



Texas CDBG-CARES  
Community Resiliency Program (CRP)

## **Implementation Workshop: Non-Construction Projects**

April 28, 2022

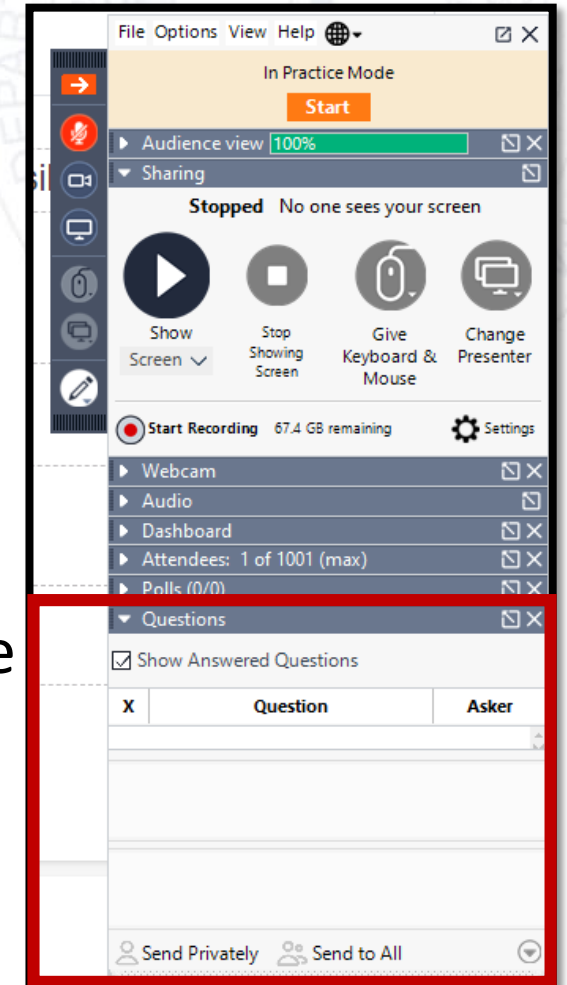
# Webinar Outline

- Community Resiliency Program (CRP) Overview
- CRP Eligible Costs
- Contract Stages
  - Stage I: Pre-Contract
  - Stage II: Post-Contract
    - Program Requirements
    - Reporting & Close-Out Process
- References & Resources

# Housekeeping

- The webinar is being recorded
- Please use the **Questions** field (not Chat) in the right hand section of your screen to send questions to the presenters
- Questions will be answered during the presentation in the Questions field, and during the Q&A period at the end of the presentation

The presentation slides and recording will be available at <https://www.tdhca.state.tx.us/CDBG/CRP.htm>



# Community Resiliency Program (CRP)

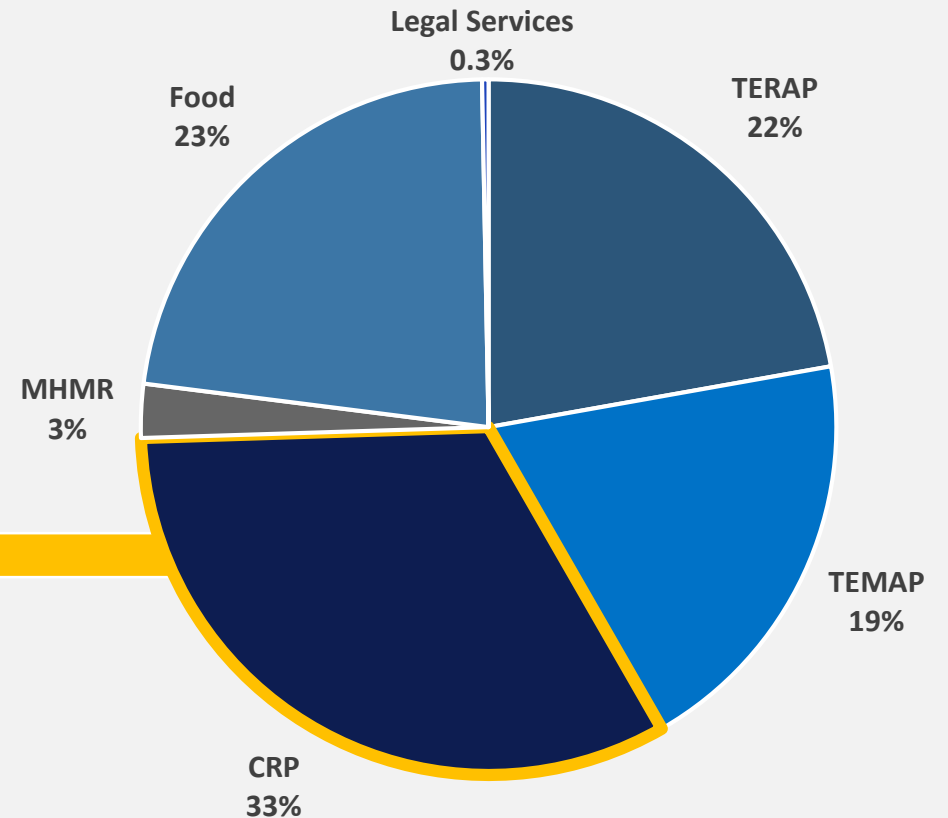
## Program Goal

Allow LMI areas to address gaps in their ability to prepare for, prevent, and respond to COVID-19 or a future pandemic.

CRP Projects	# of Projects	Total Funding
Construction	11	\$41,597,571
Non-Construction	4	\$1,791,996
<b>Total Funding Amount</b>		<b>\$43,389,567</b>

## CDBG-CARES Allocated Funding

Total CDBG-CV Funds: \$141,846,258



# CRP Eligible Costs

## Eligible

### Pre-Contract Costs

- Preparation of CRP Application
- Itemized Budget Preparation
- Environmental
- Program Income Plan, *if applicable*

### Project Costs

- Admin
  - Salaries & Wages
- Project
  - Purchase of Equipment

## Ineligible

- Grant/application writing services that do not follow procurement requirements
- Office space for the general conduct of government
- Operation and maintenance expenses (does not include offsetting costs incurred to perform public service)

# Stage I – Pre-Contract

- A. Environmental Review – TDHCA Clearance
  - i. Administrative
  - ii. Project – Non-Construction/Purchase
- B. Program Income Plan, if applicable
- C. Procurement Requirements
- D. Finalize CRP Contract
  - i. National Objective
  - ii. Confirm Final Budgets and Milestones
  - iii. Execution of Contract and Use Restriction Agreement
  - iv. Sustaining National Objective
  - v. Contract Exhibits

# A. Environmental Review & Clearance

- Categorically Exempt Not Subject To §58.5 (CENST)
  - [Administrative-Non-Const. Part 58 Exempt-CENST form \(PDF\)](#)
  - [Purchase Part 58 Exempt-CENST form \(PDF\)](#)
- Statutory and Regulatory requirements
  - 24 CFR Part 58
  - The National Environmental Policy Act of 1969 (NEPA)
  - 24 CFR 570.200 (a)(4)
- Environmental Clearance is required prior to Contract execution
- Submit the completed forms to [environmental@tdhca.state.tx.us](mailto:environmental@tdhca.state.tx.us)
  - Copy (cc:) your CRP project team
  - Include project funding amount

# B. Program Income Plan

- Gross income directly generated from a CDBG funded activity
- Subject to all CDBG Cross-Cutting Requirements
- Guidance - Program Income Plan
- Annual Net Program Income Threshold
  - Program Year (September 1 through August 31)
  - NOT required to report Net Program Income if less than \$35K

## Net Program Income Equation

Gross Program Income  
- Incidental Program Costs

**= Net Program Income**



# B. Program Income Plan

24 CFR 570.489(e)

**Example:**

## Net Program Income Calculation

City of ABC generated an **annual gross program income** of \$50,000 by renting the Community Center for private events. A portion of the rental payments was used for incidental program costs for maintenance and staff. The total amount needed to cover **incidental program costs** was \$25,000.

City of ABC – Annual Net Program Income 9/1/2022 – 8/31/2023	
\$50,000	Gross Program Income
- \$25,000	Incidental Program Costs
<b>\$25,000</b>	<b>Net Program Income</b>

(Source: [Basically CDBG for States Ch. 16](#))

# C. Procurement Requirements

CDBG Procurement requirements are the same for CDBG-CV

- 2 CFR 200.317-200.326
- 24 CFR Section 570.489(g)
- 24 CFR Part 75 (all projects  $\geq$  \$200K)
- 10 TAC §1.404 & TxGMS
- Local CDBG procurement policy

Procurement documentation must be kept on file

Failure to meet procurement requirements may result in Ineligible Costs

# C. Procurement Requirements

*24 CFR 570.489(g)*

“...The State shall establish requirements for procurement policies and procedures for units of general local government, based on full and open competition. Methods of procurement (e.g., small purchase, sealed bids/formal advertising, competitive proposals) and their applicability shall be specified by the State...”

# C. Procurement Requirements

## Full and Open Competition

### Benefits

- Prevents fraud, waste and abuse
- Increases visibility and transparency
- Receive reasonable prices from qualified contractors
- Provides opportunities for all responsible contractors

### Avoid the Following

- Requiring unnecessary experience or excessive bonding
- Specifying only a brand name product
- Noncompetitive contracts to consultants on retainer
- Noncompetitive pricing practices (bid rigging, bid suppression, courtesy bidding, bid rotation)
- Any arbitrary action in the process

# C. Procurement for Purchases

Procurement Type	Description
Micro-purchase	Less than \$3,000
Small Purchase	Between \$3,000 and \$250,000
Sealed Bids (Purchase)	<ul style="list-style-type: none"><li>• Publicly solicited bid with a firm (formal advertising)</li><li>• Fixed price: either lump sum or unit price and awarded to the responsible bidder – conforming to all material terms and conditions and is the lowest price</li><li>• Specifications</li></ul>
Competitive Proposals (Services)	<ul style="list-style-type: none"><li>• Non-arbitrary process for evaluation</li><li>• Steps for traditional procurement by the Subrecipients</li><li>• Documentation (i.e. RFP, bid packet, etc.)</li></ul>
Noncompetitive Proposals	<ul style="list-style-type: none"><li>• Sole Source</li></ul>

Source: TxGMS, <https://comptroller.texas.gov/purchasing/docs/grant-management-reader.pdf>

# D. Finalize CRP Contract

- i. National Objective
- ii. Final Itemized Budget and Milestones
- iii. Execute Contract and Use Restriction Agreement (URA)
  - Authorized Signatory/Executor
  - A URA will be required
  - Grant-related documents will be signed via DocuSign

# D. Finalize CRP Contract

## iv. Sustaining National Objective

### CDBG NATIONAL OBJECTIVE Benefitting Low- and Moderate-Income (LMI) areas

Low Mod Area (LMA)  
Benefit

Area is 51% LMI

*\*\*If you do not meet the 51% in any given year, a survey should be conducted*



If the project fails to continue to meet the National Objective for **5 years** after close out, the Subrecipient shall **reimburse TDHCA the total CDBG funds expended.**

# D. Finalize CRP Contract

## v. Contract Exhibits

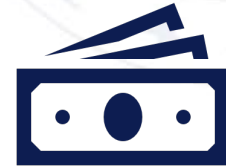


### Contract Milestones



### Performance Statement

Expenditure reporting  
Performance reporting



### Final Budget



# Stage II – Post Contract

- A. CRP Pre-Purchase Procurement Requirements
  - Sealed Bid – Purchase
  - Competitive Proposal – Services, if applicable
- B. Citizen Participation Requirements
- C. Other Program Requirements
  - Civil Rights & Equal Opportunity Requirements
- D. Reporting & Close-Out Process

# A. Sealed Bid - Purchase

Publicly solicited – formal advertising

Clearly described items / services – specifications

Adequate response time

Bids publicly opened according to invitation

Contract awarded to lowest price bid

# A. Competitive Proposal - Services

Professional services

Technical ability, past performance, and experience

Must have a written evaluation method

Clearly defined evaluation factors in the RFP

# B. Citizen Participation Requirements

## • Public Hearings

- Per the TDHCA contract, conduct a public hearing at least annually to seek public comment on the needs or uses of CDBG-CV funds
- Final Public Hearing, per the closeout requirements
- Public notice requires a minimum five day comment period

## • Complaint Procedures

- Must provide residents with an opportunity to comment on the program activity, in accordance with local guidelines and requirements

# C. Other Program Requirements

- Civil Rights and Equal Opportunity Requirements
  - Section 504
  - Equal Employment Opportunity (EEO)
  - Fair Housing
  - Citizen Participation
  - Excessive Force
- Other Program Requirements in References & Resources slide

# D. Reporting & Close-Out Process



## Reporting/Draws

Expenditures

Accomplishments

Beneficiaries

TDHCA Housing Contract System



## Close-Out Process

Final Public Hearing

Inventory Report

Final Report

Project Completion Report



## Monitoring

Recordkeeping Requirements

Term of Use Restriction Agreement

# References & Resources

- CDBG CARES Requirements
  - [CDBG-CV Notice](#)
  - [CDBG-CV Notice FAQs](#)
- CDBG Requirements
  - [24 CFR Part 570](#)
- Administrative & Financial Management Requirements
  - [2 CFR 200](#)
  - [10 TAC](#)
  - [TxGMS](#)
- [Other Program Requirements Reference List](#)



# References & Resources

- Program Resources
  - [Basically CDBG Online](#)
  - [CDBG-CV Program](#)
  - [CDBG CARES Act \(CDBG-CV\) Toolkit](#)
  - [CDBG-CV PPR Tieback Flexibilities Quick Guide](#)
  - [CPD Monitoring Handbook](#)
- [TDHCA CRP Webpage](#)





# CRP Project Teams

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# Questions & Answers