City of Lynchburg
Program Year 2013/Fiscal Year 2014

Community Development Block Grant (CDBG) and Home Application

TABLE OF CONTENTS

Application Checklist

	Page
Project/Program Summary-Example	4
Project program Summary-Form	5

Introduction

2011-2015 Consolidated Plan Goals	6
CDBG Program National Objectives	7
HOME Program Description	8
Current Funding Levels – CDBG & HOME	8
Leverage	8
2013 Area Median Family Income Chart	9
FY 2013 Fair Market Rate Summary	9
Federal Funding Accountability and Transparency Act of 2006 (FFATA) Reporting Requirements	10
Application Submittal Overview (Eligible Applicants)	11
Submission Requirements	13
Important Information Relative to Application	14

PART A: APPLICANT AND AGENCY BACKGROUND

Applicant Information	15
Past City Support	16
Agency Information	17
Agency Operating Budget	17

PART B: CDBG or HOME PROJECT DETAIL INFORMATION

Program Description	18
Eligibility	18
Program Need	20
Target Population	20
Program/Project Rationale	21
Organizational Capacity	21
Community/Neighborhood Involvement	21
Performance Measures	22
Project/Program Cost and Budget	24
Project/Program Source and Use Budget	25

Attachments:

1. Program Year 2013 (FY 2014) Schedule	26
2. Evaluation Criteria	27

XIII. APPLICATION CHECKLIST

The following should be submitted to the Grants Administration Office in the following order, 3-hole punched and bound with a binder clip. Please do not submit in binders or with rubber bands.

__ Project/Program Summary

__ Completed Part A of Application

__ Completed Part B of Application

__ Copy of 501(c)(3) designations letter from the Internal Revenue Service

__ Certification of registration from the VA Secretary of State verifying agency is registered to conduct business in the State of Virginia

__ A signed statement that the agency agrees to abide by all policies, regulations, ordinances, or statutes as required by HUD and/or the City of Lynchburg.

__ One (1) copy of the audited financial statement for the past two years including management letters

EXAMPLE OF PROJECT/PROGRAM SUMMARY - PLEASE COMPLETE THIS FORM ON THE FOLLOWING PAGE AND PLACE AS FRONT PAGE OF AGENCY'S APPLICATION SUBMITTAL

NOTE: THIS PROJECT/PROGRAM SUMMARY SHEET WILL PROVIDE CITY STAFF WITH A CHECKLIST TO ENSURE THAT ALL DOCUMENTS HAVE BEEN SUBMITTED, AS REQUESTED.

Project/Program Summary

Organization/Agency: **City of Lynchburg, Office of Grants Administration**

Project/Program Title: **Lynchburg Project**

Funding Request (Amount of Requested Funds)	**$50,000**
CDBG or HOME	**CDBG**
Electronic Copy	CD or Email
501(c)(3) Documentation	Attachment 1
Documentation of State Registration to Conduct Business	Attachment 2
Support Letters/Number	2 – Attachment 3
Audit	Attachment 4
Audit and Management Letter	N/A or Attachment 5
Signed Statement Agreeing to Policies	Attachment 6
Completed Part A and Part B Application	Part A and Part B Completed

Brief Summary Description of Project:

(Summary of project description that your Agency has stated in Part B, Section I)

PROJECT/PROGRAM SUMMARY

Organization/Agency: _____

Project/Program Title: _____

Funding Request	
Funding Request for CDBG or HOME Program funds	
Electronic Copy (State that copy has been submitted to City via email to melva.walker@lynchburgva.gov	
501(c)(3) Documentation (Copy of Internal Revenue Service (IRS Certification)	
Documentation of State Registration to Conduct Business (SCC Certification)	
Support Letters/ Total # (Are there support letters included, if so, how many?)	
Audit and Management Letter (Include for last two fiscal years)	
Signed Statement Agreeing to Policies	
Completed Part A and Part B Application	

Brief Summary Description of Project:

INTRODUCTION

Welcome to the City of Lynchburg's Grants Administration Office annual application for Community Development Block Grant (CDBG) and HOME Program federal funds. All CDBG and HOME funds are provided to the City through an annual entitlement grant administered by the U.S. Department of Housing and Urban Development (HUD). This award is based on the City's prior performance and needs detailed in the City of Lynchburg's Five-Year Consolidated Plan. All entities or organizations requesting CDBG or HOME funds must complete and submit this application prior to the deadline **(Monday, January 28, 2013 at 4:00 p.m.)** to be considered for Fiscal Year (FY) 2014 (July 1, 2013 – June 30, 2014) funding. The application process is very competitive and not all applicants will be awarded funding. Similarly, recommendations for funding may be for an award amount less than that requested by the applicant.

The release of this application by the Grants Administration Office each year provides new opportunities for the City to create partnerships with neighborhood organizations, non-profit and for-profit entities to address community development needs. To effectively address these issues, the City encourages its prospective partners to develop innovative programs that truly reflect the desires and needs of the community. As your entity prepares its application, you are strongly encouraged to engage the community. While Grants Administration staff is unable to complete this application for you, staff is available for general technical assistance.

Five-Year Consolidated Plan Priorities

The City's Five-Year Consolidated Plan is for the period of July 1, 2010 through June 30, 2015. City Council reviewed the Consolidated Plan Goals on January 8, 2013 for the 2013-2014 Annual Action Plan (FY 2014). These goals were developed to provide direction for the City in its use of CDBG and HOME funds throughout the five-year period. Following are the goals that will guide the City's priorities and allocation of funds for the FY 2014 Annual Action Plan CDBG/HOME Program period:

Adopted 2011-2015 CONSOLIDATED PLAN GOALS

The goals listed below are intended to provide broad guidance in the allocation of Community Development Block Grant (CDBG) funds granted to the City by the United States Department of Housing and Urban Development for the five years beginning July 1, 2010 and ending June 30, 2015. The Community Development Advisory Committee (CDAC) supports the allocation of funds to achieve measurable results for both public and non-public services.

NOTE: At the January 8, 2013 City Council meeting, City Council approved the Consolidated Plan goals for this Annual Action Plan process. The goals are listed below.

The primary objective of the CDBG program is to continue to develop viable urban communities through decent housing, suitable living environments and expanded economic opportunities for low- and moderate-income persons; the City of Lynchburg supports assisting individuals with disabilities, substance abuse or addiction, persons with AIDS, persons that are homeless, and elderly persons.

Housing Goals

1. Increase the number of owner-occupied units.

2. Rehabilitate substandard housing units. Emphasis is to be placed on programs that require an investment of funds and/or labor on the part of the owner commensurate with the owner's resources.

3. Support initiatives to increase permanent affordable rental and housing ownership opportunities.

4. Promote programs that assist eligible individuals in retaining their homes.

Non-Housing Goals

1. Eliminate neighborhood deterioration, blight and blighting influences.

2. Support the organized efforts in neighborhoods to leverage their resources to improve and sustain community livability and services.

3. Support economic development efforts which will expand job opportunities and retention.

4. Promote activities which support the healthy development of the City's at-risk youth, adults and families.

The application process for CDBG and HOME funds seeks to ensure that the City's investment of scarce resources has the greatest impact on achieving outcomes related to the above-listed goals. While the goals established for the Five-Year Plan generally determine those funding proposals recommended for approval, the priorities should not be viewed as an obstacle to responding to unique opportunities or providing creative solutions.

Community Development Block Grant (CDBG)

CDBG funds, as adopted by the U.S. Congress in 1974, must be used to address one of three National Objectives:

1. Benefit low-and moderate-income (LMI) persons. Low- and moderate-income persons are those whose household incomes are at or below 80% of the area median income, as adjusted for family size, and as determined by HUD for Lynchburg (See page 9);

2. Prevent or eliminate slums or blight. To qualify under the National Objective of addressing slums or blight, the proposed activity must address these conditions on a "spot" or "area" basis or be a designated urban renewal activity that is part of an Urban Renewal project area or Neighborhood Development Plan (NDP);

3. Meet a need having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and other financial resources are not available to meet such needs.

All applications for CDBG funds must meet one of the three above-listed National Objectives.

HOME

The HOME Investment Partnerships Act encourages the development of affordable housing, private sector participation and expanding the capacity of nonprofit housing providers. HOME program beneficiaries must have a household income that does not exceed 80% of the area median income, adjusted for family size.

The City of Lynchburg will consider projects that consist of one or more of the following eligible activities:

- Acquisition of property for the purpose of constructing or rehabilitating affordable housing;
- New construction of rental or homebuyer property;
- Rehabilitation of existing housing to comply with the local Minimum Housing Code;
- Site improvements to assist in the development of new affordable housing;
- Demolition;
- Relocation costs; or
- Project-related soft costs.

Current Funding Levels

The City of Lynchburg received $639,243 in CDBG entitlement funds and $284,263 in HOME funds from HUD for Fiscal Year (FY) 2013. While the City has not yet been notified of its FY 2014 funding allocation, the City is expected to receive less funding for each program in FY 2014. Both the CDBG and HOME funds are used to support homeownership, housing rehabilitation and repair programs, neighborhood projects, infrastructure, spot blight acquisitions and dispositions, and other initiatives administered directly by the Grants Administration Office. Additionally, a maximum of 20% of CDBG funds and a maximum of 10% of HOME funds may be used for program administration.

The balance of the funding is allocated through this competitive application process. CDBG funds will be considered for City capital projects, Lynchburg Redevelopment and Housing Authority (LRHA) programs and targeted neighborhood programs that have a City department sponsor. Of the HOME entitlement amount, a minimum of 15% must be used to support projects developed, sponsored or owned by Community Housing Development Organizations (CHDO). [1]

Leverage

CDBG and HOME funds may not be used to displace other available City, State or Federal funds. CDBG and HOME funds can be used as gap financing that is necessary to

[1] It should be noted that on September 28, 2010, City Council decided to eliminate the use of CDBG funding for public service projects/activities. Council noted that such projects/agencies could be considered for funding from the General Fund. Public service projects/agencies can partner with a City department for targeted neighborhood projects.

help make a project or program cost effective for the intended low-to-moderate income beneficiary. To encourage this requirement, the following leverage is recommended: $1 of CDBG/HOME matched by a minimum of $1 of non-CDBG/HOME funds.

Volunteer time may be counted as leverage at a maximum of $10/hour.

Income Limits

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD)
FY 2013 MEDIAN FAMILY INCOME CHART
FOR THE CITY OF LYNCHBURG, VIRGINIA

Median Income	**FY 2013 Income Limit Category**	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
$57,900	**Very Low (50%)**	$20,300	$23,200	$26,100	**$28,950**	$31,300	$33,600	$35,900	$38,250
	Extremely Low (30%)	$12,150	$13,900	$15,650	**$17,350**	$18,750	$20,150	$21,550	$22,950
	Low (80%)	$32,450	$37,050	$41,700	**$46,300**	$50,050	$53,750	$57,450	$61,150

FY 2013 Fair Market Rent (FMR) Summary

	Efficiency	**One Bedroom**	**Two Bedroom**	**Three Bedroom**	**Four Bedroom**
Final FY2013 FMR	**$544**	**$595**	**$726**	**$929**	**$1,071**

NOTE: Lynchburg city is part of the **Lynchburg, VA MSA**, so all information presented here applies to all of the **Lynchburg, VA MSA**. The **Lynchburg, VA MSA** contains the following areas: Amherst County, VA; Appomattox County, VA; Bedford County, VA; Campbell County, VA; Bedford city, VA; and Lynchburg city, VA.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT OF 2006 (FFATA)

FFATA REPORTING REQUIREMENTS (All CDBG or HOME funds awarded to agencies, the following information will need to be submitted to the City in conjunction with the execution of the Written Agreement.

The Federal Funding Accountability and Transparency Act of 2006 (FFATA) mandates specific reporting requirements that must be met by all Federal grant recipients, including CDBG participating jurisdictions such as the City. If the Subrecipient receives $25,000 or more in Federal funds/awards the Subrecipient must provide the City with the following information in accordance with FFATA reporting requirements. This information includes, but is not limited to:

1. name of the Subrecipient receiving the award;
2. amount of the award;
3. information on the award including transaction type, funding agency (i.e. HUD), the North American Industry Classification System code or Catalog of Federal Domestic Assistance number, program source (Treasury Account Symbol (TAS) will continue to be used as the official Program Source), award title descriptive of the purpose of each funding action;
4. location of the Subrecipient receiving the award and primary location of performance under the award, including city, State, congressional district, and country;
5. unique identifier of the Subrecipient receiving the award and the parent entity of the Subrecipient, should the Subrecipient be owned by another entity (the unique identifier is the Subrecipient's Dun & Bradstreet (D&B) Data Universal Numbering System (DUNS) number);
6. names and total compensation of the five most highly compensated officers of the Subrecipient if the Subrecipient in the preceding fiscal year received 80 percent or more of its annual gross revenues in Federal awards; and $25,000,000 or more in annual gross revenues from Federal awards; and the public does not have access to this information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. §§ 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (See FFATA § 2(b)(1));
7. and any other data deemed necessary to comply with FFATA.

Application Submittal Overview

NOTE: There is one application for both CDBG and HOME funds.

ELIGIBLE APPLICANTS FOR CDBG FUNDS - FISCAL YEAR 2014

1. Nonprofit/Neighborhood Associations: Partnership applications between nonprofits/neighborhood associations and City departments for targeted neighborhood projects
2. Housing Authority: programs such as spot blight and rental rehabilitation and administrative/direct costs associated with the Housing Authority strategic plan
3. City Departments: (infrastructure; construction or rehabilitation of neighborhood centers; park improvements, aesthetic amenities on public property)[2]

Eligible Applicants for HOME Funds (Non-profit Agencies) – Fiscal Year 2014

1. Non-profit agencies that propose projects that consist of one or more of the following eligible activities:
    - Acquisition of property for the purpose of constructing or rehabilitating affordable housing;
    - New construction of rental or homebuyer property;
    - Rehabilitation of existing housing to comply with the local Minimum Housing Code;
    - Site improvements to assist in the development of new affordable housing;
    - Demolition;
    - Relocation costs;
    - Project-related soft costs; or
    - Down payment assistance.

2. Non-profit agencies that are approved Community Housing Development Organizations (CHDO) that will develop affordable housing within the CDBG-targeted areas.
3. Congress included several provisions in the HUD Fiscal Year (FY) 2012 Appropriations Act that are immediately effective for all projects/activities funded with FY 2014 funds. They are as follows:

    • The City must conduct an underwriting review, assess developer capacity and fiscal soundness, and examine neighborhood market conditions to ensure adequate need for all development projects/activities;

    • The City must ensure that Community Housing Development Organizations (CHDOs) have staff with demonstrated development experience;

    • Projects/activities (rental and development) funded from FY 2014 must be completed and ready for occupancy within four (4) years of the commitment ("set-up") date. This

[2] It should be noted that on September 28, 2010, City Council decided to eliminate the use of CDBG funding for public service projects/activities. Council noted that such projects/agencies could be considered for funding from the General Fund. Public service projects/agencies can partner with a City department for targeted neighborhood projects.

rule will limit the City's flexibility to extend contracts funded with FY 2014 funds and may result in repayment of project funds if all financing cannot be secured in time to complete construction and be ready for occupancy within four years; and

• Homeownership units not sold to a homebuyer within 6 months of completion of rehabilitation/construction must be rented as a HOME rental unit. The City will carefully evaluate the feasibility of proposed homebuyer activities to make sure there is a strong market for homebuyer units, that the project is financially feasible, and that if the homes cannot be sold to eligible borrowers in time, there is a realistic contingency plan to avoid having to rent out the homes. The analysis of financial feasibility includes but is not limited to a determination that there is sufficient value to support all development costs.

APPLICATION PROCESS:

Applications must be **typed and page numbered (example: Page 1 of 7).** Applications must be 3-hole punched for inclusion in a standard three (3) ring binder. Please simply bind the application with a binder clip. Rubber bands or paper clips are not an acceptable form of binding. Staff will compile all applications into three-ring binders for review and evaluation by CDAC.

Applicants must submit **one (1) original, eleven (11) copies and one electronic copy (either on a CD or e-mailed to the address below)**. The original copy must contain original signatures. **Applications not meeting these requirements will not be considered complete and will not be accepted by the Grants Administration Office and will not be forwarded to City Council for consideration.**

All applications must be received by the **Grants Administration Office** no later than the close of business, **4:00 PM, on Monday, January 28, 2013.** Official postmarks are not acceptable. It is the responsibility of the applicant to meet the delivery date and delays by delivery services are not an acceptable justification for being late. Applications will not be accepted by the Grants Administration Office after the above date and time. **THERE WILL BE NO EXCEPTIONS.**

IF AT ANYTIME DURING THE COMPILATION AND PREPARATION OF THE GRANT APPLICATION ANYONE HAS QUESTIONS REGARDING THE CONTENTS AND/OR REQUIREMENTS ON THIS APPLICATION, PLEASE CONTACT MELVA WALKER, GRANTS MANAGER, AT (434) 455-3916 OR EMAIL AT: melva.walker@lynchburva.gov

Mailing Address
City of Lynchburg
Grants Administration Office
ATTN: Grants Manager
900 Church Street
Lynchburg, VA 24504

Office Location
City Hall
900 Church Street
City Hall, Second Floor
Lynchburg, VA 24504
434-455-3913

E-Mail

melva.walker@lynchburgva.gov

SUBMISSION REQUIREMENTS

Requirements	Documentation
1. The applicant : a. must have nonprofit status for at least one (1) full year, or b. must have two (2) full years of operating experience under another nonprofit entity, or c. is a for-profit entity proposing to use funds for an economic development activity that will provide for jobs creation and/or retention and be located in a CDBG-targeted area.	A copy of a 501(c)(3) designation letter from the Internal Revenue Service
2. The applicant must be registered to conduct business in the State of Virginia at the time of the application.	A current certification from the VA Secretary of State. For assistance, call 1-866-722-2551 or go to www.secretary.state.va.us/corporations
3. The applicant must have at least twelve (12) months experience directly related to the proposed project or program, or be partnered with an entity that has such experience, or have principal staff with such experience.	Letters of support are recommended (maximum of three (3)
4. The applicant must have audited financial statements prepared by a qualified accountant or accounting service, covering the last twenty-four (24) months of operation. Copies of the audited financial statements must be submitted with the application and should not be older than twelve (12) months. Audit findings may make the applicant ineligible to receive funding consideration.	One (1) copy of each audited financial statement that meets the criteria described. Include management letter.
5. The applicant must agree to abide by all policies, regulations, ordinances, or statutes as required by HUD and/or the City of Lynchburg.	A signed statement that the agency acknowledges its responsibilities.
6. The applicant must complete **ALL** elements of Part A and Part B of the application.	Completed Part A and Part B.

Failure to provide a complete application will result in disqualification from consideration for funding.

Important Information Relative to Application

This is a competitive application process for limited funding. Applicants that meet the minimum criteria are not guaranteed an award.

NOTE: FISCAL YEAR 2014 NEIGHBORHOOD ASSOCIATION APPLICANTS: NEIGHBORHOOD ASSOCIATION APPLICANTS MUST PARTNER WITH A CITY DEPARTMENT THAT CAN SUPPORT THE PROPOSAL AND CAN ASSIST WITH THE OVERALL ADMINISTRATION AND MONITORING OF THE PROJECT IN ACCORDANCE WITH HUD REGULATIONS.

1. Successful applications may be funded for less than the amount requested.

2. Funding provided by this process will be awarded for the FY 2014 which begins July 1, 2013 and ends June 30, 2014. However, no contracts can be executed until the City has completed the necessary environmental assessments, executed funding agreements with HUD, and approval has been received from City Council. The City generally receives its funding agreement from HUD in August or September.

3. Agencies that are currently receiving CDBG and/or HOME funds from the City, who are also applying for FY 2014 CDBG/HOME funds, must be in compliance with all terms of their current written agreement and must not have any outstanding audit findings, monitoring findings or concerns as determined by the City or HUD.

4. Nonprofit agencies must have an active Board of Directors documented by submitting an attendance list at board meetings for the previous 12 months and must submit a Board membership list and contact information for Board members with their application.

5. Applications must be signed by the Chair or President of the Board of Directors. Please submit the minutes of the meeting authorizing the submittal of this application.

6. Applications must be in WORD format. Handwritten applications will not be considered for funding.

7. All applications must be bound with binder clips and 3 hole punched for easy insertion into a 3-ring binder by Grant staff. Rubber bands do constitute an acceptable binding format.

8. Each applicant must submit **one original and eleven (11) copies** of their application. Original copies must contain original signatures and not duplications. Each application must be accompanied by an electronic copy that can either be on a CD or e-mailed to melva.walker@lynchburgva.gov.

9. An electronic copy of the application (Word Document) is posted on the Grants Administration website at: http://www.lynchburgva.gov/grants.

10. For additional information on the Community Development Block Grant Program or HOME Investment Partnerships Program, visit HUD's website at: www.hud.gov/offices/cpd.

11. For additional information regarding this application, please contact Melva Walker, Grants Manager, at (434) 455-3916.

PART A: APPLICANT AND AGENCY BACKGROUND

I. APPLICANT INFORMATION

Applicant Organization's Legal Name: _____

Primary Contact Person: _____

Title: _____

Applicant Organization's Physical Address: _____

Applicant Organization's Mailing Address: _____

Telephone Number: _____Fax Number: _____

E-Mail Address: _____

Tax Identification #: _____

DUNS Number: _____
(Dun & Bradstreet, Inc. provides this number at no charge and is required for federal funding recipients; DUNS number can be obtained at www.dnb.com)

Name & Title of Application Preparer: _____

II. TYPE OF PROJECT

Check the type of activity that best describes your project:
___Housing Authority ___Neighborhood Association ___City Department ___Nonprofit Organization

III. PROJECT, SERVICE, OR ACTIVITY INFORMATION

Project/Program Name: _____

Total Project/Program Cost: _____

Please Specify the Type and Amount of Funding Requested:

___CDBG - _____ OR ___HOME - _____
(Amount of funding requested) (Amount of funding requested)

Percentage of CDBG or HOME investment (Total Project Cost/Amount Requested): _____

The City reserves the right to fund projects out of either Program as projects are eligible.

IV. PAST CITY SUPPORT

Please list all CDBG or HOME funding awarded by the City of Lynchburg in the past five years.

Complete for all awards that have been completed/closed out:

Fiscal Year Awarded	Project/Program Name	Award Amount	Date Project/Program Completed	Remaining CDBG or HOME Funding As of December 31, 2012

Complete only if Project/Program are In Progress or Not yet Started (not yet completed):

Fiscal Year Awarded	Project/Program Name	Award Amount	Anticipated Completion Date	Remaining CDBG or HOME Funding as of December 31 31, 2012

Project/Program Name (from table above)	Explain why funds remain and what the timetable is for spending remaining funds

1. What is your agency's mission statement?

2. How long has the Agency existed in its current form?

3. How long has the Agency had its 501(c) (3) status?

4. How many years has the Agency conducted the project/program for which it is requesting funding?

5. List all other programs managed by the Agency.

6. Has your agency received an independent audit conducted by a Certified Public Accountant?
ق Yes ق No

If so, what is the name of your auditor? _____
What was the time period (fiscal year) being reviewed? _____

NOTE: A copy of audited financial statements that demonstrate the following must be attached to the application submission:

The applicant has audited financial statements prepared by a qualified accountant or accounting service, covering the last twenty-four (24) months of operation. Applicants receiving $500,000 or more in Federal funds must provide an organization-wide audit; applicants receiving less than $500,000 in Federal funds must provide a copy of a limited scope audit. If the applicant does not have a current audit process in place, the agency will be required to include a 10-percent set aside in the project/program for the provision of an audit.

VI. FY 2013-2014 AGENCY OPERATING BUDGET

Please submit a copy of Agency's budget for the current fiscal year.

PART B: CDBG or HOME PROJECT DETAIL INFORMATION

I. PROGRAM DESCRIPTION

1. Provide a detailed description below of the project or program for which you are requesting CDBG or HOME investment funds. A separate application is required for each project or program seeking CDBG or HOME assistance.

2. Select the proposed Accomplishment Type from the list below and provide the number of people, housing units, public facilities, etc. the project will serve.

Accomplishment Type	Projected number of Accomplishment Type to be served
People	_____
Housing Units	_____
Organizations	_____
Public Facilities	_____
Jobs	_____

II. ELIGIBILITY

Before completing this section, please refer to the **Introduction Section on Pages 6-8**, for information regarding HUD National Objectives. All CDBG projects and programs must meet one of the stated National Objectives.

Please select the criteria your project/program will satisfy to meet this national objective.

__ **Area Benefit** - Activity provides benefit to an area where at least 51% of its residents are low-to-moderate-income (LMI). The service area is primarily residential, the project/program meets LMI needs, and income levels are documented by the U.S. Census or an approved substitute.
If your project/program will only be available to residents and/or businesses in a defined area, please provide the following:

1. Census tract(s) and block groups in which the project/program will be provided
2. The most recent demographic data related to income and ethnic composition of the target area. Please indicate the proportion of the service area that is low- to-moderate income.
3. A map of your service area that clearly delineates the boundaries and includes street names.

Note: The entire City of Lynchburg cannot be deemed a service area for the purpose of meeting these criteria.

__ **Limited Clientele** (activity benefits a limited number of persons whereby at least 51% are low-to-moderate-income (LMI}). Some persons are presumed to be LMI {i.e., abused children, elderly-age 62, homeless}, or assistance may be provided to LMI persons owning or developing micro-enterprises; or the project/program is a job training or placement activity.

Please describe the steps your agency will take to document that 51% of the clients served are low- to moderate-income.

__ **Housing** (activity provides or improves residential structures to be occupied by low-to-moderate income (LMI) persons). At least 51% of units must be occupied by LMI.

Please describe the following:

1. Steps your agency will take to document that 51% of the units are occupied by low- to moderate-income persons:

2. The tools used to market your housing units:

3. How affordability of the units are maintained.

__ **Jobs** (activity creates or retains jobs). At least 51% of the jobs must be held by or available to low-to-moderate income (LMI) persons.

1. Please describe the steps your agency will take to ensure and document that at least 51% of the jobs will be held or retained by LMI persons.

____**Prevention/Elimination of Slums or Blight** To qualify under this objective activities are either clearly eliminating objectively determinable signs of slums or blight in a designated slum or blighted area or are limited to eliminating specific instances of blight outside such an area ("spot blight").

1. Provide documentation that activity is within a designated slum or blighted area or will meet the criteria for a "spot blight" activity.

Level of Service: CDBG regulations require Public Service projects to either be a new service or a quantifiable expansion of service from the previous year.

1. Is your program a new service in the community? What other programs similar to yours currently exist in the community?

2. Describe how your program will provide a quantifiable increase in the level of service over what was provided in the last fiscal year?

III. PROGRAM NEED

Explain the need your project or program will address and explain how your project/program will alleviate that need. Answer the following questions:

1. What specific goal identified in the 2011-2015 Five-Year Consolidated Plan Goals will your project/program address (See Page 7)?

2. Please quantify the nature and extent of the problem you propose to address. Please include supporting data.

3. List and describe any studies and/or Census data and/or market data used to determine that the problem requires action now.

IV. TARGET POPULATION

Complete the following tables to the best of your ability. Show numbers of clients, not percentages, in each category. Current income limits are on page 9.

1. Please indicate whether this project/program will serve: _____ Persons or _____ Households

Table 1

Number of Persons or Households Served, by Income Group				
Fiscal Year July 1 – June 30	**<30% of median**	**31-50% of median**	**51-80% of median**	**Total**
2011/2012 (actual)				
2012/2013 (projected)				
2013/2014 (target)				

Table 2

Number of Special Needs Clients				
Fiscal Year July 1 – June 30	**Elderly (over age 62)**	**Disabled (not elderly)**	**HIV/AIDS**	**Homeless**
2011/2012 (actual)				
2012/2013 (projected)				
2013/2014 (target)				

V. PROGRAM/PROJECT RATIONALE

1. How, specifically, will your program address the identified problem? Provide evidence that the proposed program or project will mitigate the identified problem.

2. List all sources pursued to support your project/program. Include the amounts requested from each source.

VI. ORGANIZATIONAL CAPACITY

1. Provide the name and title of the individual(s) responsible for the oversight and management of this project/program.

2. What is your organization's history/experience in completing similar programs or projects? Please quantify how successful your organization has been in conducting these programs or projects, (i.e. taught 12 homebuyer education courses to 120 individuals in FY 2013.Twenty of the participants became homeowners within 6 months of completion of the course.)

VII. COMMUNITY INVOLVEMENT

Briefly describe the neighborhood to be served, highlighting such items as: population to be served, housing conditions, median household income, neighborhood strengths/weaknesses and describe the metrics that will be used to measure neighborhood improvement.

Describe how your agency has involved the community/neighborhood and/or City Department in the development of this application. Have you presented the proposed program to the affected

neighborhood association and/or Board of Directors of agency for consideration? Have you presented the proposed program to any other organizations? Please provide documentation.

Description of community/neighborhood involvement:

Presented proposed program to affected neighborhood association? ____Yes ____No
If "yes", please explain (date, name of association, number of persons attending, outcome of meeting, etc.):

Presented proposed program to agency Board of Directors? ____Yes ____No
If "yes", please explain (date of meeting, outcome of presentation):

Presented proposed program to any other organizations or City Departments? ____Yes ____No
If "yes", please explain (date, name of association, number of persons attending, outcome of meeting, etc.)

VIII. PERFORMANCE MEASURES

HUD requires participation in a performance measurement system to better assess the effectiveness and impact of its programs. This system is required for all federal programs and enables HUD and its grantees to capture program accomplishments and track national trends. Each applicant must select one objective and one outcome to produce what HUD describes as an outcome statement, all of which are driven by local intent.

Please select the most appropriate objective for your project/program. In selecting the objective, consider the "purpose" of the project or program for which you are seeking federal funds.

__ **Creating suitable living environments** – these activities are designed to benefit communities, families, or individuals by addressing issues in their living environment. This objective relates to activities that are intended to address a wide range of issues faced by low- and moderate-income persons, from physical problems with their environment, such as poor quality infrastructure, to social issues such as crime prevention, literacy or elderly health services.

__ **Providing decent housing** – these activities cover a wide range of housing activities generally completed with HOME and CDBG funds. This objective focuses on activities whose purpose is to meet the individual family or community housing needs. It does not include programs where housing is an element of a larger community-wide improvement, since such programs would be more appropriately reported under suitable living environments.

__ **Creating economic opportunities** – applies to activities related to economic development, commercial revitalization, or job creation.

AND

Please select the most appropriate outcome for your project/program. In selecting an outcome, consider "the type of change or result your project/program is seeking."

__ **Availability/Accessibility** – applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low- and moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to low- and moderate-income people where they live.

__ **Affordability** – applies to activities that provide affordability in a variety of ways to low-and-moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hookups, or services such as transportation or day care. Affordability is appropriate whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household.

__ **Sustainability** – applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low- and moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

Program Outcomes

These two factors combined, will produce an "outcome statement" (Objective + Outcome = Outcome Statement). **For example, if the Objective selected is "Suitable Living Environment" and the Outcome selected is "Affordability," then the Outcome Statement should be "Affordability for the purpose of creating suitable living environments**. An outcome statement for your specific project/program might read, "In FY 2010-2011, Nonprofit ABC assisted 150 households by providing down payment and closing cost assistance for the purpose of making homeownership affordable to 25 families."

		Outcome 1: Availability/Accessibility	Outcome 2: Affordability	Outcome 3: Sustainability
Objectives	Objective #1: Suitable Living Environment	Accessibility for the purpose of creating Suitable Living Environments	Affordability for the purpose of creating Suitable Living Environments	Sustainability for the purpose of creating Suitable Living Environments
	Objective #2: Decent Housing	Accessibility for the purpose of providing Decent Housing	Affordability for the purpose of providing Decent Housing	Sustainability for the purpose of providing Decent Housing
	Objective #3: Economic Opportunity	Accessibility for the purpose of creating Economic Opportunities	Affordability for the purpose of creating Economic Opportunities	Sustainability for the purpose of creating Economic Opportunities

What will your “outcome statement” be?

Please also provide at least one measure of success for your project or program. For example, 75% of the individuals participating in the homebuyer counseling classes will purchase a home within 6 months of course completion.

IX. PROJECT/PROGRAM COST AND BUDGET

What is the cost to deliver your project or program? List each project/program element in the table below, including the cost of each element, the quantity and unit of measure, and the subtotal for each element. Where necessary, allocate costs to the use of shared space, vehicles or equipment.

Example
Program: Credit Counseling Class

Cost Elements	Cost ($)	Quantity/Unit of Measure	Subtotal ($)
Credit Counseling Teacher –in class	$25	96 hours (8 hrs/month x 12 months)	$2,400
Credit Counseling Teacher—class prep	$25	48 hours (4 hrs/month x 12 months)	$1,200
Credit Counselor—one-on-one	$20	120 hours (10 hrs/month x12 months	$2,400
Materials	$25	120 course packets/credit reports	$3,000
		Total	**$9,000**

<u>Complete the table below for the project/program for which you are requesting CDBG or HOME funds</u>.

Project or Program Name: _____

Cost Elements	Cost ($)	Quantity/Unit of measure	Subtotal ($)
		Total	

X. PROJECT/PROGRAM SOURCE AND USE BUDGET

Complete the following "Project/Program Source and Use Budget" by listing each cost affiliated with the project/program for which you are requesting CDBG or HOME funds. Do not include funds that have been applied for, but not yet awarded.

A. Use of Funds List all expenses included in your project/ program budget	**B. Total Project/Program Cost** List the cost of each Expense	**C. Sources** Identify the funding source(s) for each expense	**D. FY 2013-2014 Award Amount** List the funding being provided by each source listed in Column C	**E. Gap Financing** CDBG or HOME funds being requested for each cost
Example: Postage	$1,000	United Way	$500	$500

Attachment 1

Program Year 2013 (FY 2014) Timeline for Annual Action Plan Process

December 11, 2012	City Council appoints CDAC members for FY 2014
December 22, 2012	Advertise for City Council Public Hearing on annual review of Consolidated Plan Goals on 1/08/13 (15-day notice)
December 20, 2012	Notify CDAC members of City Council public hearing on annual review of Consolidated Plan Goals on 1/08/13
January 8, 2013	City Council public hearing on annual review of Consolidated Plan Goals
January 14, 2013	Advertise and send out CDBG & HOME Applications
January 28, 2013	Applications due back to Grants Administration Office
January 29 - February 3, 2013	Staff reviews applications
February 4, 2013	Applications delivered to CDAC
February 4, 2013	Advertise for CDAC meeting on 2/19/13 (15-day notice)
February 19, 2013	CDAC meets to make allocation recommendations
February 27, 2013	Advertise for City Council public hearing of CDBG & HOME Allocations on 3/12/2013 (15-day notice)
March 12, 2013	City Council public hearing on CDAC CDBG & HOME recommendations
March 26, 2013	City Council work session to review/discuss and adopt CDBG & HOME allocations
April 13, 2013	Advertise for public comment period (30-day notice) and public hearing of draft Action Plan on 5/14/13 (15-day notice)
April 29, 2013	Advertise for City Council public hearing on Annual Action Plan & approval of Plan (15-day notice)
May 14, 2013	City Council public hearing on Annual Action Plan & approval of Plan
May 15, 2013	Annual Action Plan sent to HUD

Attachment 2

CDBG AND HOME APPLICATION
EVALUATION CRITERIA

Goal Criteria	Staff Review
1. **Compliance with the City's Consolidated Plan Goals, 2011-2015** Compliance with at least one of the objectives of the City's Consolidated Plan Goals, 2011–2015 as described in the Introduction of this document is mandatory.	
2. **Evidence of Neighborhood/Partnership Support: The neighborhood/partnership support for the proposal and how the project will positively impact the community/neighborhood.** Emphasis will be placed on applications that address an unmet need within the City and within the constraints of the Consolidated Plan Goals.	
3. **Audit and Outcome Performance Measurement Compliance** HUD mandates that grantees identify performance outcomes and objectives. It is the responsibility of the City to ensure that grantees comply with these requirements. The City can be held financially responsible for any funds expended by an organization found by HUD to be in non-compliance with HUD established rules and procedures. The City also will audit organizations receiving grants through the CDBG and HOME programs.	
4. **Completeness of Applications** Applications will be evaluated based on completeness and accuracy. Repeating text from this document is not needed and can tend to distract from other important information. Use of paragraph numbers and headings included in this document, where applicable, will improve an applicant's chances that important information is not missed.	
5. **Project/Program Summary Checklist** Applicants should ensure that Project/Program Summary Checklist has been completed in its entirety. Staff will use this Summary Checklist to forward information to Community Development Advisory Committee and City Council.	