

APPLICATION GUIDANCE INFORMATION

This Application Guidance package explains how to apply to the Massachusetts Community Development Block Grant (CDBG) Program, including information on what to submit, deadlines, special eligibility standards, and the application review processes. This guidance material should be read in conjunction with the FFY 2021 One Year Action Plan, which should be read first. *The One Year Action Plan takes precedence over language in all program components within this application guidance.* The draft FFY 2021 Action Plan is available on DHCD's website at www.mass.gov/dhcd/.

The Department of Housing and Community Development (DHCD) provides technical assistance to cities and towns interested in applying to the Massachusetts CDBG program. Applicants are strongly encouraged to call email program staff with questions. In addition, Technical Assistance Memos will be available online. These documents describe program design options and the regulations governing projects.

DHCD reserves the right at any time and without penalty to cancel or recommence this Notice of Funding Availability (NOFA), narrow or amend its scope, or reject any and all responses if DHCD determines that a fair and open competitive procurement has been compromised or that doing so is in the best interest of the Commonwealth. DHCD reserves the right to use this NOFA and responsive applications to allocate CDBG awards without further notice.

APPLICATION SUBMISSION REQUIREMENTS

Community Development Fund / Mini-Entitlement Program

The Community Development Fund is a competitive program that is available to all municipalities that are not Entitlement Communities as identified by the United States Department of Housing and Urban Development (HUD) or Mini-Entitlement communities as identified by DHCD. A complete description of the Community Development Fund can be found in the Draft FFY 2021 One Year Action Plan.

The Mini-Entitlement program description in the Draft FFY 2021 One Year Action Plan details the program and basis for the designation of communities.

All applications must be received by DHCD's web-based application system by Friday, September 10, 2021 at 11:59 PM. A signed copy of the required Application Cover page, and Joint Authorization page (if applicable), must be attached in the Miscellaneous Attachments link of the application.

APPLICATION TRAINING AND TECHNICAL ASSISTANCE

Local officials or their designees are welcome to examine previously funded applications on-line. Communities that seek DHCD assistance generally write more competitive applications than those that do not. We strongly recommend that if a municipality plans to apply to the Massachusetts CDBG Program, a representative contact Massachusetts CDBG staff at 617-573-1400.

It is extremely important for municipalities to understand that because the grant programs contained in this application are competitive, *Massachusetts CDBG does not discuss applications with local officials or their agents after the application deadline.* Therefore, please be sure that your application is accurate and complete before submission.

The Appendices referred to throughout this guidance are available on DHCD's website. See the list of Available Appendices for details on how to access the information.

ELIGIBLE PROJECTS

Massachusetts CDBG grants can fund any project that is eligible under federal statute in Title I of the 1974 Housing and Community Development Act, as amended. Traditionally, communities use Massachusetts CDBG resources to carry out the following types of programs or projects through these programs. This is only a partial list:

Housing assistance: rehabilitation of substandard dwelling units, repairs to maintain livability including minor repairs designed to help elderly residents stay in their homes, lead paint abatement, rehabilitation of shelters or transitional housing, site development costs for new housing projects (in very limited instances, new housing construction), and relocation.

Housing development: includes projects involving the rehabilitation of existing housing units in downtown and village center buildings, or the conversion to housing of upper story space in downtown and village center buildings, as well as other adaptive reuse projects (applicants thinking of this type of project must contact CDBG staff prior to submitting an application). Total cost should not exceed \$125,000 per unit. Design development drawings for the project must be included in an application (see appendix I for further guidance) The One-Stop application will not be required for these types of projects however, detailed cost estimates and budgets must include a description of both sources and uses of funds.

Economic development/commercial rehabilitation: sign and facade improvements and other economic development related projects (applicants considering an economic development project for FFY 2021 must contact CDBG staff before moving forward).

Public facilities: senior centers, neighborhood centers, parks and playgrounds, youth centers, architectural barrier removal, and other types of facilities that serve the needs of low- and moderate-income persons.

Infrastructure: reconstruction of streets and sidewalks, drainage improvements, upgrade of water supply and distribution systems, and construction or repair of sewer lines, including infrastructure to housing projects.

Public social services: day care subsidies, substance abuse counseling, community policing, elder services, first-time homebuyer counseling and down payment assistance, assistance for the homeless, disabled, illiterate adults, abused children, battered spouses and other predominantly low- and moderate-income clientele. Applicants should review the Limitations on the Use of Program Funds section of the FFY 2021 One Year Plan for more details regarding DHCD's preference for services that are designed to build economic security and self-sufficiency and overall requirements for public social services. No more than five services may be requested in an application.

Planning Projects: planning and pre-development assistance; it must be demonstrated that upon implementation the planned activities will meet a national objective.

Appendix A provides the complete list of eligible projects. The list of eligible projects reveals the flexible design of the Community Development Block Grant program. *However, a project retains*

*its eligibility only if it meets one of the three national objectives of the CDBG program: (a) benefit low- and moderate-income persons; (b) prevent or eliminate conditions of slums or blight; or (c) address an urgent or critical community need. **If it is not clear that the project, as presented in the application can meet a National Objective then the project cannot be funded** regardless of inclusion of the activity on the eligibility list. Detailed information about national objectives, including minimum compliance documentation, begins on page 8 of this Application Guidance.*

GRANT ADMINISTRATION GUIDANCE

The Commonwealth is not responsible for a recipient's grant management. Every municipality that receives a Massachusetts CDBG award is responsible for hiring qualified staff or consultants, supervising these individuals, and ensuring that grant programs are implemented in accordance with federal, state and, where applicable, local requirements. Chief elected officials or executive officers in municipalities considering a Massachusetts CDBG application should determine how much additional staff capacity the municipality will need to implement the grant and then either budget for qualified personnel in the application, or provide for compensation from locally appropriated resources. For further information see the section on Management Plans.

Municipalities may propose one or more projects in an application. Applicants may also include requests for funds to cover both administration and program delivery costs, as follows:

General Administration

Up to 15% of the total grant amount can be used for general administrative expenses. These include such personnel costs as financial/secretarial support and a grant manager to oversee program operations; and certain non-personnel expenses such as telephone, copying charges, an audit and other "overhead" types of costs.

Program Delivery

The cost of delivering a program service, such as the time spent by a housing rehabilitation specialist to inspect dwelling units, develop work write-ups, obtain bids for homeowners, and supervise construction work, is a program delivery cost which is not included in the general administration cap of 15%. The total administrative costs combined (General Administration and Program Delivery) must not exceed 27% of the total grant amount.

Grant Preparation Costs

If a municipality (or group of municipalities) has not received a Massachusetts CDBG grant in three prior years, up to \$6,000 for grant application preparation can be charged as an allowable expense to the grant. For all other communities the maximum allowable expense for grant application preparation is \$3,000. During application development, technical assistance is available to guide local officials in determining appropriate costs.

Determining Reasonable Administrative Costs

The Administrative and Program Delivery budgets are designed to allocate grant management charges between general administration and service delivery costs. However, grantees have the ability to perform grant responsibilities through municipal staff, a consultant or a sub-contractor. In any case, a city or town assumes the responsibility, through its Procurement Officer, of conducting procurement in accordance with applicable federal and state requirements. It is ultimately the responsibility of the municipality's Procurement Officer to establish procedures and monitor procurement operations to ensure that procurements are done properly.

Grant Awards and Administrative Costs

Municipalities that receive Massachusetts CDBG awards must comply with all applicable federal and state laws, regulations, guidelines, and executive orders, as may be further delineated in a contract with DHCD and guidance that may be issued or amended from time to time by DHCD.

DHCD reserves the right to increase or decrease the award of funds for a program when either the delivery or general administration costs are insufficient or unreasonably high. Further, as we monitor a grant for federal compliance, municipalities must maintain sufficient documentation to show that costs charged to a program were actually service-related and not overhead or general administration-related. In any case it will be the grant recipient's burden to prove the reasonableness and eligibility of program delivery costs in both the application, and later, in actual practice.

APPLICATION INSTRUCTIONS

This part of the Application Package provides guidance and instructions for completing the on-line application. Each on-line form includes specific instructions.

General Writing Guidelines and Page Limits for Applications

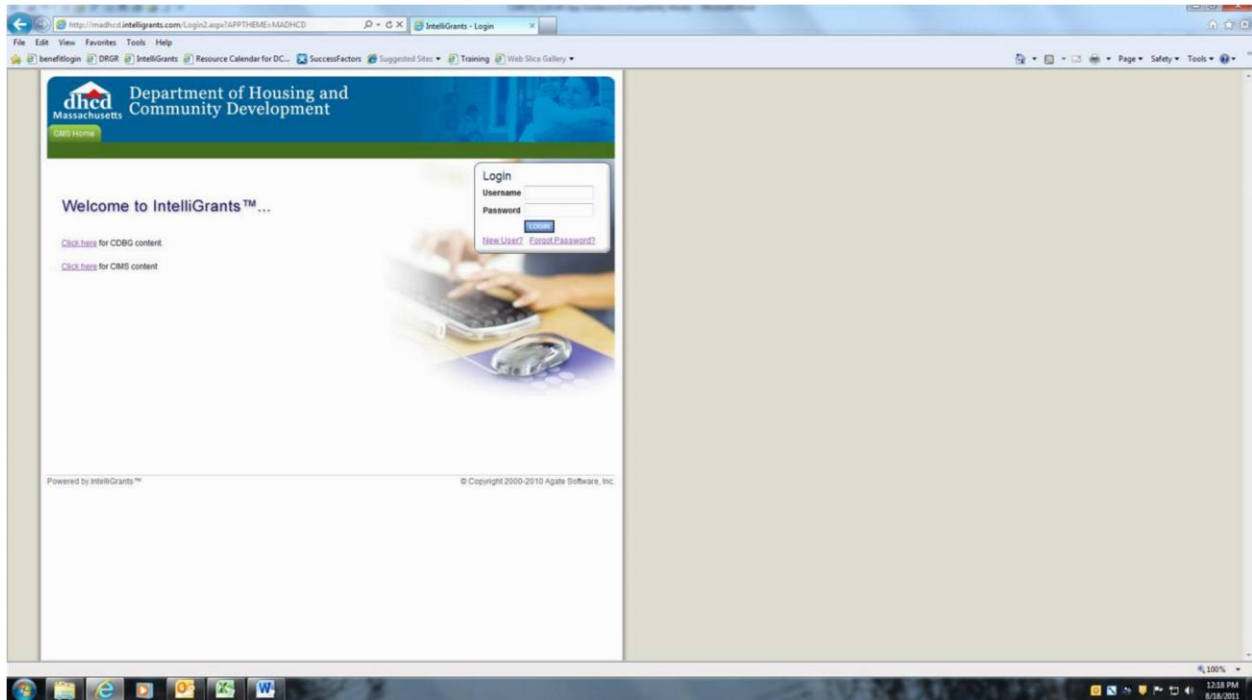
- There is a **four (4) page limit for responses to the scored questions** contained in each packet, except for a two (2) page limit for the planning packet. **Reviewers will not read beyond the page limit for any section.** Responses to the scored questions must use Times New Roman style with 12 pt font size and three-quarter (3/4) inch margins. **Responses with smaller margins will be considered to have exceeded the page limit. Applicants should also use reasonable (1.04) line spacing in developing the narrative.**

Page limits do not include the application cover sheets, threshold question responses, budget forms, project description summaries, or pertinent information that can be included in attachments or the appendix.

- Responses must be submitted on-line using the Department's web-based application system. **The easiest way to do this is to prepare, in advance, electronic versions of all narrative responses and then attach them to the corresponding section of the on-line application.**
- Several application questions allow for attachments. Applicants should use descriptive names for the attached documents e.g. "Public hearing minutes", "Waiting list summary" (do not include resident names on waiting lists). Attachments will be accessible through dropdown lists. If the attachments carry only file names, it is more difficult to locate the information. If more than five files are attached, applicants should create a list of attachments so that it is clear what information is available in the attachments. Do not use any symbols in the attachment file names. **Be sure that attachment names match the name provided in the text. See page 21 for further guidance on the use of attachments.**

MASSACHUSETTS CDBG's FFY 2021 web-based application forms will be available at <http://madhcd.intelligrants.com>. When they are, DHCD will post a notice on the web site.

The opening page should look like this:



If your community is a current grantee or applied for funds last year online, this page should be familiar. If not, follow the instructions for New Users and contact Mark Southard via email at Mark.Southard@mass.gov or by phone at (617) 573-1436.

After successfully logging on to the system, applicants should select the View Opportunities button. Find the Community Development Fund (CDF) or ME application for FFY 2021 and click the Apply Now button. Agree to create a new application when prompted and click on the View Forms button which will bring up the application forms.

APPLICATION MENU

The application menu consists of a series of Forms which are the content of an application. The appropriate forms must be completed and **saved** in order to assemble a complete application.

COMPONENT SELECTION

At the top of the application menu screen is a link to the component selection form. The application packet materials for an activity - Construction, Rehabilitation, etc. will appear on screen only after the activity is selected on the component selection form. Select the activity(ies) that are the subject of the application by checking the "Selected" box next to the activity title. If the application has more than one of the same activity, applicants will create additional packets later.

APPLICATION COVER

The Application Cover Sheet must be **printed and signed by the Chief Elected Official** or by the Chief Executive Officer (if so authorized by the city or town). The individual who signs the cover sheet must be the official who is authorized to obligate the city or town to legal contracts. If this is not the Chief Elected Official (i.e., Chairman of the Board of Selectmen or Mayor), furnish the appropriate documentation in an appendix, which verifies the contractual authority of the person who signs the application cover sheet. For joint applications, this would be the Chief Elected Official or Chief Executive Officer in the lead municipality.

The Application Cover Sheet includes a checklist of certifications. The text of each Certification appears as a separate form within the online application. Applicants must check the boxes on the cover page to indicate their compliance with the requirements of the certification forms. The applicant must submit the Print Version (click on the button at the top of the page) form of the Cover Sheet. **Applicants do not need to complete any of the forms associated with the certifications nor do they need to submit the forms.**

Municipalities seeking a joint or regional grant, i.e., two or more communities, must also submit the Joint Authorization Form. It must be signed by the Chief Elected Official of every municipality participating except for the Chief Elected Official of the lead municipality. The Chief Elected Official of the lead municipality signs the Application Cover Sheet.

The individual who signs the Joint Application Authorization sheet must be the official who is authorized to obligate the city or town to legal contracts. If this is not the Chief Elected Official (i.e., Chairman of the Board of Selectmen or Mayor), furnish the appropriate documentation in an appendix, which verifies the contractual authority of the person who signs the sheet.

TIMELY EXPENDITURE THRESHOLD STANDARDS (For current Massachusetts CDBG grantees)

In accordance with the FFY 2021 Draft One-Year Plan, Massachusetts CDBG requires that lead applicants who have received grants comply with a timely expenditure threshold in order to apply for FFY 2021 programs. If a joint participant has been a lead grantee in a CDBG grant that joint participant will be included in the analysis of this threshold. In order to apply for CDBG¹ funding, a community must demonstrate, using the most recent financial status report at the time of application that 100% of all grant funds awarded for FFY year 2018 and earlier have been fully expended, 70% of funds awarded in FFY 2019 have been expended and for funds awarded in FFY 2020 all required procedural clearances (environmental review, special conditions and administrative services² procurement(s)) have been completed at the time of an application for FFY 2021 funds. On a case-by-case basis, DHCD reserves the right to waive strict compliance with this threshold for events beyond the control of grantees.

¹ CDBG includes Community Development Fund, Mini-Entitlement, and Reserves, but for the purposes of this calculation excludes CDBG – DR, Section 108 and planning-only grants of \$50,000 or less.

² Administrative services procurements include grant management services and other services that may be necessary to ensure the grant is ready to proceed but do not include engineering or rehabilitation specialist services. Town's must be under contract for these services to meet the threshold.

AMERICANS WITH DISABILITIES ACT SELF EVALUATION SURVEY AND TRANSITION PLAN

For FFY 2021, all municipalities participating in an application for CDBG funds **that did not participate in an application between 2017 and 2020** will submit as part of the application, a copy of the municipality's Americans with Disabilities Act (ADA) required Self Evaluation Survey and Transition Plan (Plan). If a municipality does not have a Plan, it will submit as part of the application a statement to this effect on Municipal letterhead. All municipalities that do not have a Plan will be referred to Massachusetts Office on Disability (MOD) for execution of a Memorandum of Understanding (MOU) toward the development of a Plan. The Plan or the letterhead should be attached on the forms page of the application under Miscellaneous Attachments. Specific questions regarding the Plan should be directed to:

Director
Massachusetts Office on Disability
One Ashburton Place, Room 1305
Boston, MA 02108
Phone: (617) 979-7317

PROJECT PACKETS:

Communities apply for funds for specific activities by submitting information in project packets specific to the type of activity requested. There are five project packets. For each project proposed, an applicant must use a separate packet.

- Construction Activities: Architectural Barrier Removal, Demolition/Clearance, Infrastructure & Public Facilities
- Design Activities (stand-alone)
- Planning Activities
- Public Services Activities
- Rehabilitation Activities (includes Housing or Commercial, and Other Housing)

A complete project packet is comprised of the following information:

- General information
 - Participating Municipalities
 - Name of Project
 - Eligible Activity description
- National Objective information including beneficiaries
- Threshold Requirements
 - Consistency with Sustainable Development Principles (if applicable)
 - Additional Project Thresholds (project specific)
- Project Description
 - Project Location Information
- Project Budget Information including project and administrative costs and an attached, detailed budget.
- Competitive Questions (2)
 - Project Need
 - Project Feasibility

The following information will provide the applicant with guidance on how to complete the project packet component of the CDBG application. Applicants should use the project packets to provide detailed information regarding proposed projects. Project Packets are first reviewed for compliance with the threshold requirements, and then for competitiveness. **Not all packets require the same responses, please review the on-line packets carefully.**

General Information

The first section of a Project Packet requests information to identify the participating community(ies), the project name and the eligibility of the activity requested. Based on this selection and the Project Description, DHCD staff will confirm the eligibility of the requested activity.

The proposed project must be eligible for funding under the rules of the CDBG program. Both Appendix A and pages 2 to 3 of this guidance list various types of CDBG-eligible projects. Applicants should review this list to ensure that the proposed project is an eligible activity. Eligibility will be evaluated based on accordance with Title I, Section 105(a). Ineligible activities will not be scored.

National Objective Compliance

Each project must meet a national objective. National objectives and related documentation are discussed in detail in this section. National Objective responses will not be scored. The response will be evaluated as described below.

- a) Identification of the national objective that will be met. Explain how it will be met in as much detail as possible. For example, a project could meet a national objective by benefiting low- and moderate-income persons *on an area-wide basis*.
- b) Description of appropriate type(s) of documentation available to show that the project meets a national objective. Demonstrate how you will determine that you have met the national objective. See the guidance below.

National objectives are discussed in the CDBG Regulations for State Programs at 24 CFR Part 570.483. Each project must meet one of three national objectives:

1. Benefit to low- and moderate-income persons; or
2. Prevention or elimination of slums or blight; or
3. Urgent or critical community need.

Minimum requirements for documenting each type of national objective compliance are discussed below.

Benefit to Low- and Moderate-Income Persons

Documenting one of the following can satisfy this threshold:

A. **Area-wide Benefit** - A project will meet the national objective of benefit to low- and moderate-income persons if its benefits extend generally to all of the residents of the area in which the project is located, and 51% or more of those residents are low- and moderate-income persons. It is critical, however, that the service area determined by the grantee is the entire area served by the project. In addition, the service area must be primarily residential. Area-wide benefit is

often used to meet national objective requirements for certain types of infrastructure projects, such as street repairs in a largely low-income neighborhood. In any case, the application must clearly document and explain how this requirement will be met.

1. Explain the methodology for establishing geographical boundaries of the service area and the percentage of low- and moderate-income persons.

2. Applicants must prove the 51% low- and moderate-income residency standard by using either HUD-supplied low- and moderate-income data, which are based on the 2011-2015 American Community Survey 5-year estimates found online at <https://www.hudexchange.info/programs/acs-low-mod-summary-data/>; or a survey and its results consistent with the survey methodology included in Appendix C and available online at: http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/notices/cpd (go to Notice #14-013)

- If a community believes their project's compliance with this National Objective can be based upon the statistics for the Block Group in which the project will occur and is considering the use of American Community Survey data to substantiate a low and moderate income (LMI) area, please contact Massachusetts CDBG for further discussion. The use of block group statistics to support compliance with national objective must be approved by DHCD prior to submission of an application.
- If a survey is used to substantiate a low- and moderate-income (LMI) area, a copy of the blank survey document and summary survey results must be included with the project packet. **Applicants must also include the survey data broken down by street (total number of households on each street and the income distribution for LMI households and all other households for each street).** *Surveys must demonstrate an adequate sample size and response rate based on HUD's guidance or they cannot be considered valid by DHCD.*
- A valid survey is no older than three years. If the survey is between three and five years old, DHCD will consider the survey if the applicant demonstrates that the surveyed households are the same as when originally surveyed, and that no additional residences have been added to cause the survey to become statistically unreliable. Applicants should seek DHCD's advice in advance of using older surveys.

□ **Note: surveys must be worded to not bias the results. For example, it is not appropriate to say, "In order for the municipality to receive desired funding, a survey must be conducted to show that most of the residents of the area have low- and moderate-income."**

3. Applicants must furnish a parcel map of the service area, showing:

- If applicable, the Census Block Groups and the corresponding LMI statistics;
- If applicable, surveyed streets and surrounding area;
- The dominant land uses; and
- If applicable, current and proposed sewer or water lines, direction of flow, storage tanks, pump stations, treatment plants and well fields.

4. If the residential target area contains vacant land, applicants must;

- Show each vacant parcel of land on a parcel map; and
- Describe the potential future use of the land for the next five to seven years.
- Consider current zoning, subdivision plans, planning documents etc.; and
- Describe how potential future use could have an impact upon the national objective.

B. “Direct” Benefit for Housing Projects - CDBG-assisted housing projects (not to be confused with a “public housing project”) will meet the national objective if they predominantly benefit low- and moderate-income persons by providing them with safe, decent and sanitary housing. Housing projects include rehabilitation loans or grants, first-time homebuyer loans, etc. For such projects, grantees must collect and maintain information on household size and income to demonstrate that a low- or moderate-income household occupies assisted housing units. For buildings with two units, at least one eligible household must occupy one of the assisted units. For three or more units, at least 51% of the assisted units must be occupied by low- and moderate-income persons. Applicants must describe the specific steps to be taken to ensure compliance with this requirement, including the income information that will be obtained from clients, and the standards used to determine eligibility at the time of application.

C. Limited Clientele Benefit. A CDBG-assisted project will meet this national objective if it can be demonstrated that the project is designed so that the benefits are limited to certain groups with characteristics, such as:

1. Groups presumed by HUD to be low- and moderate-income.³ These include the elderly; severely disabled adults,⁴ abused children, battered spouses, homeless persons, persons with HIV/AIDS, illiterate persons, and migrant farm workers. No income verification is required for these groups unless an “income payment,” such as fuel assistance, childcare subsidies or tuition payments, is being provided. Projects limited in scope to the removal of architectural barriers for severely disabled adult(s) or elderly persons categorically meet national objective requirements.

2. Groups of persons already documented as low- and moderate-income. For example, a recreation program for the exclusive use of residents in a low-income housing development complies. Usually no further income documentation is required for this type of project.

3. Groups whose composition is such that it can be concluded that a majority of their clientele will be low- and moderate-income persons. For example, projects involving homeless shelters will usually qualify under this provision without further proof of income eligibility. For

³ HUD accepts these presumptions unless there is evidence to the contrary.

⁴ Persons are classified as having a severe disability if they: (a) used a wheel-chair or had used another special aid for six months or longer; (b) are unable to perform one or more “functional activities” or need assistance with an “ADL or IADL”; (c) are prevented from working at a job or doing housework; or (d) have a selected condition including autism, cerebral palsy, Alzheimer’s disease, senility or dementia, or mental retardation. Also, persons who are under 65 years of age and who are covered by Medicare or who receive SSI are considered to have a severe disability.

NOTE: For purposes of this definition, the term “functional activities” includes seeing, hearing, having one’s speech understood, lifting and carrying, walking up a flight of stairs, and walking. An ADL is an “activity of daily living” which includes getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating, and toileting. An IADL is an “instrumental activity of daily living” and includes going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone.

application purposes, the clientele must be profiled so it is clear that beneficiaries of CDBG assistance will be low- and moderate-income persons.

4. Groups that can be documented to be predominantly low- and moderate-income (at least 51%). Such projects must be designed to collect information on household size and income so that the program will document clientele income eligibility. For example, a project that provides well-child medical care would meet the national objective if the program will collect income data to determine eligibility to receive CDBG-assisted services.

Limited clientele projects must document compliance by one of the following methods:

- For projects that do not provide “income payment” forms of assistance, beneficiaries may “self-declare” their eligibility, generally by completing and signing a form declaring household sizes and income ranges.
- For projects that offer income payments or subsidies, income must be documented.
- For projects where the user profile will be low- and moderate-income, a description of the profile must be presented so that the conclusion, without a doubt, will be to benefit low- and moderate- income persons.

D. Planning Projects. An activity involving planning will meet a national objective if it is demonstrated that at least 51% of the persons who would benefit from implementation of the plan are low- and moderate-income.

Prevention or Elimination of Slums and Blight

A. Area basis - This national objective may be used for any activity designed to eliminate or prevent slum/blight on an area wide basis. Approval of the area will be based on documentation of all of the following criteria and submitted to DHCD for approval at least 30 calendar days prior to the application deadline. Communities who have their designated slum and blight area approved prior to the application deadline should include the approval letter as documentation in the application.

1. The community must determine that the area meets the state’s definition of substandard, blighted or decadent areas as stated in MGL ch.121A and ch.121B. The community must describe how the conditions in the target area are consistent with these definitions. Please refer to MGL ch. 121A and ch. 121B. The Chief Elected Official or other authorized official must determine in writing that the area is in disrepair or there is a pattern of recognizable disinvestments thereby meeting one of the definitions ascribed above.

2. The community must also document that at least 25% of the properties throughout the area experience one or more of the following conditions:

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 the public improvements throughout the area are in a general state of deterioration.

Definitions

- 1) Physical deterioration of buildings and improvements are those buildings whose condition meets the definition of fair or poor under the rating criteria listed below. Public Improvements must demonstrate that they are in a general state of deterioration. Please refer to the Public Improvements guidance below.**

Excellent: Buildings that require little or no exterior work.

Buildings that are in excellent condition may be of any age or style. They demonstrate consistent, planned maintenance and repair, components appear to be code-compliant and energy efficient.

Public Improvements: Infrastructure is newer and/or improved and updated to meet current need and demand, is compliant with all applicable codes and requirements, and has no visual or physical evidence of deterioration or needed repair.

Good: Buildings that have cosmetic deficiencies or other early signs of aging and wear.

Building components appear to meet code, but energy efficiency improvements such as storm doors and windows and caulking may be needed. Decorative features may need to be secured, but items are in place. Materials do not need replacement, but do need some minor maintenance and repair. For example, roofs may be of older composition, but not yet deteriorated or leaking; siding may need spot painting or other “touch-up”; foundations and chimneys appear structurally sound but may show beginning signs of voids or loose mortar joints.

Public Improvements: Infrastructure such as streets and sidewalks show minor cracks, unevenness and patching. No visible or known evidence of deficiencies with water, sewer, or drainage systems.

Fair: A determination of fair for a building component means that the extent of defective conditions or deficiencies applies to a least 25% of the component.

Buildings with this designation show clear signs of deterioration indicative of a property that has not been maintained for 5 to 10 years. Some building components may be nearing the end of their serviceable life. Small wood and metal trim pieces of buildings may be lifting away from primary surfaces. At least 25% of roofing and related surfaces, including roofline, trim, flashing, and chimneys may be brittle, curled, cracked, and missing, with overall signs of aging, and exhibit levels of deterioration specific to this category. At least 25% of doors and windows may be old and worn, loose, ill-fitting, drafty, and otherwise energy inefficient and may have peeling paint or deteriorating vinyl or other surfaces. Exterior walls have at least 25% of surfaces with missing, broken or otherwise deteriorated siding, painted surfaces in progressed state of peeling, or brick surfaces needing repointing. At least 25% of porches, stairs, and decking show early signs of deterioration including worn, cracked, and warped components affecting components such as treads, balusters, rails, jousts, and support posts. Foundations have cracks and voids over at least 25% of surface area. Storefronts and signage are aging, with architectural features that may have been covered with sheet metal, asbestos, asphalt, or other materials from renovations of earlier decades. These covering materials, as well as any exposed original surfaces, are now showing signs of deterioration over at least 25% of their surfaces.

Public Improvements: Infrastructure, including parks, playgrounds, and parking facilities, is older and needs regular maintenance and repair. Streets and sidewalks are cracked, uneven, patched, and not conducive to convenient pedestrian and or vehicular travel. Slow drainage causes some ponding to occur during heavy rains.

Poor: A determination of poor for a building component means that the extent of defective conditions or deficiencies applies to a least 50% of the component.

This category includes buildings that appear not to have been maintained for at least 10 years and have components which are beyond the end of their useful life. Exterior trim is missing altogether. One or more major building systems may be in danger of failure. The roof may be sagging with areas of extensive wear, exposed sheathing, and evidence of leaks over at least 50% of surfaces. Roofline trim, flashing, and chimneys exhibit levels of deterioration specific to this category. At least 50% of doors and windows may be rotted, broken, missing, and/or boarded up, with peeling paint or deteriorating vinyl or other surfaces. Exterior walls have at least 50% of surfaces with missing, broken, or otherwise deteriorated siding; painted surfaces rotted or in advanced state of peeling paint or brick or other masonry surfaces needing repair or repointing. At least 50% of porches, stairs, and decking exhibit hazardous and unsafe conditions including sagging, rotted, and missing components, and separation from the main structure. Foundations are extensively cracked with missing stone or masonry over at least 50% of areas; indications of structural instability, and may require replacement and shoring up, including sill work. Storefronts and signage are nearing end of useful life with original or old replacement materials which are extensively deteriorated over at least 50% of their surfaces.

Public Improvements: Infrastructure, including parks, playgrounds, and parking facilities, show advanced stages of deterioration and appears not to have been maintained for an extensive period of time. Streets and sidewalks and other paved surfaces are rutted, cracked, heaving, and appear to require full reconstruction. Curb reveals are minimal or nonexistent. Conditions may pose hazards to pedestrian and or vehicular travel. Some surfaces are severely deteriorated and infrastructure is generally antiquated, undersized, or obsolete. Regular street flooding occurs due to poor drainage.

2) Abandonment of Properties: are defined as residential, commercial or industrial buildings or lots that for the previous 24 months:

- Have been completely vacant;
- With owners who have not paid property taxes, utility bills or mortgage; or
- With owners who have not been responsive to notices or citations concerning the property from the municipality.

3) Chronic high occupancy turnover rates: refers to commercial or industrial buildings in which all commercial or industrial units have turned over 2 times within the previous 24 months. **Chronic high vacancy rates:** refers to commercial or industrial buildings that have been completely unoccupied for a total of 12 out of the previous 24 months.

4) Significant decline in property values relative to other areas in the community refers to buildings or lots in which assessed or market values, on a square foot basis, have declined by 25% relative to the change in average property values of other districts in the community with similar zoning or land uses. **Abnormally low property values** relative to other areas in the community refers to buildings or lots in which assessed or market values, on a square

foot basis, are 25% lower than the average values of other districts in the community with similar zoning or land uses.

5) Known or suspected environmental contamination refers to real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant or contaminant.

3. Because communities will receive a ten year designation of their target area if DHCD accepts the supporting documentation, DHCD requires both the submission of the building inventory and the infrastructure inventory regardless of which will qualify the area as meeting the criterion. In addition to the determination by local inspection, applicants must provide each of the following items in a separate attachment:

- A map clearly delineating the geographic area that is designated as slum/blighted and which shows the location of all buildings, properties and public improvements that are deteriorated or meet one of the criteria of disinvestment listed above.
- A parcel inventory of all buildings and properties in the slum/blight area. This inventory must include a Property Rating Sheet for each building and property located in the slum/blight area. The rating sheet consists of a photograph of each building, a description of the condition of major building components and an overall property condition rating. The conditions are based upon definitions of standard criteria for classifying buildings as poor, fair, good and excellent as defined above.
- An infrastructure inventory that describes and quantifies the deterioration for each type of public improvement identified, e.g. linear feet of sidewalk, roadways, number of light fixtures. An Infrastructure Rating Sheet must be included with applicable photographs and description of conditions. The conditions are based upon the definitions as defined above.
- Appendix J that provides a summary of properties for the entire target area. This must include the total number of buildings, the type of buildings, and the percentage of buildings that are deteriorated in the area as a whole. Sidewalks, parking and other public improvements must be listed. The table must also include vacancy rates and the level of disinvestments, which has contributed to the deterioration of the area.

Rating criteria for buildings and public improvements

For buildings and infrastructure, the community must utilize DHCD's rating scale for measuring physical conditions in the slum/blight area. Communities must also use DHCD's Property Rating Sheet and Infrastructure Rating Sheet found in Appendix K of this guidance.

If you are qualifying a building or improvement using the criteria other than "physical deterioration" please provide information or appropriate documentation that meets the definition. This should be explained on the property rating sheet.

- To meet federal regulations, the assisted project/activity must address one or more of the conditions that contributed to the deterioration of the area. In accordance with DHCD policy, a project that directly addresses the elimination of deteriorated/blighted conditions identified

in an inventory for a target area will have a scoring advantage over those that merely address prevention of blight.

- Applicants seeking to qualify area under slum/blight based solely on deterioration of public improvements must document that the public improvements throughout the area taken as a whole are in a general state of deterioration. Deterioration of a single element of infrastructure such as a roadway or sidewalk does not meet this criterion. If you qualify the area solely based upon deterioration of public improvements then you are limited to addressing blight of public improvements.

Other Considerations:

Please note that HUD does not consider transitory conditions such as graffiti sprayed walls and litter strewn, vacant lots to be long-term blighting influences.

HUD does not accept inappropriate zoning, the absence of infrastructure, or the presence of vacant or undeveloped land as prima facie evidence of blighted conditions.

For further information about Slums and Blight please see the Technical Assistance Guide - Commercial Rehabilitation

B. Spot basis – Improvements or rehabilitation to eliminate blight on a spot basis is limited to addressing conditions that are detrimental to public health and welfare. Applicants must provide a complete description of the site, showing why the building or property is deteriorated or deteriorating. This description must include indicators of serious health and safety concerns, structural decay, or historic significance. Projects such as acquisition, clearance, and rehabilitation may be undertaken on a spot basis. A project will not qualify on a spot basis if the project is located in an area that meets the definitions of a deteriorated, substandard or blighted area.

C. Planning Project - A planning project will meet this national objective if implementation of the plan will meet the criteria of elimination of slums or blight in items A or B above.

Urgent or Critical Community Need

Prior approval from Massachusetts CDBG must be obtained to use this national objective. It is imperative that communities contact DHCD immediately if thinking of using this national objective during the 2020 application round.

Special Public Facilities Rule for State CDBG Program Recipients

HUD requires recipients of State CDBG Program grants to retain the use for which CDBG funds were expended on behalf of a public facility project for a minimum of five years after the closeout of the grant. The purpose of this rule [24 CFR Part 570.489(j)] is to ensure a long-term low and moderate-income benefit from the use of federal funds. This means a community cannot receive CDBG funds to rehabilitate a former school building for use as a senior center, and then convert the facility to a town hall three years later.

If retaining the approved use for five years becomes impractical, a community can request permission to change the use. However, the new use must also benefit low and moderate-income persons and a plan for complying with the national objective is an integral part of any

use conversion. A change of use that no longer achieves a national objective can result in the need to repay grant funds to the Massachusetts CDBG Program. Communities planning to apply for public facility projects need to consider the feasibility of meeting this requirement.

Threshold Requirements

Additional Thresholds

In addition to CDBG thresholds for Eligibility and National Objective, additional threshold questions must be answered for each proposed project. Threshold questions are not scored. However, failure to answer or meet a threshold question will result in the rejection of the project packet. Each project must:

- (1) be consistent with the Commonwealth's Sustainable Development principles. Consistency with the Sustainable Development principles is determined according to the Guidance found in the FFY 2021 Draft One-Year Action Plan and in Exhibits 3 and 4; and,
- (2) meet any Additional Project Thresholds as required below. The Construction and the Public Service packets, for example, have very specific threshold questions that must be answered.

1. **Senior Center Projects** – Applicants for Senior Center projects must meet the following threshold requirements to have their applications reviewed and scored:

- (i) provide evidence of site control⁵ by the municipality, as attested to by the Mayor or Board of Selectmen,
- (ii) provide documentation of the availability and commitment of any other funds necessary to complete the project, and
- (iii) provide one copy of the bid-ready plans and specifications.⁶ Applicants can demonstrate compliance for specifications by submitting a table of contents for the specifications and a signed letter by the project's licensed architect or engineer attesting to the fact that a complete set of specifications has been prepared and is bid-ready (modular construction may require a lesser standard – see Project Threshold Criteria #3).

CDBG-assisted senior center projects may not receive subsequent CDBG assistance for additional construction or reconstruction until five (5) years have passed since the grant closeout date.

2. **Architectural Barrier Removal** – A municipality applying for assistance with an architectural barrier removal project (including design only activities) must submit a copy of its locally approved Americans with Disabilities Act (ADA) Self Evaluation Survey and Transition Plan. The ADA was enacted in 1990 and requires local governments to evaluate for accessibility all of its programs and services that had not previously been reviewed under

⁵ Evidence of site control may include but is not limited to a deed, long-term lease agreement, purchase and sale agreement, or other contract or legal document.

⁶ Bid-ready plans and specifications are those construction documents that constitute a presentation of the complete concept of the work including all major elements of the building and site design. The bid documents shall set forth in detail and prescribe the work to be done by the construction specifications; the materials, workmanship, finishes and equipment required for the architectural, structural, mechanical, electrical and site work; and the necessary solicitation information. Drawings shall include the following: a) Site plan showing the location and type of building; b) Scale plans of the building; c) Wall sections, details, and elevations in sufficient detail to serve as a basis for a construction estimate; d) All other required architectural, civil, structural, mechanical and electrical documents necessary to complete the project.

Section 504 of the Rehabilitation Act of 1973. The Act also required preparation of a Transition Plan for removal of programmatic and structural barriers to its programs and services, and set forth a process for involving the community in the development of the Self Evaluation Survey and Transition Plan. Programmatic removal of barriers must be fully explored before considering CDBG funding for structural barrier removal. Completion of the Transition Plan is a required threshold for Architectural Barrier Removal applications.

It is the responsibility of each community to ensure that its Transition Plan is consistent with federal regulations. A community's request for Mass CDBG funding must be consistent with the priorities set forth in these locally developed documents. Communities may wish to contact the Massachusetts Office on Disability or the U.S. Department of Justice for specific questions regarding the ADA and the Rehabilitation Act of 1973.

Applications for Architectural Barrier Removal projects with construction costs of \$100,000 or more require bid-ready plans and specifications. Projects with construction costs less than \$100,000 but more than \$25,000 require design development drawings.

Finally, when used for Architectural Barrier Removal, CDBG funds may be used only for the relevant barrier removal work and directly related and required construction. CDBG funds cannot be used to address building code or local requirements that are not directly part of the removal of the architectural barrier. Please refer to the Architectural Barrier Removal Technical Assistance Guide for further information.

3. Bid-ready Plans and Specifications - Bid-ready plans and specifications are required for all public facilities and architectural barrier removal projects with construction costs of \$100,000 or more (see definition in footnote #5). See above subsection (iii) under 1. Senior Center Projects for guidance regarding submittal requirements. Design development drawings are required for public facilities and architectural barrier removal projects or equivalent site and landscaping plans for Playground/Park projects with a total construction cost of more than \$25,000 but less than \$100,000.

In addition, DHCD recognizes that this requirement may be problematic for communities considering modular construction projects. To satisfy these concerns, in order to apply for assistance to undertake modular construction a community may instead provide DHCD with a reasonable cost estimate for the project. Detailed backup for the total costs for modular construction projects must include the cost of site preparation, off-site construction of the modular unit, and the cost of delivering and assembling the modular unit including all work necessary - including but not limited to all utility work and sub-trades - to result in the issuance of an occupancy permit. To accomplish this, the community must provide the following: the program for the building; plans, specs, and prices of comparable unit(s) from a manufacturer; evidence of the manufacturer's ability to deliver the unit during the timeframe for construction identified in the grant application; and a site plan.

Project Description

Provide a summary of the proposed project explaining the entire scope and essential elements of the project. If the CDBG funded project is part of a larger project include a description of the non-CDBG funded components. The project description, although not scored, is critical in helping reviewers to understand the entire proposed project/program and its eligibility. This description should be consistent with all packet information and may be used by DHCD to assess and insure project feasibility. **The project description should not include a repeat of the answers to the scored questions.**

For projects involving renovation of buildings used for CDBG-eligible and non-eligible activities, applicants must describe how space is allocated within the building and how the project will be pro-rated to address the mix of uses. For housing rehabilitation programs, include a summary description of the program design. This will be used to help assess feasibility of the project.

Public Social Service (PSS) activities will not be scored. Please review the on-line instructions for the project description for PSS packets for required information. Public Social Service packets will be rated on pass/fail basis dependent on the information provided in the project description. In describing a requested Public Social Services activity, applicants must demonstrate that the activities have been prioritized at the local level in order to determine the request for services. Such prioritizing must demonstrate an understanding of the needs assessment undertaken by the community's Community Action Agency and not be inconsistent with such Agency's assessment of service needs. **Do not answer the scored questions in the description. We are not asking for that.**

Budget Forms

All project packets include separate budget forms. Applicants should ensure that all dollar amounts included in the budget form are consistent with the cover sheet and all other associated information (including Summary Budget Sheet) in the application. The budget information provided will be used to confirm overall project feasibility.

Competitive Questions

There are two competitive scored questions in each project packet with several sub questions for each totaling 65 points. The questions ask for narrative responses as well as supporting documentation to back up the narrative. Examples of documentation may include but are not limited to photographs, windshield surveys, maps, architectural or engineering reports/ surveys, studies, demographic data, wait lists, letters of commitment or support, certification of votes, certified minutes or other verified actions. Failure to provide supporting documentation, when requested by the applicable question, will result in a score reduction. In each packet, the applicant has the opportunity to justify the need for the project, and the feasibility of the project.

Applicants should review the Competitive Questions carefully and be sure that they are directly responding to the questions and items as they are written. Further, applicants should be clear in their descriptions and ensure that the descriptions are directly supported by the attached documents.

Within the Need and Feasibility questions are the criteria that will be used to score the responses.

Note: A project that is considered not feasible will be eliminated from review and will not be scored.

The two competitive questions are generally structured as indicated below. Some activity packets may contain variations on these specifics.

Question #1: Project Need (40) - What is the need for the proposed project/program?

Describe, define and quantify the need to be addressed by the proposed project/program. Include the current conditions/deficiencies resulting in the request for the proposed project/program. Include sourced information to support the need and sourced demographic information for the population (beneficiaries) of the project. Explain how the activity will address the need, what the impact on the need will be, and how community based planning helped determine the need. The response will be evaluated based on the following:

- A clear definition of the need – Clearly describes the current issues or problem to be addressed, the needs/characteristics of the impacted population and how community based planning helped to determine the need. 15 Points
- Severity of the need – Provides relevant and current description and documentation of the extent of the need and current conditions. Strength of the documentation will be considered. Documentation must be specifically referenced. 10 Points
- Impact of the project on the defined need – 5 Points
- LMI Score, up to – 10 points (assigned by DHCD)

The need for the project will be evaluated upon the extent to which the response clearly describes the need and the community's involvement in determining the need; demonstrates the severity of the need; and the strength of documentation provided to support both, as well as, demonstration of the impact the project will have on the need.

For projects involving construction or rehabilitation, photographs must be included as attachments.

Question #2: Project Feasibility and Readiness (25 pts)

Demonstrate that the activity proposed is feasible and ready to proceed by providing the following:

1. Describe the present status of the project design and project readiness to proceed. Identify the procurement processes used or applicable to the project. Rehabilitation activities should summarize the operational program design and readiness to proceed. (10 pts)
2. Project Budget and Project Oversight – Project budgets and staffing plans will be reviewed to ensure cost reasonableness and adequate management. Provide information to describe how the budget was developed and that the costs are reasonable and the staffing plan for the project is sound. Project staffing and operation structures should provide for adequate internal controls, compliance systems, delegation of duties and staff oversight. (8 pts total: 4 pts budget, 4pts staffing)
3. Describe and document the current status of environmental review and the timeline for completion of the process. Identify all necessary federal, state, and local permits, including state and local environmental permits, and the timeframe for obtaining them. Include the appropriate checklist(s). (3 pts)
4. List each milestone/action necessary to complete this project. As applicable, describe the milestone/action provide the month it will be completed, and describe how the milestone/action will be achieved. For housing rehabilitation programs, address overall program implementation and specific case management. Projects have an 18 month implementation period beginning on January 1, 2022. (4 pts)

Project feasibility will be evaluated on the extent to which the project is capable of proceeding at the time of award, can be effectively managed, and can be physically and financially accomplished within the grant period.

Different activity packets may require different responses to some questions. Be sure to read the activity packets carefully and respond to the questions asked.

Attachment Requirements:

- **Attachments must be placed in the section of the application that is applicable. All attachments related to the Competitive Questions should be in the Competitive Questions Attachments link for example.**
- **Do not include multiple copies of the same attachment.**
- **Attachments should support and document what is said in the narrative. Do not merely refer to the attachment and leave it up to the reader to discern the meaning of information contained in the attachment.**
- **Attachments should be clearly named and identified in the text. The name in the text should match exactly the name of the attachment. If the attachment is a long document, please direct the reviewer to the appropriate section.**
- **Do not attach unnecessary documentation. Reviewers will only look at attachments that are referenced and described in the narratives.**

Unutilized Award funds

- It is DHCD policy that if excess funds remain from an activity, either due to budgetary reasons or because of less demand for the activity than projected, the community must return the funds or request DHCD approval to reprogram the awarded funds. DHCD will approve reprogramming for the following purposes and in the following order:

- Funds will be used for eligible housing activities,
- Other existing activities

If the excess funds cannot be used consistent with these preferences, DHCD will require a detailed request describing the reprogramming and may require that the funds be returned. Reprogramming requests should be presented to DHCD three (3) months prior to the grant expiration period at a minimum. Requests submitted later than that may not be able to be approved resulting in funds returned to DHCD.

PLANS, CERTIFICATIONS AND BUDGETS

Applicants are required to submit a series of plans, budgets and certifications regarding their proposed CDBG activities. Applicants will attach plans to the application as directed. Applicants will attest to certifications on the cover page and will not be required to complete certification forms or to submit them.

ANTI-DISPLACEMENT AND RELOCATION PLAN SUMMARY

Every recipient of CDBG funds must maintain and enforce an anti-displacement and relocation assistance plan that (a) describes how the design and implementation of its activities will minimize displacement and (b) identifies benefits to be provided in case of relocation, both permanent and temporary. The plan must encompass requirements of the Uniform Relocation Act and Section 104(d) of Title I, Housing and Community Development Act of 1974, as amended.

The applicant must develop a relocation plan that includes provisions for relocation protection, payments and other assistance for any CDBG-assisted activity that will temporarily or permanently displace low- and moderate-income persons or businesses. The following form requests a *summary* of the information that should be included in the Relocation Plan. The community's actual plan must be maintained on file throughout the life of the grant.

- I. Identify the officer (name or position) who will be responsible for the task of overseeing compliance with relocation assistance. Indicate also the number where he/she can be reached.
- II. Check off the activity that will result in relocation or displacement. If not indicated here, please describe the activity.
- III. Indicate the type(s) of relocation assistance to be provided. Assistance is required under both Title I of the Housing and Community Development Act and the Uniform Relocation Act and is an eligible CDBG expense. The plan must identify the activity, which may cause the displacement, the number of individuals or businesses to be affected; the likely cause of these actions; and the timing of such actions.
- IV. Indicate whether permanent displacement is anticipated for any of the proposed activities. It is DHCD policy to discourage projects that will cause the permanent displacement of persons, regardless of income. This is why it is important to explain what steps the community will take to minimize displacement during the implementation of proposed activities.
- V. Describe the grievance procedure to be followed relative to relocation and displacement. Communities should include the procedures they will follow when removing lead paint and asbestos. The Massachusetts law on lead paint removal requires temporary displacement of occupants during the abatement process.
- VI. When undertaking housing and economic development activities, the requirements of Section 104(d) of Title I (i.e., for one-for-one replacement unit and relocation assistance discussed above) apply.

Federal FFY 2021 Massachusetts Community Development Block Grant Programs ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

Each grantee must submit a residential and business relocation assistance plan including provisions for relocation protection, payments, and other assistance. The plan should take into consideration: the types of CDBG-funded activities that will/may lead to displacement, the availability and location of vacant replacement/temporary housing or business units, the special needs of displaced occupants (e.g., children, elderly handicapped, and etc.), and an evaluation of the local resources available to carry out timely and orderly relocation activities.

1. Relocation Officer _____ Telephone # _____
2. FFY 2021 activities that will/may result in temporary displacement:

Property Rehabilitation _____

	Lead Paint Removal	_____
	Asbestos Removal	_____
	Other (explain)	_____
3.	Types of relocation assistance offered (housing, meals, transportation, etc.), sources (Community Development Block Grant, landlord, in-lieu of rent, allowance, etc.) and methods of payment (reimbursement, advance, direct payment to provider, etc. (attach separate sheet if necessary):	

4.	Do you anticipate any permanent displacement? If yes, please explain below:	

5.	What is your grievance procedure?	

6.	Procedures to be followed when removing lead paint and asbestos:	

CITIZEN PARTICIPATION PLAN (NARRATIVE)

To comply with Title I, grantees must provide for wide citizen participation in conducting their planning, implementation and completion of CDBG-funded programs.

Instructions Applicants must submit a local citizen participation plan which encourages and provides for participation by citizens (and in particular by low- and moderate-income persons) during the development of the application, and if funded, during the implementation and evaluation of the program.

1. The community's plan must incorporate:
 - a. how its citizens, or organized groups like community or neighborhood based organizations, human and social service groups, downtown businesses, merchants and other potential interested parties, participated in the identification of needs and the development of the proposed activities was accomplished, particularly for low- and moderate-income persons;
 - b. how the applicant will provide technical assistance to groups who represent low- and moderate-income persons throughout the grant term;
 - c. how review of program performance will be accomplished during the grant year;
 - d. the procedures and hierarchy for resolving complaints and grievances for each project type that is proposed;
 - e. the mechanism through which the needs of handicapped and non-English speaking residents will be accommodated during the citizen participation process.
2. As part of a community's citizen participation process, the applicant is required to hold at least one formal public hearing before submitting an application for CDBG funds. This hearing must be held during a time (times) that the public can reasonably be expected to

attend, and must allow for written comments from the public to be received. The meeting date must also allow sufficient time for the applicant to make changes in the proposal if public input so warrants.

3. If funded, the community must also hold at least one public hearing during the grant cycle to obtain citizen comments on the outcome and effectiveness of CDBG programs and ways they could be improved upon in the future.
4. If during the grant cycle the municipality decides to amend its grant contract in order to substantially alter the design of a funded activity, delete an activity or add a new one, it must hold a public hearing before petitioning DHCD for a contract amendment. The public hearing notice must provide an opportunity for the public to submit written comments.

MANAGEMENT PLAN

The Grantee has overall responsibility for grant administration. All applicants must demonstrate that they currently have, or will be able to obtain, the management capacity to administer a CDBG grant. Describe the plan for grant administration, including the following:

1. In order to document this capacity, each applicant is required to describe a management plan for the administration of this grant. The plan must provide a system of checks and balances and adequate internal controls for delegation and oversight of all grant management activities.
2. Provide a grant management organizational chart which (a) identifies the relative position of the public office or official within the local government who will have primary responsibility for oversight of the Community Development Block grant; (b) indicates how the CDBG administrative structure fits into the general municipal administration.
3. If any portion of this grant is to be sub-contracted to another local agency for implementation, that agency should be identified and its relationship to the local government fully explained. If any portion of this grant is to be sub-contracted to a private firm or organization, the applicant should explain exactly what that organization will do and what its relationship will be with the local government.
4. List the staff positions assigned to grant management including project delivery.
5. Describe the responsibilities for each position listed by each project such as monitoring individual projects for timely implementation and compliance with applicable regulations, compiling and submitting grant reports, supervising personnel, initiating and obtaining approval for program and budget amendments, and processing requests for payment and ensuring that appropriate financial records are maintained.
6. Estimate the amount of time needed for each staff to perform these functions (% FTE). Demonstrate that the time allotted is sufficient given the responsibilities assigned.
7. Demonstrate that existing staff assigned these responsibilities is qualified to perform them or if the position is not filled, provide a list of qualifications needed for the person who will fill the position.

8. All staff positions must be consistent with the Program Delivery and Administrative Cost Breakdown Part A in the following section.

PROGRAM INCOME PLAN

Any community that expects to realize or currently retains program income as a result of their Massachusetts CDBG program (through loan repayments, recapture, and the like) must indicate in this section how they propose to use their program income. The proposed Program Income plan should follow these guidelines:

1. All applicants (including all regional participants) must estimate how much program income they expect to have on hand as of the application due date.
2. All applicants will describe how they intend to utilize the program income they have on hand as of the application due date. The plan should identify which activities and the amounts for each in the 2021 application to which the applicants intend to direct the program income.
3. If awarded a grant, the program income will be added to the grant as described above. If not awarded a grant, applicants will be contacted by DHCD to decide how to utilize the program income.
4. Applicants with program income must provide, as part of this plan, the following information.
 - Name of community
 - Name of contact person for the community
 - Amount of program income as described above
 - Activities to which program income will be applied
 - Accomplishments associated with the use of the program income
 - If the program income is to be used for an activity that is not part of the application, provide a project description, eligibility and national objective information.

ANTI-SPECULATION AND RECAPTURE PLAN (NARRATIVE)

Applicants must provide a plan that describes how they will discourage real estate speculation and ensure housing affordability when using federal funds to rehabilitate private property (**both housing and commercial properties**).

Instructions: The Anti-Speculation and Recapture Plan describes the community's policy and procedures to discourage real estate speculation and ensure continued housing affordability. Communities shall design and implement policy and procedures that are consistent with local conditions. In the case of housing rehabilitation projects, Plans shall specify how the community will ensure the terms of affordability, method and procedure for monitoring affordability, and corrective actions in the event of noncompliance. The plan must also include policy and procedures for grievances and or hardship appeals. In addition, the following shall apply in Housing Rehabilitation Programs:

1. **Term of Affordability-** All housing units assisted with CDBG funding will carry an affordability term of fifteen years (15) from the date of rehabilitation completion.

Rentals – Both owner-occupied and investor-owned properties shall execute an Affordable Housing Restriction and Rental Agreement identifying the specific number of units restricted to low and moderate income occupants, the term of affordability (fifteen years), maximum allowable rents to be charged for restricted units, maximum allowable rent increases, and process by which tenants will be notified of rent increases.

Rents shall not exceed the lesser of the Section 8 Existing Housing Program Fair Market Rents as established by the U.S. Department of Housing and Urban Development (HUD) for the area pursuant to 24 CFR 888 or the High HOME Rents established by HUD pursuant to CFR 92.252(a)(2). In instances of rehabilitation of occupied units, initial rent increases may not occur prior to the expiration of the existing lease. For all restricted units, the maximum allowable rent increase shall be consistent with the current Section 8 Annual Adjustment Factor.

Single – Unit Homeowner Properties - A Deferred Payment Lien with a fifteen year period shall be recorded against properties rehabilitated with CDBG funds. Deferred Payment Liens are an example of a mechanism by which communities may provide funding to low and moderate homeowners while ensuring continued affordability. Programs designed to assist seniors to stay in their homes are not required to place a lien on the property.

2. The Plan must describe procedures for recapture of program funds in instances of rental agreement, lien provision, and/or other program violations by property-owners.
3. The Plan must describe the community’s method by which it will monitor compliance with Affordable Housing Restrictions, Rental Agreements, and liens, as applicable. Descriptions shall include designation of responsible staff person(s) and corrective action to be taken in case of non-compliance with the provisions of the Plan. For example, use of lien ledger sheets, monitoring lien discharges, specification for instances in which forgiveness will be exercised (serious illness, etc.), and review and compliance of rental leases.
4. The Plan must include the community’s policy for subordination and refinancing of loans.

PROGRAM CONTINGENCY PLAN

Describe in detail the Community’s contingency plans, for all of the activities requested in this Application, to address cost overruns, change orders, bids in excess of available funding or other situations that threaten the completion of activities on time and within budget.

Re-programming of CDBG program funds may not be included as an option. ***Program Income may not be used as a contingency.***

CHIEF ELECTED OFFICIAL (CEO) CERTIFICATION FORM

FFY 2021 MASSACHUSETTS CDBG PROGRAM

CHIEF ELECTED OFFICIAL (CEO) CERTIFICATION FORM

On behalf of the applicant, of which I am a duly authorized local official empowered to sign such documents, I certify that the following actions have or will be taken:

1. The applicant possesses the legal authority to make a grant submission.
2. The applicant will minimize displacement resulting from CDBG-funded projects whenever possible, and comply with relocation requirements governing the CDBG program.
3. The project will be conducted in accordance with Title VI and Title VIII of the Civil Rights Act and, further, the applicant will affirmatively further fair housing consistent with 24 CFR 570.487(b).
4. The applicant has provided opportunities for citizen participation, has conducted a public hearing, and has provided information to citizens regarding the project that is to be submitted for CDBG funding consistent with Section 104(a) (2) of Title I of the Housing and Community Development Act of 1974, as amended.
5. The applicant will not attempt to recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing properties owned and occupied by low- and moderate-income persons unless: (A) CDBG funds are used to pay the portion of such assessment that relates to non-CDBG funding or; (B) the applicant certifies to the State that, for the purposes of assessing properties owned and occupied by low- and moderate-income persons who are not very low-income, the applicant does not have sufficient CDBG funds to comply with the provisions of "A" above.
6. In applying for this grant from the Massachusetts Community Development Block Grant Program, the applicant understands that its Chief Elected Official is ultimately responsible for compliance with all requirements of the Program, including providing sufficient management oversight to carry out the activities requested hereunder.

Certification Regarding the Use of Force

The Community further certifies that:

1. The applicant will adopt/has adopted and will enforce a policy to prohibit the use of excessive force by law enforcement agencies within their jurisdiction against any individuals engaged in nonviolent civil rights demonstrations.
2. The policy to be adopted or has been adopted is contained in:

- a. a local legislative act (such as an ordinance); or
 - b. a local administrative act (such as a written statement of policy by the local chief elected official); or,
 - c. an executive order; or,
 - d. a regulation within the police department.
3. The community understands that a new policy need not be adopted if they have and are enforcing a written policy that meets the requirements of Section 519 of the Housing and Community Development act of 1974, as amended.

Certification Regarding Lobbying

The Community further certifies that:

1. No federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, and officer or employee of Congress, in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, or renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an employee or officer of congress, or an employee of a member of congress in connection with this shall complete and submit standard form - III, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers, (including subcontracts, sub-grants, and contracts under grants, loans and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Certification Regarding Disclosure Requirements for Activities Receiving \$200,000 or More

The undersigned shall comply with the requirements of full disclosure for any project or activity proposed for and receiving funding equal to \$200,000 or more. Disclosure will include providing information regarding:

assistance from other government sources in connection with the project;

financial interests of persons involved in the project (from planning to development to

implementation of the project or activity), such financial interests exceeding \$50,000 or 10% of the project assistance requested, whichever is lower; and

sources and uses of other funds involved in the project.

Federal FFY 2021 Massachusetts CDF/ME Program

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, US Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

By: _____
Signature, Chief Elected Official
(Lead Applicant Only)

Typed Name

Title

Date

CHIEF FINANCIAL OFFICER'S CERTIFICATION

The Chief Financial Officer of the city/town must review the grant budget and determine whether it includes all costs that must be accounted for, given municipal budget procedures that apply to other, non-CDBG funded departments and operations. The Chief Financial Officer is usually the city auditor/town accountant, treasurer or director of finance. CEO certification is attesting to this.

**MASSACHUSETTS CDBG PROGRAM FFY 2021
CHIEF FINANCIAL OFFICER CERTIFICATION**

Budget Summary/Administrative Cost Breakdown:

This is to certify that the Budget Summary and Administrative Cost Breakdown forms included in the City/Town of _____'s application to the Massachusetts CDBG Program have been reviewed and determined to be a fair and accurate accounting of allowable and reasonable costs.

The costs identified compare consistently with those described for each requested program activity identified in this application.

By: Chief Financial Officer

DISPLACEMENT OF NON-CDBG FUNDS CERTIFICATION

The Chief Elected Officer of the city/town must certify that CDBG funds are not used to displace non-CDBG funds under the control of the municipality.

**MASSACHUSETTS CDBG PROGRAM FFY 2021
CDBG FUNDING DISPLACEMENT CERTIFICATION**

This is to certify that CDBG funds shall not be used to displace non-CDBG funds under the control of the Municipality:

By: Chief Elected Official

ANTI-DISPLACEMENT AND RELOCATION CERTIFICATION

All applicants must complete and submit the following form to certify that the community (lead) will be in compliance with the requirements of the Section 104(d) of Title I, Housing and Community Development Act of 1974, as amended.

The applicant community, based on its Relocation Plan, must certify that they (and joint applicants, when applicable) will comply with the requirements of Title I.

1. This certification is based on the Relocation Plan established by the applicant or leads community and obligates all participants to comply with the requirements of the Uniform Relocation Act and Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended.
2. This certification form may be signed by the Community Development or the Planning Director, or by the Administrative Assistant, or Executive Secretary to the Chief Elected Official, or the Chief Elected Official of the lead municipality.

MASSACHUSETTS FFY 2021 CDBG PROGRAM

**ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE CERTIFICATION
(Under Section 104(d) of the HUD Act of 1974, as amended)**

The Town/City of _____ will replace all occupiable and vacant (for at least 3 months) low-moderate income dwelling units demolished or converted to a use other than as low/moderate income dwelling units as a direct result of activities assisted with funds provided under the Housing and Community Development Act of 1974, as amended, described in 24 CFR 570.496(a) and (b)(1).

All replacement housing will be provided within three (3) years of the commencement of the demolition or rehabilitation related to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, the town/city of _____ will make public and submit to the DHCD, if requested, the following information, in writing:

1. A description of the proposed CDBG-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 CDBG-assisted activities.
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.
6. The basis for concluding that each replacement dwelling unit will remain a low moderate income dwelling unit for, at least, ten (10) years from the date of the initial occupancy.

The Town/City of _____ will provide relocation assistance, as described in 24 CFR 570.496 (a)(b) to each low-moderate income household displaced by demolition of housing or by the conversion of a low-moderate income dwelling unit to another use as a direct result of CDBG-assisted activities. Consistent with the goals and objectives of activities assisted under the Act, the Town/City of _____ will take steps to minimize displacement of persons from their homes.

Signature

Name

PUBLIC HEARING DOCUMENTATION

Applicants are required to hold at least *two* formal public hearings *during a CDBG grant cycle*. At least *one must be held before submitting an application* for CDBG funds. DHCD encourages but does not require applicants to hold more than one public hearing during the application process.

1. Public hearings should be held at least two (2) weeks prior to the submittal of the application. The hearings must be held during times that the public can reasonably be expected to attend. The meetings dates must also allow sufficient time for the applicant to make changes in the proposal if public input so warrants.
2. Advance notice must be sufficient to reasonably allow for attendance. Notices should include:
 - a. Identify the public body that is to hold the hearing;
 - b. Identify the project area(s) and proposed activities;
 - c. The names of each community participating in the proposed activities;
 - d. Identify the agency that is to undertake the project(s);
 - e. Identify the date, time, and place of the hearing;
 - f. State that any person or organization wishing to be heard will be afforded an opportunity to be heard; and
 - g. Allowance for submittal of written comments by those wishing to do so.
3. Public notification can include the following: newspaper articles notices; public service spots on radio or cable television; brochures/flyers at various locations within each of the communities participating in a joint activity or program; bulletin boards, and legal advertisements.
4. Public Notice Documentation: Describe and attach a copy of the notices, articles, etc., which informed the public of hearing.
5. Minutes: Attach a copy of the minutes of any hearings. Minutes must include presentations and concerns raised or comments made by those in attendance, and a list of persons who attended the hearing.
6. If this FFY 2021 application proposes to continue a previously funded CDBG project/program, please attach a copy of the minutes from the public hearing that includes citizens' views on the outcomes and the effectiveness of the CDBG project/program and ways of improving these projects/programs.

**Federal FFY 2021 Massachusetts CDBG Grant Programs
PUBLIC HEARING DOCUMENTATION**

PUBLIC HEARING INFORMATION:

Date/Time Held: _____

Number of Attendees: _____

Location: _____

Hearing Officer: _____

Hearing Outreach:
(List all sources) _____

Dates published: _____

Where Published? _____

HEARING NOTICE AND MINUTES DOCUMENTATION:

Attach a copy of the public hearing notice as it appeared in the newspaper(s) listed above, or a copy of the notice as was posted in the appropriate public buildings. In addition, you must attach a copy of the minutes from the public hearing. This documentation should only be placed in the Public Hearing link of the Forms page of the application.

Applicants that do not meet the requirements for Public Hearing as described here will not be considered for funding.

OUTCOME PERFORMANCE SUMMARY CHART

Please insert the number corresponding to your selections, in each activity category for which you are applying, in the Summary chart.

Select a Performance Measures Objective:

Choose the Objective that best describes the purpose of the activity.

1. Create suitable living environments
2. Provide decent affordable housing
3. Create economic opportunities

Select a Performance Measures Outcome:

Choose the Outcome that reflects what achievements are expected.

1. Availability/accessibility
2. Affordability
3. Sustainability

For example, an application requesting Housing Rehabilitation loans and grants might select Objective 2. – Provide decent affordable housing, and Outcome 2. – Affordability. The chart would be filled in as follows:

PROGRAM/PROJECT/ACTIVITY		Objective	Outcome
4	HOUSING REHABILITATION		
B	Unit Development/Creation		
C	Rehabilitation Loans/Grants	2	2

Further information regarding the Outcome Performance Measurement System can be found in the Draft FFY 2021 One Year Action Plan.

PROGRAM DELIVERY AND GENERAL ADMINISTRATIVE COSTS BREAKDOWN

Part A: Personnel and Fringe Benefit costs must be allocated by position and corresponding budget activity. Costs must be consistent with those described in the project packets. Refer to Appendix F for guidance.

Part B: Non-personnel costs consist of those sundry items needed in support of office overhead and program operation. Some costs have been classified as solely General Administrative costs and cannot be charged otherwise.

- 1) Membership, Publication(s), etc.: Dues for professional associations and subscriptions relating to overall information and guidelines administering a CDBG program.
- 2) Training and Education: Conferences, seminars, etc., relating to the management of the grantee's CDBG program.
- 3) Travel: Mileage, parking and tolls charged by an employee when using their own car for overall management functions, or on-site inspections of CDBG activities. This may also include travel costs for conferences and seminars.
- 4) Accounting, Disbursement Services: Those services provided by an accounting firm to create and/or maintain accounting records for the grantee's program. Check writing, payroll service costs charged by banks.
- 5) Legal Services: Attorney's fees for guidance relating directly to the grant projects.
- 6) Advertising: Publicized announcements relating to public hearings, procurement, hiring, and program outreach for a specific activity.
- 7) Reproduction/Printing: Brochures, forms, photographs, etc., needed in either the promotion or overall management of the grant.
- 8) Communications: Telephone, postal, and messenger services.
- 9) Supplies and Materials: General office supplies used in overall management of the program.
- 10) Maintenance and Repairs: Those costs that are necessary for the upkeep of property but do not add to the permanent value or prolong the intended life of the property. Administrative costs might consist of a Community Development Office, equipment maintenance/repair agreements and other general repair within the Community Development Office.
- 11) Audit: Single audits required to be performed on all federal funds at the recipient level, (excludes agency-level audits of sub-recipients) in accordance with 24 CFR Part 85. The ratio of CDBG funds expended to other federal funds expended determines the CDBG contribution to the cost of the Single Audit.
- 12) Computers and related equipment: Lease or purchase of computer services.

NOTE: Municipalities that do not have computers available to operate the CDBG grants management/accounting software MUST budget for the purchase or lease of an IBM compatible PC, current hardware, e-mail and/or Internet access.

- 13) Equipment: Lease or purchase of general office equipment, such as typewriters, desks, copiers, chairs, file cabinets, etc.
- 14) Professional Services: Professional services rendered by individuals or organizations not a part of the grantee department administering the grant program. The type of professional services must be identified on the budget page.
- 15) Application Preparation: Communities who have not received a Massachusetts CDBG Grant in prior years may budget up to \$6,000 for CDBG funds. Otherwise, up to \$3,000 is allowed.
- 16) Other: Specify miscellaneous costs related to the grant program.

The Indirect Percent Rate charged by an administering entity (if the grantee will engage in the services of such an entity) must be in accordance with a certified Indirect Cost Allocation Plan prepared by a CPA firm (include as an attachment in the application). This percentage is an assessment of total indirect costs, which cannot be clearly attributable to a particular program (e.g., space, heat, utilities, maintenance are some examples).

Please note that General Administration cannot exceed 15% of the total grant request, and must be reasonable.

BUDGET SUMMARY SHEET

The Budget Summary Sheet is filled in automatically from the packet budget forms and General Administration Parts A and B, as they are entered.

ATTACHMENTS

If appendices are submitted with your application, please adhere to these requirements:

- Attachments may not be a substitute for information that should be included in the project packets. Attachments may only be used to corroborate information that is included in one of the narratives.
- Please limit your attachments. Do not include such information as state and federal wage rates, program forms, housing rehabilitation work write-ups, boilerplate contracts. **DO NOT** include names of homeowners on waiting lists, or of respondents to surveys.
- Label every attached document.

APPLICATION REVIEW PROCESS

The Application Review process is designed to ensure that Massachusetts Community Development Block Grant funds are awarded to communities for projects that meet all threshold requirements, have demonstrated significant needs, and will have a noticeable impact on those needs. The application contains the evaluation criteria that will be used to score the application. The evaluation criteria can be found within each scored question.

Carefully consider the evaluation criteria while writing the grant proposal. The application also contains explicit information about how national objective and other threshold requirements must be met for various types of projects.

Each project will be evaluated to determine whether the proposed projects meet all Massachusetts CDBG threshold tests. Failure to meet any one of these tests eliminates the project from review and it will not be scored. **Projects that do not meet the threshold for feasibility will not be scored further or averaged with other projects that meet the feasibility threshold.** The application is evaluated on the information it contains.

Projects meeting all threshold tests are fully reviewed and scored by two reviewers. Reviewer scores are averaged and rounded to achieve final scores. Each of the competitive questions in an application will be scored in accordance with the description contained in the One-Year Action Plan and the criteria included in the project packet questions. Once initial reviews have been completed, reviewers meet with review team leaders to discuss applications and reach consensus on scoring. DHCD reserves the right to conduct site visits and or verify information from state, federal or other entities.

A single-purpose application (one project) will receive a Project Need and Project Feasibility score (up to 65 points) that is based on the score for the one project included in the grant proposal. For applications with several projects, the final score is calculated by averaging scores of all projects (except for planning and public services activities) that met thresholds and were therefore reviewed and scored. To be considered for funding, projects in a Community Development Fund application must meet all threshold criteria and must receive at least 39 out of 65 points in combined for Project Need and Project Feasibility. The following example illustrates possible scoring of a Community Development Fund application:

<u>Project</u>	<u>Project Feasibility</u>	<u>Score</u>	<u>Score</u>	<u>Fundable</u>
Housing Rehabilitation	Yes	47	47	Yes
Design	Yes	45	45	Yes
Construction				
Streets	Yes	55	55	Yes
Water line	Yes	38	n/a	No
Subtotal Project Scores			147	

Total Project Need and Feasibility Score: $(147/3) = 49$

Planning activity packets will be scored using Project Need criterion only and must receive at least half the available points for the criterion. Public Social Service activity packets will not be scored and will be evaluated as pass/fail based on the project description. Planning and Public Social Service packet activity scores will not be included in the averaging of activity scores. Planning-only applications will be pro-rated to determine a corresponding application score.

The entire review process takes approximately three months, depending on the number of applications received.

APPENDICES AVAILABLE

On

DHCD's website:

www.mass.gov/dhcd/components/cs/1PrgApps/CDBG/default.HTM

- A. Eligible Community Development Block Grant Activities
- B. HUD Low and Moderate Income Census Data by City and Town
- C. HUD Survey Methodology
- D. Fiscal Year 2021 Low and Moderate Income Limits
- E. Primary Federal Regulations
- F. MA Entitlement Communities
- G. Public Facilities Projects-Phases of Design
- H. Base-line Information Form for CDBG Activities re: slums or blight
- I. Property Rating Sheet and Infrastructure Rating Sheet re: slums or blight
- J. Green/Sustainable Building and Energy Star Guidance