



Project Development Phase II Workbook

State of Maine

Community Development Block Grant Program



Office of Community Development
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Revised September 2021



Project Development Checklist

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Step One: Getting Organized

Congratulations!

Your community was selected and invited to further develop and implement your CDBG project.

This workbook will guide you through all required steps of the Project Development Phase. Your community has **six months** (with the exception of the Economic Development Program which allows only three months) from the date of your award announcement date to complete all tasks outlined in this workbook, submit everything for approval, and execute a grant contract with the Office of Community Development (OCD).

To assist in the process, a Development Program Manager (DPM) from (OCD) has been assigned to work with your community. Your DPM will guide you through the process, review your completed submittal and follow your community through the life of your grant.

Getting Organized

On page 2, the **Project Development Checklist** summarizes all required tasks and documents to be submitted with your Project Development package. Some of these may not apply to your particular project – program specific tasks are noted. The page numbers on the checklist refer to pages in the workbook associated with tasks and documents.

Things to Remember

- Consultant services – If your community is hiring private consultant services paid for by CDBG funds, these must be procured through a competitive process.
- Recent CDBG Grants – If your community recently received or completed another CDBG program, some of the documents may be reused for your current project. Check with your DPM to identify the applicable documents.
- Do not expend any project funds – CDBG or otherwise – until you have completed your Project Development Phase and have an executed contract with OCD. Your community cannot be reimbursed for costs incurred prior to completing the Project Development Phase and receiving Environmental Review Clearance. You may see the phrase “You may not obligate funds prior to environmental review clearance.” This means that you cannot sign a contract or an agreement for construction services, or purchases of equipment until you have completed the environmental review process, submitted the materials to OCD, and received a letter from our office providing you with an environmental review clearance date.



Department
Of
Economic and Community Development
111 Sewall Street, 3rd Floor
59 Statehouse Station
Augusta, Maine 04333

POLICY STATEMENT #13

Subject: ***CDBG Program Complaint Policy***

Revised: **March, 2012**

During the implementation of a CDBG project, the Office of Community Development (OCD) is available to advise the community in completing the project and complying with Federal and state regulations. The CDBG Program awards funds to communities who in turn must create local guidelines to implement their programs. Communities are also responsible for local program administration.

It is the policy of the OCD that each community establish its own procedure for handling complaints about the implementation of its program. If caught early, most complaints are easily resolved and require minimal action. Because the local program administrator is most familiar with local needs, the guidelines of the community program and its implementation, every attempt should be made to resolve a complaint at the local level. Local community development staff should attempt to resolve complaints by utilizing a policy adopted by the community development program or by the municipality. OCD staff will be happy to provide guidance and advice **but will not resolve local disputes**. The role of the OCD is to ensure that the local procedure has been fairly and appropriately followed, and that it is consistent with Federal and state requirements.

At the time of a complaint, the local community development staff or CDBG administrator should share a copy of the CDBG Guidelines with the complainant. If the community does not have a set of guidelines, the individual could be provided with a copy of the project application to learn more about the project and its goals.

Local community development staff or the CDBG administrator will use the following complaint process:

1. Request that all complaints be submitted in writing to the **local** community development office.
2. The local CDBG program administrator should respond in writing within a specified time frame. If the response is not satisfactory, the complainant should request in writing that the complaint be forwarded to the Chief Executive Officer of the community. The CEO would then respond in writing within a specified time frame.

3. If the complainant remains unsatisfied with the local resolution, they may contact the Office of Community Development CDBG Program Manager. The CDBG Program Manager may request that the complainant forward the written complaint and copies of all correspondence pertaining to the complaint to the OCD.

It is the policy of the OCD and the CDBG Program Manager **not to interfere with the decisions reached by a community that is in keeping with the CDBG regulations.** The OCD review will ensure that the process has been fair and consistent with program regulations (local, federal and state). However, the decision of the Program Manager whether in favor with the community, the complainant or a compromise, will be final.

Step Three: Project Development Documentation and Reviews

Recipients of CDBG grants must complete a number of federal and state reviews, certifications and documents. **The following documents must be submitted to OCD prior to executing your grant contract.**

✓ **CDBG communities must satisfy the requirements of MRSA Title 30-A, section 5203**

1. Planning Board Review

Submit your Project Development application to your municipal planning board for review. The purpose of this review is to ensure the project's conformity to your community's comprehensive plan and applicable zoning ordinances.

REQUIRED SUBMISSION: A signed letter from your planning board stating that the project conforms to the comprehensive plan and local zoning ordinances.

2. Public Hearing

You must hold a public hearing during the Project Development process to give members of your community a chance to comment on the project. A **ten**-day notice prior to holding the hearing is required. (A single public hearing may be held to cover all CDBG programs.) **All public hearings must be in compliance with Section 109, Title VI, Section 504 and the respective implementing regulations at 24 CFR 6, 1 and 8 *and* Title VI implementing regulations at 24 CFR 1.4(b)(1). Non-compliant public hearings are not acceptable.**

REMINDER: The public hearing must be held prior to Local Legislative Body approval.

REQUIRED SUBMISSION: A copy of the newspaper ad or public notice announcing the hearing indicating the dates posted, hearing minutes attested as a true copy by the Town/City clerk, and the attendance list.

3. Approval by Local Legislative Body

Your local legislative body must approve the project by formally voting to accept CDBG Funds. **BE AWARE THAT YOUR PUBLIC HEARING MUST OCCUR PRIOR TO THE LEGISLATIVE BODY VOTE** per MRSA Title 30-A, Section 5203.

The warrant or resolution must be specific to the CDBG funds. **A "blanket " warrant accepting all state or federal funds is not acceptable.**

REQUIRED SUBMISSION: A certified town warrant or council resolution accepting funds. **It must name the specific CDBG Program from which funds will be received and the grant amount.** A sample warrant article and council resolution are included in the next section.

✓ **CDBG communities must show evidence of Regional Planning Commission review under MRSA Title 30-A, Subchapter II, 2342**

Maine State Law requires that Project Development materials (a complete Phase 2 Package) be provided to your regional planning commission or council of governments for review.

REQUIRED SUBMISSION: A copy of the letter you send to your regional planning commission with your Project Development materials.

- ✓ **Multi-jurisdictional CDBG projects must demonstrate that an interlocal agreement between all participating communities is in place under MRSA Title 30-A, Chapter 115, 2303 Maine State Law requires that whenever two or more municipalities enter into an agreement for joint or cooperative action to exercise powers, privileges or authority capable of being exercise by a municipality in the State, an interlocal agreement must be created.** Communities that submitted a joint application to implement CDBG programs benefiting multiple municipalities must enter into a formal interlocal agreement that designates which municipality will act as the lead community.

REQUIRED SUBMISSION: Copies of Interlocal Agreements adopted by the local governing body of each participating community. A sample copy is contained in the next section.

- ✓ **CDBG communities must have standards of conduct in place under the administrative regulations at 24 CFR, Part 85 – Code of Standards of Conduct (adopt and submit certified copy)**

Federal regulations mandate that recipients of CDBG funds maintain a written Code of Standards of Conduct governing the performance of their employees engaged in the award and administration of contracts. A sample Code of Standards of Conduct is in the next section.

REQUIRED SUBMISSION: A Code of Standards of Conduct that has been officially adopted by your local governing body during this project development phase. A sample copy is contained in the next section

- ✓ **CDBG communities must pledge to “Affirmatively Furthering Fair Housing” under 24 CFR, Part 570 (The Fair Housing Act)**

The Fair Housing Act prohibits discrimination in the sale or rental of housing based on race, color, religion, sex, national origin, familial status and disability. It requires HUD and OCD to administer the CDBG Program in a manner that affirmatively furthers fair housing. Each municipality receiving CDBG funds must certify to affirmatively further fair housing. Two tasks necessary to comply are listed below.

REQUIRED SUBMISSION:

1. Fair Housing Resolution

A Fair Housing Resolution adopted by your local governing body stating that the programs to be implemented provide for equal opportunity in housing. A sample resolution for your use is contained in the next section.

2. Fair Housing Self-Assessment Survey

A completed Fair Housing Self-Assessment signed by the appropriate municipal official. A sample copy is contained in the next section.

- ✓ **CDBG communities must certify that they are in compliance with Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act**

Your community must comply with the requirements of Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act (ADA). This includes the completion of a Self Evaluation and Transition Plan for making your programs and facilities accessible to people

with disabilities.

REQUIRED SUBMISSION:

1. Section 504 Self-Evaluation and Transition Plan

Adopted by your local governing body. Use this plan if your community has never done a formal adoption. A copy of this document is contained in the next section.

2. ADA/504 Certification

Completed and signed by appropriate municipal official. Use this certification if your community has already formally adopted the plan. A sample certification is contained in the next section.

✓ **Completion of an Anti-Displacement Plan**

Displacement is caused when any family, individual, business, non-profit organization or farm moves from real property or moves personal property from real property as a result of a CDBG program. The Department of Housing and Urban Development requires **ALL** recipients of CDBG funds, **REGARDLESS OF THEIR ACTIVITIES**, to certify that they will not displace people without just cause and will follow federal guidelines on compensating any individuals that may be displaced **THIS INCLUDES COMMUNITIES THAT DO NOT ANTICIPATE DISPLACING PERSONS.**

The intention of the Anti-Displacement Plan is to minimize effects on displaced persons. When displacement is unavoidable, all those displaced will receive fair and just compensation under the Federal Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) as amended.

The municipality must be sure to include appropriate information, have the local CDBG Advisory Committee review it and have it adopted by the local governing body.

REQUIRED SUBMISSION: An Anti-Displacement Plan adopted by your local governing body. A copy of the plan is contained in the next section.

✓ **Completion of an Employment Profile**

An Employment Profile describes the characteristics of those persons administering the grant who are funded in whole, or in part, with CDBG funds. It provides insight as to possible discriminatory patterns of employment. **THIS FORM IS TO BE COMPLETED WHENEVER CDBG FUNDS WILL BE USED TO PAY FOR ADMINISTRATION.**

REQUIRED SUBMISSION: An Employment Profile completed by the CDBG administrator or municipal official. A copy of the Employment Profile and directions are contained in the next section.

✓ **Completion of an Equal Employment Opportunity Policy Statement**

An Equal Employment Opportunity Policy Statement ensures that communities implementing a CDBG project pursue policies of non-discrimination in personnel practices

REQUIRED SUBMISSION: An Equal Employment Opportunity Policy Statement adopted by your local governing body. A sample EEO Statement is contained in the next section.

Public Hearing Notice
The Town/City of _____

The Town/City of _____ will hold a Public Hearing on (date) , at (time) , at the (location) to discuss acceptance of a (specific name of grant program) CDBG Grant. The purpose of the grant is to (state purpose) . Public comments will be solicited at this Hearing and will be submitted as part of the Project Development Phase. All persons wishing to make comments or ask questions about the acceptance of these funds are invited to attend this Public Hearing. Comments may be submitted in writing to: (name of contact, address) at any time prior to the Public Hearing. TDD/TTY users may call (list local TTY number or 711) . If you are physically unable to access any of the City's/Town's programs or services, please call (list local contact and phone number) , so that accommodations can be made.



EQUAL HOUSING
OPPORTUNITY

Town/City

REMINDER!

Public hearing notices submitted by communities which do not meet the Title VI requirements set forth in this sample will not be accepted by OCD and will result in the entire Project Development Phase public hearing process being repeated.

SAMPLE COUNCIL RESOLUTION

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, the Town/City of _____ wishes to apply to the Department of Economic and Community Development for a Community Development Block Grant to carry out a community development program; and

WHEREAS, the planning process required by Maine Law and the CDBG Program have been complied with, including participation in the planning process by low and moderate income families and individuals and **the community has conducted at least one duly advertised public hearing**; and

WHEREAS, the Town/City of _____ is cognizant of the requirement that should the intended National Objective of the CDBG program not be met all CDBG funds must be repaid to the State of Maine CDBG program; and

NOW THEREFORE, be it resolved by the Council of the Community of _____ that the Town/City Manager (or other local government official or officer):

- 1) Is authorized and directed to submit an application for the following program(s) and dollar amount(s) within the State of Maine's CDBG Program:

Program: _____ Amount: _____

Program: _____ Amount: _____

To the Department of Economic and Community Development on behalf of the Community of _____, substantially in the form presented to this council;

- 2) Is authorized to make assurances on behalf of the Community of _____ required as part of such applications, and
- 3) Is authorized and directed, upon acceptance of said funds to carry out the duties and responsibilities for implementing and said program(s), consistent with the Charter of the Community of _____ and the laws and regulations governing planning and implementation of community development programs in the State of Maine.

DATE ENACTED: _____

Municipal Seal

AUTHORIZED SIGNATURES

Name	Date
Name	Date

SAMPLE TOWN MEETING WARRANT ARTICLE

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Date: _____

Shall the Town/City of _____ vote to approve a Community Development Block Grant project development application(s) for the following program(s) and dollar amounts:

Program: _____ Amount: _____

Program: _____ Amount: _____ ;

and to submit same to the Department of Economic and Community Development and if said program is approved, to authorize the municipal officers to accept said grant funds, to make such assurances, assume such responsibilities, and exercise such authority as are necessary and reasonable to implement such programs. Furthermore, the Town/City of _____ is cognizant of the requirement that should the intended National Objective of the CDBG program not be met all CDBG funds must be repaid to the State of Maine CDBG program.

**MUST BE SUBMITTED
WITH CERTIFIED SIGNATURE(S)**

INTERLOCAL AGREEMENT

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

THIS AGREEMENT, entered into between the Town/City of _____ and the Town(s)/City (ies) of _____

does hereby provide for said jurisdictions to **jointly apply** for, and receive, a Maine Community Development Block Grant from the Department of Economic and Community Development to undertake an eligible project as determined by the U.S. Department of Housing and Urban Development.

THE TOWN/CITY of _____ hereby authorizes the Town/City of _____ to act as the lead grantee, and thereby be responsible for compliance with applicable State and Federal requirements of the Maine Community Development Block Grant Program and in maintaining a program budget.

THIS AGREEMENT will terminate on _____, _____ unless it is deemed in the best interest of all parties to extend the agreement.

Adopted by the Town/City of _____ on this _____ day of _____, 20____, and found to be in conformance with MRSA Title 30-A, Chapter 115, and § 2203.

AUTHORIZED SIGNATURES

Name	Date

Municipal Seal

STANDARDS OF CONDUCT

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT

INTRODUCTION

Elected officials, appointed officials, employees of Community Development Block Grant (CDBG) recipients, and contractors are those responsible for administering Maine's CDBG Program and are also responsible for its integrity. Following sound business practices, prescribed standards of conduct and Department of Housing and Urban Development (HUD) requirements will help protect these grant funds, but also those who administer the program.

PURPOSE

This notice provides information on specific activities you must avoid and identifies essential HUD requirements that must be met. The requirements will help to prevent fraud and program abuse by alerting essential officials to appropriate standards of conduct.

AUTHORITIES

Pertinent laws and requirements that you should have copies of are:

- ✓ Housing and Community Development Act of 1974 as amended in 1992.
- ✓ Community Development Block Grant Regulations (24 CFR Part 570).

PROGRAM REQUIREMENTS & PROHIBITED ACTIVITIES

The following sections reviewed prohibited activities and administrative requirements that must be followed by all CDBG communities.

1. Prohibition against conflicts of interest

CDBG regulations (25 CFR, Part 570.489 (h)) prohibit conflicts of interest. For all CDBG activities: no employee, agent, consultant, officer, or elected official or appointed official of the state, or of a unit of general local government, or of any designated public agencies, or subrecipients may:

- a) Obtain personal or financial interest or benefits including money, favors, gratuities, entertainment or anything of value that might be interpreted as conflict of interest.
- b) Obtain a direct or indirect interest in any contract, subcontract or agreement for any CDBG activity. This prohibition extends to contract in which your spouse, minor child, dependent or business associate may have personal or financial interest. This prohibition extends for a period of one year after you leave your position with a CDBG activity or program.
- c) HUD may grant an exception to this conflict of interest provision if it determines that such exception will enhance the effectiveness of the CDBG project. Requests for such exceptions must be made in writing to this office.

2. Procurement and Contracting Requirements

Provisions of 24 CFR Part 85 and Part 36, Administrative Requirements apply to the CDBG Program grantees. These provisions prohibit the following practices in your procurement and contract administration.

a) Circumventing competitive bidding requirements by:

- 1) failing to advertise for sealed bids or soliciting proposals and engaging in noncompetitive negotiation;

- 2) failing to use established evaluation criteria in negotiations;
- 3) splitting bids by breaking down contracts into small parts so that purchase order procedures can be used except to meet Minority/Women Business Enterprise goals;
- 4) favoring or providing a competitive advantage to any one firm or individual; identifying the names of those invited to bid; and preparing fictitious bids to simulate competition.

b) Failing to adhere to contract award requirements by:

- 1) allowing excessive price charges;
- 2) awarding contract to other than low bidder without adequate justification; and
- 3) accepting a bid that does not contain a price for all items or services included in the bid invitation.

c) Failing to verify contractual and programmatic compliance by contractors by:

- 1) authorizing payment for work not completed;
- 2) falsifying inspection reports;
- 3) altering contractor invoices; and
- 4) misusing modification or change orders.

3. Financial Management and Recording Systems

You must comply with the following requirements of 24 CFR part 85.20 and 85.42 and CDBG regulations.

- a) Establish internal controls to safeguard cash, inventory and equipment.
- b) Establish a special ledger account for all CDBG monies.
- c) Maintain financial records including:
 - 1) A register of cash receipts and disbursements;
 - 2) record of all non-cash transactions;
 - 3) General ledger to show the status of each CDBG account;
 - 4) A fixed account ledger, and
 - 5) A record of drawdowns, funds received and balance of funds.
- d) Ensure you maintain financial records and maintain for three years from final closeout.
- e) Use income generated from grant activities for other eligible activities.
- f) Use program income before drawing additional grant funds to pay for allowable program expenses.
- g) Not request or draw down more funds than needed.

4. Cost Allowance

You must comply with OMB Circular A-87, Cost Principles for State and Local Governments. You may not spend CDBG funds on ineligible activities including:

- a) Expenses required to carry out the regular responsibilities of the general local government.
- b) Partisan political activities (e.g. contributions towards political campaigns, voter registration or candidate forums).

5. Program Monitoring

Regulation CFR Part 85.40 states you must monitor the performance of grant supported activities to assure compliance with federal requirements and that performance goals are being achieved. It is suggested you:

- a) Keep records for your on-site visits to sub grantees and contractors.
- b) Place special emphasis on your monitoring of the highest risk sub recipients and contractors.

DATE ADOPTED: _____

AUTHORIZED SIGNATURES

Name	Date

Municipal Seal

FAIR HOUSING RESOLUTION

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

LET IT BE KNOWN TO ALL PERSONS of the Town/City of ____ that discrimination in the sale, rental, leasing, financing of housing or land to be used for construction of housing, or in the provision of brokerage services because of race, color, religion, sex, disability, familial status or national origin is prohibited by Title VIII of the 1968 Civil Rights Act (Federal Fair Housing Law). It is the policy of the Town/City of ____ to implement programs to ensure equal opportunity in housing for all persons regardless of race, color, religion, sex, disability, familial status or national origin. Therefore, the Town does hereby pass the following Resolution:

BE IT RESOLVED that within available resources the Town will assist all persons who feel they have been discriminated against because of race, color, religion, sex, disability, familial status or national origin to seek equity under federal and state laws by filing a complaint with the Maine Human Rights Commission or the U.S. Department of Housing and Urban Development, Boston Regional Office Compliance Division.

BE IT FURTHER RESOLVED that the Town shall publicize this Resolution and through this publicity shall cause owners of real estate, developers and builders to become aware of their respective responsibilities and rights under the Federal Fair Housing Law and any applicable state and local laws or ordinances.

SAID PROGRAM will at a minimum include but not be limited to: (1) the printing and publicizing of this policy and other applicable fair housing information through local media and community contacts; (2) distribution of posters, flyers and any other means which will bring to the attention of those affected, the knowledge of their respective responsibilities and rights concerning equal opportunity in housing.

DATE ADOPTED: _____

AUTHORIZED SIGNATURES

Name	Date

Municipal Seal

FAIR HOUSING SELF ASSESSMENT

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

COMMUNITY OF:

1. To the best of your knowledge has your community been involved in any complaints regarding discrimination the sale or rental of housing on the basis of race, color, religion, sex, national origin, familial status or disability?

Yes No

2. If yes, give a brief description of the nature of any complaints and resolutions.

Yes No

3. Has your community adopted a Fair Housing Program to help local citizens be aware of their rights regarding fair housing under federal and state law, and in filing a complaint if discrimination is suspected?

Yes No

4. What do you perceive as the most potentially serious problem areas regarding discrimination in fair housing in your community?

Problem Area	Very Serious	Serious	Moderate	Not a Problem
Color				
Familial Status				
Disability				
National Origin				
Race				
Religion				
Sex				

1. Does your community contain any subsidized housing units?

Yes No

6. As best as can be determined, do relevant public policies/practices regarding zoning and building codes have an adverse impact on the achievement of fair housing choice?

Yes No

7. Are you aware of any practices in the local real estate community as it relates to buying, selling and house rentals that may adversely affect the achievement of fair housing choice in your community?

Yes No

8. Do your community records contain data on the actual number and percentage of persons residing in the community by race, color, religion, sex, national origin, age, disability and familial status, as well as income characteristics by group?

Yes No

9. Is information available to you that list major local employers by type and the number of people employed within your community by salary and racial group?

Yes No

10. Is there public transportation available in your community?

Yes No

11. Do your community records contain data on the total number of housing units in the community by type, and the number of vacant units?

Yes No

12. Does your community contain any housing for people with disabilities such as group homes, independent living complexes, etc.?

Yes No

13. Has your community participated in the CDBG program prior to 1993?

Yes No

14. Has your community been involved with any other state or federal programs that required the reporting of specific fair housing information?

Yes No

Signature of Authorized Municipal Official

Date

ADA/SECTION 504 CERTIFICATION

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Town/City of _____ hereby certifies that it has complied with the following requirements pursuant to Section 504 of the Rehabilitation Act of 1973 and Title II of the Americans with Disabilities Act and

1. Conducted a Section 504/ADA Transition Plan and Self Evaluation of all municipal facilities;
2. Advises the public, employees and job applicants that it does not discriminate on the basis of disability in admission or access to or treatment or employment in its programs and activities; and
3. Has designated the following person as the contact to coordinate efforts to comply with these requirements.

Name: _____ Title: _____

(Signature of Authorized Municipal Official)

(Date)

Municipal Seal

SECTION 504 SELF EVALUATION AND TRANSITION PLAN
STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

TOWN/CITY OF _____

The following individual is responsible for inquiries regarding this Section 504 Self-Evaluation and Transition Plan:

 (name)

 (title)

 (address)

 (telephone) (fax) (e-mail)

The Section 504 Self Evaluation and Transition Plan was adopted by the following authorized individuals on behalf of the municipality:

DATE ADOPTED: _____

AUTHORIZED SIGNATURES

Name	Date

Municipal Seal

1. EMPLOYMENT

1. Are job announcements put into newspapers that have general circulation?

Yes No

If No, describe how individuals are made aware of employment opportunities:

2. Do job announcements state that the municipality is an Equal Opportunity Employer?

Yes No

If No, explain why the "Equal Opportunity Employer" statement is not contained within job announcements:

3. Has the municipality adopted a Equal Employment Opportunity Policy Statement?

Yes No

4. Do job applications inquire as to whether an applicant is a disabled person or as to the nature or severity of a disability?

Yes No

If Yes, explain: _____

5. Describe the accommodations that can be made for the known limitations of otherwise qualified disabled persons who are currently employed or applying for employment:

2. PROGRAM ACCESSIBILITY

1. Are any of the following services or benefits provided to residents directly by the municipality?
___ Yes ___ No

(Please mark an "X" for all services provided by the municipality)

- | | |
|-----------------------------|--|
| ___ Transportation Services | ___ Counseling Services |
| ___ Health Services | ___ Employment Services |
| ___ Public Housing | ___ Food Services |
| ___ General | ___ Social, Recreational, or Athletic Services |

(a) For those services that are provided, describe accommodations that can be taken to make them accessible and usable for persons with disabilities (e.g. provision of auxiliary aids, relocating programs to accessible facilities, use of alternative materials, home visits, etc.):

2. Are there any limitations on the number of qualified disabled persons who may participate in or be admitted to the program?

___ Yes ___ No

If Yes, list the steps to eliminate the limitations:

3. Do applications for these services, in any way discriminate against persons with disabilities?

___ Yes ___ No

4. Describe the nature of the qualifications that are needed in order to be eligible for each respective program:

Program

Qualifications

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____

3. FACILITIES

Note: The definition of "facility" under Section 504 includes all or any portion of buildings, structures, equipment, roads, walks, parking lots or other real or personal property or interest in such property, owned, operated or leased by the municipality)

1. List below all facilities and the programs or operations for which each facility houses.

<u>Facility</u>	<u>Programs or Operations Housed</u>
1. _____	_____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____

Using the Uniform Federal Accessibility Standards (UFAS), each facility must be reviewed for compliance:

COMPLIANCE COMPONENT

FACILITIES

	#1	#2	#3	#4	#5	#6	#7
Accessible Route							
Outside Paths and Walks							
Parking							
Curb Ramps							
Ramps							
Entrances/interior Doors							
Elevators							
Lifts							
Toilet Rooms							
Drinking Fountains							
Warning Signals							
Assembly Areas							
Public Telephones							
Other Building Elements and Specialized Facilities							

- Place a "1" in the respective box if item is in compliance with UFAS
- Place a "2" in the respective box if item is not in compliance with UFAS
- Place a "3" in the respective box if item is not available and is not required

* #1 through #7 above must correspond to the specific facility with that same number identified on the preceding page.

2. For those facilities where a "2" was indicated for the specific component, list below the inaccessible feature that limits accessibility to the programs provided in that facility:

RESIDENTIAL ANTIDISPLACEMENT & RELOCATION ASSISTANCE PLAN

Town/City of _____

(under Section 104(d) of the Housing and Community Development Act of 1974, as amended).

I. PURPOSE:

This Plan is established following Section 104(d) of the Housing and Community Development Act of 1974, as amended. Its objective is to insure that persons displaced as a result of CDBG-assisted projects are treated fairly, consistently, and equitably so that such persons will not suffer disproportionate injuries as a result of a project designed for the benefit of the public as a whole.

II. COMPLIANCE MEASURES:

The **Town/City of** _____ will replace all occupiable and vacant Low - Moderate Income dwelling units demolished OR converted with funds provided under the Housing and Community Development Act of 1974, as amended, in a way as described as follows:

1. The units must be located within the state recipient's jurisdiction and to the extent possible shall be located within the same neighborhood as the units replaced.
2. The units must be sufficient in number and size to house no less than the number of occupants who could have been housed in the units that are demolished or converted.
3. The units must be provided in standard condition.
4. The replacement units must be made available for occupancy during the period beginning one year before an agreement to convert or demolish the units in question is executed and ending three years after the commencement of the demolition or rehabilitation related to the conversion.

The units must remain Low-Moderate Income dwelling units for at least 10 years from the date of initial occupancy. Before the **Town/City of** _____ enters into an agreement to provide funds that will directly result in the demolition of Low-Moderate Income dwelling units or the conversion of Low-Moderate Income dwelling units, the **Town/City of** _____ will make public and submit the following information in writing to the State:

- 1) A description of the proposed assisted activity;
- 2) The location on a map and the number of dwelling units by size that will be demolished or converted to a use other than for Low-Moderate Income dwelling units as a direct result of the assisted activity;
- 3) A time schedule for the commencement and completion of the demolition or conversion;
- 4) The source of funding and a time schedule for the provision of replacement dwelling units;
- 5) The basis for concluding that each replacement dwelling unit will remain a Low-Moderate Income dwelling unit for at least 10 years from the date of initial occupancy;

- 6) Information demonstrating that any proposed replacement dwelling units with smaller dwelling units is consistent with the housing needs of Low-Moderate Income households in the jurisdiction.

Consistent with the goals and objectives of activities assisted under the Housing and Community Development Act, the **Town/City of _____** will take all possible actions within its power to minimize the displacement of persons from their homes.

III. ASSISTANCE TO PERSONS DISPLACED:

The **Town/City of _____** shall provide relocation assistance and payments as required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 or the Housing and Community Development Act of 1974, as amended, Section 104(d) for residents displaced as a result of CDBG funded activities. All displaced residents who are eligible for other housing programs will be helped through that agency’s process. In addition, City staff shall provide housing counseling and referral services to assist those displaced to find alternative housing in the neighborhood.

IV. DEFINITIONS:

Displaced Person: Any person (family, individual, business, nonprofit organization or farm operation) that moves from real property, or moves personal property from real property, permanently and involuntarily, as a direct result of rehabilitation, demolition or acquisition (privately undertaken or public) for HUD-assisted program/project.

V. AGENCY RESPONSIBILITY:

The **Town/City of _____** Community Development Department shall be responsible for the implementation of this Plan as well as ensuring compliance with applicable Federal and State law and regulations. The **Town/City of _____** will identify and designate a Relocation Officer to perform functions concerning this Plan.

Any questions regarding this Plan or Federal and State laws regarding displacement should be addressed to _____.

VI. CERTIFICATIONS:

The **Town/City of _____** hereby certifies that it will uphold the contents of this Plan and the intentions of the compliance measures stated.

AUTHORIZED SIGNATURES

Name	Date

Municipal Seal

EMPLOYMENT PROFILE

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT

Date: _____

(Name of Town/City)

JOB CATEGORY

Employment Characteristics	Admin/ Officials	Professionals	Technicians	Para Professionals	Office/ Clerical	Other
Total Number						
MALE:						
W						
A						
AW						
NH						
AIW						
AIB						
AI						
B						
BW						
FEMALE:						
W						
A						
AW						
NH						
AIW						
AIB						
AI						
B						
BW						

Demographic Codes: Use for Recording Racial Categories

W = White

A = Asian

AW = Asian & White

FH = Female Head of Household

NH = Native Hawaiian/Other Pacific Islander

AIW = American Indian/Alaskan Native & White

AIB = American Indian/Alaskan Native & Black/African American

B = Black/African American

BW = Black/African American & White

AI = American Indian/Alaskan Native

Instructions for completing the form:

An Employment Profile describes the characteristics of those persons administering the grant who are funded in whole, or in part, with CDBG funds. It provides insight as to possible discriminatory patterns of employment.

Neatly print or type today's date and the name of your community in the spaces provided at the top of the page.

Carefully consider all persons who are working on your community's CDBG grant that are being paid with grant funds.

Example: The Town Clerk is spending time performing duties pertaining to the CDBG grant that are beyond her regular duties. The Town is paying with CDBG Administrative Funds for the clerk's time. This individual is funded, in part, by CDBG dollars and must be recorded on the form.

Be sure to include those individuals whose salary or fees are paid totally with grant dollars as well as those persons whose salary or fee is only partially funded with grant monies. Each of these individuals must keep a timesheet tracking time-spent working on grant activities.

Each individual will be recorded on the Profile form by gender, ethnicity, and professional status. Use the **Demographic Codes** provided at the bottom of the Employee Profile form to ascertain the proper ethnic category.

Example: To record an Asian, female Town Manager who is working on the grant, one would look at the lower half of the table, labeled Female, and proceed to the top of the table for the column marked "**Admin/Officials**". Then move down the column until you reach the row marked "**A**". Place an X in this box. Repeat this process for each individual paid with CDBG funds.

Equal Employment Opportunity Policy Statement

STATE OF MAINE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The Town Selectmen/Town/City Council of _____ declares its intent that the Town/City will pursue a policy of non-discrimination in personnel practices, including: recruiting, hiring, opportunities for transfer and promotion, conditions or privileges of employment, as well as compensation and benefits. Such practices or procedures shall not favor or penalize any person because of race, creed, color, sex, marital status, national origin, age, or disability, where these are not found to be bona fide occupational qualifications.

The Town/City recognizes its responsibility to enhance the purposes set forth in the Maine Human Rights Act as well as Federal statutes which may apply as a result of its Federal grant activities.

Compliance with EEO requirements may be enhanced through adoption of appropriate personnel policies. Assistance in drafting such policies may be obtained through the Maine Municipal Association or your Community Development Office.

DATE ADOPTED: _____

AUTHORIZED SIGNATURES

Name	Date
Name	Date

Municipal Seal

New Vendor/Vendor Update Form

It is important to have the correct banking information in order to promptly receive your CDBG funds.. Please have your Town Finance Director complete the New Vendor/Vendor Update Form and submit this as part of your Project Development package.

Direct Deposit/Electronic Funds Transfer Form

Every CDBG grant request for funds is paid to the municipality via Electronic Funds Transfer (EFT). Please have your Town Finance Director complete the EFT Form and submit it as part of your Project Development package.

Step Four: Your Environmental Review

Every CDBG project must be evaluated for its environmental impact. Your review compares your project to the requirements of various statutes and regulations.

As you review your project, you will create an Environmental Review Record (ERR) of your process and any compliance activities, permits or other actions you must take when implementing your project. The ERR must be kept on file at your town's office. To complete your review you may have to consult with staff from agencies like the State Office of Historic Preservation, your local code enforcement officer or the Department of Environmental Protection. When you consult anyone keep a record of the answers to any questions you asked. Keep these supporting documents with your ERR.

Forms have been designed that help you organize your review process. These forms are in a separate publication, The Environmental Review Handbook, available from OCD. **You must complete these forms and your environmental review before you can execute your grant contract with OCD. You cannot expend or obligate any project funds before this environmental review is completed.**

After you complete your review, you will submit it to your OCD Development Program Manager. Once it's accepted, your community will be assigned an "environmental clearance" date. If all Project Development requirements are accepted you will be able to obligate CDBG funds after that date. Please consult with your Development Program Manager before you obligate or expend CDBG or other matching funds.

Please remember that no CDBG or other project funds can be obligated (no contracts executed) until your community completes its Environmental Review and receives clearance from the Office of Community Development.

Step Five: Finalizing Your Cost Estimates

Prior to submission of Phase II documents you must finalize all project activity cost estimates. Work with your community, engineer or architect to review all original cost estimates submitted during the application process. Complete the Budget Summary page below and submit with your project Development materials.

State of Maine CDBG Program Final Budget Summary (Include Cash & In-Kind)

Cost Category	Column 1 CDBG	Column 2 Local	Column 3 State	Column 4 Utility	Column 5 Non- CDBG Federal	Column 6 Other	Column 7 Cost Category Total
Land Acquisition							
Legal Expenses							
Appraisals							
Relocation							
Demolition							
Site Work							
Architectural							
Engineering							
Administration							
Program Delivery							
Planning							
Loans							
Grants							
Operational							
Construction							
Materials							
Equipment							
Inspection							
Other (List)							

1.							
2.							
3.							
TOTAL COSTS							

Directions for Completing Budget Summary

1. For each applicable cost (cash and in-kind) in the Cost Category column, list the dollar amount for all applicable funding sources in columns 1-6.
2. List the total dollar amount for each cost category in column 7, Cost Category Total
3. Enter the total of all Cost Category amounts in column 7 in the TOTAL COSTS box directly under column 7.
4. **Submit a copy of this Budget Summary with the Phase II materials.**

Step Six: Spending CDBG Funds

CDBG project funds must be spent in accordance with program regulations including conflict of interest prohibitions, proper procurement procedures and insurance and bonding requirements. This section outlines these areas. If you have specific questions about any of these procedures contact your Development Program Manager **BEFORE** you spend or obligate any project funds.

Conflict of Interest

Under CFR Part 85 (The Common Rule), the Standards of Conduct in this Workbook and some local ordinances, town employees and elected or appointed officials and those who could have inside information in any town contract award process are forbidden from benefiting from the contract award. This prohibition extends to family members and spouses of town employees and elected or appointed officials. If you think that a conflict of interest may exist, be sure to contact your Development Program Manager **BEFORE** you begin the bidding process.

In some circumstances, a conflict of interest waiver may be granted. The waiver must be approved in advance of the contract award. The instances where a waiver may be granted are determined by federal regulation and are granted at OCD's discretion.

Procurement Requirements

During the course of your project, you will use CDBG funds to purchase equipment, professional services (like consultants and engineers) and contractors. Under CFR Part 85, you must follow specific rules for inviting bids and proposals and for awarding contracts. These rules depend on the amount of the contract to be awarded and the type of service or goods you are purchasing. Further details can be found in the CDBG Financial Handbook in the Administrator's Guide.

Remember that the purpose of these regulations is to ensure full and fair competition that produces the lowest responsible bidder. In this way, the regulations seek to maximize the services or goods the community receives and minimize the price paid.

REMEMBER!

Don't spend any funds, CDBG or those from any other source, before you review this section and speak to your Development Program Manager.

1. Steps to Protect your Community and Project Funds

Communities must require guarantees from contractors, consultants and employees to protect the community, project activities, HUD and the State of Maine. These bonding and insurance requirements are outlined in Policy Statement # 4.

2. Purchasing Supplies and/or Equipment with CDBG funds (Procurement)

When purchasing supplies and equipment:

- Identify all vendors who can be reasonably expected to provide the supplies or equipment.
- Provide a complete and realistic specification or purchase description (and one that lends itself to a fixed price contract) to all prospective bidders.
- Select the vendor based on price.

3. Purchasing Professional Services

Various rules cover professional services like grant administration, engineering, architectural, and other consultants. Consultant services other than engineering and architectural must be selected through a competitive process listing your selection criteria (which **must** include **price**).

For Project Development work, you may contract with your regional council without soliciting request for proposals.

Architectural and engineering services must be selected through a competitive process based on listed professional qualifications and need not include price. However prior to issuing a contract a reasonable price must be negotiated based on the scope of activities and known rates for this type of professional service.

REMINDER – *This is an exception to the competitive process described below. Your community may still choose to do a competitive process that **DOES** use price as one of its selection criteria*

- a) Publicize a Request for Qualifications (RFQ). Include past experience and projects, references, professional licenses, etc. You must respond to any inquiries for information on the project and provide the same information (printed, etc.) to all interested parties.
- b) Make sure you receive an adequate number of responses to offer a variety of methodologies, and qualifications. In general, you need at least three responses. If you do not receive at least three, contact your Development Program Manager for guidance
- c) Create a process of scoring and evaluation that will result in the selection of a firm.
- d) Make the award to the firm whose proposal shows, through your evaluation process, that it will best serve your community given its qualifications and proposed methodology subject to negotiation of a fair and reasonable compensation.

For other professional service contracts (or for architects and engineers if you choose) follow this procedure:

- a) Publicize a Request for Proposals (RFP), specify a set of criteria with values attached to show how the proposal will be evaluated (make sure you include price as one of the factors). You must respond to any inquiries for information on the project and provide the same information (printed, etc.) to all interested parties.
- b) Make sure you receive an adequate number of responses to offer a variety of methodologies, qualifications and price options. In general, you need at least three responses. If you do not receive at least three, contact your Development Program Manager for guidance.
- c) Create a process of scoring and evaluation that will result in the selection of a proposal.
- d) Make the award to the firm whose proposal shows, through your evaluation process, that it will best serve your community given its price, qualifications and proposed methodology.

4. Purchasing Construction Services (Labor Standards)

The phrase “labor standards” refers to a series of federal acts that apply to construction contracts between Grantees and contractors hired to work on projects funded in whole or part with CDBG funds. These standards are intended to safeguard basic rights of the contractor’s employees in such areas as minimum wages, kickbacks and payment of overtime.

REMEMBER!

Neither construction nor any expenditure of project funds can occur before your Project Development process is completed and accepted by OCD. This prohibition includes execution of any contracts for project work. A competitive process based on price must procure all construction services.

The Davis-Bacon Act

The Davis-Bacon Act requires that construction contract in excess of \$2,000 pay applicable wage rates for each trade working on a project. These wage rates are part of the project’s bid process and contract between the community and the contractor. Penalties for not requesting and utilizing wage rates could make the community liable for any wage rate underpayments.

Housing Rehabilitation Exception: If your project consists of only single-family residences, labor standards requirements do not apply. However, if you are rehabilitating eight or more units in a single building or contracting eight or more projects at once, labor standards requirements apply.

Requesting wage rates

Wage rates are issued through the OCD, and become a part of your bid package. Once issued, the rates are good until superseded. Please do not request wage rates if you do not expect to use them within the next month.



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Augusta, Maine 04333

POLICY STATEMENT #4

Subject: *Bonding and Insurance Requirements for CDBG Funded Contracts*

Revised: **04/2012**

The following outlines the minimum requirements to be followed when purchasing supplies, equipment, construction and professional services paid in whole or in part with Community Development Block Grant (CDBG) funds.

You may use your municipality's procurement procedures provided that the State of Maine and/or the Department of Housing and Urban Development have made a written determination that the governments' interest is adequately protected, or you may adopt the requirements described below. If appropriate, you may supplement your procedures to improve existing systems. To ensure fair procurement practices, a written policy identifying the procedures must be available for review by all potential bidders and the OCD.

PERSONAL BONDING

Community officials who are authorized to process CDBG funds, including signing of checks, **must be bonded.**

BID BOND

For contracts which exceed \$100,000, including the practice of "block bidding" housing rehabilitation projects, a bid guarantee from each bidder equivalent to five percent of the bid price is required. The "bid guarantee" shall consist of a firm commitment such as a bid bond, certified check or other negotiable instrument accompanying a bid as assurance that the bidder will, upon acceptance of their bid, execute such contractual documents as may be required within the time specified.

CONTRACT BOND

For contracts which exceed \$100,000, including the practice of "block bidding" housing rehabilitation projects, there must be prior to signing of the contract, a **performance bond** on the part of the contractor for 100 percent of the contract price. The "performance bond" is executed in connection with the contract to secure fulfillment of all of the contractor's obligations under the contract. There must also be, prior to signing of the contract, a **payment bond** on the part of the contractor for 100 percent of the contract price. The "payment bond" is executed in connection

with the contract to assure payment as required by law of all persons supplying labor and materials in the execution of the work provided for in the contract.

INSURANCE

Communities undertaking construction projects with CDBG funds, including housing rehabilitation activities, must ensure that construction contractors purchase and maintain insurance until final acceptance of their work. The community must have evidence of this insurance at the time of executing any contract/agreement with the contractor or assisting in the execution of any contract/agreement between a contractor and homeowner. The insurance policy must have the following attributes:

- * It must protect the contractor, the community and the owner from all claims and liabilities for damages for bodily injury, including accidental death, and for property damage, which may arise from operations under the contract, whether such operation is by the contractor or any employee, **The amount of the insurance must be at least:**

Construction contracts other than housing rehabilitation:

- \$1,000,000 for any one person and for each accident in cases of liability for bodily injury and/or accidental death; and

-\$1,000,000 for any and all accidents in cases of liability for property damage.

Housing rehabilitation contracts:

-\$100,000 for bodily injury to anyone, and not less than \$300,000 for each occurrence

-\$50,000 per occurrence and \$100,000 aggregate for property damage

-\$100,000 for any one person and \$300,000 per occurrence for vehicular liability

The contractor must also maintain the following types of insurance:

- * Full worker compensation insurance coverage for all persons employed by the contractor to perform work on the project. The insurance must be in compliance with State of Maine requirements.
- * Bodily injury and contractor's protective property damage (broad form), each including coverage for blasting explosion, and injury to, or destruction of wires, pipes, conduits and similar property, appurtenant apparatus, whether public or private and collapse of, or structural injury to, any building or structure, except those on which work under the contract is performed.
- * Bodily injury and property damage insurance covering the operation of all motor vehicles and equipment being operated in connection with project work, whether or not owned by the contractor.
- * Contractual liability insurance as described earlier.
- * Owner's protective liability insurance issued to the owner at the expense of the contractor.

- * Fire insurance included with all property damage insurance in an amount equal to the total bid price of all structures subject to fire damage.
- * Builders' "All Risk" insurance equal to or greater than the total amount.

All policies must designate the loss payee as the community and require that the community be notified in the event of any changes to the insurance policies. Contractors shall indemnify and hold harmless the U.S. Government, the State of Maine, the Owner and the grantee from liability for any injury or damage to persons or property resulting from the prosecution of work under a construction contract.

Please remember that if a bid goes out for eight (8) or more rehab or sewer hookup projects at one time, and one contractor is awarded 8 or more of these projects, Federal Labor Standards will apply. This will be true even if contracts are technically between the homeowner and contractor. Please refer to the Labor Standards section of this book for further information.

Step Seven: Program Income Plan

Depending on the type of grant you receive, your project may generate program income at some future point. During the Project Development process, you must designate how such funds will be used, should they become available. This designation is called a “Program Income Plan” and is submitted with the other documents outlined in this handbook.

Policy Statement # 7 defines Program Income and outlines the requirements of a Program Income Plan.

Your Program Income Plan must reflect the overall goals of your CDBG Program and have the following components:

- I. **Source of Program Income** -Identify any and all activities expected to generate revenue.
- II. **Estimated amount of income to be generated and anticipated timeframe** - For example, for a micro-loan revolving fund, identify the businesses, the amounts you expect to be repaid and the anticipated timeframe for receiving repayments and re-lending the amount received. Keep in mind the time period while your grant with OCD is open, and the time when your grant is closed out, yet you are still receiving payments.
- III. **Uses of Program Income** – identify the activities on which the program income will be spent and determine how those funds will be distributed in a timely manner.
- IV. **Administration** – include a management plan detailing the process and responsible person for administering the plan. The Office of Community Development will determine the amount of program income to be used for administration on a case-by-case basis. In any event, the amount shall not exceed 10%. For example, up to 10% of the program income received annually could be used to offset the costs of administering the loan fund after the grant is closed out.



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POLICY STATEMENT #7

Subject: *Program Income, Program Income Plan and Post Close Out Reporting*

Revised: 04/2012

I. Introduction

This policy statement defines terms and reporting requirements and compliance measures associated with income generated as a result of your Community Development Block Grant funded activities. This policy assures that funds are used in a timely and consistent manner as required by federal and state regulations.

II. Policy

1. Definitions

Program Income: Program income is defined as gross income received that was generated from the use of CDBG funds as described below and in Section 570.489(e) at 24 CFR part 570.

Program Income Plan: Developed by your community and approved by the OCD during the project development phase, the program income plan describes the amount and sources of anticipated program income and how it will be managed and expended during and/or after the grant. Program income can only be expended on eligible activities as defined by Title I of 24 CFR 570.

Open Grant: Any grant during the period between contract beginning date and conditional closeout.

Conditional Closeout: The point in your community's CDBG project when all program funds are expended (except those for your audit costs), monitoring findings have been resolved but your program goals have not yet been met and/or your audit (if necessary) is pending.

Final Closeout: Final closeout is granted after your audit (if necessary) is completed and approved, all program goals have been met, monitoring findings have been resolved and the package has been approved by the Office of Community Development.

2. Policy Statement

Program Income Received During the Grant Period: Your community must use Program income for specific activities identified in your approved Program Income Plan. Program income funds must be expended prior to drawing down current grant funds for the same activities that the program income is slated for.

Program Income on Hand at the End of a Grant Period: Your community may return unexpended program income to the Office of Community Development or continue to expend it for those activities undertaken during the open grant period. Your Program Income Plan identifies how these funds are managed and expended.

Income Received AFTER the Grant Closeout up to \$34,999.99: Communities may continue to expend income received after the grant period ends or return it to the Office of Community Development. If you expect to receive and expend income up to \$34,999.99 per calendar year (Jan. – Dec.) you must spend it on Title I eligible activities as stated in your approved program income plan, but no report on how funds are expended is required.

Program Income Received AFTER the Grant Closeout in EXCESS of \$34,999.99: Communities may continue to expend program income in compliance with their approved program income plan after the grant period ends. If you generate more than \$34,999.99 per calendar year (Jan. – Dec.), you must comply with all CDBG regulations when expending it and report the activities funded to the Office of Community Development. These funds should be treated as a new grant funds and must meet all CDBG program requirements. Your Annual Post-Grant Program Income Report must be submitted on or before January 31st for the previous calendar year.

REMEMBER!

If your community doesn't expect to exceed the **\$34,999.99** limit BUT THEN DOES, you must have complied with all CDBG regulations including environmental review, labor standards, etc. for all funds received and expended from \$0 on, and must comply with the Post-Grant Program Income Reporting requirements.

Communities receiving program income from more than one closed CDBG grant must aggregate this income to determine whether they are over the **\$34,999** threshold.

III. Policy Requirements

The following is required under this policy statement:

1. Creation and Submission of a Program Income Plan:

The Program Income Plan outlines how revenue generated during or after a grant close out will be expended. You must submit a Program Income Plan during the Project Development Phase for all CDBG program awards.

2. Required Components of a Program Income Plan:

Your Program Income Plan must reflect the overall goals of your CDBG Program and have the following components:

- V. **Source of Program Income** -Identify any and all activities expected to generate revenue.
- VI. **Estimated amount of income to be generated and anticipated timeframe** - For example, for a micro-loan revolving fund, identify the businesses, the amounts you expect to be repaid and the anticipated timeframe for receiving repayments and re-loaning the amount received.
- VII. **Uses of Program Income** – identify the activities on which the program income will be spent and determine how those funds will be distributed in a timely manner.
- VIII. **Administration** – include a management plan detailing the process and responsible person for administering the plan. The Office of Community Development will determine the amount of program income to be used for administration on a case-by-case basis. In any event, the amount shall not exceed 10%.

3. Special Requirements

The following special requirements apply to program income generated by CDBG assistance to for-profit businesses:

Micro-Enterprise Loans: Except for grantees who demonstrate demand for the use of program income for continuing a micro-enterprise loan program, Micro-enterprise loan repayments will be collected and returned to the Office of Community Development.

Development Fund Loans: All Development Fund loan repayments must be returned to the State of Maine CDBG Development Program.

Economic Development Program: The assignment of program income will be negotiated at the time of grant award.

4. Reporting Requirements

Grantees are required to complete a post grant program income report annually. The report must cover the period January 1st through December 31st and be submitted to the Office of Community Development by January 31st of the following year. The report must contain documentation of: Source and Dates of Program Income received, Uses of Program Income, Dates of Expenditures and Compliance with all CDBG Program regulations

Step Eight: Developing Program Guidelines

For those communities creating micro-loan or housing rehabilitation programs, you must develop and submit program guidelines with your Project Development package. These guidelines will be reviewed by your Development Program Manager and approved with your other submissions.

Housing Rehabilitation Guidelines

When your community submitted its housing grant application, it proposed a set of housing issues it wanted to correct. This data was expressed in summary fashion. Now, as grant recipients, you must select those homes that you will rehabilitate with CDBG funds. The purpose of creating program guidelines is to lay a procedure and required documentation that will be completed by each applicant for housing rehabilitation services.

The guidelines will also create a way of prioritizing which homes are done first. Your guidelines should “take their cue” from the problems your community described in its application and focus on those problems that were identified as the most severe facing your residents. To meet the needs identified in your Housing Assistance application your community can use the sample guidelines on the OCD website as a basis from which to tailor the program for local use.

Micro-Enterprise Grant/Loan Guidelines

The CDBG Micro-Enterprise activity in the Community Enterprise Grant Program exists to assist towns that have identified a shortage of capital opportunities for micro-businesses. To meet the needs identified in your Micro-Enterprise application your community can use the sample guidelines on the OCD website as a basis from which to tailor the program for local use.

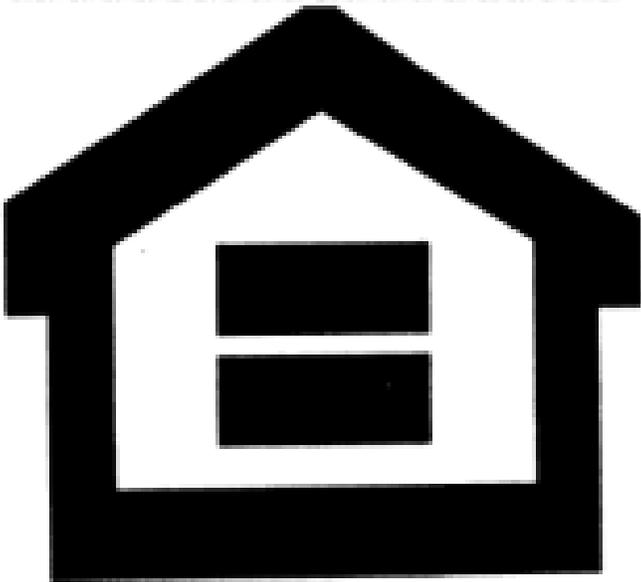
Business Façade Guidelines

The CDBG Community Enterprise Program provides funds to address blighted business façades in downtown and village areas. To meet the needs identified in your Business Façade application your community can use the sample guidelines on the OCD website as a framework from which to tailor the program for local use.

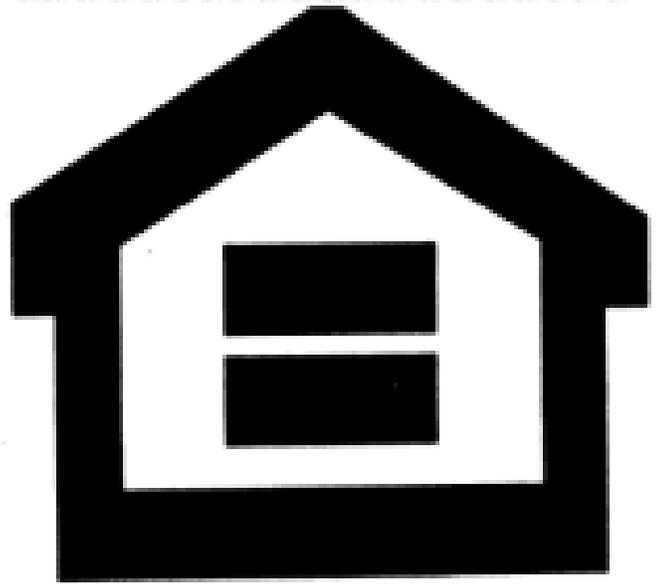
Step Nine: Organizing your CDBG files

As your community implements its project, you will create and collect a number of important documents – your environmental review record, Project Development materials, payrolls, expenditure records etc. These documents should be kept in a safe place in your office because they are your records of compliance with CDBG regulations. When your community has expended approximately 50% of your grant funding, your Development Program Manager will “monitor” your project. The monitoring visit is designed to ensure that the conduct of your project is in accordance with all applicable CDBG regulations and will examine your files as a record of this compliance.

HUD EQUAL HOUSING OPPORTUNITY
SLOGAN AND LOGO



**EQUAL HOUSING
OPPORTUNITY**



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