



## SPECIAL INSTRUCTIONS FOR CONSTRUCTION PROJECTS

If you are applying for construction related funding, **only projects that can begin construction and expend appropriations within the upcoming program year (Sept 2021 thru June 2022)** should be submitted for funding consideration. Funds may be subject to recapture if timelines are not followed.

The following requirements should be taken into consideration in your selection of projects and your preparation of construction budgets for Public Facilities & Improvements and Rehabilitation activities:

- Construction projects are subject to a variety of Federal, State and Municipal laws, statutes, rules and regulations, including City Zoning Ordinances, the State Building and Fire Safety Codes, the Federal Labor Standards/Davis-Bacon Prevailing Wages and the Federal Environmental Review Process.
- Construction budgets should anticipate the following:
  - Davis-Bacon Wages may increase project costs by 30-40%
  - Bonds (Bid, Performance, Labor and Material) are required for projects exceeding \$100,000 and may also be required for smaller projects.
  - Depending upon the scope of the project, the age of the building, and the type of building materials, environmental testing fees and resulting mitigation measures may be necessary
  - Insurance is required for all construction projects
  - City permit fees will not be waived.
- Construction projects are subject to the Federal/OMB procurement requirements.
- Work on the project may not commence without explicit approval of the Office of Community Development.
- Payment is generally on a reimbursement basis provided that an executed funding agreement is in place, and the project is in compliance with all terms/conditions of that agreement. Expenditures incurred prior to the effective date of the HUD allocation will be ineligible for reimbursement.

## **PART II: PROJECT INFORMATION**

Please create a new document answering the following questions. In this new document, please utilize the section headers. For example, when addressing section A2, please write: A2: Brief History, and then provide the response. You must answer all questions. If a question does not apply to your agency, please respond with “not applicable”.

### **A. INTRODUCTION/AGENCY INFORMATION:**

1. Brief history of your organization, including its mission
2. What are the hours of operation for your agency?
3. What is the total number of FTEs employed by your agency?
4. If there are 15 or more employees at your agency, please provide the name of the person responsible for compliance with Section 504 of Rehabilitation Act of 1973 - Nondiscrimination under Federal Programs.
5. Do you receive more than \$500,000 of Federal Funding through any means, including grants and loans?

### **B. STATEMENT OF NEED**

1. Define the need to be addressed through your project and how it will address that need of the community. Please comment on how your industry measures success and discuss how you will measure success for this program.

### **C. PROJECT DESCRIPTION:**

1. Provide a general description of the project for which you are requesting funding, including the list/description of the activities to be performed.
2. Explain any temporary or permanent relocation of persons or businesses that may result from this project.
3. Please specify the percentage of requested grant funds that will be used for salaries and the total number of employees hired and/or retained as a result.

### **D. TARGET POPULATION/AREA OF BENEFIT**

1. Identify and describe the target population *or* area of benefit (if it serves a low-income census tract.)

### **E. IMPLEMENTATION SCHEDULE**

1. Please submit the anticipated implementation schedule that includes, but is not limited to, spec completion, bidding, starting, and project completion dates.

### **F. REDUCED FUNDING QUESTIONS**

1. If the CDBG funding that you are requesting will leverage funding from another source, please note the amount and source and use of leveraged funding. Have these additional funds been secured at the time the application is made, if not, what actions are you taking to apply for them?
2. If you do not receive the amount of funds requested from CDBG, how do you propose to administer and/or complete the project in the manner presented?
3. What items would you reduce/eliminate from your budget if the City wanted to (only) partially fund your application?

### **G. PROJECT FEASIBILITY**

1. Have any of the following pre-construction issues been investigated: architectural and engineering, design, environmental assessment and lead-based paint assessment, if applicable? (Lead-based paint assessments are applicable to structures built before 1978). Please provide the investigations, if available.
2. Have you obtained a cost estimate for this project? Please include the cost estimate, with the specification to the estimating entity that the job will require the payment of prevailing (Davis Bacon) wages.
3. Can the project expend funds within 1-year and be fully completed within 1.5 years of receiving this grant?

### **H. LINKAGE TO CITY PLANS**

1. Briefly discuss how your request addresses the City’s Plan of Conservation and Development, CDBG’s Consolidated Plan priorities, or any other City development plan or formally stated goal.
2. If your project is linked to specific, adopted neighborhood revitalization zone plan or other organized/recognized neighborhood planning or revitalization processes, please explain thoroughly how the project is linked and how it meets or compliments the respective plan’s goals.
3. Do you have a letter of support from a City agency or commission? If yes, please attach.

**I. SECTION 3 REQUIREMENTS (See Samples on pages 10-14)**

The work to be performed under any contract utilizing CDBG funding may be subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

Please review page 11, “Section 3 Contractor Affidavit” and select the appropriate response. In addition, please note that if funding is approved, your contract may be required to review, implement and report on employment activities relating to Section 3 guidelines.

**COMMUNITY DEVELOPMENT NATIONAL OBJECTIVE**

Does your project:

- Address the needs of low- and/or moderate-income residents?  
(At least 51% of your clients must not exceed the income guidelines below or if your project is not client based it must be located in a census tract that is at least 51% low to moderate income) see chart

OR

- Eliminate Slums or Blight?

OR

- Improve a Low-Income census tract?

FY 2020 Income Limits Summary									
FY 2020 Income Limit Area	FY 2020 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Norwich-New London, CT HUD Metro FMR Area	Very Low (50%) Income Limits (\$)	\$ 35,950	\$ 41,050	\$ 46,200	\$ 51,300	\$ 55,450	\$ 59,550	\$ 63,650	\$ 67,750
	Extremely Low Income Limits (\$)*	\$ 21,600	\$ 24,650	\$ 27,750	\$ 30,800	\$ 33,300	\$ 35,750	\$ 39,640	\$ 44,120
Median Family Income \$91,800	Low (80%) Income Limits (\$)	\$ 54,950	\$ 62,800	\$ 70,650	\$ 78,500	\$ 84,800	\$ 91,100	\$ 97,350	\$ 103,650

**PART III: BUDGET INFORMATION**

**CONSTRUCTION BUDGET**

Construction/Clean-up Costs \$ \_\_\_\_\_

Pre-Development Soft Costs:

Legal \$ \_\_\_\_\_

Architectural & Engineering \$ \_\_\_\_\_

Survey \$ \_\_\_\_\_

Environmental testing \$ \_\_\_\_\_

Estimated total soft costs \$ \_\_\_\_\_

**Total Development Costs** (construction & soft costs) \$ \_\_\_\_\_

Sources of Funds (list all sources of funding for this project including other government funds, agency cash, private funds, CDBG, etc.)

SOURCE	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

USE	AMOUNT
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____

**PART IV: SUPPLEMENTAL INFORMATION:** All agencies must submit all of the following documentation with their application whether or not you have previously received CDBG funds through the City of Norwich.

**EXHIBIT 1** Financial Statement and Audit

Describe the agency's fiscal management including disbursement methods, financial reporting, record keeping, accounting principles/procedures and audit requirements. Include a copy of the agency's last completed audit.

**EXHIBIT 2** Insurance/Bond/Worker's Compensation

- State whether or not the agency has liability insurance coverage, in what amount and with what insuring agency.
- State whether or not the agency pays all payroll taxes and worker's compensation as required by Federal and State Law.
- State whether or not the agency has fidelity bond coverage for principal staff who handle the agency's accounts, in what amount and with what insuring agency.
- Provide a copy of your current insurance certificate, NOT YOUR POLICY.

- EXHIBIT 3 Non-profit Determination  
 Non-profit organizations must submit tax-exemption determination letters from the Federal Internal Revenue Service.
- EXHIBIT 4 List of Board of Directors  
 A list of the current board of directors or other governing body of the agency must be submitted. The list must include the name, telephone number, address, occupation or affiliation of each member; and must identify the principal officers of the governing body.
- EXHIBIT 5 Organizational Chart  
 An organizational chart must be provided which describes the agency's administrative framework and staff positions, which indicates where the proposed project will fit into the organizational structure and which identifies any staff positions of shared responsibility.
- EXHIBIT 6 Resumes of Chief Program Administrator and Chief Fiscal Officer
- EXHIBIT 7 Conflict of Interest Disclosure  
 Form attached

**COMMUNITY DEVELOPMENT BLOCK GRANT CITY  
 OF NORWICH, CONNECTICUT**

**APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE  
 2021-2022 PROGRAM YEAR**

Federal, State, and City law prohibits employees and public officials of the City of Norwich from participating on behalf of the City in any transaction in which they have a financial interest. This questionnaire must be completed and submitted by each applicant for Community Development Block Grant (CDBG) funding. The purpose of this questionnaire is to determine if the applicant, or any of the applicant's staff, or any of the applicant's Board of Directors would be in conflict of interest.

1. Is there any member(s) of the applicant's staff or any member(s) of the applicant's Board of Directors or governing body who is or has/have been within one year of the date of this questionnaire (a) a City employee or consultant, or (b) a City Council member, or (c) a member of the Community Development Advisory Committee (CDAC) member?  Yes  No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person, or CDAC member

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT  
 APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE  
 2021-2022 PROGRAM YEAR**

2. Will the CDBG funds requested by the applicant be used to award a subcontract to any individual(s) or business affiliate(s) who is/are currently or has/have been within one year of the date of this questionnaire a City employee, consultant, City Council person or Community Development Advisory Committee member?

Yes                       No

If yes, please list the name(s) and information requested below:

Name of person	Job Title of person	Indicate City employee, consultant, City Council person, or CDAC member

3. Is there any member(s) of the applicant's staff or member(s) of the applicant's Board of Directors or other governing body who are business partners or family members of a City employee, consultant, City Council person, Community Development Advisory Committee member?

Yes                       No

If yes, please identify below the City employee, consultant, or Council member with whom each individual has family or business ties.

Name of member	Name of City employee, Consultant, City Council member, CDAC member	Indicate type of tie (Family or Business)	If family, indicate relationship

**NORWICH COMMUNITY DEVELOPMENT BLOCK GRANT  
APPLICANT CONFLICT OF INTEREST QUESTIONNAIRE  
2021-2022 PROGRAM YEAR**

4. Have you read and understood the HUD regulation regarding conflict of interest, 24 CFR 570.611 (attached)?

Name of Applicant: \_\_\_\_\_

Signature of Applicant's Representative \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

**HUD REGULATION REGARDING CONFLICT OF INTEREST  
(NOT REQUIRED TO BE SUBMITTED WITH APPLICATION)**

§570.611 Conflict of interest.

(a) Applicability

(1) In the procurement of supplies, equipment, construction, and services by recipients and by subrecipients, the conflict of interest provisions in 2 CFR 200.317 and 200.318 shall apply.

(2) In all cases not governed by 2 CFR 200.317 and 200.318, the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient or by its subrecipients to individuals, businesses, and other private entities under eligible activities that authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to §570.202; or grants, loans, and other assistance to businesses, individuals, and other private entities pursuant to §570.203, 570.204, 570.455, or 570.703(i)).

(b) Conflicts prohibited. The general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this part, or who are in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from a CDBG-assisted activity, or have a financial interest in any contract, subcontract, or agreement with respect to a CDBG-assisted activity, or with respect to the proceeds of the CDBG-assisted activity, either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter. For the UDAG program, the above restrictions shall apply to all activities that are a part of the UDAG project, and shall cover any such financial interest or benefit during, or at any time after, such person's tenure.

(c) Persons covered. The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or of subrecipients that are receiving funds under this part.

(d) Exceptions. Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it has satisfactorily met the threshold requirements of (d)(1) of this section, taking into account the cumulative effects of paragraph (d)(2) of this section.



(1) Threshold requirements. HUD will consider an exception only after the recipient has provided the following documentation:

(i) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and

(ii) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(2) Factors to be considered for exceptions. In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) (1) of this section, HUD shall conclude that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project, taking into account the cumulative effect of the following factors, as applicable:

(i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project that would otherwise not be available;

(ii) Whether an opportunity was provided for open competitive bidding or negotiation;

(iii) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

(iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;

(v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;

(vi) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and

(vii) Any other relevant considerations.

[60 FR 56916, Nov. 9, 1995, as amended at 80 FR 75938, Dec. 7, 2015]

### Section 3 Contractor Affidavit (SAMPLE)

A Section 3 Business Concern is a business or organization that:

- Is 51 percent or more owned by section 3 residents; or
- Has permanent, full-time employees at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were section 3 residents; or
- Has a commitment to subcontract in excess of 25% of the dollar award of all subcontracts to be awarded to such businesses describe above

This is to certify that \_\_\_\_\_  
Business Name (Print)

\_\_\_\_\_ Is a Section 3 Business Concern (Please read, review and implement necessary items in document entitled “Section 3 Requirements”)

\_\_\_\_\_ Is **NOT** a Section 3 Business Concern but the contract for work will require my business or sub-contractor to hire, train, or educate a new employee. (Please read, review and implement necessary items in document entitled “Section 3 Requirements”)

\_\_\_\_\_ Is **NOT** a Section 3 Business Concern and the contract for work will **NOT** require my business or sub-contractor to hire, train or educate a new employee. (No further action is necessary unless an employee is hired during the contract period)

\_\_\_\_\_  
Authorized Signer

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

## Section 3 Requirements (SAMPLE)

### CONTRACTOR'S SECTION 3 PLAN CERTIFICATION

Project \_\_\_\_\_

Contractor's Name \_\_\_\_\_

The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended. The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD assistance projects covered by Section 3, are, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations directed to low- and very-low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very-low income persons.

As representative of the Contractor, I hereby agree:

- To list on Table A all projected workforce needs for all phases of this project by occupation, trade, skill level and number of positions.
- To comply to the greatest extent feasible with the objectives and percentage goals established in the Section 3 Plan for Housing and Community Development Assistance of the City of Norwich.
- That to the greatest extent feasible vacant positions in relation to this project will be filled with Section 3 residents.
- To conduct recruitment activities in a manner consistent with the Section 3 requirements as shown on Table B.
- To include in all contracts with subcontractors in excess of \$100,000 the Section 3 Clause and to require the subcontractor to comply with similar certification requirements.
- To maintain proper records to demonstrate compliance with the Section 3 plan.
- To award to the greatest extent possible, all subcontracts in excess of \$100,000 to eligible Section 3 firms.

\_\_\_\_\_  
Contractor Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Title

# TABLE A

Contractor/Subcontractor: \_\_\_\_\_

Project Name: \_\_\_\_\_

(a) The number of persons currently employed by contractor that will be performing work under this contract:

<u>Job Title</u>	<u>Total Employees</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(b) The number of employees you intend to hire for contract:

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____

<u>Job Title</u>	<u># Needed</u>
_____	_____
_____	_____
_____	_____
_____	_____

**TOTAL:** \_\_\_\_\_

If additional employees are needed, the Contractor will be required to report: his efforts to hire Section 3 Residents, the actual number of residents hired' and the hours the residents worked (see HUD Form No. Hud-60002).

(c) Which of the above positions will be a training position:

<u>Job Title</u>	<u>Estimated Length of Training</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

(d) List type and amount of work to be subcontracted out. (If subcontract equals or exceeds \$ 100,000.00, the subcontractor will be required to fill out this TABLE A.)

<u>Subcontractor</u>	<u>Amount of Subcontract</u>
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

## TABLE B

### Recruitment Efforts

At a minimum the following tasks must be completed to demonstrate a good faith effort with the requirements of Section 3. The contracting party and each contractor or subcontractor seeking to establish a good faith effort as required should be filling au training positions with persons residing in the target area.

1. Send notices of job availability subcontracting opportunities subject to these requirements to recruitment sources, trade organizations and other community Groups capable of referring eligible Section 3 applicants, including the Department of Labor.
2. Include in all solicitations and advertisements a statement to encourage eligible Section 3 residents to apply.
3. When using a newspaper of major circulation to request bids, quotes or to advertise employment opportunities to also advertise in minority owned newspapers.
4. Maintain a list of all residents from the target area(s) who have applied either on their own or by referral from any service, and employ such persons, if otherwise eligible and if a trainee exists. (If the contractor has no vacancies, the applicant, if otherwise eligible, shall be listed for the first available vacancy). A list of eligible applicants will be maintained for future vacancies.
5. The contractor must certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed were not filled to circumvent the contractor's obligation under 24 CFR Part 135.