

**Shelby Urban County
Program Year 2024
Community Development Block Grant (CDBG)
Application Handbook**

**Submission Deadline
12 Noon, Wednesday, May 8, 2024**

Shelby County Department of Development Services
1123 County Services Drive, Pelham, AL 35124

February 2024

SHELBY URBAN COUNTY

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

2024 APPLICATION HANDBOOK

This handbook provides an overview of the United States Department of Housing and Urban Development (HUD) Community Development Block Grant (CDBG) Entitlement Program and the Shelby Urban County CDBG Program. The contents provide information on eligibility, program requirements, and the application process. This document is not intended to be a full disclosure of all applicable federal, state or local rules, regulations or reporting requirements.

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OVERVIEW

HUD CDBG Entitlement Program

The HUD CDBG Entitlement Program provides annual grants on a formula basis to qualified cities and counties to develop viable urban communities by providing a suitable housing and living environment, and by expanding economic opportunities, principally for low- and moderate-income persons. The program is authorized under Title 1 of the Housing and Community Development Act of 1974, Public Law 93-383, as amended; 42 U.S.C. 5301 et seq.

HUD awards grants to entitlement community grantees to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and community facilities and services.

Entitlement communities develop their own programs and funding priorities. However, grantees must give maximum feasible priority to activities that benefit low- and moderate-income persons. A grantee may also carry out activities that aid in the prevention or elimination of slums or blight. Additionally, grantees may fund activities upon verification that the activities meet community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. CDBG funds may not be used for activities that do not meet one of the national objectives.

Shelby Urban County CDBG Program

Shelby County has achieved Urban County status and is eligible to receive CDBG funds as an entitlement grantee. The County will receive an annual allocation of CDBG funds from HUD. The County signed cooperation agreements with the following participating municipalities to create the Shelby Urban County: Alabaster, Calera, Chelsea, Columbiana, Harpersville, Helena, Indian Springs Village, Montevallo, Pelham, Vincent, Westover, Wilsonville, and Wilton. The geographic area of the Shelby Urban County covers the unincorporated areas of Shelby County and the full corporate boundaries of these municipalities. Thus, the geographic area of the Shelby Urban County extends into portions of Chilton County (Calera), Jefferson County (Helena), St. Clair County (Vincent), and Talladega County (Vincent).

A Policy Board comprising 14 representatives (County and each participating municipality) has been created to guide the development of a Five-Year Consolidated Plan and Annual Action Plans. Selected projects make up an annual action plan. The Policy Board adopted Goals and Strategies and Prioritized Needs following a needs assessment. The draft plans will be recommended to the Shelby County Commission for adoption following a public comment period and hearing.

ELIGIBILITY

Eligible Applicants

Eligible applicants shall be a participating member of the Shelby Urban County or an incorporated non-profit organization with 501(c) (3) tax-exempt status.

Geographic Area

The project or the activity's service area shall be wholly located within the geographic boundaries of the Shelby Urban County. The geographic area does not include the Shelby County portions of the following cities: Birmingham, Hoover, Leeds, and Vestavia Hills.

HUD

National Objectives

The project or activity shall address at least one of the following three National Objectives:

Benefiting Low- and Moderate-Income (LMI) Persons

Benefiting low- and moderate-income persons is often referred to as the primary National Objective because HUD regulations require that at least 70 percent of CDBG funds awarded benefit low- and moderate-income persons. Low- and moderate-income persons are those whose family or household adjusted gross income does not exceed the CDBG Income Limits, as published annually by HUD. Activities within this national objective are divided into four sub-categories: area-benefit, limited clientele, job creation or retention, and housing.

Preventing or Eliminating Slums or Blight

Activities that qualify under this objective are either clearly eliminating objectively determinable signs of slums or blight in a designated slum or blighted area or are strictly limited to eliminating specific instances of blight outside such an area, "spot blight". The subcategories are: addressing slums / blight on an area basis; addressing slums / blight on a spot basis; and addressing slums / blight in an urban renewal area.

Meeting an Urgent Need

Needs having a particular urgency whereas an activity must be designed to alleviate existing conditions that the grantee certifies, pose a serious and immediate threat to the health or welfare of the community; are of recent origin or recently became urgent; the grantee is unable to finance the activity on its own; and other resources of funding are not available to carry out the activity. A condition will generally be considered to be of recent origin if it has developed or became critical within 18 months preceding the grantee's certification.

HUD Eligible Projects / Activities

The following are some examples of the projects or activities for which CDBG funding may be used. A complete breakdown can be found at the following HUD website:

<https://www.hudexchange.info/sites/onecpd/assets/File/CDBG-National-Objectives-Eligible-Activities-Chapter-2.pdf>

Acquisition of Real Property

Acquire real property in whole, or in part, by purchase, long-term lease (15 years or more), donation, or otherwise. Funds may be used by the county, another public agency, a public non-profit entity or a private non-profit entity to acquire property for a public purpose.

Public Facilities and Improvements

Acquire, construct, reconstruct, rehabilitate, or install public improvements or facilities (except for buildings for the general conduct of government). Activities include all improvements and facilities that are either publicly owned or traditionally provided by the government, or owned by a non-profit and operated so as to be open to the general public.

Clearance

Demolition of buildings and improvements; removal of demolition products and other debris; physical removal of environmental contaminants or treatment of such contaminants to render them harmless; and movement of structures to other sites qualify.

Public Services

Provide public services (including labor, supplies, materials and other costs). It must be either a new service or a quantifiable increase in the level of service. The funds obligated in a program year to support public service activities may not exceed 15 percent of the total grant award.

Ineligible Projects / Activities

Some examples of projects and activities that **do not qualify** for CDBG funding include the following:

1. Buildings used for the general conduct of government (except the removal of architectural barriers);
2. General government expenses required to carry out the regular responsibilities of local government;
3. Political activities;
4. New construction of housing units;
5. Purchase of construction equipment, fire protection equipment, furnishings, and personal property; and,
6. Income payments.

Other

Federal awards with State, local and Indian tribal governments are subject to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards at [2 CFR part 200](#).

Federal awards to institutions of higher education, hospitals and other non-profit organizations are subject to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards at [2 CFR part 200](#).

Per 2 CFR part 184, all Federal awards with infrastructure projects must include the Buy America Preference in the terms and conditions. The Buy America Preference must be included in all subawards, contracts, and purchase orders for the work performed, or products supplied under the Federal award. The terms and conditions of a Federal award flow down to subawards to subrecipients unless a particular section of the terms and conditions of the Federal award specifically indicate otherwise. This regulation supports the implementation of the Build America, Buy America (BABA) Act.

Income

CDBG projects generally must benefit at least 51 percent of LMI individuals. LMI persons are those with household incomes at or below 80 percent of the median family income (MFI). An area benefit project must be substantiated by census tract / block group or other supporting data. The following table lists current income limits by family size for Shelby County (Birmingham-Hoover, AL Metropolitan Area). It is the responsibility of the applicant to obtain and provide the necessary information on income eligibility for the proposed CDBG project.

**HUD Income Limits
Shelby County (Birmingham-Hoover, AL Metro)
Effective June 15, 2023**

No. of Persons	Extremely Low (30% MFI)	Very Low (50% MFI)	Low Income (80% MFI)
1	\$ 18,900	\$ 31,450	\$ 50,300
2	\$ 21,600	\$ 35,950	\$ 57,500
3	\$ 24,860	\$ 40,450	\$ 64,700
4	\$ 30,000	\$ 44,900	\$ 71,850
5	\$ 35,140	\$ 48,500	\$ 77,600
6	\$ 40,280	\$ 52,100	\$ 83,350
7	\$ 45,420	\$ 55,700	\$ 89,100
8	\$ 50,560	\$ 59,300	\$ 94,850

Shelby Urban County

The project or activity **shall address** one or more of the following adopted goals and strategies and **shall target** a priority need.

GOALS and STRATEGIES



GOAL 5
Fair Housing

- Educate the Public on the Fair Housing Act
- Promote Fair Housing Practices

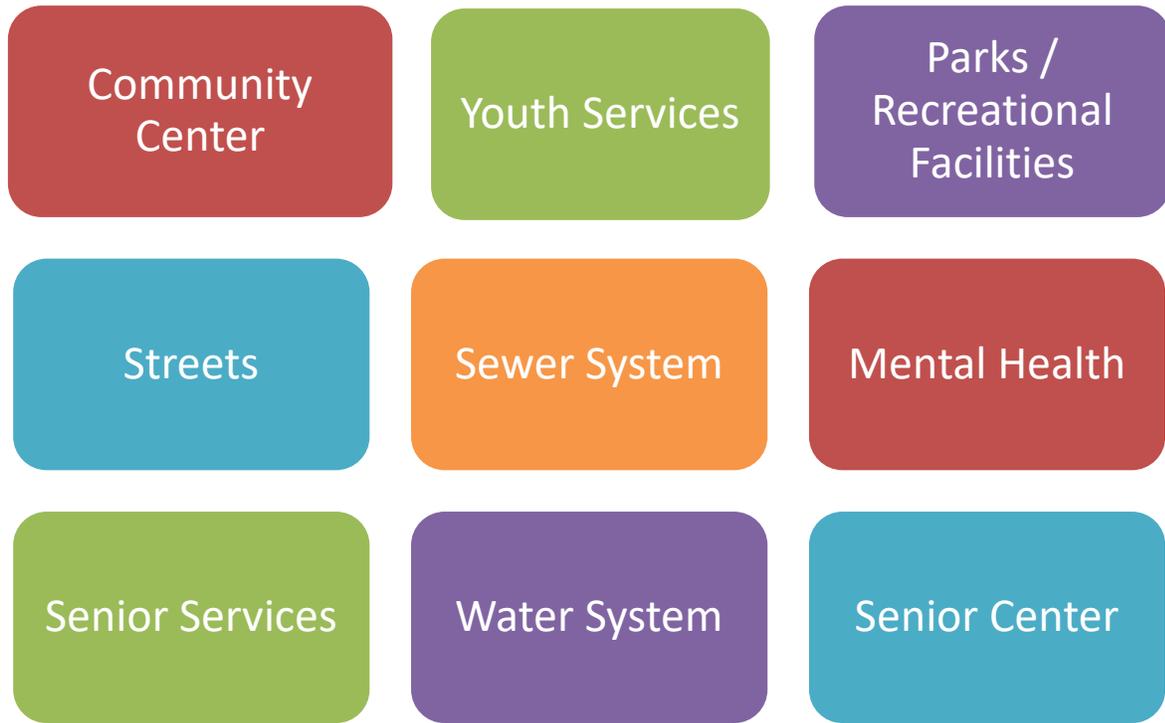
GOAL 6
Economic Development

- Target Economic Activities that Promote Job Creation and Retention within Low- and Moderate-Income Areas
- Target Economic Activities that Promote Job Creation and Retention for Low- and Moderate-Income / Special Needs Populations

GOAL 7
Administration, Planning, and Technical Assistance

- Provide Oversight to the CDBG Program

PRIORITIZED NEEDS



APPLICATION PROCESS

Guidelines

The Policy Board has designated two categories of CDBG funds -- Capital / Infrastructure and Public Service / Programs and will accept project applications for both. Note that Public Service / Programs funding requests are limited to no more than 15 percent of the CDBG funding allotment. You must select the appropriate application for the type of proposal and funding requested. Applications compete against other applications in the same category group.

The maximum Capital or Infrastructure Project request of CDBG funds may be equal to 100 percent of the allotment that Shelby County receives from HUD if no Public Service Project applications are submitted and/or selected. The maximum Public Service Project request of CDBG funds shall be equal to 15 percent of the allotment that Shelby County receives from HUD. The minimum request of CDBG funds for either project category is \$100,000.

A match is required for each application. A funding match of 10 percent of the total eligible project cost is required for projects up to and including \$250,000. A funding match of 15 percent of the total eligible project cost shall be committed for projects greater than \$250,000. A city or board resolution is required for the match commitment.

A separate application must be submitted for each activity / proposal for funding; however, each eligible entity may submit no more than two applications, one primary and one secondary per year. Primary applications will be given priority, scored, and potentially selected. If funding remains, secondary applications will then be scored and potentially selected.

Unspent CDBG funds will remain with Shelby County for use in the next funding cycle.

Application Workshop and Availability

The Program Year 2024 CDBG Application Workshop will be held on **Wednesday, March 13, 2024, at 10:00 am** at the Grande Hall at Old Mill Square located at 105 West College Street, Columbiana, Alabama 35051. This will be the only application workshop and attendance is optional; however, points will be awarded for workshop attendance as part of the Evaluation and Scoring process. Confirmation of workshop attendance will be determined based on sign-in sheets. Application packets will be distributed to attendees at the workshop.

On Thursday, March 14, 2024, applications will be available to download from the Shelby County website (www.shelbyal.com/1219/Applications). Applications will also be available upon request by contacting Eric Womack at ewomack@shelbyal.com or 205-620-6629.

Format

Applications should be prepared in a digital format and a readable font size. All pages shall be single-sided 8.5 x 11 sheets of paper. Applications should be either clipped with large or extra-

large binder clip or bound using pressboard binders – no spiral binders or staples allowed. A table of contents should be used with corresponding section tabs.

Submission

Applicants shall hand-deliver one (1) application with original signatures **AND** include one (1) digital copy via USB or email (ewomack@shelbyal.com) to the Shelby County Department of Development Services, located at 1123 County Services Drive, Pelham, Alabama 35124 by **12:00 noon on Wednesday, May 8, 2024**. A timestamp will be applied to all accepted applications noting arrival date and time. Applications dropped off after the abovementioned date or time will not be eligible for funding consideration. **Applications, both hardcopy and digital, must be received by noon on the abovementioned date and time. No facsimiles accepted.**

Review

Accepted applications will be reviewed by Shelby County staff who will follow the application checklist to confirm that all threshold questions have been answered affirmatively. Any application in which a threshold question is not answered affirmatively will be set aside and not considered for funding.

Evaluation and Scoring Process

The Policy Board adopted an evaluation and scoring process to use points based on criteria factors such as performance goals, timeliness, priority need, and project type. The application should be descriptive but as concise as possible. Each application will be evaluated based only on the information provided therein. The Policy Board adopted a process that uses a maximum of 100 points to score each application with bonus points available.

CAPITAL PROJECT MANAGEMENT (60 POINTS AVAILABLE)
Timeliness (30 Points)
<ul style="list-style-type: none"> • 12 Month Completion • Itemized Budget • Itemized Project Plan
Project Evaluation (10 Points)
<ul style="list-style-type: none"> • Scope of Work
Project Maturity (10 Points)
<ul style="list-style-type: none"> • Funding in Place • Completed Architectural Plans / Engineering Designs • Architect / Engineer Named • Project Manager Named
Error-Free Application (5 Points)
Workshop Attendance (5 Points)

PUBLIC SERVICE PROJECT MANAGEMENT (60 POINTS AVAILABLE)	
Proposed Activity (20 Points)	
<ul style="list-style-type: none"> • New • Expansion • Continuation 	
Project Evaluation (20 Points)	
<ul style="list-style-type: none"> • Specific, Measurable, Achievable, Relevant, & Time-Bound (SMART) Goal Used 	
Agency Capacity (10 Points)	
<ul style="list-style-type: none"> • Past Performance • Expertise / Experience • Documented Financial Capacity • Clean Audit 	
Error-Free Application (5 Points)	
Workshop Attendance (5 Points)	

PERFORMANCE GOALS USING NUMBERS (10 POINTS AVAILABLE)	
LMI Persons / Households Benefiting	
<ul style="list-style-type: none"> • 100 or More 	10 Points
<ul style="list-style-type: none"> • 99 – 50 	8 Points
<ul style="list-style-type: none"> • 49 – 20 	6 Points
<ul style="list-style-type: none"> • < 20 	4 Points

PERFORMANCE GOALS USING PERCENTAGE (10 POINTS AVAILABLE)	
% of Persons / Households are LMI	
<ul style="list-style-type: none"> • 100 – 85% 	10 Points
<ul style="list-style-type: none"> • 84.99 – 75% 	8 Points
<ul style="list-style-type: none"> • 74.99 – 65% 	6 Points
<ul style="list-style-type: none"> • 64.99 – 51% 	4 Points

PRIORITY NEED (20 POINTS AVAILABLE)	
Capital Facility	
<ul style="list-style-type: none"> • Sewer System 	20 Points
<ul style="list-style-type: none"> • Water System 	20 Points
<ul style="list-style-type: none"> • Community Center 	16 Points
<ul style="list-style-type: none"> • Senior Center 	16 Points
<ul style="list-style-type: none"> • Parks / Recreational Facility 	10 Points
<ul style="list-style-type: none"> • Streets 	10 Points
Public Services	
<ul style="list-style-type: none"> • Mental Health 	20 Points
<ul style="list-style-type: none"> • Senior Services 	16 Points
<ul style="list-style-type: none"> • Youth Services 	16 Points

BONUS POINTS (10 POINTS AVAILABLE TO BE USED AS A TIEBREAKER)	
Documented Public Health Issue	5 Points
Multiple Agency Coordination	5 Points

The Policy Board will consider the scored applications, available CDBG funds, and available match to select projects for the Year One Annual Action Plan. Staff will score the applications based on the adopted point levels per criteria factor. The scored applications will be presented to the Policy Board. Higher scored projects with large funding requests may not be selected based on available funding and lower scored projects with small funding requests may be selected based on available funding. The County’s goal is to effectively and efficiently use the annual allotment to address as many priority needs as possible.

Adoption

The Policy Board will recommend the draft Five-Year Consolidated Plan and the Year One Annual Action Plan (projects) to the Shelby County Commission. There will be a thirty (30) day public comment period prior to a required public hearing. The Shelby County Commission will consider adoption after a public hearing on the draft Plans.

Approval

The adopted plans will be submitted to HUD for approval no later than the deadline of August 16, 2024. Successful projects will be notified upon confirmation of HUD’s approval. The Shelby Urban County program year commences on October 1, 2024.