



# **Notice of Funding Availability Program Year 2026**

## **Community Planning and Development Grant Programs:**

Community Development Block Grant (CDBG)  
HOME Investment Partnerships Program (HOME)

### **CDBG Application Due Dates:**

Pre-Applications Due	<b>May 8, 2026</b>
Final Application Due	<b>May 28, 2026</b>

### **HOME Application Due Date:**

Final Applications Due	<b>May 28, 2026</b>
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**All applications must be submitted by 11:59 p.m. Central Standard Time**

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# I. OVERVIEW

## A. General Information

The City of Tuscaloosa issues this Notice of Funding Availability (NOFA) to invite applications from eligible applicants for the Community Planning & Development Programs and purposes described within this NOFA.

Prospective applicants should carefully read all instructions in all sections to avoid sending an ineligible application. Community Planning and Development funding is highly competitive. Failure to respond honestly and accurately to any submission requirement will result in an incomplete or noncompetitive application.

During the selection process the City of Tuscaloosa is prohibited from disclosing:

- 1) information regarding any applicant's relative standing,
- 2) the amount of assistance requested by an applicant, and
- 3) any information contained in the application.

Prior to the final application deadline, the City of Tuscaloosa will not disclose the identity of any applicant or the number of applicants that have applied for assistance.

### 1. For Further Information Regarding this NOFA

Please direct questions regarding the specific requirements of this Notice of Funding Opportunity (NOFA) to the office contact identified in Section X.

## B. Program Description

### 1. Notice of Funding Availability (NOFA)

The City of Tuscaloosa invites applications for community development activities under its PY 2026 Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME). The subsequent funding awards will be for the implementation of community development and housing activities to primarily benefit low to moderate-income persons residing within Tuscaloosa city limits.

Funding for these Community Planning and Development related activities is a result of the Housing and Community Development Act of 1974 and the Title II Cranston-Gonzalez National Affordable Housing Act of 1990 (NAHA). Through these Acts, the US Department of Housing and Urban Development (HUD) appropriates federal funding to two (2) of the City of Tuscaloosa's Community Planning and Development grant programs: Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) to improve the quality of life for low to moderate income people in the Tuscaloosa community.

**The Community Development Block Grant seeks applications** for eligible activities related to public service, owner-occupied home rehabilitation, public facility and public infrastructure activities that meet the National Objectives of:

- 1) benefit low to moderate-income people;
- 2) prevent slums and blight; and/or
- 3) respond to an urgent need.

**The HOME Investment Partnerships Program seeks well-qualified applications** for acquisition, new construction of housing, and tenant based rental activities that:

- 1) strengthen public-private partnerships; and/or
- 2) expands the supply of decent, safe, sanitary, and affordable housing for very low-income and low-income families.

### 2. Congressional Allocations

**Final award amounts are based on Congressional budget allocations.** After Congressional budget allocations, the U. S. Department of Housing and Urban Development (HUD) determines its PY 2026 allocation

levels, which may be adjusted.

To this end, the City of Tuscaloosa anticipates **\$1,404,140.13** for PY 2026 CPD awards.

The City will also consider available HOME program income and recaptured homebuyer funds from PY 24 and PY 25 to include in the NOFA which totals **\$768,896.32**.

This funding allocation is identified as Community Development Block Grant- CDBG or HOME Investment Partnerships Program – HOME. The **final** amount of the City's CDBG and HOME funding will be determined via HUD's Program Year 2026 (PY 2026) grant allocation formula and executed grant agreement with the City of Tuscaloosa.

The description of the allocation formulas utilized to determine the City's annual allocations for the HOME and CDBG can be found at [24 CFR 92.50](#) and [24 CFR 570.4](#).

### 3. **Program History**

The Housing and Community Development Act of 1974 created the Community Development Block Grant. In 1990, the Title II Cranston-Gonzalez National Affordable Housing Act (NAHA) established the HOME Investment Partnerships Program.

Under these Acts, Tuscaloosa (City), AL **is an entitlement community**, and the City of Tuscaloosa receives CDBG and HOME funds directly from the U.S. Department of Housing and Urban Development.

As such, the Office of Community and Neighborhood Services (CNS) administers the programs and aligns its management with the current priorities, statutes and regulations governing all CPD grants.

**The intent of CDBG and HOME allocations is to support the City of Tuscaloosa's efforts to improve outcomes for low to moderate-income people within the limits of the city.**

### 4. **Funding Priorities**

For PY 2026, the CDBG and HOME funding will be divided into distinct categories with a **maximum available allocation** for each specific category (the amounts shown reflect current PY 2026 funding levels; these amounts may be adjusted by HUD and/or upon the allocation of any reprogrammed funds and/or repayments identified by CNS).

#### a. **CDBG Funding Priorities\***

**80%** of the PY 2026 CDBG allocation shall be used to fund the following activities: Public Services, Owner-Occupied Home Rehabilitation, and Public Facilities & Infrastructure Investments that serve a minimum of 51% of low to moderate-income persons.

<b>CDBG FUNDING CATEGORY</b>	<b>PY 2026 ALLOCATION</b>	<b>20-24 AVAILABLE FOR FUNDING</b>	<b>COMBINED TOTAL</b>	<b>FUNDING SOURCE</b>
Public Service Activities	\$ 139,557.00	\$0	\$139,557.00	CDBG
Rehabilitation for Owner Occupied Homes	\$200,000.00	\$150,000.00	\$350,000.00	CDBG
Public Facility & Infrastructure	\$404,747.80	\$303,406.05	\$708,153.85	CDBG
<b>TOTAL AVAILABLE</b>	<b>\$ 744,304.80</b>	<b>\$453,406.05</b>	<b>\$1,197,710.85</b>	<b>CDBG</b>

#### b. **HOME Funding Priorities\***

**90%** of the PY 2026 HOME allocation shall be used to fund the following activities: CHDO Set-Aside, Tenant Based Rental Assistance, and New Home Construction. In addition, the City of Tuscaloosa has determined that 100% of its PY 24 & 25 Program Income included in this NOFA shall be used to fund the following activities: Tenant Based Rental Assistance and New Home Construction. Only activities that 100% benefit

low to moderate income persons will be considered for funding.

**i. CHDO Operating Expenses**

Well-qualified CHDOs may apply for CHDO Operating Expenses, which are awarded at the discretion of the City of Tuscaloosa.

**ii. CHDO Set Aside**

The HOME Program requires a minimum of 15% of the City of Tuscaloosa’s annual allocation to be set-aside for investment only in housing to be owned, developed, or sponsored by a CHDO. To achieve this, the City allocated **\$71,063.87** of the total HOME PY 2026 NOFA allocation for the CHDO set-aside.

HOME FUNDING CATEGORY	PY 2026 ALLOCATION	PY 24 & 25 PROGRAM INCOME	COMBINED TOTAL	FUNDING SOURCE
CHDO Set-Aside	\$71,063.87	\$0	\$71,063.87	HOME
CHDO Operating Expenses		\$0	\$0	HOME
Tenant-Based Rental Assistance	\$355,319.35			HOME
New Construction - Homebuyer		\$768,896.32	\$1,124,215.67	HOME
<b>TOTAL AVAILABLE</b>	<b>\$426,383.22</b>	<b>\$768,896.32</b>	<b>\$1,195,279.54</b>	<b>HOME</b>

**c. \*The Funding Allocations are Estimates**

The funding allocations are subject to change, based on the quality and quantity of applications received. In addition, the final allocations amounts are determined by the final total funding for PY 2026 as determined by HUD. The actual allocations and final awards may be higher or lower than the amounts listed here. The City of Tuscaloosa reserves the right to adjust the funding categories and allocations accordingly.

**C. Strategic Plan Priorities and Goals**

Under this NOFA, the City of Tuscaloosa restricts applications to CDBG and HOME eligible activities that meet the established HIGH Priority Needs as documented in the City’s most recently approved Consolidated Plan (also referred to as the Strategic Plan).

**For PY 2026, CDBG will ONLY accept pre applications for the following activities:**

- 1. Public Facilities and Improvements** – Construction, reconstruction and rehabilitation of public facilities and public infrastructure.
  - PY 2026 CDBG Pre Applications for Public Facilities are restricted to **facilities that provide public services that center the development and stabilization of children and youth from low to moderate income households.**
  - The non-profit must currently provide direct services to serve children and youth up to age 19. The public services **MUST** be operational without Community Development Block Grant funds.
  - PY 2026 CDBG Pre Applications for Public Improvements are restricted to **infrastructure in support of the construction of affordable housing.**
- 2. Public Service** – A public service must be either a new service or a quantifiable increase in the level of an existing service to low- and moderate-income persons;
  - PY 2026 CDBG Pre Applications for Public Services are restricted to: children and youth services, homeless services, services in support of affordable

housing such as legal services for persons at risk of homelessness, homeownership assistance, energy conservation

**3. Housing Rehabilitation** – Assistance for the rehabilitation of unsafe structures; i.e. Minor Home and Emergency Home Repair.

Based on the overwhelming community feedback for youth needs programming(- specifically places for children and youth to gather) during our Consolidated Plan development, the City of Tuscaloosa has elected to accept CDBG applications for Public Facilities that will develop and stabilize children and youth from low to moderate income families. Understanding that our communities need to be stabilized and that various community organizations might not be equipped to address this HIGH PRIORITY Need, we want to provide support to well qualified organizations that are currently providing stabilization services, which are a gateway to accessing affordable housing.

The City of Tuscaloosa reserves the right to adjust its evaluation parameters to align with the most current information available.

**1. 2025-2029 Consolidated Plan Priority Needs & Goals SP-25 Priority Needs - 91.215(a)(2)**

<b>PY 2026 Priority Needs and Goal Matrix</b>	
<b>HIGH PRIORITY NEEDS</b>	
<b>Priority Need</b>	Increase and/or Maintain the number of Affordable Housing Units
<b>Priority Level</b>	<b>HIGH</b>
<b>Strategic Goal</b>	Quality Affordable Housing Units
<b>Population</b>	LMI Persons and Presumed Benefit Populations
<b>Priority Geographic Areas</b>	Low to Moderate Income Areas within Tuscaloosa city limits
<b>Possible Eligible Activities</b>	New home construction (HOME); Owner Occupied Home Rehabilitation (CDBG); Public Infrastructure (CDBG) in support of affordable housing construction
<b>Priority Need</b>	Increase Access to/Maintain Affordable Housing
<b>Priority Level</b>	<b>HIGH</b>
<b>Strategic Goal</b>	Quality Affordable Housing Units Poverty Reduction and Self-Sufficiency
<b>Population</b>	LMI persons and Presumed Benefit Populations
<b>Priority Geographic Areas</b>	Low to Moderate Income Areas within Tuscaloosa city limits
<b>Possible Eligible Activities</b>	Some Public Service Activities (CDBG); Homeowner Assistance (HOME); Tenant-Based Rental Assistance (HOME)
<b>Priority Need</b>	Development & Stabilization of Communities
<b>Priority Level</b>	<b>HIGH</b>
<b>Strategic Goal</b>	Neighborhood Revitalization and Livability Poverty Reduction and Self-Sufficiency Public Services for L/M Income Individuals
<b>Population</b>	LMI Persons and Presumed Benefit Populations
<b>Priority Geographic Areas</b>	Low to Moderate Income Areas within Tuscaloosa city limits
<b>Possible Eligible Activities</b>	Public Services (CDBG); Some Public Facilities that provide stabilization services (CDBG)

<b>LOW PRIORITY NEEDS</b>	
<b>Priority Need</b>	Public Infrastructure and Facility Investment
<b>Priority Level</b>	<b>LOW</b>
<b>Strategic Goal</b>	Neighborhood Revitalization and Livability
<b>Population</b>	LMI Persons and Presumed Benefit Populations
<b>Priority Geographic Areas</b>	Low to Moderate Income Areas within Tuscaloosa city limits
<b>Possible Eligible Activities</b>	Public Facility and Improvements not in support of housing or stabilization of communities (CDBG); Public Infrastructure (CDBG) not in support of affordable housing

<b>Priority Need</b>	Employment Training and Educational Opportunities
<b>Priority Level</b>	<b>LOW</b>
<b>Strategic Goal</b>	Poverty Reduction and Self-Sufficiency
	Economic/Workforce Development
<b>Population</b>	LMI Persons and Presumed Benefit Populations
<b>Priority Geographic Areas</b>	Low to Moderate Income Areas within Tuscaloosa city limits
<b>Possible Eligible Activities</b>	Special Economic Development Activities (CDBG)

## D. Indicators of Successful Projects

**In general, the applicant must successfully demonstrate that it has the organizational, programmatic, and financial capacity to implement and manage the activity for which it has applied.**

At minimum, successful applicants will demonstrate adequate **committed** financial resources to complete the activity, understanding of federal uniform administrative requirements, active Board of Director participation, sufficient internal controls, documented collaboration among similar or auxiliary service providers, adequate and consistent verification of participant eligibility, consistent collection of participant data, and comprehensive reporting as required by the City of Tuscaloosa including but not limited to active participation in ServicePoint or an equivalent database.

### 1. **CDBG- Public Service**

Successful CDBG applications for Public Service Activities to this NOFA will demonstrate the creation of a new activity or provide a quantifiable increase in the level of service for an existing activity that benefits low to moderate income persons, prevents slums and blight, meets an urgent need, or expands the access and supply of decent, safe, sanitary, and affordable housing for low to moderate income families.

### 2. **CDBG- Non-Public Services (Rehabilitation, Public Facilities and Infrastructure)**

Successful CDBG applications for Non-Public Service Activities to this NOFA will demonstrate the ability to primarily benefit low-to- moderate income persons, commence activity within 90 days of award and have adequate financial resources for reimbursement of eligible expenditures.

### 3. **HOME**

Successful HOME applications to this NOFA will demonstrate the ability to serve income eligible participants, a satisfactory schedule of completion, the ability to begin the activity within 12 months of award, and full and transparent identification and documentation of all activity funding sources.

## E. Citations of Authorizing Statutes and Regulations

### 1. **Community Development Block Grant Statutory Authority**

The Community Development Block Grant (CDBG) Program is authorized under Title I of the Housing and Community Development Act of 1974, as amended. The full Code of Federal Regulations governing CDBG program can be found at Code of Federal Regulations (CFR): [24 CFR Part 570](#) or at [Subpart A - General Provisions](#)

**Statutory Authority of the Community Development Block Grant:** [12 U.S.C. 1701x](#), [1701 x-1](#); [42 U.S.C. 3535\(d\)](#) and [5301-5320](#)

### 2. **HOME Investment Partnerships Program Statutory Authority**

The HOME Investment Partnerships Program (HOME) is authorized under Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended. The full Code of Federal Regulations governing HOME can be found at Code of Federal Regulations (CFR): [24 CFR Part 92](#) or at [Subpart A- General](#)

**Statutory Authority of the HOME Investments Partnerships Program:** [42 U.S.C. 3535\(d\)](#), [12 U.S.C. 1701x](#) and [4568](#)

## II. FEDERAL AWARD INFORMATION

### A. Available Funds

#### 1. Community Development Block Grant (CDBG) Funds

Funding of approximately **\$1,197,710.85** in Community Development Block Grant (CDBG) funding is available through this NOFA.

#### 2. HOME Investment Partnerships Program (HOME)

Funding of approximately **\$1,195,279.54** in HOME Investment Partnerships Program (HOME) funding is available through this NOFA.

#### 3. Total CPD Program Funds

There is approximately **\$ 1,939,584.34** in funding from both CPD Programs available through this NOFA.

### B. Changes to Available Funds

The amount of available funds may decrease or increase for reasons beyond the control of the City of Tuscaloosa. In the event of this, funding allocations will decrease or increase in direct correlation to the percentage change in funding. For example, if the City's PY 2026 CDBG allocation is reduced by 10%, all funding allocations will be reduced by 10%.

### C. Additional Funds Awarded under this NOFA

This NOFA may include CDBG and/or HOME funds being made available to the City of Tuscaloosa through reprogramming, recapture, or subsequent supplemental PY 2026 allocations. Use of these funds is subject to statutory constraints. All awards are subject to the funding restrictions contained in this NOFA and applicable local, state, and federal priorities, regulations, registers, guidelines, notices, and statutes.

### D. Type of Funding Instrument

If an application to the NOFA is successful, funds are awarded to the applicant as a **reimbursable grant, deferred loan, and/or cost sharing/match reimbursable grant**.

As a participating jurisdiction, the City of Tuscaloosa may invest HOME funds as equity investments, interest-bearing loans, non-interest-bearing loans, interest subsidies, deferred payment loans, grants, or other forms of assistance as determined by and specifically approved in writing.

#### 1. All CPD funds are provided on a reimbursement basis.

The City of Tuscaloosa's Office of Community and Neighborhood Services' policies explicitly prohibit funding advances to sub-recipients, developers, and/or contractors before project costs are incurred and paid.

Reimbursement is made only upon completion and the sub-recipient, developer, and/or contractor's provision of timely and accurate invoices, which must be accompanied by acceptable source documentation (i.e. proof of payment).

### E. Number of Awards

#### 1. CDBG

The City of Tuscaloosa expects to make approximately eight (8) CDBG awards from the funds available under this NOFA.

#### 2. HOME

The City of Tuscaloosa expects to make approximately four (4) HOME awards from the funds available under this

**F. Minimum/ Maximum Award Information\***

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)		
ACTIVITY	MINIMUM FUNDING AWARD	MAXIMUM FUNDING AWARD
Public Service Activities	\$ 25,000.00	\$ 139,557.00
Rehabilitation Activities	\$ 100,000.00	\$ 350,000.00
Public Facility & Infrastructure	\$ 100,000.00	\$ 708,153.85

HOME INVESTMENT PARTNERSHIPS PROGRAM (HOME)		
ACTIVITY	MINIMUM FUNDING AWARD	MAXIMUM FUNDING AWARD
CHDO Set Aside	\$71,063.87	\$71,063.87
CHDO Operating Expenses		To be determined by CNS
Tenant Based Rental Assistance		
New Home Construction		\$1,124,215.67

- \*Any funding requests BELOW the minimum funding award or ABOVE the maximum funding award are ineligible and will not be reviewed.**

**G. Anticipated Start Date and Performance Period**

**1. Funding Availability**

**Funding Availability.** The City does not expect funding for this NOFA to be available prior to September 1, 2026. If this date is accurate, September 1, 2026, is the earliest a successful applicant can access PY 2026 funding, subject to an executed funding agreements between HUD and the City of Tuscaloosa and the applicant and the City of Tuscaloosa.

**2. Anticipated Start Date**

At this time, the anticipated start date for activities funded under this NOFA is September 1, 2026.

**3. Performance Period**

**The performance period for CDBG funding** is for one program year, subject to extension. For the City of Tuscaloosa, the program year is from September 1 to August 31 of the following year. Applicants may request a shorter period of performance based on the project(s) that is being proposed for CDBG funding. Under this NOFA, the performance period for CDBG is September 1, 2026 until August 31, 2027. Applicants must submit all invoices for CDBG by August 16, 2027.

**The performance period for HOME funding** is for eight (8) years after the execution of the grant agreement between the City of Tuscaloosa and the US Department of Housing and Urban Development. For HOME awards under this PY 2026 NOFA, the written agreements will specify applicable expenditure deadlines, if different.

The period of performance and planned drawdowns for any grant awarded under this NOFA must be identified in applicable implementation schedules and approved by HUD. Costs must be incurred during the period of performance identified on the grant award, addendum, or program waiver. HUD requires successful applicants to spend funds in accordance with the implementation schedule submitted with its application.

If funded, applicants that do not make consistent progress toward meeting its implementation schedule, The City of Tuscaloosa reserves the right to recapture funds. The period of performance for projects considered under this NOFA may not exceed 5 years, unless granted by HUD waiver.

Funds not expended by applicable dates are subject to recapture and reallocation by the City of Tuscaloosa.

## H. PRE-AWARD COSTS

### 1. **Pre-Award Costs**

The City of Tuscaloosa allows successful applicants to the CDBG program to incur pre-award costs, as permitted by HUD. To be eligible, pre-award costs cannot occur before September 1, 2025. In addition, the expenditure must be an eligible AND allowable expense under the written agreement between the applicant and City of Tuscaloosa.

Costs incurred prior to September 1, 2026, are not eligible for reimbursement during this PY 2026 grant cycle. The allowable costs during this period must not occur prior to September 1, 2026. They must also be an eligible allowable cost under the written agreement between the applicant and the City of Tuscaloosa. The city will notify successful applicants of their pre-award status via email and/ or postal mail.

### 2. **Funding Limitations**

The federally funded HOME Program limits the amount of funds that can be spent in two categories:

- 1) At least fifteen percent (15%) of HOME funds must be awarded to a Community Housing Development Organization (CHDO); and
- 2) CHDO Operating costs cannot exceed five percent (5%) of the HOME annual allocation.
- 3) Administration (and other related activities) cannot exceed ten percent (10%) of the total grant.

The federal government also limits the activities that can receive HOME funding.

### 3. **Renewal or Supplementation of Existing Activities**

Any applicant (including current City of Tuscaloosa Entitlement CDBG sub-recipients, HOME developers, CHDOs, sub-recipients, sponsors, and contractors) may apply for renewal or supplementation of an existing activity as long as the activity meets the funding, eligibility, threshold, and evaluation requirements described in this NOFA and applicable local, state, and federal guidelines, statutes, notices, regulations and memorandums.

## III. ELIGIBILITY INFORMATION

### A. **The Pre-Application Phase of this NOFA is open to the public.**

The City of Tuscaloosa and the Office of Community and Neighborhood Services **do not** restrict the submission of pre-applications to NOFAs. To that end, any individual or entity **may** submit a CDBG or HOME Pre-Application. **However, only applicants and activities that meet the eligibility requirements listed in this section are considered for award.**

1. **For PY 2026, only CDBG will require a Pre-Application.**
2. **Applicants for HOME funding will be allowed to apply directly for funding via the submission of a FINAL Funding Application.**

### B. **Eligible Applicants**

To be eligible, applicants must:

#### 1. **CDBG**

1. Be a department or division of the City of Tuscaloosa, a qualified 501(c) (3) or (c) (4) non-profit organization, a for-profit business operating as a Community Based Development Organization (CBDO), or a faith-based organization\*
2. Must operate within the city limits of Tuscaloosa
3. Possess an active Unique Entity Identifier at the time of application
4. Have active registration in the System for Award Management (Sam.gov) and be able to receive federal

awards at the time of application

## **2. HOME**

1. Be a department or division of the City of Tuscaloosa, a qualified a qualified 501(c) (3) or (c) (4) non-profit organization a non-profit operating as a Community Housing Development Organization (CHDO) or a faith-based organization\*.
2. Must operate within the city limits of Tuscaloosa
3. Possess an active Unique Entity Identifier at the time of application
4. Have active registration in the System for Award Management (Sam.gov) and be able to receive federal awards at the time of application

## **3. All claims of eligibility must be supported by documentation listed in Section IV of this NOFA.**

## **4. Religious Activity restriction\***

Funds provided under this NOFA cannot be used for religious activities. However, HUD will allow the City of Tuscaloosa to award funds to faith-based organizations for activities meeting NOFA requirements and eligibility requirements described without having to form secular affiliates.

## **C. Ineligible Applicants**

### **1. CDBG**

1. Individuals
2. Institutions of higher education
3. For-profit businesses
4. Any entity that does not meet the eligibility criteria listed above

Any applicant that falls within these categories will be deemed ineligible and will not be considered for an award.

### **2. HOME**

1. Individuals
2. Institutions of higher education
3. Any entity that does not meet the eligibility criteria listed above

Any applicant that falls within these categories will be deemed ineligible and will not be considered for an award.

## **3. An application from any person or entity listed in the aforementioned category will not be reviewed by CNS staff.**

## **D. Statutory and Regulatory Requirements Affecting Eligibility**

As an applicant for CDBG or HOME, which are federally funded grant programs, the applicant is subject to the same statutes and regulations that govern the City of Tuscaloosa's eligibility for the grant. Detailed information on each requirement is posted on HUD's website for Community Planning and Development Programs, [www.hudexchange.gov](http://www.hudexchange.gov).

Applicants should also be aware that the provisions of Section 109 and Section 282 might pose questions of conformance with Title VII of the Civil Rights Act of 1964 and the following--

Regulatory/Statutory Citations: Section 101(c), 570.1, 570.2

Regulatory/Statutory Citations: Section 105; 570.201, 570.202, 570.203, 570.204, 570.205 and 570.206 Public services are also generally eligible under the CDBG Program (570.201(e)).

These public service activities may include, but are not limited to:

Regulatory/Statutory Citations:

24 CFR 570.200(a), 570.201–570. 208, 507.503

24 CFR 570.500(c), 570.506, 570.507, 570.601, 570.602, 570.607(b), 570.611

24 CFR 570.502–570.504, 570.506, 570.507, 570.610

24 CFR Parts 84 or 85, and OMB

Circulars A-87 or A-122 Treasury

Circular 1075 (Public Law 116-136)

24 CFR Part 5

2 CFR 200

24 CFR 92

Applicants are also subject to state and local laws, codes, orders, etc.

## **E. Required Documentation to Support Applicant Eligibility**

At minimum, applicants are required to submit the following required documentation to support its claim of eligibility:

- 1. Notice from Internal Revenue Service designating the non-profit status of the applicant**
- 2. Articles of Incorporation**
- 3. Most recent certified financial audit for applicants that receive \$750,000 in federal funds annually including any management letters**
- 4. Most recent financial statement for applicants that receive less than \$750,000 in federal funds annually**
- 5. Copy of active registration in SAM.gov**
- 6. CHDOs must submit their CHDO Application for approval or re-certification.**

## **F. Applicants with Program or Activity Location Outside of Tuscaloosa City Limits**

If an applicant's physical organizational address is outside of Tuscaloosa city limits, the applicant **must** demonstrate that eligible residents of Tuscaloosa City will be the principal beneficiaries of the CDBG or HOME funds requested and awarded. Under no circumstances should any of the awarded funds be used to operate or maintain the applicant's building. Any applicant that falls under this section must adequately demonstrate its adherence to this requirement.

## **G. Cost-Sharing or Matching**

### **1. CDBG Cost-Sharing or Match Requirement**

For CDBG, there is no cost sharing or match requirement.

However, applicants must demonstrate the financial capability to manage a reimbursement grant and "float" funds during the invoice review period. The applicant must also demonstrate sufficient funding to operate the activity to the full capacity as described in the Pre-Application and Final Application.

### **2. HOME Cost Sharing or Match Requirement**

For HOME, there is a cost-sharing or match requirement. The description of the amount, recognition of contribution, form of matching contribution, ineligible forms of match contributions, match credit, and reduction of matching contribution requirements can be found at [24 CFR 92.218-92.222](#). There is no cost sharing or match requirement.

## **H. Eligible Activities**

In addition to applicant eligibility, the proposed activity **must** qualify as an eligible activity as defined in 24 CFR 570 or 24 CFR 92. At minimum, the activity must meet a CDBG National Objective or a HOME Program Requirement, provide services to eligible program participants, and be an eligible & allowable activity under the corresponding regulations and this NOFA.

**1. CDBG National Objective and HOME Program Requirements**

**a. Meet a CDBG National Objective 24 CFR 570.208**

All CDBG activities must meet at least one of the National Objectives:

- i. Benefit low-to-moderate income persons (24 CFR 570.208(a))
- ii. Prevent slums or blight (24 CFR 570.208(b))
- iii. Meet an urgent need (24 CFR 570.208(c))

**Please note** that under current guidelines, most activities **will not** qualify as an urgent need activity.

**b. Meet a HOME Program Requirement 24 CFR 92. 200-203**

All HOME activities must meet the following Program Requirements:

- i. Public Private Partnerships
- ii. Distribution of Assistance
- iii. Site and Neighborhood Standards
- iv. Income Determinations

**2. Program Participant Eligibility**

CDBG and HOME funds are to provide services for eligible program participants.

**a. Applicants are required to verify the income eligibility of its program participants.**

At minimum, program participants must meet the following criteria:

- 1. Reside within city limits of Tuscaloosa
- 2. Income eligible based on household size and gross annual income
- 3. According to the most recent publication of the HUD Income Limits. The FY 2025 Income Limits are listed below (FY 2026 has not been released as of the date of this NOFA). Applicants are expected to adjust income determinations as the HUD Income Limits are updated.

FY 2025 Income Limit Area	Median Family Income	FY 2025 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Tuscaloosa, Al Hud Metro FMR Area	\$91,100	<b>Very Low (50%) Income Limits</b>	31,900	36,450	41,000	<b>45,550</b>	49,200	52,850	56,500	60,150
		<b>Extremely Low Income Limits (30%)</b>	19,150	21,900	24,650	<b>27,350</b>	29,550	31,750	33,950	36,150
		<b>60% Limits</b>	38,280	43,740	49,200	54,660	59,040	63,420	67,800	72,180
		<b>Low (80%) Income Limits</b>	51,050	58,350	65,650	<b>72,900</b>	78,750	84,600	90,400	96,250

**3. CDBG and HOME Eligible and Allowable Activities under this NOFA 24 CFR 570 and 24 CFR 92**

**a. CDBG Eligible Activities**

**i. Public services**

Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under § 570.207(b)(4)), homebuyer down payment assistance, or recreational needs. If

housing counseling, as defined in 24 CFR 5.100, is provided, it must be carried out in accordance with 24 CFR 5.111. To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the unit of general local government.)

The amount of CDBG funds used for public services shall not exceed 15% of the PY 2026 CDBG allocation according to 24 CFR 570.201(e)(1) or 24 CFR 570.201(e)(2), as applicable.

**(1) Public Service Allowable Activities**

There are several allowable activities that are eligible as a CDBG Public Service. An applicant may apply for any of the allowable activities. However, it is unlikely that an activity that **does not** support one of the HIGH PRIORITY NEEDS described in Section I, Item C will receive PY 2026 funding.

<b>HIGH PRIORITY NEED ALLOWABLE ACTIVITIES- Public Services</b>	
Increase Access [to]/Maintain Affordable Housing emphasis added	<b>1 Homeless/AIDS Patients Programs</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Costs associated with the operation of programs for the homeless or for AIDS patients, such as staff costs, utilities, maintenance, and insurance
	<b>2 Legal Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) For LMI persons facing affordable housing barriers due to legal concerns
	<b>3 Fair Housing Activities (subject to Public Services cap)</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Fair housing services (e.g. counseling on housing discrimination) as public services. The activity needs to meet a national objective
	<b>4 Housing Counseling only</b> under 24 CFR 5.100 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Housing counseling, under 24 CFR 5.100, for renters, homeowners, and/or potential new homebuyers that is provided as an independent public service (i.e., not as part of another eligible housing activity)
	<b>5 Housing Counseling under 24 CFR 5.100 Supporting Homebuyer Downpayment Assistance</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Housing Counseling, under 24 CFR 5.100, that is provided to in conjunction with homebuyer downpayment assistance (05R) as a public service
	<b>6 Housing Information and Referral Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) An activity that provides housing information, education, and referral services, or general budget/financial counseling that does not meet the 24 CFR 5.100 definition of Housing Counseling
Development & Stabilization of Communities	<b>1 Youth Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for young people age 13-19
	<b>2 Child Care Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services that will benefit children under age 13, including parenting classes
	<b>3 Services for Abused and Neglected Children</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)

		Daycare and other services exclusively for abused and neglected children
	<b>4</b>	<b>Senior Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for the elderly
	<b>5</b>	<b>Services for Persons with Disabilities</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for the persons with disabilities, regardless of age
	<b>6</b>	<b>Transportation Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) General transportation services
	<b>7</b>	<b>Substance Abuse Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Substance abuse recovery programs and substance abuse prevention/education activities
Development & Stabilization of Communities	<b>8</b>	<b>Services for victims of domestic violence, dating violence, sexual assault, or stalking</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for victims of domestic violence, dating violence, sexual assault, or stalking
	<b>9</b>	<b>Employment Training</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Assistance to increase self-sufficiency, including literacy, independent living skills, resume writing, job coaching, "how to get and keep a job" training, or training students in a particular field on skill when there is no tie to a specific position or business
	<b>10</b>	<b>Crime Awareness/Prevention</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Promotion of crime awareness and prevention, including crime prevention education programs, community-oriented policing programs above and beyond normal staffing levels, installation of security cameras, and paying for security guards
	<b>11</b>	<b>Health Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the physical health needs of residents of the community
	<b>12</b>	<b>Mental Health Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the mental health needs of residents of the community
	<b>13</b>	<b>Neighborhood Cleanups</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) One-time or short-term efforts to remove trash and debris from neighborhoods
	<b>14</b>	<b>Food Banks</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Costs associated with the operation of food banks, community kitchens, and food pantries, such as staff costs, supplies, utilities, maintenance, and insurance

**ii. Public Facilities and Improvements**

Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in [§ 570.207\(a\)](#), carried out by the recipient or other public or private nonprofit entities.

(However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in [§ 570.207\(a\)\(1\)](#).)

In undertaking such activities, design features and improvements which promote energy efficiency

may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in § 570.207(b)(3). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for learning disabled persons and temporary housing for disaster victims. In certain cases, nonprofit entities and sub recipients including those specified in § 570.204 may acquire title to public facilities.

When such facilities are owned by nonprofit entities or sub recipients, they shall be operated so as to be open for use by the general public during all normal hours of operation.

Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in § 570.200(b).

**(1) Public Facilities and Improvements Allowable Activities**

There are several allowable activities that are eligible as a CDBG Public Facilities and Infrastructure activity. An applicant may apply for any of the allowable activities.

**However, it is unlikely that an activity that does not support one of the HIGH PRIORITY NEEDS described in Section I, Item C will receive PY 2026 funding.**

<b>HIGH PRIORITY NEED ALLOWABLE ACTIVITIES- Public Facilities &amp; Infrastructure</b>		
High Priority Public Facilities and Infrastructure Activities under this PY 2026 NOFA and the 2025-2029 Consolidated Plan are activities that explicitly support, increase, or maintain affordable housing or provide stabilization services to children and youth.		
Increase and/or Maintain [the number of] Affordable Housing Units - emphasis added	1	<b>Homeless Facilities (not operating costs)</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)
		Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees
	2	<b>Facilities for Abused and Neglected Children</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)
		Acquisition, construction, or rehabilitation of daycare centers, treatment facilities, or temporary housing for abused and neglected children
	3	<b>Water/Sewer Improvements- IN CONNECTION WITH AFFORDABLE HOUSING</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)
		Installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants
	4	<b>Street Improvements- IN CONNECTION WITH AFFORDABLE HOUSING</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)
Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs		
5	<b>Facilities for AIDS Patients (not operating costs)</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)	
	Acquisition, construction, or rehabilitation of facilities for the treatment or temporary housing of people who are HIV positive or who have AIDS	
		<b>Privately Owned Utilities – IN CONNECTION WITH AFFORDABLE HOUSING</b> 24 CFR 570.201(l) or 42 USC 5305(a)(14)

	6	Acquisition, reconstruction, rehabilitation, or installation of distribution lines and facilities of regulated, privately owned utilities. This includes placing new or existing distribution lines/facilities underground
Development and Stabilization of Communities (Children and Youth Centered)	7	<b>Youth Centers</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities intended primarily for young people age 13 to 19. These include playground and recreational facilities that are part of a youth center
	8	<b>Child Care Centers</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities intended primarily for children age 12 and under. Examples are daycare centers and Head Start preschool centers
<b>LOW PRIORITY NEED ALLOWABLE ACTIVITIES- Public Facilities &amp; Infrastructure</b>		
Low Priority Public Facilities and Infrastructure Allowable Activities under the PY 2026 NOFA and 2025-2029 Consolidated Plan are public facilities, infrastructure that are general in nature and service a neighborhood or geographical area and <b>does not explicitly</b> support, increase, or maintain affordable housing or nor does the public facility provide stabilization services to low to moderate income persons.		
Public Infrastructure and Facility Investment	1	<b>Senior Centers</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities (except permanent housing) for seniors
	2	<b>Facilities for Persons with Disabilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of centers, group homes, and other facilities (except permanent housing) for persons with disabilities
	3	<b>Neighborhood Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers.
	4	<b>Parks, Recreational Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Development of open space areas or facilities intended primarily for recreational use
	5	<b>Parking Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of parking lots and parking garages
	6	<b>Solid Waste Disposal Improvements</b> 24 CFR 570.201(c) or 42 USC 5205(a)(2) Acquisition, construction, or rehabilitation of solid waste disposal facilities. The eligible costs can also include equipment, such as bulldozers, used exclusively at the facility
	7	<b>Flood Drainage Improvements</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds, catch basins, streambank erosion controls, channelization of streambeds, or dams
	8	<b>Tree Planting</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Activities limited to tree planting (sometimes referred to as "beautification")
	9	<b>Fire Stations/Equipment</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency rescue equipment
	10	<b>Health Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of physical or mental health facilities. Examples of such facilities include neighborhood clinics, hospitals, nursing homes, and convalescent homes
	11	<b>Asbestos Removal</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Rehabilitation of any public facility undertaken primarily to remove asbestos
	12	<b>Non-Residential Historic Preservation</b> 24 CFR 570.202(d) Rehabilitation of historic buildings for non-residential use. Examples include the renovation of an historic building for use as a neighborhood facility, as a museum, or by an historic preservation

	society
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**v. Rehabilitation**

CDBG may be used to finance the rehabilitation of: Privately owned buildings and improvements for residential purposes; improvements to a single-family residential property which is also used as a place of business, which are required in order to operate the business, need not be considered to be rehabilitation of a commercial or industrial building, if the improvements also provide general benefit to the residential occupants of the building; Low-income public housing and other publicly owned residential buildings and improvements; Publicly or privately owned commercial or industrial buildings, except that the rehabilitation of such buildings owned by a private for-profit business is limited to improvement to the exterior of the building, abatement of asbestos hazards, lead-based paint hazard evaluation and reduction, and the correction of code violations; Nonprofit-owned nonresidential buildings and improvements not eligible under § 570.201(c); and manufactured housing when such housing constitutes part of the community's permanent housingstock.

**(2) Rehabilitation Allowable Activities**

There are several allowable activities that are eligible as a CDBG Rehabilitation activity. An applicant may apply for funding for one of the allowable activities. However, **it is unlikely** that an activity **that does not support** one of the **HIGH PRIORITY NEEDS** described in Section I, Item B, 3(c) will receive PY 2026 funding.

HIGH PRIORITY NEED ALLOWABLE ACTIVITIES- Rehabilitation	
High Priority Rehabilitation Activities under this PY 2026 NOFA and the 2025-2029 Consolidated Plan are activities that explicitly support, increase, or maintain affordable housing.	
Increase and/or Maintain [the number of] Affordable Housing Units - emphasis added	<b>1 Rehabilitation: Single-Unit Residential</b> 24 CFR 570.202(a)(1) or 42 USC 5305(a)(4) Rehabilitation of privately owned, single-unit homes
	<b>2 Rehabilitation: Acquisition</b> 24 CFR 570.202(b)(1) or 42 USC 5305(a)(1) Acquisition of property to be rehabilitated for housing
	<b>3 Rehabilitation: Energy Efficiency Improvements</b> 24 CFR 570.202(b)(4) or 42 USC 5305(a)(4) Housing rehabilitation with the sole purpose of improving energy efficiency (e.g., a weatherization program)
	<b>4 Rehabilitation: Public Housing Modernization</b> 24 CFR 570.202(a)(2) or 42 USC 5305(a)(4) Rehabilitation of housing units owned/operated by a public housing authority (PHA)
	<b>5 Rehabilitation: Other Publicly Owned Residential Buildings</b> 24 CFR 570.202(a)(2) or 42 USC 5305(a)(4) Rehabilitation of permanent housing owned by a public entity other than a PHA
	<b>6 Code Enforcement</b> 24 CFR 570.202(c) or 42 USC 5305(a)(3) Salaries and overhead costs associated with property inspections and follow-up actions (such as legal proceedings) directly related to the enforcement (not correction) of state and local codes
	<b>7 Lead-Based Paint/Lead Hazards Testing/Abatement</b> 24 CFR 570.202(f) or 42 USC 5305(a)(26)
	<b>8</b> Housing rehabilitation activities with the primary goal of evaluating housing units for lead-paint hazards and reducing lead-based paint/lead hazards in units

**b. CDBG Ineligible Activities**

- i. Buildings or portions thereof, used for the general conduct of government
- ii. General government expenses
- iii. Political activities or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration
- iv. Purchase of equipment, including construction equipment, other equipment, fixtures, motor vehicles, furnishings, or other personal property
- v. Operating and maintenance expenses including the repair, operation and maintenance of public facilities, improvements, and services
- vi. Maintenance and repair of parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with disabilities, parking or other public facilities and improvements
- vii. Payment of salaries for staff, utility costs, and similar expenses necessary for the operation of public works and facilities
- viii. New housing construction except under certain conditions or when carried out by a CBDO
- ix. Income payments made to an individual or family for items such as food, clothing, housing, or utilities are ineligible

**c. HOME Eligible Activities under this NOFA 24 CFR 92.206**

**i. New Construction**

24 CFR 92.205 and 92.206

<b>HIGH PRIORITY NEED ALLOWABLE ACTIVITIES &amp; COSTS</b>	
<b>- New Construction- Single-family, owner-occupied affordable housing</b>	
High Priority Construction Activities under this PY 2026 NOFA and the 2025-2029 Consolidated Plan are activities that explicitly increase or maintain the number of affordable housing units.	
Increase and/or Maintain [the number of] Affordable Housing Units	<b>Allowable Activities- New Construction</b>
	<b>1 New Construction – Single Family Homes</b> 24 CFR 92.205
	<b>2 New Construction- Acquisition</b>
	Must be undertaken only with respect to provide affordable new single family home construction within the time frames provided in the project schedule and commitment deadlines
	<b>3 New Construction- Site Improvements</b>
	<b>4 New Construction- Conversion</b>
	Conversion of an existing structure to affordable housing is rehabilitation, unless the conversion entails adding one or more units beyond the existing walls. <b>If this does not occur, this activity is rehabilitation and is not an allowable activity under this NOFA</b>
<b>5 New Construction- Demolition</b>	
Must be undertaken only with respect to provide affordable new single family home construction within the time frames provided in the project schedule and commitment deadlines	
Increase and/or Maintain [the number of] Affordable Housing Units	<b>Allowable Costs- New Construction Single Family, Owner Occupied Affordable Housing</b>
	<b>1 New Construction Development Hard Costs</b> 24 CFR 92.206
	<b>Actual cost of constructing single family homes</b> including:
	<b>1a</b> Costs to meet the new construction standards
	<b>1b</b> Demolishing existing structures
	<b>1c</b> To make utility connections including off-site connections from the property line to the adjacent street
	<b>1d</b> Improvements to activity site that are in keeping with improvements of the surrounding, standard projects
<b>1e</b> On-site roads, sewer, and water lines necessary to develop the activity/project	

	<b>1f</b>	Costs to make utility connections or to make improvements to the project site, in accordance with the provisions of 24 CFR 92.206 (a)(3)(ii) and (iii)
		<b>Acquisition Costs</b>
	<b>2</b>	Costs of acquiring improved or unimproved real property- Must be in the provision of new construction- single family houses
		<b>Related Soft Costs</b>
	<b>3</b>	Reasonable and necessary costs incurred by the owner or participating jurisdiction and associated with the financing or development of new construction
	<b>3a</b>	Architectural, engineering, or related professional services required to prepare plans, drawings, specifications, or work write-ups
	<b>3b</b>	Costs to process and settle the financing for a project, such as private lender origination fees, credit reports, fees for title evidence, fees for recordation and filing of legal documents, building permits, attorneys fees, private appraisal fees and fees for an independent cost estimate, builders or developers fees

**ii. CHDO Operating (24 CFR 92.208)**

Up to 5 percent of a participating jurisdiction's fiscal year HOME allocation may be used for the operating expenses of community housing development organizations (CHDOs). This amount is in addition to amounts set aside for housing projects that are owned, developed, or sponsored by CHDOs.

These funds may not be used to pay operating expenses incurred by a CHDO acting as a subrecipient or contractor under the HOME Program.

Operating expenses means reasonable and necessary costs for the operation of the community housing development organization. Such costs include salaries, wages, and other employee compensation and benefits; employee education, training, and travel; rent; utilities; communication costs; taxes; insurance; equipment; materials; and supplies.

**iii. Tenant Based Rental Assistance (24 CFR 92.209)**

Eligible costs are the rental assistance and security deposit payments made to provide tenant-based rental assistance for a family pursuant to this section. Eligible costs also include utility deposit assistance, but only if this assistance is provided with tenant-based rental assistance or security deposit payment. Administration of tenant-based rental assistance is eligible only under general management oversight and coordination at [§ 92.207\(a\)](#), except that the costs of inspecting the housing and determining the income eligibility of the family are eligible as costs of the tenant-based rental assistance.

**d. HOME Ineligible Activities under this NOFA**

- i.** Provide project reserve accounts, except as provided in [§ 92.206\(d\)\(5\)](#), or operating subsidies;
- ii.** Provide tenant-based rental assistance for the special purposes of the existing section 8 program, in accordance with section 212(d) of the Act;
- iii.** Provide non-federal matching contributions required under any other Federal program;
- iv.** Provide assistance for uses authorized under section 9 of the 1937 Act (Public Housing Capital and Operating Funds);
- v.** Provide assistance to eligible low-income housing under [24 CFR part 248](#) (Prepayment of Low Income Housing Mortgages), except that assistance may be provided to priority purchasers as defined in [24 CFR 248.101](#);
- vi.** Provide assistance (other than tenant-based rental assistance, assistance to a homebuyer to acquire

housing previously assisted with HOME funds, or assistance to preserve affordability of homeownership housing in accordance with § 92.254(a)(9)) to a project previously assisted with HOME funds during the period of affordability established by the particular jurisdiction in the written agreement under § 92.504.

- vii. However, additional HOME funds may be committed to a project for up to one year after project completion (see § 92.502), but the amount of HOME funds in the project may not exceed the maximum per-unit subsidy amount established under § 92.250
- viii. Pay for the acquisition of property owned by the participating jurisdiction, except for property acquired by the participating jurisdiction with HOME funds, or property acquired in anticipation of carrying out a HOME project; or
- ix. Pay delinquent taxes, fees or charges on properties to be assisted with HOME funds
- x. Pay for any cost that is not eligible under §§ 92.206 through 92.209. Participating jurisdictions may not charge (and must prohibit State recipients, sub recipients, and community housing development organizations from charging) servicing, origination, or other fees for the purpose of covering costs of administering the HOME program (e.g., fees on low-income families for construction management or for inspections for compliance with property standards) (see § 92.206(d)(6) and § 92.207), except that:
  - 1. Participating jurisdictions and State recipients may charge owners of rental projects reasonable annual fees for compliance monitoring during the period of affordability. The fees must be based upon the average actual cost of performing the monitoring of HOME-assisted rental projects. The basis for determining the amount of for the fee amount must be documented and the fee must be included in the costs of the project as part of the project underwriting;
  - 2. Participating jurisdictions, sub recipients and State recipients may charge nominal application fees (although these fees are not an eligible HOME cost) to project owners to discourage frivolous applications. The amount of application fees must be appropriate to the type of application and may not create an undue impediment to a low-income family's, sub recipient's, State recipient's, or other entity's participation in the participating jurisdiction's program; and
  - 3. Participating jurisdictions, sub recipients and State recipients may charge homebuyers a fee for housing counseling
- xi. Fees charged under paragraph (b) (1) of this section are applicable credits under 2 CFR 200.406
- xii. The participating jurisdiction must prohibit project owners from charging fees that are not customarily charged in rental housing (e.g., laundry room access fees), except that rental project owners may charge:
  - 1. Reasonable application fees to prospective tenants;
  - 2. Parking fees to tenants only if such fees are customary for rental housing projects in the neighborhood; and
  - 3. Fees for services such as bus transportation or meals, as long as the services are voluntary and fees are charged for services provided.

**e. CDBG and HOME Ineligible Activities under this NOFA**

Under this NOFA, the following activities **will not** be considered for funding:

- i. **CDBG**
  - 1. Acquisition of Property

2. Disposition of Property
3. Clearance and Remediation
4. Homeownership Assistance
5. Special Economic Development Activities
6. Relocation
7. Loss of Income
8. Microenterprise Assistance

ii. **HOME**

1. Homeownership Assistance
2. Homeowner Rehabilitation
3. Multifamily Construction
4. Multifamily Rehabilitation

## **IV. APPLICATION PROCESS, DEADLINE, AND SUBMISSION INFORMATION**

### **A. 2026 Application Process**

**1. For PY 2026 this NOFA will have separate application processes for CDBG and HOME.**

For CDBG, there will be two (2) application phases.

For HOME, there will be one (1) application phase with a singular (1) application.

**2. 2026 CDBG Application Process**

For CDBG activities, the application process is as follows:

The first phase, Phase I, is a pre-application that is open to the public. The second phase, Phase II, is the final application and used to award funds.

**There is a separate Pre-Application and Final Application for CDBG.**

**a. 2026 CDBG Phase I: Pre-Application**

CNS uses the pre-application to assess the eligibility of the applicant and its proposed activity and to determine overall suitability for CPD funding. During Phase I, all pre-applications are graded and given an evaluation percentage. Pre-applications that receive a minimum 75 percent (75%) evaluation score are invited to Phase II.

**b. Only applications invited to Phase II are considered for financial award.**

**c. 2026 CDBG Phase II: Final Application**

**In Phase II, invited applicants complete and submit a final application.** The final application is significantly more detailed, and all supporting documents must be submitted at the time of application.

**d. The CDBG Final application is evaluated in 28 areas:**

AREA OF EVALUATION	
1	Organizational Leadership
2	Oversight And Planning
3	Organizational Capacity
4	Soundness Of Program Delivery
5	Soundness Of Program Description
6	Program Alignment With Eligibility And Community Development Priorities
7	Client Identification Methodology
8	Program Participant Verification
9	Data Collection And Reporting Systems
10	Length And Level Of Service
11	Performance Management Identification And Measurement
12	Program Site Analysis
13	Program Implementation Including Client Safety And Privacy
14	Standards Of Operation
15	Timeliness Of Expenditures
16	Project Schedule
17	Collaboration
18	Need For Program
19	Unique Service Proposition
20	Engagement
21	Marketing
22	Outreach to Non-English Speakers and Persons with Physical Disabilities
23	Financial Management
24	Compliance History With Federal Awards Including CNS
25	Organizational Revenue Allocation
26	Program Revenue Allocation
27	Operations Budget For Activity
28	Required Document Submission

Final applications are graded and given an evaluation percentage.

The final applications with an evaluation percentage of **85 percent (85%) or higher** will get **first** consideration of funding.

Phase II is the final step in the application process.

### 3. **2026 HOME Application Process**

For HOME activities, the application process is as follows:

For HOME Investment Partnership Funding, applicants must demonstrate significant planning and financial investment prior to application, as such applicant organizations will follow a separate application process for HOME funding. There is only one application phase with one corresponding application.

#### a. **2026 HOME Funding Application**

For PY 2026, well qualified applicants are invited to complete and submit a funding application. This application is significantly detailed, and all supporting documents must be submitted at the time of application.

**Only applications scoring above 85% will receive consideration for funding.**

**Applying is not a guarantee of a financial award.**

## B. **Application Process Summary**

### 1. **CDBG**

#### a. **2026 CDBG Phase I: Pre-Application (Eligibility Assessment)**

- i. Any person, group, or organization can apply
- ii. Pre-applications are MANDATORY

iii. Scored for eligibility, CPD, and City of Tuscaloosa priority alignment

**b. 2026 CDBG Phase II: Final Application (Capacity and Funding Assessment)**

i. INVITATION ONLY

ii. Only applications that reach Phase II will receive consideration for CDBG funding

**2. HOME**

**a. 2026 HOME Funding Application (Eligibility, Capacity, and Funding Assessment)**

i. Any person, group, or organization can apply

ii. Applications are MANDATORY

iii. Scored for eligibility, CPD, and City of Tuscaloosa priority alignment

iv. Scored for likelihood of completion, funding, appropriate underwriting

v. Only applications that document a well-qualified activity will consideration for HOME funding

**Note:** Not all CDBG Phase II applications or HOME Funding applications will receive funding. An application may not receive full funding requested however; no funding award to a subrecipient or developer will be less than the minimum award identified in this NOFA. Several factors influence project funding, including but not limited to: Number of pre-applications meeting program threshold, number of final applications received, number of final applications meeting funding threshold of 85 percent or higher, City of Tuscaloosa CPD allocation, Consolidated Plan and City of Tuscaloosa priorities.

**C. CDBG Pre-Application Availability**

**1. How to Request a Pre-application**

CDBG applicants may request a copy of the CDBG pre-application by emailing [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com). Applicants may also request a copy of the pre-application by calling the Office of Community and Neighborhood Services at (205) 248-5080.

**2. CDBG Pre-application Availability**

The pre-application may be made available on be available on the City of Tuscaloosa’s website at the following link:

<https://www.tuscaloosa.com/city-services/cns>

Pre-applications will be available for pick-up at Tuscaloosa City Hall at the 3<sup>rd</sup> Floor Annex at the Security Desk

**3. No Pre-application packets will be mailed.**

**D. HOME Funding Application Availability**

**How to Request a HOME Funding Application**

HOME applicants may request a copy of the HOME Funding Application by emailing [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com). Applicants may also request a copy of the Funding Application by calling the Office of Community and Neighborhood Services at (205) 248-5080

**1. HOME Funding Application Availability**

The funding application may also be available on the City of Tuscaloosa’s website at the following link:

<https://www.tuscaloosa.com/city-services/cns>

Funding applications will be available for pick-up at Tuscaloosa City Hall at the 3<sup>rd</sup> floor Annex at the Security Desk

**2. No HOME Funding Applications will be mailed.**

## **E. CDBG Pre-application Deadline and Submission**

- 1. PY 2026 CDBG pre-application deadline is 11:59PM Central Standard Time on Friday, May 8, 2026.**
- 2. The CDBG pre-applications must be submitted in one of the following ways:**
  - a. Email a completed PDF copy of the CDBG pre-application to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com)
  - b. Mail a completed PDF copy of the CDBG pre-application to:  
City of Tuscaloosa  
C/o Office of Community and Neighborhood Services  
2201 University Boulevard Tuscaloosa, AL 34501
- 3. Mailed CDBG pre-applications must be received by May 8, 2026.**
- 4. CDBG pre-applications received after May 8, 2026 are disqualified.**
- 5. Content and Form of Pre- application Submission**

Applicants must use the Pre-Application form provided by the Office of Community and Neighborhood Services.

This form can be found online at <https://www.tuscaloosa.com/city-services/cns>

Applicant responses can be written in blue or black ink or the applicant may choose to type into the document. The applicant may save the PDF and email the completed pre-application to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com). No matter how the form is completed by the applicant, the pre-application must be signed and dated. Electronic signatures are permitted.

Unsigned pre-applications will be disqualified.

## **F. CDBG Final Application Invitation**

Applicants cannot directly submit a final application. Only pre-applications receiving a 75% or higher evaluation percentage will be **invited** to submit a final application. An Invitation to Apply will be sent to the eligible applicants via email and/or postal mail.

## **G. Content and Form of Final Application**

The Office of Community and Neighborhood Services has created a Final Application to reduce the upfront administrative burden for applicants. This form must be used to submit a Final Application. **NO Exceptions.** The link and/or PDF version of the Final Application will be sent to the applicant's email contact provided in the pre-application.

## **H. CDBG Final Application & HOME Funding Application Deadline and Submission**

- 1. PY 2026 CDBG final application deadline is 11:59PM Central Standard Time on May 28, 2026.**
- 2. PY 2026 HOME Funding Application deadline is 11:59 PM Central Standard Time on May 28, 2026.**
- 3. The final application must be submitted in one of the following ways:**

Email a completed PDF copy of the final application to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com)  
Mail a completed PDF copy of the final application to:  
City of Tuscaloosa  
C/o Office of Community and Neighborhood Services  
2201 University Boulevard Tuscaloosa, AL 34501
- 4. Mailed final applications must be received by May 28, 2026.**

**5. Final applications received after May 28, 2026 are disqualified.**

**I. CDBG Final Application Availability**

CDBG Final application information will be available via the Invitation to Apply emailed by the Office of Community and Neighborhood Services.

**J. CDBG Final Applications will not be available for pick-up. No Final Application packets will be mailed.**

**K. Application Limits**

1. Applicants may submit up to two (2) CDBG pre-applications total. Each pre-application must be for ONLY one (1) activity.
2. Applicants may submit no more than two (2) applications for HOME Funding Application. Each Funding Application must be for ONLY one (1) activity/project.

If an applicant is invited to Phase II for CDBG, CNS will notify the applicant which activity or activities have received an invitation to apply. The applicant may submit a final application for the CNS selected activity. Only one (1) final application is allowable per activity. If an applicant receives an invitation to Phase II for multiple activities, only one (1) final application is permissible for each activity.

3. The applicant cannot combine different activities in one application.

Although an applicant may submit multiple final applications, **it is unlikely** that multiple activities from one applicant will receive funding.

**L. Withdrawing an Application**

Applicants may withdraw their application from consideration at any time. Withdrawn applications are removed from the pool of applicants. Once an application is withdrawn, it cannot be resubmitted or reinstated for consideration. Formal withdrawals are emailed to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com).

1. Withdrawal Email Content  
SUBJECT LINE: CDBG/HOME Application Withdrawal. Please include the name of the organization and the activity name of the withdrawn application.

Responses to withdrawals will only include confirmation of the withdrawal receipt. Informal withdrawals are the non-submission of a pre-application or final application.

**M. Effect of Missed Deadline**

CNS Staff will not review applications that miss submission deadlines. This applies to pre-applications and final/funding application submissions.

**NO exceptions will be granted.**

**V. FUNDING RESTRICTIONS**

**A. Allowable Activities 24 CFR 570.201 (e),**

Under this NOFA, allowable activities are eligible activities, which fall under the category of Public Service. According to 24. 570.201(e), "Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under §570.207(b)(4)), homebuyer down payment assistance, or recreational needs. If housing counseling, as defined in 24 CFR 5.100, is provided, it must be carried out in accordance with 24 CFR 5.111."

“To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service. This service must be above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the unit of general local government.)”

## **B. Direct Cost Limitations**

This NOFA allows direct costs. Direct costs include the salary of employees providing direct services to program participants/clients, supplies and materials for the operation of the program and for use by program participants, equipment for the provision of services, such as computers, lap tops, and handheld tablets. Final allowable direct costs are determined at the time of sub-recipient agreement execution.

## **C. Indirect Cost Rates**

### **1. Indirect Costs are allowed under this NOFA.**

Applicants that do not have a current Federal negotiated indirect cost rate (including provisional rate) may elect to charge a de minimis rate of up to 15 percent of modified total direct costs. Costs must be consistently charged as either direct or indirect costs and may not be double charged or inconsistently charged as both.

## **D. Pre-Federal Award Costs**

City of Tuscaloosa’s Office of Community and Neighborhood Services will grant successful applicants the ability to invoice CDBG for prior eligible expenses. CNS will explain this process in a letter to approved applicants.

# **VI. APPLICATION REVIEW INFORMATION**

CNS staff evaluates all Pre-Applications and Final Applications. CNS's selection process is designed to ensure grants are awarded to eligible applicants submitting the most meritorious applications. CNS will only consider the information submitted by the application deadline date. After the application deadline date, CNS may not, consistent with regulations in 24 CFR part 4, subpart B, consider any information not requested explicitly by CNS that the applicant or any third party might want to provide. CNS may verify information provided in the application as needed by sending a written request for clarification.

Responses to such inquiries will be required within two (2) business days.

## **A. Pre-application Review and Selection Process**

### **1. Applicant Screening**

Prior to conducting an eligibility evaluation, CNS will screen each application to determine if it meets the threshold criteria. If any of these criterion are not met, the application will be deemed ineligible and will not receive further review.

### **2. Applications that will not be scored**

CNS will not score pre-applications that do not meet the eligibility or threshold criteria or are otherwise incomplete. Such pre-applications will not be eligible for funding.

### **3. Pre-Application Rating**

Reviewers rate each eligible pre-application based SOLELY on the information provided in the pre-application and the rating factors and assign a score for each rating factor and total score. Pre-applications receiving a minimum score of 75% will receive an invitation to submit a Final Application, which are considered for funding.

#### 4. **Threshold Criteria**

Threshold Criteria is the basic information required to consider a pre-application for evaluation. If a pre-application does not meet any one of the criterion, the pre-application will be invalidated, automatically deemed ineligible, and will not be reviewed. In order to be considered for an eligibility evaluation and a subsequent an invitation to submit a Final Application, the pre-application must be received on time, be complete, signed and dated, **and** provide enough information to evaluate.

### B. **Pre-Application Evaluation Criteria**

<b>Evaluation Criteria</b>	<b>Points Possible</b>
<b>Activity Eligibility</b>	<b>30</b>
<b>Activity Management and Implementation</b>	<b>60</b>
<b>Organizational Eligibility, Capacity, and Past Performance</b>	<b>50</b>
<b>Funding</b>	<b>60</b>
	<b>200 Points Possible</b>

Once an application is determined to meet the threshold criteria, the application is then evaluated against the additional criteria:

#### 1. **Activity Eligibility**

This portion evaluates the extent to which the proposed activity meets national objectives, national goals, eligible activity identification, strategic plan priorities, and aligns with the core values of the City of Tuscaloosa.

#### 2. **Activity Management and Implementation**

This portion evaluates the applicant's activity management and implementation.

- i. **Scope of Work:** The extent to which applicant describes the activity to be undertaken, the number of anticipated program participants per instruction in the Pre-application
- ii. **Activity Operation Length:** Applicant identifies if the activity is a new activity or has been in existence.
- iii. **Service Delivery Area:** Applicant identifies the districts in which services are provided or indicates if the project is Citywide. Identifies areas that shown to have large populations of low-to-moderate income persons.
- iv. **Participant Eligibility:** Extent to which applicant describes eligible participants and how eligibility is determined.
- v. **Evidence of Outcomes:** Extent to which applicant provides identifiable outcomes for activity.
- vi. **Evidence of Performance Measurements:** Extent to which applicant describes performance measurements for identified activity outcomes.
- vii. **Populations Served:** Applicant identifies the intended population served by the activity and describes how the identified population is an eligible or presumed benefit population.

#### 3. **Organizational Eligibility, Capacity and Past Performance**

This section evaluates the eligibility of the applicant to receive a Federal award by being in possession of Federal Employer Tax Identification Number, 501(c)(3) status, and a DUNS number. This section also evaluates the length of time an applicant's organization has been in operation and if the applicant has experience with CDBG, HOME or other federal grants. Such information is to provide a baseline of the applicant's ability to manage CDBG funding appropriately.

#### 4. **Funding**

- i. Identification of all funding sources and reasonableness of request: Extent to which the applicant has identified all the funding sources to implement the activity as listed in the Total Cost of Program. Reasonableness defined as the funding requested does not exceed the total amount of the activity or represents a justifiable percentage of the funds requested.
- ii. Leveraging: Extent to which other funding sources have been sought and committed to Activity.

**C. Applicant Evaluation- Phase II: Final Application**

**1. Application Screening**

CNS will screen each application to determine if the Key Eligibility Criteria in Section III are met (including screening for technical deficiencies). If these criteria are not met, the application will be deemed ineligible and will not receive further review.

- a. **\*In addition, if the applicant does not meet National Objectives, Goals, Strategic Plan Priorities, or does not select an eligible activity, the Final Application will not be considered for funding\***

**2. Final Application Ranking and Review**

CNS staff will review all Final Applications in accordance with the threshold and evaluation criteria for the final phase of the application process.

**3. Final Application Threshold Criteria**

In order to be considered for evaluation and subsequent funding, all Final Applications must have received an eligible Pre-Application score of 75% or more. In addition, Final Applications must be received on time, be completely filled out, signed and dated, consist of enough cumulative information to evaluate, and include **all** of the required supporting documentation.

**D. Final Application Evaluation Criteria**

<b>Final Application Evaluation Criteria</b>	<b>Points Possible</b>
Activity Priority	40
Activity Management and Implementation	110
Organization Capacity and Past Performance	100
Funding	150
Documentation Review	100
	<b>500 Points Possible</b>

**VII. APPLICATION RATING SYSTEM**

**A. Activity Priority**

This section will evaluate the applicant’s identification with established national objectives, national goals, strategic plan priorities, eligible activities, and the City of Tuscaloosa’s core values.

For both CDBG and HOME, alignment with the following priorities and activities will weigh more than other categories:

- 1. **Affordable Housing**
- 2. **Children and Youth Services**

**B. Activity Management and Implementation**

The application will be scored on the management and implementation of the proposed activity. This section will review the adequacy of responses throughout the application. Under Activity Management and Implementation, the section will seek the following information:

- a. Program Information: Illustration of the duties and responsibilities of the program lead and program staff to deliver the program. Reviewers should be able to ascertain how, when, where, what, and who of the operation of the program.
- b. Program Narrative: Extent to which applicant describes the main problem/issue the activity seeks to resolve including adequately illustrating how it will meet the national objectives, components of the program and the expected outcomes.
- c. Program Client/Participant Information: Assesses the extent to which the applicant has identified its target population and describes the target population in detail and then identifies and provides the documentation used to verify participant eligibility.
- d. Provision of Participant Information/Data Collection and Reporting: Determine the extent to which applicant has or will collect participant information, including the data collection methods and systems used.
- e. Level of Service: Extent to which applicant meets the requirement to provide a new or quantifiable increase in level of service provided through activity.
- f. Number of Clients Served: Determination of applicant's proper identification of clients in relation to the overall administration of program and prior year's activities.
- g. Performance Measurement: Evaluation of the outcomes/goals listed in the program narrative and the adequate description of goals, benchmarks, evaluation tools and timeliness of evaluation.
- h. Activity Site: Assesses the extent to which the applicant has made its activity accessible to those that need it most and provides service delivery in districts and areas that have identified as 51% or more low-to-moderate income or having a significant concentration of presumed benefit individuals.
- i. Quality Assurance: Evaluation of the extent applicant uses identified best practices to measure quality of services.
- j. Client Safety: Evaluation of applicant's provisions for ensuring client's physical, mental, emotional, financial and social safety.
- k. Client Privacy: Evaluation of applicant's protections of client information and privacy.
- l. Timeline and implementation Schedule: Evaluates applicant's ability to meet timeliness and start activity within 60 days of award.
- m. City of Tuscaloosa Resident Benefit: Determination that 100% of CDBG will be used to benefit City of Tuscaloosa residents and evaluation of the tracking, disbursement and other systems to manage/oversee this.
- n. Collaboration: Evaluation of the extent to which applicant has identified key collaborators, quality of collaborations, cooperation with similar service providers.
- o. Need for Program: Determination of the extent to which applicants have demonstrated a documented need for activity and how the activity differentiates itself from similar service providers within Tuscaloosa County.
- p. Outreach: Assessment of the engagement and marketing efforts of the applicant and the applicant's plan to reach non-English speakers and visually, hearing and/or physically impaired.
- q. APPENDIX Points will be awarded to applicants based on documentation and information provided, showing that the resources, such as funding, site control, etc., needed to implement the proposed activity are available and ready.

### **C. Organizational Capacity and Past Performance**

- a. Organizational Leadership: Evaluates the work experience of the Executive Director and Chief Financial Officer to ensure adequate funding and administration of the proposed activity.
- b. Organizational Oversight: Assessment of engagement of Board of Directors in supervision of applicant and its

activity implementation. Board of Directors evaluation also includes the inclusion of members of the target population community.

- c. **Activity Staff Qualifications and Training:** Determines the work experience of assigned activity staff to ensure compliant operation of activity to also include professional development experiences and training to implement any identified best practices and/or curriculum.
- d. **Planning:** Determination of adequate plans to guide the immediate and long-term operation of the applicant's organization. Plans for this NOFA, should include a strategic plan, Emergency Response Operations Plan which includes provisions for Infectious Disease, organizational and activity policy and procedure, employee manual.
- e. **Compliance:** Evaluation of the presence and adequate training for personnel to management and for the administration of activity in accordance with 2 CFR 200.
- f. **Experience and Past Performance:** The experience of the applicant, including the length of time in business and experience in undertaking projects of similar complexity as the one for which funds are being requested will be evaluated. In addition, the applicant will be evaluated in terms of its past performance in relation to any local, state, or Federal funding program. The past performance will refer to attainment of objectives in a timely manner and expenditure of funds at a reasonable rate in compliance with contract. Compliance with the contract will include but not be limited to submission of reports and adherence to the scope of services.

#### **D. Financial Management**

- a. **Organizational Revenue Allocation:** Presence of thorough revenue allocation, which documents all sources of revenue for applicant and the predetermined uses.
- b. **Activity revenue allocation:** Presence of thorough activity revenue allocation, which accurately documents the sources, uses and flow of revenue for activity. In addition, identified revenue should reflect revenue sources described in the organizational revenue allocation.
- c. **Operations Budget:** Presence of mathematically sound, itemized and reflective of eligible expenses in relation to the activity funds request.
- d. **Audit/Financial Support and Viability:** More than sufficient long-term financial resources to ensure operation of activity. Audit report by independent CPA does not reveal any ongoing concerns, risks and/or material weaknesses.
- e. **Program Income:** In the instance, applicant charges fees for services, assessment of the adequacy of the accounting procedures and use of funds within the organization.
- f. **Financial Systems and Internal Controls:** Financial staff responsibility is adequate to preserve functionality of the activity. In addition, internal controls are present and preserve grant funds, personal information and ensure grant funds are used for authorized purposes as described by financial management policies and procedures.
- g. **Financial Management Policies and Procedures:** Determination of existence and strength of financial management policies and procurement standards.
- h. **Leveraging:** Needs are clearly identified to address total project requirements. Additional funds are secured and firm written commitments are available. The extent to which CPD funds are intended as GAP funding. Minimum of 2:1 ratio.

#### **E. Other**

- a. **Documentation File Review:** Evaluation of the submitted required documents to ascertain the capacity and strength of applicant organization: Review to include at Minimum Organizational policy and procedure, Organizational Chart, Job Descriptions, Board of Director's minutes, Data collection, etc.

#### **F. Selection Considerations**

## **1. Minimum Scoring**

To qualify for a CDBG grant, applicants must **earn a minimum of 50 percent of the points for each overall Rating Factor category in Activity Management, Capacity, and Funding.**

**Any applicant not earning these minimum ratings will not be awarded a grant.**

## **2. Tie Scores**

If two or more applications have the same score and there are insufficient funds to select all of them, CNS will select the application(s) with the highest score for the overall Activity Management. If a tie remains, CNS will select the application(s) with the highest score for the overall Organizational Capacity, then overall Funding Rating Factors.

## **G. Grant Type**

CNS will first award CPD funds to the top scoring applicants. Applications that do not score high enough to receive CPD grant will then be considered for funding through additional supplemental funding grants, as determined by the statutes, regulations, and guidelines of said funding.

## **H. Adjustments to Funding**

To ensure the fair distribution of funds and enable the purposes or requirements of a specific program to be met, CNS reserves the right to fund less than the amount requested in an application. CNS also reserves the right to not fund any applicant for a history of non-compliance or if higher scoring applicants meet the funding priorities of this NOFA, or if the City of Tuscaloosa elects to implement an eligible activity through one of its departments or divisions.

At no time will CNS fund any portion of an application that:

1. Is not eligible for funding under applicable statutory or regulatory requirements;
2. Does not meet the requirements of this notice; or
3. Directly duplicates other locally known programs or directly duplicates any General Fund/CPD funded activities from prior year awards or through other selected applicants.

## **I. Remaining Funds**

CNS reserves the right to reallocate remaining funds from this NOFA to other eligible activities under section 24 of the 1937 Act, including CDBG and HOME grants.

## **J. Total requests less than NOFA funding**

If the total amount of funds requested by all applications found eligible for funding under this NOFA is less than the amount of funds available from this NOFA, all eligible applications shall be ranked based on priority need and final score and will be awarded funds according to this determination. If all qualified applicants have been funded, those funds in excess of the total requested amount may be considered remaining funds.

## **K. Total requests more than NOFA funding**

If the total amount of funds requested by all applications found eligible for funding under this NOFA is greater than the amount of funds available from this NOFA, all eligible applications shall be ranked based on priority need and final score and will be awarded funds according to this determination.

For instance, applicants that meet a priority need AND have a high score shall be fully funded. After awarding funds to the highest scoring applicants, the remaining applicant shall receive reduced funding in direct proportion to the applicants rank order, until the amount of non- awarded funds is less than the amount required to feasibly fund additional eligible applications. In this case, the funds that have not been awarded may be considered remaining

funds.

If funds are available after funding the highest-ranking applications, CNS may fund all, a part, or none of other eligible fundable applications.

#### **L. Applicant Award Rejection**

If an applicant turns down an award offer, or if CNS and an applicant do not successfully complete grant negotiations, CNS may make an offer of funding to another eligible application.

If funds remain after all selections have been made, remaining funds may be made available within the current FY for activities within the priority program area or be used as otherwise provided by authorizing statute or appropriation.

If, after announcement of awards made under the current NOFA, additional funds become available CNS may use the additional funds to:

1. provide additional funding to an applicant awarded less than the requested amount of funds
2. fund additional applicants that were eligible to receive an award but for which there were no funds available
3. and/or fund eligible activities not considered under this NOFA.

### **VIII. CPD AWARD ADMINISTRATION INFORMATION**

#### **A. Federal Award Notices**

CNS makes every effort to keep applicants informed of the application process and the status of its application. To this end, CNS will inform applicants via email and/or via postal mail of the following application status changes:

1. Selection of CDBG Pre-Application for invitation to Phase II- Final Application
2. Non-selection of CDBG Pre-Application for Phase II, with provision of reason for non-selection
3. Non-selection of HOME Funding Application for HOME funding and reason for non-selection
4. CDBG Final Application Award, including the amount of the award
5. Non-Selection of Final Application for Award and reason for non-selection

All notices will be sent via email to the Executive Director of the organization and/or to the postal address provided in the pre-applications. It is imperative that this information is correct and up to date.

#### **B. Administration and National Policy Requirements**

For this NOFA, the following administrative, national and department policy requirements and terms for HUD financial assistance awards apply.

#### **C. Compliance with Non-discrimination and Other Requirements**

Unless otherwise specified, these non-discrimination and equal opportunity authorities and other requirements apply to all NOFAs. Please read the following requirements carefully as the requirements are different among HUD's programs. Compliance with Fair Housing and Civil Rights Laws, which encompasses the Fair Housing Act and Related Authorities (cf. 24 CFR 5.105(a) Affirmatively Furthering Fair Housing; Economic Opportunities for Low-and Very Low-income Persons Section 3); Improving Access to Services for Persons with Limited English Proficiency (LEP); Accessible Technology; Real Property Acquisition and Relocation; Participation in HUD-Sponsored Program Evaluation; Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards Safeguarding; Resident/Client Files; Compliance with the Federal Funding Accountability and Transparency Act of 2006 (Pub. L.109-282) (Transparency Act), as amended; Accessibility for Persons with Disabilities; Conducting Business in Accordance with Ethical Standards/Code of Conduct Environmental Requirements

## **D. Reporting**

Data collection and reporting are an integral part of CPD grant implementation and administration.

## **E. Performance Reporting**

All HUD-funded programs, including this program, require recipients to submit, not less than annually, a report documenting achievement of outcomes under the purpose of the program and the work plan in the award agreement. For CDBG, applicants are required to submit monthly progress reports, bi-annual reports and a final year report.

## **F. Race, Ethnicity and Other Data Reporting**

HUD requires recipients that provide HUD funded program benefits to individuals or families to report data on the race, color, religion, sex, national origin, age, disability, and family characteristics of persons and households who are applicants for, participants in, or beneficiaries or potential beneficiaries of HUD programs in order to carry out the Department's responsibilities under the Fair Housing Act, Executive Order 11063, Title VI of the Civil Rights Act of 1964, and Section 562 of the Housing and 58 of 59 Community Development Act of 1987.

If awarded grants under this NOFA, applicants are required to submit the aforementioned data in all bi-annual reports and final reports.

## **G. Required Participation in ServicePoint**

All successful applicants for CDBG and HOME which are awarded funds through this NOFA, may be required to participate in ServicePoint, which is a private, proprietary participant database. If this is required, every program participant must be entered into this database. It will be the applicant's responsibility to secure and maintain adequate licenses and updated training for program staff.

## **IX. OFFICE OF COMMUNITY AND NEIGHBORHOOD SERVICES CONTACT INFORMATION**

The City of Tuscaloosa's Office of Community and Neighborhood Services will be available to assist with any questions or concerns about the application process. For information about the application process, please contact the Department of Community and Neighborhood Services' office at 205-248-5080 or via email questions or concerns to [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com).

## **X. TECHNICAL ASSISTANCE**

Technical assistance is available by appointment only. Technical assistance will be conducted by phone or video conference. To schedule an appointment, please call (205) 248-5080 or email [cnservices@tuscaloosa.com](mailto:cnservices@tuscaloosa.com).

Please include the SUBJECT LINE: Technical Assistance. In your request for technical assistance, please include the dates and times for applicant staff availability.

To preserve the fairness of the application process, the staff of the Office of Community and Neighborhood Services is restricted from providing any opinion on the quality of any portion of the Pre- Application or Final Application.

Specifically, CNS will not provide the following types of assistance:

1. The reasonableness of the financial request
2. The quality of the proposed activity, program or project
3. A review of the completeness of an application prior to submission