

Community Center Investment Program FAQs 2023

1. Will CDFA conduct any additional outreach with applicants related to their application?

No. There will not be any additional outreach relative to submitted applications. No phone calls or site visits will be conducted, and applications are expected to be clear and comprehensive relative to the project funding request.

2. Are applicants that were not awarded funds in June, eligible to apply again in the fall funding round?

Yes, applicants may re-apply and will have access to their previous application and attachments, so information can be copied into the new application.

3. Does a nonprofit entity need their Federal 501©(3) status at the time of application?

An applicant must meet the requirements of an active NH nonprofit in accordance with the Secretary of State. They must also have at least applied for and be awaiting Federal 501©(3) status. Confirmation of 501©(3) status must be received by CDFA no later than July 1, 2023.

4. Who is the Authorized Official?

The Authorized Official should be the person that is designated by the nonprofit or municipality to sign contracts on behalf of the entity. If the applicant is a nonprofit organization, it is likely the Authorized Official can be the same person as the Primary Contact as it can be the executive director of the organization. If the applicant is a municipality, then the authorized official should be a representative of the community requesting funds and may be a member of the Board of Selectman.

Once this person is identified, they will need their own Grant Management System "GMS" account and must complete a form to register and be associated with the project proposed in their application. Registration instructions can be found here: <u>Grants Management System – Resources from NHCDFA</u>
Changes to the Authorized Official must be communicated to CDFA and updated in GMS immediately to prevent any delay in communication.

5. Who is the Primary Contact?

The Primary Contact is the person from the organization or municipality who has first-hand knowledge of the project and has the authority to provide information and status reports on behalf of the organization. This person should not be the grant writer unless the grant writer will be the project contact beyond the application phase and will continue to be involved if the nonprofit or municipality is awarded funding.

No personal information should be provided within the application. Only organizational or municipal information should be provided. Registration instructions can be found here: Grants Management System

<u>Resources from NHCDFA</u> Changes to the Primary Contact must be communicated to CDFA immediately to prevent any delay in communication.

6. Should the grant writer register with CDFA's Grant Management System (GMS)?

All individuals working on an application in GMS must register. If your nonprofit or municipality hires a contractor or consultant as the grant writer to complete your application, they must also complete registration with CDFA's GMS and must provide their business information. In the application they need to be listed as an "additional contact" to receive communication about the application. Registration instructions and instructions on how to apply for funding can be found here: Grants Management System - Resources from NHCDFA

It is encouraged that no more than three people be associated with an application, to include only the Primary Contact, Authorized Official and the grant writer.

7. If the property is owned by a Municipality but operated by a nonprofit, which entity is eligible to apply and how should the award be structured?

The applicant should review the Community Center Investment Program Structuring policy for guidance. Our current guidance from the U.S. Treasury does not clarify whether a nonprofit can accept and spend a forgivable loan on Municipally owned property. Until that guidance is available, the application will require the following be met:

Leasehold improvements may be eligible under the following conditions: Both parties (municipality/nonprofit) must be eligible

- There may be only one applicant.
- The applicant should be the highest capacity organization/municipality

Both parties must sign the application certification.

If the owner of the property is a Municipality but the operating entity is a nonprofit, either entity is eligible to apply. The partner who is not the applicant should dually sign the certification and/or provide a letter with the application. CDFA will work with awarded applicants when additional guidance is available to structure the award in an eligible manner. Any application leases must be included for review. Any applicable agreements must be included for review.

THRESHOLD REQUIREMENTS

8. What are the minimum threshold requirements? Projects must:

- Meet the definition of community center (provide a minimum of 2 different activities)
- Demonstrate matching funds are secured at 15% of the total project budget
- Confirm construction will be underway on the project within 6 months from the contract date and demonstrate the project will be completed by August 31, 2025.
- Demonstrate the facility will be ADA accessible when complete
- Meet the requirements of CDFA's energy policy

9. What is required for the applicant to demonstrate the space will be used for multiple activities?

Per the guidance outlined in the Application and Program Guide, the community center must meet the multifaceted needs of the community and demonstrate that a minimum of two different activity types will be offered and be the primary focus of the space including:

Community (providing a sense of community, belonging, gathering)

<u>Civic</u> (community engagement, strengthening local participation in democracy; where elected officials would use space; a recognized space for conducting civic business)

Recreational (must have a physical element)

<u>Social Services</u> (care for senior citizens and/or children under age 18; food delivery and nutrition support; services for persons with disabilities; health, mental health or substance abuse services, workforce training, health services or access, services that meet the needs of under or unhoused people.)

<u>Other</u> (this is an open and undefined area of focus by CDFA. One possibility could be the opportunity for social justice programs, etc.)

Applicants should describe the primary activity of the community center as well as the secondary activities that will be a consistent aspect of the set programming. Beyond the description of planned activities, the applicant must also include demonstrable evidence that programming will occur by attaching a budget that is inclusive of the promised activities/services, a calendar of scheduled events, etc. Only including letters of support outlining activities "will" occur is not sufficient.

Overall, the space must be considered a "community space" and not just a "public space." The applicant must be able to demonstrate this in their application.

10. Are childcare facilities eligible?

Generally, no. Facilities that provide childcare are only eligible if they meet the definition of community center, meaning they need to identify at least two different eligible community activities, one of which would be childcare service. The facility must also be open and accessible to the public.

11. How is "construction underway" defined?

The physical components of any alterations/rehabilitation/construction have begun. This can include demolition, framing, scaffolding, pouring slabs, and site prep. This does <u>not</u> include permitting, design, storing equipment on site, or any items not physically impacting the site.

12. Are phased projects eligible?

Generally, no. The Community Center must be completed by the expenditure deadline of August 31, 2025, and as defined in the contract after an award is made. However, there may be some circumstances in which a phased project could be eligible. Applicants contemplating a phased project and seeking funding from this program, should contact CDFA for more information.

Any applicant or any project is only eligible for one award under this program.

13. How is priority population determined?

CDFA supports priority populations who are described but not limited to: Black, Indigenous, and People of Color (BIPOC); immigrants; LGBTQ; disabled; women and gender non-conforming; rural; youth; low and moderate income, and unhoused residents.

14. What is the definition of open and accessible as it relates to funding for the Community Center Investment Program?

Per the application and guidance, the community center must be consistently open to the public. Membership-based models or program fee structures that prevent the Center from being publicly accessible are not eligible.

The hours of a community center can vary.

15. The applicant organization must demonstrate adherence to the CDFA energy policy.

All projects must demonstrate a plan for addressing energy efficiency and building sustainability.

FACILITIES

16. Does the facility or outdoor space have to already be owned by the municipality or nonprofit organization?

No, the acquisition of a space is an allowable expense of the proposed project, but the space must ultimately be owned and/or operated by a municipality or a nonprofit organization. Any rehab/renovations/construction needed to ensure the space is open and useable must also be included in the project budget and be completed prior to the end of the project period.

17. What is required for applicants that are planning a new facility or proposing new construction?

As outlined in the application and program guide, a *New Facility Analysis* is required for any applicant proposing a new facility.

FINANCIAL REQUIREMENTS

18. What is the difference between a loan and a grant?

Awards will be issued either in the form of forgivable loans at 0% interest or grants. The loan will be forgiven in full upon compliance with all loan conditions, including the completion of the project and evidence of certificate of occupancy. Applicants selecting a grant award will be required to complete a risk assessment as well as a compliance plan.

Generally, an awarded entity will be required to repay an award if they fail to comply with the conditions of the award as defined in the commitment letter and other documents.

19. What are allowable costs?

Allowable expenses are defined by the American Rescue Plan Act of 2021 (ARPA) Section 9901 and requires compliance with the Uniform Guidance known as 2 CFR 200. These include:

- Program administration (including record retention)
- Financial management (including audit requirements)
- Environmental evaluation
- Civil Rights including ADA compliance.
- Procurement
- Plan for real property reporting and disposition plan
- Labor Standards
- Acquisition/Relocation
- Construction-related activities

 Solar costs – while the primary use of CCIP funds is to facilitate the construction or renovation of a facility to improve or create access to programming, costs related to solar array installation which will create a more cost-effective space are eligible under the CCIP guidelines.

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- Equipment Appliances essential to the program delivery of the community center are allowable costs. Furnishings and supplies are not allowable costs. Operating costs are not allowable.
 - o Commercial range/hood for food prep Allowable
 - o Broadband infrastructure for program delivery Allowable
 - Tables/chairs/benches Not allowable
 - Internet service charge Not allowable

20. The following provides additional clarification on the 15% match requirement that is outlined in the Application and Program Guide.

What counts as match funds?

Both the CDFA-administered Community Development Block Grants (CDBG) and CDFA Tax Credit allocations can be used as a match. For City or Town matching funds, a letter from the Authorized Official committing funds is sufficient. Prior project expenses can be match if they were expended after December 21, 2022.

Other sources of federal funding can also be used as matching funds if those other federal sources permit as much. For example, if the Community Center is receiving ARPA LFRF funds from a municipality or county, they can be considered as part of the required match.

All matching funds must be secured at time of application in the form of letters of agreement from committed funding sources (including contact information and loan terms, equity agreements or other details).

The allowable cash match includes costs that are necessary, reasonable, and allowable under the program.

Capital campaign pledges can count as match, but pledges must be received by the time construction starts.

Payroll or operational expenses are not considered match funds.

Equity in the property is not considered match funds.

DPW or municipal costs related to the labor/materials directly associated with the construction of the CCIP project is considered match funds.

*Funds requiring town meeting approval can be non-committed at the time of application; however, evidence must be provided to demonstrate the funding request is on the March town meeting agenda and public support exists for the proposed project.

How must in-kind matches be documented?

In-kind matches must be secured by a letter of commitment by the provider of the services and include a valuation of the services.

Documented volunteer time can be counted as a match.

Staff time including costs of administration of the Community Center project and grant writing for the application can be counted as a match if they are not otherwise reimbursed.

All costs must be reasonable, and documentation of the costs is required.

21. Is grant writing administration an allowable expense?

Yes. Funds can be used for grant writing administration and should be included in the application in the Source and Uses budget section. Grant administration can be carried out by staff or external consultants. The limit for administrative costs is 10% of the total CCIP award.

22. How far back can applicants request reimbursement for project expenses?

Eligible expenditures after December 21, 2022, qualify for reimbursement or may count toward match.

23. What is the definition of "financial management?"

Financial management is a critical piece of managing your loan/grant. It is the process that includes but is not limited to tracking expenditures, budgets, flow of funds, and deadlines. The financial management responsibilities should be identified through a summary of roles which may look like the following:

- Grant/loan administrator Responsible for preparing claim documentation for authorized official approval, tracking project budget. Respond to questions from CDFA related to claims materials, backup documentation, budgets.
- Construction manager Tracking subtrades, preparing invoices to submit to the grant/loan administrator, tracking project budget
- Third (3rd) party financial manager or staff (accountant/financial management company/staff)— Track time and expenses related to the grant/loan, track project budget, ensure for proper signatures on checks/pay requests.

24. What are some examples of soft costs?

- Preparation of work write-ups, work specifications, and cost estimates or review of these items if an owner has had them independently prepared.
- Construction inspections and oversight.
- Project document preparation.
- Costs associated with a project-specific environmental review.
- Architectural, engineering or related professional services required to prepare plans, drawings, or specifications of a project.