

## **Chapter 11 Public Community Facilities**

Oregon Community Development Block Grant (CDBG) funds can be used for the acquisition, rehabilitation and construction of facilities needed to provide shelter or deliver services to persons with special needs.

### **Maximum Grant Amount**

The maximum grant amount for a single community facility project is \$1,500,000. The \$1,500,000 per project limitation covers both final design and construction necessary to complete community facility projects. A city or county may not separate a single project into phases, such as building one portion of the facility now, and then building the remaining portion later, in order to exceed the grant limit per project.

### **Combination Facilities**

Under special circumstances the department may consider funding combination facilities. An applicant must demonstrate the following to be considered for such funding:

- The applicant has successfully administered prior CDBG projects (e.g., complied with federal and state program requirements, few monitoring findings and concerns and no unresolved findings or concerns).
- The combination facility must **only** house eligible community facility projects, listed on page 11-2, and eligible activities identified within this 2017 Method of Distribution.

A combination facility will not be considered two separate projects and the applicant will only be eligible for the maximum single community facility award of \$1,500,000. Applications will be rated and ranked, if necessary based upon the highest use of the facility. Use is defined as “clients served.” If the number of clients served by each type of facility included in the combination facility are equal, the highest use will be determined by the facility type that most closely meets HUD’s priority of ending chronic homelessness and hunger.

**Grants for combination facilities will only be awarded at the department’s discretion.**

### **National Objective**

All public/community facility projects must meet one of the three National Objectives. All proposed projects are expected to meet the national objective of providing “principal benefit to low- and moderate-income persons.” When using the low- and moderate-income national objective, applicants must submit the supportive documentation identified in Chapter 3.

Maximum Grants of \$1,500,000 are available only for the facilities contained within the list below.

Facility/Project Type	National Objective the Project must qualify under
Shelters for Victims of Domestic Violence	Low and Moderate Income–Limited Clientele
Homeless Shelters	Low and Moderate Income–Limited Clientele
Head Start Centers	Low and Moderate Income–Limited Clientele Low and Moderate Income–Nature and Location
Shelters or workshops for people with disabilities	Low and Moderate Income–Limited Clientele
Health clinic operated by a nonprofit organization	Low and Moderate Income–Area Wide Benefit
Mental Health Treatment centers	Low and Moderate Income–Limited Clientele
Drug and Alcohol Treatment facilities	Low and Moderate Income–Limited Clientele
Full Service Senior Centers (Includes kitchen and minimum meal service five days/week) The senior center must exclusively serve persons 60 years of age and older.	Low and Moderate Income–Limited Clientele Or Low and Moderate Income–Nature and Location
Community Centers (Only cities are eligible to apply for community center projects. These facilities are open to the entire population of a defined area and contain kitchen facilities for serving meals. The facility must be owned by the applicant city and constructed on land owned by the applicant city. Refer to Chapter 5 for a definition of publicly owned.)	Low and Moderate Income–Area Wide Benefit
Family Resource Centers–These multi-service centers must operate as a community center in that they must be open to the entire population of a defined service area that is comprised of 51% or more LMI persons.	Low and Moderate Income–Area Wide Benefit
Food Banks – Food Banks collect, sort, store and distribute surplus food products and edible but unmarketable food that has been acquired from growers, grocers and other sources in food boxes to food pantries and low- and moderate-income persons for free.	Low and Moderate Income–Nature and Location
Fire Stations	Low and Moderate Income–Area Wide Benefit
Libraries	Low and Moderate Income–Area Wide Benefit

**Definitions**

Head Start Programs–Persons 0-5 years of age.

Child–Persons 6-12 years of age.

Youth–Persons from 6-18 years of age.

Adult–Persons 18 years of age and older.

Senior/Elderly–Persons 60 years of age and older.

### **Eligible Activities**

CDBG funds may be used for the following activities. Refer to Chapter 5 for more details about the eligible costs under the program:

- Property acquisition (including appraisal costs), clearance and disposition by the city or county grant recipient;
- Construction, rehabilitation, reconstruction, or installation of improvements;
- Purchase and installation of equipment that is a fixed and integral structure to the building;
- Architectural and Engineering services. Refer to Chapter 5 for limits;
- Environmental Review Record Preparation;
- Relocation assistance to meet federal requirements. [Due the specialty calculations and detailed requirements for relocation activities, any applicant with a proposed project that involves relocation will be required by Business Oregon to hire a specialist acceptable to Business Oregon to complete the required URA relocation process.];
- Federal labor standards compliance. Conducting on-site employee interviews/verifying certified payroll report data;
- Administrative services needed to ensure federal requirements for the grant project are met. Refer to Chapter 5 for more information;
- Legal/Audit;
- Cultural Monitoring;
- LEP Translation Services; and
- Construction contingencies. Refer to Chapter 5 for more information.

**Note:** Any preliminary engineering/planning documents, construction engineering documents (plans and specifications) and construction oversight in projects funded in full or in part with CDBG funds must be prepared and stamped or conducted by a registered professional architect or engineer licensed to do work within the state of Oregon.

### **Entitlement Area Review**

State Community Development Block Grant resources cannot be used to benefit entitlement counties and cities. If the service area of the Community Facility contains an entitlement area, screening policies and procedures along with documentation of percent of the entitlement versus non-entitlement residents/beneficiaries that will be served is required. The 2017 CDBG Method of Distribution lists the entitlement areas in Chapter 2.

### **Matching Funds Requirement**

There is no minimum match requirement. Any matching funds necessary to complete the proposed CDBG project must be in the form of cash or debt service. All project funds necessary to complete the proposed project must be available and committed at the time the application is received by the department. Refer to the “Readiness to Proceed” definition in Chapter 5 for more details.

### **Financial Review**

All applications will undergo a financial review. All financial reviews will be conducted to determine the funding package to be offered. The grant, if awarded must be the minimum necessary, in combination with other resources, to ensure the completion of the project. Any project determined by the department to not be financially feasible will not be funded.

If an applicant (county or city) is the owner and operator of the facility, the applicant’s financial records will be analyzed for ability to service debt and ability to operate and maintain the facility.

If an applicant (county or city) is applying on behalf of a nonprofit or other entity and the nonprofit or other entity will be the owner and operator of the facility and the applicant has no responsibility for providing said service, then that nonprofit's or other entity's financial records will be analyzed for the ability to service debt and ability to operate and maintain the facility.

If an applicant (county or city) is responsible for providing said service (such as mental health), whether or not the applicant is contracting out the operation of the facility to a nonprofit or another entity, the applicant's financial records will be analyzed for the ability to service debt and ability to operate and maintain the facility.

The financial review must determine that the operating entity of the proposed facility, whether it be a non-profit, other government entity or the city/county applicant has adequate and consistent annual revenue projections to cover the annual operation and maintenance expenses associated with the facility, throughout the five year continued use period.

**If, during staff review of the application, direct and clear evidence is obtained by the department that the grant funds are not needed and that the project can or will be carried out by the applicant whether or not the grant is awarded, the application will not be processed.**

All financial information in the application must be prepared for the proposed activity, unless another funding source (e.g., USDA Rural Utilities Service) has already reviewed similar financial information and made a funding commitment based upon their review. In such cases, the financial feasibility analysis of the other funding source shall be submitted with the application in lieu of the requested documentation.

**Table O**  
**Public/Community Facilities Activities**  
Eligibility, Activity Type, and Maximum Grant Awards

	<b>Final Design and/or Construction</b>
<b>Grant Maximum</b>	The only limitation to the size of these grants is the limit of \$1,500,000 (Includes all prior Community Development Block Grant awards for final design and construction for the same project.)
<b>Project Activities to be Funded</b>	Final Engineering/Architectural designs, bid specifications and updated cost estimates Financial Feasibility Information Environmental Review of project Construction and Construction contingencies Construction engineering/architectural services Acquisition of property/permanent easements Grant administration and audit Legal fees Cultural Monitoring LEP Translation Services Federal Labor Standards Compliance
<b>Project Completion Period</b>	All activities must be completed and the Project Completion Report submitted within <b>36 months</b> from contract execution with the department.

**Note:** Contracts with recipients who are combining final design and construction grants into one award will have a contract condition prohibiting the department from releasing construction funds until the recipient provides evidence that all necessary construction funding to complete the project has been secured and, if applicable, regulatory agency approvals have been received. These grants are not considered (design/build) grants.

### **Architectural/Engineering Requirements**

Preliminary engineering/planning documents, final design engineering documents and construction oversight in projects must be prepared and stamped or conducted by a registered professional engineer or architect licensed to do work within the state of Oregon.

### **Final Design and/or Construction Grants**

(These grants are not considered design/build grants.)

Grant funds are available to help the applicant prepare the final design and to construct the proposed public/community facility project. Grants will be awarded for the minimum amount considered necessary to provide the improvements needed.

The most common activities for design and construction grants are:

- Project description, including an explanation of the basis for the size and or capacity of the proposed facility;
- Final Engineering/Architectural design and bid specifications. Refer to Chapter 5 for more information;
- Detailed cost estimates;
- Identification of permits and approvals necessary to construct the project, including a schedule with a realistic review and approval process for each;
- Financial Feasibility Information;
- Maps showing both the general and specific location of the project and tax lots or parcels in the project area;
- Environmental review of the proposed project, compliance with the National Environmental Policy Act (NEPA) and other applicable federal authorities. Implementation of the U.S. Department of Housing and Urban Development regulations;
- Grant Administration/Audit. Refer to Chapter 5 for more information;
- Construction;
- Bid Process;
- Engineering/Architectural construction management. Refer to Chapter 5 for more information;
- Construction Contingencies. Refer to Chapter 5 for more information;
- Acquisition of real property or permanent easements, appraisals;
- Preparation of as-built drawings;
- Legal fees; and
- Preparation of operation and maintenance manuals.

**Outcome and Performance Measures**

Each applicant must address how their project meets the objective(s), outcome(s), indicators, and performance measures identified below:

**Public/Community Facility Projects**

Objective (Pick One)	Outcome (Pick One)	Indicators	Performance Measures	State Measurement
<ul style="list-style-type: none"> <li>• Decent Housing</li> <li>• Suitable Living Environment</li> </ul>	<ul style="list-style-type: none"> <li>• Availability/Accessibility</li> <li>• Affordability</li> </ul>	Number of households assisted with: <ul style="list-style-type: none"> <li>• New access to service or benefit</li> <li>• Improved access to service or benefit</li> <li>• Where the project is used to meet a quality standard or measurably improve quality, report the number of households that no longer only have access to a substandard facility or infrastructure (as defined by the local community)</li> </ul>	Amount of money leveraged from other federal, state, local, and private resources	The amount of money leveraged from all other funding sources
			Number of persons, households or units assisted (pick the one most appropriate to your project–pick only one)	Number of persons having access to more affordable facilities and services including the percentage of low- and moderate-income persons who benefit from the improvements
			Number of low- and moderate-income persons served by the project	Number of systems brought up to environmental/safety standards or upgraded
			Number of communities assisted	Number of persons benefiting from new or improved facilities including the percentage of low- and moderate-income persons who benefit from the improvements
			Race, ethnicity, disability (current categories for beneficiary reporting still apply)	