

SUPPLEMENTAL CDBG DISASTER RECOVERY FUNDING PUBLIC INFRASTRUCTURE APPLICATION INSTRUCTIONS

GENERAL INSTRUCTIONS

Read these instructions carefully before completing the application. Refer to the CDBG Administrative Rules as necessary to ensure compliance with program requirements.

Use clear and concise language in the application narratives.

The application must be typed.

Attach only those items included on the submission and attachments checklist (page 1 of the application).

If completed, a facility plan for wastewater projects or a preliminary engineering report for water projects in compliance with the requirements of the Iowa Department of Natural Resources should be submitted with the application.

Inaccurate information may disqualify the application from consideration.

Costs incurred in preparing the application are not reimbursable. Costs incurred by funded projects prior to IDED authorization are not reimbursable.

Applicants whose projects require funding sources in addition to CDBG funds must provide evidence from the appropriate funding sources that funds have been applied for.

Prior to submittal of an application, the applicant community must provide a reasonable opportunity (at least 7 days) for citizen comment and ongoing citizen access to information about the use of grant funds. Submit a copy of the published notice with the application. (see sample notice on page 2 of these instructions) Also submit a summary of comments received and responses to those comments.

Applicants under this fund will be required to submit a copy of the current rate ordinance that establishes the existing water and sewer user fees as an attachment for any water, sewer or storm water project.

Projects must address the Iowa Green Streets Criteria by completing the Green Development Plan and Checklist. (for new building construction and rehabilitation) See page 10 of these instructions for more information.

<http://www.iowalifechanging.com/community/downloads/green-criteria08-checklist.xls>

If you have questions about the application, please contact the following:

Hank Manning – 515.242.4836

Applications may be submitted at any time. Applications received by February 18, 2009 will be reviewed as part of the first batch. Submit the **original and one copy** of the application form with all attachments, including the facility plan or preliminary engineering report (if available) to:

***Community Development Division
Iowa Department of Economic Development
200 East Grand Avenue
Des Moines, IA 50309***

****Be sure to keep a copy of the application for your records****

PROGRAM REQUIREMENTS

Citizen Participation

Under the Supplemental Disaster Recovery funding the normal Citizen Participation requirements have been waived. The following information provides the necessary actions required by the applicant and recipient of these funds.

1. The streamlined requirements do not mandate public hearings, but do require the applicant to provide a reasonable opportunity **(at least 7 days)** for citizen comment prior to submittal of an application, **and** ongoing citizen access to information about the use of grant funds.

Submit a copy of the published notice with the application. Also include information on how all public comments and concerns were addressed.

2. Applicants/recipients are encouraged to notify citizens by any other means, including public posting, postings on relevant Web sites, etc. to keep citizens informed about the project.
3. Ensure the public reasonable access to all local meetings, project records and information relating to the proposed and actual use of federal funds.
4. Provide citizens with names and addresses of the person(s) authorized to receive and respond to citizen questions and complaints concerning proposed and funded activities. A timely written response must be made to every citizen complaint, and the response must be provided within 15 working days of the receipt of the complaint, if practicable.

(Sample) Public Notice

NOTICE REGARDING SUBMITTAL OF AN APPLICATION FOR SUPPLEMENTAL CDBG DISASTER RECOVERY FUNDING FOR **{PROJECT NAME}**.

The {_____ **City Council** or _____ **County Board of Supervisors** (*depending on the recipient*)} intends to submit an application for Supplemental CDBG Disaster Recovery Funding for **{project name and brief project description}**. The application will be submitted on or after **{date (this date must be at least 7 days after publication of this notice)}**. The project will also be funded with local matching funds from **{source or sources of local matching funds}**. The intent of this notice is to provide citizens the opportunity to comment on the proposed project and application prior to submittal. If you have questions or comments concerning the proposed project and application, you may contact **{name of person}** at **{telephone number}**. Written comments may also be submitted to **{name of person}** at **{address}**.

Single Audit Act

CDBG contracts are subject to audit. The Single Audit Act, as amended in 1996, mandates that recipients of federal funds of \$500,000 or more within a year have these funds audited. When budgeting for CDBG funds, applicants should be aware of these audit requirements:

For recipients of \$500,000 or more in federal funds received from more than one source of federal funding, an organization-wide audit must be performed, consistent with the requirements set forth in OMB Circular A-133.

For recipients of \$500,000 or more in federal funds received from a single source of funding, a project audit, targeting only transactions dealing specifically with the project, may be performed in lieu of an organization-wide audit.

Audit costs are a CDBG-eligible expense. Organization-wide audits can be paid with CDBG funds proportional to the amount of all other funds included in the audit. The total cost of a project audit can be paid with CDBG funds. Cities required by state law to be audited every four years (i.e., those with populations between 700 and 2,000) may wish to determine when their next audit is due and attempt to coordinate the 4-year audit with the audit required by the Single Audit Act. Contact the State Auditor's Office (515/281-5834) if an alteration to the 4-year schedule is required.

David Bacon and Related Acts

Projects that include construction may be subject to the requirements of the Davis-Bacon Act and related laws and regulations. The Davis-Bacon Act applies to all contracts for construction, alteration and/or repairs in excess of \$2,000 that involve CDBG funds. Cost estimates for the proposed project should reflect compliance with these requirements. For information, call IDEED (515/242-4790).

Uniform Relocation Assistance and Real Property Acquisition Policies Act

For projects that include acquisition and relocation, all recipients given the authority to acquire property are required to follow the guidelines in *HUD Handbook 1378 – Tenant Assistance, Relocation and Real Property Acquisition*. Cost estimates for the proposed project should reflect compliance with these requirements. For information, call IDEED (515/242-4824).

Historic Preservation Review Requirements

Federally funded activities are subject to the review requirements of Section 106 of the National Historic Preservation Act. The goal of the review process is to identify historic properties, both above and below the ground potentially affected by the undertaking, assess the effects of the undertaking and seek ways to avoid, minimize or mitigate any adverse effects on historic properties.

The review process involves consultation with various agencies, groups and individuals. One of those agencies is the State Historical Preservation Office (SHPO), located in the Department of Cultural Affairs. Although consultation is not required prior to a CDBG award, if the project involves destruction of a building it is a good idea to contact SHPO as soon as possible in the decision making process so that they may assist you. For more information, call IDEED (515/242-4855).

APPLICATION FORM INSTRUCTIONS

Project Information (pages 2-3)

1. Self-explanatory
2. Self-explanatory
3. Self-explanatory
4. Projects included in an Iowa Great Places agreement within three years of submission of this application entitle the applicant to additional consideration.
5. Brief Project Description

Please provide a **very brief** description of the project. More detailed descriptions can be provided in the narratives.

6. Project Activity Chart

Complete the Project Activity Chart, including costs for all major activities. A major activity is a single, self-contained project, not a step or portion of a larger project (e.g., constructing a building is a major activity; purchasing a site and laying a foundation are steps in the activity, but are not activities in themselves). When preparing cost estimates, remember that for most construction projects, contractors must pay prevailing wage rates as determined by the U.S. Department of Labor.

List all sources of “local” funds. ***Submit documentation of funding commitments or documentation that funds have been applied for, as appropriate, with the completed application.***

7. Delay of Local Effort

If the local funds for your project are from another outside agency (i.e. USDA-RD or IDNR) and you anticipate a delay in the receipt of those funds, you may consider requesting a delay of local effort. This will allow you to draw CDBG funds for project costs until the local funds are secured. ***A delay of local funds can be granted until a specified date (not to exceed two months following the project bid letting) or until two-thirds of the grant amount has been drawn down, whichever comes first.*** Please indicate if a delay in the contribution of local effort will be necessary and, if so, the anticipated date.

8. Proposed End Date

Please provide a realistic end date for the completion of the proposed project.

9. LMI Benefit Chart

Determine the total number of persons and the number of low- and moderate-income (LMI) persons who will benefit from each proposed activity and record the numbers in the LMI Benefit Chart. Indicate the source used to determine population.

A list of the HUD Census LMI figures can be found at http://www.iowalifechanging.com/community/downloads/2007_census_lmi.xls

If an income survey was conducted, adequate records must be maintained such that the survey can be reconstructed, if necessary. If the entire population to be served is not surveyed, figures should be extrapolated to reflect total beneficiary data.

The numbers in columns (b) and (c) of the LMI Benefit Chart should be equal to the numbers in lines (J) and (K) respectively of the Survey Tabulations Results sheet (page 8 in the application).

10. National Objective to be Met

Please check which one of the national objectives the proposed project will meet.

11. Beneficiary Race/Ethnicity Chart

For all activities benefiting an entire community or target area, indicate the total number of beneficiaries by race/ethnicity. **You must also provide information regarding the number of persons of Hispanic Origin for each category.** This information can be taken from census data or survey information. The total number of persons in this chart should equal the total number of people to be served, in the LMI Benefit Chart (#9 above).

Cost Estimates (page 4)

Provide estimates for construction and related costs. Complete a separate estimate for each activity proposed in the application.

1. Construction Cost Detail

Provide a detailed breakdown of construction costs. Include a line item description of the materials (e.g., type and size), estimated quantity of materials and cost of each item exceeding \$500. Do not include contingency amounts. Subtotal.

2. Professional Fees and Permits

Record the estimated cost of each item indicated. Subtotal.

3. Related Construction Costs

Record the estimated cost of each item indicated. Subtotal.

4. Total Project Cost Estimates

Total the three subtotals (indicated as A, B, and C) and record.

Provide the information requested regarding completion of the estimate and have it signed.

Applicant Financial Information (page 5)

Please provide this information for all Water, Sewer, and Storm water projects only. Applications for all other projects are not required to submit this information.

1. User Fees and Revenues

Provide the information requested in the chart. ***You must include user fees for both utilities regardless of project type. Be sure to include the projected average bills with and without CDBG funds for both utilities. If the service is not currently provided, please enter \$0 where appropriate.***

2. Bonds and Debt Information

Provide the information requested in the chart.

Project Description Narrative (pages 6-7)

Prepare a narrative describing the proposed project. The narrative should address the following issues:

Explain the needs arising from the 2008 disaster that will be addressed by the proposed improvements.

Describe how the proposed improvements are related to disaster recovery.

Describe how the proposed project considers and /or provides for mitigation to minimize damage in the event of future floods or tornadoes.

Discuss the urgency of the need to complete this project, including any threats to the health, safety or welfare of the residents.

Identify the proposed improvements, the location of the proposed improvements, the current size/capacity of the system, and the area served by the system.

Indicate whether the project will require acquisition of property or easements.

Describe how the project relates to existing infrastructure. For example, if you plan to install new sewage collection lines, can the treatment plant handle the increased capacity?

Discuss the options considered to resolve the need(s), and explain why the option selected is the best for long term benefit to the community.

Discuss the unavailability or lack of a timely commitment of other sufficient local, state or federal funds within the required period.

Discuss how the use of additional local taxes or user fees in place of the requested assistance would place undue burden on residents, especially low- and moderate income households.

What is the timeline for project completion? Please identify your project using only the following major milestones:

Environmental Assessment/Request for Release of Funds

Land acquisition, if applicable

Completion of final plans and specifications

Construction permit issued

Bidletting date

Bid/contract award date

Construction start date

Construction completion date

Survey Tabulation Results (page 8)

Applicants must complete and submit the survey tabulation results sheet (page 8 of the application form) and submit a copy of the survey instrument used. The survey instrument should indicate the income figures used. If the income levels are not included on the survey instrument (i.e., if respondents were asked to write in their actual income rather than indicate if they were in an income range), submit a copy of the LMI figures used to tabulate the surveys.

IDED may request verification of actual LMI benefit of projects selected for funding. Therefore, maintain a separate list of all persons completing a survey. Keep all individual survey responses completely confidential.

Applicants can use income surveys conducted in 2006, 2007 or 2008 to document LMI benefit. The applicant must keep all surveys on file for verification of LMI benefit for funded projects.

Complete the survey tabulation results sheet as indicated. ***All calculations for LMI percentages should be shown to two decimal places.***

*****Surveys must also achieve an 80% response rate to be considered valid.***

Federal Assurances Signature Page (page 9)

This page must be completed and signed by the applicant's Chief Elected Official (CEO). Another individual must attest to the CEO's signature. ***For joint applications, a sheet must be signed by each entity included in the application.***

Applicant/Recipient Disclosure/Update Report (page 10)

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance): General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. NOTE: In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

If the answer to **either** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
2. State the type of other government assistance (e.g., loan, grant, loan insurance).
3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a number of structural costs, such as roof, elevators, exterior masonry, etc.

B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD **and any other source** - that have been or are to be, made available for the project or activity. Non-government sources of funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

Procurement of Engineer/Architect (page 11)

Any engineering/architectural services to be provided during the term of the CDBG contract must be procured according to CDBG regulations by a request for proposals (RFP) or a request for qualifications (RFQ). Notification must also be published in a newspaper of general circulation.

Remember that the procurement of all services must comply with the federal regulations found in 24 CFR 85.36.

Minority Impact Statement (Page 12)

Definitions

"Minority Persons", as defined in Iowa Code Section 8.11, mean individuals who are women, persons with a disability, Blacks, Latinos, Asians or Pacific Islanders, American Indians, and Alaskan Native Americans.

"Disability", as defined in Iowa Code Section 15.102, subsection 5, paragraph "b", subparagraph (1):

b. As used in this subsection:

(1) "*Disability*" means, with respect to an individual, a physical or mental impairment that substantially limits one or more of the major life activities of the individual, a record of physical or mental impairment that substantially limits one or more of the major life activities of the individual, or being regarded as an individual with a physical or mental impairment that substantially limits one or more of the major life activities of the individual.

"*Disability*" does not include any of the following:

- (a) Homosexuality or bisexuality.
- (b) Transvestism, transsexualism, pedophilia, exhibitionism,

voyeurism, gender identity disorders not resulting from physical impairments or other sexual behavior disorders.

(c) Compulsive gambling, kleptomania, or pyromania.

(d) Psychoactive substance abuse disorders resulting from current illegal use of drugs.

“State Agency”, as defined in Iowa Code Section 8.11, means a department, board, bureau, commission, or other agency or authority of the State of Iowa.

Iowa Green Streets Criteria (for new building construction or rehabilitation)

The Iowa Green Streets Criteria promote public health, energy efficiency, water conservation, smart locations, operational savings and sustainable building practices. The Iowa Green Streets Criteria apply to Iowa Department of Economic Development Community Development Block Grant Program Community Facilities and Services Fund, Housing Fund, and Main Street Iowa Challenge Grant projects. As a result, the strategies in the Iowa Green Streets Criteria enhance community facilities, affordable housing, town centers and communities as a whole.

All of the mandatory Iowa Green Streets Criteria are required for both residential and non-residential applications. However, there are certain criteria that are not applicable to or are different for non-residential applications. Therefore, a supplement provided at the end of the document details, where applicable, the alternative standards for non-residential applications.

You will be required to complete the Green Development Plan and Checklist and submit it as an attachment to this application. Applications not completing this information will be considered incomplete.

For projects involving new construction, please be aware that some additional documentation will be required as part of the Green Development plan and Checklist that are not required for rehabilitation of existing buildings for use. The Iowa Green Streets Criteria threshold items to be submitted with the application for new construction projects include:

Green Development Plan and Checklist

Preliminary Map depicting **Proximity to Existing Development**

Preliminary Map and/or support documentation that reflects **Protecting Environmental Resources**

Preliminary Map depicting **Proximity to Services**

Preliminary Map depicting **Walkable Neighborhoods – Sidewalks and Pathways**

The Green Streets Criteria and the Green Development Plan and Checklist can be found at the following links:

Green Streets Criteria: (for reference)

<http://www.iowalifechanging.com/community/downloads/green-criteria08.pdf>

Green Development Plan and Checklist:

<http://www.iowalifechanging.com/community/downloads/green-criteria08-checklist.xls>

(The checklist document is an Excel fillable document with drop-down boxes)

Please submit the Green Streets Criteria items as the **last attachment** to the application.