

# Nebraska

Community  
Development  
Block Grant

# Program

## 2010

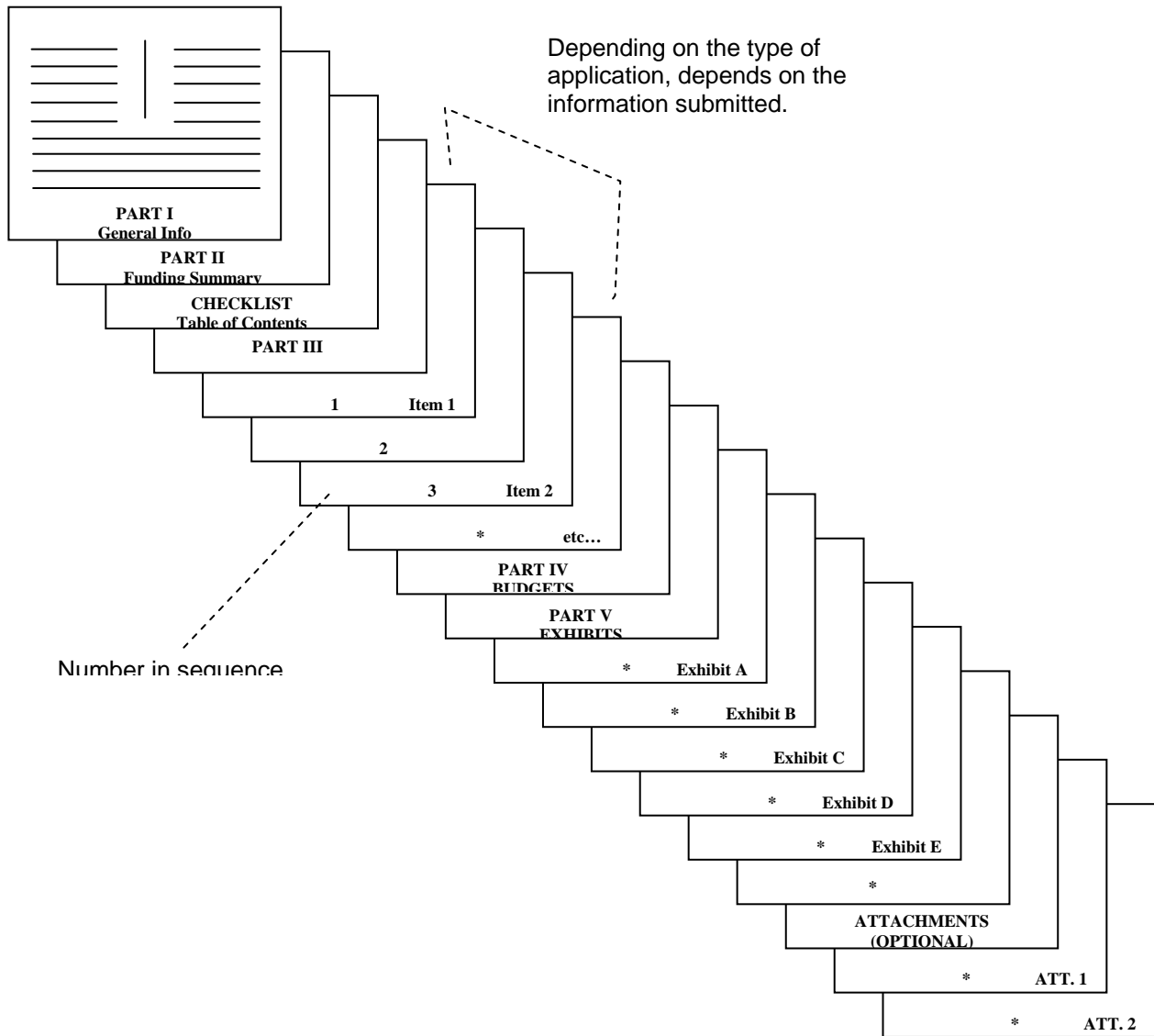
### **Community Development Application Guidelines**

For improvements to: Water or Wastewater Systems and  
Other Public Works/Facilities

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

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

## Layout of submitted application



Nebraska Department of Economic Development  
Community and Rural Development Division  
P O Box 94666  
Lincoln, NE 68509-4666  
(402) 471-3111 or (800) 426-6505

Revised November 2010

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.

# Nebraska Community Development Block Grant Program 2010 Public Works and Water/Wastewater Application Guidelines

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



## BASIC INFORMATION FOR APPLICANTS

This manual contains two sections on the Community Development category of the Nebraska Community Development Block Grant (CDBG) Program. The first section, **Application Forms/Instructions**, contains all application 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, Planning, Tourism and Economic Development categories of the CDBG Program are available from the Nebraska Department of Economic Development (DED) or at <http://www.neded.org/content/view/107/239/>.

The brief overview below contains basic information on the Community Development 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 population and every county.

### B. Types of Activities

In the **Public Works** priority, funds are awarded for: community centers; senior centers exclusively for persons aged 62 and over; nonprofit centers for day care, primary health and mental health clinics; remodel shelter facilities for the homeless (excludes costs for operation); accredited public libraries; fire and/or rescue buildings, including fire trucks; removal of architectural barriers from city/village halls or county courthouses for accessibility; parks (a new facility/improvement or a quantifiable increase of an existing facility/improvement); water distribution and/or sewer collection; street, curb, gutter, sidewalk, or storm sewer; flood control and drainage; and tornado-safe shelters in manufactured home parks.

In the **Water Wastewater** priority, funds are awarded to publicly-owned systems for: preliminary engineering reports; final engineering design; water source, treatment, storage, distribution; sanitary sewer treatment or collection. For more information see Sections 3.01-3.04 of the Application Guidelines.

### C. National Objective

All project activities must meet one of three national objectives:

- 1) benefit low- and moderate-income persons; or
- 2) aid in the prevention or elimination of slums or blight; or,
- 3) meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to health or welfare of the community and other financial resources are not available to meet such needs.

For more information see Section 2.01 of the Application Guidelines.

### D. Maximum Size of Grants

Preliminary Engineering: \$30,000 for a community or unincorporated area of county; \$50,000 for multi-community.  
Public Works/Water Wastewater: \$350,000 for a community or county. The CDBG cost per beneficiary cannot exceed \$2,000, except for day care where it cannot exceed \$5,000.

### E. Application and Award Process

Workshops will be held in January to provide the Application Guidelines and Instructions. Applications are prepared at the applicants' expense and costs are not reimbursable. Public Works application will be accepted by DED from March 31, 2010 through April 14, 2010. Applications will be accepted during this period based on U.S. Postal Service postmark date or date of delivery by other means.

Preliminary Engineering applications will be accepted beginning May 3, 2010, until funds are exhausted. Water Wastewater applications will be accepted beginning May 3, 2010 (subsequent to submission of a Preliminary Engineering Report and recommendation by the Water Wastewater Advisory Committee) until funds are exhausted. Applications are reviewed by DED according to the selection criteria established in Section 5.03 and 5.04 of the Application Guidelines. Other State or Federal agencies will be requested to review and comment on applications, as appropriate. It is anticipated that the Governor of Nebraska will announce Public Works grant awards in July while Preliminary Engineering and Water Wastewater awards will be made throughout the year. All grants must have a "certified administrator." Projects are to be completed by the grantees within 24 months following award.

### F. Matching Requirements

All community development activities require a minimum of 25% match of the total activity costs (maximum 75% CDBG funds/minimum 25% non-CDBG funds or in-kind contributions).

### 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:

- 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 non-profits that expend \$500,000 or more of federal funds in

a fiscal year must conduct a Single Audit of federal and local funds.

- 3) **Davis-Bacon Act.** This and related acts require that prevailing wage rates be paid to all employees working on a construction contract of \$2,000 or more.
- 4) **Acquisition/Relocation.** The Uniform Relocation and Real Properties Acquisition Act (URA) applies to all federally assisted activities that involve the acquisition of real property or the displacement of persons. If CDBG funds are used in any part of the project, the URA would govern the acquisition of real property, including easements, and any resulting displacement, even if local funds are used to pay the acquisition costs. The URA requirements may include: formal notification of the affected property owner(s), preparation of an appraisal to determine fair market value, and a written purchase offer based on an amount determined to be fair market value. The only exception is a voluntary transaction that meets certain criteria.  
  
Regulations emphasize anti-displacement. However, if displacement is necessary, relocation assistance must be provided to persons displaced by rehabilitation, acquisition, demolition, or the conversion of units for use other than low-to-moderate income dwelling units. Grantees will be required to replace every occupied unit that is demolished or converted with CDBG funds on a one-for-one basis within a three-year period.
- 5) **Procurement.** Open and free competition on solicitation of professional services or construction bidding is also required in most cases. If the applicant intends to use CDBG funds to pay all or a portion of fees, or intends to claim fees as match, then CDBG procurement guidelines must be followed. For more information see Section 5.05 of the Application Guidelines.
- 6) **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 review process involves consultation with various agencies, groups and individuals regarding: historic properties, floodplain management, wetland protection, noise control, air quality, explosive and flammable operations, airport hazards, water quality, threatened and endangered species, wild and scenic rivers, farmland protection, environmental justice, contamination and toxic substances. The environmental review and Request for Release of Funds/Certification, if required, must be completed before the grantee, or any participant in the development process, incur costs against the project.
- 7) **Special Assessments.** Where CDBG funds are used to pay all or part of the cost of a public improvement, special assessments to recover the non-CDBG portion may be made provided that CDBG funds are used "to pay" the special assessment on behalf of all properties owned and occupied by low- and moderate-income persons. For more information see Section 3.02 (3).

8) **Equal Opportunity, Fair Housing, and Handicap Accessibility.** Laws require that CDBG grantees administer their projects 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.

9) **International Energy Conservation Code.** Most new construction or substantial rehabilitation of buildings must meet the 2003 International Energy Conservation Code, as required by 72-804-806 NRRS, and provide for Nebraska Energy Office (NEO) review of plans and specifications (at no cost) that meet said standards. This applies to lighting, heating, cooling, ventilating, or water heating equipment or controls, as well as building envelopes.

As an alternate compliance method when a licensed architect and/or engineer have designed a subject building, a Designer Certification may be submitted to NEO instead of building plans and specifications. The certification form, which will be provided by the NEO, will attest that the building design complies and provide summary information about the design.

When the Energy Office has determined that a subject building complies, or has received documentation of alternate compliance, it will provide a Verification of Construction form on which it must be certified that the building is constructed substantially according to the plans. At key points during construction, the building should be inspected to verify that insulation and other envelope components, and all specified lighting, heating, cooling, ventilating and water heating equipment and controls are installed as indicated on the plans. The Verification of Construction form must be signed and returned to the Energy Office within twenty (20) days following substantial completion.

Contact NEO at 402/471-2867 for a copy of the code.

10) **Continued Use.** All community facilities assisted with CDBG funds must remain in the same use for five years after grant closeout. For more information see 24 CFR 570.489.

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## Nebraska Department of Economic Development

### Community and Rural Development Division:

#### Home Office and Eastern Nebraska Housing Field Offices

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PO Box 94666  
Lincoln, NE 68509-4666

Department (402) 471-3111  
Toll-Free (800) 426-6505  
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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.

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Staff list Rev. November 2010



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**APPLICATION FOR COMMUNITY DEVELOPMENT CATEGORY  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
Nebraska Department of Economic Development (DED)**

**2010**

DED USE ONLY	
Application Number	<b>10- -</b>
Date Received	

**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>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. COMMUNITY DEVELOPMENT CATEGORY</b></p> <p><input type="checkbox"/> WW - Water Wastewater</p> <p><input type="checkbox"/> PW - Public Works</p>	<p><b>5. 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 #6)</p>	

**6. PROGRAM SUMMARY:** Brief quantitative description of the project for which CDBG funds are requested (linear or square feet of new construction or renovation, number persons to be served, frequency and duration of use(s), etc.).

**7. 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. This applicant will comply with all Federal and state requirements governing the use of CDBG funds.

Signature in Blue Ink	Typed Name and Title	Date Signed
Attest	Typed Name and Title	Date Signed

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

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Nebraska Department of Economic Development  
Division of Community and Rural Development  
PO Box 94666 - 301 Centennial Mall South  
Lincoln, NE 68509-4666  
(402) 471-3119 (800)426-6505 Fax (402) 471-3778

## **PART I: GENERAL INFORMATION**

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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. Include the Federal Tax Identification number of the Applicant. 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. E-mail address and proposed Grant Administrator, if known.
- 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. Check the appropriate application preparer status box. Include the Federal Tax Identification number of the firm, development district, or nonprofit. If the application preparer is not affiliated with one of the above organizations, include preparer's social security number. Provide e-mail address.
- Box 3:** Check the appropriate Community Development Category box under which funds are being requested.
- Box 4:** Check the appropriate application type box under which funds are being requested.
- Box 5:** 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 CDBG eligible project funds required in *Section 4.02*. "Leveraged Funds" are those CDBG eligible project funds that are non-CDBG resources committed to the project in excess of the required match. For example, a \$350,000 public works activity requires a minimum commitment of \$87,500 non-CDBG matching funds with any additional commitment of non-CDBG funds being leveraged.) 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 6:** Give a short detailed 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, or "on behalf of" application, attach a copy of the written agreement as stipulated in *Section 1.03(3)*.
- Box 7: Only the signature of the applicant's chief elected official will be accepted.** Blue ink for signature is advisable. Alternate signatures (e.g. city council president, city manager) are not allowed, except where there exist 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).

Enter the dollar amount of CDBG funds requested for each major activity. Enter the amount of other funds **that you are committing** to each activity and identify the source. Try to select the single most specific code to describe the nature of the activity being funded. For example, if property will be acquired and a senior center will be constructed with CDBG funds, code the activities 0091 Senior Center rather than 0010 Acquisition. You would include appraisal, acquisition, architectural, and construction costs with 0091 Senior Center. 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 Code 0181 General Administration.

Limit Funding Summary to allowable CDBG eligible costs incurred during the CDBG program period only. Exclude any "other" project costs not eligible for CDBG reimbursement or match (i.e. test holes completed, preliminary architectural or engineering fees incurred or obligated prior to Release of Funds, fees for services not procured by CDBG guidelines, equipment or furnishings not affixed to building, etc.).

**Round amounts to the nearest hundred dollars. Identify the sources of other funds. PLEASE be certain that the figures are correctly added and the column totals are the same as provided in Box 5 of Part I.**

**COMMUNITY DEVELOPMENT CATEGORY**

**PART II. FUNDING SUMMARY (Round amounts to the nearest hundred dollars)**

Activity Code Activity	*National Objective	CDBG Funds	Other Funds	Total Funds	Sources of Other Funds
0010 Acquisition/Easements	1				
0030 Clearance/Demolition	1				
0050 Disposition	1				
0070 Public Facilities & Improvements **					
0081 Day Care Centers					
0082 Health Care Clinics					
0090 Community Centers					
0091 Senior Centers					
0092 Public Libraries					
0093 Fire Station/Equipment					
0230 Streets/Bridges					
0250 Storm Sewers					
0300 Water/Sewer Improvements					
0320 Water/Sewer Hookups	LMH				
0370 Flood Control & Drainage Facilities					
0450 Relocation	1				
0490 Architectural Barriers					
0630 Planning (Preliminary Engineering Report)					
0180 Total Non-Administration					
0181 General Administration					
<b>1000 TOTAL PROGRAM COSTS</b>					

<sup>1</sup>Must correspond to National Objective for primary activity.  
Clarification for the above activities should be directed to DED.

**\*NATIONAL OBJECTIVE:** Enter most appropriate national objective code for each activity. Refer to Section 2.01.

- LMA:** Benefit Low/Moderate Income Persons on an area basis
- LMC:** Benefit Low/Moderate Income Persons on a limited clientele basis
- SBA:** Activities benefiting slums/blight on an area basis
- SBS:** Activities benefiting slums/blight on a spot basis

\*\*For remodel shelter facilities for the homeless (excludes costs for operation) and parks (a new facility/improvement or a quantifiable increase of an existing facility/improvement) please use Activity 0070.

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## **PART III: PUBLIC WORKS/FACILITIES APPLICATION INSTRUCTIONS**

Please submit the unbound original (and two copies) of Part I General Information, Part II Funding Summary, Part III Project Description, and Part IV Budget. Include Part V Required Exhibits with original only. Number all pages in sequence at the bottom of each page.

### **Item 1: Community Needs Identification (see Section 5.03 “2. Needs Identification” for additional information)**

Describe and date the public participation process used to identify community needs and allocate resources to address needs. This will be compared to other applicants and evaluated as follows: 0 points- Below Average; 5 points – Average (needs identification). The community has completed a comprehensive community needs assessment process including citizen participation. The process includes but is not limited to developing and distributing community attitude surveys, holding public meetings to develop community priorities and involving local groups and organizations to develop community priorities. Activities must have been completed in the last three years prior to the date of the application submission. 30 points – Above Average (needs identification, development and implementation). The community has completed the above needs identification activities, has identified and prioritized survey results from the needs assessment process, has been involved in developing ongoing community action plans for short and long-term projects. (Action plans must include strategies/goals, action tasks, timelines, estimated financial assistance needed, potential sources of assistance, and responsible parties to oversee goal progress.) Community must also show significant community and economic development efforts with citizen participation within the last three to five years as a result of community needs assessments, participation, and planning efforts. The community must show evidence of a broad base of projects and/or programs that have been implemented and completed within the last three to five years; 50 points – Outstanding (needs identification, development and implementation, sustainability). The community has completed above needs identification, development and implementation, and in addition adopted or updated a comprehensive plan, housing study and/or capital improvement plan within the last five to seven years. The community can show participation in the Nebraska Community Improvement Program and/or show evidence of other economic or community initiatives such as implementing LB840 and/or completing a business retention and expansion survey for the community. (Maximum 50 points, minimum threshold score 5 points.)

### **Item 2: Project Need (see Section 5.03 “3. Project Need, Impact and Readiness” for additional information)**

Describe the seriousness of the need being resolved. The project need will be evaluated with: 0 points - less serious problems (i.e. facility needs functional improvements like kitchen or parking, minor code violations, expanding access, repair due to pending highway construction, etc.); 25 points - moderately serious or isolated problems in service area (i.e. health and safety threat to users, facility not physically accessible, undersized or lacking space, infiltration and inflow or decrepit

distribution lines, etc.); 50 points - severe and widespread problems exist in service area (i.e. no facility or cannot house or will lose a basic program/service, no similar facility or service within reasonable distance, significant structural problems, etc).

### **Items 3 and 4: Project Impact; Operating Capacity (see Section 5.03 “3. Project Need, Impact and Readiness” for additional information)**

Among the factors that DED will consider for scoring these items: 0 points - the activity or application does not clearly address the identified need(s), design life, maintenance capacity, duplication of activity, etc.; 25 points - the project will significantly address the identified need(s) in the service area, has a long term design life and maintenance capacity and will not duplicate other facilities in the area, etc; 50 points - the proposed project will substantially address the identified need(s) in the service area, has a long term design life and maintenance capacity and will not duplicate other facilities in the area.

### **Items 5, 6 and 7: Project Planning; Financial Information; Implementation Benchmarks (see Section 5.03 “3. Project Need, Impact and Readiness” for additional information)**

Among the factors that DED will consider for scoring these items: 0 points - little preliminary work is done on project, site or financing, unrealistic or unclear construction timetable, etc; 25 points - significant preliminary work is done, project is feasible and cost estimates reliable, financial resources have been investigated and are pending, optional sites are available, average construction timetable, etc; 50 points - substantial preliminary work is done, project is feasible and cost estimates reliable, non-CDBG financial resources are committed, site is controlled, environmental agency consultation has been completed, construction can be promptly started and completed.

**Items 2 through 7:** (Maximum score 150 points, minimum threshold score 50 points)

### **Item 8: National Objective (see Section 5.03 “5. National Objective Impact” for additional information)**

Provide a narrative description of how each activity complies with the appropriate national objective (see *Section 2.01*). Projects that primarily benefit low and moderate income 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 but at or 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.

**PART III: PROJECT DESCRIPTION (PUBLIC FACILITIES/WORKS APPLICATION)**

Limit responses to the space provided with a minimum 10-point font. Please submit the unbound original and two copies of Part I General Information, Part II Funding Summary, Part III Description, Part IV Budget and Part V Required Exhibits to DED by **Tuesday, April 14, 2010**. Please number all pages in sequence at the bottom of the page.

Item 1. Community Needs Identification. Describe the public participation process and extent of public involvement to identify and address community needs and allocate resources (inventories, surveys, public meetings in last three years; programs/projects completed in last five years; ongoing one (1) and five (5) year action plans; adopted or updated comprehensive plan, capital improvement plan and other community/housing/economic development initiatives, etc. in last seven (7) years). Attach tabulated needs survey and detailed action plans.

Item 2. Project Need. Describe the geographical target area (may be portion or entire community or extend miles beyond community but must include entire area served by activity) and need for the project, including existing conditions and extent, frequency, duration and degree of severity of problem(s) (lack of facility and distance to comparable facility, age and structural deterioration, lack of capacity and functions that can not be performed, how deficiency affects health and safety, accessibility to facility or restrooms, etc.). Summarize below and attach only relevant pages of any mandates, studies or reports, petitions, community assessments or surveys, photos, etc., that identify the proposed project as a need.

Item 3. Project Impact. Describe in measurable units the specific improvement activities proposed (linear feet or square feet, size, design life expectancy, etc.). Describe the frequency of use and new or increased level of service available or accessible or affordable. Describe the degree to which the proposed accomplishments will reduce or eliminate the need(s) in the target area, and any plans to address what need(s) remains. Describe the level of community/business support for the project and potential other investment in area.

Item 4. Operating Capacity. Describe the organization that will own and operate the facility (if other than local government, also specify the organization's legal status and date of incorporation). List key individuals who will be responsible for the day-to-day operations and provide specific information regarding their experience and ability. Identify annual costs, specific revenue events/sources and amounts to demonstrate short- and long-term operation and maintenance.

Item 5. Project Planning. Provide a chronological list of the planning process for the proposed project. Include history of need identification, alternatives considered and why rejected, preliminary design, determination and maintenance of historic integrity, compliance with energy conservation code, consultation on environmental impacts, how cost estimates were determined, and status of necessary agreements or permits to implement or construct project, etc.

Item 6. Financial Information. List each source and amount of other funds to complete the project. For each source, provide the name and telephone number of a contact person, and indicate the status of the commitment (commitment letter attached, or pending award date of \_\_\_\_, or no contact. List other funds investigated and why not available for this project.

Item 7. Implementation Benchmarks. Identify measurable benchmarks and outline a schedule for project (typical benchmarks include: securing administrative and engineering services, completing environmental review, completing land acquisition, completing plans/specifications, obtaining permits and approvals, solicit construction bids, award contracts, construction start and completion). If benchmarks are not met, DED may invoke the right to terminate the CDBG contract.

**Item 8. National Objective**

Number of individuals currently served: \_\_\_\_\_. Number of individuals to be served at project completion: \_\_\_\_\_.  
 Number of individuals to be served that are LMI: \_\_\_\_\_. Percent of LMI benefit: \_\_\_\_\_.

Check and provide a narrative description with documentation of how each CDBG funded activity complies with the appropriate national objective (see *Section 2.01*).

**Area Benefit Activities** – explain methodology for establishing geographical boundaries of service area (predominant users, corroborating evidence), document service area is primarily residential (Attachment 1 map delineating service area(s), location of activities, dominant land uses and vacant parcels), describe how planned or potential future uses of vacant parcels would impact LMI benefit, provide HUD 2000 Census map and data if boundaries similar to service area or, attach Exhibit E - LMI Survey Worksheet for service area.

**Brief Checklist of surveys conducted.**

- Map of respondents
- Random sample numbers
- Tabulated Survey

Sample Tabulated Survey Results for Income									
Family Size	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person	Total
# Above	2	5	3	4	6	4	3		28 families
Income Amount	\$28,750	\$32,900	\$41,000	\$41,400	\$44,400	\$50,750	\$54,250		128 people
# Below	3	3	4	5	4	5	3	2	29 families

Sample - NOT ACTUAL NUMBERS

**Limited Clientele Activities** – describe the specific group of persons benefiting, eligibility requirements, information gathered or to be gathered on family size and income that will document at least 51% of clientele are LMI.

**Slums and Blight Area** - attach local government map with street names which outlines boundaries of S/B area, attach copy of official action by local government designating area, describe date and conditions used to qualify S/B area according to State/local law (total number of buildings, number of deteriorated or deteriorating buildings, total public works in area and state of deterioration for each, other conditions), describe how CDBG assisted activities are designed and limited to address one or more of conditions which contributed to the decline of the S/B area.

**Slums and Blight Spot** (outside S/B Area) - attach local government map with street names which identifies the location of the building or other improvement activity, describe specific condition of blight or decay to be eliminated and how the CDBG activity is one of the limited types that are eligible in this category.

## **PART IV: PROJECT BUDGET**

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Provide the following information on separate sheet(s) of paper behind Part III of the application. Information provided in this section will be used to evaluate the accuracy and reasonableness of activities and cost estimates shown in the application. Indicate the date and source of cost estimates.

### **Project Delivery Costs**

Provide a breakdown of the costs for the project. Common line item costs are real property acquisition, legal expenses, architectural and engineering fees, project inspection fees, site work, demolition and removal, construction, equipment, miscellaneous (detailed information) and contingencies (detailed information). If the project includes work to be performed by volunteers or in-kind contributions by the local government or other organizations, include the value of the volunteer or in-kind donations under the appropriate budget line item.

Please note that project costs not eligible for CDBG reimbursement or match and not claimed on the Part II Funding

Summary may be identified here as a separate subtotal to clarify total project costs. Such "other" costs may include: architectural or engineering fees incurred or obligated prior to Release of Funds, fees for services not procured, equipment or furnishings not affixed to building, etc.

### **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 are environmental review, fair housing activities, financial audit (if necessary), labor standards enforcement, preparation of required grant progress reports and draw downs. 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 item.

## **PART V: REQUIRED EXHIBITS**

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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 Anti-displacement and 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 H** - Local Fiscal Effort Certification

## **ATTACHMENTS**

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Attachment 1 – Map of jurisdictional boundary, boundaries of activity service area(s) identifying major land uses and vacant properties, location of proposed activities, 100-year flood hazard areas (required), boundaries of slum and blighted area (if applicable)

Attachment 2 – Documentation supporting need

Attachment 3 – Facility Floor Plan (for all building projects)

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## **PART III: PROJECT DESCRIPTION (WATER WASTEWATER PRELIMINARY ENGINEERING REPORT APPLICATION INSTRUCTIONS)**

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Please submit the unbound original (and three copies) of Part I General Information, Part II Funding Summary, Part III Project Description, and Part IV Budget. Include Part V Required Exhibits with original only. Please provide the Part III Project narrative as follows and number all pages in sequence at the bottom of each page.

### **Item 1: Need for Project**

Description of the need faced by current residents, explanation of how need determined, description of community/area being served, and indicate who will own, operate and maintain the system being studied.

### **Item 2: Impact of the Project**

Describe the report or plan to be provided. This section must include the name(s) of the engineer/firm that will conduct the study and complete description of proper procurement process or official appointment of the engineer.

### **Item 3: Outcomes and Evaluation**

Local government must certify that the Preliminary Engineering Report will follow the Guide developed by the Water Wastewater Advisory Committee (see Water Wastewater Pre-application, Appendix 5), or for Facility Plans, that it will follow guidance from the Nebraska Department of Environmental

Quality. The grant contract will require review and acceptance by the appropriate regulatory agency or Water/Wastewater Advisory Council (WWAC) before the grantee accepts the final product. If the final product is not approved, costs will be disallowed and grant funds must be repaid by the grantee.

### **Item 4: Scope of Work**

Describe the process for conducting the study. Include a description of the activities and work tasks to be performed resulting in the completion of an approvable report/plan, a schedule for completion of work tasks and outputs, and an estimate of hours to complete work tasks and key parties responsible for completing each task. Local government must commit to proceed and complete study in a timely manner based on timeline.

### **Item 5: National Objective**

Provide a narrative description with documentation of how each CDBG funded activity complies with the appropriate national objective in *Section 2.01*.

Selection is based on the application successfully meeting these five items: need; impact; outcomes; scope of work/budget; and national objective. An applicant must meet all five items to be eligible.

## **PART IV: PROJECT BUDGET**

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Provide the following information on separate sheet(s) of paper behind Part IV of the application. Information provided in this section will be used to evaluate the accuracy and reasonableness of activities and cost estimates shown in the application. Indicate the date and source of cost estimates.

### **Project Delivery Costs**

Provide a breakdown of the major tasks/costs for the project. If the project includes work to be performed by volunteers or in-kind contributions by the local government or other organizations, include the value of the volunteer or in-kind donations under the appropriate budget line item.

### **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 are environmental review, fair housing activities, financial audit (if necessary), preparation of required grant progress reports and draw downs. 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 item.

## **PART V: REQUIRED EXHIBITS**

---

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 Anti-displacement and Relocation Assistance Plan
- **EXHIBIT E** - Low-and Moderate-Income Worksheet (not applicable for LMA benefit with Census data, Limited Clientele or Slums/Blight activities)

## **PART III: PROJECT DESCRIPTION (WATER WASTEWATER FINAL ENGINEERING AND/OR CONSTRUCTION APPLICATION INSTRUCTIONS)**

---

Please submit the unbound original (no copies) of Part I General Information, Part II Funding Summary, Part III Project Description, Part IV Budget, and Part V Required Exhibits. Please provide the Part III Project narrative as follows and number all pages in sequence at the bottom of the page.

### **Item 1: Community and Project Needs Identification (limit to one page)**

Describe the public participation process to identify and address community needs and allocate resources (inventories, surveys, public meetings in last three years; programs/projects completed in last five years; ongoing one (1) and five (5) year action plans; adopted or updated comprehensive plan, capital improvement plan and other community/housing/economic development initiatives, etc., in last seven years).

### **Item 2: Project Impact (limit to two pages)**

- a) Provide a quantified description of each major activity. Indicate who will own, operate, and maintain the proposed improvements.
- b) Identify measurable benchmarks and outline a schedule for your project (typical benchmarks include: securing administrative and engineering services, completion of environmental review, land rights secured and to be

secured, completion of test hole drilling and water quality testing, completion and approval of final plans and specifications, obtaining permits and approvals, solicit construction bids, award contracts, construction start and completion). If benchmarks are not met, DED may invoke the right to terminate the CDBG contract. Describe any concerns or conditions that may affect the cost of construction or the bidding and completion dates.

- c) Provide the number of residential users, the projected annual residential rate, the debt service portion of the rate, the operation and maintenance portion of the rate. Indicate whether the water system is or will be metered.
- d) Attach a map that clearly delineates: a) boundaries of the applicant's jurisdiction, b) boundaries of the project service area, c) specific location(s) of each activity, and d) areas within the 100-year flood hazard boundary.

### **Item 3: National Objective (limit to one page)**

Provide a narrative description with documentation of how each CDBG funded activity complies with the appropriate national objective in *Section 2.01*.

## **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 Funding Summary of the application. Indicate the date and source of cost estimates.

### **Project Delivery Costs**

List the description and code number for each activity (other than general administration). Under each activity provide a breakdown of the major costs that comprise the activity. Examples of major line item costs include engineering, construction, real property acquisition, legal fees, inspections, travel, etc. If the project includes work to be performed by volunteers or in-kind contributions by the local government or other organizations, include the value of the volunteer or in-kind donations under the appropriate budget line item.

Please note that project costs, not eligible for CDBG reimbursement or match and not claimed on the Part II Funding Summary, may be identified here as a separate subtotal to clarify total project costs. Such "other" costs may include: test holes completed, architectural or engineering fees incurred or

obligated prior to Release of Funds, fees for services not procured, equipment or furnishings not affixed to building, etc.

### **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 (if necessary), labor standards enforcement, preparation of required grant progress reports and drawdowns, 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 item.

Upon written request of the applicant, DED may authorize pre-award costs, on water/wastewater projects, for CDBG required environmental review activities that do not duplicate existing environmental review records.

## **PART V: REQUIRED EXHIBITS**

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

- **EXHIBIT C** - Statement of Assurances and Certifications
- **EXHIBIT D** - Residential Antidisplacement and Relocation Assistance Plan
- **EXHIBIT E** - Low-and Moderate-Income Worksheet (not applicable for LMA benefit with Census data, Limited Clientele or Slums/Blight activities)

## **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 Local Government Unit) (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 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**

---

**--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 and provide an original signature or a certified copy of the authorizing resolution.**

# APPLICANT'S STATEMENT OF ASSURANCES AND CERTIFICATIONS

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The \_\_\_\_\_ (Name of the Local Government Unit) \_\_\_\_\_ (Applicant) hereby assures and certifies to the Nebraska Department of Economic Development (the Department) regarding an application for Community Development Block Grant (CDBG) funds, the following:

## THRESHOLD CERTIFICATIONS

1. There are no significant unresolved audit findings relating to any prior grant award from the federal and/or state government which would adversely affect the administration of this grant.
2. No legal actions are underway or being contemplated that would significantly impact the applicant's capacity to effectively administer the program, and to fulfill the CDBG program; and
3. No project costs have been incurred which have not been approved in writing by the Department.

## FEDERAL COMPLIANCE CERTIFICATIONS

4. It will adopt and follow a residential anti-displacement and relocation assistance plan which will minimize displacement as a result of activities assisted with CDBG funds.
5. It will conduct and administer its programs in conformance with:
  - a. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), and the regulations issued pursuant thereto (24 CFR Part 1).
  - b. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and will take action to affirmatively further fair housing in the sale or rental of housing, the financing of housing and the provision of brokerage services.
  - c. The Fair Housing Act of 1988 (42 USC 3601-20) and will affirmatively further fair housing.
6. It will not attempt to recover any capital costs of public improvements assisted in whole or part by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (1) grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than grant funds, or (2) for purposes of assessing any amount against properties owned and occupied by persons of LMI who are not persons of very-low income, the recipient certifies to the State that it lacks sufficient grant funds to comply with the requirements of clause (1).
7. It will comply with all provisions of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.

## CITIZEN PARTICIPATION PLAN CERTIFICATION

8. It certifies that a detailed citizen participation plan is on file which includes:
  - a. Providing and encouraging citizen participation with particular emphasis on participation by lower-income persons who are residents of slum and blight areas in which funds are proposed to be used to include target areas as identified in the application.
  - b. Providing citizens with reasonable and timely access to local meetings, information, and records relating to the applicant's proposed and actual use of funds.
  - c. Furnish citizens with information, including but not limited to, the amount of CDBG funds expected to be made available for the current fiscal year, including CDBG funds and anticipated program income; the range of activities that may be undertaken with CDBG funds; the estimated amount of CDBG funds to be used for activities that will meet national objective of benefit to low- and moderate-income people, and the proposed CDBG activities likely to result in displacement and the grantee's anti-displacement and relocation plans.
  - d. Providing technical assistance to groups representative of persons of low and moderate income that request such assistance in developing groups. The level and type of assistance is to be identified with the plan.
  - e. Provide for public hearings, for the purpose of obtaining citizen's views and responding to proposals and questions. The hearings must cover community development and housing needs, development of proposed activities and a review of program performance. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicap. Public hearings are to be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can be expected to participate.
  - f. Provide 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 which are added to, deleted or substantially changed from the application to the state.

- g. Provide citizens the address, phone number and times for submitting complaints and grievances and provide 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 they 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 (42 U.S.C. 7401, 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 FR 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 FR 26951, et seq.)
- Executive Order 11990, May 24, 1977: Protection of Wetlands (42 FR 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. 276a – 276a5) 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"

- 24 CFR 85 Subtitle A "Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal 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 Non-entitlement 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)

**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 \_\_\_\_\_

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

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 the 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 not 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 \_\_\_\_ ( ) 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, the following:

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 which 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 cause a minimum of two (2) public hearings to be conducted with regard to any CDBG application. One such hearing shall be conducted at the initiation of any such application and a second 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 with regard 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 make arrangements 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 which 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 shall 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 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 Chairperson), Chairperson

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

# RESIDENTIAL ANTIDISPLACEMENT AND RELOCATION ASSISTANCE PLAN

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The \_\_\_\_\_ will replace all occupied  
(Name of Local Government)  
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 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 \_\_\_\_\_ will make public and submit to DED the  
(Name of Local Government)  
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 10 years from the date of initial occupancy.

The \_\_\_\_\_ will provide relocation  
(Name of Local Government)  
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 by 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 \_\_\_\_\_ will take the following steps to minimize the displacement of  
(Name of Local Government)  
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 \_\_\_\_\_

Date \_\_\_\_\_

Subscribed in my presence and sworn to before me.

\_\_\_\_\_  
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. \_\_\_\_\_  
Total number of families in the service area that were contacted (include not reachable, refused
2. 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 (**MUST USE CENSUS DATA\***) 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. \_\_\_\_\_

Describe the survey delivery method and follow-up plan. \_\_\_\_\_

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? \_\_\_\_\_

Most current U.S. Census data LMI \_\_\_\_\_

If the difference between the U.S. Census data LMI and the income survey results LMI are 10% or greater, provide an explanation for the difference. \_\_\_\_\_

\*Census data must be taken from the DED website at: <http://www.neded.org/content/view/107/239/#lmi>. Contact the Department for further information.

**REQUIRED ATTACHMENTS:**

- Attachment #1:** Copies of 5 COMPLETED survey forms
- Attachment #2:** Copy of the list used to compile families/household in the service area
- Attachment #3:** Copy of the list used to disseminate the survey, indicating which families completed the survey.
- Attachment #4:** Map indicating service area boundaries and location of families who completed survey.
- Attachment #5:** Copy of all publications/advertisements/letters directed towards citizens to publicize the income survey.
- Attachment #6:** If the LMI is between 51% and 54%, attach additional analysis of the distribution curve of family sizes above and family sizes below and family size percentages. See Appendix 1 for additional information.

**CERTIFICATION OF COMPLETION OF AN INCOME SURVEY TO DETERMINE ELIGIBILITY FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS UNDER THE LOW-TO-MODERATE INCOME NATIONAL OBJECTIVE**

The \_\_\_\_\_ (Name of the Local Government Unit) (Applicant) hereby assures and certifies to the Nebraska Department of Economic Development (the Department) regarding an application for Community Development Block Grant (CDBG) funds, the following:

1. \_\_\_\_\_ (Applicant) understands that eligibility to apply for a CDBG grant is based upon the results of the income survey that was conducted on \_\_\_\_\_ (date) by \_\_\_\_\_ (organization).
2. The income survey was conducted in accordance with HUD and Nebraska Department of Economic Development survey methodology requirements.
3. This income survey was conducted after January 1, 2006.
4. The completed/returned income surveys, lists used to determine families in the service area, lists of families who received an income survey and those who responded, and copies of all items used to publicize the survey are on file and are available for review by Department staff at any time.
5. The list of families in the service area was based upon the most current and accurate source available. The source used to compile the list of families in the service area was \_\_\_\_\_.
6. In the event of an award, \_\_\_\_\_ (Applicant) understands that if the income survey documentation required (all completed income surveys, lists that the families in service area were compiled from, lists indicating which families completed the income survey, what follow-up procedures were in place for non-respondent families and how they were implemented, copies of any documents used to publicize the income survey) is not available at the time the Department staff conducts a monitoring visit in relation to the CDBG award, the \_\_\_\_\_ (Applicant) may be declared ineligible to receive the grant funds due to a lack of documentation of meeting the National Objective and may be required to pay back all grant funds received from the Department.
7. The income survey results serve as documentation that \_\_\_\_\_ (Applicant) meets the CDBG National Objective of benefiting low-to-moderate income persons. The results indicate that the identified service area is 51% or above low-to-moderate income persons.
8. \_\_\_\_\_ (Applicant) certifies that all income survey documentation will be kept on file until 10 years after the closeout of the last project for which the income survey was used to document eligibility under the National Objective of benefit to low-to-moderate income persons.

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

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**

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<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
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**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. \_\_\_\_\_

Describe the survey delivery method and follow-up plan. \_\_\_\_\_

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? \_\_\_\_\_

Most current U.S. Census data LMI \_\_\_\_\_

If the difference between the U.S. Census data LMI and the income survey results LMI are 10% or greater, provide an explanation for the difference. \_\_\_\_\_

\*Census data must be taken from the DED website at: <http://www.neded.org/content/view/107/239/#lmi>. Contact the Department for further information.

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**Attachment #6:** If the LMI is between 51% and 54%, attach additional analysis of the distribution curve of family sizes above and family sizes below and family size percentages. See Appendix 1 for additional information.

**CERTIFICATION OF COMPLETION OF AN INCOME SURVEY TO DETERMINE ELIGIBILITY FOR COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS UNDER THE LOW-TO-MODERATE INCOME NATIONAL OBJECTIVE**

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2. The income survey was conducted in accordance with HUD and Nebraska Department of Economic Development survey methodology requirements.
3. This income survey was conducted after January 1, 2006.
4. The completed/returned income surveys, lists used to determine families in the service area, lists of families who received an income survey and those who responded, and copies of all items used to publicize the survey are on file and are available for review by Department staff at any time.
5. The list of families in the service area was based upon the most current and accurate source available. The source used to compile the list of families in the service area was \_\_\_\_\_.
6. In the event of an award, \_\_\_\_\_ (Applicant) understands that if the income survey documentation required (all completed income surveys, lists that the families in service area were compiled from, lists indicating which families completed the income survey, what follow-up procedures were in place for non-respondent families and how they were implemented, copies of any documents used to publicize the income survey) is not available at the time the Department staff conducts a monitoring visit in relation to the CDBG award, the \_\_\_\_\_ (Applicant) may be declared ineligible to receive the grant funds due to a lack of documentation of meeting the National Objective and may be required to pay back all grant funds received from the Department.
7. The income survey results serve as documentation that \_\_\_\_\_ (Applicant) meets the CDBG National Objective of benefiting low-to-moderate income persons. The results indicate that the identified service area is 51% or above low-to-moderate income persons.
8. \_\_\_\_\_ (Applicant) certifies that all income survey documentation will be kept on file until 10 years after the closeout of the last project for which the income survey was used to document eligibility under the National Objective of benefit to low-to-moderate income persons.

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

Signed \_\_\_\_\_

Title \_\_\_\_\_

Subscribed in my presence and sworn to before me.

Date \_\_\_\_\_

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

**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 of 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.)

## **EXHIBIT F**

**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 F

## 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

# APPLICANT LOCAL FISCAL EFFORT CERTIFICATION

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(Not Applicable for Water Wastewater)

## -SAMPLE FORMAT-

[Letterhead of the City or County]

Whereas, (Name of the Local Government Unit), Nebraska, has obtained the following fiscal information on this, the (Date) day of (Month), 200  , I, the (Name and Title of City/County Clerk or Treasurer) of (Name of City/County) do hereby certify to the Nebraska Department of Economic Development in regard to the attached application for Community Development Block Grant funds, that the following fiscal information is accurate and can be verified by the records of this jurisdiction.

Generally the local tax is levied or imposed by the applicant jurisdiction (excluding school districts, counties - if not a county applicant, community colleges, natural resources districts, and others) with revenues credited to the general fund or other fund for community betterment use. If you have questions, please contact Tom Doering at 402/471-3784.

1. Total Local Tax Revenues Collected	Fiscal Year 2009 (08-09)
a. Property Tax Receipts (including delinquent taxes)	\$ _____
b. Homestead Allocations	\$ _____
c. In-Lieu of Tax Receipts	\$ _____
d. Sales Tax Receipts	\$ _____
e. Gaming/Lottery Tax Receipts (excluding nonprofits)	\$ _____
f. Special Assessments	\$ _____
g. Motor Vehicle Tax Receipts	\$ _____
h. Occupation Tax Receipts	\$ _____
i. Lodging Tax Receipts (Counties only)	\$ _____
j. Inheritance Tax Receipts (Counties only)	\$ _____
<b>TOTAL</b>	<b>\$ _____</b>

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Name	Title	Telephone Number
Signature	Date	

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# COMMUNITY DEVELOPMENT APPLICATION CATEGORY GUIDELINES

## Public Works and Public Facilities

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### Section 1.01 Eligible Applicants

Except as provided in *Section 1.03*, eligible applicants include every Nebraska incorporated municipality under 50,000 in population 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 jointly apply for projects when it can be clearly documented that mutual action by the applicants is required. The applicant local government in a 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) occur within its zoning jurisdiction; or (b) involve 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. The applicant local government in a 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.
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. A grantee/sub grantee agreement, that specifies decision-making

authority, administration, contract compliance, reporting, etc. should be executed and submitted with the application. In all instances the grantee has the final responsibility for implementation of the project and must retain environmental and financial responsibility.

5. Eligible applicants may provide CDBG funds to a subgrantee neighborhood-based nonprofit organization (proof of nonprofit status, such as Secretary of State designation, must be included with the application). 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 it's 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 it will actually be used primarily by LMI persons.

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).

To determine the percentage of LMI persons in the service area, Grantees may use data from the 2000 U.S. Census or conduct an income survey in the project service area. Grantees may choose to conduct an income survey of the residents of the project service area if: data from the 2000 Census does not reflect current relative income levels in an area and is below 51%; or census boundaries do not coincide with the service area of an activity. DED will accept information obtained from income surveys if it is determined that the results are methodologically sound. Surveys must be conducted as set forth in **Guidance for Survey Methodology to Determine Low/Mod Status of CDBG Service Areas** included in Appendix 1. If an income survey has been conducted to determine the LMI percentage, the application must complete and submit Exhibit E, LMI worksheet, and include a description of the methodology and income guidelines used. **Income surveys conducted before January 1, 2006 will not be accepted.**

- b. Limited clientele activities.** These are activities that provide benefits to a specific group of persons rather than everyone in a general area. It may benefit particular persons without regard to the area in which they reside, or 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 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 removes 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 by 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 which 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 officially designated by the local government and must meet a definition of 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 existing public improvements throughout the area are in a general state of deterioration; (3) 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 (4) 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.
- 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 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).

## **Section 2.02 Compliance with State Community Development Objective**

The state CDBG objective of the Community Development Category is to provide for investments in effective and affordable infrastructure to quality communities that are investing in long-term development. This provides a sound basis for fostering local economic development, recognizing the importance of the availability and condition of public works/facilities and housing in business expansion and location decisions. Funded projects shall develop the state's communities and counties by providing residents with: decent, safe and sanitary housing in a suitable living environment or basic public works/facilities.

### Section 3.01 Compliance with State Community Development Priorities

Several activities are eligible for assistance under Section 105(a) of the amended 1974 HCD Act. Although the state may not refuse to distribute CDBG funds for any eligible activity, the state can use criteria that have the effect of increasing the likelihood of certain activities being funded. Under the state program, CDBG funds will be distributed for the eligible activities listed in *Section 3.04* that comply with the following two state priorities. In addition, all improvements must be either publicly owned or owned by a nonprofit and operated so as to be open to the general public during all normal hours of operation.

- 1. PUBLIC WORKS (PW):** Single or multiple activities that contribute to the revitalization of neighborhoods or specific target areas as defined in *Section 3.02(4)* which have concentrations of LMI families or which are blighted and substandard. The target area boundaries must allow for maximum treatment of substandard conditions.

Activities given priority are: community centers or senior centers of a single or multipurpose nature designed to provide public recreational and social activities; nonprofit centers for day care, primary health and mental health care outpatient clinics (excluding shelters defined as: hospitals, nursing homes, convalescent homes, battered spouse shelters, halfway houses, group homes, temporary housing); remodel shelter facilities for the homeless (excludes costs for operation); accredited public libraries; single or multi-service fire/rescue buildings (fire trucks are specifically considered “public facilities” and thus eligible); removal of architectural barriers from City/Village Halls or County Courthouses for accessibility; parks (a new facility/improvement or a quantifiable increase of an existing facility/improvement); water distribution (only if system service connections are or will be metered) and/or sanitary sewer collection system improvements (lines on private property are eligible under LMH national objective); bridge and/or street improvements including curb, gutter, and sidewalk; storm sewer improvements; flood control (designed to influence or affect the flow in a natural water course such as a river, stream or lake); drainage improvements (i.e. retention ponds or catch basins); and tornado-safe shelters in manufactured home parks (containing not less than 20 manufactured housing units that are within such proximity of shelter to be of use in a tornado). When in support of any of the above activities, acquisition/easements, clearance, and code enforcement activities, that predominantly benefit LMI persons, or prevent/eliminate slums/blight.

- 2. WATER WASTEWATER (WW):** Water, wastewater or a set of such interrelated activities that is/are designed to address and resolve a specific problem/need that will contribute to the revitalization of a neighborhood or specific target areas as defined in *Section 3.02(4)* where there is a concentration of LMI families or where there is an urgent development need.

Activities given priority are: preliminary engineering, final design and construction of publicly owned water system improvements (including source, treatment, storage and distribution) and wastewater system improvements (including sanitary sewer collection and treatment). Installation or replacement of sewer or water service lines on private property may be eligible under LMH national

objective only. When in support of any of the above activities, acquisition/easements, demolition and clearance activities may be undertaken.

### Section 3.02 Special Policies for Activities

Special policies affecting activities listed in *Section 3.01* are:

- 1. Facilities containing both eligible and ineligible uses:** A public facility otherwise eligible for assistance under the CDBG program may be provided with CDBG funds even if it is part of a multiple use building containing ineligible uses, if: (a) the facility which is otherwise eligible and proposed for assistance will occupy a designated and discrete area within the larger facility; and (b) the grantee can determine the costs attributable to the facility proposed for assistance as separate and distinct from the overall costs of the multiple-use building and/or facility. Allowable costs are limited to those attributable to the eligible portion of the building or facility.
- 2. Fees for use of facilities:** Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding LMI persons from using the facilities, are not permitted.
- 3. Special Assessments:** The term special assessment means the recovery of the capital costs of a public improvement, such as streets, water or sewer lines, curbs, and gutters, through 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 a public improvement. This term does not relate to taxes on property or the establishment of the value of real estate for the purpose of levying real estate, property, or ad valorem taxes, and does not include periodic charges based on the use of a public improvement, such as water or sewer user charges, even if such charges include the recovery of all or some portion of the capital costs of the public improvement.

Where CDBG funds are used to pay all or part of the cost of a public improvement, special assessments may be used to recover capital costs as follows: a) special assessments to recover the CDBG funds may be made only against properties not owned and occupied by LMI persons (such assessments are program income), b) special assessments to recover the non-CDBG portion may be made provided that CDBG funds are used to pay the special assessment on behalf of all properties owned and occupied by LMI persons; except that CDBG funds need not be used to pay the special assessments on behalf of properties owned and occupied by moderate income persons if the grantee certifies that it does not have sufficient CDBG funds to pay the assessments on behalf of all of the LMI owner-occupant persons (funds collected through such special assessments are not program income).

- 4. Target area definition:** A target area is contiguous and substantial. Generally, substantial means a concentration of 100 or more families and primarily residential in character. A contiguous target area is generally delineated along block lines and by natural/man-made boundaries, such as streets, highways, railroads and streams. Alleys and lot lines do not delineate target area boundaries exclusively. The entire community is considered the target area if there are less than 100 families. All target areas will be reviewed for direct

effects of the assisted activity to LMI persons and other persons inside or outside the target area as well.

The target area for a county is a contiguous and substantial area of concentrated families or the entire unincorporated area. County applications exclude the incorporated areas, unless the county is a lead applicant in a joint application submitted in conformance with *Section 1.03(3)*.

Target area must be appropriately designed to coincide with the project service area. Separate activities may suggest different target areas or a combined target area to be most effective.

### **Section 3.03 Ineligible Activities**

This section identifies ineligible activities.

1. Buildings, or portions thereof, used predominantly for the general conduct of government cannot be assisted with CDBG funds. Such buildings are defined as city and village halls, county administrative buildings, state capitols, or office buildings or other facilities in which the legislative or general administrative affairs of the government are conducted. This definition does not include such facilities as neighborhood service centers or special purpose buildings located in LMI areas that house various non-legislative functions or services provided by government at decentralized locations. This does not exclude, however, the removal of architectural barriers in order to make public buildings accessible to elderly and handicapped persons.
2. General government expenses cannot be paid with CDBG funds, except for those costs that are directly attributable to administration of a local CDBG program and are documented as such. (Eligible cost expenses are detailed in OMB Circular A-87).
3. CDBG funds cannot be used to pay for facilities or equipment used for political purposes or to engage in other political activities such as candidate forums, voter transportation, or voter registration. However, a facility originally financed in whole or in part with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.
4. The purchase of equipment with CDBG funds is generally ineligible, except (a) the purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowances pursuant to OMB Circulars A-87, or A-122 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible; (b) fire protection equipment is considered for this purpose to be an integral part of a public facility and thus, purchase of such equipment would be eligible; and (c) the purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase or to pay depreciation or use allowances (in accordance with OMB Circulars A-87 or A-122, as applicable) for such items when necessary for use by a municipality or county in the administration of activities assisted with CDBG funds, or when eligible as fire fighting

equipment, or when such items constitute all or part of a public service.

5. The general rule is that any expense associated with repairing, operating or maintaining public facilities, improvements and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program. For example, the use of CDBG funds to pay the allocable costs of operating and maintaining a facility used in providing a public service would be eligible, even if no other costs of providing such a service are assisted with such funds.

Examples of ineligible operating and maintenance expenses are: (a) maintenance and repair of streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, seniors centers, centers for the handicapped, parking and similar public facilities. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs; and (b) payment of salaries for staff, utility costs and similar expenses necessary for the operation of public works and facilities.

6. CDBG funds may be used for the construction of new permanent residential structures or for any program to subsidize or assist such new construction when required to provide last resort housing under the Uniform Relocation Act. Activities in support of the development of LMI housing including clearance, site assemblage, provision of site improvements and public improvements and certain housing preconstruction costs are considered activities to subsidize or assist new residential construction.
7. The general rule is that CDBG funds cannot be used for income payments for housing or any other purpose. Examples of ineligible income payments include: payments for income maintenance, housing allowances, down payments, and mortgage subsidies. One time payments made on behalf of persons or families to meet emergency needs such as housing or essential utilities is not an income payment and is eligible.

### **Section 3.04 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 Section 105(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. The State has adopted priorities, listed in *Section 3.01*, which increase the likelihood of funding of certain activities. Restrictions are identified in *Sections 3.02* and *3.03* above.

1. The acquisition of real property (including air rights, water rights, and other interests therein) which is (a) blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; (b) appropriate for rehabilitation or conservation activities; (c) appropriate for the

preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; (d) to be used for the provision of public works, facilities, and improvements eligible for assistance under this program; or (e) to be used for other public purposes.

2. The acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and site or other improvements.
3. Code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public improvements and services to be provided, may be expected to arrest the decline of the area.
4. Clearance, demolition, removal, and rehabilitation (including rehabilitation which promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation, or privately owned properties and including the renovation of closed school buildings).
5. Special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons.
6. Payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for relocation of individuals and families displaced by CDBG activities.
7. Disposition (through sale, lease, donation, or otherwise) of any real property acquired with CDBG funds or its retention for public purposes.
8. Payment of the nonfederal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this program.
9. Relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate activities.
10. Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as described in Section 701(e) of the Housing Act of 1954 on the date prior to the enactment of the Housing and Community Development Amendments of 1981.
11. Activities which are carried out by public or private nonprofit entities, including (a) acquisition of real property; (b) acquisition, construction, reconstruction, rehabilitation, or installation of public facilities (except for buildings for the general conduct of government), site improvements, and utilities.

#### **Section 4.01 Maximum Grant Amount**

**The maximum PW/WW grant amount is \$350,000.** The maximum grant amount for a single water or wastewater project includes final design and construction components for a period of five years (applicants cannot separate a project into phases, such as water source in one phase and water storage or distribution in a separate phase or sanitary sewer treatment in one phase and sanitary sewer collection in a separate phase, to apply for more than one grant). The cost per beneficiary cannot exceed \$2,000, except for daycare where it cannot exceed \$5,000.

The maximum Preliminary Engineering/Planning grant amount is \$30,000 for a community/unincorporated county and \$50,000 for multi-community, countywide or regional report. **General administration for Preliminary Engineering Reports shall not exceed 7% of the CDBG award or \$1,500, whichever is greater.**

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

Matching funds are required non-CDBG cash or in-kind 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. Allowability of cash and in-kind contributions are governed by 24 CFR 85.

1. All public works/facility activities require a 25% match of the total activity costs (maximum 75% CDBG funds/minimum 25% non-CDBG funds or in-kind contributions). The following clarifies public facility activity:
  - a. Public facility activity is defined as any new public improvement activity or any new, expanded, or rehabilitated permanent physical facility.
  - b. Community or senior centers are considered public facilities.
  - c. Public housing is not considered a public facility.
2. General administrative and audit activities require no matching funds and the amounts budgeted for them cannot be used as match or leverage for other activities.

#### **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 which 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 current CDBG Annual Action Plan which 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 and receive one grant per year in the Public Works category and one grant per year in the Water Wastewater category.**

For example, an applicant may submit one application for a community center or a daycare center but not both. In the same year they could also submit one application for a water system or a sewer system but not both.

Applications must be submitted according to the provisions stated in *Section 1.01 through Section 1.03*. **Public works applications will be accepted beginning March 31, 2010 through April 14, 2010.** Applications will be accepted during this period based on U.S. Postal Service postmark date or date of delivery by other means. **Preliminary Engineering/Planning applications will be accepted beginning May 1, 2010 until funds are exhausted. Water/Wastewater applications will be accepted beginning May 1, 2010** (subsequent to submission of a Preliminary Engineering Report and recommendation by the Water/Wastewater Advisory Committee) until funds are exhausted.

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) applicant for multi-jurisdictional application is a direct participant in the study/project (cannot serve as a pass through for CDBG funds or only as administrator); (3) activities are eligible and comply with national CDBG objectives and state CDBG priorities; (4) applicant has no significant, unresolved audit finding; (5) applicant has no legal actions under way that may significantly impact implementation of the project; (6) applicant is following a detailed citizen participation and anti-displacement plan; (7) applicant has adopted authorizing participation resolution; (8) applicant has addressed and cleared all compliance problems (i.e. Davis Bacon Act, acquisition, fair housing, etc.), if any, from past awards and have response accepted by DED; (9) applicant is current with all reporting requirements (semiannual status reports, closeout reports, audit reports, notification of annual audit, etc.); (10) PW applicant meets minimum selection criteria scores of 5 points for needs identification, 50 points for impact of activities on identified needs; (11) applicant does not have an open Comprehensive Revitalization grant; and (12) applicant has achieved the percentages of CDBG funds drawn down for prior CDBG grants in any category (excluding Economic Development) as follows:

<b>2008 Grantee</b>	<b>90% Drawn down</b>
<b>2007 and Prior Grantee</b>	<b>100% Drawn down</b>

The percentage for funds drawn down shall be figured by DED based on the final application acceptance date, except for applicant awarded funds after initial award date where funds drawn down shall be based on a proportionate number of months lapsed since initial grant award. DED shall contact an applicant if additional information is required.

**Public Works applicants meeting threshold requirements are reviewed by DED on a competitive basis according to the selection criteria established in Section 5.03.** Applicants ranking highest in competitive order shall be selected for funding, subject to the amount of funds available.

**Water Wastewater Preliminary Engineering/Planning applicants meeting threshold requirements will be reviewed by DED on a meets/does not meet criteria for the following items:**

- Need for project: Description of the need faced by current residents, explanation of how need determined, and description of community/area being served.
- Impact of the project: Description of the report/plan to be provided. This section must include the name of engineer/firm that will conduct the study and evidence of proper procurement or official appointment.
- Outcomes and evaluation: Local government must certify that the Preliminary Engineering Report will include a comprehensive assessment of the entire water or wastewater system and meet the requirements outlined in the Guide developed by the Water Wastewater Advisory Committee, or for Facility Plans, that it will follow guidance from the Department of Environmental Quality. (The grant contract will require review and acceptance by the appropriate regulatory agency or WWAC before the grantee accepts the final product. If the final product is not approved, costs for the report/plan will be disallowed).
- Scope of Work and budget: Statement of the process for conducting the study and a financial budget. Include a description of the work tasks to be performed resulting in the completion of an approvable report/plan, a schedule for completion of work tasks and outputs, and an estimate of hours to complete work tasks. Commitment by local government to proceed and complete study in a timely manner based on timeline.

Selection is based on the eligible applicant successfully meeting all four items. **Awards will be reserved until December 31, 2010 for communities scoring 85 or more points on the Drinking Water Revolving Fund and 55 or more points on the Clean Water Revolving Fund priority systems. If funds remain available thereafter, CDBG funds will be considered for the highest ranked communities.** The grant contract will require review and acceptance of the Preliminary Engineering Report or Facility Plan by the appropriate regulatory agency, or the WWAC before the grantee accepts the final product. If the final product is not approved, costs will be disallowed and grant funds must be repaid by the grantee.

**Water Wastewater Final Design and/or Construction applicants meeting threshold requirements will be reviewed by DED against a general standard according to the selection criteria established in Section 5.04.** Applicants ranking highest in competitive order shall be selected for funding, subject to the amount of funds available.

Potential applicants for final design or construction must submit a two page pre-application and a Preliminary Engineering Report (see Appendix 5). An interagency Water Wastewater

Advisory Committee (WWAC) will concurrently review the engineering report within 60 days of submission for technical, operational, and financial aspects of the project. Substantive concerns must be addressed before the WWAC will recommend logical funding sources to which a full application should be submitted. Each funding agency will follow its own full application process.

**Final Design.** Following WWAC review, communities may be invited to submit a CDBG application for final engineering design to include the following items: final engineering design and bid specifications; detailed cost estimates, including all items necessary to complete the project; identification of all permits and approvals necessary to construct the project with a schedule showing a realistic review and approval process for each; maps showing the specific location of the project; environmental review of the project that complies with implementing regulations of HUD; costs for activities leading up to acquisition, such as appraisals; and grant administration. Final design recipients must have regulatory agency approval of plans and specifications before the grant is closed out and before CDBG construction application is submitted.

**Construction.** Following WWAC review, communities may be invited to submit a CDBG application for construction activities such as preparation of environmental review, acquisition of real property, bid process, construction of improvements, construction management, general administration and legal costs. Projects for water system improvements will be considered only if service connections are metered, or the project will include installation of meters.

Applicants may apply for a construction grant without having been awarded a preliminary engineering or a final design grant from CDBG program.

**Combined Design and Construction.** When appropriate, a single grant application for both final design and construction may be obtained; however, grantees must have all land acquired or option to purchase in place.

## 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 anti-displacement 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 which 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 any time 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 family 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).

### Section 5.03 Public Works Priority Point System for Selection

This matrix delineates each selection criteria as a numerical score applied to the PW (Public Works) priority. The minimum threshold scores are: 5 points for needs identification, and 50 points total for need, impact and readiness.

(1)	(2)	(3)	(4)	(5)	(6)	
CNF	Needs Identification	Project Need, Impact and Readiness	Local Effort	National Objective	Leverage	TOTAL
80	50	150	100	70	50	500

The most currently available data will be used for the selection criteria which are:

1. **Community Need Factors (CNF):** Maximum 80 points - the four statistical factors, scored at 0-5-10-15-20 points each, that measure the applicant's economic distress are: (a) population change, based on the applicant's percent change in population from 1990 to the most current year for which the U.S. Bureau of the Census has reported a count or estimate compared to the statewide percent change in population; (b) income, based on the most recent estimate of per capita income for the applicant reported by the U.S. Bureau of the Census compared to the state per capita income; (c) unemployment, based on the most recent unemployment rate of the applicant's county reported by the Nebraska Department of Labor compared to the state average unemployment rate; and (d) retail sales change, based on the applicant's percent change in net taxable sales from 1990 to the most recent year reported by the Nebraska Department of Revenue compared to the state percent change in net taxable sales. With a maximum score of 20

points on each of the four factors, the maximum possible total CNF total score for an applicant is 80.

2. **Needs Identification (Part III Item 1):** Maximum score is 50 points; the minimum required is 5 points. Needs Identification will be evaluated as follows: applicant's description of public participation and the process used to identify community needs and allocate resources to address needs will be compared to other applicants with: 0 points-Below Average; 5 points – Average (needs identification). The community has completed a comprehensive community needs assessment process including citizen participation. The process includes but is not limited to developing and distributing community attitude surveys, holding public meetings to develop community priorities and involving local groups and organizations to develop community priorities. Activities must have been completed in the last three years prior to the date of the application submission. 30 points – Above Average (needs identification, development and implementation). The community has completed the above needs identification activities, has identified and prioritized survey results from the needs assessment process, has been involved in developing ongoing community action plans for short and long-term projects. Action plans must include strategies/goals, action tasks, timelines, estimated financial assistance needed, potential sources of assistance, and responsible parties to oversee goal progress. Community must also show significant community and economic development efforts with citizen participation within the last three to five years as a result of community needs assessments, participation, and planning efforts. The community must show evidence of a broad base of projects and/or programs that have been implemented and completed within the last three to five years; 50 points – Outstanding (needs identification, development and implementation, sustainability). The community has completed above needs identification, development and implementation, and in addition adopted or updated a comprehensive plan, housing study and/or capital improvement plan within the last five to seven years. The community can show participation in the Nebraska Community Improvement Program and/or show evidence of other economic or community initiatives such as implementing LB840 and/or completing a business retention and expansion survey for the community.

3. **Project Need, Impact and Readiness (Part III Items 2 through 7):** Maximum score is 150 points; minimum required is 50 points.
  - **NEED (Part III Item 2):** 0 points - less serious problems (i.e. facility needs functional improvements like kitchen or parking, minor code violations, expanding access, repair due to pending highway construction, etc.); 25 points - moderately serious or isolated problems (i.e. health and safety threat to users, facility not physically accessible, undersized or lacking space, infiltration and inflow or decrepit distribution lines, etc.); 50 points - severe and widespread problems exist in service area (i.e. no facility or cannot house or will lose a basic program or service, no similar facility or service within reasonable distance, significant structural problems, etc).
  - **IMPACT (Part III Items 3-4):** 0 points - the activity or application does not clearly address the identified need(s), design life, maintenance capacity, duplication of activity, etc.; 25 points - the project will significantly address the identified need(s) in the service area, has a long term design life (15 or more years) and

maintenance capacity and will not duplicate other facilities in the area, etc; 50 points - the proposed project will substantially address the identified need(s) in the service area, has a long term design life and maintenance capacity and will not duplicate other facilities in the area.

- **READINESS (Part III Items 5-7) :** 0 points - little preliminary work is done on project, site or financing, unrealistic or unclear construction timetable, etc; 25 points - significant preliminary work is done, project is feasible and cost estimates reliable, financial resources have been investigated and are pending, optional sites are available, average construction timetable, etc; 50 points - substantial preliminary work is done, project is feasible and cost estimates reliable, non-CDBG financial resources are committed, site is controlled, environmental agency consultation has been completed, construction can be promptly started and completed.

4. **Local Effort Factor (Exhibit H):** Maximum 100 points. Applicant's fiscal effort to maintain and improve its public facilities through local government tax revenues.

The local effort formula for determining scores will be: the latest complete fiscal year local government tax revenues, including local sales tax revenues; **divided by the product of the applicant's most recent counted or estimated population reported by the U.S. Bureau of the Census times the applicant's most recent per capita income.** The local effort formula is:  $\text{Local Effort Factor} = \frac{\text{Local Government Revenue}}{\text{Population} \times \text{Per Capita Income}}$ .

The local effort scores of applicants within a CDBG CD priority are calculated based on the median local effort factor for those applicants. Applicants are competitively scored only with those in the same priority. The local effort score for each applicant is calculated by first determining the result for the following formula:  $x = (\text{Local Effort Factor} / \text{Median}) \times 50$ . The result of this formula is the local effort score for the applicant if less than 100; if not, the local effort score is 100, the maximum possible local effort score allowed for applicants.

5. **National Objective Impact (Part III Item 8):** projects that primarily benefit low and moderate income 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.
6. **Leveraged funds:** 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 allowable leveraged funds.

## Section 5.04 Water/Wastewater Priority System for Selection

Water/Wastewater applicants must have submitted a pre-application and Preliminary Engineering Report (see Water/Wastewater Pre-application above) to the Water Wastewater Advisory Committee and then recommended for a CDBG application. DED staff will review potential CDBG applicants according to the following selection criteria:

### 1) Health or Environmental Need

The Drinking Water and the Clean Water State Revolving Funds priority systems will be used to prioritize projects. Only those communities that would rank in the highest priority (85 points or more for water and 55 points or more for wastewater) may be considered for CDBG through December 31, 2010. If funds remain available thereafter, CDBG funds will be considered for the highest ranked communities that are ready to promptly start and complete construction within 24 months.

For more information on the Drinking Water and Clean Water State Revolving Fund priority system please look at the Department of Environmental Quality's (NDEQ) website. For Clean Water Revolving Fund please visit <http://www.deq.state.ne.us/Publications/Publications+CWSRF>. For Drinking Water Revolving Fund please visit <http://www.deq.state.ne.us/Publications/Publications+DWSRF>.

### 2) Appropriateness of Solution

Proposed solutions will be evaluated for the degree to which they are long term; appropriate in terms of capacity, sizing and demand for the community, as well as technical, operational and financial aspects of the project. Solutions must alleviate high priority needs. **Applicants must have a reasonably projected user fee, including all potential grant funds, exceeding \$20 per household per month.**

### 3) Readiness to Promptly Start and Complete Construction

Projects will be reviewed for the extent to which matching funds have been secured (binding commitments obtained, local funds budgeted, etc.), and realistic schedules are provided to: secure necessary property and easement rights, complete environmental review that complies with CDBG requirements, complete final design plans and bid specifications, complete review and obtain approval by other agencies of all permits necessary to complete project, start and complete construction. For projects that contain the development of a well field, the water quality and production capabilities of the site must be confirmed through the development of a test hole before an application will be considered.

**Ties shall be broken for Preliminary Engineering Reports and Water Wastewater projects when two or more projects:**

- a) have equivalent SRF priority ranking, b) propose appropriate solutions, c) are ready to promptly start and complete activities, and d) adequate CDBG funding for all projects is not available. The community with the highest percent of low- and moderate-income persons shall have priority.**

## Section 5.05 The Use of Consultants

There are a number of reasons why a community may want to use consultants to assist with preparing a Community

Development Block Grant application or administering a grant, such as when:

- a) the work requires special professional services, such as accounting, architectural, engineering, or legal services;
- 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 or project administrators. The federal requirements do not apply to communities selecting consultants to assist with the preparation of an application.

Several points should be considered before selecting any consultant, engineer, architect, 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 which 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 or Administrative Consultants Prior to Grant Award

In some cases, local officials decide to procure the services of an engineer to assist them with both preparation of preliminary engineering plans and project engineering, in the event their community is selected for grant award. Likewise, some communities want to conduct one procurement process to cover both grant preparation and grant administration. 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. Any such contract also would have to have the prior approval of the Department of Economic Development to assure that federal procurement procedures were complied with and that all required federal clauses are included in the contract. 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, 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.

Competitive proposals are advertised and requested from several qualified sources.

HUD regulations for competitive proposals require the following:

- a) Requests for proposals (RFP's) or qualifications (RFQ'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; nature and extent of services proposed versus estimated fees – 10 points; etc.);
- b) Proposals must be solicited from an adequate number of qualified sources (at least three);
- c) 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;
- d) Awards must be made to the responsible firm whose proposal is most advantageous to the program, with price and other specified factors considered; and
- e) 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 Architectural or Engineering services.

DED recommends sending RFP's 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. Competitive proposals refer 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 managing a grant.

Sometimes the firm you are interested in will be a new firm with few if any client references. New, small firms can 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 with preparing a grant application or 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 which are 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 State Program for communities under 50,000 in population with 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 activities 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**

A family is defined as all persons living in the same household who are related by birth, marriage or adoption. An individual living in a housing unit that contains no other person(s) related to him/her is considered to be a one-person family for this purpose. A dependent child 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.

#### **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.

#### **Flood and Drainage**

Facilities designed to influence or affect the flow in a natural water course (such as a river, stream, lake or intermittent stream) and excludes storm sewers.

#### **Grant Closeout**

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

#### **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**

Income includes all monies received by all members of the family, who are age 15 or older, such as gross wages and salaries, bonuses, tips, interest, dividends, social security, other retirement, supplemental security income, welfare, disability, VA payments, unemployment, alimony, other. 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.

**Leverage**

Funds that are committed to the project activities exceeding the required match. Leverage may include public and private funds, or in-kind services, such as materials, labor, or other items 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. For additional information see *Section 3.02 (3)*.

**Target Area**

A defined geographic area within which 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 of 100 or more families in a community or an entire community. The target area must encompass the entire area served by the project. For additional information see *Section 3.02 (4)*.

## 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.

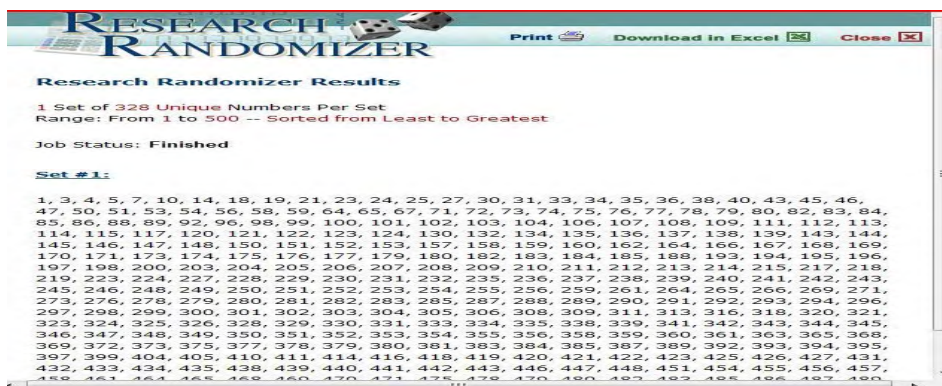
It is not acceptable to oversample by more than 20%. Oversampling of this magnitude can significantly reduce the reliability of your survey. Income surveys that sample in excess of 20% will not be accepted by the Department.

### 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
Data Quality			
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%, you will need to conduct further analyses. This is true for both a census survey and a random sample survey. The necessity of the additional analysis 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, 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.

### References

- Trochim, W.M.K. (2001). *The Research Methods Knowledge Base*. (2<sup>nd</sup> ed.). Cincinnati, OH: Atomic Dog Publishing.
- Johnson, J.B., Joslyn, R.A., & Reynolds, H.T. (2001). *Political Science Research Methods*. (4<sup>th</sup> ed.). Washington, D.C.: CQ Press.

**APPENDIX 5 (Rev 11/18/2008)**  
**WATER WASTEWATER COMMON PREAPPLICATION PROCESS**

**INTRODUCTION:** Applicants anticipating the use of federal and/or state administered funds to finance water or sanitary sewer improvements through the Water Wastewater Advisory Committee (WWAC) process must complete and submit a total of five (5) originals and/or copies of the pre-application, consisting of the attached two page form and a facility plan (FP) or preliminary engineering report (PER) (see attached guide), to one of the WWAC agencies. The WWAC agencies include:

Rick Bay  
Department of Environmental Quality  
1200 "N" Street, Suite 400  
P.O. Box 98922  
Lincoln, NE 68509-8922

Merci Suarez  
Department of Economic Development  
301 Centennial Mall South  
P.O. Box 94666  
Lincoln, NE 68509-4666

Steve McNulty  
Department of Health and Human Services  
Division of Public Health  
301 Centennial Mall South  
P.O. Box 95026  
Lincoln, NE 68509-5026

Denise M. Brosius-Meeks  
USDA Rural Development  
Room 152, Federal Building  
100 Centennial Mall North  
Lincoln, NE 68508

**PROCEDURE:** Each pre-application will be reviewed by the WWAC as follows:

1. The five (5) originals (or copies) of the pre-application and FP/ER are submitted to one of the WWAC agencies.
2. Upon receipt, the agency distributes copies to the other WWAC members. Incomplete pre-applications will be returned.
3. The WWAC will review the pre-application within 60 days after the submission. Meetings will be held on the third Tuesday of each month in the City of Lincoln.
4. The WWAC may request the applicant attend a meeting (or the applicant may request a meeting) with the WWAC to discuss the project scope, including technical aspects and alternatives considered. Project funding sources and associated application requirements can be discussed along with the various routine program or unique project requirements. This meeting can be held face to face, by video conference, or by teleconference and should include appropriate program staff, a community representative and the project engineer.
5. Following its consideration, the WWAC will reply to the applicant by letter. For a suitable pre-application, the WWAC will recommend the pre-application be accepted and outline the logical funding sources to whom a full application should be submitted. The WWAC may, in the same or separate letter, list pertinent comments regarding technical, operational, or financial aspects of the project(s). Substantive comments by the WWAC must be resolved before an application can be recommended for acceptance. Each agency on the WWAC will receive a copy of any WWAC correspondence.
6. Each funding agency will follow its own full application process. Applicants seeking funding for the same project from multiple agencies must submit a full application to the particular agencies.
7. Applications will normally not be funded until the following actions have been taken:
  - If the project includes the development of a well field the water quality and production capabilities of this site will have been confirmed through the development of a test hole.
  - The applicant will need to be able to provide assurance that they can secure the necessary land for the project. This assurance would include deeds, purchase agreements, leases, or a resolution by the Board of Trustees on their intent to proceed with condemnation.
8. If a full application varies significantly from the pre-application, or if the facts involving a project have changed such that the feasibility of the proposed solution warrants further investigation, any individual WWAC agency may request the full WWAC to review the project again.



<p><b>User Information:</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;"></th> <th style="width: 20%; text-align: center;">Water</th> <th style="width: 20%; text-align: center;">Wastewater</th> </tr> </thead> <tbody> <tr> <td>Number of residential users: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td colspan="3"><b>Non-Residential</b></td> </tr> <tr> <td>Number of 3/4" meters: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Number of 1" meters: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Number of 1 1/2" meters: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Number of 2" meters: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Number of 3" meters: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Number of 4" meters: _____</td> <td>_____</td> <td>_____</td> </tr> <tr> <td>Other _____</td> <td>_____</td> <td>_____</td> </tr> </tbody> </table> <p><b>NOTE:</b> Indicate water meter sizes for Non-Residential wastewater users</p>		Water	Wastewater	Number of residential users: _____	_____	_____	<b>Non-Residential</b>			Number of 3/4" meters: _____	_____	_____	Number of 1" meters: _____	_____	_____	Number of 1 1/2" meters: _____	_____	_____	Number of 2" meters: _____	_____	_____	Number of 3" meters: _____	_____	_____	Number of 4" meters: _____	_____	_____	Other _____	_____	_____	<p>Does water/wastewater system currently use meters (circle one):</p> <p style="text-align: center;">YES                      NO</p> <p>Nonmetered Water Rates ____/mo Nonmetered Sewer Rates ____/mo</p> <p>Metered Water Rates ____/mo for ____ gallons Overage charges _____</p> <p>Metered Sewer Rates ____/mo for ____ gallons Overage charges _____</p>
	Water	Wastewater																													
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Number of 3" meters: _____	_____	_____																													
Number of 4" meters: _____	_____	_____																													
Other _____	_____	_____																													

COST CLASSIFICATION	ESTIMATED TOTAL COST
1. Administrative and legal expenses	
2. Land, structures, right-of-ways, appraisals, etc.	
3. Relocation expenses and payments	
4. Architectural and engineering fees	
5. Project inspection fees	
6. Site work, demolition and removal	
7. Construction	
8. Equipment	
9. Miscellaneous	
10. <b>SUBTOTAL</b> (sum of lines 1-9)	
11. Contingencies	
12. <b>SUBTOTAL</b>	
13. Less project (program) income	
14. <b>TOTAL PROJECT COSTS</b>	

<p>The undersigned representative of the applicant certifies that the information contained herein and the attached statements, exhibits, and reports, are true, correct and complete to the best of my knowledge and belief.</p>	
<p>Applicant Signature: _____</p>	<p>Date: _____</p>
<p>Preapplication Preparer Signature: _____</p>	<p>Date: _____</p>

## **FACILITY PLAN OR PRELIMINARY ENGINEERING REPORT GUIDE FOR WASTEWATER OR WATER FACILITIES**

GENERAL. The following information must be included in the Facility Plan or Preliminary Engineering Report. These reports must be signed, sealed and dated by a professional engineer registered in Nebraska. Additional planning requirements for SRF funded projects are in Title 131 Rules and Regulations for the Wastewater Treatment Facilities and Drinking Water Assistance Programs, Nebraska Department of Environmental Quality.

- A. Area to be served.** Describe – give natural boundaries, major obstacles, elevations, need for facilities, population demographics, and other pertinent information. Use maps, photographs, and sketches.
- B. Existing Facilities.** Describe – include physical condition, capacity, and inadequacy for continued use of facilities now owned by the applicant. Provide the basis for a strong needs statement.
- C. Alternatives.** Evaluate and rank proposed design alternatives. Evaluations shall include a cost-effectiveness analysis on the alternatives including a 20-year present worth of annual operation and maintenance costs. In addition, an engineering evaluation including reliability, ease of use, and appropriate wastewater or water treatment technology for the community's management capability shall be conducted. Anticipated environmental impacts shall also be compared.
- D. Proposed Facilities and Services**
  - a. General description of the proposed facility, including design criteria utilized. Basic hydraulic calculations shall be listed in tabular form. Also materials and any design problems shall be discussed such as subsurface rock, high water table or others which may affect cost of construction or operation of the facility.
  - b. Land – include amount required, locations, and alternate locations. Also easements, permits, or other evidence of rights-of-way meeting Departments of Health and Human Services, Environmental Quality, and other agency requirements.
  - c. Environmental Impacts – Include discussion of direct and indirect impacts such as floodplains, wetlands, prime farmland, endangered species, historic preservation, etc. Copies of the consultation letters will be included in an appendix. This early start of the NEPA environmental process reduces processing time.
- E. Preliminary Design Criteria for Drinking Water Projects** (specific to Preliminary Engineering Reports).
  - a. CDBG and State Revolving Fund (SRF) monies are directed to be expended for human consumption and/or for health related issues. Upsizing wells, storage, and distribution to mainly meet fire flows or primarily serve residential and industrial future growth or agricultural irrigation and livestock purposes will not be considered as eligible under the program rules and those uses must be separated from the project and funded through other lenders.
  - b. Details should be provided for determining average daily demand (residential, commercial, leakage, and public use defined). The community's annual average gallons per capita per day (3 years data preferred) may be used if the user rates are based on metered usage OR the use of other published engineering design guidelines may be submitted for consideration in designing the proposed project.
  - c. Peak period demands for daily and hourly should reflect the same conditions as described above.
  - d. Storage facilities should be sized using the Recommended Standards for Water Works guidelines (except for fire flows as stated above) OR the use of other published engineering design guidelines may be submitted for consideration in designing the proposed project.
  - e. If the project involves the development of a new well field site the following information will need to be provided:
    - i. Site approval by the Department of Health and Human Services Division of Public Health.
    - ii. Data which supports the development of the well in this area such as geological surveys, water quality and production data (gallons per minute, specific capacity, etc.) on wells in adjoining areas, data from the Department of Natural Resources or Natural Resource District, or water quality and production results from a test hole(s) drilled on site.
- F. Planning Criteria for Wastewater Projects** (specific to Facility Plans)
  - a. SRF monies are directed for municipally owned wastewater facility needs. Projects of a speculative nature or primarily for industrial capacity are not normally funded.
  - b. Details should be provided for determining the average daily, peak hour and maximum daily wastewater flows to the POTW. Actual flow monitoring data should be gathered over a sufficient period to capture a wet weather event to analyze for infiltration and inflow from the sewer system. Flows in excess of 120 gpcd indicating ground water infiltration or 275 gpcd during a storm event should require the completion of

a Sanitary Sewer Evaluation Survey. This further study should analyze which is more cost effective; to transport and treat the excess I&I, or if sewer rehabilitation would be cost effective in removing the excess I&I. Winter quarter potable water usage should be analyzed and compared to the wastewater flow data to check if exfiltration is occurring in the collection system. Unsewered areas within the planning jurisdiction should be identified. A cost-effectiveness analysis should be conducted on eliminating existing septic tank systems with sewer extensions.

- c. If commercial or industrial contributions are received by the POTW then flow proportioned composite sampling should be conducted measuring the daily pounds of Ammonia, CBOD, and TSS and their peak monthly values.
- d. Receiving stream information along with the current or proposed NPDES discharge permit limitations determined and disinfection and any industrial pretreatment considerations analyzed.
- e. Evaluation of the treatment alternatives should include conventional as well as any alternative or innovative technology including regionalization and sludge disposal alternatives for the 20 year design average and peak wastewater flows. Design criteria shall follow the current design standards as required by NDEQ. A cost effectiveness monetary analysis will be required on the principal alternatives as outlined in paragraph C above, along with an engineering evaluation of the following factors: a) reliability, b) energy use, c) revenue generating alternatives, d) process complexity, e) O&M considerations, and f) environmental impacts.

**G. Cost Estimate.** Include development, land and rights, legal, engineering, interest, equipment, contingencies, refinancing and other.

**H. Annual Operating Budget**

- a. Income – Include rate schedule and realistic project income.
- b. Operation and Maintenance Costs (O&M) - In the absence of other data, base annual O&M costs on actual costs of other existing systems of similar size and complexity. Include facts in the report to substantiate operation and maintenance cost estimates. Include salaries, wages, taxes, accounting, legal, interest, utilities, gas-oil-fuel, insurance, repairs and maintenance, supplies, office expenses, and miscellaneous.
- c. Capital improvements.
- d. Debt repayment and reserve requirements.
- e. Impact to existing user charges and derivation of proposed rates.
- f. Provide a copy of the previous 3 years financial history on the operations of the water or sewer fund (whichever is applicable).
- g. Provide an amortization schedule on the existing indebtedness held on the system.

**I. Maps, Drawing, Sketches, and Photographs**

- a. Maps – Show locations, boundaries, elevations, population distribution, existing and proposed systems, right-of-way, and land ownership. For wastewater lagoons, distance to individual or municipal drinking water wells and habitation within a quarter mile radius is to be shown.
- b. Drawings and sketches. Show preliminary treatment design and layout, elevations.

**J. Conclusions, Recommendations, and Implementation Schedule**

- a. Readiness to proceed shall be evaluated including land acquisition needs and likely land acquisition method of either negotiation or eminent domain.
- b. A timetable with the following milestones shall be included:
  - i. Securing land rights.
  - ii. Completion of test hole drilling and testing.
  - iii. Completion of environmental review process.
  - iv. Submission of loan/grant application(s) to appropriate agency(ies).
  - v. Completion of final plans and specification.
  - vi. Start and completion of construction.

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