Community Development Block Grants (CDBG and CDBG-CV)
Application Information and Instructions

Application Packet is available at knoxvilletn.gov/development under Current Grant Opportunities

Important Dates:

Mandatory Technical Assistance (TA) Workshops (applicants must attend one)

Thursday, February 4, 2021 at 6:00 PM, via Zoom. Homeless Grants portion begins at 6:00PM. CDBG/CDBG-CV portion begins at 7:00PM. Applications for these funds are not required to arrive at 6:00PM. Use this Zoom Invitation to join meeting:
https://zoom.us/j/96425328476?pwd=SFlh1Zz5eU0rYWovbmw5WDJF6cWJpUT09
Meeting ID: 964 2532 8476, Passcode: 624827

Tuesday, February 9, 2021 at 1:00 PM, via Zoom. Homeless Grants portion begins at 1:00PM. CDBG/CDBG-CV portion begins at 2:00PM. Applications for these funds are not required to arrive at 1:00PM. Use this Zoom Invitation to join meeting:
https://zoom.us/j/98741093174?pwd=LzdNNlZpQnFvWhCU00xHQrejcvZz09
Meeting ID: 987 4109 3174, Passcode: 790301

The completed application must be received by Friday, February 19, 2021, by 12:00 PM (noon)

Applicants have the option to:

- Email a single PDF (or zip file of all PDFs) containing the entire application to Ms. Cicely Henderson at chenderson@knoxvilletn.gov;
- Mail the entire application to: Ms. Hope Ealey, City of Knoxville Housing and Neighborhood Development Department, P.O. Box 1631, Knoxville, TN 37901; or
- Hand-deliver the entire application to: the City of Knoxville Housing and Neighborhood Development Department, 400 Main Street, Suite 532V, Knoxville, Tennessee 37902.

No matter which method of delivery an applicant chooses, it is the applicant’s responsibility to ensure that the application is received by the deadline. Please contact Hope Ealey at 865-215-2290 or healey@knoxvilletn.gov with any questions. Thank you for your interest!
Section 1: Essential Information

Eligible Applicants
The City of Knoxville is seeking agencies/organizations to carry out activities that work to reduce and prevent homelessness, stabilize and revitalize neighborhoods, create economic opportunity, and enhance the availability, accessibility, and quality of affordable housing in the City of Knoxville, all of which are high priority goals under its 2020-2024 Consolidated Plan.

The City is also seeking agencies/organizations to carry out activities that prevent, prepare for, and respond to the coronavirus (COVID-19).

More generally, non-profit and other public agencies designated as a 501 (c) (3) or 501 (c) (4), who serve residents inside the city of Knoxville, are eligible to apply. Each applicant must have the authority to submit the application and to carry out the proposed activity/project pursuant to its charter and by-laws. Please see Part II. of the Community Development Block Grants Application Threshold Requirements for a full listing of requirements. Partnerships between agencies/organizations are encouraged.

Community Development Block Grant (CDBG)
The U.S. Department of Housing and Urban Development (HUD) CDBG program provides funding to preserve and develop viable urban communities. Its goals are to provide decent housing, provide a suitable living environment, and expand economic opportunity, principally for low- and moderate-income (LMI) people, households, and areas.

In addition, each activity/project must meet one of the following CDBG National Objectives: Benefit low- and moderate- income (LMI) persons; Aid in the prevention or elimination of slums or blight; or Meet a need having a particular urgency (referred to as urgent need) because existing conditions pose a serious and immediate threat to the health or welfare of the community for which other funding is not available.

Low- and moderate-income (LMI) is defined by HUD as less than or equal to 80% of Area Median Income (AMI), adjusted for household size. See the Resources sheet for the current (as of April 1, 2020) HUD Income Limits for the Knoxville, TN HUD Metro FMR Area.

CARES Act/HUD Supplemental CDBG (CDBG-CV)
CDBG-CV funds may be used for CDBG-eligible activities that prevent, prepare for, and respond to the coronavirus (COVID-19). HUD made certain waivers and flexibilities available for CDBG-CV funds. See the Resources sheet for a link to more information about waivers and flexibilities.
Eligible Projects/Activities
Please note: The words “project,” “program,” and “activity” are interchangeable in the application and instructions.

CDBG
CDBG funds may be used for activities/projects which include, but are not limited to: Acquisition of real property; Relocation and demolition; Rehabilitation of residential and non-residential structures; Housing-related activities; Construction of public facilities and improvements, such as water and sewer facilities, streets, neighborhood centers, and the conversion of school buildings for eligible purposes; Public services, within certain limits; Activities/projects relating to energy conservation and renewable energy resources; and Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities/projects. See the Resources sheet for a link to a more detailed list of CDBG-eligible activities/projects.

CDBG-funded activities/projects must also meet at least one Priority Goal and at least one Objective outlined in the City of Knoxville’s 2020-2024 Consolidated Plan, Goals and Objectives.

CDBG-CV
CDBG-CV funds may be used for CDBG-eligible activities that prevent, prepare for, and respond to the spread of infectious diseases such as the coronavirus/COVID-19. A link to a listing of a broad range of eligible activities that prevent and respond to COVID-19 can be found in the Resources sheet.

Please Note: Application requests for Public Service activities for Housing Assistance (rent, rental arrears, and utility arrears) will not be considered for this round of funding. Other funding has been made available to Knox County (including Knoxville city residents) for rental housing assistance.

HUD made certain waivers and flexibilities available for CDBG-CV funds, including lifting the cap on Public Service activities. Public Service activities that address COVID-19 challenges include but are not limited to: Job training; Provide testing, diagnosis or other services at a fixed or mobile location; Increase the capacity and availability of targeted health services for infectious disease response within existing health facilities; Provide equipment, supplies, and materials necessary to carry-out a public service; Deliver meals on wheels to quarantined individuals or individuals that need to maintain social distancing due to medical vulnerabilities.

CDBG-CV funds are not subject to meeting a Priority Goal and Objective outlined in the City of Knoxville’s 2020-2024 Consolidated Plan, Goals and Objectives document.

Funding Sources
The City of Knoxville’s Community Development Block Grants includes funding from two sources:

CDBG
- Annual entitlement funding directly from HUD to the City of Knoxville
- Funding priorities are set by the current Consolidated Plan and PY2021-2022 Annual Action Plan
- Total amount of funding is unknown at this time, but notice is anticipated in February 2021
- The current program year (PY) 2020-2021 amount is $1,761,546
- Awarded projects begin July 1, 2021 and end June 30, 2022
CDBG-CV

- 2020 CARES Act funds through HUD
- Funding priorities are/will be outlined in the City’s Substantial Amendment(s) to its PY2019-2020 Annual Action Plan, as directed by HUD, responding to the COVID-19 pandemic.
- The City received two rounds of CDBG-CV funds in PY2020, for a total of $2,889,714
- $1,482,637 remains unallocated
- HUD has granted certain waivers and flexibilities for CDBG-CV (see Resources sheet for web links)
- Awarded projects will begin ASAP and must end by April or May 2023.

The City reserves the right to consider all complete and eligible applications and all funding sources in deciding how to award the amount and source of funds that best meet community needs. If your agency is applying for services addressing homelessness, other funds including HUD Emergency Solutions Grant (ESG), CARES Act supplemental ESG (ESG-CV), or Homeless General Funds may be considered. If other funds are awarded, City staff will work with you on any additional or substitute requirements.

**Funding Requirements**

The below requirements are not all-inclusive.

All CDBG- and CDBG-CV-funded agencies/organizations (aka subgrantees or subrecipients) shall comply with 2 CFR part 200, “Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.” Agencies should only request funds for the provision of direct expenses which may include direct financial assistance, direct project costs/services (including personnel expenses), and program operating (including financial and other direct costs of the project) that are directly associated with the project. The only exception to this requirement is for an agency that either has an existing Indirect Cost Allocation Plan under a cognizant agency (the federal agency that provides them the most grant funding, such as HUD or HHS) or wants to submit an Indirect Cost Allocation Plan, which should be included with their application and included in their budget.

The CDBG and CDBG-CV programs are operated on a reimbursement-only basis. There will be no exceptions to this requirement. Documentation of payment must be submitted with invoices for reimbursement by the City.

The City of Knoxville will not advance funds, and agencies expending funds prior to their agreement start date (or outside of the agreement period between the City and agency/organization) will not be reimbursed.

Special attention must be paid by applicants to ensure that CARES Act funds (including CDBG-CV funds) are not duplicated. While HUD does not require CDBG or CDBG-CV funds to be matched, agencies/organizations must describe all funds, private or public, that are used on the project so that the City can ensure that there is not duplication of CARES Act funds.

**Performance**

If an applicant is selected, a formal subrecipient agreement will be drafted. In this agreement, agencies will be evaluated in two main ways – progress on accomplishment goals and funding expenditures to meet their goals. Quarterly performance reports are required for all activities, as are completion reports. The Agency’s invoices requesting reimbursement are used in conjunction with performance reports to measure progress toward meeting both the goals of the activity and expenditures. Timely expenditure of funds is
expected, as are the costs being necessary and reasonable to accomplish goals. Additional reporting and/or information may be required depending on the scope of the activity.

The City conducts monitoring of subgrantees in two ways – desk-monitoring (review of information submitted to the City by the subgrantee) and more formal, on-site monitoring at the subgrantee’s office and/or service location. On-site monitoring may include a review of the program, client, procurement, and financial files. If your agency is funded, more information about the monitoring processes will be provided as the agreement is drafted. Any in-person, on-site monitoring during the pandemic will be by mutual agreement guided by safety protocols such as social-distancing, etc.

**General Regulatory Compliance**

All activities must comply with the federal regulations applicable to the funding source (CDBG or CDBG-CV). These regulations may include (but are not limited to): environmental review; federal procurement standards; Section 3 and Title VI; Fair Housing and Equal Opportunity regulations; lead based paint regulations; Davis Bacon and Related Acts; and federal fiscal/audit standards. Activities may be monitored through technical assistance, site visits, and formal on-site monitoring/file reviews.

Regulations specifically related to the CDBG program can be found under 24 Code of Federal Regulations (CFR) Part 570, as shown on the Resources sheet. Updated information on CDBG and CDBG-CV regulations can be found at www.hud.gov, www.hudhre.info, and www.hudexchange.info/programs/cdbg/.

**City of Knoxville Insurance Requirements**

These will be discussed in detail at the mandatory Technical Assistance (TA) Workshops. Additional information can be requested of the City of Knoxville Law Department.

**Mandatory Technical Assistance Workshops**

Prior to submitting an application, all agencies are required to participate in one of two Technical Assistance (TA) Workshops conducted by City staff. Due to guidance regarding social-distancing, the workshops will be held virtually, via Zoom (see access information below). Participants must be “recognized” by their agency/organization name in the virtual meeting so they can be counted as attending the correct workshop. The Technical Assistance (TA) Workshops are scheduled for:

- **Thursday, February 4, 2021, at 6:00 PM, via Zoom**
  The Zoom meeting starts at 6:00 PM with the Homeless Grants session. The CDBG/CDBG-CV portion will begin promptly at 7:00 PM. Applicants are not required to be on the call for both hours.
  Copy and paste this link into your browser:
  https://zoom.us/j/96425328476?pwd=SfhiZzZ5eU0rYWovbmw5WDJFcWJpUT09
  
  Meeting ID: 964 2532 8476, Passcode: 624827

- **Tuesday, February 9, 2021, at 1:00 PM, via Zoom**
  The Zoom meeting starts at 1:00 PM with the Homeless Grants session. The CDBG/CDBG-CV portion will begin promptly at 2:00 PM. Applicants are not required to be on the call for both hours.
  Copy and paste this link into your browser:
  https://zoom.us/j/98741093174?pwd=LzdNN1ZpQnFveWhCU00xcHrejcvZz09
  
  Meeting ID: 987 4109 3174, Passcode: 790301
Section 2: The Application Packet

- Community Development Block Grants Application
- Resources Sheet
  Contains links to detailed information about HUD CDBG and CDBG-CV.
- City of Knoxville’s PY2020-2024 Consolidated Plan Priority Goals and Objectives
- Community Development Block Grants Application Information and Instructions (this document)

Section 3: Application Instructions

There is no limit to the number of applications an agency may submit, however each activity/project should be submitted as its own application. All applications will be considered for both CDBG and CDBG-CV funding.

The application is comprised of:

- Cover Page – Basic agency/organization information, amount requested, a brief description of the proposed activity, and Important Dates.

- I. Agency Information

- II. Threshold Requirements – A checklist of requirements.

- III. Exhibits and Attachments – Required Exhibits (Project Budget, Project Timeline, and Assurances forms), Required Attachments (Agency Budget, non-profit agency information, and, if an Area Benefit project, a map showing the benefit area) and Optional Attachments.

- IV. Project Information

  1. Project and Project Contact information

  2. Choose a HUD National Objective – See Resources sheet

  3. For the HUD Eligible CDBG project types, see Section I. Essential Information, Eligible Projects/Activities (above) or Resources sheet.

  4. Beneficiaries of the proposed project - Select one: People, Households, or Area as a unit of measurement of accomplishment. A single (one) person can be counted as a household.

If using Low- to Moderate-Income Area (LMA) Benefit, please list the Census Tracts (See Resources sheet to find a link to a map with Census Tract numbers) and Block Group (if you have it) where the activity is proposed. If you are not sure if the area is a LMI Census Tract, please call and staff can confirm.
If the proposed activity provides a service to **Low- to Moderate-Income (LMI) People or Households**, choose Limited Clientele activity. Any household under 80% AMI is considered LMI.

If a **LMI Housing activity**, choose that one.

If the proposed activity is to **prevent or eliminate slums or blight**, choose that one.

5. Estimate the number of LMI People or Households to be served by Area Median Income (AMI). See *Resources* sheet to see the most recent HUD Income Limits by household size.

6. Review the *City of Knoxville 2020-2024 Consolidated Plan Priority Goals and Objectives* document in the Application Packet. If the proposed project is primarily intended to prevent, prepare for, and/or respond to the coronavirus/COVID-19, you can move to number 7. If not, the proposed project must identify that the project meets a high priority goal/objective.

7-18. **Project Narratives** – Complete the questions to the best of your ability. Assume the grant rating committee has no prior knowledge of your projects.

- **V. Financial Requirements** – Descriptions of all project funding and anticipated funding sources, if and how the agency/organization is partnering with another, scalability of the project, key project components, and agency information.

  Applicants should provide documentation of Budget line items, such as estimates from contractors, equipment or service providers, or formulas based on expected expenses, etc.

  Applicants should provide information about (and document) all other funds being used or leveraged for the project. Duplication of CARES Act funds is strictly prohibited.

- **VI. Affirmations and Signatures** – Be sure to sign before submitting the application!

- **Exhibits**

  1. **Budget**

     Expenses may be broken down into four subcategories.

     - **Direct Assistance** – Any financial assistance provided to/on behalf of clientele
     - **Direct Costs/Services** – The cost of the proposed work/services (including project personnel costs)
     - **Program Operating** – The direct costs of operating the activity (including financial or other direct costs)
     - **Indirect Costs** – An existing Indirect Cost Allocation Plan under a cognizant agency or a new Indirect Cost Allocation Plan must be submitted to the City for approval
Applicants should provide documentation of Budget line item amounts, such as estimates from contractors, equipment or service providers, or formulas based on expected expenses, etc. Fill in the amount requested, the amount of other funding being leveraged, and the total costs.

Applicants should provide a breakdown of Source and Amount for all funding sources for the proposed activity.

2. Assurance of Compliance under Title VI of the Civil Rights Act of 1964 – Be sure to sign before submitting the application!

3. Project Timeline
   a. The term for CDBG is expected to start July 1, 2021, and end June 30, 2022.
   b. The term for CARES Act supplemental CDBG (CDBG-CV) funds are intended to start as soon as possible, and may have terms ending by April or May 2023.

Questions 1. through 4. – Project Narratives

4. Assurance of Audit Requirements – Be sure to sign before submitting the application!

5. Certification of Compliance with the City of Knoxville Conflict of Interest and Procurement Policies – Be sure to sign before submitting the application!

Section 4: Submission Requirements

Submission Deadline
The completed application must be received by the City of Knoxville Housing & Neighborhood Development Department no later than 12:00 PM (noon) on Friday, February 19, 2021. A postmark of that date will not be acceptable. Applications received after that deadline will not be accepted. Applications submitted via facsimile will not be accepted.

Submission Instructions
1. Applicants have the option to:
   - Email a single PDF (or zip file of all PDFs) containing the entire application to Ms. Cicely Henderson at chenderson@knoxvilletn.gov;
   - Mail the entire application to Ms. Hope Ealey, City of Knoxville Housing and Neighborhood Development Department, P.O. Box 1631, Knoxville, TN 37901. Be sure to label any envelope with “City of Knoxville Housing & Neighborhood Development Department” as Knox County has a Community Development Department in the City/County Building and mail has been misdirected before.
   - Hand-deliver the application to the City of Knoxville Housing and Neighborhood Development Department, 400 Main Street, Suite 532V, Knoxville, Tennessee 37902.

No matter which method of delivery an applicant chooses, it is the applicant’s responsibility to ensure that the application is received by the deadline.
Confirmation of Receipt of Application

If the application is emailed, applicants will receive a receipt or automatic notification of delivery through their email system. Applicants may also request confirmation that the City received their application by a separate email to Ms. Cicely Henderson at chenderson@knoxvilletn.gov. This should be done well before the deadline.

If the application is mailed, applicants may also request confirmation by emailing or by calling Ms. Hope Ealey at healey@knoxvilletn.gov or 865-215-2290. This should be done well before the deadline.

If the application is hand-delivered, City staff will give a receipt. Applicants should not leave without it.

2. Submit the completed application, including Required Exhibits and Attachments, in a single PDF file (or zip file of all PDFs) or in a sealed envelope, if a hard-copy is submitted.

3. Applications may be emailed, scanned, photocopied or printed after submission. Please keep that in mind when you’re submitting. If submitting a hard-copy, please submit one original. Hold the application together with a single staple, paper clip, or binder clip, and please do not heat or spiral bind your application, enclose it in a two- or three-hole punched binder or folder, utilize index dividers or cardboard tabs, or staple together individual sections of the application.

4. The application must be typed or computer-generated. Hand written applications will not be accepted. Use only 11 point or larger standard font with black ink. Underlines don’t have to be typed-over, simply delete the line and underline your answer.

5. For hard-copy applications, only white 8 ½” x 11” paper should be used. Brochures and other attachments may be submitted on colored paper, cardstock, or other printed format.

6. Applications should respond to all questions and include all information requested. Maps, supporting data, and other pertinent documentation should be included when relevant.

7. Applicants should consider submitting their application early! Those waiting until the last minute run the risk of submission problems. No exceptions will be given for late or incomplete applications.

8. Also remember, for applicants planning to hand-deliver their application, there is enhanced security at the City-County Building doors. Mask/face coverings are also mandatory in the City County Building. Parking downtown and entering the building can sometimes take extra time. Applicants should factor that into their plans.

9. If applicants have questions or need help, please call Hope Ealey at 865-215-2290. Do not wait until the last minute, please.

The City of Knoxville may require additional information to assess the application proposal. The City will not return the application materials nor reimburse any cost of preparing the application materials.
Section 5: Application Review and Evaluation

Incomplete Applications
Once received, all grant applications will be screened for eligibility and completeness. Please make sure that the application is signed, and all required attachments are included as part of the submission. Incomplete or ineligible applications will not be considered for funding.

Evaluation Criteria

1. Part II. Threshold Requirements (all applicants must meet these requirements)

2. Agency Capacity
   - Demonstrated understanding of CDBG National Objectives and Eligible Activity Requirements
   - Implementation Capacity
   - Fiscal Capacity and Responsibility

3. Project/Activity Considerations
   - Eligibility: Meets CDBG compliance requirements, eligibility of activities/projects
     How well it meets the City of Knoxville’s Priority Goals and Objectives or CARES Act priorities to prepare for, prevent, and respond to coronavirus/COVID-19.
   - Demonstrates Need
   - Quality of the activity/project
   - Timing - How quickly activities can be implemented and concluded (in some cases)
   - Budget Evaluation, including how well-defined the costs are presented
   - Evaluation of Quantifiable Performance Goals
   - Leveraged resources and/or partnerships

The ratings will be used as a guide for activity/project selection. The proposed activity/project will also be considered with other proposals received for collective community impact. Applications selected for funding may receive less than the requested amount depending on the number of applications received and available funds. Funding is not guaranteed to any agency or activity/project.
Section 6: Timelines

Application Timeline

Monday, February 1, 2021  The Application Packet is available online
Thursday, February 4   First of two Technical Assistance Workshops (via Zoom)
Tuesday, February      Second of two Technical Assistance Workshops (via Zoom)
Friday, February 19    Applications are due (and must be received by) by 12:00 noon

CDBG Funding Timeline

February 19 – March    Staff review applications, compare with financial resources available and present recommendations to Administration
March – April 1        Staff will contact awardees and incorporate proposed projects and resources into draft PY2021-2022 Annual Action Plan
April 2                 Draft Annual Action Plan Made Available for Public Review
April 2 - May 3        30-day Public Comment Period on draft Annual Action Plan
April 27, 6:00 PM      Public Meeting #2 (via Zoom)
April 29, 6:00 PM      City Council Workshop (via Zoom)
May 4, 6:00 PM         City Council Meeting - Review / Approval (via Zoom)
May 14, 2021           Annual Action Plan Due to HUD
May 5 – June 30        Develop Subgrantee Agreements
July 1 - forward       Knoxville City Council votes on Subgrantee Agreements. Once Agreements are approved by Council, subgrantee may begin the project.

CDBG-CV Funding Timeline

February 19 – March 1  Staff review applications, compare with financial resources available and present recommendations to Administration
March                  Staff will contact awardees, develop/submit any Amendments, and develop agreements
March 23 (tentative)  Knoxville City Council votes on Amendment(s), if needed  
April 6 (tentative)  Knoxville City Council votes on Subgrantee Agreements

Funding Release/Agreements

CDBG  
City Council must approve the PY2021-2022 Annual Action Plan that describes CDBG-funded projects/activities, before it can be submitted to HUD. The City anticipates submitting the Plan to HUD by May 15, 2021. HUD must approve the City of Knoxville’s PY2021-2022 Annual Action Plan before it releases the funds.

CDBG-CV  
City Council must approve any Substantial Amendment(s) before they can be submitted to HUD. HUD must approve any amendment(s) before it releases the funds.

All subgrantees receiving $25,000 or more, shall have agreements with the City of Knoxville approved by Knoxville City Council. All subgrantees receiving less than $25,000 shall also have agreements, but will not require City Council approval.

Prior to execution of grant agreements, all projects must have an environmental review completed by City Housing and Neighborhood Development staff.

For more information about this application and funding process, please call Hope Ealey at 865-215-2290 or email healey@knoxvilletn.gov.

Thank you and Good Luck!