COMMUNITY CATALYST GRANTS PROGRAM

Capital Funding

ROUND 4 – NOTICE OF FUNDING AVAILABILITY & APPLICATION INFORMATION



Release Date: February 26, 2024

Application Deadline: April 12, 2024, at 5 PM ET

Applications must be submitted through DHCD's online applicant portal.

To access to the applicant portal, register your account, sign in, and submit your application, click here: https://portal.neighborlysoftware.com/baltimoremd/Participant

PLEASE READ THESE GUIDELINES CAREFULLY BEFORE COMPLETING YOUR APPLICATION.



Brandon Scott, Mayor • Alice Kennedy, Housing Commissioner

COMMUNITY CATALYST GRANTS PROGRAM OVERVIEW

In 2018, DHCD established the Community Catalyst Grants program (CCG) to provide operating and capital support to assist organizations in historically disinvested communities. These communities are predominantly low-income, minority, have suffered disproportionately from low housing values, high rates of vacancy and abandonment, poverty, crime, and public health problems, and may have received less public and private investment than other communities.

Community Catalyst Grants are intended to:

- Value neighborhoods. Support community-based efforts that support residents as they take the lead in their communities' redevelopment plans and projects.
- Promote equity and community development in long-disinvested neighborhoods. Funding
 emerging and established organizations in historically disinvested neighborhoods provides
 critical financial support to community-based initiatives that need it most.
- Be flexible. Applicants will identify their priorities for funds, whether it is increasing staff, retaining consultants, updating equipment, creating cooperative enterprises, or helping to finance a project that achieves a community identified need.

Through this Notice of Funding Availability (the "NOFA"), <u>the Baltimore City Department of Housing and Community Development ("DHCD") is making up to 1.5 Million Dollars in Capital funding available for projects that are critical to locally-driven community revitalization projects and support DHCD's "Framework for Community Development" which can be found at Community Development Framework.</u>

To be considered for an award of funds, applicants will be required to meet the Threshold Requirements as further specified in this NOFA. Scoring will be based on Project Readiness, Project Impact, Community Engagement, and Achieving Equity. Applicants may choose to qualify for Bonus Points.

Further information and guidance regarding eligible applicants, application requirements and scoring are included in these guidelines. Prospective applicants are encouraged to read this document thoroughly, attend an information session, and to submit questions.

IMPORTANT DATES

Grant Application Available	February 26, 2024
Information Sessions (offered virtually- link can be found on	March 5, 2024, at 1:00 PM ET
website)	March 6, 2024, at 5:30 PM ET
Deadline for Submission of Written Questions to DHCD	March 15, 2024
Note: No questions will be accepted or answered after the	
deadline	
Responses to Written Questions Posted on DHCD'S Website	March 22, 2024
SUBMISSION DEADLINE	April 12, 2024, at 5PM ET
Anticipated Notification of Awards	June/July 2024

ELIGIBILITY REQUIREMENTS

Eligible Applicants

Eligible applicants include community development corporations, umbrella organizations, neighborhood revitalization organizations, faith-based organizations, merchant associations and other organizations that have a valid 501(c)(3) or 501(c)(6) status or that have received a temporary determination from the IRS.

Organizations that do not have a 501(c)(3) status can apply through an eligible applicant or a fiscal agent.

Eligible applicants must provide proof of their business entity's status of good standing with the Maryland State Department of Assessments and Taxation (SDAT) — proof can be provided as a timestamped screenshot of SDAT's Business Entity entry for the applicant or a scanned copy of the Certificate of Status. DHCD reserves the right to require organizations with annual operating budgets of \$100,000 or less, or who have been operating for 12 or fewer months to identify a fiscal agent or to partner with an eligible applicant. Applicants using a fiscal agent must include information describing their policies, procedures, and fee structure. Both the applicant and the fiscal agent must sign and return the Certification and Authorization to Submit form. In the event funds are awarded, DHCD will require an executed Memorandum of Understanding between the fiscal agent and applicant. For-profit developers may apply for a grant provided they are a co-applicant with an eligible applicant and the eligible applicant is playing a significant role in the project including equity participation and/or other comparable financial benefits.

Emerging and Established Organization Definitions

Applicants will self-select whether they qualify as an "Emerging" or "Established" organization and must submit a narrative justification of their selection." DHCD reserves the right to modify an applicant's self-identified Classification during Threshold Review. For the purposes of Community Catalyst Grants, "Emerging" or "Established" organizations are defined by following criteria:

- EMERGING ORGANIZATIONS: Organizations headquartered in, or whose work is centered in, communities that have historically been under-funded, may not have established revenue sources and may lack access to capital are, for the purposes of the Community Catalyst Grants, considered to be "Emerging." This can include nonprofit groups that have a long-term presence in neighborhoods, groups that are active but may not have a 501(c)(3) status, groups that are interested in starting a new initiative, or groups collaborating to achieve larger goals. In some instances, Emerging organizations are raising funding, but, due to the challenging nature of their projects, find themselves with funding gaps.
- <u>ESTABLISHED ORGANIZATIONS</u>: Organizations that work in neighborhoods and communities where
 ongoing investment has resulted in demonstrated market changes and improvements, have consistent
 funding sources, professionalized boards, and access to resources are, for the purposes of the
 Community Catalyst Grants, considered to be "Established."

Applicants may also choose to use existing information to explain their Emerging or Established selection:

- Neighborhood Housing Market data provided in the Housing Market Typology or other sources.
- Demographic information as found in the American Community Survey, Baltimore.

 Neighborhoods Indicators Alliance *Vital Signs*, or other sources.
- Financing including funding streams and access to capital and investment.
- Deferred/underfunded projects.
- Market studies or other information regarding the built environment.
- Board and workforce structure and composition.

No applicant or member of their team may have (within the last five (5) years) any of the following:

- Received a limited denial of participation of from the U.S. Department of Housing and Community Development.
- Unpaid fees, loan arrearages or other obligations due to DHCD on other projects.

- Been listed on the state or federal list of suspended or debarred contractors.
- Declared bankruptcy.
- Defaulted on other government or private sector loans.
- Received a Baltimore City Housing or Property Maintenance Code Violation (Part VII of the Building, Fire, & Related Codes of Baltimore City 2015 Edition) – *This restriction shall not apply to existing Vacant Building Notices transferred as a result of a sale or transfer of property.
- Failure to have registered current rental properties in accordance with Baltimore City Code, Article 13, Subtitle 4-2.
- Found to have acted in violation of the Fair Housing Act, the Civil Rights Act, or any other law prohibiting discrimination, or failed to comply with the terms of any agreement or court order related to any settlement, conciliation, or legal action.

Applicants with two (2) active existing CAPITAL Community Catalyst Grant awards are not eligible to apply for Capital Funding in Round 4.

CAPITAL COMMUNITY CATALYST GRANTS DESCRIPTION

<u>DHCD will be making up to \$1.5 million available in Capital Grants</u> for the acquisition, pre-development, development, construction, and/or renovation of (a) building(s). At least 55 percent of the total available Capital Grants will be awarded to projects in historically disinvested neighborhoods where Emerging organizations are playing a significant role in development efforts. Not more than 45 percent of the total available grant funds will be awarded to Established organizations.

CCG Capital Grants are intended to:

- Reduce blight in neighborhoods where blight removal will increase private market interest, create opportunities to attract new residents, support citywide planning initiatives, create a diversity of uses and enhance the quality of life for current residents.
- Encourage innovative energy-efficient technology.
- Support mixed-income housing.
- Stabilize housing for current homeowners that are part of planning initiatives or a middle market neighborhoods strategy.
- Strengthen the connection between health and housing.
- Provide gap financing, loan guarantees, or other financing that moves a project forward.
- Support projects that include community ownership and participatory decision making and benefit local and minority/women-owned business enterprises.
- Fund projects that will increase wealth building in disinvested communities.

Capital Grant Award Amounts and Terms

Projects cannot exceed \$4 million in Total Development Costs for the entire project. Due to limited funding, the maximum request for funds cannot exceed One Hundred Fifty Thousand Dollars (\$150,000.00). All applicants who are awarded funds will be required to execute a Grant Agreement with the Department of Housing & Community Development that will be subject to approval by the City's Board of Estimates and to provide quarterly reports and other documentation regarding their project. Depending upon the amount of the grant award, applicants may also be required to meet the following City requirements:

- Minority and Women's Business Participation
- Local Hire
- Employ Baltimore

Applicants may request funds for projects that previously received an award of CCG Funds. Financing can include other City sources; however, City funds cannot comprise more than 30 percent of a project's total development costs. In the event City Sources include federal funds (e.g. HOME or CDBG), CCG funds may be subject to federal requirements.

Upon notification of the award, all required documents must be submitted within 90 days or award may be eligible for termination. All CCG Capital Grant funds must be spent within 24-months of executing a Funding Agreement with the Board of Estimates.

Eligible Uses of CCG Capital Grant Funds

CCG Capital Grant funds can be used to fund a variety of projects. The following examples of eligible uses of funds are for illustration purposes only and are not intended to represent a comprehensive list of activities:

- Pre-development costs including, but not limited to, studies, surveys, zoning changes and conceptual design and plans.
- Subordinate Financing.
- Carrying costs associated with a specific development initiative.
- Consultants and staff necessary to implement a specific project.
- Mixed-income housing with an emphasis on households who earn between 60-120 percent of the Area Median Income as defined by the Department of Housing and Urban Renewal (HUD)
- Acquisition of non-City owned properties, stabilization or construction that is part of a larger.
 development or revitalization initiative provided that the funded activity occurs within 18 months of executing a Funding Agreement with DHCD.
- New construction and/or substantial rehabilitation provided that the funded activity occurs within 18 months of executing a Funding Agreement with DHCD.
- Intervention strategies to address problem properties on otherwise stable blocks.
- Preservation of existing affordable housing in communities where significant investment is planned.
- Commercial tenant improvements to facilitate social distancing in commercial spaces.
- Revolving Loan or Strategic Acquisition Fund.
- Net Zero or other forms of environmentally sustainable construction.
- Rehabilitation and repair projects for homeowners to stabilize their homes.
- Projects that reduce the impact of environmental inequities.
- Bridge loans or temporary financing.

Ineligible Uses of CCG Capital Grant Funds

- Acquisition of city-owned properties or payment of city liens.
- Acquisition of properties through the Receivership process.
- Relocation.
- General Operating Support.
- Repayment of existing loans or liens.
- Development or expansion of liquor, adult entertainment, night clubs, and other uses as determined by DHCD.
- Community Gardens or Urban Agriculture.
- Commercial Façade improvements.
- Public Art.
- Currently funded or duplication of existing programs including but not limited to: Baltimore
 Children and Youth Fund, Creative Baltimore Fund, Community Arts Grants, Lots Alive,
 Neighborhood Event Grants, Baltimore Main Streets programs, Community Land Trusts or other
 programs and/or projects eligible for funding through the Affordable Housing Trust Fund, South
 Baltimore Gateway Partnership Community Grants, SB7 Community Enhancement Grants, or
 other sources as determined by DHCD.
- Charter Schools.
- Projects that support a specific religious affiliation, and/or that support political actions, causes, advocacy, or parties.

Developer Fees

- Fees on homeownership projects may not exceed five (5) percent of the total project costs.
- Fees on rental projects may not exceed 10 percent of total development costs; builder profit and overhead combined may not exceed five (5) percent of total construction costs. Combined developer fees and overhead cannot exceed 12 percent of the project's total costs.
- Fee-based developer fees for non-residential will be negotiated following an award of funds.
- Grantees may be asked to defer a portion of the development fee as part of the terms of a Funding Agreement. DHCD reserves the right to modify fees as part of award terms.

APPLICATION INFORMATION

Submission Information

Applications must be submitted through DHCD's online applicant portal.

To access to the applicant portal, register your account, sign in, and submit your application, click here: https://portal.neighborlysoftware.com/baltimoremd/Participant

If you experience technical difficulties with the portal, please email dhcd.ccg@baltimorecity.gov for assistance.

A completed application, including all requested documents, must be submitted no later than April 12, 2024 at 5 PM Eastern Standard Time in order to be considered.

LATE SUBMISSIONS WILL NOT BE ACCEPTED.

Threshold Review

After submissions close, all completed applications will go through Threshold review to determine which applications are eligible to be scored by a Panel. Threshold review includes ensuring organizational, financial, and compliance-related documentation has been provided and is used to determine whether an application is eligible for review. Applicants must include all items on the threshold checklist (see below), or the application will be determined to be ineligible for review.

Threshold Checklist for Applications:

Please make sure your Neighborly application file includes all the following. **FAILURE TO INCLUDE THIS INFORMATION MAY RESULT IN YOUR APPLICATION BEING INCOMPLETE AND DISQUALIFIED FOR CONSIDERATION**. All applicants must complete the electronic application and submit all applicable file attachments.

ments.
Application Narratives
☐ Self-classification as EMERGING or ESTABLISHED organization
☐ Project Readiness (including CCG Operating Budget Template, Scope and Schedule).
☐ Project Impact.
☐ Community Engagement.
☐ Achieving Equity.
☐ Consideration of Bonus Points (optional).
Financial Information (must be included for both applicant and Fiscal Agent, if applicable). Please
provide documents no older than 2021)
☐ Copy of the most recent 990 Tax Return.
☐ Financial Statements based on Organization's Annual Budget:
 Applicants with Annual budget of \$500,000 or more: Most recent Audited
Financial Statement.

- Applicants with Annual Budget of more than \$200,000, but less than \$500,000: Most recent Financial Statement as prepared by a certified accounting firm.
- Applicants with Annual Budgets that are <u>less than \$200,000</u>: Most recent annual budget. In the event funds are awarded, the applicant will be required to provide a Reviewed financial statement.

•	Organizational Information – must be included for <i>Applicant, Fiscal Agent</i> , and/or <i>Partner</i>
	Organization(s), if applicable.
	☐ Certification and Authorization to Submit

Certification and Authorization to Submit.
Letter of Intent.
Corporate Resolution/Board of Directors approval.
Articles of Incorporation, By-Laws.
Current IRS Determination Letter indicating 501© (3) or 501(c)(6) status.
Evidence of Good Standing with the State of Maryland.
List of Board of Directors, titles, and affiliations.
Organizational chart indicating roles and responsibilities.
Owned Property Disclosure.
Certification of Compliance.
If applicable, copy of fiscal agents' policies and procedures (including requirement to
provide quarterly expenditure reports to grantees) and Letter of Intent signed by all
parties.

The Community Catalyst Grants team will review each application meeting threshold requirements and will assign a score for Project Readiness and Bonus Points eligibility. All other remaining scoring categories (Project Impact, Community Engagement, Achieving Equity) will be scored by a Review Panel.

Collaborative or Joint Applications

One or more entities may partner and submit a joint application for a project and/or up to three unrelated projects. In the event funds are awarded, DHCD will require a Memorandum of Understanding or Partnership Agreement between all participants prior to executing a Funding Agreement.

Requests for Multiple Projects

Applicants can request funds for multiple projects but will be asked to rank projects in priority order and will also need to demonstrate the organizational capacity to implement projects. Applicants that request funds for multiple projects in the same community will be required to demonstrate how these projects support a community plan or other strategic revitalization initiatives. Applicants submitting a collaborative request must designate one eligible organization as the lead applicant.

REVIEW PROCESS

DHCD and other City Agency staff will review applications, meet with applicants, and conduct site visits as necessary. Anticipating that there will be more requests than available funds, applicants may be asked to resubmit budgets, plans, drawings, financial information, or other information as part of the review process. All applications that meet Threshold Review Criteria will receive a Project Readiness score and Bonus Points assessment from the CCG Program staff and will be advanced to a Review Panel for scoring of Project Impact, Community Engagement and Achieving Equity narratives. The Review Panel will provide their recommendations to the Housing Commissioner who will review the applications for alignment with agency priorities, then make the final determination of awards. All applicants will be notified in writing and awards will be posted on DHCD's website.

Application Scoring

An applicant will earn a score out of 200 Maximum Points, before possible bonus points.

Scoring Criteria	Points Available
Project Readiness	50
Project Impact	50
Community Engagement	50
Achieving Equity	50

200 Points

Project Readiness (50 Maximum Points)

DHCD is committed to ensuring that Community Catalyst projects are feasible and able to be completed within the 24-month grant term.

This section enables DHCD to determine whether projects meeting threshold are ready to proceed and that the applicant has the experience, staff, and/or consultants in place to ensure a successful outcome. The requested information <u>must demonstrate that projects are ready to proceed and can be completed within a 24-month time frame</u> of executing a Funding Agreement with DHCD.

Applicants are asked to demonstrate that their projects are financially feasible, that the applicant has the capability of leveraging additional public and or private funds and that they have the capability to manage a team with sufficient experience to undertake and complete the proposed project. As part of demonstrating a project's feasibility, applicants are required to submit a budget utilizing the CCG Capital Budget Template and a Scope and Schedule with their submissions. Budgets submitted utilizing different formats will not be accepted.

Site Control

As part of demonstrating a project's feasibility, applicants are required to show that they have site control (if applicable) at the time of submission and title within 12 months of executing a Funding Agreement with DHCD. For the purposes of this NOFA, site control can include: documentation that the applicant currently has title as evidenced by the Maryland Department of Assessment and Taxation, an executed contract of sale, an option to-purchase agreement, an approved Land Disposition or Development Agreement or approved Vacants to Value application for City-owned properties, written documentation that a case has been filed for Receivership or Tax Sale Foreclosure, or other documentation determined to be sufficient by DHCD. This requirement can be waived at the Housing Commissioner's discretion. At the time of submission, applicants also must be able to demonstrate development approvals required for the project such as: zoning changes, site plan review, street and alley closings and demonstrate that they have had a predevelopment meeting with the Department of Planning. Evidence of the predevelopment meeting must include a copy of the Planning Department Pre-Development meeting request form, a copy of the sign-in sheet and meeting minutes. Other documentation may be accepted at the sole discretion of review committee.

PROJECT READINESS	Points
Applicant Capacity. The project team experience will be reviewed and scored in the application review. The applicant's self-classification as an "Emerging" or "Established" organization will be assessed. Please provide resumes for the project leaders and principal contributors that include background information when applicable for similar projects completed.	25 Points
Financial Feasibility. The financial statements, budget, scope, schedule, site control documents, and other financial background documentation will be evaluated and scored. The score for this section will be based on the projected ability to complete the proposed project effectively within the proposed schedule.	25 Points

Project Impact (50 Maximum Points)

DHCD is committed to ensuring that Community Catalyst projects reflect the priorities of the City's Framework for Community Development and guiding principles.

PROJECT IMPACT	Points
Project Vision and Summary. Please provide a detailed description of the proposed project including the vision, goals, and intended positive impacts on the City and its residents.	25 Points

City's Framework for Community Development. Please provide a detailed explanation of how your proposed project aligns with the DHCD Framework for Community Development in supporting City priorities.

25 Points

Community Engagement and Participation (50 Maximum Points)

DHCD is committed to ensuring that Community Catalyst projects are consistent with and can leverage revitalization plans for the community where the project will be built and provide multiple opportunities for a range of stakeholders to provide input, regardless of their support.

COMMUNITY ENGAGEMENT AND PARTICIPATION	Points
Neighborhood participation in project ownership and control. Points will be awarded when neighborhood residents have a role in the ownership and/or control of: (a) the development project, (b) a development entity that must approve major project decisions and may acquire the property, and (c) an entity that provides ongoing stewardship of the development.	25 Points
Community Engagement Plan. Points will be awarded to projects that provide multiple opportunities for a range of stakeholders to provide meaningful input into the project.	25 Points

Achieving Equity (50 Maximum Points)

DHCD is committed to using Community Catalyst funds to reduce the financial, social and economic disparities that have affected many of the City's neighborhoods and residents over the past several decades.

ACHIEVING EQUITY	Points
Equity in Geographic Areas. Recognizing the importance of equity to development in Baltimore City, points will be awarded to projects that will serve an area facing financial, social and/or economic disparities. Applicants should describe the demographics of the area(s) to be served and describe how their project will address equity gaps.	25 Points
Supports City Equity Priorities. Points will be awarded to projects that reflect City Priorities, including but not limited to: • Equitable methodology and processes. • Build/stabilize neighborhood market conditions. • Mixed-Income Housing including homeownership.	25 Points

- Blight elimination and asset development.
- Crime reduction.
- Strengthening neighborhood retail and gateway corridors.
- City-sponsored planning initiatives, including but not limited to INSPIRE, Green Network Plan, Comprehensive Economic Development Strategy, COVID-19 support, DHCD, or BDC Revitalization area.

Bonus Points

Applicants may choose to apply for up to 30 bonus points from any of the following categories and may be awarded full or partial points in any one category. Applicants should indicate which Bonus Points they wish to be considered for and provide a brief narrative explanation as to how their project qualifies.

- Impact Investment Area Bonus (Up to 10 points). Ten points will be awarded to projects located in a Baltimore City identified Impact Investment Area. Applicants should include a screenshot from CodeMap for all impacted addresses for the project showing that they are located in the Impact Investment Areas identified in The Framework for Community Development
- Experienced Applicant Partner Bonus (*Up to 5 points*). Five points will be awarded to projects where an experienced applicant partners with an emerging/new applicant to increase capacity. Applicants should describe how the partnership was established and how the partners will serve to support each other throughout the grant process.
- Supports & Grows Local Businesses or Community Spaces (*Up to 5 points*). Applicants are required to demonstrate how their project will support and sustain local businesses and/or community spaces. Responses should specify local vendors who will be used, how efforts will be tracked and monitored and any documentation evidencing agreements to utilize local establishments.
- Takes Advantage of Apprenticeships and Training Programs (*Up to 5 points*). Applicants are required to provide a plan for utilizing training and apprenticeship programs and to include a letter of intent from the provider. As a condition for receiving funds, applicants will be required to provide an executed Memorandum of Understandings or comparable agreement with the provider.
- Collaboration Across Multiple Neighborhoods (*Up to 5 points*). Applicants are required to provide documentation that their project impacts multiple neighborhoods, how this helps to achieve economies of scale, and how multiple stakeholders are working collaboratively to achieve outcomes.

ADMINISTRATIVE INFORMATION

Issue Date

The issue date of this Grant Application is February 26, 2024.

<u>Submission Deadline and Requirements</u>

The deadline for submitting applications and all application materials is April 12, 2024, at 5 PM ET

Obtaining the Application and Guidelines

The Community Catalyst Grants Application and Guidelines will be made available electronically on DHCD's website at: https://dhcd.baltimorecity.gov/nd/community-catalyst-grants.

Information Session

DHCD will host two online information sessions on March 5 at 1:00 PM ET and March 6 at 5:30 PM ET. These online information sessions do not require prior registration and are open to the public. More information about the sessions (including the link to join and a phone number to teleconference in) can be found at https://dhcd.baltimorecity.gov/nd/community-catalyst-grants.

If special accommodations are required to attend the session, please email dhcd.ccg@baltimorecity.gov at least three business days in advance.

Questions and Inquiries

Interested applicants can submit questions and inquiries in writing only to dhcd.ccg@baltimorecity.gov no later than March 15, 2024. DHCD will make best efforts to post responses on its website no later than March 22, 2024. DHCD reserves the right to decline questions that are project-specific.

Revisions and Addenda

Should it become necessary to revise any part of this Application and or Guidelines or provide additional information necessary to adequately interpret the provisions and requirements, an addendum shall be posted on DHCD's website. Revisions and Addenda will not be provided on an individual basis, therefore all interested applicants are encouraged to review the Community Catalyst Grant website periodically at:

https://dhcd.baltimorecity.gov/nd/community-catalyst-grants

Award Amounts

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Final awards decisions are made by the Housing Commissioner. DHCD reserves the right to make an award of funds in an amount other than what is requested in the Grant Application. DHCD reserves the right to determine what funding source is used for the award. All awards are subject to final underwriting by DHCD and approval by the City's Board of Estimates.

Incurring Expenses

Neither the City of Baltimore nor DHCD will be responsible for and will not pay for any cost incurred by any applicant in preparing and submitting an application or requested supplemental information in response to this application.

Compliance with Law

By submitting an application, organizations awarded funds agree that they will comply with all Federal, State and City laws, rules, and regulations and ordinances applicable to its activities and obligations under this program.

Public Information Act Notice

DHCD commits to handling all information regarding financial assets in strictest confidence. Applicants should give specific attention to identifying any portions of their application that they deem to be confidential, proprietary or trade secrets and provide justification why such material should not be disclosed by DHCD under the Maryland Public Information Act SS 1-601 et seq. of the State Government Article, Annotated Code of Maryland upon request by the public.