

**JOINT REQUESTS FOR PROPOSALS
LANCASTER COUNTY AND CITY OF LANCASTER
CORONAVIRUS AID, RELIEF AND ECONOMIC SECURITY (CARES) ACT
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG-CV)
EMERGENCY SOLUTIONS GRANT (ESG-CV)**

Proposals Due: February 19, 2021

Email Submissions to:

covid19@lchra.com
sthorsen@cityoflanasterpa.com



28 Penn Square
Suite 200
Lancaster, PA 17603
Phone: 717-394-0793



120 N. Duke St.
Lancaster, PA 17602
Phone: 717-291-4754

INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD) has provided Lancaster County and the City of Lancaster with a second and third allocation of CDBG Coronavirus (CDBG-CV) and ESG Coronavirus (ESG-CV) as enabled in the Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Public Law 116-136).

The Redevelopment Authority of the County of Lancaster (Redevelopment Authority) and the City of Lancaster (City) have developed a joint application to request proposals from organizations seeking CDBG-CV and ESG-CV CARES Act funding to prevent, prepare for and respond to COVID-19. The Redevelopment Authority and City are interested in programs or activities supporting housing and homelessness, public services and facilities, and economic development that address needs of low-moderate- income residents affected by COVID-19.

CDBG-CV AND ESG-CV FUNDING DETAILS

The County has been allocated \$1,724,064 in 2nd round CDBG-CV funding and \$854,500 in 3rd round ESG-CV funding. The City has been allocated \$548,068 in 2nd round CDBG-CV and \$809,254 in 3rd round ESG-CV. The City has amended the County's 2019 Annual Action Plan to include these ESG-CV funds. The City Council approved the amended plan on January 12th 2021. The City will amend the plan to include a plan for the aforementioned City CDBG-CV after RFP have been returned. The Redevelopment Authority will be amending its plan to include its allocations sometime in the next few weeks.

Below are some guidelines from HUD specifically for the use of CARES Act funding:

- CDBG-CV funds have the same programmatic requirements and meet CDBG program [national objectives](#).
- Regulations for spending caps on emergency shelter and outreach activities as well as matching requirements have can be waived for these ESG funds. Additionally, procurement standards for goods and services may be deviated from normal processes.
- Reimbursement for costs that have already occurred is allowed for programs and activities.
- Funds may not be used if another source of financial assistance (State, Federal or Local) is available to pay that cost. This includes SBA and FEMA assistance and loans. Additionally, funds cannot be used to pay for eligible costs that have already been paid for, or will be paid for, by another Federal program, insurance, or other sources.

ELIGIBLE PROGRAMS AND ACTIVITIES

Emergency Rental and Utility Assistance and Eviction Prevention (CDBG):

To provide temporary relief and support for those who have been furloughed, experienced a reduction of pay or have been laid off due to COVID-19, an emergency rental assistance program would be established to provide up to six (6) months of assistance to income qualified individuals and families. Under CDBG regulations, the funding can be used for this limited period to address an emergency need. The funds will be used for direct rental payments to landlords on behalf of eligible tenants with incomes within 80% of area median income (AMI)

Exhibit A – CDBG Income Limits.

Homelessness Outreach (ESG):

To provide financial assistance to support a Homeless Outreach position to work with persons experiencing homelessness on the streets not only to help them access housing but to ensure they have protections from COVID-19 including PPE, hand sanitizer, information on where to access health care and testing, etc.

Emergency Shelter Operations (ESG):

To provide funding to emergency shelter providers to accommodate social distancing requirements including but not limited to hotel stays to address needs caused by COVID-19.

Rapid Re-housing (ESG):

To provide for rapid rehousing case management services and client assistance funds on behalf of renters that are experiencing HUD-defined homelessness to move back into permanent rental housing. Funds for rental payments are made directly to landlords on behalf of clients in a rapid rehousing program.

Direct Service Costs, Labor, and Supplies for critical Public Services (CDBG):

Provide public service providers with the necessary funds to respond to the needs brought about by CoVid-19 . These services may include senior services, youth services, services for persons with disabilities, legal services, transportation services, substance abuse services, services for victims of domestic violence, employment training services, crime prevention services, tenant/landlord counseling services, mental or physical health services, food bank and food security services, and neighborhood clean-ups.

Public Facility Rehabilitation, Construction or Expansion (CDBG):

To support physical improvement needs at shelters and community hubs that provide food, counseling and other services to low-to-moderate income individuals affected by COVID-19. This may include improvements to maintain safe working conditions, expanding or constructing new public facilities, such as temporary or permanent shelter.

Economic Development (CDBG):

To support small businesses or microenterprises (5 or fewer employees). This may include technical assistance to navigate other loan programs or funding to help small business meet CDC guidance and social distancing measures. Additionally, it could be used for small business loans for working capital when no other federal sources are available. For overview of eligibility

please see ***Exhibit B - Economic Development***.

Supporting efforts to build, improve, and/or sustain affordable housing (CDBG):

To respond to a need for affordable housing brought about or exacerbated by CoVid-19. Eligible programs may include repairing vacant and/or broken-down properties, helping community members access affordable housing through homeownership assistance programming (down-payment costs, mortgage interest rates, housing counseling and education), improving the quality of our community's affordable housing with minor or major rehabilitation, construction of new affordable housing units.

COLLABORATION

The Redevelopment Authority and the City are issuing this joint funding process to facilitate the allocations and distributions of funds to address and prevent the impacts of COVID-19 in the County and City. The Redevelopment Authority and City will continue to collaborate efforts with that of the Lancaster Cares COVID-19 Response Fund and Economic Development Company and Lancaster Chamber Economic Recovery Plan.

Applications addressing COVID-19 housing needs of persons experiencing homelessness or at risk of homelessness will be prioritized if a collaborative approach is proposed. Regional or county-wide collaborations are strongly encouraged.

REVIEW PROCESS

For projects that involve persons experiencing homelessness or at risk of homelessness, representatives of the Governance Board of the Lancaster County Homeless Coalition (Lanc Co MyHome) will review applications and provide recommendations for both County and City CARES funds.

All other requests for housing, public services and public facilities and economic development will be reviewed by Redevelopment Authority and City Staff. Additional review and coordination will include the Lancaster County Community Foundation, United Way of Lancaster, and the Economic Development Company of Lancaster.

SUBMISSION

Email completed applications to the Redevelopment Authority and City Community Development Division by **Friday, February 19th, 2021.**

Redevelopment Authority - covid19@lchra.com

City of Lancaster - sthorsen@cityoflanasterpa.com

TECHNICAL ASSISTANCE

Redevelopment Authority and City of Lancaster Staff will be available to provide technical assistance in determining the eligibility of the proposed program or activity or any other questions that an applicant may have about this RFP.

Redevelopment Authority Contacts:

Michaela Allwine
Housing Manager
mallwine@lchra.com

Aimee Tyson
Planning and Compliance Manager
atyson@lchra.com

City of Lancaster Contacts:

Susannah Thorsen
Senior Community Development Administrator
SThorsen@cityoflanasterpa.com

Marisol Torres
Housing and Economic Development Administrator
martorres@cityoflanasterpa.com

EXHIBIT A – CDBG INCOME LIMITS

2020 INCOME LIMITS

<u>Number of Persons in Family</u>	<u>Extremely Low Income 30% of MFI)</u>	<u>Very Low Income (50% of MFI)</u>	<u>Low Income (80% MFI)</u>
1	16,700	27,850	44,550
2	19,100	31,800	50,900
3	21,500	35,800	57,250
4	23,850	39,750	63,600
5	25,800	42,950	68,700
6	27,700	46,150	73,800
7	29,600	49,300	78,900
8	31,500	52,500	84,000

To calculate the income limits for families with more than 8 members, 8% of the four-person base should be added to the eight-person income limit. For example, the nine-person limit equals 140 percent (132+8) of the relevant four-person income limit. All income limits are rounded to the nearest \$50.

EXHIBIT B – Economic Development

Permitted Activities Include:

A. Special economic development:

- Acquiring, constructing, reconstructing, rehabilitating, or installing commercial or industrial buildings, structures, and other real property equipment and improvements. These are economic development projects undertaken by nonprofit entities and grantees (public entities).
- Assisting a private, for-profit business. Assistance may include grants, loans, loan guarantees, and technical assistance; and
- Providing economic development services in connection with otherwise eligible CDBG economic development activities.

B. Technical assistance to businesses. This activity involves providing technical assistance and training directly to businesses on topics such as business planning or accounting.

C. Microenterprise development. These are activities designed to foster the development, support, and expansion of microenterprise businesses. (A microenterprise has five or fewer employees, one or more of whom owns the enterprise.) Eligible microenterprise activities include the provision of:

- Grants, loans, loan guarantees and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises;
- Technical assistance, advice, and business services to owners of microenterprises.

Qualifications for Meeting CDBG National Objective:

- A. Commercial entities to be assisted must either be located in a low- and moderate-income areas as defined by the HUD or the owner of the business is low- and moderate-income.
- B. Economic development activities designed to create or retain permanent jobs, at least 51 percent of which (FTEs) will be made available to or held by low- and moderate-income (LMI) persons. The entity assisted must document that that the jobs would have been lost without the CDBG assistance.

Low-and Moderate-Income (LMI) Job Criteria

The following requirements apply for jobs to be considered available to or held by LMI persons.

- Created or retained jobs are only considered to be available to LMI persons when:
 - (a) Special skills that can only be acquired with substantial training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
 - (b) The grantee and the assisted business take actions to ensure that LMI persons receive first consideration for filling such jobs.
- Created or retained jobs are only considered to be held by LMI persons when the job is actually held by a LMI person.
 - A persons is considered LMI if:
 - He/she resides in a Census tract that meets certain requirements or
 - He/she resides in a Census tract with at least 70 percent LMI persons; or
 - The assisted business is located in an eligible Census tract and the job will be located within that same Census tract.

IMPORTANT NOTE: Businesses that have received other federal financial assistance related to COVID-19, including Small Business Administration assistance may be ineligible for CDBG funds if other federal assistance covers the entirety of reported operating costs.

