



## COMMUNITY DEVELOPMENT BLOCK GRANT

**2016**

### APPLICATIONS, PROCESS, PUBLIC INFORMATIONAL SESSIONS, AND PUBLIC HEARINGS

Annually, the City of Kingston ("City") receives an Entitlement Grant allocation through the United States Department of Housing and Urban Development's ("HUD's") Community Development Block Grant ("CDBG") Program. In accordance with the administration of the CDBG Entitlement funding, the City's Office of Community Development has prepared a five-year Consolidated Plan which serves as the long-range plan for spending the City's annual CDBG allocations. This plan sets forth community needs, long-range program goals, specific program objectives, annual goals and benchmarks for measuring the program's progress. The City must also prepare its Annual Action Plan for the 2016 Fiscal Year ("FY"), which runs from July 1, 2016 through June 30, 2017. This is a short-term plan detailing the use of the upcoming fiscal year's allocation, which is estimated to be approximately \$690,000. This year, the City will set aside ten percent (10%) of the Public Services portion of the Entitlement allocation for brand-new programs to be offered at the City's Community Centers.

Beginning **January 25, 2016**, applications to request funding for proposed projects or programs in the FY 2016 Annual Action Plan are available for pick up, available to print from the City's website or they can be mailed or emailed. **Applications will be accepted until 12:00 PM (Noon) on Monday, March 7, 2016.** If you need further information, please contact Brenna Robinson, Director, Office of Community Development at (845) 334-3924 or email [brobinson@kingston-ny.gov](mailto:brobinson@kingston-ny.gov).

Public comments regarding specific projects or program priorities to be included in the Consolidated or Annual Action Plans have been collected over the past year or more and continue to be accepted at the Office of Community Development at any time. The citizens of Kingston are also invited to participate in informational sessions and public hearings for the FY 2016 Action Plan to be held as follows:

Tuesday, **February 9, 2016, 7:00 PM**, Public Informational Session at the **Rondout Neighborhood Center**, 105 Broadway, Kingston, NY – At this meeting, questions are encouraged regarding general project eligibility, program guidelines and specific proposed projects. An overview of priority projects that the City would be interested in funding will be presented.

Wednesday, **February 10, 2016, 6:30 PM**, Public Informational Session at the **Everette Hodge Community Center**, 15 Franklin Street, Kingston, NY – At this meeting, questions are encouraged regarding general project eligibility, program guidelines and specific proposed projects. An overview of priority projects that the City would be interested in funding will be presented.

Thursday, **February 18, 2016, 6:00 PM**, Public Informational Session in the **Common Council Chambers, City Hall**, 420 Broadway, Kingston, NY – At this meeting, questions are encouraged regarding general project eligibility, program guidelines and specific proposed projects. An overview of priority projects that the City would be interested in funding will be presented.

Monday, **February 22, 2016, 6:30 PM**, Public Informational Session & 1<sup>st</sup> Public Hearing in the **Common**

**Council Chambers, City Hall, 420 Broadway, Kingston, NY** – At this meeting, questions are encouraged regarding general project eligibility, program guidelines and specific proposed projects and comments will be heard regarding applicants and their proposed projects or programs.

Wednesday, **March 16, 2016, 6:30 PM**, 2<sup>nd</sup> Public Hearing in the **Common Council Chambers, City Hall, 420 Broadway, Kingston, NY** – At this meeting, comments will be heard regarding applicants and their proposed projects or programs.

**CITY OF KINGSTON  
OFFICE OF COMMUNITY DEVELOPMENT  
FY 2016 CDBG ENTITLEMENT GRANT APPLICATION**

Groups and Organizations are allowed to request CDBG funding for eligible projects and programs located within the City of Kingston. A list of eligible activities and threshold criteria required by the US Code of Federal Regulations, Section 24, Part 570, are included as part of this application packet.

This funding application process is an annual and competitive one and proceeds as follows:

- ❖ Public hearings are held during the application process to solicit community feedback.
- ❖ **Applications are due by 12:00 PM (Noon) on Monday, March 7, 2016.** Please submit applications to the Office of Community Development, City Hall, 420 Broadway, Kingston, NY 12401. We encourage you to submit your application in sufficient time prior to the deadline to ensure all required information is received in a timely manner. **See the application checklist on the last page of this packet.** Contact the Office of Community Development at (845) 334-3924 or [brobinson@kingston-ny.gov](mailto:brobinson@kingston-ny.gov) with any application questions prior to the submission deadline.
- ❖ **A valid and current registered DUNS (“Data Universal Numbering System”) number is required at the time your application is submitted. If you do not have a DUNS number, HUD will not consider your application complete for review.**
- ❖ Each application is reviewed to verify whether it meets the mandatory Federal eligibility requirements and to determine if the project or program supports the priorities set forth in the City’s five-year Consolidated Plan which includes the Midtown Neighborhood Revitalization Plan. (Additional information regarding this and other plans and initiatives may be found on the City of Kingston’s website at [www.kingston-ny.gov](http://www.kingston-ny.gov).)
- ❖ Applications are reviewed for completeness (i.e., budget, all exhibits, contact information, etc.). If an application is incomplete, it will not qualify for review. Applicants are required to submit ALL requested information at the time of submission, including all exhibits as indicated in the application.
- ❖ Complete applications are then reviewed by the Mayor, Community Development Director, and Community Development Advisory Board. Preliminary funding recommendations are provided to the Common Council by April 4, 2016.
- ❖ The Common Council will vote on final recommendations at its regular meeting on May 3, 2016.

**APPLICANT INFORMATION**

Legal Name of Organization: \_\_\_\_\_

Address: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

Federal ID #: \_\_\_\_\_

DUNS #: \_\_\_\_\_

Fiscal Year End Date: \_\_\_\_\_

Data Universal Numbering System (DUNS<sup>®</sup>) Number: The DUNS Number is a unique nine-digit identification number provided by Dun & Bradstreet (D&B). The DUNS Number is randomly issued, never used twice and is site specific. Most potential and existing US Government Contractors, Grantees and Loan Recipients are required to obtain a DUNS Number for US Government registration purposes. The DUNS Number verifies the legal name, physical address and trade style (DBA) of each location. Obtaining a DUNS Number is a quick and easy process.

### **Obtain a Free DUNS Number and/or Modify an Existing DUNS Number**

D&B's worldwide database currently covers over 225 million business locations, which means that your entity may already have a DUNS Number assigned to it. To determine whether your facility has a DUNS Number already or you need to obtain one, please use the D&B iUpdate service. iUpdate is D&B's internet-based service that allows business principals to view, print and request updates for their company information. iUpdate also has a search function that allows you to search for and obtain the DUNS Numbers of your business location(s).

1. Access iUpdate here: <https://iupdate.dnb.com/iupdate/viewiupdatehome.htm>.
2. If you are already registered in iUpdate, login and you can access your location's or locations' profile(s). Your DUNS Number will appear as part of the profile(s) on your establishment(s) and you can disregard the remaining steps in this guide. If you are not registered in iUpdate, please select "Get a DUNS Number" in the bottom left corner of the page.
3. Answer "No" when asked: "Are you currently attempting to do business with or receive funds from a US Government Agency?" If you are a government contractor registered in SAM (formerly known as CCR), answer "Yes." You will be redirected to the application for businesses seeking to enter into contracts with the Federal Government to provide goods and services.
4. The search function on the left-hand side of the page will allow you to search for your business location using its name, city, and state. A list of search results will appear on the right-hand side of the page.

If your location is already in D&B's database, it will appear here. Select your establishment from the list and follow the on-screen instructions to register in iUpdate. You will be asked a series of questions to confirm your own identity and your connection to the company whose records you are accessing. Please note that D&B does not own, collect, or store your personal data; D&B uses commercially available individual identity matching technology to ensure that your identity is not being used fraudulently. Once you are registered in iUpdate, you will be allowed to view your location's DUNS Number and access and update your business's information.

If your business did not appear in the list of search results, first check the information you entered into the search. If this information is correct and your business still does not appear in the results field, your establishment is missing from D&B's database. Click on the "Get a DUNS Number" arrow in the bottom left-hand corner of the page and follow the on-screen instructions. You will need the following information to obtain a DUNS Number:

Your Contact Information:

- First Name
- Last Name
- Title at this Business
- Business Email Address
- Business Telephone Number

Your Identity Validation Details:

- Physical Home Address
- Home City
- Home State
- Home Country
- Home Telephone Number
- Home Zip Code

Company Information:

- Name of Business (Full Legal Name)
- Business Address (Including Suite or Floor #)
- City, State, Zip Code
- Local Phone Number
- Legal Structure of the Business (Corporation, Partnership, etc.)
- Year Business Started
- Executive Principal (First and Last Name, Title, Email Address)
- Antecedents (Name, Year of Birth)
- Select SIC/NAICS Code(s) (e.g. Drug Manufacturer)
- Total Number of Employees (including Principals and Part-time)

You will receive a confirmation e-mail from D&B with any additional information required to obtain your entity's DUNS Number and may be contacted by D&B to verify your information. There is no charge for this service. Typical responses for obtaining a DUNS Number for a US-based establishment come within 20 business days. If you need a DUNS Number sooner, please use the Expedited DUNS Request Service found here: [www.dnb.com/government/duns-request.html](http://www.dnb.com/government/duns-request.html).

If you experience problems with the iUpdate service, please call 1-800-234-3867. When prompted, ask about "getting a DUNS Number."

**APPLICATION EXHIBITS** - All of the following exhibits **MUST** be included as part of a complete application:

**Exhibit I:** Project or Program Description – Fully explain the scope of the project or program.

**Exhibit II:** Needs Description -Include a separate narrative **specifically** addressing how the project will enhance the quality of life for low to moderate income (LMI) individuals and neighborhoods.

**Exhibit III:** Budget – Attach a separate page indicating the grant amount requested and a total project budget identifying all sources and uses of CDBG and other funding. A template for the required format for this budget is included in this package. A twenty-five percent (25%) match, which may include in-kind goods or services, is required for FY 2016 projects & programs.

**Exhibit IV:** Terms and Conditions of Non-CDBG Sources of Financing and/or Funding

**Exhibit V:** Project/Program Success & Cost-Effectiveness Analysis (CEA) – In order to help reviewers make useful comparisons of projects and programs, analysis of the success and cost-effectiveness of each is required.

- If your organization is currently managing a CDBG-funded project or program, provide data and information to indicate the degree to which you are meeting the goals and providing the deliverables of the project or program, as indicated in your CDBG sub-recipient agreement, as well as provide a CEA calculation as below.

**Example:** Your program was under contract to provide 50 youth with access to employment training and readiness activities. You could report the number of youth actually served by the program; the reasons, if any, why your program did not serve the total proposed number of youth; the types of training provided and the potential employers to whom the participants were introduced; the number of youth placed in jobs after participating in the program; etc.

- Provide a narrative documenting your organization’s capacity to successfully carry out the program or complete the project for this current (FY 2016) application, including the project timeline.
- If you have not previously received a CDBG award, please provide up to two examples of prior successful projects/programs, if applicable, and apply the appropriate equation below to each, **as well as to the newly proposed project/program for which you are requesting current funding**. The higher the ratio, the more cost-effective the program. The “total project cost” should include all funding and matching costs, not strictly solely CDBG awards.

$$CEA_{\text{Project}} = \text{Total Project Cost} / \text{Total \# of Beneficiaries}$$

$$CEA_{\text{Program}} = (\text{Total Program Cost} / \text{Total \# of Persons Served}) / \text{Total Program Hours}$$

**Example:** Roof replacement on neighborhood center, \$100,000 project cost, 2500 people in surrounding census tract(s)  
 $CEA_{\text{Project}} = 100,000 / 2500 = 40$

**Examples:** After-School Programs running from September 7 through June 17 (40 wks)

	Prog A	Prog B	Prog C
Program Cost (\$) =	1000	1000	5000
Persons Served =	50	100	80
Program Hours =	80	60	180
	(1000/50)/80	(1000/100)/60	(5000/80)/180
$CEA_{\text{Program}} =$	0.25	0.17	0.35

- In addition, please indicate the total beneficiaries/persons served and what percentage are or will be LMI?

**Exhibit VI:** Minimum Criteria for Programs/Services at City-Owned Community Centers-All CDBG-funded organizations providing programs or services at any of the City’s community centers must meet the minimum criteria for staffing and payroll listed below. Applicants must provide assurances and/or evidence that the following criteria is

and will be met should they receive a CDBG award:

- All staff must have a completed employee application and/or resume on file with applicant providing at least the following information:
  - Legal name
  - Social Security Number
  - Date of Birth
  - Email Address
  - Operational Phone Number
  - Conviction of any violation of law other than a minor traffic violation (prior criminal history does not prevent employment or volunteerism)
  - Department of Homeland Security USCIS Form I-9
- If staff member is under eighteen (18) years of age, must submit Working Papers completed by high school stating individual is able to work. The application for Working Papers can be picked up at the school nurse's office. Working Papers should be on file with applicant.
  - No one under 18 years of age may be left alone to supervise a group of children at any time, including emergency situations. The minimum age of a staff member will be sixteen (16) years old, therefore, any staff person who is sixteen (16) or seventeen (17) years of age is included in the staff to child ratio, however, under no circumstances can a sixteen- (16) or seventeen- (17) year-old staff person be left unattended with a group of children.
- All staff/volunteers cleared through the Statewide Child Abuse Registry and/or background check (prior criminal history does not prevent employment or volunteerism)
- At least one (1) staff must be certified in First Aid and CPR
- All programs must meet minimum staffing requirements as required by NYS Department of Health
  - Minimum Staff to Child Ratios
    - Zero (0) through Five (5) years                    1:9
    - Six (6) through Nine (9) years                    1:10
    - Ten (10) Years and older                    1:15
- All applicants must be able to demonstrate linkages and agreements with relevant institutions (Ex. Case management and counseling services should have a connection with local mental health agencies; academic support services should have a connection with local educational institutions; recreational services should have a connection with Kingston Parks and Rec. and the Department of Health, etc.)
- Applicant will provide a regular, dependable and appropriate payroll system

**Exhibit VII:** Applicant Information – Articles of Incorporation and By-Laws for not-for-profit applicants or ownership structure for private, for-profit applicants including an Affirmative Action and Equal Opportunity Employer statement and Codes of Standards/Conduct.

**Exhibit VIII:** Narrative documenting applicant's capacity to successfully carry out the program or complete the project including the project timeline.

The City of Kingston and the Kingston Community Development Advisory Board reserve the right to request additional information from the applicant if, in their sole discretion, the information submitted is incomplete or insufficient to allow a funding decision to be made.

All information submitted by the applicant is subject to the Freedom of Information Law ("FOIL") unless the applicant notifies the City that specific information contained within its application is proprietary and should not be released. The City will make the final disclosure determination regarding the applicant's request for confidentiality.

## **ATTACHMENTS INCLUDED HEREIN**

- Sec. 570.201 Basic eligible activities
- Sec. 570.202 Eligible rehabilitation and preservation activities
- Sec. 570.203 Special economic development activities
- Sec. 570.204 Special activities by Community-Based Development Corporations (CBDOS)
- Sec. 570.207 Ineligible activities
- Sec. 570.208 Criteria for national objectives
- Sec. 570.209 Guidelines for evaluating and selecting economic development projects

**A GUIDE TO THE FY 2016 CDBG ENTITLEMENT GRANT APPLICATION PROCESS**

**CITY OF KINGSTON**

**OFFICE OF COMMUNITY DEVELOPMENT**

**CITY HALL, 420 BROADWAY**

**KINGSTON, NEW YORK 12401**

***STEVEN T. NOBLE, MAYOR***

**Brenna L. Robinson, Community Development Director**

**845-334-3924**

**[brobinson@kingston-ny.gov](mailto:brobinson@kingston-ny.gov)**

The purpose of this guide is to assist applicants in designing projects that meet the federal requirements and local priorities of the City of Kingston Community Development Block Grant (CDBG) Entitlement Program for Fiscal Year 2016.

The goal of the CDBG program is to develop viable urban communities through:

- Housing
- Economic Development
- Elimination of Slums and Blight
- Expansion of Community Services
- Neighborhood Revitalization

The primary objective of the CDBG program is to benefit persons of low and moderate income. By regulation, the City **must** allocate at least 70% of its annual CDBG funding on activities that benefit persons of low and moderate income, households, and neighborhoods. The actual regulations may be found in the “Code of Federal Regulations” (CFR) in volume 24 (Housing and Urban Development), Part 570 (Community Development Block Grants).

### **ENTITLEMENT FUNDING CYCLE**

Application materials are available January 25, 2016 with the applications due on March 7, 2016. During the application stage, staff is available to provide technical assistance to assist in the development of an application for CDBG funding.

### **PUBLIC INFORMATIONAL SESSIONS AND PUBLIC HEARINGS**

The City of Kingston will hold up to four (4) public informational sessions and two (2) public hearings to receive public comment on the proposed funding applications for the City’s FY 2016 Entitlement grant. Comments and proposals relating to the Entitlement program may be submitted at any time during the program year to the Office of Community Development.

### **PROJECT SELECTION**

The Mayor, Community Development Director, Common Council’s Community Development Committee, and the Community Development Advisory Board review all submitted applications for adherence to HUD eligibility requirements and examine them with respect to the prioritized needs outlined in the City’s Consolidated Plan. The Mayor takes into consideration the public comment and recommendations of the Board, then offers a final recommendation to the Common Council. After the Council’s vote, the recommended slate of projects is published in The Daily Freeman followed by a thirty-day public review and comment period. Following the comment period, the Common Council votes on the annual slate of activities and the Community Development Director submits the final plan to HUD for approval in May.

### **ENVIRONMENTAL REVIEW**

All Entitlement funded projects are subject to the National Environmental Policy Act of 1969 that requires a review for impact regarding flood plain, noise, historic preservation, hazardous waste and other potential environmental impacts. Any projects that may have a negative effect on the environment will be summarized and published in The Daily Freeman followed by a fifteen-day period for public review and comment. The results are then sent to HUD and subject to another fifteen-day public comment period. HUD must approve the City’s environmental impact submission before

funds may be expended on projects listed in the final submission.

After a period of review, HUD forwards a Grant Agreement to the City for execution by the Mayor. HUD also forwards a Release of Funds which means the environmental review is complete and that the City of Kingston can begin using the funds.

## **ELIGIBILITY**

### **ELIGIBLE ACTIVITIES (see attached addendum for descriptions)**

All proposed activities must meet and document compliance with meeting the national objectives to be eligible for funding.

- Acquisition of Real Property
- Disposition of Real Property
- Public Facilities and Improvements
- Clearance
- Public Services
- Interim Assistance
- Relocation
- Loss of Rental Income
- Privately Owned Utilities
- Housing Rehabilitation
- Code Enforcement
- Special Economic Development Activities
- Microenterprise Assistance
- Special Activities by CBDO's (Community Based Development Organizations)
- Homeownership Assistance
- Planning and Capacity Building

### **INELIGIBLE ACTIVITIES (see attached addendum for descriptions)**

- Buildings for General Conduct of Government
- General Government Expenditures
- Political Activities
- Purchase of Equipment
- Furnishings and Personal Property
- Operating and Maintenance
- Income Payments
- Religious Prohibition

## PROPOSED SCHEDULE OF PUBLIC SESSIONS AND OTHER IMPORTANT DATES

CDBG FY 2016 Applications available beginning January 25, 2016.

<b>Date</b>	<b>Day</b>	<b>Time - PM</b>	<b>Location</b>	<b>Description</b>
1/27/2016	Monday	8:30 (AM)	City Website & Community Development Office	Applications available
2/9/2016	Tuesday	7:00	Rondout Neighborhood Center	Public Info. Meeting
2/10/2016	Wednesday	6:30	Everette Hodge Community Center	Public Info. Meeting
2/18/2016	Thursday	6:00	Chambers	Public Info. Meeting
2/22/2016	Monday	6:30	Chambers	Public Info. Meeting & 1st Public Hearing
3/7/2016	Monday	12:00 (noon)	Community Development Office	Applications Due - <b><u>no</u></b> late applications accepted
3/16/2016	Wednesday	6:30	Chambers	2nd Public Hearing
3/29/2016	Tuesday	6:00	Conference Room #1	CD Advisory Board meeting - final Board vote on recommendations
4/26/2016	Tuesday	6:00	Conference Room #1	Council CD Committee meeting - final Committee vote on allocations - recommendations to Council
5/3/2016	Tuesday	7:00		Full Common Council Vote

## **ADDENDUM ON ELIGIBLE AND INELIGIBLE ACTIVITIES DESCRIPTIONS**

### **ELIGIBLE ACTIVITIES**

#### **Acquisition of Real Property**

CDBG funds may be used to acquire real property by purchase, long term lease, or by donation. Real property includes, land, air rights, easements, water rights, rights of way, buildings and other real property improvements. Real property acquisition does not include movable equipment, furnishings, machinery, land write downs in which the land is purchased at one price and then sold to the same entity at a lower price, or acquiring newly constructed housing. Funds may be provided to private for profit entities if the property is rehabilitated /sold for residential purposes meeting a national objective. Acquisition of real property must always be viewed in terms of the ultimate use of the property in meeting a national objective.

#### **Disposition of Real Property**

Funds may be used to dispose of real property acquired with CDBG or urban renewal funds provided the property will be used to meet a national objective. To be eligible, the use after disposition must meet a national objective. Proceeds from the disposition are program income to the CDBG program.

#### **Public Facilities and Improvements**

CDBG funds may be provided to public agencies and private nonprofits for acquisition, construction, reconstruction, rehabilitation, or installation of public improvements or facilities provided they meet a national objective. Public improvements and facilities include: shelters, water and sewer facilities, flood and drainage improvements, fire protection facilities, community centers, senior centers, health centers, parking, streets, curbs and sidewalks, parks and playgrounds. Eligible expenditures do **not** include costs of operating or maintaining the public facilities and improvements once they are renovated or constructed. Also **not** eligible are the costs of purchasing construction equipment and costs of furnishings and other personal property except firefighting equipment. Public facilities may be owned by private nonprofit organizations but such facilities must be open for use by the public during normal hours of operation. Government buildings may be considered public facilities when they provide public services for other than the general conduct of government.

#### **Clearance**

CDBG funds may be used for clearance, demolition, and removal of buildings and improvements provided these activities meet a national objective. Demolition of HUD assisted housing units may be undertaken only with the prior approval of HUD.

#### **Public Services**

CDBG funds may be used to provide public services including but are not limited to: child care, health care, job training, recreation, education, public safety, fair housing, senior services, homeless services, drug abuse services, energy conservation testing. Public services do **not** include payments to individuals for food, clothing, rent or other income payments. Eligible program costs for public services include payment for labor, supplies and materials to administer the program and the costs of operating that portion of a facility in which the public is located. Eligible costs may also include the purchase or lease of furnishings, equipment, or other necessary personal property, which are typically not eligible expenditures under other activities. A maximum of 15% of annual Entitlement Grant may be allocated for public services.

### **Interim Assistance**

CDBG Funds may be used for certain activities on an interim basis provided the activities meet a national objective. Eligible interim assistance includes projects that are a prelude to permanent improvements in a deteriorating area when there are determinable signs of physical deterioration and where immediate action is necessary to arrest the deterioration. Eligible activities include repair of streets, sidewalks, public buildings, parks and playgrounds and publicly owned utilities, special trash collection and neighborhood cleanup campaigns. CDBG funds may be used to alleviate emergency conditions that threaten public health and safety when designated an emergency by the City of Kingston. Eligible activities include repair to streets, sidewalks, public buildings, and public owned utilities, special trash collection and neighborhood cleanup campaigns, snow removal and improvements to private properties. These activities may not go beyond what is necessary to alleviate the emergency condition. {570.201(f)(2) and 570.200(3)}.

### **Relocation**

CDBG funds may be used for relocation payments and assistance to displaced individuals, families, businesses, nonprofit organizations and farms. Relocation assistance is **required** if the displacement is caused by CDBG funded activities.

In these cases, assistance is required under federal regulations that specify the eligibility and amount of payments to be provided. Relocation assistance is **optional** when displacement is caused by factors other than CDBG funded activities.

### **Loss of Rental Income**

CDBG funds may be used to pay housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of persons and families displaced by CDBG assisted activities (570.201(j)).

### **Privately Owned Utilities**

CDBG funds may be provided to public agencies and nonprofit organizations to acquire, construct, reconstruct, rehabilitate, or install distribution lines and facilities of privately owned utilities provided the activity meets a national objective.

### **Housing Rehabilitation**

CDBG funds may be used to finance the costs of rehabilitation in the following manner:

#### **Eligible Types of Property**

Residential - privately or publicly owned

Commercial/Industrial - if owner by a for profit, rehabilitation is limited to exterior improvements and correcting code violations

Other - nonprofit owned nonresidential improvements

#### **Eligible Types of Assistance**

Costs - labor, materials, supplies and other required expenses for rehabilitation

(Re)Financing - grants, loans, etc. may be provided under this category

Property acquisition - assistance to private entities for use/resale for residential use

Renovation - conversion of a closed building from one use to another

Security devices, water and sewer connection, barrier removal, historic preservation  
Lead based paint hazard evaluation/reduction  
Rehabilitation services

Housing rehabilitation does **not** include creation of secondary housing units, installation of luxury items such as a swimming pool, cost of equipment, furnishings, or other personal property not an integral structural fixture such as air conditioners or washer and dryers, or labor costs for homeowners to rehabilitate their own properties.

### **Code Enforcement**

CDBG funds may be used for code enforcement only in deteriorating areas where enforcement, together with public/private improvements, rehabilitation, or services, may be expected to arrest the decline of an area.

### **Special Economic Development Activities**

CDBG funds may be used for special economic development activities carried out by public agencies, nonprofit organizations and private for profit businesses. Funds may be used for the following:

Activities carried out by **grantee or nonprofit** including acquisition, (re) construction, rehabilitation, or installation of commercial/industrial buildings or structures, or other real property equipment and improvements. Assistance to **private for profit entities** for an economic development project such as grants, loans, guarantees, technical assistance, etc.

Economic development services in connection with the above 2 categories.

### **Microenterprise Assistance**

Grantees and other public or private organizations may use CDBG funds to facilitate economic development through the establishment, stabilization, and expansion of microenterprises (a business having five or fewer employees, one or more of who owns the business). CDBG funds can be used to provide financial assistance of any kind to an existing microenterprise or to assist in the establishment of a microenterprise.

### **Special Activities by CBDO's (Community Based Development Organizations)**

This category authorizes a grantee to designate certain types of entities to carry out a range of activities that may include activities the grantee may not otherwise carry out itself. Under this category, a qualified CBDO may only carry out the following 3 types of projects:

- Neighborhood revitalization
- Community economic development
- Energy conservation

### **Homeownership Assistance**

Grantees and their sub recipients may provide financial assistance to households of low and moderate income to assist them in the purchase of a home. CDBG funds may be used to:

Subsidize interest rates and mortgage principal amounts

Finance the cost of acquiring property already occupied by the household at terms needed to make the purchase affordable

Pay all or part of the mortgage insurance premium

Pay up to 50% of the down payment required by the mortgagee

### **Planning and Capacity Building**

Funds may be used for studies, plans, data gathering, and identification of actions designed to improve the grantee's capacity to plan and manage CDBG programs.

### **INELIGIBLE ACTIVITIES**

#### **Buildings for General Conduct of Government**

CDBG Expenditures are generally not allowed on buildings that house government offices.

#### **General Government Expenditures**

Funds are not allowed for the general functions of government. However, government departments may carry out eligible projects.

#### **Political Activities**

Funds may not be used for political purposes or partisan political activities such as candidate forums, voter transportation, etc.

#### **Purchase of Equipment**

Equipment purchase is generally not eligible with specific exceptions including equipment necessary for a public service project.

#### **Furnishings and Personal Property**

Furnishings are generally not eligible except when necessary for a public service project.

#### **Operating and Maintenance**

Funds are generally not eligible for operating and maintenance except as part of a public service project.

#### **Income Payments**

Funds are generally not eligible for income payments for income maintenance, housing allowances, payments of rent, mortgage, etc.

#### **Religious Prohibition**

Restrictions apply to the use of CDBG Funds on buildings or programs administered by religious organizations and institutions (570.200(j)). Funds may **not** be used for the acquisition, construction, rehabilitation, etc., of structures used for religious purposes or to promote religious interests. However, funds may be used to rehabilitate buildings owned by religious entities for non-religious purposes under **limited** circumstances.

## National Environmental Policy Act (NEPA) Compliance Checklist

The National Environmental Policy Act, 42 U.S.C. §§4321-4370d (NEPA) requires, among other things, that Federal agencies consider the environmental impacts of any major Federal action. In order to implement NEPA and its associated regulations, the Grant Programs Directorate (GPD) requires grantees, pursuant to the assurances related to GPD grant programs, to submit responses to the following questions regarding proposed construction projects. Grantees are required to submit a brief explanation supporting each response of “yes” or “no”. Grantees that will undertake multiple construction projects shall submit separate responses for each project, and should consider the cumulative impact of interrelated projects.

Federal agencies may establish categories of actions that, based on experience, do not individually or cumulatively have a significant impact on the human environment and, therefore, can be excluded from NEPA requirements to prepare an Environmental Assessment or Environmental Impact Statement. DHS has adopted certain such Categorical Exclusions in DHS Management Directive 5100.1. These Categorical Exclusions, however, only apply when the entire action fits within the exclusion, the action has not been segmented (i.e., a smaller part of a larger action), and there are no extraordinary circumstances with the potential for significant impacts relating to the proposed action. The purpose of this questionnaire is to collect information from which a decision can be made whether application of a categorical exclusion is appropriate and whether further environmental analysis is required.

Grantees wishing to spend GPD funding for construction projects must contact their Preparedness Officer and submit a request for approval. Each Preparedness Officer will coordinate with GPD NEPA Compliance staff to process each request. Grantees will be required to complete the attached checklist and submit to GPD for approval prior to commencing any construction projects. If, in the course of responding to the questions, a grantee concludes that an Environmental Assessment (“EA”) under NEPA may be required for the proposed project, the grantee should submit the EA in conjunction with the responses to the questions, or as soon thereafter as possible. GPD will not approve construction projects until the NEPA compliance has been completed. GPD may independently conclude, based on its review of the responses to the questions, that an EA is required and will contact the grantee to notify them of that requirement.

Requirements on the contents of an EA can be found in regulations promulgated by the Council on Environmental Quality (CEQ) at 40 C.F.R. Part 1508 (and may be found on the web at [http://ceq.eh.doe.gov/nepa/regs/ceq/toc\\_ceq.htm](http://ceq.eh.doe.gov/nepa/regs/ceq/toc_ceq.htm) ). Note that 40 C.F.R. §1508.9 indicates that the EA is a concise document. It is GPD’s intention to adhere strongly to this instruction and to require only enough analysis to accomplish the objectives specified by the regulation.

**Grant Programs Directorate**

**National Environmental Policy Act (NEPA) Compliance Checklist**

**Grantee:**

**Project Description:**

Question	Yes	No
1. Is the project likely to have a significant impact on a district, site, highway, structure, or object that is listed in or eligible for listing in the National Registry of Historic Places, affects a historic or cultural resource or traditional and sacred sites, or the loss or destruction of a significant scientific, cultural, or historic resource?		
<u>Explanation for Question 1:</u>		
2. Is the project likely to have a significant effect on public health or public safety?		
<u>Explanation for Question 2:</u>		
3. Is the project likely to have a significant impact on species or habitats protected by the Endangered Species Act, Marine Mammal Protection Act, or Magnuson-Steven Fishery Conservation and Management Act?		
<u>Explanation for Question 3:</u>		
4. Is the project likely to have a significant effect on a unique characteristic of the geographical area such as park land, prime farmland, wetland, floodplain, coastal zone or a wild and scenic river, sole or principal drinking water aquifer, or an ecologically critical area?		
<u>Explanation for Question 4:</u>		

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**National Environmental Policy Act (NEPA) Compliance Checklist**

Question	Yes	No
5. Is the project likely to violate a federal, state, or local law or administrative determination imposed for the protection of the environment? (e.g., local noise control ordinance, requirements for the control of hazardous or toxic substances)		
<u>Explanation for Question 5:</u>		
6. Is the project likely to have an effect on the quality of the human environment that is likely to be highly controversial in terms of scientific validity, likely to be highly uncertain, likely to involve unique or unknown environmental risks?		
<u>Explanation for Question 6:</u>		
7. Does the project involve the employment of new or unproven technology that is likely to involve unique or unknown environmental risks, where the effect on the human environment is likely to be highly uncertain, or where the effect on the human environment is likely to be highly controversial in terms of scientific validity?		
<u>Explanation for Question 7:</u>		
8. Will the project set a precedent that forecloses future options that may have significant effects?		
<u>Explanation for Question 8:</u>		
9. Is the project of significantly greater scope or size than normally experienced for a particular category of action?		

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National Environmental Policy Act (NEPA) Compliance Checklist

Question	Yes	No
<u>Explanation for Question 9:</u>		
10. Does the project have the potential for significant degradation of already existing poor environmental conditions? Also, does the project involve the initiation of a potentially significant environmental degrading influence, activity, effect in areas not already significantly modified from their natural condition?		
<u>Explanation for Question 10:</u>		