

Connecticut Communities Challenge Grant Program

Application Frequently Asked Questions (FAQ)

Last Updated: 12/20/2021

Regarding the match requirement:

1. Can funds that have already been committed to a project count toward the local match requirement?

Any funds deployed towards the completion of a project since January 14th, 2020 (24 months before the application deadline) are eligible to count toward the match requirement as long as the application clearly shows a connection between those funds and the project in question. However, projects that are receiving new match funds – funds that will be newly deployed with Communities Challenge funds – may receive priority.

2. Can private funds from one project be used toward the local match requirement for a separate project?

Private match dollars must be used on the same project as the project that would receive grant funding from the CT Communities Challenge. If a project contains two or more related sub-projects, private funding from one sub-project can count as a private match towards the other sub-project. In this case, the application must state clearly why these two projects are inseparable.

3. Can funding received through federal programs and earmarks (e.g., the American Recovery Act, Community Development Block Grants, Bipartisan Infrastructure Bill) count toward the local match requirement? What about program funds that applicants have applied for and/or are anticipating receiving after the application due date?

Federal funds can be used toward the local match requirement. Applicants may include any federal funding that they have applied for or are anticipating to receive as part of the application to DECD. If successful, applicants will need to demonstrate the full capital stack including the promised match funds prior to executing the Assistance Agreement/contract with DECD.

4. Can other state funding (e.g., brownfield grant) count toward the local match requirement?

All non-state funding is eligible for the match requirement. State funds are ineligible to count toward the match requirement.

5. Are CT Housing Finance Authority (CHFA) funds eligible to be included as part of the match funds?

Although CHFA is a quasi-public state agency, funds from CHFA programs will be considered as state funds and therefore, will not be eligible to be counted as match.

6. Can debt financing (e.g., mortgages, construction loan) count toward the match requirement?

No. *Note: A previous version of this document stated that debt may be used towards the match requirement in some cases. This was posted in error – debt financing of any kind will not be counted towards the match requirement.*

7. Can private equity from a Low Income Housing Tax Credit (LIHTC) or an amortizing permanent mortgage loan from CHFA count toward the match requirement?

No. Neither type of funds is eligible to count toward the match requirement.

8. Do local match funds count toward the total award amount?

Local match dollars are not counted toward the total of the award. For example, a \$1M grant award would require at least \$500,000 in local match funding (\$250,000 for distressed municipalities), resulting in a total of \$1.5M in project budget (\$1.25M for distressed municipalities).

Regarding multiple, combined, and otherwise complex projects:

9. If a municipality is proposing two separate projects, should they be on the same application form?

It is advisable to submit separate application forms for projects that are not related but in the same municipality.

10. If a municipality has a project with multiple components that may include state funding from multiple sources (e.g., Communities Challenge, brownfields), should the application for the Communities Challenge grant include all parts of the project?

DECD encourages applicants to include all components of a project, including other potential state sources. This will help DECD gain a full picture of the project and may help DECD ensure all state sources are being effectively used.

11. Can a municipality use the Communities Challenge funds to create a revolving loan facility that continually invests in local projects?

DECD will not accept applications for the creation of a revolving loan or other credit facility without a specific project that meets the requirements of the Communities Challenge grant. In other words, applications for a specific project where funding is later recycled into a loan facility will be accepted. Applications for a loan facility that do not outline which specific investment they will be used for upfront will not be accepted.

Regarding the application forms:

12. Can I submit responses of any length to questions in the application form?

Please ensure that your responses fit within the form provided by the application, as DECD cannot guarantee that any additional text will be reviewed as part of your application. If you need additional space for a particular response, consider including that information elsewhere in the application, where appropriate (e.g., boxes specifically for additional context, attachments).

13. Section VI of the application requires a signed copy “of the Municipal Certification of Eligibility for Discretionary State Funding.” Can you please provide the form that is required?

The form can be found [here](#). The Grant Webpage has also been updated to include the form.

14. Page 3 of the Application Form asks for project address, parcel ID, acreage etc. If the proposed project is an infrastructure project (e.g., road development), how do we respond?

Please feel free to provide the names of the roads/intersections, length of the same and any other pertinent information. Project address can either be the address of the main property that the infrastructure project is supporting or the starting/ending/representative address of the general project area.

15. Please explain the sentence on page 1 of the NOFA: “Other projects that can demonstrate livability, vibrancy...provided it is shown that there are no other dedicated funds for these projects under other currently offered state or federal programs.”

DECD would like to make sure that other state and federal programs dedicated for a particular ask are tapped before the request is made to DECD under the CT Communities Challenge Grant (e.g., federal funds for broadband etc.)

16. The application asks for a Town Council Approval or Certified Resolution. Will DECD accept certified minutes of the Town Council meeting where a vote was taken to approve this application?

Yes.

Regarding the application timeline and review process:

17. Can I receive a formal preliminary determination of eligibility from the Department of Economic and Community Development for a project?

DECD is not offering formal determinations of eligibility. If you have specific questions about your project’s eligibility, please contact CTCommunitiesChallenge@ct.gov

18. How will my Intent to Apply form be used in the application process? Do I need to await feedback or further instructions from DECD before submitting my application?

The Intent to Apply is used primarily to give DECD a sense of the application volume and prepare the application review process accordingly. The Intent to Apply is not scored as part of your application and applicants should not expect to receive questions or further instructions before submitting their final application. If DECD has specific questions about your project, DECD will reach out separately.

19. We submitted multiple Intents to Apply for multiple projects but are considering combining them into a single application. Will DECD accept this change?

Yes. If you submitted a single Intent to Apply that included multiple project that you would like to split into several applications, that is acceptable as well.

20. Are applications being judged by their strength on one evaluation criterion (e.g., economic impact, shovel readiness) or their strength on all evaluation criteria?

Applications will be evaluated by their strength on all evaluation criteria listed in the Notice of Funding Availability. An application that is strong on multiple criteria will therefore be more competitive than an application that is strong on only one criterion.

21. Who will be reviewing the applications?

DECD staff comprising of representatives from major programmatic units will be reviewing the applications. DECD will be soliciting the input from sister agencies including OPM, DEEP, DOH, CHFA, DOT and SHPO. The DECD Commissioner will be making all award decisions.

22. If I submit a letter of Intent (LOI) by the December 3rd deadline but do not submit a final application, can I still apply in later rounds?

If a project submits an LOI, but does not submit an application for this round, the project will still be eligible for later rounds. The project would still need to comply with all future round requirements including submitting a new LOI if applicable.

23. What is the timeline for Round 2 of the Communities Challenge program?

We are hoping to announce the schedule for Round 2 in January 2022. It is anticipated that applications for Round 2 will be accepted in 2022.

Other:

24. If a project is granted an award through the CT Communities Challenge Program, is the project subject to prevailing wage requirements?

Applicants are responsible for assessing the applicability of prevailing wage statutes to their project (C.G.S. Section 31-53 and 31-53c).

The applicability of prevailing wage as per the statutes is dependent on various factors including, but not limited to, the amount of cumulative DECD funding received for the proposed project/project site over the years, the entity entering into the grant contract with DECD, the funding sources for the overall project, the entity that will be holding the construction contract (primary recipient versus a private entity), the nature of the improvements (public versus private), the type of project (new construction versus rehabilitation) and the nature of the end uses (public versus private).

For a formal DOL determination on the applicability of the prevailing wage rates for your project, please contact Matthew Ferri, Wage Enforcement Agent, Public Contract Compliance at the CT Dept. of Labor (matthew.ferri@ct.gov; 860.754.5186).

25. By when must the funds awarded through the grant be expended?

Funds must be committed or expended within three years of the award date.

26. For a project to be considered affordable housing, what percent of the units need to be deed restricted?

We are not prescribing minimum thresholds for affordability consideration, but can confirm that your plan to offer 20% of the units at 80% AMI would be sufficient to demonstrate an affordability component. For the deed restriction time period, of course the longer the period, the better, but again there is no prescribed minimum. CHFA or DOH's requirements for their funding programs might provide a good benchmark.

27. Is DECD going to differentiate between the nature and type of jobs that will be created while comparing projects?

Although DECD does not have a formula to score a project on job creation, the type of jobs created will be considered when scoring projects.

28. Are planning and design costs an eligible use for Communities Challenge funds?

Design costs are an eligible use for Communities Challenge funds. However, priority will be given to projects that are “shovel ready” and beyond the design process.

29. Do I need to include an estimate of project costs in the intent to apply form?

While it would be helpful for DECD to know the rough project costs, you do not need to include a cost estimate in the project description in the intent to apply and your application will not be penalized if you do not include it.

30. I have another question that was not answered above and is not answered on the grant program’s website. Where can I have my question answered?

Please send any other questions to CTCommunitiesChallenge@ct.gov. We will update this document periodically with answers to common questions we receive.