applicants. These award letters will detail the documents needed to receive an approved and executed subrecipient agreement. PFR subrecipient agreements will be approved in two phases. The initial subrecipient agreement will include a budget to complete the following predevelopment items:

- Architectural drawings required to develop the project scope and create a contractor bid package
- Public advertisement for the procurement of a contractor (following the procurement standards found in 2 CFR Part 200).
- Signed contract from the lowest responsive and responsible contractor
- Environmental consultants associated with obtaining environmental clearance

**Note:** Environmental review is required for predevelopment costs as defined by 24 CFR Part 58.36(6), “including legal, consulting, developer and other costs related to obtaining site options, project financing, administrative costs and fees per loan commitments, zoning approvals, and other related activities which do not have a physical impact.” No construction or Choice Limiting Actions as defined in 24 CFR Part 58.22 will occur under the predevelopment phase of the project. A second environmental review must be completed once a complete scope of work is established for the rehabilitation project at the Site. The environmental review includes an appropriate Certification signed by the Certifying Officer or the Authority to Use Grant Funds (AUG) from HUD is received for the entire scope of construction work. This Certification or AUGF must be received prior to increasing funding or amending agreements with the subrecipient to allow for construction costs for rehabilitation activities.

Upon completion and approval of predevelopment items, HRD will review the proposed construction scope and budget. If approved, HRD will then draft an amendment to the subrecipient agreement increasing the project budget to allow for the following items:

- Unreimbursed eligible and approved predevelopment costs
- Project management consultants
- Construction costs

Awarded subrecipients will receive a Notice to Proceed to begin both the predevelopment and construction phases. Project costs incurred prior to receiving a Notice to Proceed are at risk of not being eligible for reimbursement and may jeopardize the City’s ability to fund the project.

### 1.4 PROGRAM GUIDELINES

Successful applications will consider the following expectations and guidelines related to requesting funding for public facility rehabilitation:

- CDBG projects must meet a national objective as defined at 24 CFR 570.208. This program typically funds projects that qualify for the Low/Moderate Income Area Benefit (LMA) or the Low/Moderate Income Limited Clientele (LMC) National Objectives.

- No work can commence until the subrecipient agreement is fully executed and a Notice to Proceed is issued by HRD.
- All architectural renderings must be completed and signed off by a State of Michigan licensed architect and approved by the City of Detroit.
- All contracted services (environmental/architectural/construction) must adhere to the federal procurement standards. This can be found at 2 CFR 200.320.
- The subrecipient will obtain a ***minimum of three bids*** prior to the selection of a general contractor or subcontractor. A copy of the bid tabulation and procurement is required to be furnished to HRD by the subrecipient. A firm-fixed-price contract will be required for the selected general contractor.
- The procured contractor will be required to complete and submit an AIA 305 form for review and approval by HRD staff.
- All work must be performed by a licensed and bonded contractor.
- City permits will be obtained for all work performed and the cost of permitting will be included within the applications.
- The subrecipient will pass all required City inspections related to any public facility improvements or new construction that is funded through this solicitation. Proof of inspection certification will be required prior to utilizing any renovation or new construction to benefit clients identified within this application.
- Any renovation funded through this solicitation will be compliant with the Americans with Disabilities Act (ADA).
- The successful subrecipient will agree to a lien placed on the property for five years from the date of project completion and comply with the Continued Use Requirement/Change of Use Requirements that are a condition of this NOFA (see Section 1.6).
- The subrecipient must provide a comprehensive project plan and budget that details the predevelopment and construction costs and be able to demonstrate that all other project financing has been secured at the time of application. Proof of documentation showing that financing and funds are secured is required.
- The City will consider reimbursing for pre-award costs incurred prior to the date of the application.

## 1.5 PROGRAM TIMELINE

PFR NOFA Timeline	
NOFA Release	August 26, 2024
Virtual Pre-Application Conference	September 9, 2024 @ 2:00 pm
Applications Due	September 26, 2024 @3:00 pm
Virtual Public Recording of Applications	September 26, 2024 @ 4:00 pm

## 1.6 CONTINUED USE REQUIREMENT/CHANGE OF USE REQUIREMENTS

Any projects receiving funding through this NOFA must continue to be operated by the nonprofit in the manner described in the application. Any change in the use of the property within five (5) years after closeout of the grant project must be made in accordance with the standards provided in 24 CFR 570.489(j).<sup>2</sup> If the facility or real property cannot meet a national objective during the five-year continued use period the grant must be repaid to the City of Detroit. In the event of a possible change of use in the funded facility, the subrecipient must contact the Housing and Revitalization Department prior to taking any action. This requirement will be captured in any executed agreement resulting from this NOFA.

## 1.7 RECORD-KEEPING AND REPORTING REQUIREMENTS

Subrecipients will be required to maintain accurate records documenting that the targeted populations and/or areas are being served by the project and to provide quarterly reports to the City demonstrating that this requirement is being satisfied. Subrecipients will be required to furnish this information to the City beginning from the date of the executed agreement through five (5) years from the date of project completion and shall provide this information to the City at the City's request.

## 1.8 ADDITIONAL FEDERAL REQUIREMENTS

In addition to the record-keeping and reporting requirements outlined above, CDBG-funded activities are also subject to other federal requirements. Below is a summary of additional federal requirements that may also apply to each proposed project. Subrecipients shall be solely responsible for complying with these and any other applicable federal requirements and shall be responsible for obtaining all of the information necessary to satisfy these requirements.

### Build America, Buy America

Projects awarded under this NOFA are subject to the Build America, Buy America Act requirements under Title IX of the Infrastructure Investment and Jobs Act ("IIJA"), Pub. L. 177-58. Absent an approved waiver, all iron, steel, manufactured products, and construction materials used in this project must be produced in the United States, as further outlined by the Office of Management and Budget's Memorandum M-22-11, Initial Implementation Guidance on Application of Buy America Preference in Federal Financial Assistance Programs for Infrastructure, April 18, 2022.

### Fair Housing and Equal Opportunity

Discrimination on the basis of race, color, national origin, religion, disability, sex, height, weight, familial status, source of income, age, sexual orientation, and gender identity is prohibited.

### Section 504 Regulations and Handicapped Accessibility

A recipient is obligated to operate each non-housing program or activity so that, when viewed in its entirety, the program or activity is readily accessible to and usable by persons with disabilities.

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<sup>2</sup> The definition of project closeout is the administrative closeout of the project.

#### Debarred, suspended, and ineligible contractors and subrecipients

CDBG funds cannot be provided to debarred, suspended, or ineligible contractors, subcontractors, or subrecipients. Subrecipients and contractors will be required to register with [www.sam.gov](http://www.sam.gov) and must not be debarred from receiving federal funds.

#### Lead-Based Paint

CDBG rehabilitation and construction activities must comply with 24 CFR Part 35 and Section 401(b) of the Lead-Based Paint Poisoning Prevention Act

#### Conflict of Interest

CDBG recipients and subrecipients must comply with procurement requirements found at 2 CFR 200.317-326 and with any other applicable conflict of interest provisions.

#### Acquisition and Relocation

Acquisition, rehabilitation, and/or demolition activities may be covered under the Uniform Relocation Act and/or Section 104 (d) of the Housing and Community Development Act.

#### Federal Prevailing Wages and Federal Labor Standards Provisions

Construction projects assisted in whole or in part with CDBG funds must be carried out in compliance with the federal Davis Bacon and Related Acts. Extensive labor standards requirements must be followed. Additional detailed information can be found in the HUD 4010 Federal Provisions document attached to this NOFA, including the current federal prevailing wage requirements.

#### Women and Minority-Owned Business

The City of Detroit encourages applicants to provide opportunities for minorities, women, and emerging businesses.

#### Environmental Review

All projects that receive funding through this NOFA are subject to the HUD environmental review requirements (24 CFR 58) and all properties acquired with CDBG funds must be environmentally cleared by the City prior to acquisition. The project must satisfy the HUD environmental review requirements before the City may commit funds to the project. Upon application for assistance through this NOFA, the Developer and all project participants (i.e. public or private non-profit or for-profit entities, or any of their contractors) agree to the following stipulations: (1) that the provision of any funds to a project is subject to the findings of the environmental review, and (2) **that neither the Developer nor any project participant shall undertake any "choice limiting actions" until the environmental review process is complete.**

A "choice limiting action" shall include any of the following: (1) acquisition of any real property associated with the project, (2) entering into a binding purchase agreement for any real property associated with the project, (3) any improvements to the property or properties associated with a project, (4) any rehabilitation of an existing structure located on property associated with the project, (5) any construction of a new structure located on property associated with the project, or (6) demolition of any existing structure located on property associated with the project.

## SECTION 2: PROGRAM AND APPLICATION REQUIREMENTS

Funding will be awarded based on the quality and quantity of applications received. Please note, CDBG grants are administered by the City of Detroit Housing and Revitalization Department on a reimbursement only basis.

***Disclaimer:*** The City of Detroit reserves all rights not expressly stated in this NOFA, including making no awards, awarding partial funding, or increasing funding based on budget availability, and negotiating with any applicant regarding the funding amount and other items of any contract resulting from this NOFA.

### 2.1 PROGRAM YEAR TIMELINE

The 2024 HUD Program Year (City of Detroit Fiscal Year 2025) commenced on July 01, 2024; however, CDBG funds may not be released from the U.S. Department of Housing and Urban Development (HUD) until later in the year. Organizations receiving awards may not obligate or expend any funds until all contract agreements are in place, fully executed, and a written Notice to Proceed is issued by HRD. Failure to comply with this procedure could result in voiding any awards issued.

Subrecipient grant terms will not exceed 24 months from the date of the contract being executed. A request for additional time may be considered on a case-by-case basis and must be approved by HRD and be approved by City Council.

### 2.2 SUBRECIPIENT EXPECTATIONS AND REQUIREMENTS

Private, nonprofit, tax-exempt organizations that plan to meet the above requirements are eligible to apply. In order to complete a HUD national objective, all subrecipients are required to identify beneficiary data. Homelessness service providers will need to record all client-related data and activity using the CoC established HMIS standards. Subrecipients must also comply with all requirements in their subrecipient agreements, internal policies and procedures, and the City of Detroit's Economic Development – Public Facility Rehabilitation program policies and procedures.

### 2.3 ELIGIBLE AND INELIGIBLE ITEMS FOR PUBLIC FACILITY REHABILITATION PROJECTS

It is important to note those activities and expenses that are eligible and those activities and expenses NOT deemed eligible for reimbursement under the Public Facility Rehabilitation NOFA. The table below illustrates eligible versus non-eligible CDBG-PFR costs:



Eligible Activities	Ineligible Activities	Other Eligible Costs
<ul style="list-style-type: none"> <li>● Material;</li> <li>● Labor;</li> <li>● Permits</li> <li>● Engineering;</li> <li>● Architects</li> <li>● Asbestos Survey</li> <li>● Environmental studies, reports</li> </ul>	<ul style="list-style-type: none"> <li>● General government expenses;</li> <li>● Political activities;</li> <li>● Purchase of equipment;</li> <li>● Construction equipment;</li> <li>● Fire protection equipment;</li> <li>● Furnishings and personal property;</li> <li>● Operating and maintenance expenses;</li> <li>● New housing construction;</li> <li>● Income payments</li> </ul>	<ul style="list-style-type: none"> <li>● Additional line items, including soft costs associated with eligible activities – must be approved by HRD</li> </ul>

2.4 APPLICATION REVIEW CRITERIA

Application Section	Total Points Possible
1. Organizational Experience (please see section 3.3.1 for scoring criteria)	25
2. Financial Capacity (please see section 3.3.2 for scoring criteria)	25
3. Project Specifics (please see section 3.3.3 for scoring criteria)	50
<b>Points Possible</b>	100 points

2.5 APPLICATION REQUIREMENTS

In order for an application to be accepted, the application MUST:

- Meet threshold criteria
- Include the submission of section 3 of this application
- Include all applicable Forms and Attachments
- Meet the required deadline of **3:00 pm on Thursday, September 26th, 2024.**

Please note: The City will only accept one application per organization. Applications that do not meet threshold criteria or that do not meet the deadline will not be accepted or considered.

## 2.6 SUBMISSION METHOD

Applicants must upload attachments per the following instructions. Missing attachments will receive zero points.

- Each attachment must be uploaded individually
- Each attachment must be marked with the form or attachment number and document title as requested
- Each form and attachment's file name must follow the same naming convention

## 2.7 APPLICATION DEADLINE

2023-2024 Public Facility Rehabilitation NOFA Application Submission Deadline is **3:00 pm on Thursday, September 26th, 2024** and must be submitted via Oracle. Applications will not be accepted after this time and date. Mailed, faxed, or emailed copies of the application will not be accepted.

A tutorial on this process can be found [here](#). Additional instructions for Oracle can be found on the City's website at <https://detroitmi.gov/supplier>.

**Applications must be uploaded into ORACLE** and time-stamped, no later than **3:00 pm on Thursday, September 26th, 2024**. Late submissions will not be accepted.

A Public Recording of submitted applications takes place via Zoom at **4:00 pm on Thursday, September 26th, 2024**. The link to the Zoom virtual meeting is: [Public Recording Link](#).

## 2.8 COMPLETENESS

The City will not contact organizations for missing information. All applications meeting threshold will be reviewed and scored "as is." Missing and/or incomplete information will negatively impact the overall application score and/or result in total disqualification of an application.

Please review the 2023-2024 Public Facility Rehabilitation NOFA *prior* to submitting questions. The City will provide one Pre-Application conference upon release of the NOFA. The virtual conference will be held on **2:00 pm on Monday, September 9th, 2024** via Microsoft Teams at the following link: [Pre-Application Meeting Link](#).

### Procurement and Non-Discrimination Notice

The City Office of Contracting and Procurement solicitations meets 2 CFR 200.320 Methods for Procurement by competitive applications. The City does not discriminate on the basis of race, color, creed,

national origin, age, disability, height, weight, sex, or sexual orientation. Complaints may be filed with the Civil Rights, Inclusion, & Opportunity Department, Suite 1240 Coleman A. Young Municipal Center Detroit, MI 48226 (313) 224-4950, [crio@detroitmi.gov](mailto:crio@detroitmi.gov).

Grievance, Appeals, and Termination Procedures

The City may terminate awards or subrecipient contracts at any time if subrecipients violate program requirements as outlined in this NOFA, the City's policies, and/or the subrecipient agreement. The termination will follow due process to protect subrecipients' rights based on the City's Grievance and/or written policies, subject to the department director's approval.

## SECTION 3: APPLICATION

### 3.1 COVER SHEET

1. Applicant Organization Legal Name:
  - a. Indicate current name(s) and any other previously used name(s):
2. Applicant Mailing Address:
3. Sam.Gov Entity ID:
4. Michigan Business ID:
5. Contact Person:
6. Telephone Number:
7. Email:
8. Website:
9. Is this Organization a 501(c) (3)? Yes No
10. Is your organization a faith-based entity? Yes No
11. Number of employees:
12. Number of employees that reside in the city of Detroit:
13. Facility Age:
14. Date of last major renovation:
15. Facility Square Footage:
16. Amount of CDBG funds requested:
17. Total Project Cost:
18. Amount of CDBG funds currently awarded and outstanding (other projects):
19. I have read the environmental review requirements and understand environmental consultant work may be required prior to receiving City funding. These costs may be eligible for reimbursement upon contract execution. I attest that neither the Developer nor any project participant shall undertake any "choice limiting actions" until the environmental review process is complete.

Yes No

### 3.2 THRESHOLD REQUIREMENTS (TO BE COMPLETED IN ORACLE)

1. **Is the organization tax exempt, 501(c)(3), 501(c) (19), etc.?**  Yes  No  
(Attach copy as Attachment #3.2.1: NONPROFIT DESIGNATION)  
  
If yes, give date exemption granted: \_\_\_\_\_  
Does the organization have a federal tax I.D. number? \_\_\_\_\_
2. **Does your organization have unresolved audit findings and tax issues?**  Yes  No  
(If yes, explain and attach supporting documentation as Attachment #3.2.2: Audit and Tax Findings)
3. **Has the Certification form been signed (found at end of document)?**  Yes  No  
(Attach copy as Attachment #3.3.3: Certification)
4. **Did your organization submit its most recent Michigan Annual Non-Profit Report? Note: Annual reports must be filed no later than October 1st at [www.michigan.gov/fileonline](http://www.michigan.gov/fileonline)**  Yes  No  
(Attach copy as Attachment #3.2.4: MICHIGAN ANNUAL REPORT)
5. **Did your organization submit Articles of Incorporation?**  Yes  No  
(Attach copy as Attachment #3.2.5: ARTICLES OF INCORPORATION)
6. **Did your organization submit a Certificate of Good Standing?**  Yes  No  
(Attach copy as Attachment #3.2.6: CERTIFICATE OF GOOD STANDING)
7. **Does your organization have site control?** Attach evidence of site control, a long-term lease (10 years with a minimum of 8 years remaining), or a pending purchase agreement. (Attach as Attachment #3.2.7: Site Control)  Yes  No

### 3.3 NARRATIVE QUESTIONS

All applicants must provide responses to the items below. Each response must be 200 words or less; failure to do so will result in a reduction in points. Each attachment will count as 1 point towards the question total, if applicable. Responses may be typed in the space provided or attached as a separate document.

#### 3.3.1 ORGANIZATIONAL EXPERIENCE

<p><b>a.</b> Provide background on your organization’s history and experience serving Detroit. Outline <b><u>ALL</u></b> services provided by your organization to this population. In addition, submit the most current <b>Organizational Chart as Attachment #3.3.1.A</b> (5 points)</p>
<p><b>b.</b> Describe the strength of your Board of Directors including community representation. In addition, are there any current vacant positions on your Board of Directors? If so, what is your plan and timeline to fill those vacancies? (5 points)</p>
<p><b>c.</b> Using 2023 demographic information, please describe the clients currently serviced by your organization including total number, age, race/ethnicity, veteran status, and any other pertinent demographic data. Will the current service population change as a result of this award? (5 points)</p>
<p><b>d.</b> Describe your organization’s prior experience in grant administration, in the last five (5) years. Specify the organization’s grant funding source and type (i.e. CDBG, ESG, Foundation), year(s) awarded, total amount awarded in the last five (5) years, objectives, and outcomes. (5 points)</p>
<p><b>e.</b> Has your organization received a Public Facility Rehabilitation award from the City of Detroit in the last five (5) years? (A “No” response will receive 5 points)</p>

### 3.3.2 CAPACITY AND FEASIBILITY

<p><b>a.</b> Describe your organization’s fiscal management process, including financial reporting, accounting systems used, and audit requirements. Please describe how these comply with the requirements found in 2 CFR 200.302 “Financial Management” (5 points).</p>
<p><b>b.</b> Briefly describe the accounting procedures that would support sufficient segregation of duties concerning potential City funding. This can include receipting, expense approvals, ledger postings, and account reconciliations. Please describe how these comply with the requirements found in 2 CFR 200.303 “Internal Controls” (5 points)</p>
<p><b>c.</b> Describe the policies and procedures your organization has in place to ensure timely submission of monthly draw requests as well as compliance with CDBG regulations. <b>Submit a copy of Policies and Procedures as Attachment #3.3.2.C</b> (5 points)</p>
<p><b>d.</b> PFR project draws are funded on a cost reimbursement basis. Briefly describe the financial capacity and provide proof of cash on hand to be able to pay for project costs while waiting for approval of City reimbursement. <b>Complete and submit Form 1</b> (5 points)</p>
<p><b>e.</b> If the organization has expended more than \$750K in federal funds within the last year, submit documentation of the completed single audit as <b>Attachment #3.3.2.E</b> with the application submission. (5 points)</p>

### 3.3.3 PROJECT DESCRIPTION

<p><b>Project Name and Location:</b>  <b>Council District:</b>  <b>Census Tract:</b></p>
<p>a. Describe the proposed project in detail including all work that is to be performed. Include any predevelopment work that has been completed to date. <b>Provide a Scope of Work as Attachment #3.3.4.A</b> (10 points)</p>
<p>b. Submit cost estimates from a licensed contractor(s) that detail each line item proposed and the total estimate of the entire project. Include all additional funding sources with applicable commitment letters. Please complete and submit the included HRD-PFR budget template as <b>Attachment #3.3.4.B.</b><sup>3</sup> (10 points)</p>
<p>c. Has a Phase 1 Environmental Site Assessment been completed? If so, please submit as <b>Attachment #3.3.4.C.</b> (5 points)</p>
<p>d. Explain how the building currently complies with ADA requirements and list out any current hazardous conditions or barriers that prevent ADA compliance. How will the proposed project remove ADA barriers to the building?</p> <p>Submit the most recent inspection by Fire Marshall as <b>Attachment #3.3.4.D (1)</b>. Submit a copy of the most recent City inspection by the Building, Safety Engineering, and Environmental Department (BSEED) as <b>Attachment #3.3.4.D (2)</b>. (5 points)</p>
<p>e. Is the project “shovel ready”? Meaning, have architectural plans been created and a general contractor been procured? If so, please list any architect/general contractor/engineering consultants that have been procured for this project and include plans and drawings as <b>Attachment #3.3.4.E.</b> (5 points)</p>
<p>f. Has a Master Rehab Plan or Capital Needs Assessment been conducted on the proposed structure? If so, please submit as <b>Attachment #3.3.4.F.</b> If a Master Rehab Plan is currently being developed, please provide details. (10 points)</p>
<p><b>g. Section 3 Requirements</b>          In order to meet the Section 3 requirements, the applicant agrees to comply with HUD’s regulation, 24 CFR Part 75, and the Housing and Revitalization Department (HRD) Section 3 policy and guidelines. The applicant must submit a completed and signed (1) Section 3 Intent to Comply and (2) Section 3 Plan with the applicant’s NOFA package. <b>Attachments #3.3.3.G(1) and #3.3.3.G(2)</b> (5 points)</p>

<sup>3</sup> Applicants who are awarded CDBG funds must be able to demonstrate federal procurement standards have been met.



If the applicant has Section 3 experience, provide a detailed explanation of past verifiable strategies used for hiring and training low- and very low-income individuals and contracting with Section 3 businesses and indicate if the strategies were successful or not.

Additional information and the required documents can be found at

<https://detroitmi.gov/departments/housing-and-revitalization-department/hud-programs-and-information/section-3-program>

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# FORM 1

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## Cash on Hand Certification

The City makes every effort to expedite reimbursement of invoices, but the process can be delayed by many factors. Applicants must have adequate funds available for timely payments to contractors and vendors. The City requires that an applicant organization seeking funding under the Public Facility Rehabilitation NOFA must certify that they have cash on hand to cover three (3) months of project expenses.

In signing this form, I certify that \_\_\_\_\_ (insert applicant organization name) has three (3) months of project expenses in the event that reimbursement is delayed from the City.

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

# CERTIFICATIONS

To be signed and notarized by an authorized representative of the Board of Directors

I certify that I have read the "HUD Final Rule: Revised Church and State Regulations" as printed in the appendices, and that, if funded, all proposed activities shall be carried out in full compliance with the requirements of the U.S. Constitution regarding separation of church and state, and I commit the sponsoring organization to full compliance.

I certify that I have read the "HUD Conflict of Interest Regulations" as printed in the appendices, and that, if funded, all proposed activities shall be carried out in full compliance with HUD Conflict of Interest Regulations, and I commit the sponsoring organization to full compliance.

I certify that the Board of Directors of this organization is not majority family controlled or related by blood and/or marriage.

I certify that I have read and understand the notices and warnings listed above.

I certify that the information presented in this application is true.

I certify that the Board of Directors has authorized the submission of this CDBG application.

I certify that no persons or organizations associated with this CDBG application are on the HUD Debarment List.

I further certify that I have been authorized by the Board of Directors to execute these certifications on our behalf.

Signed: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_ Telephone: \_\_\_\_\_

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 202\_\_,

by \_\_\_\_\_, the \_\_\_\_\_ of

\_\_\_\_\_  
Name Title  
\_\_\_\_\_, a non-profit Corporation on behalf of the Corporation.  
Organization Name

\_\_\_\_\_  
Notary Public

## HUD FINAL RULE: REVISED CHURCH AND STATE REGULATIONS

Pursuant to Title I of the Housing and Community Development Act of 1974, as amended, and the implementing CDBG regulations at 24 CFR 570.200(j) dated September 30, 2003, the Sponsoring Organization agrees that, if awarded CDBG funds for eligible activities: a) It will not discriminate against any person applying for, or seeking to participate in, CDBG funded activities on the basis of religion and will not limit such services or give preference to persons on the basis of religion or religious belief; b) It will provide no religious instruction or counseling, conduct no religious worship or services, and engage in no religious proselytizing, in the provision of funded CDBG activities; c) If the organization conducts any religious activities, such activities must be offered separately in time or location from the funded CDBG activities and participation of beneficiaries of CDBG funded activities in any such religious activities must be wholly voluntary; d) If CDBG funds are received for public service activities, minor maintenance repairs may be made to the facility space in which public services are to be provided only in proportion to the CDBG funding allocation for the entire facility and to the extent to which the facility is used for secular, public service eligible purposes. Such space must not be a sanctuary, chapel or other room(s) used as a principal place of worship or for inherently religious activities; e) No CDBG funds may be used to improve, acquire, construct, rehabilitate, repair or maintain a sanctuary, chapel or other rooms that a CDBG-funded religious congregation uses as its principal place of worship or for inherently religious activities. However, if CDBG funds are awarded for public facility rehabilitation, and space other than provided above is used, the CDBG funds may be used for rehabilitation of structures only to the extent and proportion that those structures are used for conducting eligible CDBG activities. CDBG funds may not exceed the cost of those portions of the rehabilitation that are attributable to eligible CDBG activities in accordance with cost accounting requirements of OMB Circular A-122.

## HUD Conflict of Interest Requirements

The City of Detroit, Housing and Revitalization Department has revised HUD's conflict of interest clause in all City of Detroit contracts. Please be aware, these requirements will apply if you are awarded a contract with the City of Detroit.

- a. The Contractor warrants that its participation in this contract will conform to the requirements all of the applicable Community Development Block Grant regulations including, Section 570.611 of Part 200 Title 24 of the Code of Federal Regulations, and further warrants that such participation will not result in any organizational conflict of interest. Organizational Conflict of interest is defined as a situation in which the nature of work under this contract and the Contractor's organizational, financial, contractual or other interests are such that:

1. Award of the contract may result in an unfair competitive advantage; or
2. The Contractor's objectivity in performing the contract work may be impaired.

**In the event the Contractor has an organizational conflict of interest as defined herein, the Contractor shall disclose such conflict of interest fully in the submission of the application and/or during the life of the contract.**

- b. The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the Director of the Housing and Revitalization Department, which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The Housing and Revitalization Department may, however, terminate the contract if it is in best interest of the City.
- c. In the event the Contractor was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Housing and Revitalization Department (HRD) may terminate the contract for default.
- d. The provisions of this clause shall be included in all subcontracts and consulting agreements.
- e. No federal, state, or local elected official nor any member of the City of Detroit City Planning Commission or their staff or employee of the Housing and Revitalization Department nor any corporation owned or controlled by such person, shall be allowed to participate in any share or part of this contract or to realize any benefit from it. This provision shall be construed to extend to this contract if made with a corporation for its general benefit.

- f. No member, officer, or employee of the City of Detroit, Housing and Revitalization Department, no member of the governing body of the City of Detroit or any other local government, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program/project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.
  
- g. The Housing and Revitalization Department reserves discretion to determine the proper treatment of any conflict of interest disclosed under this provision.