

**Community Development Block Grant
(CDBG) Program**

**PROPOSAL GUIDE
2025**

County of Hawai'i

Office of Housing and Community Development

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Introduction

The purpose of this proposal guide is to provide information and guidance to the Applicant who is considering applying for the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) program, through the County of Hawai'i Office of Housing and Community Development (OHCD).

The CDBG program provides grants and loans to units of general local government and eligible private non-profit entities to meet housing and community development needs. The primary objective of the program is the development of viable communities, including decent housing and suitable living environments, and expanding economic opportunities, PRINCIPALLY FOR PERSONS OF LOW AND MODERATE INCOME at or below 80% of the Area Median Income (AMI). Under the CDBG program, applicants may select one of the three income definitions for a low and moderate (L/M) income person. (See [Appendix A](#) for HUD income limits and definitions). The CDBG program's overall objective is achieved through a program in which funds are granted or loaned for activities that will benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The projected use of funds may also include activities that are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. Each program or project must have a direct impact on the Applicant's identified need, as well as meet at least one of the national objectives described.

In order to fairly rate and rank the projects, the OHCD has developed the County Selection System. The system is intended to ensure that the projects submitted to HUD are eligible for funds and can be implemented in a timely manner as well as to avoid the problems and mistakes the OHCD has experienced with past projects.

As a prerequisite to receiving federal funding, all applicants will be required to have a Unique Entity Identifier (UEI) and be actively registered with current information in the System for Award Management (SAM.gov), formerly known as the Central Contractor Registration (CCR), prior to applying for CDBG funding. The Applicant will have to submit proof that they have a UEI number and are actively registered in the SAM.gov system in good standing with their project proposal.

To prepare the Action Plan and its project recommendation, all decisions as to timeliness, eligibility, and adequacy of the proposal, ranking, and rating will be made by the OHCD. The OHCD will submit its 2025 Action Plan with its recommended projects to the Hawai'i County Council for its action to approve the Mayor to submit the Action Plan to HUD.

In order to be considered for CDBG funds, all eligible applicants will be required to submit a complete proposal that satisfies the threshold factors established by HUD and the County before the OHCD will rank and rate the proposal.

However, since the demand for grants far exceeds the available funds, the County Selection System is designed to ensure that the projects are fairly and equitably reviewed and rated. This selection system establishes a specific range of points for various elements of the project; the OHCD will rank and rate the projects accordingly. To be evaluated fairly, the Applicant must provide appropriate, quantifiable information in a manner that will enable the OHCD to score the project on each rating element. **To be considered for CDBG funding, an eligible project proposal must receive a minimum of 50% of the total points to be considered for ranking. If time permits, an interview and project site inspection with eligible applicants will be conducted to clarify any information presented in the project proposal, prior to final recommendation.**

This proposal guide has been prepared to assist the Applicant by explaining the review system and providing information and guidance on how to prepare the proposal.

The proposal guide provides the following information:

- Explanation of how the needs, benefits, and performance assessments will be made in the selection system.
- Description of the documents applicants must submit to substantiate the data, qualifications, and other necessary requirements.
- Description of the review and rating process that will be used.
- Additional Federal Regulations applicable to applicants receiving CDBG funding.

IMPORTANT NOTICE:

The time frames established in the proposal process are firm. At the close of the proposal submittal period, no further proposals or information will be accepted by the OHCD, although clarification of information will be allowed or additional information may be requested as required to comply with the County's Consolidated Plan. It is, therefore, important that your proposal is complete, factual, and contains the required supporting data. If the proposal is incomplete, the OHCD will not review the proposal.

Proposals for the CDBG Program must be received on or before:

4:30 pm, Hawai'i Standard Time on November 15, 2024.

Proposals will be accepted through an online application platform only (<https://portal.neighborlysoftware.com/hawaiicountyhi/participant>) starting: **September 1, 2024**

Emailed or hard copies will not be accepted. Eligible project proposals shall include a completed application and all required documentation.

Public Hearings

The purpose of the public hearings is to hear views and comments from citizens on housing and community development needs and the past performance of the U.S. Department of Housing and Urban Development's (HUD's) CDBG, HOME, and HTF programs. Public hearings were held:

Vitrual Zoom Public Hearing:

Thursday, August 22, 2024 at 1:00 PM

In-Person Public Hearing

Thursday, August 29, 2024 at 9:00 AM

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I. GENERAL INFORMATION FOR APPLICANTS

A. ELIGIBILITY OF THE APPLICANTS

In general, government agencies, private non-profit entities, and Community Based Development Organizations (CBDO) are eligible to utilize CDBG funds.

Private entities organized for profit may be eligible under certain circumstances, including some rehabilitation and economic development activities. The Applicant should consult the Federal Register, [24 CFR 570.500\(c\)](#) and 24 CFR Subpart C 570.200 – 570.205. See [Appendix C](#).

As a general rule, CDBG assistance may not be used for religious activities or provided to primarily religious entities. Religious organizations may be eligible to utilize CDBG funds under rules and restrictions as specified in 24 CFR 570.200(j). See [Appendix C](#).

If there are any questions on the eligibility of any applicant, please call (808)961-8379.

B. ELIGIBLE COMMUNITY DEVELOPMENT PROJECTS

This list is provided simply to show examples of the types of projects that may be eligible for CDBG funds. It is in no way intended to be inclusive. The Applicant should consult the Federal Register, 24 CFR Subpart C 570.200 – 570.205 ([Appendix C](#)), for a list of the eligible activities. Or see [Appendix G](#).

1. MAJOR CATEGORIES: In general, the following categories contain the major types of projects that are eligible for funding under the CDBG Program:

PROJECTS	EXAMPLE
Acquisition or disposition of real property	for community development of deteriorated or undeveloped property, preservation of historic sites or conservation activities.
Public facilities	for water and sewer improvements, street improvements, centers for senior citizens, recreation facilities or neighborhood facilities.
Rehabilitation and Preservation	for rehabilitation of residential or commercial structures, modernization of public housing, code enforcement or historic preservation.
Economic development	Acquisition of real property, site improvements or grants and loans to private entities for the purposes of economic development.

2. DETERMINING ELIGIBILITY:

A project may be clearly eligible, or it may be subject to special requirements or qualifications. If there are special requirements, such as ties to other activities, the proposal must demonstrate how the proposed project will meet the special considerations.

If there are any questions about the eligibility of your proposed project, call (808) 961-8379.

C. INELIGIBLE COMMUNITY DEVELOPMENT PROJECTS

The general rule is that any activity not authorized under the provisions of Section 570.200 – 570.205 is ineligible to be assisted with CDBG funds.

The following is a brief list of activities that may not be assisted with CDBG funds. This list is in no way intended to be inclusive. Applicants should consult the Federal Register, 24 CFR Section 570.207 ([Appendix C](#)) for a comprehensive list and guidance in determining the eligibility of other activities associated with housing and community development. Or see [Appendix G](#).

1. Buildings or portions thereof, used for the general conduct of government cannot be assisted with CDBG funds.
Examples: City halls; County administrative buildings; State Capitol or office buildings; legislative, judicial or general administrative affairs of government.
2. General government expenses, unless authorized in 2 CFR Part 200, Subpart E.
Examples: Bad debts, contributions and donations, entertainment, fines and penalties, legislative expenses.
3. Political activities cannot be financed with CDBG funds.
Examples: Candidate forums, voter transportation or registration or the financing of facilities or equipment for political purposes.
4. Purchasing of equipment; with exceptions for projects that qualify under economic development and public service.
Examples: Construction equipment, furnishing and personal property.
5. Operating and maintenance expenses. Exceptions to this rule are operating and maintenance expenses associated with public service activities.
Examples: Repairing, operating or maintaining public facilities, improvements and services.
6. New housing construction.
Examples: New permanent residential structures.
7. Income payments for housing.
Examples: Income maintenance, housing allowances and mortgage subsidies.

D. FUNDING ALLOCATIONS

The CDBG funds are allocated to the counties of Kauai, Maui and Hawai'i on a formula basis. The formula, established by HUD, is based on the County's population, the extent of poverty and the extent of housing overcrowding. However, HUD may reduce the County's allocated amount if the County is not utilizing the grant amount effectively and efficiently and not complying with the project schedules or not complying with other program requirements.

The County's expenditure performance affects the allocation of CDBG funds; thus, great care will be taken to ensure that the projects selected by the County increase its chances of receiving the maximum funding allocation for future grants.

Based on the previous CDBG allocations, the County estimates that the 2025 allocation will be approximately \$2,600,000.

E. COMPLIANCE WITH APPLICABLE FEDERAL/STATE REGULATIONS

Recipients and sub-recipients selected to receive CDBG funds for eligible projects will be required, if applicable, to certify, provide documentation, and assure that it will comply with the following regulations, policies, guidelines, and requirements with respect to the acceptance and use of federal funds.

1. The project will be conducted and administered in compliance with:
 - (a) Title VI of the Civil Rights Act of 1964 (Public Law 88-352, 42 U.S.C. 2000d et seq.) and implementing regulations issued at [24 CFR Part 1](#); which states that no person may be excluded from participation in, denied the benefits of or subjected to discrimination under any program or activity receiving federal financial assistance on the basis of race, color, or national origin.
 - (b) The Fair Housing Act (42 U.S.C. 3601-3619), as amended, and implementing regulations issued at [24 CFR Part 100](#); by prohibiting acts of discrimination in the sale or rental of housing, the financing of housing or the provision of brokerage services against any person on the basis of race, color, religion, sex, national origin, handicap or familial status.
 - (c) Section 109 of the Housing and Community Development Act of 1974, as amended, and the regulations issued pursuant thereto at [24 CFR 570.602](#); which requires that no person be excluded from participation in, denied the benefits of or be subjected to discrimination under any program or activity funded under the CDBG program on the basis of race, color, religion, national origin, or sex.
 - (d) Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u), as amended at [24 CFR 75](#); ensures that employment training, and other economic opportunities generated by HUD assistance or HUD assisted projects shall, to the

greatest extent feasible, be directed to low-and very low- income persons, particularly persons who are recipients of HUD assistance and to business concerns which provide economic opportunities to low-and very low-income persons.

- (e) Executive Order 11246, as amended by Executive Orders 11375 and 12086, and implementing regulations issued at 41 CFR Chapter 60, as set forth in [24 CFR 570.607](#); which is applicable to contracts in excess of \$10,000, which prohibits discrimination in the employment on the basis of race, color, national origin, religion or sex.
- (f) Executive Order 11063, as amended by Executive Order 12259, and implementing regulations at [24 CFR Part 107](#); which prohibits discrimination against individuals on the basis of race, color, religion, sex, or national origin in the sale, rental leasing or other disposition of residential property or in the use or occupancy of housing assisted with federal funds.
- (g) The Rehabilitation Act of 1973 (P. L. 93-112) and implementing regulations issued at [24 CFR Part 8](#); in which discrimination in federally assisted programs on the basis of handicap and imposes requirements to ensure that qualified individuals with handicaps have access to programs and activities that receive federal funds.
- (h) The Age Discrimination Act of 1975 (P. L. 94-135) and implementing regulations issued at [24 CFR Part 146](#); which prohibits age discrimination in programs receiving federal financial assistance.
- (i) The labor standards requirements as set forth in [24 CFR 570.603](#) and HUD regulations issued to implement such requirements; which require compliance with the Federal Davis-Bacon Act and related Acts for all construction contracts in excess of \$2,000. Applicants will be required to obtain the applicable federal wage determination, review, approve, and submit certified payrolls that validate that laborers and mechanics working on the project are paid unconditionally and not less than once a week in accordance with the project's applicable federal wage determination.
- (j) The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (42 U.S.C. 40001 et seq.) as set forth in [24 CFR 570.605](#); federal law requiring the purchase of flood insurance for all federally assisted projects located in a floodplain as well as the compliance with the eight- step decision making process during the environmental review for compliance with Executive Order 11988.
- (k) The regulations, policies, guidelines and requirements of [2 CFR Part 200](#), "Uniform Administrative Requirements, Cost Principles, and Audit Requirements" for Federal Awards, as they relate to the acceptance and use of federal funds under this federally-assisted program; which requires recipients of federal funds establish a written procurement procedure that at a minimum avoids purchasing unnecessary items, provides analysis for the most economical and practical procurement of goods and

services and states a clear and accurate description of the requirements for material, product or services procured.

- (l) Assistance under this part shall not be used directly or indirectly to employ, award contracts to, or otherwise engage the service of or fund any contractor or sub-recipient during any period of debarment, suspension, or placement in ineligible status under the provisions of [24 CFR Part 24](#);
 - (m) The Architectural Barriers Act of 1968, as amended, (42 U.S.C. 4151-4157) requires that certain federally-funded buildings or facilities be designed, constructed, or altered to ensure accessibility to and use by, physically disabled persons.
 - (n) Build America, Buy America (BABA) Act, was enacted as part of the Infrastructure Investment and Jobs Act under [41 U.S.C. 8301](#). This act establishes a domestic content procurement preference for infrastructure projects utilizing certain Federal funds of \$250,000 or more unless covered by a waiver.
2. The Applicant will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 as required under [24 CFR 570.606\(a\)](#) and Federal implementing regulations; the requirements in [24 CFR 570.606\(b\)](#) governing the residential anti-displacement and relocation assistance plan under Section 104(d) of the Act; the relocation requirements of [24 CFR 570.606\(c\)](#) governing displacement subject to Section 104(k) of the Act; and the relocation requirements of [24 CFR 570.606\(d\)](#) governing optional relocation assistance under Section 105(a)(ii) of the Act;
 3. The Applicant will certify that no member, officer or employee or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the program assisted under the grant, and that it shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this certification, as set forth in [24 CFR 570.611](#), Conflict of Interest.
 4. The Applicant will give the County, HUD, and the Comptroller General or any authorized representatives access to and the right to examine all records, books, papers, or documents related to the grant.
 5. The Applicant's notification, inspection, testing, and abatement procedures concerning lead-based paint will comply with [24 CFR 570.608](#); all facilities constructed prior to 1978 which are occupied by families with children under seven years of age and which are proposed for rehabilitation shall be inspected for defective lead paint surfaces. Facilities found to contain lead-based paint must follow abatement procedures;

6. The Applicant will not attempt to recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing any amount against properties owned and occupied by persons of low and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
 - (a) CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than under Title I of the Act; or
 - (b) For purposes of assessing any amount against properties owned and occupied by persons of moderate income, the grantee certifies to the Secretary that it lacks sufficient CDBG funds to comply with the requirements of subparagraph (a) above.
7. No federal-appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement;
8. As a condition for receiving federal funds, recipients are required to certify that they will provide drug-free workplaces in accordance with the [Drug-Free Workplace Act of 1988](#);
9. Will comply with the National Environmental Policy Act of 1969 and other authorities as specified in [24 CFR Part 58](#). Such provisions are to include, but not be limited to, Historic Properties, Flood Plain and Wetland Protection, Coastal Zone Management, Endangered Species, Air Quality, Farmlands Protection Policy Act and Environmental Justice. All projects will be required to have a completed environmental review prior to the expenditure of CDBG funds. Applicants should assess the time to conduct the appropriate type of environmental review within their project schedule;
10. As a prerequisite to entering into an agreement for \$25,000 or more of CDBG funds, applicants will be required to submit a tax clearance from the State Director of Taxation and the Internal Revenue Service to state the effect that all tax returns due have been filed, and all state and federal taxes, interest and penalties levied or accrued have been paid. Submittal of a current Hawai'i Compliance Express Certificate will meet this requirement;
11. It will comply with [24 CFR 570.613](#), Eligibility Restrictions for Certain Resident Aliens;
12. It will comply with [24 CFR 570.614](#), Architectural Barriers Act and the Americans with Disabilities Act of 1968 (42 U.S.C. 4151-4157) requiring certain Federal and Federally funded buildings and other facilities to be designed, constructed or altered in accordance with standards that ensure accessibility to, and use by, physically disabled people. A building or facility designed, constructed, or altered with funds allocated or reallocated under this part after December 11,

1995, and that meets the definition of “residential structure” as defined in [24 CFR 40.2](#) or the definition of “building” as defined in 24 CFR 101-19.602(a) is subject to the requirements of the Fair Housing Act and Architectural Barriers Act of 1968 and shall comply with the Uniform Federal Accessibility Standards;

13. It will comply with the American with Disabilities Act (ADA) which provides comprehensive civil rights to individuals with disabilities in areas of employment, public accommodations, state and local government services and telecommunications.

II. THE COUNTY SELECTION SYSTEM

The County Selection System is designated to help select those projects having the greatest need and which most effectively addresses that need along with the capacity and resources to complete the project within the agreed timeframe.

In order to be considered for funding and to determine the project and applicants ability to address and implements its project, the project must meet certain minimum requirements established by HUD and the OHCD. These are identified as “**Threshold Factors.**” If all the threshold factors are met, the project will be rated on the basis of “**Priority Factors,**” including the National/Consolidated Plan priorities, the project impact, the project funding, the Applicant’s capabilities, past performance in block grant management and ability to meet and comply with federal overlay statutes.

A. THRESHOLD FACTORS

1. APPLICANT’S ELIGIBILITY

The Applicant must be eligible with respect to 24 CFR 570.200 – 570.205 ([See Appendix C](#)).

2. PROJECT ELIGIBILITY

The project must be eligible with respect to 24 CFR 570.200 – 570.205 ([See Appendix C](#)).

3. NATIONAL OBJECTIVES OF HUD

Each project must be consistent with the primary objective and at least one of the following national objectives of HUD:

Primary Objective:

The primary objective of the Community Development Block Grant program is the development of viable communities, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income.

National Objectives:

- (a) Activities benefiting low- and moderate-income persons.
- (b) Activities which aid in preventing or eliminating slums or blight.
- (c) Activities designed to meet community development needs having a particular urgency.

Economic Development projects must comply with 24 CFR 570.208 and 24 CFR 570.209

[See Appendix D](#) or [Appendix G](#) for information on meeting the National Objectives.

4. CONSOLIDATED PLAN

The Consolidated Plan contains the County of Hawai'i's priorities and objectives for HUD programs. As such, all projects must show that they are consistent with the Consolidated Plan's priorities to be considered by the OHCD for CDBG funds.

Projects requesting CDBG funding must address at least one of those priorities stated in the Community Development Priorities Section of the County's five-year 2025-2029 Consolidated Plan for utilizing HUD's CDBG program funds.

The County's Consolidated Plan's priorities will be used to allocate CDBG funds in accordance with project eligibility requirements and program rules.

The following are the County's Consolidated Plan Priorities:

HIGH PRIORITIES:

- **Housing:** Housing for households earning less than 80% of median income [i.e. rental, homeownership, special needs, homeless, and activities which will produce new housing (i.e. water, streets, environmental activities, planning, etc.)]
- **Public Facilities:** Childcare, youth, senior centers; facilities for the disabled; homeless facilities; health facilities; neighborhood facilities; parks & recreation facilities; infrastructure
- **Infrastructure in support of Affordable Housing:** Water, sewer, street improvements; solid waste disposal; flood drainage improvements.
- **Federal Mandates:** Activities to meet legal obligations or federal mandates. (i.e. Americans with Disabilities Act (ADA) or cesspool conversion)
- **Homeless Prevention and Services:** Activities that provide shelter, outreach services, operational costs, and housing services to persons experiencing homelessness or at risk of homelessness.
- **Public Services:** Senior, disabled, youth, childcare, transportation, substance abuse, employment, health, lead hazards, crime, including activities that prevent, prepare for, address and/or respond to disaster related events such as flooding, lava flow, hurricane, tsunami, infectious diseases, etc.
- **Economic Development:** Activities that create or retain jobs for low- and moderate-income persons.
- **Public Health and Safety:** Activities that protect the health and safety of the residents in Hawai'i County. (i.e. fire, police, environment, etc.)
- **Disaster Relief:** Activities to address designated Disaster Relief Areas (i.e. Infrastructure, Economic Development, Health Facilities)

LOW PRIORITIES:

- Public Facilities: Parking facilities and non-residential historic preservation.
- Non-Housing Infrastructure: Sidewalks.

5. PROJECT SCHEDULE

In order to comply and meet the CDBG Program requirements, all activities funded with CDBG funds shall be expended and **completed within a twelve - (12) month period. This period begins on July 1, 2025, and ends on June 30, 2026.**

Submitted project schedules will be reviewed based on OHCD's experience with past and similar projects. As determined by the OHCD, improbable or problematic schedules that will not meet the one (1) year expenditure deadline will not satisfy this threshold. Projects with lengthy schedules should consider being phased or implemented on a smaller scale.

NOTE: Projects that exceed the expenditure deadline may lose funds to other on-going projects.

6. RELOCATION PLAN

If individuals or businesses will be relocated in order to carry out the proposed project, it is required that the Applicant describe why displacement is necessary and submit a Relocation Plan that complies with 24 CFR 570.606, Uniform Relocation Act as contained in [Appendix E](#). **If there is no approved Relocation/Displacement Plan, the proposed project will not be rated and ranked.**

7. ENVIRONMENTAL CONSIDERATIONS

All projects utilizing CDBG funds are required by CDBG program rules and regulations to be reviewed for the **appropriate federal level of environmental compliance**. The type of environmental compliance is a significant milestone in the project schedule and will ultimately affect the progress of the project. Projects requiring Environmental Impact Statements (EIS) or an Environmental Assessment (EA) expecting to have numerous environmental concerns, will not be rated and ranked.

All projects are required to complete an environmental review prior to the use of CDBG funds. The level of review is determined by the project activity as it relates to the federal regulations contained in 24 CFR Part 58. Per 24 CFR Part 58, the Office of Housing and Community Development is the responsible entity to ensure a completed environmental review prior to the obligation of CDBG funds. Environmental reviews with determination levels of "Exempt," "Categorical Excluded Subject To," and "Categorical Excluded Not Subject To" environmental reviews will be conducted by the OHCD Grants Management staff. Environmental Assessments and Environmental Impact Statements will however need to be completed by a professional environmental planner. Applicants should consider this cost and completion time in their project schedule and budget.

8. SITE SELECTION

In order to implement the project in a timely manner, the project site must be **identified** and **controlled** by the Applicant. Projects requiring changes in zoning and/or if it involves site acquisition with CDBG funds must submit a timeline identifying the steps and their process to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

9. PROJECT FUNDING

Applicants will need to state and identify whether there are other sources of funds (i.e., County, State, private donations, etc.). Documentation to verify that these funds are secured and committed are required to be submitted. In addition, the Applicant must delineate how other sources of funding are being applied to avoid duplication of costs.

B. PRIORITY FACTORS

If the threshold requirements are met, the project will be rated and awarded points as follows:

PROJECT EVALUATION

PROJECT ELEMENT	MAXIMUM POINTS
Extent and seriousness of the identifiable needs	100
Results to be achieved	100
Consolidated Plan Priorities	50
Project Timeline	50
Environmental considerations	100
Site selection standards	100
Additional actions needed	50

PROJECT FUNDING & BUDGET

Funding Impact	100
Budget Impact	100

APPLICANT EVALUATION

Compliance with Federal Overlay Statues	50
Project/Program Management	100
Past Performance	100

I. PROJECT EVALUATION

The project evaluation element, which represents a significant portion of the total number of points each project can receive, is intended to ensure that the best projects are considered for funding. Six components have been identified and will be considered in the rating of this element. These components are:

1. **Extent and Seriousness of the Identified Needs:**

Applicants should clearly describe the problem, its extent and seriousness of the identified needs.

2. **Results to be Achieved:**

Applicants should explain what will actually be accomplished as an outcome of undertaking this project. Applicants should describe who will benefit and how and to what extent the proposed project will address their needs. The kind of benefit which the proposal provides may make a difference in judging and comparing the adequacy of the proposal in meeting the identified needs.

3. **Consolidated Plan Priorities:**

The CDBG program is moving towards a performance-based funding. Based on community input and current data, the County established its high and low priorities for the CDBG program. Applicants should clearly describe how its proposed project will comply and ultimately accomplish a priority(ies) of the County's 2025-2029 Consolidated Plan. Higher points will be awarded to projects that address both a high priority activity and goal.

4. **Project Timeline / Time for Performance**

As a performance measure for the CDBG program, HUD has a timeliness expenditure requirement to ensure grantees, such as Hawai'i County, are carrying out its CDBG-assisted activities in a timely manner. Failure to meet the annual expenditure deadline can result in reduced future CDBG allocations classification as a high-risk grantee. Therefore, it is crucial that projects be designed to be completed within a 12-month period.

5. **Environmental Considerations:**

A federal environmental review will be required for all projects selected for funding. Consequently, information relating to environmental concerns at the selection stage can have a significant impact on the proposal. The extent to which the Applicant has considered and acted upon potential environmental concerns may be important. Some examples are: relocation of activities from a flood plain, the effect of increased traffic in a neighborhood resulting from a funded activity, historic sites, hazardous material, etc.

6. **Site Selection Standards:**

Applicants proposing to acquire land for housing, or any other eligible activity should address the site selection standards and the efforts it will take to meet them. See Exhibit 8 of the proposal for site selection standards.

7. **Additional Actions Needed:**

Evidence should be provided where necessary to indicate that other resources or activities needed to ensure a complete project will be available. If such support is not documented, or if the need is evident but not addressed, the impact of the proposal may be diminished.

There is a total possible score of 550 points for these elements. To further ensure that the selected projects address the most significant community needs, the sum of the component scores will be multiplied by a "Need Factor" to determine the total project evaluation score.

The Need Factor will be calculated by dividing the score of the need component by the maximum number of points possible (100).

$$\text{Need Factor} = \frac{\text{Need Component Score}}{\text{Maximum Possible Score (100)}}$$

TOTAL PROJECT EVALUATION SCORE = Sum of Components Scores x Need Factor

II. POINTS ASSIGNMENT

Points will be assigned for each component based on the following criteria:

1. Extent and Seriousness of the Identified Needs (Need Component):

Clear need is described which is major and current. Project activities will resolve the need.	100
Need is clearly described and is serious, but the project activities may not completely resolve the need.	75
Need is described and is fairly serious. The need does not appear to be as crucial as others being considered in the selection process.	50
Need is described but not major or pronounced.	25
No clear need is described, or need is not major or pronounced.	0

2. Results to be Achieved:

The project outcomes would resolve the problem completely, other actions needed to support the project have been committed and are clearly stated in the proposal.	100
The project outcomes would have a major impact on the need, but would not completely resolve the problem.	75
The project outcomes would have some impact on the need but not resolve the problem or have as much of an impact as other projects.	50
The project outcomes do not clearly address the problem. The project appears to be of general community benefit and would only minimally serve low and moderate income persons.	25
Only a small portion of the described need would be addressed. The community has made no apparent effort to solve the problem through local and other sources.	0

3. Consolidated Plan Priorities:

The project will address and complete at least one of the high priorities and goals of the Community Development priorities within the County's Consolidated Plan.	50
The project meets a high priority but will only partially complete the goal of the Community Development priorities within the County's Consolidated Plan.	40
The project will address a high priority but will not accomplish a goal within the County's Consolidated Plan.	20
The project will address and complete a low priority and goal of the Community Development priorities within the County's Consolidated Plan.	10
The project does not address a priority and goal of the Community Development priorities within the County's Consolidated Plan.	0

Note: The OHCD acknowledges that economic development proposals may have a lesser percentage of low- and moderate-income benefit. In these cases, less benefit will not necessarily preclude a project from receiving the maximum score.

4. Project Timeline / Time for Performance:

The proposed project in its entirety is shovel-ready and can realistically be completed within a 12-month period.	100
The proposed timeline can most likely be completed within a 12-month period.	75
The proposed timeline can likely be completed within a 12-month period.	50
The proposed timeline is unrealistic and is unlikely to be completed within a 12-month period.	25
The proposed timeline will not be completed within a 12-month period.	0

5. Environmental Considerations:

All environmental requirements have been completed and there are no environmental problems.	50
Environmental problems have been identified; however, they appear to be fully resolvable.	40
The project appears to have slight problems with respect to environmental concerns.	30
The project appears to have moderate problems with respect to environmental concerns.	20
The project appears to have extensive problems with respect to environmental concerns.	0

6. Site Selection Standards

There are no identified site selection problems.	100
There may be some site selection problems; however, they appear to be fully resolvable.	75
The project appears to have some problems with respect to site selection.	50
The project appears to have a moderate amount of problems with respect to site selection.	25
The project appears to have extensive problems with respect to site selection.	0

7. Additional Actions Needed

No further action is needed to resolve the problem. The project fully resolves the identified need.	50
Some additional action may be needed to fully resolve the need.	40
Moderate action is still needed to resolve the identified need.	30
Extensive action is still needed to fully resolve the identified need.	20
The project does not address the identified need.	0

III. PROJECT FUNDING & BUDGET

The project funding and budget elements are intended to ensure that the proposed project can be completed and that the program funds are effectively used and secured. It is to the Applicant’s benefit that their project budget demonstrates that CDBG funds will be encumbered and utilized prior to the one-year expenditure deadline. The scoring system is also intended to encourage the use of resources and funds over and above the CDBG funds applied for in undertaking a project. The components to be examined include:

1. Need for CDBG funds.
2. Sufficiency of resources to complete the project.
3. Effective and timely expenditure of CDBG funds.
4. Accurate cost estimates.

Points to be awarded on project funding are:

Funding Impact	100 pts.
Budget Impact	100 pts.

1. Funding Impact

The Applicant clearly documents the need for CDBG funds and all sources of funds are secured and committed to complete the project.	100
The Applicant appears to need CDBG funds to complete the project and other sources of funds have been identified and firm commitments have been received.	75
CDBG funds may not be sufficient to complete the project but other resources have been identified and no commitments have been received.	50
The CDBG funds would have little impact to complete the project and other resources have not been identified or secured.	25
No other funds have been identified and committed to complete the project.	0

2. Budget Impact

The project costs are clearly documented in the budget and are realistic.	100
The project costs appears to be realistic and accurate but not well documented.	75
The accuracy of the project costs are questionable and not well documented.	50
The project costs are inaccurate and are not documented.	25
The project costs were not submitted and not documented.	0

IV. APPLICANT EVALUATION

The Applicant evaluation element is intended to ensure that the Applicant has the necessary qualifications and expertise to carry out the proposed project. To be awarded a grant, the Applicant must have the capacity to undertake, complete and administer the project in compliance with the CDBG program rules in a timely and efficient manner. In addition, applicants who have received CDBG funds in the past will be evaluated on the basis of their past performance.

The components to be examined include:

1. Compliance with Federal Overlay Statutes:

Applicants are required to indicate whether their activities will necessitate compliance with federal overlay statutes as described in [Appendix E](#) and the Applicant should describe its understanding and procedures for complying with these federal statutes.

2. Project/Program Management Capabilities:

The project management component is designed to evaluate the Applicant's capacity to implement the project. If an on-going program activity will result from this project (i.e., construction of a building for operation as an elderly day-care center, etc.), the program management section will be evaluated to determine if the Applicant has the capacity to implement the program activity as well as the project.

3. Past Performance:

The performance component involves an examination of the Applicant's previous record in carrying out the CDBG project. Criteria to be examined include:

- a. Applicant's rate of progress in completing community development activities.
- b. Applicant's rate of expenditure and obligation of community development funds.
- c. Applicant's compliance with applicable laws and regulations.
- d. Applicant's track record for responding to the OHCD in a timely manner.

1. Compliance with Federal Overlay Statues

There are no overlay statues problems as documented by the applicant	50
There may be overlay statues problems; however, they appear reasonable and fully achievable	40
The project appears to have slight problems with respect to overlay statues compliance	30
The project appears to have moderate problems with respect to overlay statues compliance	20
The project appears to have extensive problems with respect to overlay statues compliance	0

2. Project/Program Management

The Applicant clearly documents the necessary qualifications and experience to carry out the project.	100
The Applicant appears to have the necessary qualifications and experience to carry out the project, but it is not well documented.	75
The Applicant appears to have most of the necessary qualifications and experience to carry out the project.	50
The Applicant appears to have some of the necessary qualifications and experience to carry out the project.	25
The Applicant does not appear to have the necessary qualifications or experience.	0

3. Past Performance

The Applicant has implemented previous CDBG or other government funded projects in a satisfactory and timely basis.	100
The Applicant had some problems in implementing previous CDBG/government funded projects, but the problems were fully resolvable.	75
The Applicant had a moderate amount of problems in implementing previous CDBG/government funded projects that were resolvable or has no prior experience implementing CDBG or other government funded projects.	50
The Applicant had serious problems in implementing previous CDBG/government funded projects.	25
The Applicant had extensive problems in implementing previous CDBG/government funded projects.	0

C. FINAL SELECTION

1. RANKING:

The points received on each of the elements will be added and the projects ranked accordingly. **A project proposal is required to receive a minimum of 50% of the total points to be considered for ranking.** An interview/and or site inspection with each eligible applicant may be conducted, to clarify any information prior to the final project review, rating and recommendation. The OHCD will submit its 2024 Action Plan with its recommended projects to the Hawai'i County Housing Agency and/or Finance Committee along with the County Council to authorize the Mayor sign and submit the Action Plan to HUD, based on this ranking system.

In cases of a tie in the number of points a project receives, the following method will be used:

- (a) The project that has the higher "Extent and Seriousness of the Identified Needs" evaluation score will be selected.
- (b) If the projects meet the same "Extent and Seriousness of the Identified Needs", the proposal which has the higher "Need for CDBG Funds" evaluation score will be elected.

III. PROPOSAL REQUIREMENTS

A. GENERAL

The information required in the proposal will be used by the OHCD to make a recommendation to the Mayor for final funding decisions.

B. SUBMISSION DATES

Proposals for the CDBG Program must be received on or before:

4:30 pm, Hawai'i Standard Time on November 15, 2024.

Proposals will be accepted through an online application platform only (<https://portal.neighborlysoftware.com/hawaiicountyhi/participant>) starting:

September 1, 2024

Emailed or hard copies will not be accepted. Eligible project proposals shall include a completed application and all required documentation. Proposals submitted after the deadline will not be considered.

C. PROPOSAL REQUIREMENTS

The proposal contains specific instructions for completing each section. Applicants should check and verify their proposal requirements as contained in this Proposal Guide.

PARTICIPANT GUIDE

A. ACCESSING THE PARTICIPANT PORTAL

The Participant Portal is hosted by Neighborly Software and is accessible via any internet connected device. The recommended browser is Google Chrome but will work with any modern web browser (i.e., Internet Explorer v10+, Firefox, Safari).

Application Portal Link: <https://portal.neighborlysoftware.com/hawaiicountyhi/participant>

B. REGISTERING YOUR ACCOUNT

When you access the Portal for the first time, you'll need to Register your account by clicking on the **Register link**. The registration process will create a username (which is your email address). The email address you choose will also be used for system emails/notifications. For security purposes, the system will validate that you own the registered email address by sending an email with a verification code. Once you have received the code, you will copy the code into the text box and click **"Verify Code."** If at any point the code is not accepted, please select **"Send New Code"** to have another one sent. Once you have verified your computer, you will be re-directed to create a password. Passwords should be twelve characters long, contain uppercase and lowercase letters, number, and special character. Once you have created your password, the system will re-direct you to the participant dashboard.

Note: If you do not receive the system email within 2 minutes, check your spam or bulk mail folder. If the email appears in that folder, you should right click on the email to **indicate "Not Junk" or "Not Spam"** to ensure you receive any other system notifications.


C. LOGGING IN

Once your account has been registered, you may login (using the same link above) by entering the email address and password used during registration.

D. FORGOT YOUR PASSWORD

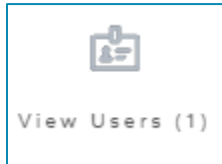
If you forget your password, click on the link that says, **"Forgot your Password?"** and follow the prompts to create a new password. For security purposes, the system will send an email to the registered email address with a link to reset your password.

E. CHANGING YOUR PASSWORD

To change your password, log into the Application Portal. Click on the  icon on the top right corner of the screen and select **"My Profile."** Then select the Password option on the left side of the screen. For security purposes, you will be required to enter your Old Password before selecting a New Password.

F. ADDING A NEW USER

To add a new user to your application, click on the "**View Users**" icon in the top left corner of the page and enter the email address of the new user in the allocated field provided. Each added user must register with a new account. This feature enables group collaboration in completing the application.



G. SIGNING OUT

To sign out (log out) of the system, click on the  icon on the top right corner of the screen and select "**Sign Out.**"

H. STARTING A NEW APPLICATION

Once in the portal, start a new application by selecting "**Click here to start new application**" Provide your Project Name then select "**Start Application.**"

To View / Continue an Existing Application select "**View / Edit.**"

Note: The system will initiate an **automatic log-out** procedure after **one hour of inactivity**. Prior to this, it will provide a notification 5 minutes before the log-out process is initiated. Remember to press SAVE at the bottom of each page to prevent loss of data entered.

I. APPLICATION PROCESS

To proceed to the next section, ensure that all required fields are completed, and all necessary documents are attached. If a specific field or attachment is irrelevant to your project or program, kindly indicate N/A or attach a document specifying the same.

Upon completing the section, you may opt to save the application for future use by clicking the "Save" button or advance to the next section by selecting "Complete & Continue".



After clicking on "Complete & Continue," any future edits can only be made by selecting "Reopen"



at the bottom of the page for that section.

Navigate to different sections of the application by simply clicking on the sections listed on the left-hand side panel. Remember to hit the save button before leaving the page to ensure any changes you made are saved.

J. SUBMITTING THE APPLICATION

To submit the application, ensure that all required fields are completed, and all necessary documents are attached.

Once everything is completed navigate to the "Complete & Submit" section and provide your signature as suggested.

Note: Once the proposal is submitted, it can only be re-opened by an Administrator.

Contact ohcdcdbg@hawaiicounty.gov if you need to reopen the application to make any revisions prior to the deadline.

BY SIGNING ELECTRONICALLY BELOW, I CERTIFY THAT I AM AUTHORIZED TO SIGN ON BEHALF OF THE ORGANIZATION.

Signature

[Click here to electronically sign](#)

Title

No save history

Save

Complete & Submit

K. TASKS

During the evaluation process, the OHCD may request additional information or data from the applicant. This is typically facilitated through a task assigned via the application portal. The task will contain detailed instructions and a deadline for completion. Applicants are responsible for regularly checking the portal for any assigned tasks.

To access the task, applicants can log into the portal and visit the "**My Tasks**" section.

L. TECHNICAL ASSISTANCE

For Technical Assistance and Customer Service click on the question mark icon on the lower left corner. Hours of operation are from 8:00 am to 8:00 pm EST.

APPENDIX

Appendix "A" HUD INCOME LIMITS

Appendix "B" CDBG APPLICATION SCHEDULE

Appendix "C" ELIGIBLE ACTIVITIES, ENTITIES & INELIGIBLE ACTIVITIES 24 CFR
570.200 – 570.205 & 570.207

Appendix "D" CRITERIA FOR NATIONAL OBJECTIVES AND PUBLIC BENEFIT
STANDARDS 24 CFR 570.208 & 570.209

Appendix "E" CDBG PROGRAM – OTHER FEDERAL REQUIREMENTS 24 CFR 570.600
- 570.615

Appendix "F" UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND
AUDIT REQUIREMENTS 2 CRF 200

Appendix "G" U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM GUIDE TO NATIONAL
OBJECTIVES AND ELIGIBLE ACTIVITIES

APPENDIX “A” HUD INCOME LIMITS

Under the CDBG program, applicants must select and consistently utilize one of the three definitions of income in determining a low- and moderate-income household.

1. Annual income as defined under Section 8 Housing Assistance Payments Program income limits as established by HUD. Low- and moderate-income household, or lower income household means a household whose annual income does not exceed 80% of the median family income for the County of Hawai‘i. Very low income is defined as 50% of the median family income.

INCOME LIMITS FOR 2025

(To be used with the HUD-approved survey)

Family Size	Low & Moderate Income Limit (80% AMI)	Very Low Income Limit (50% AMI)
1	\$62,100	\$38,800
2	\$70,950	\$44,350
3	\$79,800	\$49,900
4	\$88,650	\$55,400
5	\$95,750	\$59,850
6	\$102,850	\$64,300
7	\$109,950	\$68,700
8	\$117,0500	\$73,150

Effective date: **May 1, 2024**

Fiscal 2024 Median Family Income: \$97,200

NOTE: HUD income limits are updated annually. If you are unsure on how to apply these income limits, contact the OHCD for advice and especially how to document compliance with the appropriate quantifiable data to support this national objective.

Elderly persons are defined as members of a one-or two-person household containing a person over 62 years of age.

2. Annual Income as reported under the Census long-form for the most recent available decennial Census. This definition includes:
 - a) Wages, salaries, tips, commission, etc.;
 - b) Self-employment income;
 - c) Interest, dividends, net rental income or income from estates or trust;
 - d) Farm self-employment income;
 - e) Social security;
 - f) Supplemental security income or other public assistance or public welfare programs;
 - g) Retirement, survivor or disability pensions; and
 - h) Any other sources of income received regularly including veteran's payments, unemployment compensation and/or alimony.

3. Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 for individual federal annual income tax purposes.

APPENDIX “B” CDBG APPLICATION SCHEDULE
TENTATIVE 2025 ACTION PLAN SCHEDULE
Community Development Block Grant (CDBG)

DATE	TASK
August 2024	Public hearings to hear the Housing & Community Development Needs and explain the CDBG proposal procedures and Consolidated/Action Plan process.
08/22/24	Virtual Public Hearing at 1:00 p.m.
08/29/24	In Person Public Hearing at 9:00 a.m. 1990 Kino’ole Street, Suite 104, Hilo, Hawai’i 96720
09/01/24	CDBG application available.
11/15/24	CDBG project proposals due to the OHCD.
11/16/24 to 01/10/25	OHCD to review, rank, and select CDBG projects for the County’s Action Plan to HUD.
01/15 to 02/02/25	OHCD to draft the County’s proposed 2025 Action Plan to be incorporated in the 2025-2029 Consolidated Plan.
02/04/25	Public Notice appears in newspapers announcing the availability of the proposed 2025-2029 Consolidated Plan, which incorporates the 2025 Action Plan for public review and comment.
02/04 to 03/06/25	Public comment period for the County’s proposed 2024 Action Plan (30 days required).
04/01/25	Finance Committee meeting to approve the submittal of 2025-2029 Consolidated Plan, which incorporates the 2025 Action Plan.
04/16/25	County Council meeting to authorize the Mayor to sign and submit the County’s 2025-2029 Consolidated Plan, which incorporates the 2025 Action Plan to HUD.
04/30/25	Obtain Mayor’s signature.
05/05/25	Public Notice appears in newspapers summarizing the final 2025-2029 Consolidated Plan, which incorporates the 2025 Action Plan.
05/15/25	2025-2029 Consolidated Plan, which incorporates the 2025 Action Plan due to HUD.

**APPENDIX "C" ELIGIBLE ACTIVITIES, ENTITIES & INELIGIBLE ACTIVITIES 24 CFR
570.200 – 570.205 & 570.207**

**APPENDIX "D" CRITERIA FOR NATIONAL OBJECTIVES AND PUBLIC BENEFIT
STANDARDS 24 CFR 570.208 & 570.209**

**APPENDIX "E" CDBG PROGRAM – SUBPART K OTHER FEDERAL REQUIREMENTS 24
CFR 570.600 - 570.615**

**APPENDIX "F" UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES AND
AUDIT REQUIREMENTS 2 CFR 200**

**APPENDIX "G" U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM GUIDE TO NATIONAL
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