## **Attachment 1**

## **Summary of Eligible 2016 CDBG Program Activities**

Activity	Eligible Uses of Funds	Application Requirements	Maximum Funding
Property Acquisition for Multi-Family Housing	<ul> <li>Acquisition of existing rental housing where 51% of units are occupied by LMI residents</li> <li>Resident purchase of mobilehome park</li> <li>Acquisition of vacant land for affordable housing development project</li> </ul>	At least 51% of the units must be occupied by LMI households	\$600,000
Homeownership Assistance Provide assistance to low-income homebuyers of existing housing	<ul> <li>Finance acquisition of existing housing by LMI home-buyers</li> <li>Subsidize interest rates and mortgage principal amounts</li> <li>Acquire guarantees for mortgage financing obtained from private lenders</li> <li>Provide up to 50% of down payment</li> <li>Pay reasonable closing costs</li> </ul>	<ul> <li>Adoption of program guidelines by City Council</li> <li>Waiting list of pre-screened applicants</li> </ul>	\$600,000
Housing Rehabilitation (1-4 Units) Rehabilitation of 1-4 units on a single property	<ul> <li>Financing of repairs and general property improvements to owner- and renter-occupied units, including repair or replacement of principal fixtures and components</li> <li>Demolition and reconstruction of dwelling units (under certain circumstances)</li> <li>Loans for refinancing existing indebtedness</li> <li>Water and sewer laterals from main water line to dwelling</li> </ul>	<ul> <li>Guidelines adopted in accordance with required citizen participation and formal resolution by the governing body of the jurisdiction.</li> <li>If tenant-occupied, guidelines must separate out rules for renter-occupied units (also called owner-investor) and owner-occupied units</li> </ul>	\$600,000

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	<ul> <li>Installation of water meters</li> <li>Conversion/modification/replacement of heating and cooling equipment, including solar energy equipment</li> <li>Improvements to increase water use and energy efficiency</li> <li>Hazard insurance premiums</li> <li>Flood insurance premiums</li> </ul>		
Housing Rehabilitation - Multi-Family Rehabilitation of existing project with 5 or more units	<ul> <li>Financing of repairs and general property improvements to renter-occupied units, including repair or replacement of principal fixtures and components of existing structures</li> <li>Demolition and reconstruction of dwelling units (under certain circumstances)</li> <li>Loans for refinancing existing indebtedness of project being rehabilitated</li> <li>Improvements to increase water use and energy efficiency, including solar energy equipment</li> <li>Conversion of non-residential properties to residential use</li> </ul>	<ul> <li>≥ 51% of units must be occupied by LMI households</li> <li>Only one project may be applied for</li> <li>Narrative description of the proposed activity</li> <li>Indication of readiness such as identifying a program operator, obtaining documented commitments from funding sources, securing site control</li> </ul>	\$1 million
Public Improvements	Construction, reconstruction, rehabilitation and/or installation of:  • Water and sewer facilities  • Flood and drainage facilities	<ul> <li>Must be located in and serve a predominantly-residential area</li> <li>Must benefit a service area with at least 51% LMI persons</li> </ul>	\$1.5 million

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	<ul><li>Street improvements (including sidewalks, curbs, gutters)</li><li>Utilities</li></ul>	Maximum of one project	
Public Facilities	<ul> <li>Acquisition, rehabilitation or new construction of buildings and grounds used to provide one or more CDBG-eligible public services (such as recreation, health services)</li> <li>Acquisition of real property if property meets any of the following criteria:         <ul> <li>Blighted, deteriorated, deteriorating, undeveloped or inappropriately developed from standpoint of sound community development and growth;</li> <li>Appropriate for rehabilitation or conservation activities; or,</li> <li>The acquisition of land for use as a park serving primarily an LMI residential neighborhood</li> </ul> </li> <li>Temporary shelter for persons having special needs</li> <li>Removal of architectural ADA barriers from buildings used for the general conduct of local government</li> </ul>	Maximum of one project	\$1.5 million
Public Services	Provision of public services (including labor, furnishings, equipment, supplies, materials), including, but not limited to the following:  • Child care	Funds may be provided only under one of the following circumstances:  Service is new (i.e., it has not been provided before, or has been	\$500,000 total

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	<ul> <li>Health care</li> <li>Crime prevention</li> <li>Job training</li> <li>Recreation programs</li> <li>Education programs</li> <li>Fair housing counseling</li> <li>Credit counseling services</li> <li>Public safety services</li> <li>Services for senior citizens</li> <li>Services for homeless persons</li> <li>Drug &amp; alcohol abuse counseling/testing</li> <li>Transportation services</li> <li>Nutrition services</li> <li>Energy conservation counseling/testing</li> <li>Emergency assistance payments (for example, to keep tenants from losing housing)</li> <li>Neighborhood Cleanup</li> </ul>	discontinued for more than 12 months prior to final filing date of application, or  • Service will show a quantifiable increase in the level of service with the costs having never been incurred or paid for by a funding source, or  • Service is currently funded with CDBG grant funds and will remain at substantially the same level, or  • Service was previously funded by another source and that source is no longer available  Up to three individually-eligible programs allowed per application	
	<ul> <li>Code Enforcement</li> <li>Provide code enforcement of state and/or local codes</li> <li>May only pay for staff salaries for Code Enforcement Officers issuing citations for code violations</li> </ul>	<ul> <li>May only take place in primarily residential areas where 51% of residents are LMI</li> <li>May not pay for code enforcement in entire jurisdiction</li> <li>May only be carried out in deteriorating or deteriorated areas where such enforcement, together with public or private</li> </ul>	

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		<ul> <li>improvements, rehabilitation or services to be provided, may be expected to arrest the decline of the area</li> <li>Must clearly identify measurable outcomes</li> </ul>	
		Must be supported by documented success	
Planning and Technical Assistance	<ul> <li>Research, analysis and planning for community needs in regard to housing, public improvements, community facilities, public services and local planning issues</li> <li>Ineligible uses - Comprehensive, general or long-range planning         <ul> <li>Comprehensive means the study was conducted for more than half of the geographic area in the jurisdiction, and includes two or more topics regarding the physical development of the jurisdiction.</li> <li>General means the documents include summaries of broad policies or proposals that are not site-specific.</li> <li>Long-range means the time-frames for the policies and proposals are five years or more.</li> </ul> </li> </ul>	<ul> <li>Must show at least 51% of the persons who would benefit from implementation of plan being studied by the PTA are LMI persons or households</li> <li>Final product must show a connection to assisting with an eligible CDBG activity that, if implemented, meets the Low/Mod Area Benefit National Objective.</li> <li>5% of total funding amount required as a local cash match</li> </ul>	\$100,000

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Business Financial Assistance Funds may be provided to for- profit businesses (existing or startup) as loans	Paying for program marketing, loan threshold review, federal overlay compliance, business underwriting and loan approval  Financing of:  • Working capital for marketing costs, operating expenses and inventory  • Furniture, fixtures, equipment  • Interior and exterior repairs and property improvements to commercial properties (including permits, engineering and architectural costs); may include ADA accessibility improvements  • Real property acquisition  • Demolition and reconstruction or repair of blighted building(s) where business will operate  • Relocation costs of displaced persons due to project development  • Some off-site public improvements  • Refinancing of existing indebtedness	<ul> <li>A jurisdiction-specific local market analysis report supporting the proposed activity</li> <li>Narrative description of how proposed design, organization and structure will effectively and efficiently carry out and achieve stated goals of need for activity</li> <li>Complete documentation of program operator and staff responsible for conducting activity and/or work</li> </ul>	\$300,000 (\$500,000 for combination program of Business Assistance and Microenterprise Assistance)
Microenterprise Assistance Same as above, but for businesses with 5 or fewer employees	<ul> <li>Technical Assistance Services, including:</li> <li>Classes that provide business training and capacity building</li> <li>One-on-one training to help businesses develop financial management tools and inventory controls for their company or help develop a specific marketing plan</li> </ul>	<ul> <li>Participants must be incomequalified</li> <li>Jurisdiction-specific local market analysis report supporting proposed activity</li> <li>Program organization chart and activity flow chart identifying</li> </ul>	\$300,000 (\$500,000 for combination program of Business Assistance and Microenterprise Assistance)

Activity	Eligible Uses of Funds	Application Requirements	Maximum Funding
	<ul> <li>Using grant or loan financing to pay for working capital or marketing costs, operating expenses and inventory</li> <li>Financing for furniture, fixtures, equipment</li> <li>Financing for payment of interior repairs and property improvements to commercial properties (including permits, engineering and architectural costs); may include ADA accessibility improvements</li> <li>Real property acquisition and/or construction by non-profit agencies</li> <li>Support Services Assistance:</li> <li>Payment of transportation costs to allow ME participants to travel to and from classes and technical assistance.</li> <li>Payment of child care services to support the ME Program participant in attending technical assistance activities</li> </ul>	program operators and all individuals responsible for work performed  • Procurement status of program operator, documentation of relevant expertise and experience of individuals performing work along with evidence that supports that Applicant is ready to proceed with activity	