

## 2019 CDBG Application Workshop

### **Q & A**

1. Can consultant hire lead testing companies and title search companies rather than the town? The lead testing and title search companies will be acting as a subcontractor to the consultant and vetted by debarment.

*A: No, DOH has determined that this arrangement could create potential conflicts of interest. As noted in the CDBG Grants Management Manual, some firms, for example, have the capacity to administer projects and design buildings or public facilities systems. It is considered a conflict of interest for the firm in charge of administration to also be in the position to oversee the engineering for a project. There could also be conflicts in the areas of rehab inspection, lead-based paint testing, surveying, etc. In addition, per the CDBG Manual, professional services must be procured for each new CDBG grant awarded by DOH, and this requirement would be violated under such an arrangement.*

2. Regarding reasonable time – 72 hour notice, what if the update is on a Thursday a Friday. Is it 72 hours of working days or calendar days?

*A: Updates to Wage Determination are typically released on a Friday. The 72 hours referenced are calendar days.*

3. If the project only has federal funding, do state prevailing wages apply?

*A: Yes. The prevailing wage refers to the rate of pay that contractors and vendors must offer their employees when doing business with a government agency.*

4. Does the CT prevailing wage requirements apply to a \$400,000 rehab project on a 16 unit housing development owned by a private, non-project organization? (The statute appears to read to apply to public construction projects).

*A: Yes in this example it does apply. Davis-Bacon applies to the rehabilitation of residential property only if the property contains 8 or more units. Residential property that contains 7 or fewer units is exempt. Although the statute refers to the rehabilitation of residential property, this exemption has been interpreted to include the new construction of residential property containing 7 or fewer units. Typically, single-family homeowner properties are excluded under this exemption.*

*However, "property" is not limited to a specific building. Property is defined as one or more buildings on an undivided lot or on contiguous lots or parcels, which are commonly-owned and operated as one rental, cooperative or condominium project. Examples of 8+ unit properties may include:*

*5 townhouse buildings side-by-side which consist of 2 units each.*

*3 apartment buildings each consisting of 5 units and located on one tract of land.*

*8 single-family (not homeowner) houses located on contiguous lots.*

*The requirement is more clearly explained in HUD Handbook 1344.1 Rev. 2 entitled Federal Labor Standards Requirements in Housing and Urban Development Programs. Appendix II-6*

*Factors of Labor Standards Applicability provides detailed guidance on Davis-Bacon applicability to various HUD programs.*

5. Labor Standards - Please clarify the 72 hour federal wage rate update listed in the grant manual as DOH has said the 10 day update no longer applies.

*A: DOH deems less than 72 hours as unreasonable to make changes to bids therefore a justification must be submitted within Lock-In Notice (LIN). E.g. If there is a change to the WD 4 days prior to bid opening, then the bid must contain the new WD that was issued. LIN the as a reasonable amount of time to disseminate modifications.*

6. When does the wage determination lock in notice get emailed to DOH? And, does a copy of the entire wage decision need to be emailed with the lock in notice as that is not noted in the grant manual?

*A: Once Wage Determination LINs have been completed, they are to be forwarded to DOH within 72 hours of Bid Opening. Keep in mind DOH prepares the HUD 4710 for Small Cities which is due on April 15 and October 15, therefore notices should reach our offices no later than April 1 and Oct 1 accordingly.*

7. In the grant manual in both sections 9.8 and 9.10 in the Labor Standards section – it is noted that “written inspection reports and test results and copies of field measurements” must be submitted with each partial contractor payment application. Please clarify – Is the AIA payment application, which is signed by the architect or engineer not enough?

*A: First our apologies as the grant manual appears to have two section 9.8. The first on page 191 addresses “Section 9.8. Certified Payroll Requirements” and the second “Section 9.8 Construction Management Requirements”.*

*To your question – Without the additional supporting documentation, there is no assurance that payment requests were for completed work and that costs were charged to the proper category. AIA payment application, signed by the architect or engineer is not enough. The sufficient documentation to substantiate expenditures.*

8. FYI – Section 9.4 Labor Standards – language is incorrect “New construction limit has been increased to one million”.

*A: Correct. The manual will be updated in the near future.*

9. Per JC’s presentation, Re: Residential Rehab. Is it DOH’s policy that moving interior wall (e.g.: for accessibility retrofits) requires DOH’s prior approval?

*A: The Department of Housing requests to review projects in which redesign is required. This also does not circumvent local and state building requirements. The review is added value.*

10. Is there a list of priorities under DOH for eligible activities either under the Con-Plan or as DOH policy?

*A: Yes. Priorities under DOH for eligible activities can be found under the Con-Plan and the Annual Action Plan.*

11. Public hearing notice why must it be published in a daily local newspaper? Is there a HUD requirement?

*A: HUD requirements on Citizen Participation notices must be published at least twice on different days in a newspaper of daily circulation. Please note:*

- *Advertisements must state that accommodations for disabled or non-English speaking residents will be made available upon advance request.*
- *Applicants must take appropriate affirmative actions to make the scheduling known to low and moderate-income residents.*

12. For housing activities is radon testing required?

*A: Yes. We are actually not in compliance. HUD's Office of Healthy Homes and Lead Hazard Control (OHHLHC) participated on a team of Federal Agency representatives that drafted the Federal Radon Action Plan (the Plan) (see: [http://www.epa.gov/radon/action\\_plan.html](http://www.epa.gov/radon/action_plan.html)). The effort was led by the US Environmental Protection Agency (EPA). The Plan was released to the public by EPA at the National Healthy Homes conference in June 2011. One of the primary goals of the Plan is the incorporation of radon testing and mitigation into HUD programs.*

13. Do service providers need to be procured for public service activities?

*A: Yes. Procurement policies and procedures are still applicable.*

14. If you hold your 2<sup>nd</sup> public hearing at the same time you conduct your application public hearing, do you have to publish separate notices for each hearing? One for the application, one for the program process?

*A: The two are not the same. Notice must be published at least twice on different days in a newspaper of daily circulation. The first notice must be published no less than two weeks prior to the date of the public hearing. Applicants must make every effort to inform those who might not be reached through the newspaper.*

15. Will DOH consider application for repair of crumbling foundation considering the political and regional desire?

*A: Regional or Multi-Jurisdictions Crumbling Foundation applications are eligible only under Public Services.*

16. Rehab a home grant money for asbestos removal? You mentioned lead?

*A: Asbestos abatement can be addressed through current program structure. Asbestos abatement will not be switched to a grant funded activity.*

17. How will DOH address 2015 grants that have not been monitored and closed out and are not on the schedule?

*A: DOH will be addressing 2015 & 2016 grants that have not been monitored and closed out and are not on the schedule. The approach will be incorporating a modified Desk Monitoring Process yet to be implemented.*

18. Please explain the selection criteria, i.e.: point system?

*A: See Rating and Ranking Sheet at the following address:*

*[https://www.ct.gov/doh/lib/doh/scapp2019/2019\\_rating\\_&\\_ranking\\_sheet\\_final.pdf](https://www.ct.gov/doh/lib/doh/scapp2019/2019_rating_&_ranking_sheet_final.pdf). Applications are rated based on the R&R Sheet and then ranked high to low based on points. Applications with the highest points are funded first until funds are exhausted.*

19. Has the DOH considered adjusting the application timeline so that it does not coincide with municipal budget season? Most municipalities budget in Feb/March/April for July 1<sup>st</sup> fiscal year?

*A: Yes. We are considering shifting our application process accordingly. Keep an eye out for a future bulletin for 2020-2021 funding cycles.*

20. Why does the state insist on requiring applicants to undertake expensive advertising that the federal guidelines do not require?

*A: The state is following HUD requirements both for Citizen Participation and Fair Housing. HUD requires that Notices must be published at least twice on different days in a newspaper of daily circulation; The first notice must be published no less than two weeks prior to the date of the public hearing; Applicants must make every effort to inform those who might not be reached through the newspaper; Advertisements must state that accommodations for disabled or non-English speaking residents will be made available upon advance request; Applicants must take appropriate affirmative actions to make the scheduling known to low and moderate-income residents*

21. If a municipality has over \$35,000 PI, does that make the town ineligible to apply for a 2019 CDBG Public Housing Modernization?

*A: Towns may apply. The towns must be prepared to demonstrate through a clear plan the process in which it anticipates to utilize program income.*

22. Will Program Income in excess of \$35,000 be deducted from Housing Rehab applications?

*A: Not necessarily. The towns must be prepared to demonstrate through a clear plan the process in which it anticipates to utilize program income.*

23. Is radon testing required for 2019 projects going forward only or is it now required for 2018 awarded grants as well?

*A: Any activities / projects effective as of the upcoming bulletin regarding Radon and Housing will be required regardless of the funding year of funds.*

24. Is DOH or DPH going to make radon testing kits available?

A: *DOH is working with DPH to provide initial radon testing kits and training.*

25. Does HUD still require a risk assessment for housing rehab projects over \$5,000?

A: *CDBG funds may be used rehabilitation of existing units. When such an activity is undertaken using Federal funds on a unit built before 1978, the Lead Safe Housing Rule applies. Section 13.1.3 Requirements for Rehabilitation Projects briefly describes the relevant requirements. Please click on this link*

<https://www.hudexchange.info/oncpd/assets/File/Basically-CDBG-State-Chapter-13-Lead.pdf>

26. Section 3.7 Returned Funds on the scoring of this criteria – What is the definition/description of a justifiable reason for returning small cities?

A: *A simple description would be a scenario where the town and its sub-recipient completed the project under budget. Those funds will then recycle back into the next application funding round.*

27. Will notices/bulletins be posted on the web site soon? Now it is only 2012 + prior?

A: *Yes, Jerome Mihm is leading this task and we are reviewing things as quickly as possible.*

28. Notice of intent to apply form says 2018+ has Dimple Desai's name on it?

A: *Great observation. It also identified Neverland as a town in Ct. It is an example and a test to see who actually pays attention after copying and pasting.*

29. When do you expect the 2018 funds to be allocated?

A: *2018 CDBG funds have been allocated for Housing and Administrative activities. Public Services applications are now being awarded and announcement will be forthcoming.*

30. For Public Housing Rehab – What level of design is required at application: 40%, 90%?

A: *We are hoping to have "Shovel Ready" projects. But understand the need to support pre-development activities to accomplish this. I can say the more complete the application the better it will score.*

31. Is there any way to speed up payments to contractors? Will the state entertain bringing back escrow accounts?

A: *DOH will not be considering Lump Sum or Escrow Accounts. We encourage applicants to partner with their local banks and credit unions or organizations such as Capital for Change.*