



NORTH AMERICAN DEVELOPMENT BANK
COMMUNITY ASSISTANCE PROGRAM (CAP)
PROGRAM GUIDELINES

INTRODUCTION

The Board of Directors authorized the North American Development Bank (NADB) to use a portion of its retained earnings to create the Community Assistance Program (CAP) in order to support critical environmental infrastructure projects for economically-distressed communities in the U.S.-Mexico border region.

FUNDING

The CAP program is funded out of NADB's retained earnings, in amounts periodically reviewed and approved by the Board of Directors, subject to the availability of funds.

ELIGIBILITY

In order to be eligible for a CAP grant, a project sponsor must meet the following criteria:

- A. Project Location
CAP grants are available for projects located in the U.S.-Mexico border region, defined as the area within 100 kilometers north and 300 kilometers south of the international boundary between the United States and Mexico (the "border region").

- B. Financial Need
The program is intended to support projects that may not be affordable without the participation of CAP resources. Project sponsors with the greatest financial need—for example communities with a low median household income or with limited or no debt capacity—will be given higher priority.

- C. Type of Projects
CAP grants are available for public projects in all sectors eligible for NADB financing, with priority given to drinking water, wastewater, water conservation, and solid waste infrastructure. The funding, construction and operation of the proposed project must be completely independent and not depend on any other pending investment. Both the maximum grant amount and the requirement for project sponsor contribution, as described below, should also be considered when defining the project proposed for CAP funding.

Projects receiving grants from the Border Environment Infrastructure Fund (BEIF) are ineligible for grants from the CAP.

MAXIMUM GRANT AMOUNT AND ELIGIBLE USES

Projects may receive a CAP grant for up to US\$500,000. Grants may be used for project construction and related costs, project management and supervision, as well as other project components, such as equipment.

PROJECT SPONSOR CONTRIBUTION

The project sponsor must contribute at least 10% of the total project cost in the form of cash. On a case-by-case basis, in-kind contributions such as land, equipment or other tangible assets or cost components of a project may be considered towards fulfilling this contribution.

APPLICATION PROCESS, PROJECT SELECTION AND FUNDING PROCESS

1. Application Process: Applications for the program must include all required technical, environmental and financial documentation as described in Annex A. Applications will be reviewed as received for eligibility and completeness.

- i. Applications considered eligible and complete will advance --- to the project selection process for further evaluation. The applicant will receive an application acceptance letter confirming the advancement of the project for further evaluation.
- ii. Applications considered incomplete will not be accepted, and the applicant will be notified of the missing documents or pending issues.

2. Project Selection:

- A. The NADB will review the project development status described in the application and demonstrated by the project documentation, to determine if the project meets the threshold for advancing to certification and funding consideration. The project will be evaluated based on the completion of applicable technical and environmental tasks. Projects with a complete package of technical documents that support the sponsor's readiness to initiate project procurement will be selected as candidates for program funds. The project sponsor must provide all applicable documentation described in Annex A or any other documents as may be required.
- B. The number of projects selected will be defined by available program funding. Should insufficient funds exist to support selected projects, the applications will be considered based on the following priority factors:
 - Sector: CAP grants are available for public projects in all sectors eligible for NADB financing, with priority given to drinking water, wastewater, water conservation, and solid waste infrastructure.
 - Financial Need: Project sponsors with the greatest financial need will be given higher priority.
 - Environmental Benefit: Higher priority will be given to projects aimed at providing first-time basic services to unserved populations or to projects that employ sustainability measures resulting in water or energy savings in

utilities, such as the replacement of leaky pipes/equipment; water reclamation, recycling or reuse within existing facilities or processes; installation of energy-efficient equipment; or the use of renewable energy sources.

3. Funding Process:

- A. The certification process will be initiated for each selected project. This process includes an analysis of construction readiness, project costs, and operation and maintenance budget impacts, as well as determine the recommended amount of CAP funding.
- B. All CAP certification and funding proposals will be submitted to the Board of Directors for approval.
- C. The period from Board certification and CAP funding approval to the signing of the grant agreement shall not exceed three (3) months. The period from grant signing to the initiation of project implementation shall not exceed six (6) months. Projects that do not comply with these deadlines will be subject to cancellation.
- D. NADB's procurement policies and procedures shall apply to all CAP projects, and supervision of project design, construction and follow-up will be consistent with existing NADB procedures.
- E. CAP projects will be evaluated in a post-construction project close-out process, which will require participation of the project sponsor and the availability of documentation related to project performance.

PROGRAM ASSESSMENT

NADB will perform an annual CAP audit and evaluation. This report will be presented to the Board of Directors.

ANNEX A

REQUIREMENTS FOR TECHNICAL, ENVIRONMENTAL AND FINANCIAL DOCUMENTATION

1. Project location:
 - a. Project map
 - b. Property ownership documentation including project site, rights-of-way, easements, or land use permits
 - c. Pending permit requirements


2. Environmental clearance or authorization:
 - a. Environmental studies (environmental information document; site assessment; cultural, archeological, or biological surveys, etc.)
 - b. Federal, state or local environmental findings/permits

3. For drinking water/wastewater projects, please include:
 - a. Documentation to demonstrate the applicant's authority to provide service
 - b. Existing connections
 - c. New connections

4. Final design and procurement:
 - a. Applicable design criteria and assumptions
 - b. Topographic map
 - c. Geotechnical report
 - d. Final plans/drawings
 - e. Technical specifications
 - f. Bid schedule
 - g. Construction schedule/calendar
 - h. Procurement documents

5. Financial documentation:
 - a. Financial information (i.e. operations budget)
 - b. Operation and maintenance costs, current and future considering new project (10 year projection)
 - c. Project funding (documentation related to required program match of at least 10% of project costs plus any additional funding participation)

ANNEX B: APPLICATION

		NORTH AMERICAN DEVELOPMENT BANK		
TYPE OF PROJECT				
1.	Type of Project:			
	<input type="checkbox"/> Drinking water infrastructure	<input type="checkbox"/> Solid waste management	<input type="checkbox"/> Air quality	
	<input type="checkbox"/> Wastewater infrastructure	<input type="checkbox"/> Landfill construction	<input type="checkbox"/> Public transportation	
	<input type="checkbox"/> Water conservation	<input type="checkbox"/> Closure or rehabilitation of landfill or open-air dumpsite	<input type="checkbox"/> Planning & municipal development	
	<input type="checkbox"/> Pollution control/reduction	<input type="checkbox"/> Recycling & waste reduction	<input type="checkbox"/> Clean energy	
	<input type="checkbox"/> Remediation project	<input type="checkbox"/> Industrial or hazardous waste	<input type="checkbox"/> Efficient energy	
	<input type="checkbox"/> Other environmental/human health-related project (specify):			
APPLICANT INFORMATION (PUBLIC ENTITY ONLY)				
2.	Name of Organization: _____			
	Name of Contact Person: _____			
	Position: _____			
	Address: _____			
	City: _____	State: _____	Zip: _____	
	Phone No.: _____	Fax: _____		
	E-mail Address: _____			
GENERAL PROJECT INFORMATION				
3.	Proposed project name: _____			
4.	Project location: _____			
	<input type="checkbox"/> City	<input type="checkbox"/> Unincorporated Community/Area	<input type="checkbox"/> Other	
5.	Provide a brief project description: _____			

6.	Population benefited: _____			
7.	Project development status:			
	<input type="checkbox"/> No project development	<input type="checkbox"/> Facility planning/preliminary design complete	<input type="checkbox"/> Land/ROW acquisition complete	
	<input type="checkbox"/> Final design complete	<input type="checkbox"/> Environmental clearance/permits acquired	<input type="checkbox"/> Procurement documents complete	
	<input type="checkbox"/> Procurement complete	<input type="checkbox"/> Construction initiated	<input type="checkbox"/> Other (explain below)	
	Comments: _____			

	Does the sponsor legally own the land and right of ways required for the project? <input type="checkbox"/> Yes <input type="checkbox"/> No			

**NADB CAP GUIDELINES
UPDATED: NOVEMBER 2017**

Comments:				
Are there any pending legal/regulatory issues for the project?	<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
Please explain:				
8.	Project Implementation Schedule			
	Anticipated construction period (months):			

PROJECT FUNDING SOURCES

9.	Estimated project cost (US\$):		
10.	Other sources of project funding:		
	Amount	Source	Committed?
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No
			<input type="checkbox"/> Yes <input type="checkbox"/> No

REQUIRED DOCUMENTS

Information/Document	YES	NO	N/A	Comments
1. Project location:				Click here to enter text.
a. Project map	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
b. Property ownership documentation including project site, rights-of-way, easements, or land use permits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
c. Pending permit requirements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
2. Environmental clearance or authorization:				Click here to enter text.
a. Environmental studies (environmental information document; site assessment; cultural, archeological, or biological surveys, etc.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
b. Federal, state or local environmental findings/permits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
3. For drinking water/wastewater projects, please include:				Click here to enter text.
a. Documentation to demonstrate the applicant's authority to provide service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
b. Existing connections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
c. New connections	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
4. Final design and procurement:				Click here to enter text.
a. Applicable design criteria and assumptions	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
b. Topographic map	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
c. Geotechnical report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
d. Final plans/drawings	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
e. Technical specifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.

Information/Document	YES	NO	N/A	Comments
f. Bid schedule	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
g. Construction schedule/calendar	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
h. Procurement documents	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
5. Financial documentation:				Click here to enter text.
a. Financial information (i.e. operations budget)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
b. Operation and maintenance costs, current and future considering new project (10 year projection)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.
c. Project funding (documentation related to required program match of at least 10% of project costs plus any additional funding participation)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Click here to enter text.

After submitting your application, you will receive instructions for uploading the applicable project documentation. If you do not receive this instruction or experience any technical difficulties uploading documents, please contact Armando Carrasco at acarrasco@nadb.org.

I acknowledge that NADB resources are intended to supplement other available funding sources for completing project development and construction activities. I am aware that financial support and commitment for the project must be provided by the appropriate governing body or authority, and shall include the following assurances:

- Sufficient revenue for operation and maintenance of the project will be allocated by the project sponsor.
- Documentation to demonstrate the availability of required funding sources (debt and grant/other) to complete project financing.

I hereby certify that the information provided is true and correct. I am aware that any false information or omission of information may subject the project to disqualification from further consideration in the NADB process and eliminate opportunities for funding.

(Project Sponsor Authorized Signatory)	Date