



Qualified Census Tract Affordable Housing Program (Metropolitan Class) Manual

State of Nebraska

August 2022 | 1.3

This guidance document is advisory in nature but is binding on an agency until amended by such agency. A guidance document does not include internal procedural documents that only affect the internal operations of the agency and does not impose additional requirements or penalties on regulated parties or include confidential information or rules and regulations made in accordance with the Administrative Procedure Act. If you believe

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1 Introduction

This Program Manual is designed to provide guidance and written standards for the applicable components of the QCT Affordable Housing Program (Metropolitan Class) that utilize funding provided through the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) through the American Rescue Plan Act (ARPA).

This manual is designed to support you and your organization in utilizing leading practices, complying with funding requirements, achieving program goals, and successfully navigating the grant lifecycle.

The Manual includes the following:

1. Program Overview, including its goal and objectives
2. Eligibility Determination for Entity and Costs
3. Award and Potential Matching Requirements
4. Pre-Award, Application, and Submission, including application pre-requisites.
5. Award Determination and Obligation
6. Award Administration Information
7. Post-Award Management, including data reporting requirements
8. Technical Assistance for using Grants Management System

The Application and Program Manual, grant schedule, and other documents can be found at the QCT Affordable Housing webpage: <https://opportunity.nebraska.gov/programs/recovery/>.

2 Program Overview

The QCT Affordable Housing Program (Metropolitan Class) is an authorized use of funding from the Coronavirus State and Local Fiscal Recovery Fund (SLFRF) (Assistance Listing #21.027) which was designed to provide state governments with the resources needed to respond to the COVID-19 pandemic and its economic effects and to build a stronger, more equitable economy during recovery. SLFRF was established by the American Rescue Plan Act of 2021 (ARPA) signed into law by the President of the United States on March 11, 2021.

Pursuant to Neb. Rev. Stat. §81-12,241(4)(f), the Nebraska Department of Economic Development (DED) shall provide grants, in an amount not to exceed \$20,000,000, for the of preparing land parcels for affordable housing or conducting other eligible affordable housing interventions, including production, rehabilitation, and preservation of affordable rental housing and affordable homeownership units within qualified census tracts located in a city of the metropolitan class as defined by Neb. Rev. Stat. §14-101.

Pursuant to 31 CFR § 35.6 (b)(2)(iii)(A)-(C), households, populations, small businesses, and nonprofit organizations residing in or operating in QCTs are presumed to be disproportionately impacted by the negative economic impacts of the public health emergency. Pursuant to 31 CFR § 35.6(b)(1)(i) DED finds that the income levels and poverty rates which existed at the time of designation for the QCTs in Nebraska were exacerbated by the public health emergency and its negative economic impacts. This program responds to such harm by providing grants to benefit individuals and families located within a qualified census tract (QCT) of a metropolitan class city by increasing affordable housing options and neighborhood revitalization activities for these disproportionately impacted communities.

DED has determined that those receiving grants (“Awardees”) under the QCT Affordable Housing Program (Metropolitan Class) are subrecipients.

A subrecipient is an entity that receives a subaward to carry out a project funded by SLFRF funds on behalf of the State. Individuals or entities that are direct beneficiaries of a project funded by SLFRF funds are not considered subrecipients. Households, communities, small businesses, nonprofits, and impacted industries are all potential beneficiaries of projects carried out with SLFRF funds.

The distinction between a subrecipient and a beneficiary is contingent upon the rationale for why the State is providing funds to the individual or entity. If the State is providing funds to the individual or entity for the purpose of carrying out a SLFRF program or project on behalf of the State, the individual or entity is acting as a subrecipient. Conversely, if the State is providing funds to the individual or entity for the purpose of directly benefiting the individual or entity as a result of experiencing a public health impact or negative economic impact, the individual or entity is a beneficiary. As a beneficiary, the individual or entity is not subject to subrecipient monitoring and reporting requirements. As a subrecipient, the individual or entity is subject to subrecipient monitoring and reporting requirements.

The terms and conditions of Federal awards flow down to subawards to subrecipients, requiring subrecipients to comply with all of the same requirements the State must comply with such as the treatment of eligible uses of funds, procurement, and reporting requirements. Beneficiaries are not subject to the requirements placed on subrecipients in the Uniform Guidance (2 CFR Part 200), including audit pursuant to the Single Audit Act and 2 CFR Part 200, Subpart F or subrecipient reporting requirements.

2.1 Grant Schedule

| GRANT SCHEDULE | |
|---------------------------|--|
| Application Open Date | September 30, 2022 |
| Letter of Intent Due Date | October 7, 2022 |
| Application Due Date | October 18, 2022 |
| Anticipated Award Date | October 2022 |
| Period of Performance | Projects to be completed by December 31, 2025. |

2.2 Federal Grant Information

| FEDERAL GRANT INFORMATION | |
|--|---|
| Federal Authorizing Agency | U.S. Department of Treasury |
| Federal Grant Program | Coronavirus State and Local Fiscal Recovery Fund (SLFRF) |
| Assistance Listing # <i>(formerly Catalog of Federal Domestic Assistance)</i> | 21.027 – Coronavirus State and Local Fiscal Recovery Fund (SLFRF) |

2.3 Contact Information

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 Nebraska Department of Economic Development
 Economic Recovery Division
 1313 Farnam Street
 Omaha, NE 68102
 531-207-5020
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3 Eligibility

The QCT Affordable Housing Program (Metropolitan Class) and any awards made thereunder are funded with federal funds allocated to the State of Nebraska from the federal Coronavirus State and Local Fiscal Recovery Fund (SLFRF) pursuant to the American Rescue Plan Act of 2021 (ARPA). As such all funds must be used in compliance with section 602(c) of the Social Security Act, 42 U.S.C. §802(c), 31 C.F.R. Part 35, the U.S. Department of the Treasury regulations implementing that section, all relevant Treasury guidance, and the Federal Award Terms and Conditions. Additionally, the program and use of funds awarded thereunder must comply with the requirements of relevant state statutes and regulations.

3.1 Eligible Use

Pursuant to 42 U.S.C. §802(c)(1)(A), awards made by the QCT Affordable Housing Program (Metropolitan Class) will respond to the negative economic impacts of the Coronavirus Pandemic. The QCT Affordable Housing Program will provide funding to a public or private entities to prepare land parcels for affordable housing or conduct other eligible affordable housing interventions, including production, rehabilitation, and preservation of affordable rental housing and affordable homeownership units within QCTs located in a city of the metropolitan class. A city of the metropolitan class is defined by Neb. Rev. Stat. §14-101. A QCT is defined in 26 U.S.C. 42(d)(5)(B)(ii)(I), as such section existed on January 1, 2022. A map of QCTs can be found here: <https://opportunity.nebraska.gov/programs/recovery/>

Any project funded through the QCT Affordable Housing Program (Metropolitan Class) must ensure the affordability of the housing provided throughout a 20-year affordability period that begins from the date of transfer from the Awardee to a homeowner or occupancy of initial tenant upon rental unit completion.

3.2 Eligible Applicants

The QCT Affordable Housing Program (Metropolitan Class) grant application will be open to public and private entities to prepare land parcels for affordable housing or to conduct other eligible affordable housing interventions within the boundaries of a city of a metropolitan class as defined by Neb. Rev. Stat. §14-101. Applicants must be currently engaged in eligible affordable housing interventions within qualified census tracts located in a city of the metropolitan class or intend to do so with the grant funds.

3.3 Funding Restrictions & Allowable Costs

All grant funds must be obligated by December 31, 2024, and projects completed by December 31, 2025.

Projects which fall under one of the following categories will be considered for funding:

i. Jump Start Fund

Rental and homebuyer projects including single and multi-family new construction and conversion are eligible under this funding category. This funding category is intended for shovel-ready projects that will break ground within 6 months of award.

Eligible projects must demonstrate a gap in funding that will be met with the QCT Affordable Housing Program's funding. Projects in this category should be able to robustly demonstrate readiness, including site selection, committed financing and/or other leveraged funding sources, construction plans and/or bids, proposed project timeline, and any other relevant known information. Applicants should justify why the QCT Affordable Housing Program funding is needed. Priority will be given to projects that can break ground within 6 months of award and organizations with a strong track record of completing projects on schedule.

Low Income Housing Tax Credits (LIHTC) projects that have already received a commitment from Nebraska Investment Financial Authority (NIFA) but are now experiencing gaps due to increased construction, labor, and financing costs are eligible to apply. Only LIHTC projects from the 2022 and later cycles will be considered in this funding category.

ii. Site Prep Fund

Organizations seeking to prepare land for future rental and homebuyer projects including single and multi-family new construction and conversion can apply for a grant for site preparation. Eligible costs include acquisition of vacant property, demolition, infrastructure improvements, and other land preparation activities necessary to make the site pad-ready for future affordable housing developments. A restrictive covenant running with the land will be placed on the land to ensure that the site will be used for future affordable housing developments.

Organizations may apply for funding for one or more sites. Applicant does not need to have site control at time of application, but site control may demonstrate additional project readiness and increase competitiveness of application. If site(s) are known at time of application, Applicant should complete and attach a site review form with their application. If site(s) are not known at time of application, Applicant is not required to complete a site review form, but Applicant should include a detailed description of how potential sites will be chosen. A site review form will still be required once sites become known. DED must sign off on site review form before reimbursement for site acquisition and other eligible costs will be made to recipient organization.

Organizations applying for eligible projects under the Site Prep Fund should clearly articulate the type of housing and quantity of units they expect to develop after site preparation is complete. Applicants should also describe the anticipated timeline for development and completion of units after site preparation is complete.

iii. Impact Project Fund

Rental, homebuyer, and homeowner projects including single and multi-family new construction, conversion, rehabilitation, and down payment assistance is eligible under this funding category. This category will fund innovative, transformational projects that will be completed within 2-3 years, including both smaller-scale and larger affordable housing developments. Priority will be given to projects that demonstrate an innovative, transformational component that could be replicated in future affordable housing developments.

Applicants may only apply for one project type in an application. Multiple applications may be submitted to request funds on different project types.

Ineligible Project Types

The following projects are not eligible under the QCT Affordable Housing Program.

Expenses incurred for site acquisition and preparation prior to October 31, 2022, are not eligible. Funds will not be released without an agreed upon contract. Reimbursement requests are only available after notice of award issue date.

Proposals for projects with sites that are not vacant at time of application will not be considered. A property will be considered vacant if no persons would be displaced as defined by Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) as a result of the project.

Who is considered a displaced person under URA?

- A displaced person can be a tenant, home owner, farm owner or business owner who has to permanently relocate as a direct result of a federally funded project (this can also include personal property, typically owned by someone other than the property owner, which has to be moved off-site because of the project);
- A tenant can also be considered displaced if:
 - The landlord tries to avoid relocation costs by not renewing a lease or telling a tenant to move;
 - The applicant is slow or negligent in providing assistance and advising tenants of their rights;
 - Temporarily relocated tenants who are not offered suitable and affordable units to return to, as defined by the CDBG or HOME Program;
- The US Department of Housing and Urban Development (HUD) determines that the tenant moved because of the project even if they moved before the application for funding was submitted; and
- If the terms of the temporary relocation are unreasonable.

There is no statute of limitations on claims for displaced tenants who were not fully informed of their rights.

Who is NOT considered a displaced person under URA?

- Tenants who are evicted for cause and with due process;
- Illegal tenants or those who are not on the lease (if the owner was aware of such persons and took no action, the applicant may need to pay relocation);
- Tenants who were correctly provided Move-in Notices before executing a lease and moving into the property; and
- Owner-occupants who sell or rehabilitate their property voluntarily.

Duplication of Funds:

Applicants are required to avoid a duplication of benefits. A duplication of benefits occurs when the amount of the grant exceeds the total identified need. Awardee should conduct an analysis prior to applying for grant funding to determine needs not met by other sources. Listed below are some best practices to determine if there is a duplication of benefits.

Best Practices:

1. Identify assistance from federal and state government, county agencies, and private or nonprofit charity organizations that Applicant reasonably expects to be in a project or any other APRA funds reasonably expected to be or have been received.
2. All Applicants are required to identify other sources and amounts of covered assistance (sources and uses), and to certify that the grant funds requested does not duplicate other covered assistance that has been received or is reasonably expected to be received.
3. Applicants must agree to repay any assistance later received for the same purpose as the grant funds associated with this grant program.

In applying for and receiving an award, the Awardee must adhere to the federal requirement of 2 CFR Part 200, which includes General Provisions of Subpart B, Pre-Award Requirements of Subpart C, Post-Award Requirements in Subpart D, Cost Principles in subpart E, and Audit Requirement found in Subpart F. Allowable costs are based on the premise that an Awardee is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Awardee must implement robust strong financial management in the system of internal controls and effective monitoring.

Funds may be, but are not required to be, used along with other funding sources for a given project. Note that funds may not be used for a non-Federal cost share or match where prohibited by other Federal programs.

Treasury's Final Rule and guidance and the Uniform Guidance outline the types of costs that are allowable, including certain audit costs. For example, per 2 CFR 200.425, a reasonably proportionate share of the costs of audits required by the Single Audit Act Amendments of 1996 are allowable; however, costs for audits that were not performed, or not in accordance with 2 CFR Part 200, Subpart F are not allowable. Please see 2 CFR Part 200, Subpart E regarding the Cost Principles for more information.

3.4 Award & Potential Matching Requirements

Grants may be awarded up to the amount allocated by the Legislature. DED reserves the right to partially fund any request. While there is no formal match requirement, projects are encouraged to use QCT Affordable Housing Program (Metropolitan Class) funds to leverage other funding sources. Note: No additional points will be awarded for matching dollars.

4 Pre-Award & Application Submission

4.1 Pre-Award

Submission of a completed “2022 QTC Housing Program (Metropolitan Class) Letter of Intent” for each Application indicating interest in applying for grant funds. Applicants who do not submit a Letter of Intent will not be eligible for funding.

The following information is required:

- Name of Applicant
- Address
- Contact name
- Phone
- Email
- Amount of QCT Affordable Housing Program funds intending to apply for
- Site Location or Project Area
- Project Type (Jump Start Fund, Site Prep Fund, or Impact Project Fund)

4.1.1 Unique Entity Identifier

The following steps are required to obtain a Unique Entity Identifier (UEI):

1. Type www.sam.gov in your internet browser address bar.
2. Create an account
 - a. Select “Sign In” located in the upper right-hand corner to create an account.
 - b. There will be a “pop up” asking you to accept the U.S. Government System terms to sign into the website.
 - c. If you accept the terms, you will be asked to “create an account”.
 - d. Enter any required information and language preferences and submit.
 - e. You will then receive an email message to validate your email address.
 - f. Follow the instruction to continue the registration process. For assistance with the registration process, please use the Help or Contact Links located at the bottom of the page.
3. Once you are logged in, make sure you are on the “Home” page.
4. Select “Get Started” from the “Register Your Entity or Get a Unique Entity ID” sub-window.
5. This will not fully register you with Sam.gov but will get you the UEI you will need to participate in this grant program.
6. Next, click “Get Unique Entity ID” button.
7. Fill in the form exactly as the name you registered with your state filing office and your physical address. When all required fields are complete, click the next arrow. Note: the next arrow will not display until the information is complete.
8. You will see this pop up as the system searches. When complete, this pop-up box goes away, and any results will be displayed.
 - a. If the information you entered was unable to be validated, then a No Match found message will appear at the top of the form. You will need to review and correct the information or click Create Incident for help.
 - b. The progress bar across the top allow you to see where you are in the request process.
9. During the Validate Information step, the system shows what you entered and will list all matches found. Select the one that matches and then the next button to Request the UEI or if you are unable to see your information, select Start Over to retype in your information or Create Incident to request help.
10. Once you have selected the correct listing, you will need to Validate Additional Information by entering your Year of Incorporation and the State of Incorporation. Once entered you may select Next.

11. At the bottom of the page there is a selection that defaults to allow that the selected record be a public display record.
12. Once you have your match and made your choice on public display, click next.
13. During the Request UEI (SAM) process, you will need to check the box to certify that you are authorized to conduct transactions on behalf of the entity and select "Request Unique Entity ID".
14. During the Receive UEI (SAM) process (final process), you will receive your UEI. Keep this information for your records.

4.1.2 Debarment and Suspension

Applicants and any Awardees that are debarred, suspended, or otherwise excluded Federal assistance programs or activities are ineligible for this program. Applicants and Awardees that have been the subject of legal proceedings involving fraud, waste or misappropriation of funds within the last 10 years are also ineligible for this program.

Additionally, during the application process, Applicants must disclose information about any and all proceedings involving the entity, its principles, or employees that are ongoing or reached final disposition within the most recent 10-years that:

1. Is or was in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the State of Nebraska or the Federal Government; or
2. Is one of the following:
 - a. A criminal proceeding that resulted in a conviction under verdict or plea;
 - b. A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages;
 - c. An administrative proceeding that resulted in a finding of fault and liability and your payment of a fine, penalty, reimbursement, restitution, or damages;
 - d. A bankruptcy proceeding; or
 - e. Any other criminal, civil, or administrative proceeding if:
 - (i) It could have led to an outcome described in paragraph 2(a)-(c) of this subsection;
 - (ii) It had a different disposition arrived at by consent or compromise with or without an acknowledgment of fault on your part; and
 - (iii) This requirement to disclose information about the proceeding does not conflict with applicable laws and regulations.

Failure to disclose may result in Applicant being determined ineligible for this program.

4.1.3 Acknowledgement of terms and conditions for federal grants

Awardee must attest to DED in the grant application and agreement that funds will only be utilized for activities allowed under the federal grant.

The Awardee must acknowledge and will agree to in the grant agreement that any activities performed by the Awardee determined to be unallowable by DED, or State and Federal oversight monitors or auditors must be returned to the DED for utilization on other SLFRF allowable activities or returned to the federal grantor.

4.2 Application Submission

Applications are submitted electronically through DED's Grant Management System at any time after the application live date and on or before the application due date.

4.2.1 Documentation Required for Application – Content & Forms

To successfully apply, you will need to complete all required fields and sections of the applications. Applicants may view the application at the program webpage – <https://opportunity.nebraska.gov/programs/recovery/>

Applications will have the following sections:

- Opportunity Details

- Provides an overview of the program, basic requirements, and DED contact information.
- Project Information
 - You will input a primary contact for the application and award.
- Forms
 - You will answer specific questions about the program.
- Budget
 - You will provide a proposed budget divided into categories and line items. If you receive an award, expense will be tracked against the line items you proposed.
- Performance Plan
 - You will need to provide information related to your performance plan in the GMS. Information will include but is not limited to: Number of units constructed, Income level to be served, Project completion date, (for Jump Start) Will ground-breaking happen within 6 months; and How contractors whose business is located within the QCT being utilized.
- A copy of the previously submitted Letter of Intent.
- Complete all other mandatory fields in the GMS

Applicants must provide the following:

- Attach housing study and/or city strategic housing plan, master plan, or neighborhood revitalization plan
- Pro Forma that includes the following information:
 - Development Budget (including soft costs and hard costs)
 - Total Development Costs (projected)
 - Rental Projects: Operating Costs
 - Homebuyer Projects: Homebuyer mortgage analysis
 - Sources and Uses
 - Gap/subsidy needed
 - Projected per-unit subsidy
- Site Review Form (if sites are known at time of application)
- Commitment letters from other secured funding sources and/or bank financing
- Nebraska Secretary of State - Certificate of Good Standing
- Construction Memorandum of Understanding
- Charter/Articles of Incorporation/By-Laws/Board Resolution
- 2019-2021 Income Statements, Cash Flow, and Balance Statements (private entities)
- Letter from IRS for 501(c) designation (if applicable)
- 2019-2021 IRS Form 990 (if applicable)
- Evidence of Board Approval for grant request
- Other Applicant-specific attachments, as needed
- General Information
- Application Questions
- Narrative questions for each characteristic and other mandatory fields indicated.

4.2.2 Timely Receipt Requirements and Proof of Timely Submission

Applications must be submitted by the Application Deadline indicated in Section 2.1. Applications must be completed via DED's GMS and must fully comply with all requirements within the time period specified. Applications that do not include all of the documentation or attachments required or have not been fully completed, will not be considered. At its discretion, DED may request supplemental materials from Applicants. Please utilize links and other information found in section 8 of this document to assist with your application submission.

4.2 Conflicts of Interest in the Administration of Awards

Awardees must disclose to the DED any financial conflicts of interest that arise and are required to be managed during the life of the award. Such a conflict of interest would arise when the employee of Awardees or any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the

parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. Awardee employees may neither solicit nor accept gratuities, favors, or anything of monetary value from the contractors or parties to contract.

5 Award Determination & Obligation

5.1 Application Evaluation Criteria

Applications will be scored and evaluated using the following criteria:

| Criteria | Description | Weighting Factor |
|--|--|------------------|
| Economic Impact | The impact of the proposal on the local economy and qualitative and quantitative benefits to the local community. | 24% |
| Capacity | The ability of the Applicant to complete the program activities within the program period of performance and efficient and effective use of funds. | 14% |
| Financial and Administrative Readiness | Experience of the Applicant in managing federal grant funds and developing program internal controls, established procurement processes, and adhering to reporting requirements. | 12% |
| Project Readiness | The ability to put a plan in place and to move quickly once funds are awarded | 14% |
| Housing Needs | Project supports city's strategic plan for affordable housing and/or neighborhood-level revitalization plans approved by city. | 20% |
| Project Impact | Delivers efficient impact relative to the investment of QCT Affordable Housing Program funds. | 16% |

Threshold Requirements

Failure of the application to meet all threshold requirements will result in the application not being reviewed, scored or eligible for award during the Application Cycle. Clarifying information may be requested of Applicants during the threshold review. The following checklist is provided to ensure the Applicant has included all required information:

| | | |
|---|------------------------------|-----------------------------|
| Letter of Intent submitted by the due date. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Applicant is an eligible Applicant as defined in the Application Guidelines. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Certificate of Good Standing from the Nebraska Secretary of State is provided. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Was the full application submitted to NDED by the due date (including: required exhibits, attachments, and page numbers and sections indicated on each page)? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Did application pass due diligence review? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

Supplemental Financial/Integrity Review

- Letter from IRS for 501(c) designation (if applicable)
- Charter/Articles of Incorporation/By-Laws/Board Resolution
- 2019-2021 Income Statements, Cash Flow, and Balance Statements (private entities)
- Letter from IRS for 501(c) designation (if applicable)
- 2019-2021 IRS Form 990 (if applicable)
- Evidence of Board Approval for grant request

5.2 Applicant Risk Assessment

DED will perform a risk assessment to identify the potential risks associated with this potential award and address those risks by including mitigating terms and conditions in the sub-agreement as well as additional Awardee monitoring procedures for Awardees requiring such special conditions. This process differs based on the potential Awardee’s organization type (ex., non-profit, for-profit business, academic institution). The risk assessment will be performed by collecting and reviewing information about the organization and assigning an appropriate risk level.

5.3 Application Review and Selection Process

Applications will be evaluated to determine if they meet eligibility criteria and minimum qualifications. Once this threshold is met, applications will be scored by a committee based on the scoring criteria in section 5.1. Awards will be determined by the review committee.

Following the award decision by the review committee, a recommendation will be provided to the DED Director. Once approved, notices of award and notices of non-select will be sent to the Applicants.

The following Selection Criteria provides information for the review and scoring of each application. All applications received by the due date and meeting all threshold requirements will be reviewed and scored by NDED on a competitive basis according to the Selection Criteria.

| Characteristic | Criteria |
|---|---|
| I. Capacity | |
| | Organization’s track record in producing affordable housing that meets the needs of the local community. |
| | Qualifications and experience of organization’s staff. |
| | Track record of completing projects on time or ahead of schedule. |
| II. Financial and Administrative Readiness | |
| | Description of organization’s internal controls and financial management procedures. |
| | Organization’s ability to take on additional projects and manage federal funds in a responsible manner. |
| III. Project Readiness | |
| | Jump Start Fund: Ability to break ground within 6 months. Site Prep Fund projects: Projected timeline for land prep completion as well as projected timeline for completion of new units. All projects: Ability to complete project within 3 years. |
| | Project readiness: Few unknowns, and where unknowns exist, a plan is in place to move quickly once funds are awarded. |
| | Preference given to projects where sites have been identified and the developer has site control. |

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| IV. Economic Impact | |
| | Impact on the local economy based on detailed plan for utilizing contractors from QCTs. |
| | Sustainability: Impact on future housing production as outlined by Applicant's plan for use of program income generated from the project. |
| V. Local Housing Needs | |
| | Applicant includes data and housing studies that justify the need for this project/housing type. |
| | Applicant provides support for income restrictions on units that are reasonably proportional to the negative economic impacts of the pandemic. |
| | Applicant justifies the eligible use of ARPA funds in responding to public health emergency OR responding to the negative economic impacts of the pandemic. |
| | Project supports city's strategic plan for affordable housing and/or neighborhood-level revitalization plans approved by city. |
| | Funding from this program is needed to make the project feasible. |

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| VI. Project Impact | |
| | Amount of subsidy per unit delivers efficient impact relative to the investment of QCT AHP funds. |
| | Quantity of new units created or existing units preserved over the life of project's period of affordability (for income-restricted units) and usability (for market-rate units). Site Prep Fund projects should include the anticipated number of new units that will be located on each site along with documentation supporting the projected density of units (e.g., proof of zoning, ability to re-zone and/or replat if needed). |

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| Oral Interview Evaluation Criteria (if applicable) | |
| | Presentation: Quality of Applicant's presentation of proposed project. |
| | Q&A: Applicant provides satisfactory answers to questions from review panel regarding the proposed project. |

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| | Consistency: Information provided by Applicant in interview aligns with information provided in written application. |
| | Readiness & Capacity: Nuances of organizational capacity and project readiness over the course of the interview. |

6 Award Administration Information

6.1 Notice of Award

DED issues written Notice of Award (NOA) to Recipients of an award. The NOA will outline anticipated grant amount. These funds will be reserved for the potential Awardee until the grant agreement is signed by both DED and the Awardee or until such time it is determined that a grant agreement cannot be entered between Awardee and DED.

6.2 Grant Agreement Terms and Conditions

Following DED's NOA, DED issues an electronic copy of the QCT Affordable Housing Program (Metropolitan Class) Award Agreement via DocuSign. Unless otherwise directed, the executed agreement and any special conditions are available within the GMS, under Tools > Documents. The QCT Affordable Housing (Metropolitan Class) Award Agreement is entered into between DED and the Awardee. If the Awardee is an organization or other legal entity, an authorized representative of the Awardee must sign the contract.

The Awardee must review, sign, date, and return the agreement via DocuSign to accept QCT Affordable Housing (Metropolitan Class) awards. DED signs the contract after it is signed by the Awardee. Once all parties have signed the agreement and met all required conditions specified in the contract, Awardees will be required to provide a completed State of Nebraska W-9 and ACH Enrollment Form.

Awardee must attest to DED in the grant application and agreement that funds will only be utilized for activities allowed under the federal grant.

The Awardee must acknowledge and will agree to in the grant application and agreement that any activities performed by the Awardee determined to be unallowable by DED, or State and Federal oversight monitors or auditors must be returned to the DED for utilization on other SLFRF allowable activities or returned to the federal grantor.

6.3 Award Disbursement

Upon full execution of the agreement and the meeting of any required conditions specified in the contract, the Awardee must submit the First Payment Request.

This award will be disbursed on a reimbursement basis using the GMS. To receive reimbursement, the Awardee must create one expense for each supporting document. Proof of payment must also be included on each expense. Expenses will be tracked against the Awardee's budget line items.

The Awardee will then compile all expenses into a reimbursement Payment Request, which will be submitted to DED. DED may reject the payment request and require resubmission if documentation is incomplete, funds are requested for ineligible costs, match contribution is not sufficient, or other issues are identified. Upon DED's approval of payment requests, DED will disburse grant funds on a reimbursement basis up to the amount detailed in the reimbursement documentation. An email from the AmpliFund Administrator will give notice to the Grant Manager that DED has approved or denied the request for payment. Funds are transferred electronically to the account designated on the State of Nebraska ACH Enrollment Form. If an email address was provided on the State of Nebraska ACH Enrollment Form, it will be notified once the payment has been processed.

Awardees can find detailed instructions for how to submit payment requests in the user guides and other information found in section 8 of this document. Payment of the reimbursement is subject to Awardee's submission of compliance

materials (e.g., paid invoices, receipt of expenditures, required supporting documentation, proof of payment, etc.) for review and approval by DED. “Supporting documentation” includes receipts, invoices, timesheets, etc., with sufficient information to demonstrate the amount of the cost and the allowability, applicability, and reasonableness of the cost. “Proof of Payment” means canceled checks, bank statement, confirmation of wire or automated clearing house transfer, or similar documentation which provides substantiating evidence that payment has been made as claimed.

The timing of the final disbursement request depends on the Awardee’s ability to document expenditure of funds as required in the agreement but should be submitted to DED on or before the end of the contract term.

7 Post-Award Management and Implementation

7.1 Financial Management

Awardees are required to properly manage their financial resources. DED has established a financial management framework that allows for the appropriate recording and reporting of the receipt and expenditures of federal grant funds. Awardees are required to be in compliance regarding expenditure requirements outlined in 2 CFR Part 200.

7.2 Internal Controls

Awardees must agree to comply with applicable laws, regulations and provisions of grant agreements which includes the requirement to maintain internal controls to provide reasonable assurance of compliance with these requirements. Awardee internal control requirements are further outlined in 2 CFR §200.303

7.3 Cost Sharing and Matching

Federal Cost Sharing and Matching requirements do not apply to the SLFRF Program per U.S. Treasury Guidelines.

7.4 Program Income

Generally, program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. Awardees of SLFRF funds should calculate, document, and record the organization’s program income. Additional controls that Awardees should implement include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records. Awardees will report on program income following the reporting procedures enumerated in the grant agreement.

The Uniform Guidance outlines the requirements that pertain to program income at 2 CFR §200.307. U.S. Treasury clarified in the SLFRF Final Rule Frequently Asked Questions that recipients may add program income to the Federal award. Any program income generated from SLFRF funds must be used for the purpose and under the conditions of the Federal award.

SLFRF Final Rule Frequently Asked Questions can be found at this link:

<https://home.treasury.gov/system/files/136/SLFRF-Final-Rule-FAQ.pdf>

7.5 Insurance

The Awardee must, at a minimum, provide the equivalent insurance coverage for real property and equipment acquired or improved with Federal funds as provided to property owned by the Awardee in accordance with 2 CFR §200.310, 2 CFR §200.311 and 2 CFR §200.313. Awardees must provide a Certificate of Insurance.

7.6 Real Property and Equipment

Any purchase or improvement of equipment or real property with SLFRF funds must be consistent with the Uniform Guidance at 2 CFR Part 200, Subpart D. Equipment and real property acquired under this program must be used for the originally authorized purpose. Consistent with 2 CFR §200.311 and 2 CFR §200.313, any equipment or real property acquired using SLFRF funds shall vest with the Awardee. Any procurement of equipment or real property must also be in compliance with 2 CFR §200.317 through 2 CFR §200.327.

7.7 Procurement

DED and its subrecipients are responsible for ensuring that any procurement using award funds, or payments under procurement contracts using such funds are consistent with the procurement standards set forth in the Uniform Guidance at 2 CFR §200.317 through 2 CFR §200.327, as applicable. The Uniform Guidance requires that all procurement transactions for property or services must be conducted in a manner providing full and open competition, consistent with standards outlined in the procurement standards, which allows for non-competitive procurements only in circumstances where at least one of the conditions below is true: the item is below the micro-purchase threshold; the item is only available from a single source; the public exigency or emergency will not permit a delay from publicizing a competitive solicitation; or after solicitation of a number of sources, competition is determined inadequate. The Uniform Guidance requires an infrastructure for competitive bidding and contractor oversight, including maintaining written standards of conduct and prohibitions on dealing with suspended or debarred parties. Awardees must ensure adherence to all applicable local, State, and federal procurement laws and regulations.

7.7.1 Competition and Conflicts of Interest

Competition - All written procurement policies will include procedures to conduct all procurement transactions in a manner providing full and open competition consistent with the standards. DED considers “full and open” competition to mean that a complete requirement is publicly solicited (except if specifically not required) and all responsible sources that are interested in doing so, are permitted to compete.

There are numerous benefits to full and open competition, such as increasing the probability of reasonable pricing from the most qualified contractors and helping discourage and prevent favoritism, collusion, fraud, waste, and abuse.

Conflict of interest - In accordance with 2 CFR §200.112, DED and Awardees must disclose in writing any potential conflict of interest to the Federal awarding agency or pass-through entity in accordance with applicable Federal awarding agency policy. Also, in accordance with 2 CFR §200.113, DED and Awardees of a Federal award must disclose, in a timely manner, in writing to the Federal awarding agency or DED all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal award. Failure to make required disclosures can result in any of the remedies described in 2 CFR §200.338 Remedies for non-compliance, including suspension or debarment.

7.7.2 Supply Schedules and Purchasing Programs

The Awardee procurement procedures must address what procurement methods will be used, including a description of those methods and the circumstances when used. These methods should also include a description of how and when the subrecipient will use joint procurements, purchasing agents, and Federal and State supply schedules.

Davis-Bacon Act. While the Davis-Bacon Act requirements (prevailing wage rates) do not apply to projects funded solely with award funds from the SLFRF program, except for certain SLFRF-funded construction projects undertaken by the District of Columbia, when undertaking capital expenditures, Treasury encourages Awardees to adhere to strong labor standards, including project labor agreements and community benefits agreements that offer wages at or above the prevailing rate and include local hire provisions. Treasury also encourages Awardees to prioritize in their procurements, employers with high labor standards and to prioritize employers without recent violations of federal and state labor and employment laws. Additional standards may be applicable based on state statutes and award agreement terms and conditions.

7.8 Cost Principles

Awardees must assume responsibilities for administering Federal funds in a manner consistent with underlying agreements, program objectives, and the terms and conditions of the federal award. Costs pertaining to a Federal award should be allowable, allocable, and reasonable and treated consistently. Cost Principles should be followed in accordance with 2 CFR §200.400 through 2 CFR §200.476.

7.9 Records Retention and Access

As required by Retention Requirements for Records found in 2 CFR §200.334 through §200.338. Awardees must maintain records and financial documents for five years after all funds have been expended or returned. Treasury may request transfer of records of long-term value at the end of such period. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats. Awardees must agree to provide or make available such records to the State of Nebraska, Nebraska Department of Economic Development, and the U.S. Department of Treasury upon request, and to any authorized oversight body, including but not limited to the Government Accountability Office (“GAO”), Treasury’s Office of Inspector General (“OIG”), and the Pandemic Relief Accountability Committee (“PRAC”).

7.10 Noncompliance Termination

If DED determines that the grantee materially fails to comply with any term of this grant agreement, whether stated in a federal or state statute or regulation, an assurance, in a state plan or application, a notice of award, or any other applicable requirement, DED, in its sole discretion may take actions including:

1. Temporarily withholding payments pending correction of the deficiency or more severe enforcement action by DED;
2. Disallowing or denying use of funds for all or part of the cost of the activity or action not in compliance;
3. Disallowing claims for reimbursement;
4. Wholly or partially suspending or terminating this grant;
5. Requiring return or offset of previous reimbursements;
6. Prohibiting the grantee from applying for or receiving additional funds for other grant programs administered by DED until repayment to DED is made and any other compliance or audit finding is satisfactorily resolved;
7. Reducing the grant award maximum liability of DED;
8. Terminating this Grant Agreement;
9. Imposing a corrective action plan;
10. Withholding further awards; or
11. Taking other remedies or appropriate actions.

The Awardee costs resulting from obligations incurred during a suspension or after termination of this grant are not allowable unless DED expressly authorizes them in the notice of suspension or termination or subsequently.

DED, at its sole discretion, may impose sanctions without first requiring a corrective action plan.

7.11 Reporting

7.11.1 Financial Reporting Requirements

All Awardees must complete and submit financial reports as required by the QCT Affordable Housing (Metropolitan Class) Award Agreement in accordance with the Coronavirus State Fiscal Recovery Funds reporting requirements. Expenditures may be reported on a cash or accrual basis, as long as the methodology is disclosed and consistently applied. Reporting must be consistent with the definition of expenditures pursuant to 2 CFR §200.1.

Expenses will be entered and approved within the system in order to receive payments. A final financial report will be required to receive final payment.

7.11.2 Program Performance Reporting Requirements

All Awardees must complete and submit performance reports as required by the QCT Affordable Housing (Metropolitan Class) Award Agreement and in accordance with the Coronavirus State and Local Fiscal Recovery Funds reporting Requirements.

7.11.2.1 Performance Reports

Awardees will be required to provide regular Performance Reports which will include the following:

- Number of units constructed
- Income level to be served
- Project completion date
- For Jump Start: Will ground-breaking happen within 6 months
- How contractors whose business is located within the QCT being utilized

7.11.3 Reporting of Matters Related to Recipient Integrity and Performance

If the total value of the recipient entity's currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then the recipient entity during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIS)) about civil, criminal, or administrative proceedings described in numbered section 2 of this two-part award condition. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. §2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for Federal procurement contracts, will be publicly available.

7.12 Single Audit Report

Awardees that expend more than \$750,000.00 in total federal awards during their fiscal year will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements. Awardees may also refer to the Office of Management and Budget (OMB) Compliance Supplements for audits of federal funds and related guidance and the Federal Audit Clearinghouse to see examples and single audit submissions. Awardees will be notified via email through Amplifund to submit an annual audit. More information can be found at the DED website: <https://dednebraska.zendesk.com/hc/en-us/articles/6660531499291-Submitting-the-Notification-of-Annual-Audit-NAA->

7.13 Department of Economic Development Monitoring and Reporting

As a Recipient for Federal award funds, DED is entrusted with financial resources and responsibilities for the management, disbursement, and accountability of the ARPA SLFRF program. By extension, this responsibility extends to managing risks associated with the grants management process to facilitate efficient operation and compliance with regulatory and programmatic requirements. Monitoring and reporting is critical for the Federal awarding agency and DED to have up-to-date information on awards and subawards, and invaluable for Subrecipients in regard to meeting performance goals and ensuring compliance with applicable rules and regulations.

Awardees will:

- Be responsible for oversight of the operations of Federal award-supported activities;
- Monitor its activities performed under Federal awards to ensure compliance with applicable Federal requirements and performance expectations are being achieved. Monitoring will cover each program, function and activity;

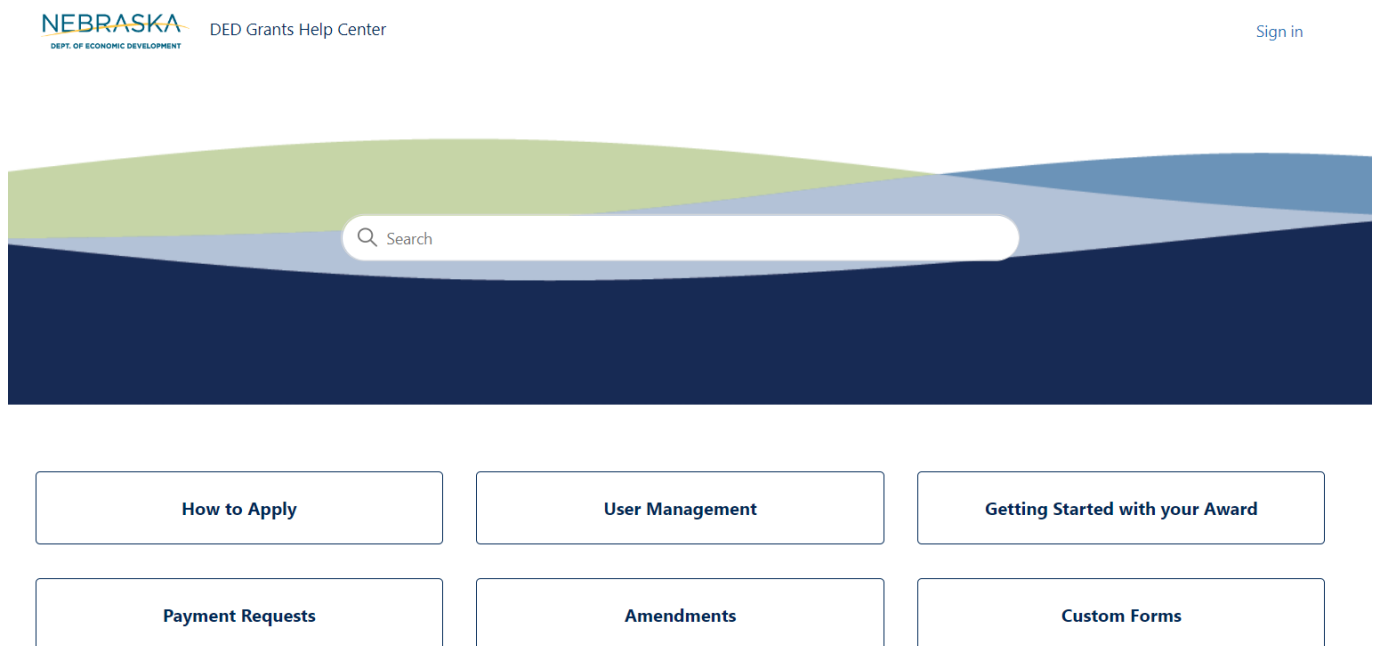
- Submit performance report for each open project to DED within 15 days of the reporting period end date, which will include, but not be limited to, the following:
 - Information indicated in the Performance Report section above;
 - Comparison of actual accomplishments to the objectives of the Federal award established for the period. Where the accomplishments of the Federal awards can be quantified, a computation of the cost.
 - The reason for not meeting established goals, if appropriate; and
 - Additional pertinent information including, when appropriate, analysis and explanation of cost overruns or high cost units;
- Inform DED if the following occur between performance reporting dates:
 - Problems, delays, or adverse conditions which will materially impair the ability to meet the objective of the Federal award. This disclosure must include a statement of the action taken, or contemplated, and assistance needed to resolve the situation and;
 - Favorable developments which enable meeting time schedules and objectives sooner or at less cost than anticipated or producing more or different beneficial results than originally planned; and
- Submit annual reports to DED on the status of real property in which the Federal Government retains an interest.

8 Technical Assistance for Using the Grants Management System

To administer this program, the Nebraska Department of Economic Development (DED) uses a grants management system (GMS), AmpliFund. Applications will be submitted and awards will be managed through the GMS.

8.1 DED Help Portal

User guides about DED’s specific business processes for accessing and using the GMS to apply and facilitate the grant are available on DED’s website, <http://opportunity.nebraska.gov/amplifund/>. The help portal is organized by topic. You can enter key words into the search bar to find specific articles.



8.1.1 Application User Guides

For instructions on registering to apply, please see **User Management** (<https://dednebraska.zendesk.com/hc/en-us/categories/7865709789851-User-Management>).

For instructions on applying through the GMS, please see **How to Apply** (<https://dednebraska.zendesk.com/hc/en-us/categories/7542920001051-How-to-Apply>).

8.1.2 Award User Guides

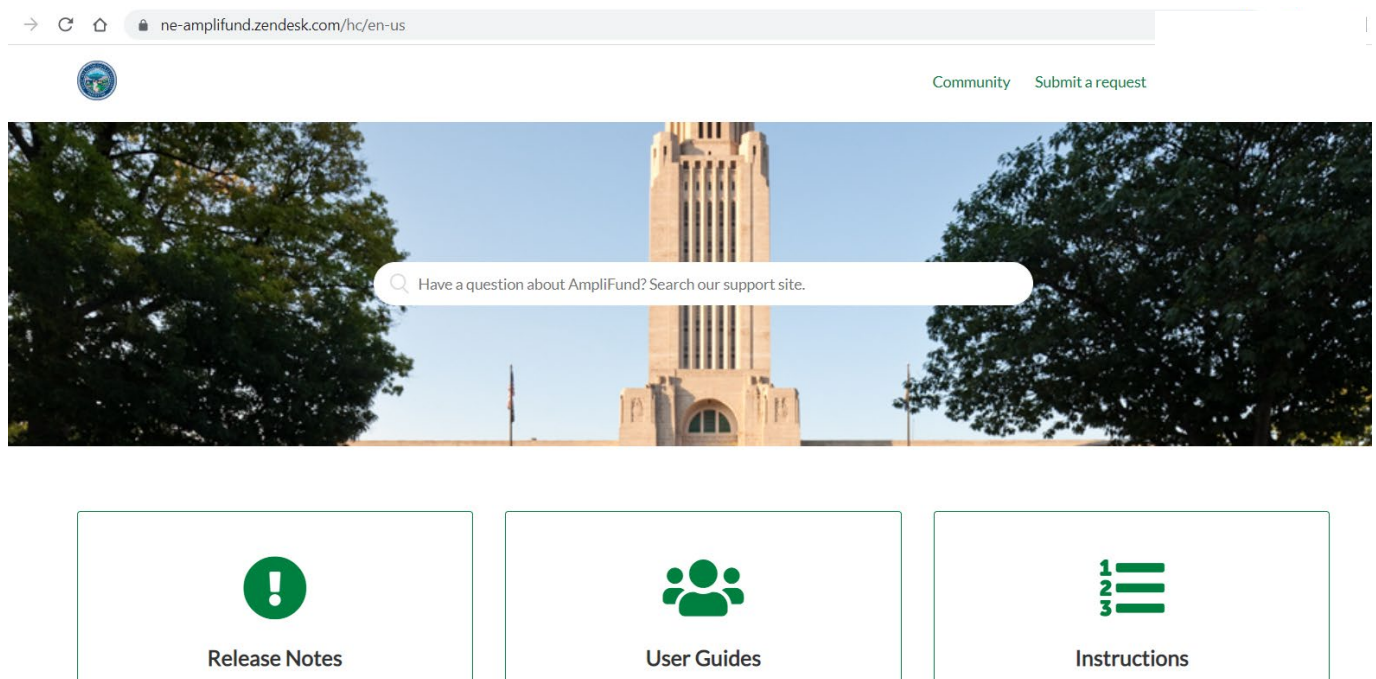
For initial instructions on managing your award, please see **Getting Started with your Award** (<https://dednebraska.zendesk.com/hc/en-us/categories/7865773985307-Getting-Started-with-your-Award>).

Other post-award user guides can be found by topic, such as Payment Requests or Amendments.

For also program-specific user guides, please see **ARPA** (<https://dednebraska.zendesk.com/hc/en-us/categories/7542922996379-ARPA>).

8.2 GMS Help Portal

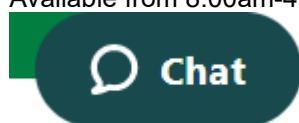
For user guides about using AmpliFund, please visit <https://ne-amplifund.zendesk.com>. This help portal will help you learn how to use the system, navigate the system, and more.



8.3 Customer Support

If you need help using the GMS to apply or manage you award, you can reach out to customer support in three different ways:

1. Call toll-free 1 (844) 735-0239
 - a. Available from 7:00am-7:00pm CDT
2. Online chat
 - a. Available from 8:00am-4:00pm CDT



3. Email support@ne-amplifund.zendesk.com

Record of Change

Find the Version identifier on the cover page of this document. Summary of Changes includes a brief description of the revisions.

| Version | Date | Summary of Changes |
|---------|------------|---|
| 1.1 | 09/27/2022 | 1. Updated dates for LOI and application due date. |
| 1.2 | 09/29/2022 | 1. Updated application due date. |
| 1.3 | 9/30/2022 | 1. Removed Construction Memorandum of Understanding from Supplemental Financial/Integrity Review. |