

Best Practices in CDBG



CDBG Application Workshop 2025, May 6, 2025

Introduction – Best Practices

Importance of
compliance on
CDBG

Procuring for a
professional
administrator

Connecting with
the DFA Project
Manager

CDBG Filing

LMI – things to
consider

Budgetary
considerations

Other
procurement /
Optional

CDBG
application
requirements



Compliance affects all parties involved on the project

CDBG manuals and forms are designed to protect the grantee and DFA

Applicants should not attempt to interpret the CFRs – HUD audits using our manuals

In a HUD/DOL audit, the grantee would be responsible

Remedies for non-compliance include redoing non-compliant processes, denial of pay requests; in serious cases, being required to return funding to the U.S. Treasury

For these reasons we require pre-approvals on most processes

If awarded, the grantee will have to designate Labor Officer on the project

2025 External Professional Grant Administrator Required

To contract COGs CDBG does not require procurement, only the Exhibit 3-B

Any other professional grant administrator must be procured by RFP using the Exhibit 3-A and contracted using Exhibit 3-B*

*If procuring for the design and administrator together, then Exhibit 3-C and 3-D may be used

Applications without a contracted professional grant administrator will not be eligible this year, unless they contain a waiver of this requirement from DFA

Budgeting for Project/Grant Administration

Cap on CDBG administrative costs of 3%



Applicant may pay additional administrative costs from leveraging



Administrative services include preparation of the environmental review



“Other professional services” should not be used for an environmental review or other administrative services*



Finding a Qualified Administrator

COG

Engineering firms

Consultants

Questions to consider when evaluating qualifications:

How many CDBG projects have they administered?

How many years of experience with CDBG?

How many years long were the recent CDBG projects?

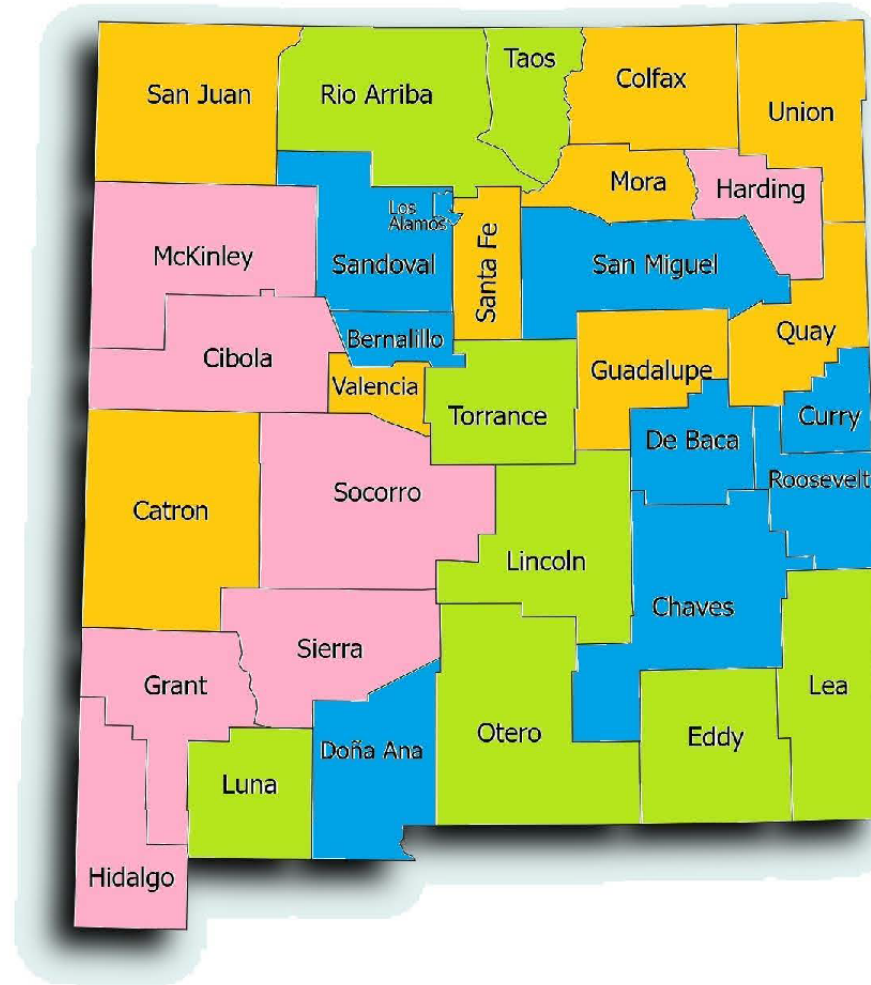
Before requesting a waiver, consider:

Does your entity really have time?

Why do you want to do this? Who will do this?

Connect with the DFA Project Manager

- Identify from
- Reach out
- Ask for revi
- Submit LMI



CDBG Team

Project Managers:



Charles Dobey



Stephanie Kramer



Cristina Caltagirone



Jaelynn Narvaiz



New Mexico
Department of Finance
and Administration

This is the year to make CDBG the **Main Funding Source** for your project

With no cap on the grant amount, 2025 is an opportunity to complete a project with CDBG as the main source of funding

In previous years with restricted CDBG funding amounts, grantees have struggled to obtain other funding and satisfy various funder requirements

We want to streamline the projects and help them complete faster

If you are attempting to qualify with a survey

Surveys take a lot of time – make a plan to work on the application simultaneously

Keep in mind that the survey may not succeed in qualifying the applicant

Filing starts during the application process



Set up electronic files during the application process



Grant Administrator and Grantee will BOTH be responsible for the electronic files if project is awarded



Make a plan during application preparation for how your team will handle the electronic files



DFA may ask for the electronic files of a grant recipient for a monitoring or other reasons at ANY TIME during the project. Get prepared now.

1-X (SAM registration) required for all vendors on the project

Procurement on CDBG

CDBG is federal funding, but it has unique requirements and follows its own CFRs.

No CES or state pricing agreements will be accepted for CDBG 2025

Our Exhibit 4-A to procure construction (“go out to bid”) sets the foundation for federal labor and other compliance: Davis Bacon, Copeland Anti-Kickback Act, BABA, SAM requirements

If you follow the manual, it will reduce the chances of being required to pay back money to the U.S. Treasury!



Procurement for the Application

- All procurements on the project require our processes, forms, and approvals and include interim approvals before advertising
- The only exception is for work that is completed prior to GA (i.e. design completed with capital outlay funding). *If you are not sure the work will be complete before the project starts, don't risk it – USE our processes and forms.*
- Applicants intending to procure any good or service prior to the application deadline need to contact their Project Manager and request a review of the documents

OPTIONAL activities before the application

(May be done concurrently)

- Start environmental – send Project Manager Exhibit 2-A and 2-A-1
 - Check out Module 4 of the Implementation Series on the website and Chapter 2 of the Implementation Manual
 - (must be completed in one calendar year)
- Procurement for design
 - Check out Module 6 of the Implementation Series on Professional Services and Chapter 3 of the Implementation Manual
- Start design (make sure DFA can approve the procurement before you award!)
- Include all relevant documents with application for points

Be Aware of the CDBG Requirements when selecting your project (For a comprehensive list, see the [Application Instructions](#))

Sign Certifications and Assurances, (p. 47 of application instructions) signed by Chief Elected Official of Applicant

Entity must own the property (site control) and have all necessary easements

SAM registration of all vendors on project – Exhibit 1-X for external professional administrator required with application

Procurement, as discussed

Certified cost estimate for grant amounts over \$500K

Federal Labor laws – Davis Bacon, CWHASSA, Copeland Anti-Kickback – apply to ALL of construction on the project regardless of the funding source

Required Application Files for submission

(This part is unchanged from 2023)

1. Transmittal Letter
2. Certification and Assurances
3. Public Participation
4. Survey/ACS
5. Site Control
6. Application Form
7. Cash Match/Leveraging
8. Project Narrative and Scope of Work
9. Cost Estimates
10. Asset Management
11. Planning
12. Professional Services
13. Environmental Review
14. Plans, Specs, Bid Docs and PER

Label each document with: Title_Applicant name_Application year

Examples:

Exhibit 1-G_Happy Town_2025

1-F_Happy Town_2023

Federal assurances_Happy Town_2025

How are applications reviewed

NMAC 2.110.2 describes the CDBG program in detail, including:

- Objectives, Eligibility, Program guidelines, and criteria for the rating of applications

DFA provides recommendations as per NMAC 2.110.2

Other State Agencies review the applications: NMED, GCD, OSE, DOH, DOIT,

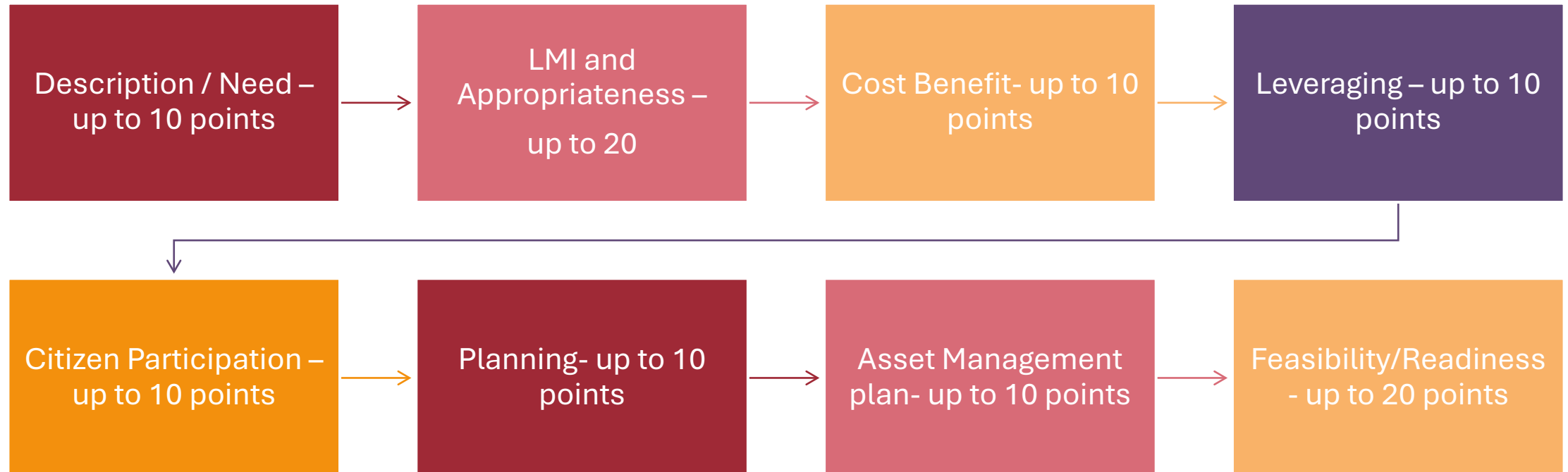
Application Hearing

Community Development Council makes final decisions



The Points!

NMAC 2.110.2 – criteria for scoring



Deadlines



LMI Methodology
Approval

6 June 2025

LMI Calculation

15 July 2025

Application

19 Aug. 2025

The CDBG Team

- Scott Wright, Deputy Director IPDD
- Donna Stewart, Program Manager
- Stephanie Kramer, Project Manager
- Cristina Caltagirone, Project Manager
- Charles Dobey, Project Manager
- Jaelynn Narvaiz, Project Manager



Questions



**Thank you for attending.
Good luck with your
application!**

