



COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)

PROGRAM GOALS

Only projects that fulfill national and local goals and meet National Objectives and Eligibility Requirements can be funded through the CDBG Program.

National Objectives:

The mission of the CDBG program is the "development of viable urban communities by providing decent housing and a suitable living environment, and expanding economic opportunities, principally for persons of low and moderate income." Therefore, projects funded must address one or more of the following national objectives:

- Benefits low and moderate income persons
- Eliminates or prevents slum or blight (area must be surveyed to qualify)
- Addresses an urgent community need (usually a natural disaster)

Grand Junction CDBG Priorities:

Grand Junction became an Entitlement Community, completed its first Five-Year Consolidated Plan, and received the first disbursement of CDBG funds in 1996. The Five-Year Consolidated Plan establishes the City's four priorities for expenditure of CDBG funds as discussed below. Though the competition for CDBG funds has continually increased since program inception, the City has made an effort to balance disbursement of CDBG funds between the various needs of the community and maintain a commitment to use CDBG funds for facilities, services and infrastructure that directly benefits low-income households.

Need for Non-Housing Community Development Infrastructure

Historically, the City of Grand Junction has determined its role to be the provision of basic citizen services such as public works and utilities, police and fire protection, parks and recreation, general planning, code enforcement, and local economic development.

The City has defined numerous non-housing community development needs, including streets and public facilities remodel and repair, improvements in City infrastructure, and maintenance and development of city parks. Recognizing that the cost of meeting these objectives exceeds the amount of CDBG funds allocated, several of these needs are budgeted in the City's Capital Improvement Plan. CDBG funds will be expended to make primarily public infrastructure improvements in low- to moderate-income residential areas within the City.

Need for Community Development Neighborhood Program

City Council's 2002-2012 Strategic Plan identifies "Vital Neighborhoods" as one of six solutions towards achieving overall community goals. This priority involves use of CDBG funds for neighborhood projects in Low and Moderate Income (LMI) qualified neighborhoods.

Need for Affordable Housing

Affordable housing has received increasing attention in the Grand Junction community as the cost of renting and purchasing real estate continues to increase more quickly than area wages are increasing. The City created and operates the Grand Junction Housing Authority to provide safe, well-maintained, affordable housing in Grand Junction. To achieve the objectives within this priority, the City has and will continue to support specific programs proposed by the Housing Authority and other appropriate housing development agencies.

Needs of the Homeless

The City realizes that homelessness presents an increasing challenge in Grand Junction. The overall goal is to minimize the occurrence of homelessness, encourage the provision of essential services to people living on the streets, and support the efforts of the homeless to resolve their issues that led to homelessness as they work to permanently leave the streets.

Special-Needs Populations and Other Human Service Needs

There are numerous private organizations, government agencies, and private nonprofit organizations in Grand Junction which address the needs of special-needs populations.

The services rendered include treatment for alcohol / drug addiction; mental illness assessment and treatment; health care for the uninsured; and case management support for persons suffering from HIV / AIDS. Additional services include; food provision, day care, and other service programs meeting the unique needs of the Elderly and Frail Elderly; programs meeting the needs of public housing residents, the youth and disabled. This service delivery network has very effectively and efficiently delivered essential services to these populations. The most efficient method of continuing to meet these needs is for these existing organizations to continue to provide these services while collaborating with others to fill gaps in the service continuum.

CDBG applications will be judged on the following criteria:

- Ability to complete the project
- Agency capacity to complete project in a timely manner
- Meets 2006 Consolidated Plan goals
- Meets national objectives and is an eligible project
- Amount requested
- Request matches needs



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ELIGIBLE PROJECTS

Once an applicant determines that a proposed project meets the national and local goals, the applicant must determine whether the project is an eligible activity. CDBG regulations require that funds be used for specific activities as listed below.

1. ACQUISITION: Acquisition of real property by a public agency or private nonprofit entity for a public purpose
2. DISPOSITION: Disposition or retention, for public purposes, of real property
3. PUBLIC FACILITIES OR IMPROVEMENTS: Acquisition, construction, rehabilitation or installation of public facilities by a public or private nonprofit entity
4. CLEARANCE ACTIVITIES: Clearance and demolition of buildings and improvements
5. PUBLIC SERVICES: 15% of the total grant amount may be used for public services, including services concerned with crime prevention, child care, health, drug abuse, education, energy conservation, welfare and recreational needs
6. PAYMENT OF NON-FEDERAL SHARE: Required in connection with a federal grant-in-aid undertaken as part of CDBG activities
7. URBAN RENEWAL COMPLETION: Payment of completion costs of an urban renewal project funded under Title I of the 1949 Housing Act
8. RELOCATION: Assistance for permanently or temporarily displaced individuals, businesses, nonprofit organizations and farm operations
9. LOSS OF RENTAL INCOME: Payments for housing owners' loss of rental income while holding housing to be used for relocation of individuals
10. REMOVAL OF ARCHITECTURAL BARRIERS: Removal of architectural barriers which restrict elderly or handicapped person's accessibility to public or private buildings.
11. PRIVATE UTILITIES: Acquisition, reconstruction or rehabilitation of privately owned utilities
12. REHABILITATION: Rehabilitation of private and public housing, buildings and improvements, including historic preservation
13. NEW HOUSING CONSTRUCTION: Construction of new housing for low and moderate income persons, by a local development company, small business investment company, or a neighborhood-based non-profit organization
14. SPECIAL ECONOMIC DEVELOPMENT ACTIVITIES: Including the construction or reconstruction of commercial or industrial buildings and improvements



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FEDERAL CDBG REGULATIONS

After an application for funds is approved the applicant is then responsible for ensuring that the project takes place in accordance with all national regulations. The responsibilities of the sub-recipient include the following:

1. **ENVIRONMENTAL:** If an Environmental Assessment or Environmental Impact Statement is required, the City may require that the sub-recipient be responsible for preparing the required document to the satisfaction of the CDBG Administrator and/or HUD Regional Environmental Officer.
2. **LABOR STANDARDS:** Federal Labor standards apply to all CDBG housing construction or rehabilitation projects of eight or more units, and to all commercial construction or rehabilitation with a cost of \$2,500 or more. All skilled and unskilled laborers or mechanics contracted or hired must comply with Davis-Bacon regulations regarding prevailing wage rates, payroll, etc. Documentation of labor standards compliance is complicated and time-consuming and requires advance preparation and accurate record-keeping. Compliance with these regulations can also result in an increased cost to the project.
3. **FISCAL:** The budget each applicant provides will become part of the contract. Sub-recipients will be required to adhere to the project budget.
4. **RECORDS:** The sub-recipient shall retain all records for a period of three years from the date the project is completed.
5. **OTHER FEDERAL REGULATIONS:** When an applicant is approved for funding the applicant becomes a "sub-recipient" and must enter into a contract with the City for the use of the CDBG funds. This happens because the City is ultimately responsible for the proper use of all CDBG funds. The contract will be conducted and administered in compliance with the following:
 1. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and implementing regulations issued at 24 CFR Part 1
 2. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended

3. Section 109 of the Housing and Community Development Act of 1974, as amended, and the regulations issued pursuant thereto
4. Section 3 of the Housing and Urban Development Act of 1968
5. Executive Order 11246, as amended by Executive Order 11375 and 12086, and implementing regulations issued at 41 CFR Chapter 60
6. Executive Order 11063, as amended by Executive Order 12259, and implementing regulations at 24 CFR Part 107
7. Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112) and implementing regulation when published for effect
8. The Architectural Barriers Act of 1968, (Pub. L. 90-480), as amended and implementing regulations when published for effect
9. The Americans with Disabilities Act of 1990 (Pub. L. 101-336), and implementing regulations when published for effect
10. The Age Discrimination Act of 1975 (Pub. L. 94-135), as amended, and implementing regulations when published for effect
11. The Fair Housing Amendments Act of 1988 (Pub. L. 100-430)
12. The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and the implementing regulations at 24 CFR Part 42
13. Executive Order 11988 relating to the evaluation of flood hazards and Executive Order 11288 relating to the prevention, control and abatement of water pollution
14. The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234)
15. The Uniform Administrative Requirements, set forth in 24 CFR Part 570.502, and 24 CFR 85, and the requirements of OMB Circular Nos. A-87, A-128, A-122, A-21 and A-110 as they relate to the acceptance and use of federal funds under this federal-assisted program
16. The Clean Air Act (42 USC 7401 et. seq.)
17. HUD environmental standards (24 CFR Part 51, Environmental Criteria and Standards (44 FR 40860-40866, July 12, 1979))
18. The Safe Drinking Water Act of 1974 (42 USC 201, 300(f) et. seq. and 21 USC 349) as amended
19. The Endangered Species Act of 1973 (16 USC 1531 et.seq.) as amended
20. The Wild and Scenic Rivers Act of 1968 (16 USC 1271 et. seq.)
21. The Reservoir Salvage Act of 1960 (16 USC 1271 et. seq.) as amended by the Archaeological and Historical Preservation Act of 1974
22. Flood Disaster Protection Act of 1973 (42 USC 4001 et. seq.) as amended
23. Executive Order 11990, Protection of Wetlands, May 24, 1977 (42 CFR 26961 et. seq.)
24. The National Historic Preservation Act of 1966 (16 USC 470 et. seq.)
25. Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971 (36 CFR 8921 et. seq.)
26. The lead-based paint requirements of 24 CFR Part 35 issued pursuant to

- the Lead-Based Paint Poisoning Prevention Act (42 USC 4801, et. seq.)
27. The Copeland "Anti-Kickback" Act (18 USC 874), as supplemented in the Department of Labor regulations (29 CFR, Part 3)
 28. The Davis-Bacon Act as referenced above in B
 29. The Single Audit Act of 1984 (Pub. L. 98-502) and the appropriate O.M.B. circulars and regulations
 30. The sub-recipient will have to certify that, to the best of his or her\ knowledge and belief:
 - a. No federal appropriated funds have been paid or will be paid, by or on behalf of the sub-recipient, to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member 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, renewal, amendment or modification of any federal contract, grant, loan or cooperative agreement.
 - b. If any funds other than federal appropriated funds have been paid or will be paid to any person influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress, or an employee of a member of congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit standards Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
 - c. The sub-recipient shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.