

2024 Small Cities Development Program Application Training Webinar

Welcome!

History

- Funding is made possible through Title 1 of the Housing and Community Development Act of 1974
- Congress amended the Housing and Community Development Act in 1981 to give each State the opportunity to administer Community Development Block Grant (CDBG) funds for non-entitlement areas



Small Cities Development Program Goal

- Develop viable communities by providing financial assistance to address the need for decent safe affordable housing, economic development, and public facility needs, AND;
- Provide a suitable living environment by expanding economic opportunities, principally benefiting low to moderate income households



Annual Allocation

- 2024 Undetermined
- 2023 \$18,835,586
- 2022 \$18,925,609
- 2021 \$19,522,759



Program Objective

Encourage and assist local governments to develop:

- comprehensive economic development
- comprehensive public facility improvement
- implement strategic coordination of CDBG Small
 Cities funding with other federal/state/local
 community development resources



SCDP Program Objective

All proposed activities must meet a National Objective:

- <u>LMI</u> (Benefit to Low/Moderate Income Households on an individual basis)
- <u>LMA</u> (Benefit to Low/Moderate Income People on an area basis)



SCDP Program Objective

- Alleviation of Slum and Blight (<u>S&B</u>) on an area basis
- Urgent Community Development Need (<u>UCDN</u>) (disaster situations)
- 70% of HUD allocated funds (all projects combined) must meet an LMI or LMA National Objective

*See Small Cities Development Program (SCDP) A to Z Reference Guide for additional information



SCDP Eligible Applicants

- Cities with populations under 50,000 or
- Counties and townships with unincorporated population of fewer than 200,000
- Entitlement areas are <u>not</u> eligible
 - <u>Cities</u> of Bloomington, Coon Rapids, Duluth, Eden Prairie, Mankato, Minneapolis, Minnetonka, Fargo/Moorhead, Plymouth, Rochester, St. Cloud, St. Paul, and Woodbury
 - <u>Counties</u> of Hennepin, Anoka, Dakota, Ramsey, Washington, and St. Louis



Application Steps

- Step #1 Preliminary Proposal Deadline
 Due 11/29/2023
- Step #2 Full Application Deadline
 Due 4/17/2024

The preliminary proposal applications are located under the "Apply" tab of the Small Cities Development Program (SCDP) on DEED's website



Preliminary Proposal Process





Grant Administrators

- Grantees are allowed to procure grant administrators
- For-profit administrators (including engineering and architect firms) must adhere to 2 CFR 200.318
 General Procurement Standards or grantee's
 Procurement Policy whichever is more stringent



DEED Administrative Policy

- Administrative funds capped at 15% of actual project costs
 - Public Facilities administration is \$20,000 or 15% of project costs, whichever is the lessor
- Up to 5% of administrative budget can be drawn for start-up expenses (environmental review, policy formulation, etc.)
 - After this 5%, administration, disbursements cannot exceed 15% of actual project costs



Applicant Requirements

- Projects must be completed within the expiration date of fully executed contract
- One application per community
- Local government must adopt a resolution
- Citizen participation plan
- Public hearings
- Sign application



Applicant Requirements

- Program Income must be used first
- Applicants and grant administrators are subject to a capacity and performance evaluation
- Non-eligible communities include:
 - Past due monetary obligations
 - Not current on SCDP reporting
 - Federal audit findings
 - Unresolved SCDP monitoring issues



Applicant Requirements

- Take measures to determine if any elected officials are interested in participating in any proposed rehabilitation activity as an applicant
- Make sure that those who might be interested and eligible abstain from voting on advancing a preliminary proposal forward



Federal Requirements

- Procurement of Services
- Environmental Review
- Fair Housing/Equal Opportunity
- Section 3
- Federal Davis-Bacon Wage requirements
 - Rental properties with 8 or more units
 - Commercial rehabilitation
 - Public facility



Federal Requirements

- Annual/Final reporting
- Quarterly Progress reports
- Monitoring (ongoing)
- Program Income (use, tracking, reporting)



Definition of a Single Purpose Application

 One or more housing activities designed to increase the quality of dwellings suited for the occupancy of the individuals and families

or

- Public facility projects which include one or more activities that are designed to reconstruct and serve a neighborhood area or community
- Funding cannot exceed \$600,000, including administration



Definition of a Comprehensive Application

- Two or more related projects one must be housing
- Funding request cannot exceed \$1.4 million
- Each activity within the application cannot exceed \$600,000, including administrative expenses associated with the activity



Eligible Activities

- Owner Occupied Housing Rehabilitation
- Rental Housing Rehabilitation
- Commercial Building Rehabilitation
- Public Facilities
 - Water and Wastewater/Assessment Abatement
 - Community Centers
 - Streetscape
 - Aesthetics



Eligible Uses of Funds

Owner Occupied Rehab	Rental Rehab	Commercial Building Rehab	Public Facilities
Housing Quality Standards	Housing Quality Standards	Code Enforcement	Repair, replacement
Accessibility	Accessibility	Accessibility	Construction
Health and Safety – lead-based paint	Health and Safety – lead-based paint	Energy Efficiency (indirect effect)	Assessment Abatement
		Facade	

*See A to Z Reference Guide and Rehab Guides for more information



Owner Occupied Housing Rehabilitation



Owner Occupied Housing Rehabilitation

- Income eligibility does not exceed 80% of county median income
- SCDP Maximum funds \$25,000 per unit
- Deferred loan terms minimum of 7 years
- Good leverage
 - Sources other than homeowners are more competitive
- Attainable goals
- Demonstrated need and impact
- Financial packet
 - 100% deferred (preferred) or an Affordability calculation



Citywide or Target area



 Cities with population of 5,000 and under (including combined population of multicity proposals)

Target Area

- Cities with population of more than 5,000
- Plan B for a secondary target area is encouraged as a contingency
- Describe when Plan B target area would be implemented



Example of Citywide Based Application

- Citywide application based on city population of 3,000
- 400 total homes
- 300 are suitable and in need of repair
- 150 interest statements







Owner Occupied Housing Rehabilitation Reminders

• Data provided in Preliminary Proposal and Application must include the <u>sum</u> of Plan A and Plan B target area data

Properties not eligible

- Single-wide mobile/manufactured homes even if on a foundation
- Minnesota Urban and Rural Homesteading (MURL) homes
- Reverse Mortgage properties
- Residential structure that is within a 100-year floodplain
- Contract for Deed and Life Estates If a community opts to allow, there are certain requirement listed in the SCDP guides



Owner Occupied Project Sample Budget

Activity	Federal Object Code	Activity	# of units/goals	SCE	DP Cost Per unit	SCDP Cost/ thout admin	otal SCDP Admin	SCDP Admin %	C	Total SCDP osts (Grant Request)	Program Income		Source of Leveraged Funds (Mark (c) if funds are committed**.)	Totals
Ex	LMI	Owner Occupied Rehab	10	\$	25,000.00	\$ 250,000.00	\$ 37,500.00	15%	\$	287,500.00	\$ 25,000.00	\$ 25,000.00	USDA - Committed	\$ 337,500.00
1	LMI	Owner Occupied Rehab	15	\$	25,000.00	\$ 375,000.00	\$ 56,250.00	15%	\$	431,250.00	\$ -	\$ 20,000.00	Owner; City (c)	\$ 451,250.00
2	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
3	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
4	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
5	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
6	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
7	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
8	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
9	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
Total						\$ 375,000.00	\$ 56,250.00		\$	431,250.00	\$ -	\$ 20,000.00		\$ 451,250.00



Rental Housing Rehabilitation



Rental Housing Rehabilitation

- Single Family
- Duplex
- Multi-Family
- Mixed-Use



Single Family Rental Housing & Duplex Rehabilitation



SINGLE FAMILY RENTAL AND DUPLEX REHABILITATION

SINGLE FAMILY RENTAL REHAB	DUPLEX								
SCDP Maximum - \$25,000 per home	SCDP Maximum - \$25,000 per duplex								
Free standing structures on scattered sites, stick built and/or double wide manufactured house on a foundation	Free standing structures on scattered sites								
Deferred loan terms – minimum of 5 years									
SCDP Maximum of 70% per project cost									



Multi-Family Rental Housing Rehabilitation



Multi-Family Rental Housing Rehabilitation

- SCDP Maximum funds \$12,500 per unit or on a case by case basis
- Deferred loan terms minimum of 5 years
- 51% of units must be LMI with Fair Market Rents (FMR)
- SCDP Maximum of 70% per project cost
- Multiple types of projects
 - Free standing structures on scattered sites
 - Larger projects In conjunction with Minnesota Housing Tax Credits Minnesota Housing Finance Agency (MHFA) RFP
 - Smaller multi-unit projects Minnesota Housing Rental Rehab Deferred Loan (RRDL) or Publicly Owned Housing Program (POHP) funds
- Davis Bacon Wage rates may apply
- Accessibility standards must mirror MHFA (if funding partner)



Mixed-Use Rental Housing Rehabilitation



Mixed-Use Rental Housing Rehabilitation

- SCDP Maximum funds \$12,500 per unit
- Deferred loan terms minimum of 5 years
- SCDP Maximum of 70% per project cost
- 51% of the units must be LMI with Fair Market Rents (FMR)
- Addresses residential portions of the building
 - May include common residential area
- Project should be managed separately from the commercial building
- Davis Bacon Wage rates may apply



Rental Project Sample Budget

Activity	Federal Object Code	Activity	# of units/goals	SCD	DP Cost Per unit	CDP Cost/ thout admin	otal SCDP Admin	SCDP Admin %	С	Total SCDP Costs (Grant Request)	Program Income		Source of Leveraged Funds (Mark (c) if funds are committed**.)	Totals
Ex	LMI	Owner Occupied Rehab	10	\$	25,000.00	\$ 250,000.00	\$ 37,500.00	15%	\$	287,500.00	\$ 25,000.00	\$ 25,000.00	USDA - Committed	\$ 337,500.00
1	LMI	Single family rental rehab	10	\$	12,500.00	\$ 125,000.00	\$ 18,750.00	15%	\$	143,750.00	\$ -	\$ 60,000.00	Owner	\$ 203,750.00
2	LMI	Multi-family rental rehab	30	\$	12,500.00	\$ 375,000.00	\$ 56,250.00	15%	\$	431,250.00	\$ -	\$ 600,000.00	Owner; POHP (c)	\$1,031,250.00
3	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
4	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
5	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
6	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
7	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
8	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
9	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$-
Total						\$ 500,000.00	\$ 75,000.00		\$	575,000.00	\$ -	\$ 660,000.00		\$1,235,000.00



Rental Housing Rehabilitation Reminders

- Duplexes can only be done under Rental Rehabilitation and both units need to meet LMI if one unit is occupied by owner
- Contract for Deed or Life Estate properties not eligible
- Separate housing activities on budget page
- Property owners understand and agree to rules of program
 51% of the rental units must be occupied by LMI persons at HUD's fair market rents



Commercial Rehabilitation



Commercial Rehabilitation

- Must be combined with a housing project
- One SCDP project per legal description
- Buildings must be occupied by retail and independently-owned businesses
- Demonstrate how funds will improve the vitality of the community
 - Mixed-Use for bigger impact



Commercial Slum and Blight Areas

- Declaring Slum and Blight Area:
 - At least 25% of the buildings are deteriorated or deteriorating, and have at least one of the following characteristics:
 - Physical deterioration of building or improvement
 - Abandonment of property
 - Chronic high turnover or vacancy rate
 - Significant decline in property value or abnormally low property value in relation to other areas of the community
 - Known or suspected environmental contamination



Commercial Rehabilitation Policy Requirements

- SCDP Maximum funds \$40,000 per building
- SCDP Maximum of 80% of total project costs
- Deferred loan terms Minimum of 5 years



Commercial Rehabilitation

- Federal Davis-Bacon Act applies
- Leverage dollars can come from property owners, city, county, economic development agencies
- Private match dollars can be used for SCDP noneligible uses (Example – Items in the building flooring, fixed equipment and etc.)



Comprehensive Project Sample Budget

ł	Activity	Federal Object Code	Activity	# of units/goals	SCD)P Cost Per unit	CDP Cost/ thout admin	otal SCDP Admin	SCDP Admin %	С	Total SCDP Costs (Grant Request)	Program Income	Total everaged esources	Source of Leveraged Funds (Mark (c) if funds are committed**.)	Totals
	Ex	LMI	Owner Occupied Rehab	10	\$	25,000.00	\$ 250,000.00	\$ 37,500.00	15%	\$	287,500.00	\$ 25,000.00	\$ 25,000.00	USDA - Committed	\$ 337,500.00
	1	LMI	Owner Occupied Rehab	15	\$	25,000.00	\$ 375,000.00	\$ 56,250.00	15%	\$	431,250.00	\$ -	\$ 20,000.00	Owner; City (c)	\$ 451,250.00
	2	S&B	Commercial building rehab	6	\$	40,000.00	\$ 240,000.00	\$ 36,000.00	15%	\$	276,000.00	\$ -	\$ 70,000.00	Owner; City (c)	\$ 346,000.00
	3	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
	4	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$		\$ -	\$ -		\$ -
	5	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$		\$ -	\$ -		\$ -
	6	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
	7	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
	8	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
	9	Choose One		0	\$	-	\$ -	\$ -	#DIV/0!	\$	-	\$ -	\$ -		\$ -
1	Total						\$ 615,000.00	\$ 92,250.00		\$	707,250.00	\$ -	\$ 90,000.00		\$ 797,250.00



Public Facility Infrastructure/Improvements



Public Facilities Municipal Sewer and Water

- Public facility projects \$600,000 is the maximum request
- Preferably on State of MN Priority Project List (PPL)
- Clear physical need described
- Monthly costs per EDU are 1.5% of median income or \$35 per month, whichever is higher



Public Facilities Municipal Sewer and Water

- SCDP grants must make significant reduction in average user rates
- Funding and regulatory partners (PFA, Rural Development, Dept. of Health and MN Pollution Control Agency) must approve of proposed project scope and budget



Public Facilities Municipal Sewer and Water

- SCDP Costs cannot be assessed to owners
- Meet national objective through census or survey
- Must be able to document that facility is primarily for residential use
- Engineering cost for pre-planning and design is not eligible
- Engineering cost during project construction may be allowed but must be part of the construction cost, no more than 15% of project cost and must be stated in the application



Public Facilities Streetscape and Public Aesthetics

- Must be part of a larger community planning effort with other improvements planned
- Likely in downtown or other public gathering areas





Streetscape and Public Aesthetics

- Breakdown of streetscape and public aesthetics items and costs
 - decorative streetlights (\$300,000)
 - trees (\$20,000)
 - decorative garbage cans (\$1,500)



Community Centers

 Funds are used to reconstruct deteriorated/deteriorating, outdated projects that pose a threat or hazard to the health and safety of residents

 Community center must benefit the entire community and support through resolution or council vote



Community Centers

Ineligible Activities

- Buildings for general use of government
- Community Centers receiving SCDP funding cannot be used for:
 - Primary or General Elections
 - General conduct of government
 - Limited use of other political activities such as candidate forums, voter registration or transportation



Public Facility Project Sample Budget

	Activity	Federal Ol Code		,	Activity		# of units/goals	SCDP Cost Per unit	SCDP Cost/ without admin	Total SCDP Admin	SCDP Admin %	Total SCDP Costs (Grant Request)	Program Income		Source of Leveraged Funds (Mark (c) if funds are committed**.)	Totals
	Ex	LMI			er Occuj Rehab	pied	10	\$ 25,000.00	\$ 250,000.00	\$ 37,500.00	15%	\$ 287,500.00	\$ 25,000.00	\$ 25,000.00	USDA - Committed	\$ 337,500.00
	1	LMI		Water	r Distrib Lines	ution	1	\$ 580,000.00	\$ 580,000.00	\$ 20,000.00	3%	\$ 600,000.00	\$-	\$1,700,000.00	USDA RD; City (c)	\$ 2,300,000.00
	2	Choose C	Dne				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$ -
	3	Choose C	Dne				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$ -
	4	Choose C	One				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$ -
	5	Choose C	Dne				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$-
	6	Choose C	Dne				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$ -
	7	Choose C	Dne				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$-
	8	Choose C	One				0	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$ -
		Public		<u> </u>			·	\$-	\$-	\$-	#DIV/0!	\$-	\$-	\$-		\$ -
P	Rural Development	Facilities Authority	l	Local	Othe	er	Total		\$ 580,000.00	\$ 20,000.00		\$ 600,000.00	\$ -	\$1,700,000.00		\$2,300,000.00
00.00	\$1,350,000.00	\$ -	\$	-	\$	-	\$ 1,930,000.00									
-	\$-	\$-	\$	-	\$	-	\$ -									
-	ş -	\$-	\$	-	\$	-	\$ -									

lines	\$ 580,000.00	\$1,350,000.00	\$ -	\$ -	\$ -	\$ 1,930,000.00
Water tower/tank	\$-	\$ -	\$ -	\$ -	\$ -	\$ -
Water plant (rehab only)	\$-	\$-	\$-	\$-	\$-	\$ -
Wastewater ponds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wastewater lines	\$ -	\$-	\$ -	\$ -	\$ -	\$ -
Wastewater plant (rehab only)	\$ -	\$ -	\$ -	\$ -	\$ -	\$-
Lift station	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Service connections	\$ -	\$ 100,000.00	\$ -	\$-	\$ -	\$ 100,000.00
Streets	\$-	\$ 100,000.00	\$ -	\$ 100,000.00	\$ -	\$ 200,000.00
Storm sewer	\$-	\$-	\$-	\$ -	\$ -	\$ -
Administration	\$ 20,000.00	\$ 50,000.00	\$ -	\$ -	\$ -	\$ 70,000.00
Engineering (Planning Cost)	ineligible	\$-	\$-	\$-	\$ -	\$ -
Engineering Cost during project construction (no more than 15% of project cost)	\$-	\$ -	\$ -	\$ -	\$ -	\$ -
Other	\$-	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ 600,000.00	\$1,600,000.00	\$-	\$ 100,000.00	\$ -	\$ 2,300,000.00

SCDF

Water distribution

Be sure to complete the "Add. Budget-Public Facilities" spreadsheet



Build America Buy America Act (BABAA)

- Enacted in the Infrastructure Investment and Jobs Act
- Establishes the Buy America Preference
- Applies to all federally funded *covered infrastructure* project, including
 - construction
 - alteration
 - maintenance or repair
- Materials used in a *covered infrastructure project* must be produced in the United States.



BABAA (Continued)

Applies	Do not Apply
Grants funded on or after 11/15/2022	Grands funded before 11/15/2022
And containing iron or steel	Projects do not contain iron or steel
And with total federal assistance per project greater than \$250,000	Total federal assistance per project of \$250,000 or less
	CDBG-CV projects
	Projects that qualify for another HUD waiver



BABBA – HUD General Waivers

Exigent Circumstances

- May be waived if projects must be completed immediately to protect life, ensure safety, or prevent the destruction of property
- Current effective until November 23, 2028

De Minimis, Small Grants, and Minor Components

- Waived for projects with total federal assistance of \$250,000 or less
- Waived for a *de minimis* portion that comprises no more than 5% of the total cost of covered materials used in a project, up to \$ 1M
- Currently effective until November 23, 2028



Method of Distribution



State Rules for Funding Distribution

- 30% Single Purpose Applications
 - Housing
 - Public Facilities
- 55% Comprehensive Applications (must have a commercial and a housing component)
- 15% Economic Development (MN Investment Funds-not awarded by SCDP)



Scoring Criteria



Housing Scoring Criteria

NEED	ΙΜΡΑCΤ	COST EFFECTIVENESS
Housing units occupied by LMI that are substandard	# of interested LMI households with deficiencies	Committed leverage
Inadequate supply of affordable housing for LMI	The close proximity of targeted homes	Use of funds for proposed activities benefiting households
Documented conditions of need for improvements	The uniqueness of the community	Repayment terms
		Administrator/Grantee capacity



Comprehensive Scoring Criteria

NEED	ΙΜΡΑCΤ	COST EFFECTIVENESS
Number and Percentage of LMI residents in the target area	The extent to which the proposed comprehensive program will eliminate or slum and blight	Committed leverage and use as "gap" financing
Need for improvements to the housing stock serving low and moderate income persons	The extent to which the proposed program will improve the long term physical or economic condition	Cost of the proposed activities per benefiting household or person is reasonable
Documented conditions of need for improvements	How activities work together comprehensively to improve the community	How cost effective are the use of grant funds
		Administrator/Grantee capacity

Public Facilities Scoring Criteria

NEED	ΙΜΡΑCΤ	COST EFFECTIVENESS
Improve provision of public facilities to LMI population	# of interested LMI households with deficiencies	Committed leverage and use as "gap" financing
Eliminate an urgent threat to public health or safety	Capacity issues including Davis-Bacon wage rate administration	Cost of the proposed activities per benefiting household or person is reasonable;
Documented conditions of need for improvements	The extent to which the proposed activities will reduce or eliminate the need	Project benefits existing, rather than future, population
		Administrator/Grantee capacity

Demographics Scoring Criteria

Number of persons of at or below poverty level in jurisdiction	Percentage of residents in the who are at or below poverty level	Per capita valuation of the area. Points are awarded by the inverse relationship to per capita assessed valuation



Preliminary Proposal Process Result





Full Application



Full Application

- Complete and signed coversheet
- Detailed narrative with updated data
- Master Budget
- Minimum Documentation needed
 - Adopted Local Government Resolution
 - Cooperative Agreements if applicable
 - Rehabilitation interest lists for housing and commercial projects
 - Slum and Blight Resolution (if applicable)
 - Color maps
 - Example survey for program participation
 - Conflict of interest



Full Application (Continued)

- Citizen Participation Plan
 - Adopt before public hearing held
 - Accommodations for those needing access to meeting (hearing impaired, language barriers, etc.)
 - Promote program to low income and minority populated areas
 - Hold first public hearing all communities involved in application, if applicable



Application Scoring

All applications may be awarded points for the following:

- 90 Points for Need
- 90 Points for Community Impact
- 30 Points for Cost Effectiveness
- 30 Points for Demographics



Strong Applications

- Consistent information between budget and narrative
- Budgets add up correctly
- Excellent supporting documentation
- Feasible goals and timelines
- Well-documented interest for rehabilitation



Strong Applications (continued)

- Committed and realistic leverage amounts
- Follow the format provided
- Proofread by co-worker
- Clear and concise
- Demonstrate strong capacity grantee and agency have experience



Common Mistakes

- Exceeding maximum project costs
- Missing appropriate signatures
- Leaving questions blank and missing information
 - zip codes
 - census tract numbers
- Little or no leverage, overstating available leverage



Leverage Sources

- Minnesota Housing (OO, Rental)
- MHFA POHP (OO, Rental)
- PFA (PF)
- RRDL (PF, OO, Rental)
- Utility Co-op (PF, OO, Rental, Commercial)
- EDA/HRA (Commercial, OO, Rental)
- Local Fix Up Funds



Time Frames

- November 29, 2023 Deadline for Preliminary Proposal
- January 12, 2024 Preliminary Proposal competitive status provided to applicants
- April 17, 2024 Deadline for Applications
- Summer 2024 Funding Recommendations to DEED
 Deputy Commissioner
- Summer 2024 Grant Agreements/Implementation Workshops



Submission Information

Preliminary Proposal

Due: Wednesday, November 29, 2023, 4:00 PM

One original, one copy

(Faxed or e-mailed Proposals are not accepted)



Submission Information – By Mail

Minnesota Department of Employment and Economic Development

1st National Bank Building 332 Minnesota Street **Basement Mail Room** St. Paul, MN 55101

Attn. Community Finance Division, Small Cities Development Program Unit



Submission Information – Hand Delivery

Preliminary Proposals may be dropped off at Great Northern Building between the hours of 8:00 a.m. and 4:00 p.m. <u>only on November 29, 2023</u>.

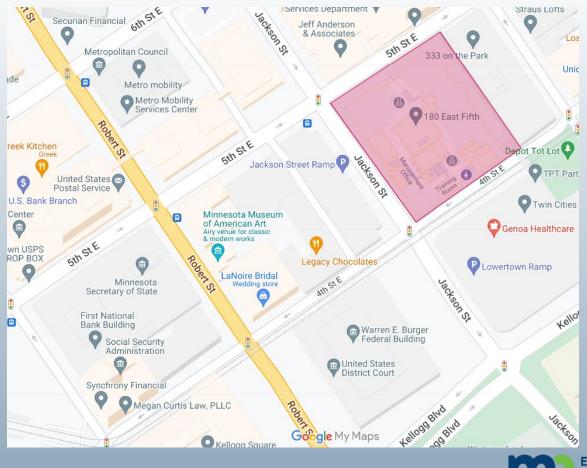
MN Department of Employment and Economic Development Great Northern Building 180 East 5th St. St. Paul, MN 55101

Please use the 5th Street entrance.

There will be a cart at the 12th floor elevator lobby, only on November 29, 2023.



Great Northern Building





Submission Information – (continued)

Full Application

Due: Wednesday, April 17, 2024, 4:00 PM

- One original, one copy
- (Faxed or e-mailed Applications are not accepted)



Office Hour Q&A

Office hour sessions are intended for participants who are interested in the Small Cities Development Program and wish to ask questions related to the 2024 SCDP preliminary proposal.

Sessions are set for an hour and begins promptly at 9:00 am. See Link below:

- September 21, 2023 Office Hour Link
- September 26, 2023 Office Hour Link

You may also send questions ahead of time to smallcities@state.mn.us



Office Hour Session – September 21, 2023

Microsoft Teams meeting Time: 9:00 a.m. to 10:00 a.m. Date: Thursday, September 21, 2023

Meeting Link Join on your computer, mobile app or room device Office Hour Q&A Session

Or call in (audio only) 1-651-395-7448 Phone Conference ID: 709 303 792#



Office Hour Session – September 26, 2023

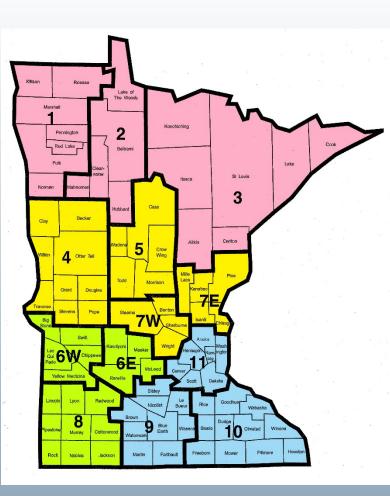
Microsoft Teams meeting Time: 9:00 a.m. to 10:00 a.m. Date: Tuesday, September 26, 2023

Meeting Link Join on your computer, mobile app or room device Office Hour Q&A Session

Or call in (audio only) 1-651-395-7448 Phone Conference ID: 567 584 375#



SCDP Contact Information



Natasha Kukowski SCDP Unit Manager <u>Natasha.Kukowski@state.mn.us</u> 651.259.7425

Chris Nordeng Regions 1, 2, 3 <u>Christian.Nordeng@state.mn.us</u> 651-259-7455

Zachary Klehr Regions 9, 10, 11, Zachary.Klehr@state.mn.us 651.259.7460 Tim Larson Region 4, 5, 7E & 7W <u>timothy.Larson@state.mn.us</u> 651-259-7504

Christine Hartert Region 6E, 6W and 8 Christine.Hartert@state.mn.us 651-259-7461

