



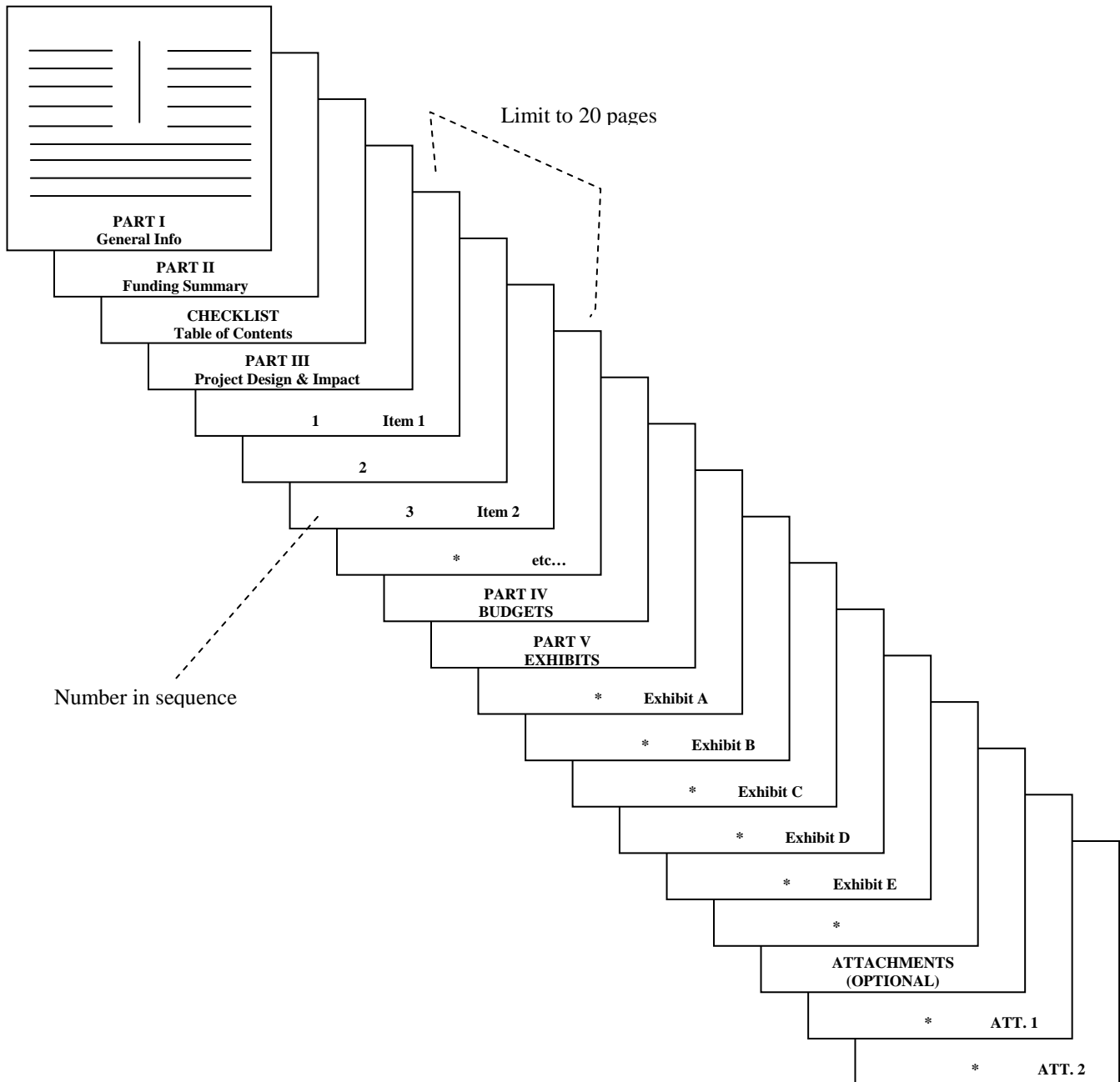
**Nebraska**  
Community  
Development  
Block Grant  
**Program**

2009  
Planning  
Application Guidelines

A program of the Nebraska Department of Economic Development  
Community and Rural Development Division

NEBRASKA  
possibilities...endless<sup>SM</sup>

This is a diagram of what your Application should look like.



All parts must be completed according to instructions before an application will be considered for funding. Applicants shall be contacted by DED if their application is incomplete. Incompleteness applies only to Part I – General Information and Part II – Funding Summary. If deficiencies are completed in a timely manner, DED will resume the review process.

Revised January 2009

*Individuals who are hearing and/or speech impaired and have a TDD, may contact the department through the Statewide Relay system by calling 711 (in-state), (800) 833-7352 (TDD), or (800) 833-0902 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402)-471-3111.*

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# Nebraska Community Development Block Grant Program 2009 Planning Application Guidelines

A program of the Nebraska Department of Economic Development  
Community and Rural Development Division



## BASIC INFORMATION FOR PLANNING APPLICANTS

This manual contains two sections on the Planning category of the Nebraska Community Development Block Grant (CDBG) Program. The first section, *Application Forms/Instructions*, contains all materials and instructions for preparing an application. The second section, *Application Guidelines*, contains a detailed description of state and federal statutes, regulations and policies governing the program. Other manuals for the Housing, Community Development, Planning, Comprehensive Revitalization, and Economic Development categories of the CDBG Program are available from the Nebraska Department of Economic Development, or at <http://www.neded.org/content/view/107/239/>. The brief overview below contains basic information on the Planning Category only.

### A. Eligible Applicants

Except as provided for in Section 1.03 of the Application Guidelines, eligible applicants include every Nebraska incorporated municipality under 50,000 populations and every county.

### B. Types of Activities

Funds are awarded for certain types of **Planning** activities. Community strategic planning; such as: environmental needs assessment, citizen participation, downtown revitalization, and fiscal management. Analyses of impediments and barriers to fair housing choice, Neighborhood/comprehensive/strategic development plans. Functional or special studies for: housing, infrastructure, community economic development, land use/ regulatory measures, main street improvement district, downtown revitalization, energy conservation and transportation. Environmental, heritage tourism, and historic preservation studies. Pre-engineering studies for publicly owned water/wastewater projects. For more information see *Sections 3.01-3.02 of the Application Guidelines*.

### C. National Objective

All **Planning** project activities must meet one of two national objectives: More information see *Sec. 2.01 of the Application Guidelines*.

- 1) Document that at least 51% of the persons who would benefit from implementations of the plan are low- and moderate-income (LMI) persons. Any such planning activity for an area or a community composed of persons of whom at least 51% are low - and moderate -income shall be considered to meet this national objective. LMI documentation must be submitted with the application.

- 2) Activities, that eliminate specific conditions addressing slums and blight, will meet this national objective. Documentation is required in the application.

### D. Maximum Size of Grants

**Planning:** \$30,000 for a community/unincorporated county, and \$50,000 for multi-community, countywide, or regional.

### E. Application and Award Process

Refer to next page for description and map.

### F. Matching Requirements

All **Planning** activities require a minimum of 25% match (minimum 12.5% non-CDBG cash contributions) of the total project activity costs (excluding general administration). General administrative activities require no matching funds. General administration for **Planning** shall not exceed 7% of the CDBG funds awarded or **\$1,500**; whichever is the greater amount.

### G. Post-Award Requirements

Consideration should be given to a variety of federal and State regulations that can have scheduling or cost implications. Among these are the:

- 1) **Records.** All information on grant-assisted activities must be retained for ten years following completion and closeout of the grant. During the grant period, performance reports are required semi-annually.
- 2) **OMB Circular A-133.** Local governments and nonprofits that expend \$500,000 or more must conduct a single audit of federal and local funds.
- 3) **Procurement.** Open and free competition on solicitation of professional services bidding is also required in most cases.
- 4) **Environmental Review.** Grant recipients are required to obtain appropriate environmental clearance for their projects and to maintain an Environmental Review Record for each project. The environmental review and Request for Release of Funds, if required, must be completed before costs are incurred against the grant.
- 5) **Equal Opportunity, Fair Housing, and Handicap Accessibility.** Laws require that CDBG grantees administer their project in a manner that affirmatively furthers fair housing and equal opportunity. All grantees will be required to undertake specific activities to further fair housing. Grantees must also assure that all activities and services are accessible to those with disabilities.

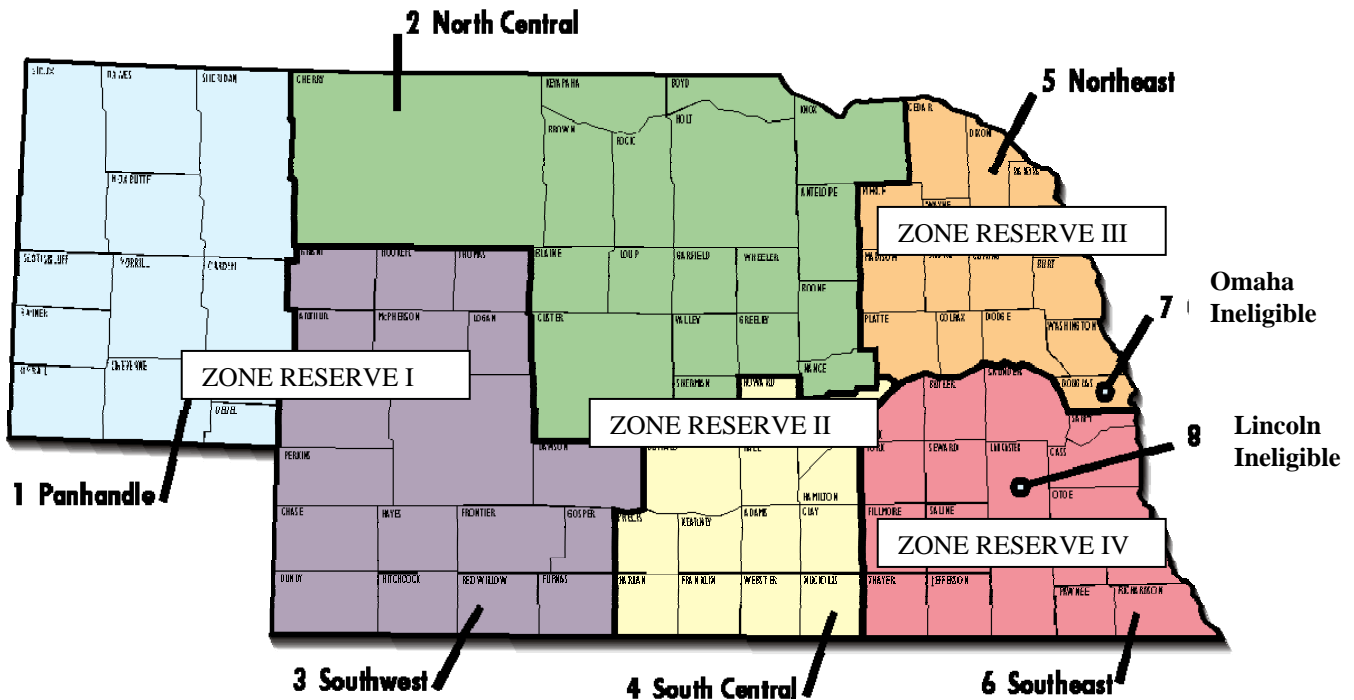
**E. Application and Award Process**

Applications are prepared at the applicants' expense and costs are not reimbursable. DED will award grants under the Planning Category to eligible local governments to carry out local and regional planning activities (strategic or special projects) meeting the national and state CDBG objectives. Planning Category funds shall be reserved and awarded in accordance with three application cycles. The first and second application cycles comply with the following listed combined zones as delineated on the map [Exhibit 1 2009 Nebraska Planning Category Funding Zone consolidations that form Zone Reserves: Refer Sec. 5.01.](#)

Applications for **Planning** will be accepted by the Nebraska Department of Economic Development beginning March 31, 2009 through April 14, 2009. Applications for **Planning** will again be accepted during a second cycle from October 16,

2009 through October 30, 2009. When there are more applicants requesting funds than there are funds available, applications will be reviewed by DED on a competitive basis according to the selection criteria established in Section 5.03 of the *Application Guidelines*. Other state or federal agencies may be requested to review and comment on applications, as appropriate. It is anticipated that the Governor of Nebraska will announce grant awards for the first Planning cycle in July 2009, the second cycle in January 2010, and third, if available following. The third cycle is an open cycle accepting applications beginning January 11, 2010 until CDBG Planning Category funds are depleted. Within 30 days of the awards, grantees will be contacted to review regulations, and to report requirements and payment procedures. Project completion date by the grantees within 24 months following award.

**Exhibit 1 2009 Nebraska Planning Category Funding Reserve Zones**



**ZONE RESERVE I.....1 Panhandle and 3 Southwest.**  
**ZONE RESERVE II.....2 North Central and 4 South Central.**  
**ZONE RESERVE III.....5 Northeast.**  
**ZONE RESERVE IV.....6 Southeast.**

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# Nebraska Department of Economic Development

## Community and Rural Development Division: Home Office and Eastern Nebraska Housing Field Offices

301 Centennial Mall South  
PO Box 94666  
Lincoln, NE 68509-4666

Department (402) 471-3111  
Toll-Free (800) 426-6505  
Division Fax (402) 471-8405  
<http://www.neded.org/content/view/21/236/>

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### **\*\*Regional Housing Field Offices**

All email addresses are [firstname.lastname@nebraska.gov](mailto:firstname.lastname@nebraska.gov) for example [Lara.Huskey@nebraska.gov](mailto:Lara.Huskey@nebraska.gov) with the exception of Kevin Andersen whose email is [Kevin.S.Andersen@nebraska.gov](mailto:Kevin.S.Andersen@nebraska.gov). Please visit the department's website <http://www.neded.org/content/view/21/236/> for a current listing of staff.

Individuals who are hearing and/or speech impaired and have a TDD, may contact the Department through the Statewide Relay System by calling (800) 833-7352 (TDD) or (800) 833-0902 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402) 471-3111.

Staff list Rev. January 2009



## **PLANNING CATEGORY APPLICATION INSTRUCTIONS**

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This section contains all forms and exhibits to be submitted so that your application can be scored and ranked effectively. Application narratives should be thorough and concise. The department reserves the right to verify all information, and to consult with other agencies on the proposed project.

There are more applicants requesting funds than there are funds available. Applicants must carefully read and review the *Application Guidelines* and the selection criteria described to develop a competitive application.

In submitting your application, these instructions must be followed:

- Submit **ORIGINAL** and **TWO** (2) complete copies of the application.
- Do not fold, staple, or bind in any way.
- Part III and IV **must not** exceed 20 separate pages (single side only).
- No less than 2" top margin and 1" side and bottom margins.
- Table of Contents **must** be included (Use the form provided on Page 9).
- All pages **must** be numbered in sequence at the bottom of the page.
- All Exhibits **must** be labeled at the bottom of the page, right-hand corner.
- All Attachments **must** be labeled at the bottom of the page, right-hand corner.

**Failure to follow these instructions will result in your application being returned for you to correct and resubmit. All applicants will be given one week to correct and resubmit their application.**

PAGES MAY BE TWO-HOLE PUNCHED AT TOP BUT DO NOT BIND, FOLD OR STAPLE.

**PLANNING APPLICATION GUIDELINES**

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## **PART I: GENERAL INFORMATION PLANNING**

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Type or print all information except where signatures are required.

- Box 1:** Enter the name, mailing address, and telephone number of the local government that is the applicant in an individual application or the lead applicant in a joint application. Enter the name and phone number of the local government contact person. Such person is the **applicant's employee who is most familiar with the application**, and not a circuit rider, regional council or community action agency staff person, consultant or other applicant non-employee. DUN's number- <http://fedgov.dnb.com/webform/displayHomePage.do> or call D&B at 866-705-5711 or for persons with a hearing impairment, the TTY number is 866-814-7818.
- Box 2:** Enter the name, mailing address and telephone number of the person who prepared the application. If prepared by a firm, identify the staff contact person. Enter the local government's federal or the organization's tax identification number, or the individual applicant's United States Social Security number. Check the appropriate application preparer status box.
- Box 3:** Check the Planning box under which funds are being requested.
- Box 4: Check the appropriate application type box under which funds are being requested.**
- Box 5** Provide the Area to be served, Legislative and Congressional District.
- Box 6:** Enter the dollar amounts of CDBG funds requested for this project. Enter the amount of all other funds identified in the application **that you are committing** to this project. **ROUND AMOUNTS TO THE NEAREST HUNDRED DOLLARS.** (Other funds include matching and leveraged funds. "Matching Funds" are those project funds required in *Section 4.02*. "Leveraged Funds" are those project funds, which are non-CDBG resources, committed to the project in excess of the required match. Be certain that the figures are correctly added and are the same as provided on the "Total" line for each funding source in *Part II*.)
- Box 7:** Give the Project Name and Location.
- Box 8:** Give a short description of the project activities in measurable terms for which funds are requested. Include a list of other applicants if a joint application is being submitted. For a joint application, attach a copy of the written agreement as stipulated in *Section 1.03(3)*.
- Box 9: Only the signature of the applicant's chief elected official will be accepted.** Alternate signatures (e.g. city council president, city manager) are not allowed, except where there exists extenuating circumstances (e.g. chief elected official is out for an extended period), and the applicant receives prior written approval from DED. Type the name and title of both signers and the date of their signatures.

## **PART II: FUNDING SUMMARY**

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Using the activity code number and description provided on the Funding Summary, enter the national objective code for each activity (as identified on the application form) and enter the proposed units of accomplishments (as identified on the application form).

Enter the dollar amounts of CDBG funds requested for each activity. Enter the amount of other funds **that you are committing** to each activity and identify the source. Be sure to distinguish costs among the proper activities. You would include costs for environmental review, fair housing activities, labor standards enforcement, record keeping, progress reports, general office expenses, contractual services for administration, and audits under Activity Code 0181 - General Administration.

- **ROUND AMOUNTS TO THE NEAREST HUNDRED DOLLARS.**
- **Identify the sources of other funds.**

BE CERTAIN THAT THE FIGURES ARE CORRECTLY ADDED AND THE COLUMN TOTALS ARE THE SAME AS PROVIDED IN BOX 6 OF *PART I*.

<p>For application assistance please contact Kevin Andersen E-mail: <a href="mailto:kevin.s.andersen@nebraska.gov">kevin.s.andersen@nebraska.gov</a> Telephone (402) 471-3775 or (800) 426-6505 Fax (402) 471-8405</p>
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**APPLICATION FOR PLANNING**  
**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**  
**Nebraska Department of Economic Development (DED)**

**2009**

<b>DED USE ONLY</b>
Application Number <b>09-PP.</b>
Date Received
Application Date

**PART I. GENERAL INFORMATION**

*TYPE OR PRINT ALL INFORMATION*

<p><b>1. APPLICANT IDENTIFICATION</b></p> <p>Applicant Name _____</p> <p>Mailing Address _____</p> <p>City, State, Zip _____</p> <p>Local Government Contact _____</p> <p>Telephone # (____) _____</p> <p>Fax Number (____) _____</p> <p>Federal ID # _____</p> <p>DUNS # _____</p> <p>Email Address _____</p>	<p><b>2. PERSON PREPARING APPLICATION</b></p> <p>Name _____</p> <p>Address _____</p> <p>City, State, Zip _____</p> <p>Telephone (____) _____</p> <p>Fax (____) _____</p> <p>Federal ID/SS# _____</p> <p>Email Address _____</p> <p>Application Preparer (Check one)</p> <p><input type="checkbox"/> Local Staff                      <input type="checkbox"/> Out-of-State Consultant</p> <p><input type="checkbox"/> In-State Consultant           <input type="checkbox"/> Non-Profit Organization</p> <p><input type="checkbox"/> Economic Development District</p>
<p><b>3. DEVELOPMENT CATEGORY</b></p> <p><input type="checkbox"/> Planning</p>	<p><b>6. FUNDING SOURCES</b></p> <p>CDBG Funds Requested     \$ _____</p> <p>Other Funds                     \$ _____</p> <p>Total Project Funds         \$ _____</p> <p><i>(ROUND AMOUNTS TO THE NEAREST HUNDRED DOLLARS.)</i></p>
<p><b>4. APPLICATION TYPE</b></p> <p><input type="checkbox"/> Individual</p> <p><input type="checkbox"/> Joint (List other applicants in box #7)</p>	<p><b>7. PROJECT NAME AND LOCATION</b></p>
<p><b>5. SERVICE AREA</b></p> <p>Area to be served (city, county, region, etc.) _____</p> <p>Legislative District _____</p> <p>Congressional District _____</p>	

**8. PROGRAM SUMMARY:** Brief narrative description of the project for which CDBG funds are requested

\_\_\_\_\_

**9. CERTIFYING OFFICIAL:** Chief elected officer of local government requesting CDBG funds

To the best of my knowledge and belief, data and information in this application are true and correct, including any commitment of local or other resources. This application has been duly authorized by the governing body of the applicant following an official public hearing. This applicant will comply with all federal and state requirements governing the use of CDBG funds.

Signature in ink \_\_\_\_\_ Typed Name and Title \_\_\_\_\_ Date Signed \_\_\_\_\_

Attest \_\_\_\_\_ Typed Name and Title \_\_\_\_\_ Date Signed \_\_\_\_\_

**PLANNING**

**PART II: FUNDING SUMMARY (ROUND AMOUNTS TO THE NEAREST HUNDRED DOLLARS.)**

Activity Code	Activity	*National Objective	Proposed Units of Accomplishment	CDBG Funds	Other Funds	Total Funds	Sources of Other Funds
0630	Planning						
0180	Total Non-Administration						
0181	General Administration						
<b>1000</b>	<b>TOTAL PROGRAM COSTS</b>						

**Note: Please make sure your math is correct!**

Clarification for the above activities should be directed to DED.

**\*NATIONAL OBJECTIVE:** Enter single most appropriate national objective code for each activity.

List application page number or numbers for source/narrative documentation: \_\_\_\_\_.

Refer to Part III Project Description, Item 7 National Objectives page 10 and Section 2.01, pages 24-26.

**LMA:** Benefit Low/Moderate Income Persons on an area basis. Census Data \_\_\_\_% or income survey \_\_\_\_%

**LMC:** Benefit Low/Moderate Income Persons on a limited clientele basis

**LMH:** Benefit Low/Moderate Income Households

**SBA:** Activities benefiting slums/blight on an area basis (Planning only)

**SBS:** Activities benefiting slums/blight on a spot basis (Planning only)

**ACCOMPLISHMENT:**

(P) = Proposed number of people benefiting \_\_\_\_.

**PART III. PROJECT DESCRIPTION AND IMPACT**

Refer to the instructions for the specific information that must be included.

**PART IV. PROJECT BUDGET**

Refer to the instructions for the specific information that must be included.

**PART V. REQUIRED EXHIBITS**

Refer to the instructions for the specific information that must be included.

Submit the original and two copies of the application form and all application materials.

**PAGES MAY BE TWO-HOLE PUNCHED AT TOP, BUT DO NOT BIND, FOLD OR STAPLE.**

**CDBG SUBMISSION CHECKLIST - TABLE OF CONTENTS FOR PLANNING**

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Applicants must complete and submit this checklist with the application. Type in additional appendix items as deemed necessary to your project. List appropriate page numbers under PAGE NUMBER column.

<b><u>PROJECT INFORMATION</u></b>	<b><u>PAGE NUMBER</u></b>
Part III Item 1 - Problem Statement.....	
Part III Item 2 - Impact.....	
Part III Item 3 - Strategy.....	
Part III Item 4 – National Objective Impact .....	
Part III Item 5 – Leveraged Funds.....	
Part III Item 6 - Work Plan/Budget/Evaluation .....	
Part IV - Project Budget .....	
Part V - <u>REQUIRED EXHIBITS</u>	
A. Notice of Public Hearing .....	
B. Authorizing Resolution Endorsing Project .....	
C. Statement of Assurances and Certifications.....	
D. Residential Antidisplacement & Relocation Assistance Plan .....	
E. LMI Documentation .....	
G. Slum and Blight Documentation.....	
<b>K. Procurement Process (narrative provided by applicant).....</b>	

***Please use the language verbatim in each exhibit. Incorrect language may cause a delay in application review and award, if successful. Also, provide the bracketed information as requested in each exhibit. The omission or incomplete description as requested in bracketed text may cause a delay in application review and awards.***

**ATTACHMENTS**

### **PART III: PROJECT DESCRIPTION--PLANNING**

Provide the following information on a maximum of 20 separate (single side only) sheets of paper behind *Parts I and II* and the *Table of Contents*. Although an application must be thorough for the reviewer to score it fairly, the information must be concise.

- ◆ PLEASE NUMBER ALL PAGES IN SEQUENCE AT THE BOTTOM OF THE PAGE.
- ◆ IDENTIFY HEADING/EXHIBIT/APPENDIX AT THE BOTTOM, RIGHT HAND CORNER OF THE PAGE.
- ◆ ENTER THE HEADING/EXHIBIT/APPENDIX PAGE NUMBER IN THE TABLE OF CONTENTS SO THEY CAN BE EASILY LOCATED.
- ◆ MAXIMUM OF 20 PAGES (SINGLE SIDE ONLY).

#### **Item 1: Problem Statement**

Provide an explanation of the overall purpose of the project application and factual information that illustrates the severity of the community's problems.

Identify past efforts to resolve the problem and meet community needs.

State the goals and objectives for resolving the problem statement.

Describe how you included the community in the citizen participation process to determine the objectives for problem resolution.

Among the factors DED will include in scoring the problem are:

- Documentation of the severity of the community problem as presented through inventories, other studies, community participation through a needs identification (a completed strategic planning process) or other analysis.
- The degree to and consequences that no-action has on the community and its effect on low and moderate-income persons and special needs persons.
- How long the need has existed, what caused the need and the extent these circumstances are within the control or beyond the control of the applicant.
- How the community, especially low and moderate-income persons and special needs persons, were included in the citizen participation process for defining problem statement/goals/objectives.

Each applicant will be scored as follows:

Problem Statement –the significance of the stated problem will be compared to other applicants with: 0-50 no problem, 55-95-minor problems, and 100-175-major problems.

The three criterion include: explanations of the overall purpose on the project application and factual information that illustrates the severity of the community's problems @ up to 75 points; past efforts to resolve the problem and meet community needs @ up to 50 points; and stated goals and objectives for resolving the problem statement with a description of how you included the community in the citizen participation process to determine the objectives for problem resolution @ up to 50 points (maximum 175 points with a threshold 50 points).

Community involvement and participation is a fundamental part of any community needs assessment process and is required as part of the CDBG application process (see Section 5.02 and Exhibits A, B, & C). Community surveys, town hall meetings, and/or interviews with community organizations,

businesspersons, government officials and other community representatives are encouraged to determine perceived community needs. Public involvement should also be used to let residents know what needs were identified, how they were identified and to give residents an opportunity to react to the needs assessment information. Existing capital improvement plans, comprehensive plans, and economic development, or housing plans should be reviewed to determine if they reflect current conditions and goals or if there is a need to develop new goals and action plans. Special short-term committees can be asked to validate and/or update existing information.

The proposed project in a CDBG application does not have to be the highest community priority. Often top-ranked needs can be addressed with other more appropriate local, State or Federal financial resources. Sometimes one of the community's lower-ranked needs may address an issue that is a high priority for CDBG funds such as a project that will affect low- or moderate-income persons. Other times government and/or elected officials may be more aware of a need for that CDBG may be an appropriate resource than the general public. In this case efforts should also be made to educate and inform the community about the need in order to build consensus and support to address the problem.

#### **Item 2: Impact**

Describe the alternatives considered to deal with the need(s) and the rationale for selecting the proposed solution.

Describe the proposed project in measurable units, the degree to that these accomplishments will reduce or eliminate the need(s), and any plans to eliminate what needs remain.

Indicate if there has been a formal study/report completed that recommends the proposed solution, and if so, who completed it and when.

Among the factors DED will include in scoring the impact are:

- How the project will not duplicate or overlap other projects in the community or area.
- How the project ranks amongst the community priorities; and explain it's ranking according to funding sources available.
- The extent the proposed CDBG project will support or compliment related activities or investments committed to or planned for the project study area.
- Is the project a long-term solution, feasible, appropriate in terms of community needs, and does it completely solve the problem statement.
- Were other options investigated and seriously considered, have cooperative approaches with other communities been considered.

Each applicant will be scored as follows:

Impact –the impact of the problem solution will be compared to other applicants with: 0-55 inadequate, 60-120 average, and 125 –200 above average.

The three criterion include: a description of the alternatives considered to deal with the need(s) and the rationale for selecting the proposed solution @ up to 50 points; a description of the proposed project in measurable units, the degree to that these accomplishments will reduce or eliminate the need(s), and any plans to eliminate what needs remain @ up to 125 points; and indicate if there has been a formal study/report completed that recommends the proposed solution, and if so, who

completed it and when @ up to 25 points (maximum 200 points with a minimum threshold of 60 points).

### Item 3: Strategy

Provide a detailed description of the planning activities and the methods for achieving goals and objectives.

State the objectives for meeting the goals along with a timeline for problem resolution. Provide a description of the project outcome as expected in measurable terms.

Provide an outline and scheduling (timeline) of how you will include broad-based community involvement/awareness in the process for the CDBG planning project.

Indicate how the completed planning activities will benefit the community, especially low and moderate-income and special needs persons.

Among the factors DED will include in scoring the strategy are:

- The appropriateness and clarity of the strategy in relationship to its impact on solving the problem statement.
- The completeness of the project outline/timeline strategy in achieving the project outcome in two years or less.
- The usefulness of the completed project in meeting the problem statement and community needs, and most important in how the project supports implementing other community projects (existing and proposed).

Each applicant will be scored as follows:

Strategy – the project planning strategy for problem solution and community impact will be compared to other applicants with 0-45 inadequate, 50-95 below average, 100-145 average, 150-195 above average, and 200-250 more than adequate.

The five criterion include: (each scored on a maximum of 50 points): a detailed description of the planning activities and the methods for achieving goals and objectives; the objectives for meeting the goals along with a timeline for problem resolution; a description of the project outcome as expected in measurable terms; an outline and scheduling (timeline) of how you will include broad-based community involvement/awareness in the process for the CDBG planning project; and how the completed planning activities will benefit the community, especially low and moderate-income and special needs persons. (Maximum 250 points with a minimum threshold of 100 points)

### Item 4: National Objective Impact

List each activity (except administration/audit) and provide a narrative description with **documentation** of how the activity complies with the appropriate national objective in *Section 2.01*. If it appears that an activity meets more than one national objective, the applicant is to address only the national objective most appropriate to the activity. **Documentation must include:**

1. **Document** that at least 51 percent of the persons who would benefit from implementations of the plan are low and moderate-income persons. Any such planning activity for an area or a community composed of persons of whom at least 51 percent are low and moderate income shall be considered to meet this national objective.
  - a) For **(LMA) area benefit activities**, provide the income characteristics of the residents in the area being served by the activity as shown by census data or an income verification survey. No less than 51% of the persons in the area benefiting must be of low and moderate-income.

Census data for community-wide or target area boundaries that coincide with census boundaries is available from the Community and Rural Development Division of DED. For income verification surveys you **must comply with the Guidance for Survey Methodology to Determine Low/Mod Status of CDBG Service Areas** included in Appendix 1. For income verification surveys applicants must complete and submit Exhibit E, LMI worksheet, and include a description of the methodology and income guidelines used. Income verification surveys must have been conducted since **January 1, 2005**. **Surveys conducted prior to this will not be accepted.**

- b) For **(LMC) limited clientele activities** (those that benefit a specific group of people rather than all the residents in a particular area), provide evidence that at least 51% of the beneficiaries are or will be low- or moderate-income persons. Evidence must include one of the four examples cited in *Section 2.01(1)(b)*.

2. **Slums/Blight:** For activities addressing *slums/blight on an area basis*, **(SBA) documentation** that (1) the area has been **designated by official action** of the applicant as substandard or blighted in accordance with state statute; and (2) there is a **substantial number** of deteriorated or deteriorating structures throughout the area; and (3) the assisted activity is designed to address one or more of the conditions that contributed to the deterioration of the area. A **map** of the applicant's jurisdiction, identifying the designated area, and a copy of the **official designation documents**, must be enclosed, along with Exhibit G.

For activities addressing *slums/blight on a spot basis (SBS)* (e.g. demolishing a vacant, abandoned, deteriorated building), describe why the building or buildings are a threat to public health and safety, how the proposed activity will eliminate the threat, and also submit Exhibit G.

Each applicant will be scored as follows:

**Projects that primarily benefit low and moderate-income (LMI) persons will be scored** up to 70 points based on the median percentage of LMI persons benefiting and the median number of LMI persons benefiting as compared to all applicants with: (a) 40 points for at or above the median percentage of LMI persons benefiting and 20 points for below the median and greater than 55% LMI persons benefiting (0 points below 55% LMI); and (b) 30 points for at or above the median number of LMI persons benefiting and 0 points for below the median number of LMI persons benefiting. The median is the middle piece of data when those data are placed in numerical order.

### Item 5: Leveraged funds:

Provide a listing of sources and uses of local funds, which includes cash and in-kind other non-CDBG funds.

Each applicant will be scored as follows: Maximum 50 points. Local funds, other non-CDBG funds, or in-kind contributions committed to the project activities that exceed the required match. The leverage score is based on two (2) points for each percent of the total non-administrative costs that will be funded by accountable leveraged funds.

### Item 6: Work Plan/Budget/Evaluation

Provide a work plan and a narrative that lists and describes the activities and tasks, time frames, products or outcomes, and key parties responsible for completing each activity.

Provide a budget that illustrates projected expenses, and links these expenses to the sources of funding.

Provide a budget narrative that addresses the relationship of the CDBG Planning project to other funding sources and explains how expenses were determined.

Describe the timely plan and method for completing the project.

Among the factors DED will include in scoring the work plan/budget/evaluation are:

- The completeness of the work plan/narrative description for activities and tasks, time frames, products or outcomes, and key parties responsible for completing each activity.
- The completeness of the budget for a breakout of projected expenses and the sources of funding.
- The completeness of the budget narrative in addressing the relationship to other funding sources and an explanation of how expenses were determined.
- How progress of the plan is monitored and program compliance is met.

Each applicant will be scored as follows:

Work Plan/Budget/Evaluation – the overall work plan to implement the planning project will be compared to other applicants: The four criterion include: with 0-45 below average, 50-95 average, and 100-175 above average. The four criterion also include: (a) provide a work plan and a narrative that lists and describes the activities and tasks, time frames, products or outcomes, and key parties responsible for completing each activity up to 75 points; (b) provide a budget that illustrates projected expenses, and links these expenses to the sources of funding up to 25 points; (c) provide a budget narrative that addresses the relationship of the CDBG Planning project to other funding sources and explains how expenses were determined up to 50 points; and (d) description of the plan and method for completing the project in a timely manner up to 25 points.  
(Maximum 175 points with a minimum threshold of 50 points)

**Scoring Matrix:--PLANNING**

(1)	(2)	(3)	(4)	(5)	(6)	
PROBLEM STATEMENT	IMPACT	STRATEGY	NATIONAL OBJECTIVE	LEVERAGE	WORK PLAN/ BUDGET	TOTAL
175	200	250	70	50	175	920

**PART IV: PROJECT BUDGET**

Information provided in this section will be used to evaluate the accuracy and reasonableness of activity cost estimates shown on Part II of the application. Indicate the date and source of cost estimates.

**Project Delivery Costs**

List the activity description and activity code number for each activity (other than general administration). Under each activity provide a breakdown of the major costs that comprise the activity.

**Administration Costs**

The **general administration** (activity number 0181) budget includes those costs that are administrative in nature with the exception of pre-program costs, such as payment or reimbursement of application preparation fees, costs of conducting local surveys, etc. Common line item costs in this activity are environmental review, fair housing activities, financial audit(s), preparation of required grant progress reports and draw downs, etc. If many of the general administration duties are to be performed by local government personnel, it is acceptable to use salaries and benefits as a line item cost. However, it should be noted what specific duties are to be performed under the salaries and benefits line items.

**PART V: REQUIRED EXHIBITS--PLANNING**

The following EXHIBITS include certification and documentation requirements of grant applicants. These EXHIBITS must be submitted with the application.

**EXHIBIT A** - Notice of Public Hearing (including Proof of Publication or Certificate of Posting and summary of citizen's comments)

**EXHIBIT B** - Authorizing Resolution (Original or Certified copy)

**EXHIBIT C** - Statement of Assurances and Certifications

**EXHIBIT D** - Residential Antidisplacement & Relocation Assistance Plan

**EXHIBIT E** - Low and Moderate Income Worksheet

*(not applicable for LMA benefit with Census data, Limited Clientele or Slums/Blight activities)*

**EXHIBIT G** - Blight and Substandard documentation for area or spot basis.

**EXHIBIT K** - Procurement Process ('96 Addition) A narrative statement with appropriate documents that meet **Section 5.02 Special Policies for Thresholds for Selection, Item 3. Procurement Process** and **Section 5.05 The Use of Consultants**. The chief elected official must sign and date the statement. Applicant provides this exhibit. This exhibit is not in this document.

Please use the language verbatim in each exhibit. Incorrect language may cause a delay in application review and award, if successful. Also, provide the bracketed information as requested in each exhibit. The omission or incomplete description as requested in bracketed text may cause a delay in application review and awards.

**NOTICE OF PUBLIC HEARING ON APPLICATION FOR  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

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**NOTICE OF PUBLIC HEARING ON APPLICATION FOR  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

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NOTICE IS HEREBY GIVEN that on (Date) in the (Place) the (Name of the Local Government Unit) will hold a public hearing concerning an application to the Department of Economic Development for a Community Development Block Grant. This grant is available to local governments for community development activities.

The (Name of the Local Government Unit) is requesting (exact amount of funds) for (Detailed project description that must include: all project activities to be undertaken; the requested amount of funds for each activity; the estimate of the total amount of requested CDBG funds that will benefit low- and moderate-income people; the amount and source of local/other matching funds, if any; and the plans for minimizing displacement of people as a result of CDBG activities and for assisting persons actually displaced.)

The grant application will be available for public inspection at (place). All interested parties are invited to attend this public hearing at which time you will have an opportunity to be heard regarding the grant application. Written testimony will also be accepted at the public hearing scheduled for (time), (date), (address, room number). Written comments addressed to (contact person) at (address) will be accepted if received on or before (date).

Individuals requiring physical or sensory accommodations including interpreter service, Braille, large print, or recorded materials, please contact (contact person) at (address, phone number) no later than (date).

**This language must be used for the official public hearings. Either Proof of Publication or Certificate of Posting must be submitted together with a summary of citizen comments.**

Please Note: At this hearing, specific CDBG program requirements and related project issues should be reviewed. For example, if taxes or user charges will need to be increased as part of financing the project, it is especially important that residents understand the necessity of raising funds. This discussion should specifically be reflected in meeting minutes.

**RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN AN APPLICATION FOR CDBG FUNDS**

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**--Sample Format--**

Whereas, the (Name of the Local Government Unit), Nebraska, is an eligible unit of a general local government authorized to file an application under the Housing and Community Development Act of 1974 as Amended for Small Cities Community Development Block Grant Program, and,

Whereas, the (Name of the Local Government Unit), Nebraska, has obtained its citizens' comments on community development and housing needs; and has conducted public hearing(s) upon the proposed application and received favorable public comment respecting the application which for an amount of (Amount of Money) for (Description of the project); and,

NOW, THEREFORE, BE IT RESOLVED BY

(Controlling Governmental Body) of (Name of the Local Government Unit), that the (Title of Chief Elected Official) be authorized and directed to proceed with the formulation of any and all contracts, documents or other memoranda between (Name of the Local Government Unit) and the Nebraska Department of Economic Development so as to effect acceptance of the grant application.

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**Use the language in this sample resolution and provide an original signature or a certified copy of the authorizing resolution.**



- f. Providing citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in the application to the state and for grants already made, activities that are added to, deleted or substantially changed from the application to the state.
- g. Providing citizens the address, phone number and acceptable hours for submitting complaints and grievances and providing timely written responses to written complaints and grievances within 15 working days where practicable.

**SPECIAL REQUIREMENTS AND ASSURANCES.**

- 9. The Applicant will comply with the administrative requirements of the program, those applicable items in the 1995 Consolidated Plan, Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as amended, and 24 CFR Part 570 (including parts not specifically cited below), and the following laws, regulations and requirements, both federal and state, as the pertain to the design, implementation and administration of the local project, if approved:

**CIVIL RIGHTS AND EQUAL OPPORTUNITY PROVISIONS**

- ! Public Law 88-352, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d), et. seq.) (24 CFR Part 1)
- ! Section 109 of the Housing and Community Development Act of 1974, As Amended
- ! Age-Discrimination Act of 1975, As Amended (42 U.S.C. 6101, et. seq.)
- ! Section 504 of the Rehabilitation Act of 1973, As Amended (29 U.S.C. 794) and the Americans with Disability Act
- ! Executive Order 11246, As Amended
- ! Executive Order 11063, As Amended by Executive Order 12259 (24 CFR Part 107)

**ENVIRONMENTAL STANDARDS AND PROVISIONS**

- ! Section 104(f) of the Housing and Community Development Act of 1974, As Amended
- ! Title IV of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831) and the Implementing Regulations found at 24 CFR Part 35
- ! The National Environmental Policy Act of 1969 (42 U.S.C. Section 4321, et. seq., and 24 CFR Part 58)
- ! The Clean Air Act, As Amended (42 U.S.C. 7401, et. seq.)
- ! Farmland Protection Policy Act of 1981, (U.S.C. 4201, et. seq.)
- ! The Endangered Species Act of 1973, As Amended (16 U.S.C. 1531, et. seq.)
- ! The Reservoir Salvage Act of 1960 (16 U.S.C. 469, et. seq.), Section 3 (16 U.S.C. 469 a-1), As Amended by the Archaeological and Historic Preservation Act of 1974
- ! The Safe Drinking Water Act of 1974 [42 U.S.C. Section 201, 300(f), et. seq., and U.S.C. Section 349 as Amended, particularly Section 1424(e) (42 U.S.C. Section 300H-303(e))]
- ! The Federal Water Pollution Control Act of 1972, As Amended, including the Clean Water Act of 1977, Public Law 92-212 (33 U.S.C. Section 1251, et. seq.)
- ! The Solid Waste Disposal Act, As Amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et. seq.)
- ! The Fish and Wildlife Coordination Act of 1958, As Amended, (16 U.S.C. Section 661, et. seq.)
- ! EPA List of Violating Facilities
- ! HUD Environmental Standards (24 CFR, Part 51, Environmental Criteria and Standards and 44 F.R. 40860-40866, July 12, 1979)
- ! The Wild and Scenic Rivers Act of 1968, As Amended (16 U.S.C. 1271, et. seq.)
- ! Flood Insurance
- ! Executive Order 11988, May 24, 1978: Floodplain Management (42 F.R. 26951, et. seq.)
- ! Executive Order 11990, May 24, 1977: Protection of Wetlands (42 F.R. 26961, et. seq.)
- ! Environmental Protection Act, NEB. REV. STAT. 81-1501 to 81-1532 (R.R.S. 1943)
- ! Historic Preservation

**LABOR STANDARDS AND PROVISIONS**

- ! Section 110 of the Housing and Community Development Act of 1974, As Amended
- ! Fair Labor Standards Act of 1938, As Amended, (29 U.S.C. 102, et. seq.)
- ! Davis-Bacon Act, As Amended (40 U.S.C. 276-a - 276a-5); and Section 2; of the June 13, 1934 Act., As Amended (48 Stat. 948.40 U.S.C. 276(c), popularly known as The Copeland Act
- ! Contract Work Hours and Safety Standards Act (40 U.S.C. 327, et. seq.)
- ! Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701(u)]

**FAIR HOUSING STANDARDS AND PROVISIONS**

- ! Section 104(a)(2) of the Housing and Community Development Act of 1974, As Amended
- ! Public Law 90-284, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601, et. seq.). As Amended by the Fair Housing Amendments Act of 1988
- ! Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, As Amended (42 U.S.C. 4630) and the Implementing Regulations Found at 49 CFR Part 24
- ! Relocation Assistance Act, NEB. REV. STAT. 76-1214 to 76-1242 (R.S. Supp. 1989)

- ! Nebraska Civil Rights Act of 1969 20-105 to 20-125, 48-1102 and 48-1116
- ! Uniform Procedures for Acquiring Private Property for Public Use, NEB. REV. STAT. 25-2501 to 25-2506 (R.R.S. 1943)

**ADMINISTRATIVE AND FINANCIAL PROVISIONS**

- ! U.S. Office of Management and Budget Circular A-87 "Cost Principles for State and Local Governments"
- ! U.S. Office of Management and Budget Circular A-102 "Uniform Administrative Requirements for Grants-in-Aid to State and Local Governments"
- ! 24 CFR 570.503 - Grant Administration Requirements for Use of Escrow Accounts for Property Rehabilitation Loans and Grants
- ! 24 CFR 570.488 to 570.499a - States Program: State Administration of CDBG Nonentitlement Funds
- ! Community Development Law, NEB. REV. STAT. 18-2101 to 18-2144 (R.S. Supp. 1982)
- ! Public Meetings Law, NEB. REV. STAT. 18-1401 to 18-1407 (R.R.S. 1943)
- ! 24 CFR Subtitle A (4-1-98 Edition) – 85 Administrative requirements for grants and cooperative agreements to State, local and federally recognized Indian tribal governments

**MISCELLANEOUS.**

- ! Hatch Act of 1938, As Amended (5 U.S.C. 1501, et. seq.)

The Applicant hereby certifies that it will comply with the above stated assurances.

Signed \_\_\_\_\_

Subscribed in my presence and sworn to before me.

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Notary Public (Not required if on letterhead)

**(Sample)**  
**Citizen Participation Plan**  
(Name of Village), Nebraska

**A. Participation by Citizens**

All citizens, including low- and moderate-income citizens, shall be requested and encouraged to participate in the assessment of community issues, problems and needs; the identification of potential solutions; and priority to such issues, problems and needs, as follows:

1. All citizens shall be periodically requested to complete a community needs survey to identify community and neighborhood issues, problems and needs.
2. All citizens shall be notified by publication and posting of all meetings to discuss the identified needs, potential solutions and solution priorities.
3. All citizens, particularly low and moderate-income citizens, shall be afforded the opportunity to serve on various community improvement task forces established by the Village Board.

**B. Access to Meetings, Information and Records**

Notice of public meetings conducted by the Village Board and Planning Commission shall be published and posted no later than \_\_\_\_\_ ( ) days prior to such meetings.

Agendas of all such meetings shall be available at the Village Clerk's Office for public inspection.

All meetings where CDBG projects or applications are to be discussed shall be published and posted at least six (6) days prior to such meetings and all information and records concerning such CDBG projects or applications shall be available for public inspection at the Office of the Village Clerk.

All meetings will be held at Village Hall which is accessible to the handicapped.

**C. Specific CDBG Project Information**

All citizens shall be provided with information regarding specific CDBG projects through public meetings and publication of notices which provide all pertinent information regarding any CDBG project including, but not limited to:

1. The amount of CDBG funds expected to be made available to the Village for the current fiscal year, including CDBG funds and anticipated program income;
2. The specific range of activities that may be undertaken with CDBG funds;
3. The estimated amount of CDBG funds to be used for activities that will meet the national objective of benefit to low- and moderate-income persons, and;
4. A description of any proposed CDBG funded activities that are likely to result in displacement of persons along with the Village's anti-displacement and relocation plans.

**D. Provisions for Technical Assistance to Citizens**

The Village Clerk shall maintain current information of available resources for community improvement efforts and CDBG programs available and provide such information upon request by any citizen or group representing any citizen or group of citizens and the Village Clerk shall provide assistance in developing proposals to address issues, problems and needs identified by such citizen or citizens.

**E. Public Hearing on CDBG Activities**

The Village shall enact a minimum of three (3) public meetings or hearings to be conducted with regard to any CDBG application. Two (2) such meetings or hearings shall be conducted at the initiation of any such application and a third public hearing shall be held near the completion of any CDBG funded activity to obtain citizen input, comments or opinions with regard to such application(s) and to program or project performance.

The Village Clerk shall act as the contact person for all questions, comments or concerns expressed by any citizen with regard to any CDBG program or project and shall forward any such questions, comments or concerns to the Village Board at the next regular meeting of the Village Board immediately following expression of such questions, comments or concerns. The Village Clerk shall also be responsible for transmitting the Village Board's response to any such question, comment or concerns to the citizen or citizens expressing the same.

**F. Needs of Non-English Speaking Citizens**

Although it is not anticipated that non-English speaking persons will participate in the citizen participation process, the Village Clerk shall arrange for oral or written translation of information regarding any CDBG program, application or project upon request by such non-English speaking persons or representatives of such persons.

**G. Compliance/Grievance Procedures**

The Village Clerk shall post a notice at the Village Office that provides name, telephone number, address and office hours of the Village Clerk for citizens who wish to file a complaint or grievance regarding any CDBG program, project or application.

Individuals wishing to submit a complaint or file a grievance concerning activities, of or application for, CDBG funds may submit a written complaint or grievance to the Village Clerk.

The Village Clerk shall present such complaint or grievance to the Village Board at the next regular meeting of the Village Board, where it be reviewed by the Board members. The individual submitting such complaint or grievance shall be notified of such meeting and shall be given the opportunity to make further comments at such meeting. The Village Board shall issue a written response to any complaint or grievance within five (5) working days following the meeting at which a response is formulated. Such response shall be mailed to the individual citizen(s) submitting the complaint or grievance by the Village Clerk to the last known address of said citizen(s).

In the event that the nature of the complaint or grievance is determined to be a matter requiring immediate action, a special meeting of the Village Board shall be called to review the matter within ten (10) working days of receipt of such complaint or grievance.

**H. Adoption**

This Citizen Participation Plan is hereby adopted by action of the Village Board of Trustees of the Village of (Name of Village), Nebraska.

\_\_\_\_\_  
(Name of Chairman), Chairman

\_\_\_\_\_  
Attest: (Name of Village Clerk), Village Clerk

**RESIDENTIAL ANTI-DISPLACEMENT AND  
RELOCATION ASSISTANCE PLAN**

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The (Name of Local Government) will replace all occupied and vacant occupiable low-moderate-income dwelling units demolished or converted to a use other than as low-moderate-income housing as a direct result of activities assisted with Community Development Block Grant (CDBG) funds provided under the Housing and Community Development Act of 1974, as amended.

All replacement housing will be provided within three (3) years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the (Name of Local Government) will make public and submit to DED the following information in writing:

1. A description of the proposed assisted activity;
2. The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as 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 general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
5. The source of funding and a time schedule for the provision of replacement dwelling units; and
6. The basis for concluding that each replacement dwelling unit will remain a low-moderate-income dwelling unit for at least ten (10) years from the date of initial occupancy.

The (Name of Local Government) will provide relocation assistance, according to either the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24) or 24 CFR 570.496a(c) to each low/moderate-income family displaced by the demolition of housing, or the conversion of a low-moderate-income dwelling to another use as a direct result of assisted activities.

Consistent with the goals and objectives of activities assisted under the CDBG program, the (Name of Local Government) will take the following steps to minimize the displacement of persons from their homes:

1. Maintain current data on the occupancy of houses in areas targeted for CDBG assistance.
2. Review all activities prior to implementation to determine the effect, if any, on occupied residential properties.
3. Include consideration of alternate solutions when it appears an assisted project will cause displacement, if implemented.
4. Require private individuals and businesses to consider other alternatives to displacement causing activities, if they are requesting CDBG assistance.

Signed \_\_\_\_\_

Title \_\_\_\_ Subscribed in my presence and sworn to before me.

Date \_\_\_\_

Notary Public (Not required if on letterhead)

**Nebraska Community Development Block Grant Program**  
**LOW-AND-MODERATE-INCOME WORKSHEET REPORTING**  
**CENSUS SURVEY INFORMATION**

**For LMI Area Benefit Activities not using HUD Census data**

**PART I. INFORMATION CONTAINED IN YOUR SURVEY**

1. Total number of families (including single person families) in the activity service area 1. \_\_\_\_\_
2. Total number of families in the service area that were contacted (include not reachable, refused to answer, incomplete interview/questionnaire) 2. \_\_\_\_\_
3. Total number of completed interviews 3. \_\_\_\_\_
4. Total number of persons in the families interviewed 4. \_\_\_\_\_
5. Total number of persons in the families interviewed who are LMI persons 5. \_\_\_\_\_
6. Total number of persons in the service area 6. \_\_\_\_\_
7. Divide line 5 by line 6 and multiply by 100 to determine the LMI percentage 7. \_\_\_\_\_

<b>Tabulated Income Survey Results</b>									
Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	Total
# Above									families
Income Limit									people
									people
# Below									families

**PART II. SURVEY ANALYSIS AND DOCUMENTATION** (attach separate sheets of paper if necessary)

Date(s) survey conducted: From \_\_\_\_\_ to \_\_\_\_\_ Effective date of income limits used: \_\_\_\_\_

Was the area surveyed:  Target Area  Entire Community  Community and Surrounding Area

Does the area surveyed include the entire service area of the CDBG activity proposed?  Yes;  No

Source(s) of information used to develop complete list of families in the service area (**attach a complete listing of all families/ households, indicate which completed an interview or survey**). \_\_\_\_\_

List all organizations and individuals conducting and analyzing the survey \_\_\_\_\_

**Provide a reason for current survey.** Have there been significant demographic or economic changes to the area since the last survey or decennial census?

Are the completed survey/questionnaires in applicant files and available for DED/HUD monitoring?  Yes  No

**Attach a copy of the survey form and copies of related flyers, news articles, cover letters, etc.**

**EXHIBIT E**

**Nebraska Community Development Block Grant Program**  
**LOW-AND-MODERATE-INCOME WORKSHEET REPORTING**  
**RANDOM SAMPLE SURVEY INFORMATION**

**For LMI Area Benefit Activities not using HUD Census data**

**PART I. INFORMATION CONTAINED IN YOUR SURVEY**

1. Total number of families (including single person families) in the activity service area 1. \_\_\_\_\_
2. Sample size (as determined by <http://surveysystem.com/sscalc.htm>) 2. \_\_\_\_\_
3. Total number of families in the service area that were contacted (include not reachable, refused to answer, incomplete interview/questionnaire) 3. \_\_\_\_\_
4. Total number of completed interviews 4. \_\_\_\_\_
5. Total number of persons in the families interviewed 5. \_\_\_\_\_
6. Total number of persons in the families interviewed who are LMI persons 6. \_\_\_\_\_
7. Divide Line 6 by Line 5 and multiply by 100 to determine the LMI percentage 7. \_\_\_\_\_
8. Total number of persons in the service area 8. \_\_\_\_\_
9. Total number of LMI persons benefiting (7 x 8) 9. \_\_\_\_\_

<b>Tabulated Income Survey Results</b>									
Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	Total
# Above									families
Income Limit									people
									people
# Below									families

**PART II. SURVEY ANALYSIS AND DOCUMENTATION** (attach separate sheets of paper if necessary)

Date(s) survey conducted: From \_\_\_\_\_ to \_\_\_\_\_ Effective date of income limits used: \_\_\_\_\_

Confidence Level: \_\_\_\_\_ Confidence Interval: \_\_\_\_\_ (attach copy of completed sample size calculator screen print)

Was the area surveyed: \_\_\_ Target Area; \_\_\_ Entire Community; \_\_\_ Community and Surrounding Area  
 Does the area surveyed include the entire service area of the CDBG activity proposed? \_\_\_ Yes \_\_\_ No

Source(s) of information used to develop complete list of families in survey area (**attach a complete listing of all families/ households, indicate which were selected for the sample and which completed an interview**).

Explain how a systematic representative sample was selected (**attach a copy of random sample generated from website or random number table**).

In addition to sampling an adequate portion of the population, the surveyor must ensure that the responses correspond to a geographic cross section of the service area benefiting. Essentially, the northern, eastern, southern, western and central areas of the service area should be represented with completed surveys.

Detail how the sample accurately reflects the total population and geographic cross-section of the survey area and, if there was a bias or gap in responses, how was it dealt with. **Attach a map of the service area that indicates which households responded to the survey. Explain any gaps by street or block in areas not covered.**

**EXHIBIT E**

List all organizations and individuals conducting and analyzing the survey

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Summarize the survey process detailing the method of delivery (mail, door to door, telephone or other) and collection including time(s) of day/week, number of and follow-up efforts, and provisions for replacement of un-reachable and non-respondents.

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**Provide a reason for current survey.** Have there been significant demographic or economic changes to the area since the last survey or decennial census?

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Are the completed survey/questionnaires in applicant files and available for DED/HUD monitoring?

Yes  No

**Attach a copy of the survey form and copies of related flyers, news articles, cover letters, etc.**

## **EXHIBIT E**

## **CDBG Slums and Blight National Objective Checklists**

**As an applicant or grantee under the Community Development Block Grant (CDBG) Program, please submit a report on the following statements to the Department to address the slums/blight national objective.**

### **CDBG National Objective Checklist Statement**

Aid in the prevention or elimination of slums or blight on an area basis:

“Slums” has the same meaning as substandard areas as defined in Section 18-2103(10) Neb. R.R.S. “Blight” has the same meaning as blighted areas as defined in Section 18-2103(11) Neb. R.R.S.

*Area is designated by official action of the local government as substandard or blighted in accordance with the applicable state statute.*

(1) Has area been officially designated as Slum or Blighted by local government? Yes or No

*If Yes.* Submit copy official action taken by local government, such as adoption resolution.

Submit description of the area designated in accordance with NE Community Development law.

*If No.* Describe further how area not designated meets the definitions as listed in the NE Community Development law.

*Documentation is provided and maintained by the recipient on the boundaries of the area and the conditions, which qualified the area at the time of its designation.*

(2) Submit a local government map, such as a municipal plat or block map with street names, which outline the boundaries of the designated blight/substandard area. Provide a boundary description of the designated area. State the designation year for the area.

List the conditions used to qualify the area at date of designation in accordance with the Community Development Law.

*There are at least 25% of the properties throughout the area, which experience one or more of the following: (a) Physical deterioration of buildings or improvements; abandonment of properties; chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings; significant declines in property values or abnormally low property values relative to other areas in the community; or known or suspected environmental contamination.*

*OR (b) Public improvements throughout the area are in a general state of deterioration.*

(3) Submit a list of number of properties and percentage of properties located in the designated blighted/substandard area, which meet one or more of the following conditions and identify the conditions met for each property. State the definitions used to determine what is deteriorated or deteriorating.

*Physical deterioration of buildings or improvements; abandoned properties; commercial or industrial buildings with either chronic high occupancy turnover rates or high vacancy rates; property with significant declines in property values or abnormally low property values in comparison to other areas of the community; properties with known or suspected environmental contamination located in the blighted/substandard designated area.*

(4) Submit a listing of all public improvements located in the designated blighted/substandard area. Provide the state of deterioration for each listed public improvement and the standard/determination for identifying the public improvement as deteriorating.

*The assisted activity is designed to address one or more of the conditions, which contributed to the deterioration of the area.*

(5) Describe how the activity for CDBG assistance meets the prevention/elimination of the identified deteriorating conditions of the blighted/substandard area

*Activities to be assisted with CDBG funds must be limited to those that address one or more of the conditions that contributed to the deterioration of the area.*

(6) State how the CDBG assisted activity addresses condition(s) that contribute to the deterioration of the blight/substandard area. Describe how the CDBG assisted activity improves identified deteriorated conditions. (The CDBG assisted improvements undertaken must match the conditions that contribute to the stated deterioration or decline of the substandard/blighted area.)

*The designation of an area as slum or blighted under this section is required to be redetermined every 10 years for continued qualification.*

(7) Submit a copy of the original official action designating the area as blighted. If it has been greater than 10 years since the original official action designating the area, submit an official record documenting the redesignation of the area and the date. Document improvements undertaken in the designated area prior to the most recent redesignation.

Submit the report to the attention of your program representative or the CDBG Program Manager.  
Nebraska Department of Economic Development  
Community & Rural Development Division  
PO Box 94666  
Lincoln, NE 68509

*Slums/Blight Checklist updated August 2008*

# EXHIBIT G

## CDBG Slums and Blight National Objective Checklists

As an applicant or grantee under the Community Development Block Grant (CDBG) Program, please submit a report on the following statements to the Department to address the slums/blight national objective.

### CDBG National Objective Checklist Statement

Aid in the prevention or elimination of slums or blight on a spot basis:

“Slums” has the same meaning as substandard areas as defined in Section 18-2103(10) Neb. R.R.S. “Blight” has the same meaning as blighted areas as defined in Section 18-2103(11) Neb. R.R.S. (Public improvements cannot qualify under this standard except for rehabilitation of public buildings and historic preservation of public property that is blighted).

*An activity must be designed to eliminate specific conditions of blight or physical decay not located in a designated slum or blighted area.*

(1) Submit a local government map, such as a municipal plat or block map with street names, which delineates the location of the building or other improvement activity.

*The project is limited to one of the following activities: acquisition, clearance, relocation, historic preservation, or rehabilitation of buildings.*

(2) List the activity the project is undertaking, describe the substandard conditions, and provide a description of the improvements.

*The project activity can only eliminate specific conditions detrimental to public health and safety.*

(3) Submit a description for each activity improvement, including all budgeted items, and identify and document how it eliminates public health and safety conditions.

Submit the report to the attention of your program representative or the CDBG Program Manager.  
Nebraska Department of Economic Development  
Community & Rural Development Division  
PO Box 94666  
Lincoln, NE 68509

*Slums/Blight Checklist Updated August 2008*

## 2009 PLANNING APPLICATION CATEGORY GUIDELINE

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The primary objective of Nebraska's nonentitlement Community Development Block Grant (CDBG) Program is to develop viable communities and counties by providing decent housing, suitable living environments, and expanding economic opportunities, principally for low- and moderate-income (LMI) persons. As the designated state administering agency, the Department of Economic Development (DED) accomplishes this objective by funding activities authorized under the federal Housing and Community Development Act of 1974, as amended, and designed to meet the objectives for the CDBG Community Development category. These particular guidelines concern comprehensive revitalization, public facilities, tourism development, and single-family housing. Other guidelines for housing, planning, tourism development, and economic development grants can be obtained from DED.

### Section 1.01 Eligible Applicants

Except as provided in *Section 1.03*, eligible applicants include every Nebraska incorporated municipality under 50,000 populations and every county.

### Section 1.02 Types of Applicants

Eligible applicants may submit one of two types of applications:

- 1. Individual:** Except as provided in *Section 1.03*, an eligible municipality may apply only for projects within its corporate limits, and an eligible county may apply only for such projects or activities in unincorporated areas.
- 2. Joint:** Eligible applicants may apply together for projects when it can be clearly documented that mutual action by the applicants is required. The applicant local government in multi-jurisdictional application must also be a direct participant in the study/project. The applicant local government cannot serve only as a pass through for CDBG funds or only as the general administrator of the study/project.

### Section 1.03 Special Policies for Applicants

Special policies affecting *Section 1.01* and *Section 1.02* are:

1. A municipality may not submit an application for projects undertaken outside its corporate limits unless the projects either: (a) occurs within its zoning jurisdiction; or (b) involves property acquired by the municipality prior to project implementation through purchase, donation or a permanent easement.
2. A county may not submit an application for projects undertaken within the corporate limits or zoning jurisdiction of a municipality unless the projects involves either: (a) public facilities within an eligible incorporated municipality that are owned or operated by the county; or (b) activities provided county-wide, either directly by the county or through contract with another local or area agency.
3. A joint application must include a written agreement made in accordance with state law (Interlocal Cooperation Act) that (a) stipulates that the parties will cooperate in undertaking the project; (b) delineates responsibilities and authorities of each party with respect to grant administration; and (c) authorizes one of the parties to act as primary agent for administrative and monitoring purposes.
4. If an application requires participation of entities that are not eligible applicants, each such entity must provide written assurance that it concurs with the project and is committing its resources, if any, as stated in the application.
5. Eligible applicants may provide CDBG funds to a subgrantee neighborhood-based nonprofit organization. A neighborhood-based nonprofit organization is an association or corporation, duly organized to promote and undertake community development activities on a not-for-profit basis within a neighborhood. An organization is considered to be neighborhood-based if the majority of either its membership, clientele, or governing body are residents of the neighborhood where activities assisted with CDBG funds are to be carried out. A neighborhood is defined as: geographic location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a unit of general local government that is under 25,000 population.

### Section 2.01 Compliance with the National CDBG Objective

The primary national CDBG objective is the development of viable urban communities by providing decent housing, suitable living environments, and expanding economic opportunities, principally for low- and moderate-income persons. Under these guidelines, this is accomplished by funding projects that meet at least one of three national objectives. Based on the amended 1974 HCD Act and HUD guidance, the national objectives are defined and clarified by DED as follows:

- 1. Benefit to low-and moderate-income persons** (referred to throughout this document as LMI persons): LMI persons are defined as a member of a family having an income equal to or less than the income limits established by HUD for their resident county. The income limits as published by HUD at [www.huduser.org/datasets/il.html](http://www.huduser.org/datasets/il.html) are determined for each Nebraska county on the higher of either: 80% of the median income of the county, or 80% of the median income of the entire non-metropolitan area of the state.

Activities meeting one or more of the following criteria, in the absence of substantial evidence to the contrary, will be considered to meet this national objective.

- a. **Area benefit activities:** An area benefit activity is available to all residents of an area that is **primarily residential**. In order to qualify on an area basis, the activity must meet the identified needs of LMI persons residing in an area where at least 51% of the residents are LMI persons. The benefits of this type of activity are available to all residents in the area regardless of income. If the assisted activity *serves* an area having a LMI concentration below 51%, the activity may not qualify even if there is reason to believe that primarily LMI persons will actually use it.

Such an area need not be coterminous with census tract or other officially recognized boundaries, but must be the ENTIRE area served by the activity (i.e. an arterial street or sewer interceptor line running through a neighborhood would serve more residents than those in the immediate neighborhood).

Grantees that believe the HUD provided data from 2000 Census does not reflect current relative income levels in an area, or where census boundaries do not coincide sufficiently well with the benefit area of an activity, may conduct (or have conducted) a current survey of the residents of the area to determine the percentage of such persons that are LMI. DED will accept information obtained through such surveys where it determines that the survey was conducted in a manner that the results meet standards of statistical reliability as set forth in **Guidance for Survey Methodology to Determine Low/Mod Status of CDBG Service Areas** included in Appendix 1. For income verification surveys applicants must complete and submit Exhibit E, LMI worksheet, and include a description of the methodology and income guidelines used. ***Income verification surveys must have been conducted since January 1, 2005.***

- b. **Limited clientele activities.** These are activities that provide benefits to a specific group of persons rather than everyone in an area generally. It may benefit particular persons without regard to the area in that they reside, or it may be an activity that provides benefit on an area basis but only to a specific group of persons who reside in the area. In either case, at least 51% of the beneficiaries of the activity must be LMI persons. To qualify under this subcategory, the activity must meet one of the following tests:

- (1) Exclusively benefit a clientele who are generally presumed by HUD to be principally LMI persons. The following groups are currently presumed by HUD to be made up principally of LMI persons: abused children, battered spouses, elderly persons, adults meeting Bureau of Census' definition of severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or,
- (2) Require information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the LMI limit (This includes the case where the activity is restricted exclusively to LMI persons); or
- (3) Be of such nature and be in such location that it may reasonably be concluded that the activity's clientele will primarily be LMI persons (e.g. a daycare center that is designed to serve residents of a public housing complex); or
- (4) Be an activity that serves to remove material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting Bureau of Census' Current Population Reports definition of "severely disabled," **provided** it is restricted, to the extent practicable, to the removal of such barriers assisting the reconstruction of a public facility or improvement or rehabilitation of a privately-owned nonresidential building that does not qualify under LMI area benefit criteria.

Activities that serve an area generally cannot qualify under the Limited Clientele criterion. For example, while a clinic serving only persons with AIDS living in a particular area would clearly qualify as a Limited Clientele activity, a clinic providing CDBG-subsidized health services that are available to *all* persons in the area would not. It must instead meet the criteria for an Area Benefit activity.

2. **Aid in the prevention or elimination of slums or blight:** "Slums" has the same meaning as substandard areas as defined in Section 18-2103(10) Neb. R.R.S. "Blight" has the same meaning as blighted areas as defined in Section 18-2103(11) Neb. R.R.S. A copy of the Community Development law is available upon request from DED.

Activities meeting one or more of the following criteria, in the absence of substantial evidence to the contrary, will be considered to meet this national objective.

- a. **On an area basis:** An activity will be considered to meet this objective if (1) the area is designated by official action of the local government as substandard or blighted in accordance with the applicable state statute; and (2) there is a substantial number of deteriorated or deteriorating structures throughout the area, or public improvements throughout the area are in a general state of deterioration; (3) the assisted activity is designed to address one or more of the conditions that contributed to the deterioration of the area; (4) documentation is provided and maintained by the recipient on the boundaries of the area and the conditions that qualified the area at the time of its designation; and (5) activities to be assisted with CDBG funds must be limited to those that address one or more of the conditions that contributed to the deterioration of the area. Submit Exhibit G.
- b. **On a spot basis:** An activity must be designed to eliminate specific conditions of blight or physical decay not located in a designated slum or blighted area; and be limited to one of the following: acquisition, clearance, relocation, historic preservation, or rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety. (Public improvements cannot qualify under this standard except for rehabilitation of public buildings and historic preservation of public property that is blighted). Submit Exhibit G.

## **Section 2.02 Compliance with State Planning Objective**

The state CDBG objective of the Planning category is to provide communities the opportunity to solve problems/meet citizen needs through a community planning process that: assess community development needs, develops options for meeting those needs, and packages work plans or carry out processes that lead to successful projects.

This recognizes the importance of investing in a planning process, which results in project implementation with a principal benefit to low- and moderate-income persons.

## **Section 3.01 Eligible Activities**

Activities eligible for assistance under the state's CDBG program are only those authorized in Section 105(a) of the amended 1974 HCD Act. The general rule is that any activity listed in Section 105(a) may be funded in whole or in part with CDBG funds. Below is a partial list of activities from 24 CFR 520.205 (a). Communities should be aware that although an activity may be legally eligible under Federal statute and HUD regulations, it may not be competitive under the guidelines and ranking system in the Nebraska CDBG Program. Restrictions are identified in *Section 3.02*.

NOTE: The planning project activity must totally meet either the national objective for benefit to LMI persons or SB for the prevention or elimination of slums /blight. For example a project claimed to meet SB does not necessarily qualify the components of the project that are community wide benefit as meeting the SB national objective.

1. Community strategic planning; such as: environmental scan, needs assessment, citizen participation, downtown revitalization , and fiscal management.
2. Analyses of impediments and barriers to fair housing choice.
3. Neighborhood/comprehensive/strategic development plans.
4. Functional or special studies for: housing, infrastructure, community economic development, land use/ regulatory measures, main street improvement district, downtown revitalization, energy conservation and transportation.
5. Environmental, heritage tourism, and historic preservation studies.
6. Pre-engineering studies for publicly owned water/wastewater projects
7. Payment of reasonable administrative and audit costs not to exceed 7% of the CDBG funds awarded or **\$1,500**; whatever is greater.

## **Section 3.02 Ineligible Activities**

In general, any planning activity not described or referenced in *Section 3.01*, or any planning activity that does not meet a national objective as stated in *Section 2.01*, is ineligible for consideration. In addition, CDBG Planning category grants shall not be used to fund:

1. General administrative and audit costs that exceed 7% of the CDBG funds awarded or **\$1,500**; whatever is greater.
2. Engineering, architectural, and design costs related to a specific activity;
3. Direct development of a CDBG application;
4. Other costs of implementing plans.
5. Operating costs for an organization.

## **Section 4.01 Maximum Grant Amount**

The maximum grant is \$30,000 for municipality or county and \$50,000 for multi-community, countywide, or regional, which includes administrative and audit costs in *Section 3.01*, #7.

## **Section 4.02 Matching and Leveraged Funds Requirements**

Matching funds are required non-CDBG cash contributions committed and accountable to the project. Leveraged funds are other non-CDBG cash or in-kind contributions committed and accountable to the project that exceed the required match. Allowable cash and in-kind contributions are governed by OMB Circular A-102, and 24 CFR 85.24 Code of Federal Regulations (CFR).

1. All planning activities require a minimum of 25% match (minimum 12.5% non-CDBG cash contributions) of the total project activity costs (excluding general administration).
2. General administrative activities require no matching funds and shall not exceed 7% of the CDBG funds awarded or **\$1,500**; whatever is the greater amount.

## **Section 4.03 Program Income**

Program income includes but is not limited to: a) payments of principal and interest on loans made using CDBG funds; b) proceeds from the lease or disposition of real or personal property acquired with CDBG funds; c) interest earned on CDBG funds held in a revolving loan fund account; and d) interest earned on any program income pending disposition of such income.

All program income earned during the grant period must be expended on the project activities prior to drawing down additional CDBG funds under the grant. Program income earned after the completion of the grant activities is subject to the following requirement.

In keeping with federal regulations and the state's program income objective, a local grantee must provide DED with written notification of its intent to propose a use of program income to continue the same activity from that the program income is generated. The same activity, for program income earned under any housing related activities, is defined as any eligible housing activity under Title I of the Community Development Act of 1974 (as amended) that will meet a national CDBG objective. This notice must be made within 90 calendar days from the date of the grantee's Notice of Award letter. If the grantee's notice is not submitted to DED within the 90-day period, DED may require the grantee to return all program income to the state.

If the grantee submits its notice within the specified period and elects to use program income to continue the same activity, the grantee will be instructed as to further requirements contained in the State's ***Annual Action Plan*** that must be met by the grantee in order to retain and use the program income.

### **Section 5.01 Submission of Applications and Selection of Grantees**

***Eligible local governments may individually or jointly apply once and receive one grant under these guidelines per application cycle.***

Applications will be submitted according to the provisions stated in *Section 1.01* through *Section 1.03* and in the manner described in *Section 5.04*. ***The Nebraska Department of Economic Development beginning March 31, 2009 through April 14, 2009 will accept applications. Applications for Planning will again be accepted during a second cycle from October 16, 2009 through October 30, 2009. The third cycle is an open cycle accepting applications beginning January 11, 2010 until CDBG Planning Category funds are depleted.*** Applications will be accepted during this period based on U.S. Postal Service postmark date or date of delivery by other means.

- Applications will be returned and not considered if they fail to meet any of the following threshold requirements prior to review: (1) applicant is eligible; (2) activities are eligible and comply with national CDBG objectives and state CDBG priorities; (3) applicant has no significant, unresolved audit finding; (4) applicant has no legal actions under way that may significantly impact implementation of the project; (5) applicant is following a detailed citizen participation and antidisplacement plan; (6) applicant has adopted authorizing participation resolution; (7) applicant must have addressed and cleared all compliance problems (i.e. Davis-Bacon, acquisition, fair housing, etc.), if any, from past awards and have responses accepted by DED; (8) applicant is current with all reporting requirements (semiannual status reports, closeout reports, audit reports, notification of annual audit reports, etc.) (9) applicant meets minimum total selection criteria score of 400 points with no selection criterion scored at 0; and ***(10) applicant has drawn 90% of any 2007 CDBG grant and 100% of any 2006 or prior year grant*** (excluding grantees going through or initiating closeout process with only administrative funds on balance to drawdown.). The percentage for funds drawn down shall be figured by DED based on the final application acceptance date, except when an applicant is awarded funds after initial award date, obligated shall be based on a proportionate number of months lapsed since initial grant award.

**Applicants meeting threshold requirements are reviewed by DED on a competitive basis according to the selection criteria established in the matrix in *Section 5.03*.** Applicants meeting threshold requirements are reviewed by DED on a competitive basis within the appropriate Zone Reserve according to the Selection Criteria Matrix for the 2009 Planning Category's first and second application acceptance cycle. Applicants ranking highest in competitive order shall be selected for funding, **subject to the amount of funds available for the Zone Reserve.** Applicants fundable in a Zone Reserve, which ranks competitively below the fund allocation available for that Zone Reserve, shall be included in the pooled fund Zone Reserve balances. Applicants considered for award in the pooled fund shall be rank competitively. The highest ranked applicants shall be recommended for award based on the funds available in the pooled Zone Reserves statewide balance on hand.

Applicants meeting threshold requirements are reviewed by DED on a statewide competitive basis for the third funding cycle, which includes the pooled Zone Reserve balances. This is an open award cycle and when more than one applicant is under review awards shall be based starting from the highest ranked applicant.

Applications recommended for approval through the funding process will be presented to DED's director for grant award. The office of the Governor will be notified. The DED director has the authority to ask for reconsideration of recommended project awards to assure compliance with the submission and selection criteria. The Department will send a formal Notice of Approval letter to the applicant community receiving application approval.

### **Section 5.02 Special Policies for Thresholds for Selection**

Special policies affecting thresholds for selection in *Section 5.01* are:

1. The **citizen participation plan** must contain provisions for the involvement of citizens, particularly LMI residents, in all phases of the project. Each local government submitting a single application or participating in a joint application must have and follow a citizen participation plan. The plan must provide for:
  - a. proper notice and access to all meetings and project records;
  - b. technical assistance on request to groups representative of LMI persons;

- c. a minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizen's views, responding to proposals and questions (specifically during the application phase, the hearing(s) must cover community and housing needs, development of proposed activities to be undertaken, the amount of funds requested, the estimated amount proposed to benefit LMI persons, the amount and source of matching funds, if any, and the applicant's plans for minimizing displacement of persons as a result of CDBG assisted activities and for assisting persons actually displaced; and specifically during the implementation phase, the hearing(s) must review program performance). The minutes of the public hearing and the public hearing notice are to include each listed statement. Public hearings for joint applicants must be held in each participant's jurisdiction and the application must be available for public inspection at each locality.
- d. a process for responding to complaints and grievances within 15 working days; and
- e. the needs of non-English speaking residents where a significant number of them can be expected to participate in public hearings.
2. The **residential antidisplacement and relocation assistance plan** must be adopted and certified by the local government and be available to the public. A certification and plan is required even if the applicant is not proposing activities that will result in demolition or in the conversion of a LMI unit to a use other than LMI housing. The plan must contain two components: (a) one-for-one replacement unit requirement and (b) a relocation assistance component.
- a. One-for-one replacement unit requirement applies to all occupied and vacant occupiable LMI dwelling units that will be demolished or converted to another use as a direct result of a CDBG assisted activity. Occupiable dwelling unit is a residential unit that is in standard condition or in a substandard condition, but suitable for rehabilitation.
- (1) A LMI dwelling unit is defined as a unit with a market rental, including utility costs, that does not exceed the Section 8 fair market rent (FMR) as established by HUD. Whenever assisted rehabilitation raises the rent above the FMR, that unit must be replaced.
- (2) A "vacant occupiable dwelling unit" is a unit in standard condition or a unit in substandard, but is suitable for rehabilitation; or a dwelling unit that has been occupied (except for a squatter) at anytime one year prior to the Notice of Approval date for an approved application.
- (3) A unit is "standard condition" is ready to be lived-in with only a minimal amount of deferred maintenance or repair required at a reasonable cost.
- (4) A unit "suitable for rehabilitation" is defined for purposes of this certification as a unit whose estimated repair; rehabilitation, weatherization, and/or general improvement costs do not exceed one half of its replacement value after rehabilitation. The local government may use their own definition for "suitable for rehabilitation" provided such definition is made public and DED determines the definition to be acceptable.
- (5) Replacement LMI units must be provided within three years from the start of demolition or conversion and must be:
- located within the same jurisdiction;
  - sufficient in number and size to house at least the number of occupants that were or could have been housed; according to local occupancy codes;
  - provided in standard condition or brought up to a standard condition; and
  - designed to remain LMI units for ten (10) years.
  - Replacement units may include public housing and housing with Section 8 project-based assistance.
- (6) Assistance cannot be obligated to the demolition or conversion activity until the local government makes public and submits to DED information that identifies:
- the activity--the location and number of units by bedroom size;
  - the proposed demolition or conversion schedule;
  - the number and placement of replacement units and their size;
  - the source of funding and time schedule for replacement units; and
  - the basis for concluding that each replacement unit will remain a LMI unit for 10 years.
- b. Relocation assistance must be provided to each LMI household displaced by the demolition or conversion to another use of any housing unit because of an assisted activity. Persons must be provided assistance as prescribed in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24) or 24 CFR 570.496a(c).
3. The **procurement process** for consultant selection must be outlined in detail in accordance with *Section 5.05 (3) Competitive Proposals*. If this process will not be used, the applicant must state why and identify the process that will be used for selecting a consultant. This also includes the process used for selecting the applicant preparer if that firm or individual is a part of or included in the process intended for selection of the consultant that implements the project.

### Section 5.03 Category Priority Point System for Selection

Refer to the Planning Category component of planning or capacity or organizing that delineates the scoring matrix and criteria.

### Section 5.04 Requirements for Submitting Applications

To apply for funds under these guidelines, an eligible applicant must complete the APPLICATION FOR PLANNING CATEGORY form. This form consists of five parts: *Part I - General Information*, *Part II - Funding Summary*, *Part III - Project Descriptions and Impact*, *Part IV - Project Budget*, and *Part V - Required Exhibits*. All parts must be completed according to instructions before an application will be considered for funding. Applicants shall be contacted by DED if their application is incomplete. Incompleteness applies only to *Part I - General Information* and *Part II - Funding Summary*. When all deficiencies have been corrected, DED will resume the review process.

### Section 5.05 The Use of Consultants

There are a number of reasons why a community may want to use consultants to assist in preparing a Community Development Block Grant application or in administering a grant, **or in implementing an approved planning grant application**, such as when:

- a) the work requires special professional services, such as accounting, architectural, engineering, legal services or **planning**;
- b) the local staff is inexperienced in the area of grant writing or project administration or is already committed to other ongoing activities; or
- c) the work involves a short-term but somewhat specialized project activity that does not justify hiring experienced, full-time staff.

Communities selected for CDBG funding will receive detailed training and written guidelines regarding the federal and state requirements for selection of consultants to assist with project implementation, such as engineers, **planners**, or project administrators. The federal requirements do not apply to communities selecting consultants to assist them in the preparation of an application.

There are several points that should be considered before selecting a consultant, engineer, architect, **planner**, or other professional to help assure that the community will receive satisfactory service.

- 1) **"Loss-Leader" Arrangements** -- "Loss-leader" arrangements, where a consultant offers to prepare a grant application or preliminary engineering estimates at cut rates or at no cost in return for a future contract if the application is funded, are prohibited by federal regulations. Some firms may suggest this approach because costs incurred by a city or county prior to the award of a CDBG, such as preparation of the application or preliminary engineering studies, are not eligible for reimbursement with CDBG funds. However, loss-leader arrangements violate federal regulations that require "maximum open and free competition." Professional organizations also consider this practice unethical because it deprives the client of the benefits that can result from competition among competent, professional firms.
- 2) **Selection of Engineers, Planners, or Administrative Consultants Prior to Grant Award** -- **Generally, the use of multi-services procurement and contracting is prohibited. Except for:** i) when local officials decide to procure the services of an engineer to assist them with both preparation of preliminary engineering plans (**that is not grant application preparation**) and project engineering, in the event their community is selected for grant award; ii) **when a community wants to conduct one procurement process to cover both grant preparation and grant administration**; and, iii) **when a community wants to conduct one procurement process to cover both planning grant application preparation and planning grant implementation (contingent upon CDBG award)**. This approach is permitted under federal procurement regulations. Obviously, in both cases, the selection process would occur prior to grant application. Any agreement between the community and the engineer or consultant that includes preliminary and project engineering or grant writing and administration services would have to be contingent upon award of a CDBG. Local officials would have to follow the procedures briefly outlined below under Competitive Proposals.
- 3) **Competitive Proposals** -- Procurement by "competitive proposals" is a method used to meet federal and state requirements for soliciting architectural, engineering, legal, planning, management, or accounting services. If your CDBG application is selected for funding, this is the procedure that is most appropriate to solicit and select professional services for your project. You may also want to use this procedure to select a consultant to assist you with the preparation of a CDBG application.

With competitive proposals, proposals are advertised and requested from several qualified sources.

HUD regulations for competitive proposals require the following:

- i) Requests for proposals (RFP's) must be publicized and identify all evaluation factors and their relative importance (examples might be technical expertise of the firm and its personnel-25 points; past record of performance on projects of similar nature including quality of work and cost control-25 points; familiarity with CDBG program-20 points; capacity of firm to perform the work within time schedule-20 points; etc.);
- ii) Proposals must be solicited from an adequate number of qualified sources (at least three);

- iii) Grantees and subgrantees must have a method for conducting technical evaluations of the proposals received according to the criteria specified in the RFP and for selecting awardees;
- iv) Awards must be made to the responsible firm whose proposal is most advantageous to the program, with price and the other specified factors considered; and
- v) Grantees may use competitive proposal procedures for qualification based procurement of architectural/engineering (A/E) professional services whereby competitors qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation. The method, where price is not used as a selection factor, can only be used in procurement of A/E professional services.

DED recommends sending request for proposals to firms serving your region of the State. In addition to advertising in your local newspaper, you should also advertise in at least one other newspaper that is widely distributed in your region of the State. The community would evaluate the firms responding and could then conduct interviews with one or more of the firms responding and select a consultant. The community then negotiates a contract with terms and conditions to its satisfaction.

A response to an RFP should not be confused with a competitive bid. A bid is an estimate of cost in response to detailed specifications. A response to a RFP in the competitive proposal process is a description of how a consultant proposes to approach solving your problem. A Competitive proposal refers to the comparison of qualifications and may include fees where required or deemed appropriate. However, the main focus in selecting the consultant is to evaluate the content of the proposal and the consultant's qualifications and demonstrated competence.

- 4) References --** Any time a consultant solicits your business you should always check references prior to contracting with them. Request a list of prior clients, showing the organization's name, address, phone number and contact person as well as a brief description of the work performed. A list of the most recent clients is preferable (especially previous CDBG projects). Contact each reference. Some useful questions might be:

- ⇒ Were you satisfied with the work?
- ⇒ Was it performed on time?
- ⇒ Was the consultant knowledgeable about the program?
- ⇒ Were the tasks or work products prepared by the consultant useful?
- ⇒ Did the consultant work with local staff to develop local capacity?
- ⇒ Were the costs or charges reasonable? Did they stay within their original budget?
- ⇒ Would you hire them again?

Also check to see if the work done for these clients is similar to what you want the consultant to do. The ability to write a grant application does not mean the same consultant has the capability to assist you with management of a grant.

Sometimes the firm you are interested in will be a new firm with few if any client references. New, small firms can sometimes be just as good as well established, large firms, so instead of asking for client references, you would ask for past employer references. Checking references prior to contracting is the most important action you can take to avoid becoming involved with a less than satisfactory firm.

- 5) Involve Local Staff --** Whenever you retain a consultant to assist you in preparing a grant application or in managing a CDBG project, make sure that someone from the city or county works with the consultant and understands the community's application or the management issues involved. You should have a local staff person become familiar with the regulations for the CDBG program and work closely with the consultant in developing the application or managing the project. A consultant is a technical resource.

**Section 6.01 Glossary of Terms**

***Age of seniors***

For purposes of this program and qualifying a project as meeting the low-and moderate-income national objective by principally benefiting seniors, a senior citizen is a person aged 62 or older.

***Assessment Abatement***

To pay fees levied against private property for the costs of public facilities activities (see special assessment). In order to maximize benefit to low and moderate-income households, funds may be used to abate the assessments for these owner-occupied households.

***Community Development Need***

A demonstrated deficiency in housing stock, public facilities, economic opportunities, or other services that is necessary for developing or maintaining viable communities.

***Department or DED***

Nebraska Department of Economic Development. The state agency that administers the federal Community Development Block Grant States Program for Small Cities funds allocated to the US Department of Housing and Urban Development.

**Disability**

Any condition or characteristic that renders a person an "individual with disabilities" as defined in 24 CFR Part 8.3 (Code of Federal Regulations). An "individual with disabilities" means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment.

**Eligible Activities**

Those authorized in Section 105(a) of the amended 1974 Housing and Community Development Act. However, the State and local participants have developed priorities, listed in *Section 3.01*, that best serve their interests and increase the likelihood of being funded.

**Family**

All persons living in the same household who are related by birth, marriage or adoption.

**Firm Public or Private Commitment**

An agreement by a private or public party to take part in a local community development project. The party must demonstrate the capacity to carry out the activity specified in the grant application. The agreement may take the form of a city council or county board resolution, letter from a governmental agency, or a letter of credit from a private lending institution.

**Grant Closeout**

The process by that the department determines that the grant recipient and the department have completed all applicable administrative actions and all required work.

**Grant Contract**

The legally binding contract between the state and a grant recipient. It consists of: the notice of grant award, special conditions to the contract, certifications to comply with applicable state and federal regulations, the project budget, and the grant application.

**Household**

All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Housing and Community Development Needs Assessment**

A statement by the applicant that lists the community's development needs, including housing needs and needs of low and moderate-income persons and strategies to address the needs. Required of all applicants to be eligible for CDBG funding under Title I of the Housing and Community Development Act.

**Income**

The total gross income (before taxes) of all members of a family who are age 15 or older. Income includes all monies received by all members of the family such as wages, tips, interest, and bonuses. A family that is involved in a business where the finances are interrelated with the family budget (such as a farmer) should consider their income or net after expenses, as reported to the Internal Revenue Service.

**Leverage**

Funds that are committed to the project activities that exceed the required match. Leverage may include public and private funds, or in-kind services, such as materials, labor, or other items provided that are directly related to the project. Leveraged funds may be considered only if they are spent during the project period (Date of Release of funds through the project completion date). The amount of leverage must be given in dollars.

**Low- and Moderate-Income Person**

A member of a family having an income equal to or less than the Section 8 low-income limit established by HUD (80% or less of the area median). Unrelated individuals shall be considered as one-person families for this purpose.

**Low-Income Person**

A member of a family having an income equal to or less than the Section 8 "very low" income limit established by HUD (50% or less of the area median). Unrelated individuals shall be considered as one-person families for this purpose.

**Single Purpose Project**

One or more activities designed to meet a specific community development need.

**Special Assessment**

A fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public improvement; or a one-time charge made as a condition of access to the improvement. The amount of the fee represents the pro rata share of the capital costs of the public improvement levied against the benefiting properties.

**Target Area**

A defined geographic area within that an applicant has determined that, based on community plans or other studies, there exists a need for community development activities. A target area may be a neighborhood in a community or an entire community. The target area must encompass the entire area served by the project.

## APPENDIX 1

### Guidance for Surveying Low- and Moderate Income Status of CDBG Service Area

#### **THE FIRST STEP: DEFINE THE SERVICE AREA**

Defining the service area of the proposed CDBG project is the first, and most important, step in the income survey process. Defining the service area will tell you if you need to conduct an income survey, who to survey, what type of survey to use, etc.

Boundaries of the service area may not coincide with officially recognized boundaries or census tracts. Service area boundary examples include: a street paving project that benefits a portion of the community; a fire station project that serves the community and rural unincorporated areas in 2 or more counties; and a rural water district that serves the community and a portion of the surrounding rural area. The boundaries of the service area are defined by the proposed project.

#### **REASONS TO CONDUCT AN INCOME SURVEY**

An income survey may need to be conducted in order to determine if the service area of the proposed CDBG project meets the low to moderate income area benefit (LMA) CDBG national objective. Income surveys are normally conducted when the US Census Bureau data for the service area does not meet the 51% low- and moderate income persons (LMI) threshold, but the local government entity applying for CDBG funds has reason to believe that the service area is actually at or above 51% LMI. If the US Census Bureau data is near 51% LMI or if local social and/or economic factors have changed significantly since the last US Census, it may be worthwhile to conduct an income survey if the local government believes that the service area is truly at or above 51% LMI.

An income survey may also need to be conducted because of the service area itself. If the service area is not coterminous with the census tract(s), it will be necessary to conduct an income survey to determine if the area meets the 51% LMI threshold. If the service area includes a census tract, but also includes rural areas that are not a part of the census tract, the entire service area must be surveyed. It is not acceptable to use US Census data for a portion of the service area and an income survey for the remainder of the service area. You may use both sets of data only if they each meet the 51% threshold individually—these two sets of data cannot be added together in an attempt to meet the 51% LMI threshold.

#### **WHO TO SURVEY?**

The Department of Housing and Urban Development (HUD) requires a measure of families in the service area in order to meet the LMA national objective. HUD defines the family as “all persons living in the same household who are related by blood, marriage, or adoption.” For the purposes of CDBG and HUD, the population that needs to be surveyed is the families that will benefit from the proposed activity.

HUD also defines the difference between family (defined above) and household, which is “all persons occupying the same housing unit regardless of their relationship to each other.” Remember, when conducting the income survey, the population that needs to be measured is FAMILIES, not households. Households may actually contain more than one family. This becomes important if a survey is sent to a household containing more than one family. The individual selected will answer the questions as they pertain to his/her FAMILY, not the household.

However, determining the number of families in the service area may need to be based on households in the service area (please see “What Families are in the Service Area” below) because the information available to you about your sample, or service area, is largely relevant to households. This is acceptable. Keep in mind that while a list of households can be used to compile an estimate of families in the service area for purposes of determining overall numbers and sample size, the survey itself needs to be answered based on HUD’s definition of family.

Once the survey has been conducted, the number of LMI individuals is extracted from the family data. The number of LMI individuals in the families surveyed is the basis for the LMI percentage that must meet the 51% threshold.

#### **WHAT FAMILIES ARE IN THE SERVICE AREA?**

Once the service area has been defined, the families within that service area need to be identified. As stated above, a resource that will provide a list of all of the families in the service area is difficult to come by. To estimate the number of families in the service area, it is acceptable to use lists that will provide the number of households in the service area. Such resources might include utility service lists, telephone directories, tax rolls, or simply going door-to-door in small areas.

Each of these methods has some hazards associated with it. For instance, telephone directories will exclude people who either don’t have phones or who exclusively use cell phones. Tax rolls will identify the property owner, but not necessarily

residents. You will need to use your best judgment in determining which resource is best. Again, the service area and the characteristics of the service area need to be taken into consideration when choosing a resource.

In general, the number of families and the number of households in a service area will not differ to such a great extent that it will invalidate your survey. Furthermore, knowledge of the service area can help you determine if a greater effort is necessary to try to specifically determine the number of families in the area. For example, if one portion of the service area is predominantly apartment complexes and, based on your knowledge of the service area, you have a pretty good idea that these apartment complexes are largely households containing more than one family, you may need to go door-to-door in these areas or make a greater effort to actually identify the number of families in the service area.

## **WHAT TYPE OF SURVEY TO USE**

After the number of families in the service area has been determined, the choice between a census survey and a random sample survey needs to be made. A census survey includes the entire population that will benefit from the proposed activity and is generally recommended for populations of 200 families or less. A random sample survey uses a subset of the population chosen on a random basis to make assumptions about the whole population and is recommended for populations of 200 or more families.

### *Census Survey*

The census survey needs to have a very high response rate. Preferably, the response rate should be 100%. That being said, the LMI percentage calculation for a census survey is not based upon the number of LMI respondents and the total number of respondents. Rather, the percentage is based upon the number of LMI respondents and the total number of individuals in the service area. Those from families that do not respond are automatically considered non-LMI individuals. This eliminates the need for the Department to require a specific response rate and encourages those conducting the survey to strive for high response rates in order to meet the 51% threshold.

Step 1: Determine the total number of families in the service area. This may be done with the resource deemed most accurate for the community or through more thorough methods if it is determined that such measures are necessary for the service area. You will need to survey each family on this list.

Step 2: Follow steps 4-6 under Random Sample Survey steps (beginning on page 5 of the appendix).

### *Random Sample Survey*

There are specific steps that need to be taken to ensure the reliability and validity of the random sample survey. The Department is providing the following working model that should be followed to help increase the reliability and validity of your survey. All of the following guidelines are in accordance with HUD CPD 05-06 (<http://www.hud.gov/offices/cpd/lawsregs/notices/2005/05-06.pdf>) and social science research methods.

Step 1: Determine your sample size.

- a) Go to <http://surveysystem.com/sscalc.htm>
- b) Enter a confidence level of 95% and a confidence interval of 4
- c) Enter the number of FAMILIES (or households based on the list used to determine total number in the service area)

The number that is calculated in this step is the number of surveys that must be completed.

Step 2: Oversampling

It is acceptable to oversample by 20%. For example, if you have a total of 500 families in the service area, the sample size calculator in step 1 (above) will tell you that you need a total of 273 completed surveys, but you may actually choose a sample of up to 328 ( $273 * 20\% = 54.6$ ;  $55 + 273 = 328$ ).

It is important to attempt to obtain responses from the original randomly chosen families (in our example, these would be the first 273 chosen). In the event of a non-response from one of these families, a method for follow-up, including how many times to follow-up with a family and how they will be reached for follow-up (mail, phone, etc.), needs to be created.

While it is most accurate and random to obtain surveys from the original families chosen (again, in our example the first 273), these families may be replaced by families in the oversample if the follow-up procedures are unsuccessful

and you are unable to get a response. The recommended method for replacement requires that surveys NOT be sent to the oversample until they are needed as replacements (the oversample is the additional 55 families as calculated above). Then, the first family that is a non-respondent would be replaced by the 274<sup>th</sup> family, the second family would be replaced by the 275<sup>th</sup> family, etc. It is preferred that the oversample surveys only be sent out as it is determined that they are needed as replacements.

In consideration of simplicity and time constraints, it is acceptable to send out all surveys at once and only use the oversample surveys returned as needed for replacements. If you choose to use this method for replacement, you must keep specific documentation of the surveys sent out, the responses, the follow-up attempts, the replacement family/survey used, where they fell on the initial list, etc. If you receive more surveys than determined by the sample size using this method, do not include all of the data in your results.

If you choose to send out the sample and oversample surveys at the same time, you must attempt to replace the first non-respondent with the first family on the oversample list, second non-respondent with the second family, etc. If the first family from the oversample did not respond, you should attempt to follow up with this family before moving on to the next. Using whoever happened to respond in the oversample for replacement is not random and will make your results less accurate. The replacement methods outlined above must be strictly followed to ensure the reliability and acceptance of your results.

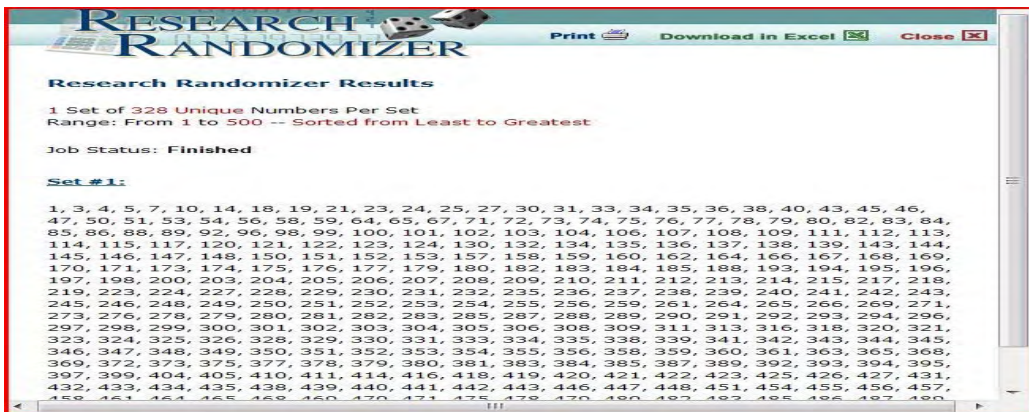
It is not acceptable to oversample by more than 20%. Oversampling of this magnitude can significantly reduce the reliability of your survey. Income surveys that sample in excess of 20% will not be accepted by the Department.

### Step 3: Randomly Select the Sample

To randomly select the sample, numbers must be assigned to the entire population in the service area. Using whichever resource was determined as the most accurate for determining the population of the service area, create a list and number that list. Each family in the service area will be included in the numbered list.

Next, use a random number generator to produce the desired number of random numbers. The Department recommends using a random number table or using the random number generators at [www.randomizer.org](http://www.randomizer.org) or [www.random.org](http://www.random.org). For both of these random number generators, you will need to enter the required number of random integers required (in our ongoing example, 273 or 328 with the oversample). You will also need to enter the parameters for the values. In our example, the parameters would be 1 to 500, as 500 is the total number of families on the list). So, in our example, you will then be given a total of 328 random numbers between 1 and 500. The families whose numbers on the list correspond to those from the random number generator are the families that should receive surveys.

In the sample random number table below, the families on our hypothetical list that would receive surveys includes family 1, family 3, family 4, family 5, etc.



Source: [www.randomizer.org](http://www.randomizer.org)

### Step 4: Creating the Survey Instrument

- a) **INCOME DATA:** In order to gather data on low-to-moderate income families, you must use the HUD Section 8 income limits. These change each year and are specific to each county. This data can be found at [www.huduser.org/datasets.il.html](http://www.huduser.org/datasets.il.html).

## FY 2008 Income Limits Summary

Adams County, Nebraska										
FY 2008 Income Limit Area	Median Income	FY 2008 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Adams County	\$56,700	Very Low (50%) Income Limits	\$19,850	\$22,700	\$25,500	\$28,350	\$30,600	\$32,900	\$35,150	\$37,400
		Extremely Low (30%) Income Limits	\$11,900	\$13,600	\$15,300	\$17,000	\$18,350	\$19,700	\$21,100	\$22,450
		Low (80%) Income Limits	\$31,750	\$36,300	\$40,800	\$45,350	\$49,000	\$52,600	\$56,250	\$59,850

Source: <http://www.huduser.org/datasets/il.html>

The above sample includes the income limits for Adams County. Be sure to use the income limits specific to your county when creating your survey instrument. If your service area covers two different counties, you will need to create two separate survey instruments with the appropriate income limits.

- b) **SURVEY QUESTIONS:** The next step in creating the survey instrument is developing the survey questions. At a minimum, the survey must include questions about family size and total family income. For example, you could ask:

How many persons are there in your family including yourself? Family as defined by HUD is “all person(s) living in the same household who are related by birth, marriage or adoption.” An individual living in a housing unit that contains no other persons related to him/her is considered to be a one-person family for this purpose; however, a dependent who is living outside of the home (e.g. students living in a dormitory or other student housing) is considered for these purposes to be part of the family upon which he/she is dependent, even though he/she is living in another housing unit. Adult children who live at home with their parents are considered to be part of the family for this purpose and their income must be counted in determining the total family income.

Is the current, combined income of all family members residing at this address above or below \_\_\_\_\_? (appropriate income amount as determined at [www.huduser.org/datasets.il.html](http://www.huduser.org/datasets.il.html)) Income should be defined as all monies received by all members of the family who are age 15 or older, including gross wages and salaries, bonuses, tips, interest, dividends, social security, other retirement, supplemental security income, welfare, disability, VA payments, unemployment, alimony, etc. A family that is involved in a business where the finances are interrelated with the family budget (such as a farmer) should consider their income as net after expenses, as reported to the Internal Revenue Service.

### *Question Wording*

Question wording is important to survey instrument design because good questions promote accurate answers, help you gather the desired data, and can increase the validity of your results (Johnson, Joslyn, & Reynolds, 2001). Avoid double-barreled questions, which ask two questions within one question. For example, “Do you think the village needs street repairs and additional paved streets?” asks two questions in one. If a respondent believes that the village streets are in need of repair, but does not believe that additional paved streets are a main concern for the village, that respondent would not be able to accurately answer the question.

It is also important to avoid ambiguity in survey questions. As seen above in the sample questions, be sure to accurately define concepts within the questions. Income and family are two concepts that could be interpreted in many different ways. Without a clear definition, the survey is not collecting the same data from each respondent. Ambiguity can destroy the validity and reliability of your survey and should be avoided at all costs.

Leading questions must also be avoided. A leading question includes cues that lead a respondent to a particular answer. For example, for CDBG, including information about the necessity of having at least 51% LMI individuals within the service area could lead individuals to incorrectly report their income in order to qualify for CDBG funding. Choice of words in the question can also lead respondents to a particular answer. For instance, research has shown that people respond more favorably to “providing assistance to the needy” than to helping those on “welfare.” The inclusion of leading questions in your survey can create bias and invalidate your results from a methodological standpoint.

Overall, avoid references to CDBG, low-income people, etc. in your survey instrument design. This also applies to any cover sheets, introductory paragraphs, or publicity about the survey.

### Step 5: Publicizing the Survey

Publicizing when the survey will be conducted, how it will be conducted, and why it will be conducted can significantly increase your response rate. Most importantly, providing information regarding the reason for

conducting the survey can make people less hesitant about answering questions regarding personal income information. While you cannot specifically state in your publicizing efforts that the survey is being conducted to apply for CDBG funds or to find out how many low-to-moderate income people are in the area, you can provide some general information. For example, you can tell people that a current estimate of incomes in the service area is necessary in order to apply for grant funds.

It is extremely important to avoid creating any bias in your survey results by including information that could lead respondents to answer the survey questions in a particular way. If a respondent refuses to answer the questions without knowing exactly why the survey is being conducted, you should consider that person a non-respondent and take the appropriate measures to replace that respondent.

#### Step 6: Conducting the Survey

When you are ready to actually conduct the survey, you need to choose your survey method. Survey methods include telephone surveys, mail surveys, and face-to-face interviews. You may choose one or a combination of methods. For instance, you may choose to initially mail out surveys and then use the telephone method for follow-ups. Each method has strengths and weaknesses. Please see the chart below for a comparison of the strengths and weaknesses of each method. It is up to you to choose the method most appropriate for your individual circumstances and available resources.

**Summary Comparison of the Three Survey Methods**

<b>Dimension of Comparison</b>	<b>Mailed Questionnaire</b>	<b>Face-to-Face Interview</b>	<b>Telephone Interview</b>
<b>Cost</b>	Moderate	High	Low
<b>Data Quality</b>			
Response Rate	Low	High	Moderate/High
Respondent Motivation	Low	High	High
Interview Bias	None	Moderate	Low
Sample Quality	Low	High	Moderate
Interview Length	Short	Very Long	Long
Ability to Probe and Clarify	None	High	High
Speed	Low	Low	High
Interviewer Supervision	None	Low	High
Anonymity	High	Low	Low
Ability to use computer assistance during process	None	Possible	High
Dependence on respondent's reading and writing abilities	High	None	None
Control of Context and Question Order	High	High	High

Source: <http://www.hud.gov/offices/cpd/lawsregs/notices/2005/05-06.pdf>

If you choose to use either the telephone interview method or the face-to-face interview method, there are additional steps that need to be taken to train the interviewers. Interviewers must receive some amount of training in order to ensure that the interviewer asks the questions in the same way, in the same order, and does not inadvertently bias the results.

There are several topics that need to be addressed with the interviewers during training (Trochim, 2001). First, the interviewers, unlike the respondents, need to know exactly why the study is being done. Knowing why the study is being done and why it is important will motivate the interviewers make every attempt to get respondents to answer the pertinent questions. It is also important for the interviewers to understand why sampling is so important to the survey results. If the interviewer understands the importance of the random sample, they will be more likely to follow the lists that were chosen via random sample. Most importantly, interviewers need to understand interviewer

bias and how to avoid it. Subsequently, they need to understand that they have to remain neutral and cannot share with the respondent the reasons for the survey nor can they tell the respondent how to answer.

It is also useful to walk through the survey with the interviewers and actually rehearse the interview in order to prepare the interviewers for actual situations they may run into when conducting the interviews for the actual study. Finally, you must also make sure that the interviewers understand who should actually be interviewed for the survey—for instance, to gather data on family income, you will want to only speak to the someone who will have information on income for the entire family. In other words, determine who would have the knowledge you are trying to capture and communicate this to the interviewers.

**RESULTS (BOTH CENSUS SURVEY AND RANDOM SAMPLE SURVEY)**

After administering the survey, it is time to tabulate the results. Use the table below to determine your results (this table is also found in Exhibit E of the CDBG application).

Tabulated Income Survey Results									
Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	Total
# Above									families
Income Limit									people
									people
# Below									families

You will also need to complete Exhibit E from the CDBG application, the Low-to-Moderate Income Worksheet. This will determine your percentage of LMI individuals in the service area. Remember, if you have conducted a census survey, this percentage will be based upon the total number of people in the service area, not the total number of individuals in the pool of respondents. If you conducted a random sample survey, the percentage will be based upon the random sample.

If the LMI percentage is in the range of 51%-54% and you conducted a random sample survey, you will need to conduct further analyses. This is due to the fact that the confidence interval is 4. For example, if your study shows that 53% of the individuals in the service area are LMI, the true percentage could be either 4% above or below this number. These additional analyses will indicate whether or not you have a normal distribution and further demonstrate the validity and reliability of your results.

There are two additional analyses you will need to conduct. You will need to compare the average size of the LMI families to the average size of above LMI families. These numbers should be fairly close. Second, you will need to compare the percentages of LMI families to percentages of above LMI families for each family size. This can be done using Table C, a copy of which is found below.

TABLE C  
Table for Comparing the Distribution of Family Size by Family Income

Number of Persons in Family	Families With Low-Mod Incomes		Families Above Low-Mod Incomes	
	Number	Percent	Number	Percent
One				
Two				
Three				
Four				
Five				
Six				
Seven				
Eight				
Nine or more				
Total		100%		100%

The percentages of above and below for each family size should be fairly close together. Also, most of the families in both LMI and above LMI categories should be largely grouped around the averages to indicate a normal distribution. The

presence of a large number of families on the edges of the distribution should include a demographic explanation---for instance, maybe the community has a large elderly, widowed population and this materializes in a large number of one person families.

Another useful analysis is the identification of the mean, median, and mode for family size in both the low-mod income and above low-mod income categories. These statistics are simple to calculate and, if all of the numbers are equal or close to equal, you can conclude that your survey findings are probably accurate. The mean is simply the average. The median is the exact middle value. To find the median, list all respondents' family size in numerical order (for example, your list may start out as 1, 1, 1, 1, 1, 1, 2, 2, 2, 2, 2, 2, etc.) and then locate the number in the center of the responses. Simply add one to the total number of families in your sample and divide by two. The response located at that particular spot is the median. Finally, the mode is the family size that occurs most often. Inserting your numbers into a spreadsheet can make the process of finding the mean, median, and mode very simple.

### **AFTER YOUR SURVEY IS COMPLETE (BOTH RANDOM SAMPLE AND CENSUS SURVEY)**

Be sure to document your results carefully. You must keep all completed surveys, a list of the households that were surveyed, and document your selection process. This is relevant regardless of whether a census survey or a random sample survey was conducted.

The Department will accept surveys that have been conducted within the last four years. A survey that was conducted after January 1, 2005 will be accepted by the Department, provided that the survey was conducted in accordance with HUD regulations and is determined to be methodologically sound.

### **COMMON MISTAKES TO AVOID IN RANDOM SAMPLE SURVEY METHODS**

- 1) Make sure your sample is truly random. If you choose your responses from only a portion of the population, your results will not be accepted by the Department. For example, if a community needs assessment survey was conducted and income questions were asked on that survey, you cannot randomly sample from the responses you received unless you received a 100% response rate (nothing less!!!). (Besides, if you receive a 100% response rate, there is no need to randomly choose a sample—you would simply conduct a census survey.) In this circumstance, there will be people who did not respond to the needs assessment survey and these people have no chance of being in your random sample. A random sample requires that each person in the population has an equal chance of being chosen. If you are randomly choosing from only a portion of your population, you are not conducting a random sample!
- 2) You cannot survey a portion of your service area, use census data for another area, and then add those numbers together to try to meet the 51% threshold of low- and moderate-income persons. If the census data covers a portion of your service area and the census data for that area states that the area is at least 51% low- and moderate-income persons, you may survey the remainder of the service area—however, the area that you survey must reach the 51% threshold on its own. Again, you may use both types of data, but they must each meet the 51% threshold on their own—you cannot add these numbers together.
- 3) Do not oversample by more than 20%. As your sample size grows larger, the randomness and reliability (replicability) of your random sample survey decrease significantly.

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