

KENTUCKY COMMUNITY DEVELOPMENT BLOCK GRANT - CV

PROGRAM GUIDELINES



Department for Local Government
Office of Federal Grants
Dennis Keene, Commissioner
www.dlg.ky.gov



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**Department for Local Government
Office of Federal Grants
Commonwealth of Kentucky**

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Program Guidelines
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SECTION I

KENTUCKY'S GOALS AND OBJECTIVES

The Kentucky Community Development Block Grant coronavirus response (CDBG-CV) Program maximizes efficiency in program delivery and effectiveness of federal dollars as authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). The following goals and objectives were adopted to prevent, prepare for, and respond to coronavirus:

Goal 1: To provide assistance to households negatively affected by COVID-19 by providing services to improve the quality of life and help eliminate economic hardships.

Objectives:

- a. Provide assistance to households threatened by utility bill payment delinquency in the form of financial assistance to utility providers on behalf eligible household.
- b. Foster a revitalization of community structure to help communities help themselves.

Goal 2: To improve the lives of citizens by helping them overcome chemical addictions and avoid the risk of homelessness.

Objectives:

- a. Provide operational costs to support new and existing residential substance abuse centers.
- b. Provide support to educational programs for at-risk or LMI persons with substance abuse issues.

Goal 3: To assure that not less than 70% of the total amount of CDBG-CV funds received through the CARES Act shall be used for support of activities that benefit persons of low and moderate income.

Objectives:

- a. Expand opportunities principally for persons of low and moderate income.
- b. Aid facilities that are necessary to the public health and safety principally for persons of low and moderate income.
- c. Improve access to public services aiding those persons affected by COVID-19.

SECTION II

NATIONAL OBJECTIVES

Each activity funded under the Community Development Block Grant (CDBG-CV) coronavirus relief Program must meet at least one of the three National Objectives identified in Title I of the Housing and Community Development Act of 1974 as amended in 1983, 1987 and 1992 (the Act), Section 104(b) (3) and regulations contained in the 24 Code of Federal Regulations (CFR) 570.483. The three objectives are:

1. Benefit to low and moderate income persons;
2. Prevention or elimination of slums or blight; and
3. Meeting community development needs having a particular urgency.

The applicant is responsible for selecting and documenting how each activity addresses a National Objective. Explanations of the objectives and required documentation are described below.

Please note: The Act identifies as a primary objective the "... development of viable urban communities by providing decent housing and suitable living environment and expanding economic opportunities, principally for persons of low and moderate income...". The state is required to assure that "...not less than 70% of the federal assistance provided to the State under Section 106... shall be used for the support of activities that benefit persons of low and moderate income..."

A. **Activities which Benefit Low and Moderate Income Persons**

An activity will meet this objective if 51% of the persons benefiting from the activity are of low and moderate income. Low and moderate income levels are defined in the Act as Housing and Urban Development (HUD) determined calculations based on median family income. Income figures for each county or area and further information on how an activity may meet this test can be obtained from the Department for Local Government (DLG). Further information on how an activity may meet this test is given in Appendix B.

Required Documentation

Applicant must maintain records that at least 51% of the persons benefiting from the activity are of low and moderate income. Low and moderate income beneficiaries must be accounted for on the Person Benefit Profile form. Documentation must be maintained verifying the low and moderate income beneficiaries. This information must be explained and the sources and the applicable regulation cited on the appropriate forms.

B. **Activities which Aid in the Prevention or Elimination of Slums or Blight**

An activity will meet this objective if:

1. It meets a definition of slum area, blighted area, deteriorated or deteriorating under Section 99.705 of Kentucky Revised Statutes (KRS); and
2. It contains a substantial number of deteriorating or dilapidated buildings throughout the area; and
3. The activity is designed to address one or more of the conditions that contributed to the deterioration of the area; or
4. The activity addresses an individual structure, which would otherwise meet the definition of slum or blight.

Further information on how an activity may meet this test is given in Appendix B.

Required Documentation

Applicant must maintain records that the activity meets the definition of prevention or elimination of slums or blight. Records must also be maintained describing the boundaries of the area and the conditions of the area which qualify it under this objective. Documentation may include photographs, structural surveys or development plans. This information must be explained, the sources and the applicable regulation cited on the appropriate forms.

C. **Activities Designed to Meet Community Development Needs Having a Particular Urgency**

An activity will meet this objective if it:

1. Addresses needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community;

2. Is of recent origin (within 18 months) or which recently became urgent; and
3. Has no other available source to complete the funding package and the community cannot finance the activity on its own.

Further information on how an activity may meet this test is given in [Appendix B](#).

Required Documentation

Applicant must maintain records as to the nature and degree of seriousness of the problem, that the activity was designed to address the urgent need, that the problem is of recent origin, that other funding is not available, and the community cannot finance the activity alone. This information must be explained in detail and the applicable regulation cited in the application on the appropriate forms.

SECTION III

GENERAL INFORMATION FOR APPLICANTS

A. **Eligible Applicants**

All cities and counties in Kentucky are eligible for participation with with the exception of the following entitlement jurisdictions, which are only eligible for assistance with CDBG-CV funds provided under tranche 2:

Ashland, Bowling Green, Covington, Elizabethtown, Henderson, Hopkinsville, Owensboro, Lexington/Fayette Urban County Government and Louisville/Jefferson County Metro Government.

Only a project which can be proven to accrue direct benefit to a non-entitlement area will be eligible for funding.

B. **Program Areas**

Applications may be submitted in the following program areas:

1. Community Projects (See Section IV)
2. Economic Development (See Section V)
3. Housing (See Section VI)
4. Public Facilities – (See Section VII)
5. Public Services – Recovery Kentucky (See Section VIII)
6. Public Services – Emergency Grant Payments - Utilities (See Section IX)

C. **Threshold Requirements**

Traditional CDBG Threshold Requirements are not applicable for units of local government submitting exclusively CDBG-CV applications. Each CDBG-CV applicant may only have one (1) open CDBG-CV project and must have final closeout issued or Notice of Completion from DLG prior to submitting an additional CDBG-CV application.

An applicant may appeal the threshold requirements in writing to the Commissioner of DLG at a minimum of 30 days prior to application submittal. When requesting a waiver, please inform the appropriate program manager. Consideration will be given if it can be proven that due diligence has been pursued

in the project’s management and the rationale for failing to meet the threshold requirements are related to the grant’s participating party or circumstances beyond the control of the grantee. If an appeal request is approved, a written waiver will be issued by the Commissioner of DLG.

DLG reserves the right to refuse any application or condition any grant award based upon past performance, outstanding grant violations or continuing capacity to carry out funded activities in a timely manner.

D. Types of Applications

A city or county submits an individual application when the proposed activity or activities alleviate problems either inside or outside its jurisdiction, provided the activity will meet the needs of the jurisdiction in accordance with section 106(d)(2)(D) of the Housing and Community Development Act and 24 CFR 570.486(b) and Coronavirus Aid, Relief, and Economic Stimulus Act (CARES Act).

E. Eligible Activities

A detailed explanation of eligible activities is found in Section 5305 of the Act. Each activity must address one of the three National Objectives (Section II).

F. Amount and Split of Funds

Kentucky's CDBG-CV1 ACTUAL	\$15,568,714
Kentucky's CDBG-CV2 ACTUAL	\$16,983,620
Kentucky's CDBG-CV3 ACTUAL	<u>\$ 8,484,428</u>
Kentucky's CDBG-CV TOTAL	\$41,036,762
Less Administrative Costs (7%)	\$ 2,872,571
Total Amount for Distribution	\$38,164,191

<u>Program Areas</u>	Total Dollars Available
Com. Projects/Public Facilities/Econ. Dev./Housing/Pub. Services	\$15,794,767
Public Services (Recovery Kentucky) – CDBG-CV1	\$ 2,800,000
Public Services (Emergency Grant Payments – Utilities)	\$19,569,424

Some minor adjustment of the split of funds is possible depending on the actual number of applications and amount sustenance requested by applicants. DLG reserves the right to make those adjustments as necessary. The Commissioner

of DLG reserves the right to adjust the amount and split of funds in the event qualifying factors would dictate changes.

G.	<u>Grant Ceilings</u>	<u>Individual</u>
	Economic Development	
	Traditional	\$ 1,000,000
	Non-Traditional	250,000
	Public Facilities	1,000,000
	Housing	1,000,000
	Community Projects	750,000
	Public Services (Recovery Kentucky)	200,000
	Public Services (Emg. Grants - Utilities)	200,000

H. Number of Applications

Each jurisdiction may submit one application at a time for Public Services (Emergency Grant Payments – Utilities). However, a jurisdiction is not limited in the number of applications from the Public Services (Emergency Grant Payments – Utilities) Program as long as all previously funded Public Services (Emergency Grant Payments – Utilities) projects have been closed out. Each jurisdiction may submit one application either for a Housing, Community Project, or Public Facilities Project, in addition to a Public Services (Emergency Grant Payments – Utilities) project. Each program area requires a respective application (ex: a Public Services – Recovery application may not be used for Public Services – Emergency Grant Payments – Utilities). In addition, an applicant may submit one application in the for a Recovery Kentucky program areas (if applicable to your jurisdiction).

I. Submittal of Applications

Applications must be submitted to:

**Department for Local Government
Office of Federal Grants
100 Airport Road 3rd Floor
Frankfort, Kentucky 40601**

J. Citizen Participation

Citizen participation requirements must be met as part of application requirements. The Act requires units of local government to provide reasonable opportunities for citizen participation, hearings and access to information with respect to local

community development programs. At a minimum, a community must perform the following activities:

1. Furnish citizens with information that explains the program. Prior to the public hearing, a notice must be published informing citizens that the following information is available for review:
 - a. A detailed description of the project being proposed.
 - b. Amount of CDBG funds expected to be made available, range of activities that may be undertaken and if applicable, available and/or anticipated program income.
 - c. Estimated amount of CDBG funds proposed for activities benefiting persons of low and moderate income.
 - d. Plans for minimizing displacement of persons as a result of activities assisted with CDBG funds and plans for providing assistance to those persons to be actually displaced as a result of CDBG funded activities.
 - e. Records on past use of CDBG funds.
 - f. Summary of other important program requirements.
2. Hold the first public hearing.
 - a. The main purpose of this hearing is to obtain views on housing and community development needs and review proposed activities. In addition, the hearing will review the proposed application and discuss social impacts, economic impacts, environmental impacts, project alternatives and solicit public improvements.
 - b. Advertise the hearing in accordance with state and federal laws. KRS 424.130 requires that the public hearing must be advertised at least once, not less than five (5) nor more than twenty-one (21) days prior to the date of the hearing. Pursuant to KRS 446.030, the date of the hearing is not to be included in the computation of time. Example: For a public hearing scheduled on Tuesday, June 8th, the newspaper advertisement must be published no earlier than May 18th and no later than June 3rd. The notice must include TTY 711. All advertisements shall be published, pursuant to

KRS 424.120, in the newspaper of largest bona fide paid circulation that publishes in the publication area. A newspaper is considered to “publish” in the publication area **only** if it maintains its principal office in the publication area. “Publication area” means “the city, county, district, or other local area for which an advertisement is required by law to be made.”

- c. Undertake and document additional advertisements to reach low and moderate income persons. Such efforts could include:
 1. Distributing or posting of leaflets at neighborhood groceries, churches and community centers.
 2. Door-to-door distribution announcements.
 3. Provide radio (and television if available) public service announcements for broadcast.
 - d. Inform citizens that technical assistance is available to help groups representing low and moderate income persons in developing proposals. Designate where this technical assistance may be obtained.
 - e. Hold the public hearing in a location accessible to the disabled and at a time and place convenient to potential or actual beneficiaries. The hearing must provide maximum opportunity for community input. Grantees may develop expedited citizen participation procedures and to hold virtual public hearings when necessary for public health reasons.
 - f. Arrange for interpreters for non-English speaking persons if applicable. Guidance on analyzing the project service area for persons with limited English proficiency is provided in DLG’s 2018 CDBG Handbook, Chapter 1, Section 1-D and Chapter 7, Section 7-B.
 - g. **A project description must be available for review five (5) days prior to the public hearing** and the advertisement must identify where a copy of the description may be obtained.
3. Pursuant to 24 CFR 570.486(a) (6) of the CDBG Small Cities Regulations, public hearings are also necessary during the course of a project when a

modification is proposed that substantially changes the original activities, whether activities are added or deleted.

4. A second public hearing must be held prior to closeout.
 - a. The main purpose of this hearing is to review past use of funds and program performance.
 - b. Advertise the hearing in accordance with state and federal laws that the project is nearing closeout and comments from the public are invited. KRS 424.130 requires that the public hearing must be advertised at least once, not less than five (5) nor more than twenty-one (21) days prior to the date of the hearing. Pursuant to KRS 446.030, the date of the hearing is not to be included in the computation of time. The notice must include the local TTD number which is (800) 648-6057, or the state relay TTY number which is (800) 648-6056, or 711.
 - c. Ensure that steps are again taken concerning LMI participation, providing a time and place convenient to beneficiaries, a location accessible to the disabled and assistance to non-English speaking persons. Virtual public hearings are permissible when necessary for public health reasons.

5. Respond to public comments.
 - a. Respond in writing to all written comments received during the public hearing process.
 1. Indicate comments were considered.
 2. Cite reasons for rejection if applicable.
 3. File comments and responses in the citizen participation file.
 - b. Develop a complaint and grievance procedure where written complaints and grievances are answered in writing within fifteen (15) working days. Provide citizens the address, phone number and times for submitting complaints and grievances.

K. **eClearinghouse Review**

All CDBG applications are subject to the eClearinghouse Review Process and **must** have an endorsement to be approved for funding.

Community Projects, Housing and Public Facilities applicants **must** include an eClearinghouse (ECH) endorsement letter as part of their application.

Economic Development, and Public Services (both Recovery Kentucky and Emergency Grant Payments – Utilities projects) applicants must submit a request for review to the eClearinghouse at least by the application submission date and include the State Applicant Identifier Number (SAI #) in the application.

While most eClearinghouse reviews can be completed within thirty (30) business days, some reviews may take longer depending on the particular project circumstances and applicants must allow for that additional time. Failure to do so **will** disqualify the application.

All eClearinghouse submissions must be made electronically at. Please use the instructions link on the ECH website to have a timely and efficient review.

If the project application is for water or wastewater activities, the WRIS Project Profile must be complete and the information must match that submitted to the eClearinghouse. If the WRIS Project Profile is updated after eClearinghouse submittal, the application must be withdrawn from eClearinghouse and entered again to match the WRIS Project Profile.

It is recommended that applicants work directly with the State Historic Preservation Officer (Kentucky Heritage Council) during the eClearinghouse review process to ensure completion in a timely manner. Please go to the [Kentucky Heritage Council's Site Protection Program](#) website and follow the directions for the 106 plan. Supplemental documentation supporting the project review, such as pictures of the surrounding area and project site, maps of the project site and detailed cost estimates may be required. Please note applicants must include a written determination of eligibility for listing on the National Register of Historic Places from the Kentucky Heritage Council and written approval of the project from the State Historic Preservation Officer in the application for funding (*if applicable*). In most cases, this will be in addition to the eClearinghouse endorsement. For assistance

at the Kentucky Heritage Council please contact:

Yvonne Sherrick
Kentucky Heritage Council
Barstow House
410 High St.
Frankfort, KY 40601
Office: (502) 892-3602

If you have any questions regarding the eClearinghouse review process please contact Ms. Lee Nalley (Lee.Nalley@ky.gov).

L. **Standard Application Forms**

All new applications must be submitted on Standard CDBG-CV 2020 forms. A separate set of application forms is provided for each of the program areas. Standard CDBG-CV 2020 forms may be downloaded from the DLG website (www.dlg.ky.gov).

M. **Notification**

Applicants will be notified in writing when funding decisions have been made.

N. **Undistributed, Recaptured, Reallocated Funds and Program Income**

1. **Recaptured Funds (Redistributed Funds)**

Recaptured funds are those monies received during the initial CDBG-CV grant award to a grantee. These funds can be from any program area. Any CDBG-CV funds recaptured may be allocated to one or more projects based on need.

2. **Reallocated Funds**

Reallocated funds are those monies recaptured by HUD and redistributed to the states. Any CDBG-CV funds reallocated by HUD and received by Kentucky CDBG-CV program year will be allocated to one or more program areas and distributed in accordance with the Consolidated Plan.

3. **Program Income**

Program income is defined as gross income received by a unit of local government or subrecipient of a unit of general local government that was generated from the use of CDBG-CV funds. The program income must be reported to DLG on the next draw request and expended on the next eligible

CDBG-CV activity prior to the approval of the next draw request, unless the CDBG-CV funds are set aside in a revolving loan fund for a specific preapproved use. The re-use of such funds is subject to all provisions of Title I of the Housing and Community Development Act.

Program income not subject to Title I federal regulations includes the following:

- a. The total amount of funds which is less than \$35,000 received in a single year that is received by a unit of general local government and its subrecipients.
- b. Amounts generated by activities eligible under Section 5305(a)(15) of the Act and carried out by a DLG designated Local Development Authority (LDA).

DLG reserves the right to recapture local program income and LDA held proceeds from communities that fail to adequately meet statutory, contractual or regulatory requirements, fail to market and use the funding in an expeditious manner or when needed to address other significant state established needs and priorities. Local use of program income and LDA proceeds must be approved by DLG.

O. **Procurement – Open Competition**

KCDBG procurement must be conducted in a manner that ensures full and open competition consistent with the standards set forth in 2 CFR Part 200 and the KCDBG Procurement Code. All services to be provided must be procured in accordance with 2 CFR Part 200 and the KCDBG Procurement Code. Actions that might restrict competition would include:

- Placing unreasonable requirements on firms in order for them to qualify to do business.
- Requiring unnecessary experience.

SECTION IV

COMMUNITY PROJECTS

PROJECT SELECTION PROCESS

A. **Submission Dates**

Contact DLG for guidance and availability.

B. **Acceptance of Applications**

1. An original and two (2) copies of the standard CDBG-CV Community Project Application must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act and the CARES Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. Detailed Cost Estimate from a Certified Architect or a Licensed Professional Engineer. Please be aware, we will only accept Detailed Cost Estimates from the appropriate professional.
 - b. Documentation of meeting the citizen participation requirements must be met as referenced in Section III.
 - c. Authorizing Resolution to submit the project must be included. The Resolution must be signed by the applicant's CEO, dated and attested.
 - d. All funding Commitment Letters; if cash, please attach a bank statement; if loan, please attach proof of commitment from a lending institution. *(if applicable)*
 - e. The eClearinghouse Review must be completed and endorsed as referenced in Section III.
 - f. Applicant must have determination of eligibility for listing on the National Register of Historic Places from Kentucky Heritage Council and approval from the State Historic Preservation Officer.
 - g. Letter signed by the applicant CEO stating how the applicant has met

threshold requirements as stated in Section III.

- h. The [HUD-2880](#), Applicant/Recipient Disclosure/Update Report.
- i. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory.

A letter from the Water Infrastructure Branch of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Russell Neal, Supervisor
Wastewater Planning Section
Phone: (502)782-7026

- j. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years).
- k. Copy of approval letter from Housing Building and Construction (HBC), if applicable.

C. **Community Projects Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs, impact from COVID-19, and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The project must substantiate and address a need that is significant to the needs of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG-CV funding is necessary to meet

the identified need(s); the impact of CDBG-CV dollars is maximized and the use of CDBG-CV funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG-CV funding.

3. **Impact from COVID-19**

The project must substantiate that activities and accomplishments will prevent, prepare for, and respond to the coronavirus in that city and/or county government as referenced in the CARES Act.

4. **Project Effectiveness**

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Applications will be evaluated based on the projects impact by COVID-19, met all program requirements, and the project's readiness-to-go. All CDBG-CV program awarded funds must be expended no later than June 30, 2023.

** Under the CARES Act, the typical Kentucky CDBG match requirements are waived for CDBG-CV funding.*

E. **Project Review Committee**

The findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all four (4) review criteria will not be funded. In the event demand exceeds the amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project will be eligible for partial funding. In such instances, DLG will negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION V

ECONOMIC DEVELOPMENT

The Economic Development component of the CDBG-CV program is comprised of two segments. **Traditional Economic Development** projects are those which specifically address the creation or retention of jobs for persons of low and moderate income through the provision of assistance to specific industrial and/or business clients. **Non-Traditional Economic Development** projects are those which will allow for the funding of eligible activities benefiting low and moderate income persons that may not directly relate to job creation. Typical activities include, but are not limited to, job training and placement or other support services including peer support, counseling, child care and transportation.

PROJECT SELECTION PROCESS

A. **Submission Dates**

Contact DLG for guidance and availability.

B. **Acceptance of Applications**

1. A complete original and one (1) copy of the standard CDBG-CV Economic Development Application must be submitted.
2. Activities described in the application will be checked to determine if they meet fundability criteria as established in the Housing and Community Development Act, including the Public Benefit requirements as required by 24 CFR 570.482(e).
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. The citizen participation requirements must be met as referenced in Section III.
 - b. Authorizing Resolution to submit the project must be included. The Resolution must be signed, dated and attested.
 - c. The eClearinghouse request for review must be submitted as referenced in Section III.

- d. Applicant must have determination of eligibility for listing on the National Register of Historic Places from Kentucky Heritage Council and approval from the State Historic Preservation Officer (if applicable).
- e. Letter signed by the applicant CEO stating how the applicant has met threshold requirements as stated in Section III.
- f. Letter signed by the participating party assuring:
 - i. Commitment of full time employment, either created or retained (as applicable), and assurance of compliance with the LMI National Objective.
 - ii. Compliance with all Environmental requirements promulgated in 24 CFR 58 for non-exempt activity and further indicating that no obligation of funds will occur prior to DLG's environmental clearance.
 - iii. Commitment of Participating Party's investment.
- g. The [HUD-2880](#), Applicant/Recipient Disclosure/Update Report.
- h. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory.

A letter from the Water Infrastructure Branch of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Russell Neal, Supervisor
Wastewater Planning Section
Phone: (502)782-7026

- i. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (plans and specification approvals are good for a period of two (2) years).

C. **Economic Development Proposals Requesting Assistance Under 5305(a)(14)**

Applicants may request grants for activities that are carried out by public and private non-profit entities. The activities include, but are not limited to, the acquisition of real property; the acquisition, construction, reconstruction or installation of both public facilities improvement and utilities; and business or industrial buildings or real property improvements. Such activities are eligible under Section 5305(a)(14) of the Act.

D. **Economic Development Proposals Requesting Assistance Under 5305(a)(15)**

Applicants requesting assistance for non-profit organizations under Section 5305 (a)(15) of the Act must assure that the community economic development project includes activities that increase economic opportunity, principally for persons of low and moderate income or that stimulate or retain permanent jobs. Recipients can use CDBG funds for grants or loans to non-profit organizations for the purpose of promoting economic development. Recapture generated by activities eligible under Section 5305(a)(15) of the Act may not be subject to program income requirements as specified in Section 570.489 of the regulations.

E. **Economic Development Proposals Requesting Assistance Under 5305(a)(17)**

Applicants requesting assistance to private for-profit organizations under Section 5305(a)(17) of the Housing and Community Development Act must include a specific "appropriate" analysis. The purpose of this analysis is to determine the extent of need of the for-profit business for CDBG assistance and the amount of assistance to be provided in comparison to the public benefit that is expected as a result of such assistance. The review must include a financial analysis and discussion of the extent of public benefit. The applicant must not negotiate the loan rate and term prior to conducting the appropriate review. These items will be determined based on a financial analysis of the company.

The analysis will include but not be limited to the following steps:

1. Determination of project type.
2. Evaluation of the proposed project costs.

3. Verification and maximization of private funding sources.
4. Determination of need for CDBG assistance.
This criterion will include review of the financing or collateral gap, rate of return and locational factors as applicable.
5. Determination of amount of CDBG assistance.
6. Determination of rate and term of CDBG assistance.
7. Assessment of public benefit.

While there are no set standards for public benefit, discussions might include: the number and type of jobs to be made available, the number of LMI persons, other persons who are likely to be employed or retained for employment, the other development likely to be stimulated, increases to the tax base or increases in needed services which will result from the project.

F. **Economic Development Projects Review Criteria**

Both Traditional and Non-Traditional Economic Development applications will be reviewed under criteria developed for that particular application type. In order for a project to be funded, a determination must be made that CDBG funds are needed to accomplish the project and the amount of funds requested is reasonable relative to job creation where applicable and other funding associated with the project. To make this determination, the following criteria will be reviewed:

1. **Permanent Jobs Created/Retained/Available**

Traditional Economic Development projects must create or retain jobs. Non-Traditional Economic Development projects can create or retain jobs or can qualify as noted below. When job creation/retention is claimed, no funds will be obligated without an assurance by the project's beneficiary (e.g. developer, industry, employer, etc.) that permanent full time/equivalent employment will occur as a result of CDBG expenditure. The beneficiary will provide the applicant a statement of:

- a. Documentation of number, type and salary range of permanent jobs to be created or retained over a two year period;

- b. Documentation to support LMI characteristics of the retained workforce, imminent loss of existing jobs and that jobs can reasonably be expected to be filled by LMI persons;
- c. Documentation to support that existing non-LMI jobs may be considered available to LMI persons, if vacated; and
- d. Acceptance of the applicable LMI hiring requirement.

The number of jobs being committed must be reasonable in relation to the amount of the CDBG request. Permanent full time/equivalent jobs are calculated on a basis of 2000 hours per year.

2. The Ratio of Other Public/Private Funds to CDBG Funds

The impact of CDBG dollars must be maximized and the use of CDBG funds reasonable when compared with other funding sources. The applicant must demonstrate that all other feasible public/private funding sources have been analyzed and/or applied to the project. In order to assure that funds are secured, funding commitments from public/private funding sources shall be included with the project application. The commitments may be contingent on CDBG funding. Applications will be analyzed with respect to the use and/or potential use of recaptured funds by the applicant and/or its agent from any prior Economic Development project(s). All applicants will be required to complete a Repayment Report as part of the application. DLG reserves the right to reduce an applicant's request as appropriate based on the cash balance on hand and/or the projected revenue to be earned from a previous grant(s). If an applicant feels that such an action is inappropriate, it must justify its rationale. Recaptured funds originating from CDBG Economic Development projects, not falling under the category of program income, will also be evaluated to confirm the efficient and effective use of the funds.

3. Applicability of Recaptured Funds

Recaptured funds and any related earnings from CDBG Economic Development projects may be retained by the recipient or their designee. The recipient must propose the method of collection and identify the

potential activities to be funded. They must describe how the funds will be collected, accounted for and disbursed. If they plan to designate any entity such as a Local Development Authority to be responsible, that must be explained. Use of program income and other CDBG generated proceeds must be approved by DLG. See Program Income, Section III. P. above for more guidance.

G. **Additional Non-Traditional Review Criteria**

1. **Project Need**

The project must substantiate and address a need that is significant to the economic development efforts of the community. Relevant demographic information including unemployment rate, per capita income and poverty level are important factors for consideration.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG funding is necessary to meet the identified need(s), the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources.

3. **Impact from COVID-19**

The project must substantiate that activities and accomplishments will prevent, prepare for, and respond to the coronavirus in that city and/or county government as referenced in the CARES Act.

4. **Project Effectiveness**

The application must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design. If the project does not propose the creation/retention of permanent full time/equivalent employment, the applicant must identify the proposed beneficiaries and identify which section of the Act determines eligibility.

5. **Low and Moderate Income Qualification**

Non-Traditional Economic Development projects which do not use job creation as the basis for meeting a national objective may qualify the project through direct survey of the people served or under the Aggregate Standards or Limited Clientele provisions of the regulations. The applicant

must identify the method used to qualify the project.

H. **Economic Development Project Review Process**

Review of Economic Development applications is a two-part process involving preliminary staff review followed by consideration of the review committee.

1. **Application Preliminary Review**

When documentation from the applicant is complete, DLG staff will conduct their review utilizing the underwriting guidelines contained in Section 570.482 (e), Guidelines and Objectives for Evaluating Project Costs and Financial Requirements, contained in the HUD Small Cities Guidelines. Staff will present the application to the review committee for its consideration and recommendation for funding.

An "appropriate" determination will be completed for all projects proposed under Section 5305(a)(17) prior to submission to the review committee.

In order for a Non-Traditional Economic Development project to be funded, a determination must be made regarding project need, reasonability of costs and overall project effectiveness.

2. **Project Priority**

Applications will be evaluated based on the projects impact by COVID-19, met all program requirements, and the project's readiness-to-go. All CDBG-CV program awarded funds must be expended no later than June 30, 2023.

** Under the CARES Act, the typical Kentucky CDBG match requirements are waived for CDBG-CV funding.*

3. **Project Review Committee**

Staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all three of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need

and effectiveness will be recommended for funding.

I. **Negotiation**

In some situations, a project will be eligible for partial funding or a change in loan rate and term. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured financially.

SECTION VI

HOUSING PROJECTS

PROJECT SELECTION PROCESS

A. **Submission Dates**

Contact DLG for guidance and availability.

B. **Acceptance of Applications**

1. An original and two (2) copies of the standard Housing Application forms must be submitted.
2. Activities described in the application will be checked to determine if they meet fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. [Housing Detailed Cost Estimate](#) from the DLG Website.
 - b. [The Homeowners List](#).
 - c. The citizen participation requirements must be met as referenced in Section III.
 - d. Authorizing Resolution to submit the project must be included. The Resolution must be signed, dated and attested.
 - e. All funding Commitment Letters; if cash, please attach a bank statement; if a loan, please provide proof of commitment from lending a institution.
 - f. The eClearinghouse Review **must** be completed and endorsed as referenced in Section III
 - g. Applicant must have determination of eligibility for listing on the National Register of Historic Places from Kentucky Heritage Council and approval from the State Historic Preservation Officer.
 - h. Letter signed by the applicant CEO stating how the applicant has met

threshold requirements as stated in Section III.

- i. For Septic Systems, attach a copy of the letter sent to the local health department listing each structure receiving a new upgraded septic system. *(if applicable)*
- j. For involuntary housing projects that are part of a neighborhood revitalization project, provide documentation to substantiate compliance with KRS Chapter 99 by providing a copy of a City or County approved Redevelopment Plan, including compliance with the Uniform Relocation Act. *(if applicable)*
- k. For voluntary housing projects, provide proof of the publication announcement of the rehabilitation program, a copy of the household surveys, and the adopted Temporary Relocation Policy. *(if applicable)*
- l. Documentation to substantiate that conflict of interest provisions have been discussed with the governing body and possible recipients.
- m. The [HUD-2880](#), Applicant/Recipient Disclosure/Update Report.
- n. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Water Infrastructure Branch of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:
 - Russell Neal, Supervisor
 - Wastewater Planning Section
 - Phone: (502)782-7026
- o. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (approvals are good for a period of two (2) years).

C. **Housing Projects Review Criteria**

For a project to be funded, a determination must be made regarding need, reasonability of costs, impact from COVID-19, and overall effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The project must substantiate and address a need that is significant to the housing needs of the community (e.g., major and serious dilapidation, deterioration or inadequacy of housing stock and/or public facilities).

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG funding is necessary to meet the identified need(s), the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. DLG will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

Any Program Income earnings from CDBG Housing projects retained by the recipient or designated subrecipient must be used for eligible CDBG activities. The recipient must propose the method of collection, identify the potential activities to be funded and designate the recipient(s) responsible for collection, accounting and disbursement.

3. **Impact from COVID-19**

The project must substantiate that activities and accomplishments will prevent, prepare for, and respond to the coronavirus in that city and/or county government as referenced in the CARES Act.

4. **Project Effectiveness**

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Applications will be evaluated based on the projects impact by COVID-19, met all program requirements, and the project's readiness-to-go. All CDBG-CV program awarded funds must be expended no later than June 30, 2023.

** Under the CARES Act, the typical Kentucky CDBG match requirements are waived for CDBG-CV funding.*

E. **Project Review Committee**

The findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all four (4) of the review criteria will not be funded. In the event demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project will be eligible for partial funding. In such instances, DLG will negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION VII

PUBLIC FACILITIES

PROJECT SELECTION PROCESS

A. **Submission Dates**

Contact DLG for guidance and availability.

B. **Acceptance of Applications**

1. An original and three (3) copies of the standard Public Facilities Project Application must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The WRIS Project Profile must be electronically submitted to the Kentucky Infrastructure Authority. WRIS Project Profile information must match the information in the application and the eClearinghouse.
5. The following requirements **must** be met, documented and **submitted** with the application:
 - a. Detailed Cost Estimate from a Licensed Professional Engineer.
 - b. The citizen participation requirements must be met and documented as referenced in Section III.
 - c. An Authorizing Resolution (authorizing submission of the project) must be included. The Resolution must be signed by the applicant's CEO, dated and attested.
 - d. Documentation supporting the commitment of other funds. (*if applicable*)
 - e. eClearinghouse endorsement letter as referenced in Section III.
 - f. Letter signed by the applicant CEO stating how the applicant has met threshold requirements as stated in Section III.
 - g. [HUD-2880](#): Applicant/Recipient Disclosure/Update Report.

- h. Projects containing water and sewer activities must meet all Kentucky Division of Water (DOW) planning requirements. Proposed projects must be included in facility planning documents required by DOW such as: Kentucky Water Management Plans (KWMP), Wastewater Facilities Plans (WWFP) or Asset Inventory. A letter from the Water Infrastructure Branch of DOW approving the relevant plan is required, if applicable. Said approval letter must be dated within one (1) year of application submission. For information on these plans, contact:

Russell Neal, Supervisor
Wastewater Planning Section
Phone: (502)782-7026

- i. Projects containing water and sewer activities are encouraged to submit a letter from the Division of Water (DOW) approving plans and specifications (approvals are good for a period of two (2) years).
- j. Applicants proposing water or sewer line extensions must identify areas for service that have a minimum average of six (6) customers per mile.

C. **Public Facilities Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs, impact from COVID-19 and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The applicant must show that the project addresses a significant infrastructure need of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The applicant must substantiate that CDBG funding is necessary to meet the identified need(s); the impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure

that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

3. **Impact from COVID-19**

The project must substantiate that activities and accomplishments will prevent, prepare for, and respond to the coronavirus in that city and/or county government as referenced in the CARES Act.

4. **Project Effectiveness**

The applicant must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Applications will be evaluated based on the projects impact by COVID-19, met all program requirements, and the project's readiness-to-go. All CDBG-CV program awarded funds must be expended no later than June 30, 2023.

** Under the CARES Act, the typical Kentucky CDBG match requirements are waived for CDBG-CV funding.*

E. **Project Review Committee**

The staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all four (4) of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding. In some situations, a project may be eligible for partial funding. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

F. **Negotiations**

DLG reserves the right to negotiate funding amounts and payment schedules with any and/or all applicants. Negotiations may be appropriate for, but not limited to, situations such as demand exceeding amount of funds available and the existence of project readiness issues. Such negotiations may result in the award of a

planning or preconstruction grant with conditional commitment of construction financing in future program years.

SECTION VIII

PUBLIC SERVICES – RECOVERY KENTUCKY

CDBG-CV Public Services funds, in the form of operational costs to support the Recovery Kentucky Program, will be made available to existing Recovery Kentucky Substance Abuse Centers. These centers serve individuals who have a history of substance abuse, with an emphasis on the homeless, those at risk of becoming homeless and those referred by the judicial system.

PROJECT SELECTION PROCESS

A. **Submission Dates**

Contact DLG for guidance and availability.

B. **Acceptance of Applications**

1. An original and one (1) copy of the complete and accurate standard CDBG-CV Public Services (Recovery Center) Project Application Form must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. The citizen participation requirements must be met as referenced in Section III.
 - b. Authorizing Resolution to submit the project must be included. The Resolution must be signed, dated and attested.
 - c. All funding Commitment Letters; if cash, please attach a bank statement; if loan, please attach proof of ability to borrow funds. (*if applicable*)
 - d. The eClearinghouse Review must be submitted as referenced in Section III.

- e. The [HUD-2880](#), Applicant/Recipient Disclosure/Update Report.

C. **Public Services Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs, impact from COVID-19 and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The project must substantiate and address a need that is significant to the needs of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG funding is necessary to meet the identified need(s). The impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

3. **Impact from COVID-19**

The project must substantiate that activities and accomplishments will prevent, prepare for, and respond to the coronavirus in that city and/or county government as referenced in the CARES Act.

4. **Project Effectiveness**

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Applications will be evaluated based on the projects impact by COVID-19, met all program requirements, and the project's readiness-to-go. All CDBG-CV program awarded funds must be expended no later than June 30, 2023.

E. **Project Review Committee**

The staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all four (4) of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project may be eligible for partial funding. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION IX

PUBLIC SERVICES – EMERGENCY GRANT PAYMENTS (UTILITIES)

CDBG-CV Public Services – Emergency Grant Payments (Utilities) funds, in the form of financial assistance to utility providers on behalf of households delinquent on monthly utility payments due to impact from COVID-19. These funds are reserved for those households who are delinquent due to impact from COVID-19 and at-risk of cut-off from utility provider.

PROJECT SELECTION PROCESS

A. **Submission Dates**

Applications for Public Service projects will be accepted from February 1, 2021, through close of business on June 30, 2022.

B. **Acceptance of Applications**

1. An original and one (1) copy of the complete and accurate standard CDBG-CV Public Services (Emergency Grant Payments – Utilities) Project Application Form must be submitted.
2. Activities described in the application will be checked to determine if they meet the fundability criteria as established in the Housing and Community Development Act.
3. Project activities must meet one of the three National Objectives as referenced in Section II.
4. The following requirements must be met, documented and submitted with the application:
 - a. The citizen participation requirements must be met as referenced in Section III.
 - b. Authorizing Resolution to submit the project must be included. The Resolution must be signed, dated and attested.
 - c. All funding Commitment Letters; if cash, please attach a bank statement; if loan, please attach proof of ability to borrow funds. (*if applicable*)

- d. Copy of resolution adopting local utility provider CDBG-CV Emergency Grant Payments – Utilities Program Guidelines.
- e. For Public Utility Providers (grantee owned), evidence the costs allocated to households/customers do not include depreciation of assets whose cost was borne by the Federal Government through previous Federal assistance (Including CDBG, Rural Development, Environmental Protection Agency, Appalachian Regional Commission, etc...).
- f. Copy of cost reasonableness from Public Utility Provider (grantee owned), including calculation per unit cost is not operated to earn a profit but based on actual costs of providing utility service.
- g. Copy of legally binding agreement between the grantee and the local non-profit community action organization who will be administering/operating the utility assistance service program in the community.
- h. The eClearinghouse Review must be submitted as referenced in Section III.
- i. The [HUD-2880](#), Applicant/Recipient Disclosure/Update Report.

C. **Public Services Review Criteria**

In order for a project to be funded, a determination must be made regarding project need, reasonability of costs, impact from COVID-19 and overall project effectiveness. To make this determination the following considerations will be applied to each project:

1. **Project Need**

The project must substantiate and address a need that is significant to the needs of the community.

2. **Necessary and Reasonable Expenditure of CDBG Funds**

The project must substantiate that CDBG funding is necessary to meet the identified need(s). The impact of CDBG dollars is maximized and the use of CDBG funds is reasonable when compared with other funding sources. The state will determine whether all other feasible public and private funding sources have been analyzed and/or applied to the project. In order to

assure that funds are committed, funding commitments from public/private funding sources shall be included in the application. The commitments may be contingent on CDBG funding.

3. **Impact from COVID-19**

The project must substantiate that activities and accomplishments will prevent, prepare for, and respond to the coronavirus in that city and/or county government as referenced in the CARES Act.

4. **Project Effectiveness**

The project must substantiate that project accomplishments would be significant given the need, amount of funds requested, local effort and program design.

D. **Project Priority**

Applications will be evaluated based on the projects impact by COVID-19, met all program requirements, and the project's readiness-to-go. All CDBG-CV program awarded funds must be expended no later than June 30, 2023.

E. **Project Review Committee**

The staff findings will be submitted to the review committee designated by the Commissioner. The committee will meet to evaluate projects based on the review criteria and staff comments. The committee will make a determination of approval, rejection or deferral. Projects that do not meet all four (4) of the review criteria will not be funded. In the event that demand exceeds amount of funds available, those projects with the greatest need and effectiveness will be recommended for funding.

In some situations, a project may be eligible for partial funding. In such instances, DLG may negotiate with the applicant to ascertain whether the project can be reduced in size or restructured.

SECTION X

PERFORMANCE MEASUREMENT SYSTEM

A Performance Measurement Outcome System has been established by HUD as a standardized framework to gather information, measure program results and quantify the benefit of these programs to low and moderate income families and communities. The programs that are covered by this framework are:

CDBG (Community Development Block Grant)

HOME (Home Investment Partnership Program)

ESG (Emergency Shelter Grant)

HOPWA (Housing Opportunities for Persons with AIDS Program)

HUD has implemented Performance Measures through the Integrated Disbursement and Information System (IDIS). Recipients must acknowledge that they will be required to submit performance measure information to DLG in order to meet this reporting requirement. Submittal of information will be solicited by DLG via the Program Completion Report at closeout. Some recipients, due to the nature of their projects, may have to submit information on an annual basis via a Jobs Created and Retained Report or an Assisted Housing Unit Address Report.

There are three main components of the Performance Measurement System: Objectives, Outcomes and Indicators. Each component relates to a project activity. An objective related to the type of activity, funding source and goal/program intent will be assigned by DLG.

Objectives include:

- Suitable Living Environment
- Decent Housing
- Economic Opportunity

Next, an outcome will be selected based upon the purpose of the activity.

Outcomes include:

- Improved Availability/Accessibility
- Improved Affordability
- Improved Sustainability

In addition to selecting an objective and outcome for each project activity, certain indicators will be required to be identified and quantified. These indicators vary by program area (CERF, Community Projects/Renaissance, Economic Development, Housing, Public Facilities, and Public Services).

PERFORMANCE MEASURES DEFINITIONS

The following definitions will be used when choosing Performance Measure Objectives and reporting Outcomes:

Objectives:

Suitable Living Environment. In general, this objective relates to activities that are designed to benefit communities, families or individuals by addressing issues in their living environment.

Decent Housing. The activities that typically would be found under this objective are designed to cover the wide range of housing possibilities under CDBG. This objective focuses on housing programs where the purpose of the program is to meet individual family or community needs and not programs where housing is an element of a larger effort (such as described above under Suitable Living Environment).

Economic Opportunities. This objective applies to the types of activities related to economic development, commercial revitalization or job creation.

Outcomes:

Availability/Accessibility. This outcome category applies to certain activities that make services, infrastructure, housing or shelter available or accessible to low and

moderate income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the affordable basics of daily living available and accessible to low and moderate income people.

Affordability. This outcome category applies to activities that provide affordability in a variety of ways in the lives of low and moderate income people. It can include the creation and maintenance of affordable housing, basic infrastructure hook-ups or services such as transportation or day care.

Sustainability: Promoting Livable or Viable Communities. This outcome applies to projects where the activity or activities are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low and moderate income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.