

COMMUNITY DEVELOPMENT BLOCK GRANT

# Application Guidelines

2021

**NEBRASKA**

Good Life. Great Opportunity.

DEPT. OF ECONOMIC DEVELOPMENT

HOUSING AND COMMUNITY DEVELOPMENT | JUNE 7, 2021

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*Individuals who are hearing and/or speech impaired and have a TTY, may contact the Department through the Statewide Relay System by calling (711) INSTATE (800) 833-7352 (TTY) or (800) 833-0920 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402) 471-3111. Additional information is at the Nebraska Relay website <http://www.nebraskarelay.com/>. Nebraska Relay offers Spanish relay service for our Spanish-speaking customers. Spanish-to-Spanish (711) or 1-888-272-5528/ Spanish-to-English (711) or 1-877-564-3503. Nebraska le ofrece el servicio de relevo a nuestros clientes en español. Los consumidores de TTY pueden escribir por máquina en español y las conversaciones serán retransmitidas en español y inglés.*

## Part I. Overview

The Nebraska Community Development Block Grant (CDBG) program has the primary objective to strengthen and grow Nebraska communities through community betterment programs and services to provide a stable platform for community and economic development. The Housing and Community Development (HCD) Divisions of the Nebraska Department of Economic Development (DED) administers the CDBG program.

The Department's role in CDBG project activities is to provide funding to communities for community development, housing, and economic development projects in order to leverage and utilize additional federal, state, and private resources within a community, providing decent housing, a suitable living environment, and expanding economic opportunities.

The following funding opportunities are made available through the CDBG Program for Program Year 2021 (July 1, 2021 – June 30, 2022). Below is a synopsis:

Opportunity	National Obj.	Minimum		Maximum			
		Match	CDBG Project Activity <sup>1</sup>	*CDBG Project Requested Project Activity <sup>1</sup>	General Admin. <sup>2</sup>	Const. Mgmt.	Housing Mgmt.
Downtown Revitalization	LMI, S/B	25%	\$250,000	\$400,000	10% or \$25,000	\$10,000	N/A
Economic Development	LMI	100%	\$125,000	\$1,000,000	\$10,000	\$10,000	N/A
Owner Occupied Rehabilitation	LMI	Not Required <sup>3</sup>	\$250,000	\$750,000	\$20,000	N/A	12% or \$50,000
Planning	LMI	25%	\$20,000	Single, \$50,000 Joint, \$70,000	10% or \$3,000	N/A	N/A
Public Works	LMI	10% for Villages	\$250,000	\$400,000	10% or \$25,000	\$10,000	N/A
		20% for Second Class Cities					
		30% for First Class Cities					
Tourism Development	LMI, S/B	25%	\$250,000	\$400,000	10% or \$25,000	\$10,000	N/A
Youth Job Training	LMI	Not Required	none	\$100,000	\$5,000	N/A	N/A

<sup>1</sup> CDBG Project Activity does not include Housing Management, Construction Management, and/or General Administration.

<sup>2</sup> The lesser amount

<sup>3</sup> OOR projects do not require matching funds, but additional points can be earned for projects providing cash match.

## Part II. General CDBG Application Guidelines

The primary objective of Nebraska's nonentitlement Community Development Block Grant (CDBG) Program is to develop viable communities and counties by providing decent housing, suitable living environments, and expanding economic opportunities principally for low-and moderate-income (LMI) persons. As the designated state-administering agency, the Nebraska Department of Economic Development (DED) accomplishes this objective by funding activities authorized under the federal Housing and Community Development Act of 1974, as amended, and designed to meet the goals identified in the State of Nebraska's Consolidated Plan.

Further clarification regarding each of the Sections found within *Part II. General CDBG Application Guidelines* is identified within *Part III. CDBG 2021 Application Opportunities*.

### Section 1: Applicants

#### 1.01 | Eligible Applicants

Except as provided in *Part II. Section 1.03*, eligible applicants include every Nebraska county or incorporated municipality with a population of less than 50,000 and are not classified as a CDBG Entitlement Community (Omaha, Lincoln, Bellevue, and Grand Island).

#### 1.02 | Type of Applicants

- 1) **Individual:** Except as provided in *Part II. Section 1.03*, an eligible municipality may apply only for projects within its corporate limits, and an eligible county may apply only for such projects or activities in unincorporated areas.
- 2) **Joint:** Eligible applicants may jointly apply for projects when it can be clearly documented that mutual action by the applicants is required. The applicant local government in a multi-jurisdictional application must also be a direct participant in the study/project. The applicant local government cannot serve only as a pass through for CDBG funds or only as the general administrator of the study/project.

#### 1.03 | Special Policies for Applicants

Special policies affecting *Part II. Section 1.01, Section 1.02*, and further clarified are:

- 1) A municipality may not submit an application for projects undertaken outside its corporate limits unless the projects either:
  - a) Occur within its zoning jurisdiction; or
  - b) Involve property acquired by the municipality prior to project implementation through purchase, donation, or a permanent easement.

Activities may serve beneficiaries outside the applicant's jurisdiction provided the applicant is meeting its community development, economic development, and/or housing needs. If beneficiaries are not residents of applicant's jurisdiction, explain how the jurisdiction's needs are being met by the proposed activity (see 24 C.F.R. §570.486(b)). Applicants seeking multi-community funding may be subject to additional requirements; applicants for such projects should contact the program representative for technical assistance.

- 2) A county may not submit an application for projects undertaken within the corporate limits or zoning jurisdiction of a municipality unless the projects involve either:
  - a) Public facilities within an eligible incorporated municipality that are owned or operated by the county; or
  - b) Activities provided county-wide, either directly by the county or through contract with another local or area agency.
  
- 3) A joint application must include a written agreement made in accordance with state law (Inter-local Cooperation Act) that
  - a) Stipulates that the parties will cooperate in undertaking the project;
  - b) Delineates responsibilities and authorities of each party with respect to grant administration; and
  - c) Authorizes one of the parties to act as primary agent for administrative and monitoring purposes. The applicant local government in a multi-jurisdictional application must also be a direct participant in the project. The applicant local government cannot serve only as a pass-through for CDBG funds or only as the general administrator of the project.

**NOTE:** Using CDBG to fund multi-jurisdictional projects can be problematic in regard to meeting the national objective threshold. Ultimately, all communities in the project must meet a national objective. This may be cumbersome to meet unless the project involves a county that is 51% or greater LMI. As an example, it may be beneficial to think in terms of a single community that has bedroom communities surrounding it. In terms of a labor-shed area, where Anytown is the labor hub and the labor force lives in surrounding communities. In general, a multi-jurisdictional approach would require there to be an existing relationship among the communities and its respective residents, as in the case of a labor-shed.

One possible approach it is to consider that CDBG-funded activities within one applicant community may serve beneficiaries outside the applicant's jurisdiction provided the applicant is meeting its community development, economic development, and housing needs. Where beneficiaries are not residents of the applicant's jurisdiction, the application narrative would need to explain how the jurisdiction's needs are being met by the proposed activity (note: 24 C.F.R. §570.486(b)). For example, if the applicant ("Anytown") is proposing to extend water and sewer service outside its corporate limits, the applicant must own the water or sewer service for which it plans to extend.

Returning to the labor-shed example, there may be unincorporated communities that are included in Anytown's labor-shed. Anytown may want to extend or provide services outside corporate limits within the county into these incorporated municipalities. Activities would need to be within the service area of the municipality's public facility service (e.g. fire protection, street, sewer, water lines, etc.) However, for comprehensive planning and other public activities it may be okay to consider those areas within extraterritorial jurisdiction of the lead community, Anytown.

Overall, a CDBG funded project must meet the low- and moderate-income national objective and report on beneficiaries. For multi-community purposes, beneficiaries are likely to be LMI persons or households. It is imperative that the project is built around the problem/need and the proposed solution, not one or the other. This makes modeling difficult as community needs are specific to the community and do not often fit into a particular mold so as to approach it at the multi-community level.

- 4) If an application requires participation of entities that are not eligible applicants, each such entity must provide written assurance that it concurs with the project and is committing its resources, if any, as stated in the application. An agreement that stipulates the decision-making authority, administration, contract compliance, reporting, etc. shall be executed and submitted as an upload to the application. In all instances, the grantee has the final responsibility for implementation of the project and must retain environmental and financial responsibility. In some instances, a draft agreement is acceptable at the time of application; however, the executed agreement is required before release of funds.

**NOTE: Include within the application the following documentation:**

- a) Proof of Secretary of State Registration
- b) System for Awards Management (SAM), <https://www.sam.gov/SAM/>
- c) Agreement

- 5) Eligible applicants may provide CDBG funds to a sub-grantee Neighborhood-based Nonprofit Organization or Nonprofit Development Organization (NDO).

**NOTE: Include within the application the following documentation:**

- d) Proof of Secretary of State Registration
- e) System for Awards Management (SAM), <https://www.sam.gov/SAM/>
- f) Memorandum of Understanding

## Section 2: National Objective

### 2.01 | National Objectives

The primary national CDBG objective is the development of viable communities by providing decent housing, suitable living environments, and expanded economic opportunities, principally for low- and moderate-income persons. Under these guidelines, this is accomplished by funding projects that meet at least one national objective. Further guidance about CDBG National Objectives available in the CDBG Administration Manual.

***Funding priority will be provided to the applicant meeting the national objective benefitting low- and moderate-income persons.***

***On a form or manner provided by DED, Applicants are required to identify and document the national objective selected.***

Based on the amended 1974 HCD Act and HUD guidance, the national objectives are defined and clarified by DED as follows:

- 1) **Benefit to low- and moderate-income persons** (referred to throughout this document as LMI persons): LMI persons are defined as a member of a family having an income equal to or less than the income limits established by HUD for their resident county. The income limits as published by HUD at <https://www.hudexchange.info/programs/home/home-income-limits/> are determined for each Nebraska County on the higher of either: 80% of the median income of the county, or 80% of the median income of the entire non-metropolitan area of the state.

Activities meeting one or more of the following criteria, in the absence of substantial evidence to the contrary, will be considered to meet this national objective.

- a) **Area benefit activities:** An area benefit activity is available to all residents of an area that is **primarily residential**. In order to qualify on an area basis, the activity must meet the identified needs of LMI persons residing in an area where at least 51% of residents are LMI persons. The benefits of this type of activity are available to all residents in the area regardless of income. If the assisted activities serves an area having an LMI concentration below 51%, the activity may not qualify even if there is reason to believe that it will actually be used primarily by LMI persons.

Such an area need not be coterminous with census tract or other officially recognized boundaries, but must be the ENTIRE area served by the activity (i.e., an arterial street or sewer interceptor line running through a neighborhood would serve more residents than those in the immediate neighborhood). To determine the percentage of LMI persons in the target area, grantees may review data from the most current US Census and should consider conducting an income survey in the designated project target area. Grantees would conduct an income survey of the residents within the project target area if data from the most current Census does not reflect current relative income levels in an area or census boundaries do not coincide with the service area of an activity.

Applicants must use survey methodology as prescribed by U.S. Department of Housing and Urban Development and set forth in the State's CDBG Administration Manual or, as appropriate, superseding policy memorandum.

- b) **Housing activities:** An eligible activity carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by low- and moderate-income households. This would include, but not necessarily be limited to, the acquisition or rehabilitation of property by the unit of general local government, a subrecipient, an entity eligible to receive assistance under section 105(a)(15) of the Act, a developer, an individual homebuyer, or an individual homeowner; conversion of nonresidential structures; and new housing construction. If the structure contains two dwelling units, at least one must be so occupied, and if the structure contains more than two dwelling units, at least 51 percent of the units must be so occupied. If two or more rental buildings being assisted are or will be located on the same or contiguous properties, and the buildings will be under common ownership and management, the grouped buildings may be considered for this purpose as a single structure.
- c) **Limited clientele activities.** These are activities that provide a benefit to a specific group of persons rather than everyone in an area generally. It may benefit particular persons without regard to the area in which they reside, or be an activity that provides benefit on an area basis but only to a specific group of persons who reside in the area. In either case, at least 51% of the beneficiaries of the activity must be LMI persons. To qualify under this subcategory the activity must meet one of the following tests:
- i) Exclusively benefit a clientele who are generally presumed by HUD to be principally LMI persons. The following groups are currently presumed by HUD to be made up principally of LMI persons: abused children, battered spouses, elderly persons, adults meeting Bureau of



Census' definition of severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or,

- ii) Require information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the LMI limit, this includes the case where the activity is restricted exclusively to LMI persons; or,
- iii) Be of such nature and in such location that it may reasonably be concluded that the activity's clientele will primarily be LMI persons (e.g. a daycare center that is designed to serve residents of a public housing complex); or,
- iv) Be an activity that removes material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting Bureau of Census' Current Population Reports definition of "severely disabled," provided it is restricted, to the extent practicable, to the removal of such barriers by assisting the reconstruction of a public facility or improvement or rehabilitation or a privately-owned nonresidential building that does not qualify under LMI area benefit criteria.

**Activities that serve a service or target area generally cannot qualify under the Limited Clientele criterion.** For example, while a clinic serving only persons with AIDS living in a particular area would clearly qualify as a Limited Clientele activity, a clinic providing CDBG-subsidized health services that are available to *all* persons in the area would not. It must instead meet the criteria for an Area Benefit activity.

- d) **Job Creation/Job Retention (LMJ):** An activity generally meets this national objective when it is designed to create or retain permanent jobs where at least 51% of the jobs, computed on a full time equivalent (FTE) basis of 2,080 hours, involve the employment of LMI persons.

Permanent jobs are full- or part-time positions provided by the assisted business that will be, or can reasonably be expected to be, occupied for at least six continuous months. Seasonal jobs may be considered if the season recurs annually and lasts at least three consecutive months. All permanent jobs must be converted to FTEs. Temporary jobs (e.g., construction jobs) are not considered permanent jobs.

For an activity that creates jobs, the local government must document by certification with the business that at least 51% of the permanent jobs will be held by or will be available to LMI persons.

- i) Permanent jobs will be considered **held by** LMI persons when the jobs are held for six or more continuous months by individuals who are LMI at the time of hire.
  - (1) Permanent jobs will be considered to be **available to** LMI persons if:
    - (a) Special skills that can be only acquired with substantial training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training.
    - (b) The local government and the assisted business take actions to ensure that LMI persons receive **first consideration** for filling such jobs. Principles involved in first consideration are:
      - (i) The business must use a hiring practice that in all likelihood will result in 51% of the persons hired being LMI.

- (ii) The business must consider a sufficient number of LMI applicants to meet this intent.
  - (iii) The distance from residence and the availability of transportation to the job site must be considered in determining whether a particular LMI person can be considered an applicant for the job.
- ii) For an activity that **retains** permanent jobs, the local government must document through a certification by the business that permanent jobs would actually be lost without the CDBG assistance and that at the time CDBG assistance is provided one of the following apply:
  - (1) At least 51% of the permanent jobs are known to be filled by LMI persons
  - (2) At least 51% of the permanent jobs can reasonably be expected to turn over within the following two years and that steps will be taken to ensure that the permanent jobs will be filled by, or made available to, LMI person upon turnover. (See 1 above for conditions when jobs are to be **held by** or **available to** LMI persons.)

As a general rule, each assisted business shall be considered to be a separate activity for purposes of determining whether the activity qualifies under this objective. Where CDBG funds are used to acquire, develop, or improve real property (e.g. a business incubator or an industrial park), this objective may be met by measuring jobs in the aggregate for all the businesses that locate on the property, provided such businesses are not otherwise assisted by CDBG funds.

- (3) If a business receives other CDBG assistance, the total CDBG amount cannot be more than \$35,000 per job created/retained.
- (4) If meeting the National Objective of Benefit to Low- and Moderate-Income person through job creation/retention funds an attraction, the total CDBG amount cannot be more than \$35,000 per job created/retained. The minimum wage to qualify as a job meeting this criterion is \$12.50 per hour.

**Job Creation/Retention Requirements:** To be eligible, a CDBG project must guarantee at least 51 percent of the permanent full-time equivalent jobs (FTE's) created or retained are available to or taken by LMI person. Definitions for these terms are:

- (a) **Full-Time Equivalent (FTE):** Jobs are computed on a full-time equivalent basis of 2,080 hours per year or 40 hours per 52 weeks per year.
- (b) **LMI Person:** A person whose family income is equal to or less than the income limits for their resident county. This test counts the entire family (household) income. Note that the wage of the job taken is irrelevant.
- (c) **Permanent Jobs:** A job is permanent if it is a full- or part-time position and will be, or can reasonably be expected to be, available for at least six continuous months. Seasonal jobs may be considered. Not eligible are temporary jobs (i.e., construction jobs related only to the project's new or renovated real estate) and jobs indirectly related to the assisted business. (i.e., trickle-down jobs). Generally, contracted workers are not considered.
- (d) **Made Available To:** Jobs will be considered to be available to LMI person if special skills that can only be acquired with substantial training or work experience beyond high school are not a prerequisite to fill the jobs and LMI person are given first consideration for such jobs.

First consideration for jobs made available to LMI persons defined:

- (i) The business must use a hiring practice that under usual circumstances would result in over 51% of LMI persons interviewed for the jobs being hired.
- (ii) The business must seriously consider a sufficient number of LMI persons as job applicants to give reasonable opportunity to fill the position with such LMI persons.
- (iii) The distance from residence and availability of transportation to the job site must be reasonable before an LMI person may be considered a serious applicant for the job.

- (e) **Retained Jobs:** Retained jobs would be lost without CDBG assistance. Documentation is necessary to show that at least 51% of the jobs are known to be held by LMI person, or steps will be taken to ensure that at least 51% of the jobs which can reasonably be expected to become available through turnover within the following two years will be filled by or made available to, LMI persons.

Jobs retained as a result of CDBG assistance, defined:

- (i) There must be clear and objective evidence that permanent jobs will be lost without CDBG assistance.
- (ii) The definition of “clear and objective” evidence that jobs will be lost includes:
  1. Evidence that the business has issued a notice to affected employees or made a public announcement to that effect; OR,
  2. Analysis of relevant financial records which clearly and convincingly shows that the business is likely to have to cut back employment in the near future without the planned intervention.

- (f) **Provisions for aggregating jobs:** As a general rule, jobs from each business receiving CDBG assistance must be considered separately for purposes of demonstrating compliance with the LMJ requirements. Even if the state or its grant recipient considers the CDBG-funded activity to be a business loan fund, HUD generally considers assistance to each business as a separate activity. However, there are certain circumstances under which state grant recipients may aggregate the jobs created or retained by two or more assisted businesses for this purpose, as follows:

- (i) Where CDBG funds are used to acquire, develop, or improve real property (for example, a business incubator, an industrial park, or shopping mall), *jobs may be aggregated* for all of the businesses which locate on the property, provided such businesses are not otherwise assisted with CDBG funds.
- (ii) Where CDBG funds are used for public facilities or improvements (infrastructure), that will result in the creation or retention of jobs by more than one business, the jobs created or retained by all such businesses as a result of the public facility or improvement *may (and sometimes must) be aggregated*, using the following ground rules:

Examples of when aggregating jobs is required. Where such an improvement (to infrastructure or public facilities) is undertaken for the benefit of one or more specific businesses, but the improvement clearly benefits other businesses or allows other sites to be developed, jobs created or retained as a result of the public improvement, by all businesses in the service area of the infrastructure, *must be aggregated*.

**EXAMPLE 1:** A city’s existing industrial park is fully developed and cannot accommodate a new metal stamping plant that wishes to locate in the city. The city buys an adjoining parcel, divides it into four lots, and uses CDBG funds to install water, sewer, and roads through the parcel to serve the new plant. However, the other three lots in the parcel are now developable because these improvements serve them too. The city must aggregate the metal stamping plant jobs plus any jobs which are created or retained as a result of other businesses subsequently locating on the other three lots—even if no other business had committed to locate there at the time the improvements were constructed.

*PROVIDED:* Where such an improvement is undertaken principally for the benefit of one or a few particular businesses, and the cost (in CDBG funds) for the facility/improvement amounts to *less than \$10,000 per job* to be created or retained by those businesses, only the jobs created or retained by those specific businesses for which the facility/improvement is principally undertaken need to be aggregated. The state grant recipient can disregard any incidental job creation that might occur because other businesses might also benefit from the improvement.

*PROVIDED:* Where the CDBG cost per FTE job expected to be created or retained is *\$10,000 or more*, jobs created or retained as a result of the public improvement, by all businesses in the service area of the infrastructure, *must be aggregated*. The aggregation must include all businesses which, as a result of the public improvement, locate or expand in the service area of the improvement *between the date the state awards the CDBG funds to the state grant recipient and the date one year after the physical completion of the facility/improvement*.

**EXAMPLE 2:** The state provides a CDBG grant to allow the city to double the capacity of its sewage plant (and handle a new poultry processing plant), at a cost of \$11,200 per new poultry plant job. Over the next 12 months, four new businesses decide to locate in town, because the city has sufficient sewage treatment capacity to handle their effluent. The city must aggregate job creation figures for the poultry plant plus the four new businesses.

- 2) **Aid in prevention or elimination of slums and blight:** “Slums” has the meaning as substandard areas as defined in Section 18-2103 (31) Neb. R.R.S. “Blight” has the same meaning as blighted areas as defined in Section 18-2103 (3) Neb. R.R.S. The focus of activities under the Prevention/Elimination of Slums and Blight (SB) National Objective is a *change in the physical environment of a deteriorating area or spot*. This contrasts with the LMI benefit national objective where the goal is to ensure that funded activities benefit LMI persons.

Activities meeting one or more of the following criteria, in the absence of substantial evidence to the contrary, will be considered to meet this national objective:

- a) **On an area basis:** An activity will be considered to meet this objective if:

- i) The area is designated by official action of the local government as substandard or blighted in accordance with the applicable state statute;
  - ii) There is a substantial number of deteriorated or deteriorating structures throughout the area, or public improvements throughout the area are in a general state of deterioration;
  - iii) The assisted activity is designed to address one or more of the conditions which contributed to the deterioration of the area;
  - iv) Documentation is provided and maintained by the recipient on the boundaries of the area and the conditions which qualified the area at the time of its designation; and
  - v) Activities to be assisted with CDBG funds must be limited to those that address one or more of the conditions that contributed to the deterioration of the area.
- b) **On a spot basis:** An activity must be designed to eliminate specific conditions of blight or physical decay not located in a designated slum or blighted area; and be limited to one of the following: acquisition, clearance, relocation, historic preservation, or rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety. (Public improvements cannot qualify under this standard except for rehabilitation of public buildings and historic preservation of public property that is blighted.)

Qualifying activities under this National Objective either **1) clearly eliminate objectively determinable signs of slums or blight in a defined slum or blighted area** or **2) are strictly limited to eliminating specific instances of blight outside such an area**. HUD provides a list of four criteria, all of which must be met; generally requiring that the area must be:

- i) Officially designated and meet the requirements of State statutes;
  - (1) Demonstrate signs of economic disinvestment, indicated by either:
    - (a) A substantial number of deteriorated or deteriorating buildings throughout the area  
or
    - (b) As a whole, public improvements throughout the area must be in a general state of deterioration;
  - (2) Documentation is maintained substantiating those conditions considered as a part of designation and re-designated every 10 years; and
  - (3) The activities assisted with CDBG funds must be limited to those that address one or more of the conditions that contributed to the decline of the area.

Furthermore, **planning-only grants** can meet this national objective where the plans are for the entire slum or blighted area, or if all elements of the planning are both necessary for and related to an activity that, if implemented, could be shown to meet the slum/blight national objective criteria.

- 3) **Urgent Need:** To comply with the national objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions which the local government certifies and state determines:
- a) Pose a serious and immediate threat to the health or welfare of the community,
  - b) Are of recent origin or recently became urgent. A condition will generally be considered to be of recent origin if it is developed or became critical within 18 months preceding the state grant recipient's certification.

- c) The local unit of government is unable to finance the activity on its own, and other sources of funding are not available to carry out the activity, as certified by both the State and the grant recipient.

## 2.02 | Public Benefit Standards

CDBG awards are limited to a maximum of \$35,000 per FTE job created or retained. There are incentives (in scoring the project) for awards that are less than the maximum. These limits are known as the Public Benefit Standard and are part of the federal limitations described in 24 CFR 570.482(f).

## 2.03 | Compliance with the State’s Consolidated Plan

Per the 2020 – 2024 Consolidated Plan, the Nebraska CDBG program is focused on achieving at least one of three objectives with funded grant project activities:

- Providing Suitable Living Environments: improving the safety and livability of neighborhoods; increasing access to quality facilities and services; and reducing the isolation of income groups within an area through integration of low-income housing opportunities.
- Providing Decent Housing: preserving the affordable housing stock; increasing availability of permanent housing that is affordable to low- and moderate-income persons without discrimination; and increasing the supply of supportive housing.
- Expanding Economic Opportunities: creating jobs that are accessible to low- and moderate-income persons; making down payment and closing cost assistance available for low- and moderate-income persons; promoting long term economic and social viability; and empowering low-income persons to achieve self-sufficiency

Each grant project activity awarded is focused on achieving one of the following outcomes:

- Availability/Accessibility: associated with activities that make services, infrastructure, public services, public facilities, housing or shelter available or accessible to LMI people.
- Affordability: associated with activities that provide affordability in a variety of ways to LMI people. It includes the creation or maintenance of affordable housing, basic infrastructure hookups, or services such as transportation or day care.
- Sustainability: associated with activities aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of LMI or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

## Section 3: Activities

### 3.01 | Eligible Activities

Activities eligible for assistance under the State’s CDBG program are only those authorized in Section 105(a) of the amended 1974 HCD Act. The general rule is that any activity listed in Section 105(a) may be funded in whole or in part with CDBG funds. Applicants should be aware that although an activity may be eligible under Federal statute and HUD regulations, it may not be competitive under the guidelines and ranking system in the respective Nebraska CDBG Funding Opportunities. The State has adopted priorities, listed in *Part II. Section 3.02*, which increase the likelihood of funding of certain activities. Restrictions are identified in *Part II. Sections 3.03 and 3.04*.

### 3.02 | Priority Activities

The following activities are priority activities within the Nebraska State CDBG Program. If any activity is not noted within the list below, please consult the CDBG Program Representative for clarification. DED also has available a “master list” of activities as they relate to national objective and accomplishments. Applicants can view this information on the CDBG Administration webpage.

#### 1) Public Facilities and Improvements

- a) Clearance and Demolition: Clearance or demolition of buildings/improvements, or the movement of buildings to other sites. This activity must be used with another public facility and improvements activity.
- b) Construction Management: Costs related to compliance with Davis-Bacon and Related Acts (DBRA).
- c) Senior Centers: Acquisition, construction, or rehabilitation of a facility to be used by seniors (individuals 62 or older).
- d) Facilities for Persons with Disabilities: Acquisition, construction, or rehabilitation of centers, group homes, and other facilities (except permanent housing) for persons with disabilities.
- e) Homeless Facilities: Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees.
- f) Youth Centers: Acquisition, construction, or rehabilitation of facilities intended primarily for young people age 13 to 19. These include playground and recreational facilities that are part of a youth center.
- g) Neighborhood Facilities: Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation).
  - i) Libraries: Libraries constructed must meet be accredited through the Nebraska Public Library Accreditation program.
  - ii) Community Centers
  - iii) Convention Center
  - iv) Participatory Sport Facilities
  - v) Cultural and Heritage Recreational Sites and Facilities
  - vi) Scientific and Educational Interpretive Educational Sites and Facilities
- h) Parks, Recreational Facilities: Development of open space areas or facilities intended primarily for recreational use.
- i) Solid Waste Disposal Improvements: Acquisition, construction or rehabilitation of solid waste disposal facilities.
- j) Flood Drainage Improvements: Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds, catch basins, streambank erosion controls, channelization of streambeds, or dams. This activity can also be used for “Green Infrastructure” improvements to manage stormwater. However, if stormwater management improvements are integral to another eligible CDBG activity like a street improvement activity, costs associated should be included in the street improvement activity rather than flood drainage improvements.

- a) Water/Sewer Improvements: Installation or replacement of water lines, sanitary sewers, storm sewers, transmission lines, lift stations, sewage lagoons/ treatment facilities, water towers, water wells, and fire hydrants. Costs of street repairs (usually repaving) made necessary by water/sewer improvement activities are included under this activity.
- k) Street Improvements: Installation or improvements of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs.
- l) Sidewalks: Improvements to sidewalks.
- m) Child Care Centers: Acquisition, construction, or rehabilitation of facilities intended primarily for children age 12 and under.
- n) Fire Stations/Equipment: Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency fire rescue equipment.
- o) Health Facilities: Acquisition, construction, or rehabilitation of physical or mental health facilities. Examples of such facilities include neighborhood clinics, hospitals, nursing homes, and convalescent homes.
- p) Other Public Improvements – Removal of Architectural Barriers
- q) Historic Preservation (Non-Residential): Rehabilitation of historic buildings for non-residential use. Examples include the renovation of an historic building for use as a neighborhood facility, as a museum, or by a historic preservation society.
- r) Tornado Shelters Serving Private Mobile Home Parks: Construction or improvement of tornado-safe shelters for residents of manufactured housing parks. The construction of tornado shelters may be carried out in neighborhoods that may or may not contain a manufactured housing park, provided such a neighborhood contains not less than 20 manufactured housing units and the shelter is available to the manufactured housing residents.

**2) Public Service**, including but may not be limited to:

- a) Employment Training: Assistance to increase self-sufficiency, including literacy, independent living skills, resume writing, job coaching, “how to get and keep a job” training, or training students in a particular field on skill when there is no tie to a specific position or business.
- b) Public Services Management: Delivery costs (including staff, other direct costs, and service costs) directly related to carrying out public service activities.

**3) Housing**

- a) Owner Occupied Rehabilitation: Rehabilitation of privately owned, single-unit homes.
- b) Housing Management: All delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing and underwriting; survey, site and utility plans; application processing.
- c) Lead-Based Paint/Lead Hazards Testing: Housing rehabilitation activities with the primary goal of evaluating housing units for lead-paint hazards and reducing lead-based paint/lead hazards in units.



#### 4) Economic Development

- a) Economic Development Direct Financial Assistance to For-Profit Business: Financial assistance to private for-profit businesses to (for example) acquire property, clear structures, build, expand or rehabilitate a building, purchase equipment, or provide operating capital. Forms of assistance include loans, and grants.
- b) Infrastructure Development: Street, sewer, water, parking, or other improvements to businesses and/or commercial/industrial sites. This activity also includes the installation of public improvements, such as the construction of streets to and through commercial/industrial areas.
- c) Commercial Rehabilitation: Rehabilitation of privately owned commercial property. This activity is limited to exterior improvements (façade improvements) and correction of code violations.  
**NOTE: this activity is allowable only through specific funding opportunity: Downtown Revitalization.**

#### 5) Planning

- a) Planning: Includes, but not limited to the development of comprehensive plans, community development plans, energy strategies, capacity building, environmental studies, area neighborhood plans, and functional plans.

#### 6) Administration

- a) General Administration: Overall administration, including (but not limited to) salaries, wages, and related costs of grantee staff or others engaged in grant management and implementation, monitoring, and evaluation.

### 3.03 | Ineligible Activities

The following activities are ineligible within the CDBG Program. If any activity is not noted within the list below, and is not listed as an eligible activity, please consult a CDBG Program Representative to determine if any other proposed activities are eligible within the Nebraska CDBG program.

- 1) General administrative and audit costs that exceed the allowable maximum.
- 2) Buildings, or portions thereof, used predominantly for the general conduct of government cannot be assisted with CDBG funds. Such buildings are defined as city and village halls, county administrative buildings, or office buildings or other facilities in which the general administrative affairs of the government are conducted. This definition does not include such facilities as neighborhood service centers or special purpose buildings located in LMI areas that house various non-legislative functions or services provided by government at decentralized locations. This does not exclude, however, the removal of architectural barriers in order to make public buildings accessible to elderly and handicapped persons.
- 3) General government expenses cannot be paid with CDBG funds, except for those costs that are directly attributable to administration of a local CDBG program and are documented as such. (Eligible cost expenses are detailed in 2 CFR. §200)).
- 4) CDBG funds cannot be used to pay for facilities or equipment used for political purposes or to engage in other political activities such as candidate forums, voter transportation, or voter registration. However, a facility originally financed in whole or in part with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns; provided all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.
- 5) The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture with CDBG funds is generally ineligible, except:
  - a) The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowance pursuant to 2 CFR §200 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible;
  - b) Fire protection equipment is considered for this purpose to be an integral part of a public facility and thus, purchase of such equipment would be eligible; and
  - c) CDBG funds may be used to purchase or to pay depreciation or use allowances (in accordance with 2 CFR. §200, as applicable) for such items when necessary for use by a municipality or county in the administration of activities assisted with CDBG funds, or when eligible as firefighting equipment, or when such items constitute all or part of a public service.
- 6) The general rule is that any expense associated with repairing, operation, or maintaining public facilities, improvements and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with a public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program.

For example, the use of CDBG funds to pay the allocable costs of operating and maintaining a facility used in providing a public service would be eligible, even if no other costs of providing such a service are assisted with such funds. Examples of ineligible operating and maintenance expenses are maintenance and repair of streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for the handicapped, parking and similar public facilities. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs; and payment of salaries for staff, utility costs, and similar expenses necessary for the operation of public works and facilities.

- 7) CDBG funds cannot be used for income payments for housing or any other purpose. Examples of ineligible income payments include payments for income maintenance, housing allowances, down payments, and mortgage subsidies. One-time payments made on behalf of persons or families to meet emergency needs such as housing or essential utilities is not an income payment and is eligible.
- 8) New residential construction activities or other activities associated with new residential construction purpose. Examples of ineligible income payments include payments for income maintenance, housing allowances, down payments, and mortgage subsidies. One-time payments made on behalf of persons or families to meet emergency needs such as housing or essential utilities is not an income payment and is eligible.

### 3.04 | Special Policies for Activities

Special policies affecting activities listed in *Part II. Section 3.01* are:

- 1) **Facilities containing both eligible and ineligible uses:** A public facility otherwise for assistance under the CDBG program may be provided with CDBG funds even if it's part of a multiple use building containing ineligible uses, if:
  - a) The facility which is otherwise eligible and proposed for assistance will occupy a designated and discrete area within the larger facility; and
  - b) The grantee can determine the costs attributable to the facility proposed for assistance as separate and distinct from the overall costs of the multiple use building and/or facility. Allowable costs are limited to those attributable to the eligible portion of the building or facility.
- 2) **Fees for use of facility:** Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding LMI persons from using the facilities, are not permitted.
- 3) **Target Area Definition:** A target area is contiguous and substantial. Generally, substantial means a concentration of 100 or more families and primarily residential in character. A contiguous target area is generally delineated along block lines and by natural/man-made boundaries, such as streets, highways, railroads, and streams. Alleys and lot lines do not delineate target area boundaries exclusively. The entire community is considered the target area if there are less than 100 families. All target areas will be reviewed for direct effects of the assisted activity to LMI person and other person inside or outside the target area as well.

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

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

### 3.05 | Proposed and Actual Beneficiaries

Each project activity must serve beneficiaries. There are five beneficiary types: People, Households, Businesses, Organizations, and Public Facilities. Depending on the project activity and the national objective, the beneficiary type is determined. Once the beneficiary type is determined the applicant needs to identify the total number of beneficiaries proposed to benefit by the CDBG Activity.

## Section 4: Funding

### 4.01 | CDBG Grant Amount and Matching Funds

Grant amounts vary based upon the funding opportunity within CDBG. Note: The following activities are considered supporting project costs and should not be included when determining your total CDBG project cost:

- Construction Management
- Housing Management

- General Administration

Matching funds are required in most instances and unless otherwise described in *Part III*. Proposed match must be towards CDBG eligible activities (*Part II. Section 3.01 and 3.02*) directly related to the proposed project(s) or directly benefitting a substantial majority of the LMI persons or families residing within the service area during the grant award period. Consideration for match may be given for such sources as public and/or private funds. All cash-match is preferable.

With limited exception, as detailed below, any CDBG-eligible activity(ies) may be proposed to meet the matching requirements. **CDBG-eligible activities**, which may be further restricted for use depending on the activities proposed (e.g., housing management would not be allowable under a Public Works project), **not used for calculating match requirements:**

- 1) General Administration
- 2) Construction Management
- 3) Housing Management

Match is proportionally injected into the project as CDBG-funded activities are drawn down. For this reason, unless otherwise directed by DED or negotiated, it is recommended that each project activity proposed for CDBG-funding be matched at the proportion identified.

At DED's discretion, in-kind contributions or services such as materials, labor, or other items that are directly related to the project, may be considered on a case-by-case basis. Where an applicant or grantee proposes use of in-kind match, the calculated value must be accountable, reasonable, and supported by adequate source documentation. It may be difficult to adequately account for such costs. If considering using in-kind match, consult with the program representative of the CDBG funding opportunity prior to submitting a full application.

#### 4.02 | Program Income

Program income is defined as gross income received by a State, a unit of general local government, or a subgrantee of the unit of general local government that was generated from the use of CDBG funds, regardless of when the CDBG funds were appropriated and whether the activity has been closed out, except in limited circumstances [See also 24 CFR. §570.489(e)(2)].

Review Chapter 8 | Program Income of the CDBG Administration Manual for information and requirements regarding Program Income.

Note: If a local unit of government has local program income currently, funding may need to be applied to the open grant first. Program Income is not allowable as local match. New local program income revolving loan funds will not be authorized to be created from a 2021 awarded grant.

#### 4.03 | Budget

Within the grant management system, AmpliFund, applicants will input budget information within the section labeled "Budget". The proposed project budget includes costs for project delivery (project and supporting project costs) and administration. All items listed as match and CDBG costs must be allowable

and eligible under the CDBG Program. Detailed information provided in this section will be used to evaluate the accuracy and reasonableness of activities as identified throughout the application.

Provide a breakdown of the major project delivery costs by each activity. Common line item costs include real property acquisition, legal expenses, architectural and engineering fees, project inspection fees, site work, demolition and removal, equipment, etc.

Project costs not eligible for CDBG funds and not claimed as part of the grant application should not be included within this section, but highlighted in Exhibit Q.

## Section 5: Applications

### 5.01 | Application Development and Use of Consultants

CDBG funds cannot be used to fund application preparation and Release of Funds must be received before engineering/architectural services or other project activities are eligible for reimbursement.

The federal requirements do not apply to communities selecting consultants to assist with the preparation of an application; however, these costs are not eligible for reimbursement. Refer to the CDBG Administration Manual for more information.

### 5.02 | Application Submission

All application submission will occur electronically through a grants management system. Links to the Application Portal can be accessed using the Nebraska Department of Economic Development website, <https://opportunity.nebraska.gov/CDBG>. Access to the portal will begin in Summer 2021.

### 5.03 | Application Due Dates

Unless otherwise announced by DED through official press release or other such notification, this section describes the application due dates for each Funding Opportunity for the current program year.

The following funding opportunities will begin accepting 2021 CDBG application on July 1, 2021. Applicants may submit 2021 applications year until June 30, 2022 or as otherwise directed by the Department.

- Economic Development
- Tourism Development
- Youth Job Training

The following funding opportunities have deadlines that the 2021 CDBG Applications must be submitted to the Department by the identified date listed below, application accepted beginning July 1.

▪ Downtown Revitalization	Full Application: September 15, 2021
▪ Owner Occupied Rehabilitation	Required Pre-Application: July 15, 2021 Full Application: September 15, 2021
▪ Planning	Full Applications: September 1, 2021 2 <sup>nd</sup> Cycle: TBD
▪ Public Works	Full Application: August 15, 2021 Additional Cycles: TBD

Upon completion of the first cycle application process and availability of funding, the following funding opportunities may conduct an additional cycle. The Department will issue notice if an additional cycle will occur for any of the below funding opportunities.

- Planning
- Public Works

#### 5.04 | Application Thresholds

Applicant must meet threshold requirements to be funded. Applications may be considered incomplete if the below threshold items are not met:

- a) Applicant is eligible. See *Part II. Section 1.*
- b) Activities are eligible and are identified as a State CDBG Priority. See *Part II. Section 3.*
- c) Applicant has no significant, unresolved audit finding.
- d) Applicant has no legal actions underway that may significantly impact its capacity.
- e) Applicant is following a detailed Citizen Participation Plan and Anti-Displacement Plan
- f) Applicant has adopted an authorizing participation resolution.
- g) Applicant demonstrates progress financially (as of the date of the full application submitted) on prior CDBG grant awards as follows:
  - i) 2019 CDBG Awards: 25% of CDBG project activities have been drawn.
  - ii) 2018 CDBG Awards: 50% of CDBG project activities have been drawn.
  - iii) 2017 and prior CDBG Awards: 100% of CDBG project activities have been drawn and final financial submitted.
- h) Applicant is current with all reporting requirements, including but not limited to, semi-annual project status reports, program income reports, closeout reports, audit reports, notification of annual audit reports, etc.

#### 5.05 | Application Exhibits

Application Exhibits are required to be submitted based on the opportunity information found in *Part III. CDBG 2021 Application Guidelines*. Templates and further guidance for each narrative will be made available on the Department's website.

##### *Exhibit A: Public Hearing Documentation*

This is a required exhibit for all CDBG applications. Applicants must document that a public hearing has occurred prior to submission of the application. Materials to be provided as part of application submission include:

1. Notification to the public advertising the date/time of the public hearing.
2. Verification that the notification was published (Proof of Publication) or was posted within the community (Certificate of Posting).
3. Summary of Public Comments Received, if applicable.
4. Official Meeting Minutes (If public comments were not received, this should be documented within the Meeting Minutes).

##### *Exhibit B: Authorizing Resolution*

This is a required exhibit for all CDBG applications. This exhibit authorizes the Chief Elected Official to sign application materials and if awarded the contract between the Nebraska Department of Economic Development and the local unit of government.

*Exhibit C1: Statement of Assurances and Certification*

This is a required exhibit for all CDBG applications. This exhibit identifies laws and regulations that the local unit of government need to comply with if awarded CDBG funds. A template of this exhibit is available.

*Exhibit C2: Citizen Participation Plan*

This is a required exhibit for all CDBG applications, as indicated in 24 CFR 570.486 and the State's Citizen Participation Plan. A template of this exhibit is available.

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

This is a required exhibit for all CDBG applications, as indicated within 24 CFR Part 42. A template of this exhibit is available.

*Exhibit E: LMI - Area Basis: ACS Data*

If qualifying a project activity through the national objective benefit to low- and moderate-income persons on an area basis through ACS Data complete this Exhibit.

*Exhibit E1: LMI - Area Basis: Census Survey*

If qualifying a project activity through the national objective benefit to low- and moderate-income persons on an area basis through Census Income Survey complete this Exhibit.

*Exhibit E2: LMI - Area Basis: Random Sample Survey*

If qualifying a project activity through the national objective benefit to low- and moderate-income persons on an area basis through Random Sample Income Survey complete this Exhibit.

*Exhibit E3: LMI - Limited Clientele*

If qualifying a project activity through the national objective benefit to low- and moderate-income persons on limited clientele complete this Exhibit.

*Exhibit E4: LMI – Jobs*

If qualifying a project activity through the national objective benefit to low- and moderate-income persons on Jobs complete this Exhibit. A template of this exhibit is available. This template will need to be completed and signed by a representative of the business.

*Exhibit F1: Slum and Blight Area Basis (SBA) Documentation*

If qualifying a project activity through the national objective elimination of slum and blight on area basis, complete this Exhibit.

*Exhibit F2: Slum and Blight Spot Basis (SBS) Documentation*

If qualifying a project activity through the national objective elimination of slum and blight on spot basis, complete this Exhibit.



#### *Exhibit K1: Waiver of Procurement Process and Narrative*

This exhibit is broken into two components:

1. The Local Unit of Government is requesting a waiver from the Department due to officials acting in the official capacity of the applicant.
2. The Local Unit of Government requesting a waiver from the Department due to an interlocal agreement in place with the development district.

Complete this exhibit if the local unit of government is requesting to waive procurement due to an individual or entity acting in the official capacity. A template of this exhibit is available.

#### *Exhibit K2: Procurement Process Completed Prior to Application*

Complete this exhibit if the local unit of government has gone through the procurement process prior to application. Documentation provided needs to address the procurement process completed to ensure all federal requirements were met.

#### *Exhibit M: Map of Proposed Project Area*

This is a required exhibit for all CDBG applications.

#### *Exhibit N: System for Awards Management Documentation*

This is a required exhibit for all CDBG applications. Documentation for the local unit of government must be provided. If the applications also qualifying through Part II, Section 1.03, SAM documentation must be provided for those entities.

#### *Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

This is a required exhibit for all CDBG applications. A template of this exhibit is available.

#### *Exhibit P: Owner Occupied Rehabilitation Program Guidelines and Reuse Plan*

Complete this exhibit if applying for the opportunity, Owner Occupied Rehabilitation.

#### *Exhibit Q: Local Cost-Share Documentation*

This is a required exhibit for all CDBG applications.

#### *Exhibit R: Preliminary Environmental Review Record Project Description*

This is a required exhibit for all CDBG applications. This purpose of this exhibit is to provide a streamlined review of the Environmental Review Record to ensure the project description is complete and follows 24 CFR Part 58. For more information regarding the Environmental Review Record, refer to Chapter 6 of the CDBG Administration Manual. A checklist of this exhibit is available.

## **5.06 | Application Criteria**

Refer to Part III. CDBG 2021 Application Criteria.

## 5.07 | Application Review and Selection

All applications will be reviewed to ensure the threshold requirements identified in *Part II, Section 5.04* are met. If an application contains missing or incomplete threshold items, the Department will notify the applicant and provide the applicant a timeframe to respond. Failure to submit the complete threshold items within the Department's designated timeframe may result in the application to be considered incomplete. The resubmitted threshold items will be reviewed for compliance. If the resubmitted threshold items are incomplete, the application will be considered incomplete and not eligible for scoring and/or award.

If an application meets all of the threshold requirements, then the application will be reviewed based on the application criteria identified in *Part III, Opportunity Name, Section 5.06*. Until available funds are exhausted and/or at the Department's discretion, the highest-ranking applications are recommended for award.

Unless otherwise noted, applications for all Funding Opportunities are reviewed by committee, which may include consultation with other vested state agencies.

Recommended applications are presented to the DED Director for a grant award (i.e., Notice of Approval).

## Section 6: Post Award Requirements

Considerations should be given to a variety of Federal and State regulations that can have scheduling or cost implications. Among these are:

- 1. Contract Period of Performance**

All applications awarded funding have 30 months from the Notification of Award letter to complete the project.

- 2. Records and Reporting:** Retain all information on grant-assisted activities for ten (10) years following completion and closeout of the grant. During the grant period, performance reports are required semi-annually. Projects deficient for reporting are subject to further action as described in the *CDBG Administration Manual* or other such publication or notification by the Department.

- 3. 2 CFR §200 Subpart F**

Local governments and nonprofits that expend \$750,000 or more must conduct a single audit of federal and local funds.

- 4. Davis-Bacon Act and Related Acts**

This and related acts require that prevailing wage rates be paid to all employees working on a construction contract of \$2,000 or more.

- 5. Acquisition/Relocation:**

Regulations for acquisition and relocation emphasize anti-displacement and should be discussed with the Department Uniform Relocation and Real Properties Acquisition Act (URA) representative at the beginning of the project. URA applies to all federally assisted activities that involve the acquisition of real property or the displacement of persons. If CDBG funds are used in any part of the project, the URA would govern the acquisition of real property, including easements, and any resulting displacement, even if local funds are used to pay the acquisition

costs. The URA requirement may include formal notification of the affected property owner(s), preparation of an appraisal to determine fair market value, and a written purchase offer based on an amount determined to be fair market value. The only exception is a voluntary transaction that meets certain criteria.

Regulations emphasize anti-displacement. However, if displacement is necessary, relocation assistance must be provided to persons displaced by rehabilitation, acquisition, demolition, or the conversion of units for use other than low- and moderate-income dwelling units. Grantees will be required to replace every occupied unit that is demolished or converted with CDBG funds on a one-for-one basis within a three-year period.

**6. Regulations Emphasize Anti-Displacement**

However, if displacement is necessary, relocation assistance must be provided to persons displaced by rehabilitation, acquisition, demolition, or the conversion of units for use other than low- and moderate-income dwelling units. Grantees will be required to replace every occupied unit that is demolished or converted with CDBG funds on a one-for-one basis within a three-year period.

**7. Procurement**

Open and free competition on solicitation of professional services bidding is also required in most cases. If the applicant intends to use CDBG funds to pay all or a portion of fees, or intends to claim fees as match, then CDBG procurement guidelines must be followed. Grantees must establish and maintain effective internal controls over the CDBG award, providing reasonable assurance that all parties involved are compliant with federal, state, and local statutes, regulations, and the terms and conditions of the CDBG award. For more information refer to the CDBG Administration Manual.

**8. Environmental Review**

Grant recipients are required to obtain appropriate environmental clearance for their projects and to maintain an Environmental Review record for each project. Depending on the determination of level of review, the review process may involve consultation with various agencies, groups and individuals regarding: historic properties, floodplain management, wetland protection, noise control, air quality, explosive and flammable operations, airport hazards, water quality, threatened and endangered species, wild and scenic rivers, farmland protection, environmental justice, contamination and toxic substances. The environmental review and Request for Release of Funds/Certification, if required, must be completed before the grantee, or any participant in the development process, incur costs against the project.

**9. Lead-Based Paint Poisoning Prevention Act, the Residential Lead-Based Paint Hazard Reduction Act, and Regulations at 24 C.F.R. Part 35.**

**10. Special Assessments**

Special Assessments are not allowed.

**11. Equal Opportunity, Fair Housing, and Accessibility**

Laws require that CDBG grantees administer their projects in a manner that affirmatively furthers fair housing and equal opportunity. All grantees will be required to undertake specific activities

to further fair housing. Grantees must also assure that all activities and services are accessible to those with disabilities.

## **12. International Energy Conservation Code**

Most new construction or substantial rehabilitation of buildings must meet the 2018 International Energy Conservation Code (IECC), effective July 1, 2021 as the Nebraska Energy Code specifications for meeting the standards enforced by the Nebraska Department of Environment & Energy for municipalities or counties that have not adopted an approved energy code. This applies to lighting, heating, cooling, ventilating, or water heating equipment or controls, as well as building envelopes. Contact NDEE Air, Land & Energy, Energy & Assistance Division for further information about the program requirements at (402) 471-2186 or <https://neo.ne.gov/>.

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

## **13. Continued Use**

All community facilities assisted with CDBG funds must remain in the same use for five years after grant closeout. For more information, see 24 CFR §570.489.

## Part III. CDBG 2021 Application Opportunities

Part III. CDBG 2021 Application Opportunities further elaborates to the applicants how applications can be submitted within seven opportunities.

### Section 1: Downtown Revitalization (DTR)

CDBG funds can be utilized for downtown revitalization projects. The purpose of the Downtown Revitalization (DTR) Opportunity is to leverage investments that will contribute to the revitalization or redevelopment of downtown infrastructure and develop a greater capacity for growth, addressing health and safety concerns and commercial revitalization within the traditional business centers of our Nebraska communities. This provides a sound basis for fostering local economic development through public and private sector partnerships. This recognizes the importance of the condition and viability of a downtown to increase the community's tax base and cultivates a tangible center for community activity. These projects directly relate to business retention, expansion, and location decisions, but also address public gathering space, recognizing that downtowns reflect the economic core and persona of our communities.

Activities assist communities in their implementation of comprehensive downtown revitalization plan in order to stabilize and enhance clearly defined downtown areas, providing benefit to low- and moderate-income residents of the community or aid in the elimination of substandard or blighted structures and areas in the downtown.

DTR resources are for implementation of the project (i.e., physical improvements to the built environment); such funds become available to the applicant upon successful completion of the requirements of a downtown revitalization predevelopment/planning study. Because responsible, intelligent implementation arises from well-informed planning processes, applicant must make available their DTR study prior to, or along with the application for DTR resources. Use of CDBG resources for planning activities is not required to access DTR resources.

The principle objective for the CDBG program is benefit to low- and moderate-income communities; therefore, priority is given to projects meeting the primary national objective of benefiting low- and moderate-income persons. Activities proposed in applications for CDBG funding in the DTR Opportunity must meet the national objective of benefitting low- and moderate-income persons (through the subcategories LMI Area Benefit and/or, LMI Limited Clientele) or aid in the prevention or elimination of slums or blight in either an area (SBA) or spot basis (SBS).

#### 1.01 | Eligible Applicants

Only incorporated municipalities are eligible to apply.

#### 1.02 | Type of Applicants

Only individual type of applicants are eligible to apply.

#### 1.03 | Special Policies for Applicants

Refer to *Part II. Section 1.03*.

#### 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity, please select one of the below national objectives.

1. Benefit to low- and moderate-income persons
  - a. Area benefit
  - b. Limited Clientele
2. Aid in prevention or elimination of slums and blight
  - a. On an Area Basis
  - b. On a Spot Basis

## 2.02 | Public Benefit Standards

This does not apply to this CDBG Opportunity.

## 2.03 | Compliance with the State’s Consolidated Plan

Refer to *Part II. Section 2.03*.

## 3.01 | Eligible Activities

Refer to *Part II. Section 3.01*.

## 3.02 | Priority Activities

Eligible activities must be located within the downtown area.

### 1) Public Facilities and Improvements

- a) Clearance and Demolition
- b) Parks, Recreational Facilities
- c) Flood Drainage Improvements
- d) Water/Sewer Improvements
- e) Street Improvements
- f) Sidewalks
- g) Other Public Improvements – Removal of Architectural Barriers
- h) Construction Management

### 2) Economic Development

- a) Commercial Rehabilitation

### 3) Administration

- a) General Administration

## 3.03 | Ineligible Activities

Refer to *Part II. Section 3.03*.

## 3.04 | Special Polices for Activities

Refer to *Part II. Section 3.04*.

## 4.01 | CDBG Grant Amount and Matching Funds

Downtown Revitalization – Key Minimums, Maximums, and Requirements	
Minimum CDBG Project Costs	\$250,000
Maximum CDBG Project Costs	\$400,000
General Administration	10% of CDBG Project Costs not to exceed \$25,000
Construction Management	\$10,000
Local Matching Funds	25% of CDBG Project Costs

#### 4.02 | Program Income

Refer to *Part II. Section 4.02.*

#### 4.03 | Budget

Refer to *Part II. Section 4.03.*

#### 5.01 | Application Development and Use of Consultants

Refer to *Part II. Section 5.01.*

#### 5.02 | Application Submission

Refer to *Part II. Section 5.02.*

#### 5.03 | Application Due Dates

Full applications are due September 15, 2021.

#### 5.04 | Application Thresholds

Refer to *Part II. Section 5.04.*

#### 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

*Exhibit A: Notice of Public Hearing*

*Exhibit B: Authorizing Resolution*

*Exhibit C1: Statement of Assurances and Certification*

*Exhibit C2: Citizen Participation Plan*

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

*Exhibit E: Low-and Moderate-Income (LMI) on an Area Basis: ACS Data*

*Exhibit E1: Low-and Moderate-Income (LMI) on an Area Basis: Census Survey*

*Exhibit E2: Low-and Moderate-Income (LMI) on an Area Basis: Random Sample Survey*

*Exhibit E3: Low-and Moderate-Income (LMI) on Limited Clientele*

*Exhibit F1: Aid in prevention or elimination of slums and blight (S/B) on an Area Basis (SBA)*

*Exhibit F2: Aid in prevention or elimination of slums and blight (S/B) on an Spot Basis (SBA)*

*Exhibit K1: Waiver of Procurement Process, if applicable*

*Exhibit K2: Waiver of Procurement Process, if applicable*

*Exhibit M: Map of Proposed Project Area*

*Exhibit N: System for Awards Management Documentation*

*Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

*Exhibit Q: Budget and Local Cost-Share Documentation*

*Exhibit R: Preliminary Environmental Review Record Project Description*

#### 5.06 | Application Criteria

The Matrix below summarizes each selection criteria as a numerical score within the DTR Opportunity. The maximum number of points available within any application is 95 points. A minimum score of 40 points is required and some criteria require a minimum score as noted below.

For each Application, the review committee scores all selection criteria, scaled as compared to other Applicants. The review committee gives preference to project proposals that demonstrate a

comprehensive approach. DED gives priority to projects that benefit low- and moderate-income persons. See Selection Criteria Detailed Matrix.

Selection Criteria Matrix – CDBG Downtown Revitalization		
Item	Criteria	Points Possible
1.	Project Design	50
	Threshold: 25 points	
	Planning and Implementation Processes	20
	Overall Purpose and Identification of Need	20
	Project Impact – Goals & Objectives	10
2.	Project Readiness	20
	Threshold: 10 points	
3.	Business & Community Support	10
	Threshold: 5 points	
4.	Organizational Preparedness	10
<b>Threshold Subtotal</b>		<b>90 points</b>
	Minimum Threshold: 40 points	
5.	Achievements ( <i>Applicant may only earn points as an EDCC or LCC, not both.</i> )	5
	Economic Development Certified Community (EDCC)	5
	DED Leadership Certified Community (LCC)	5
<b>Total points</b>		<b>95 points</b>
On-Site Review (Conducted at DED discretion. NOTE: No points awarded, in supplement of Application only.)		

For each of the following sections, unless otherwise explicitly stated, a project narrative must be provided and any additional information as noted within each individual criterion.

### 1. Project Design

Up to 50 points possible. Applicant must earn a minimum of 25 points to meet threshold. This criteria describes how the proposed project addresses existing conditions as derived through processes completed as a part of the predevelopment planning process and/or prior implementation efforts. The project design narrative should include summary of the overall scope of the project in relation to past, ongoing, and/or planned revitalization efforts. The application narrative shall be scored for clear and concise explanations of:

- a) Planning and implementation processes undertaken or underway to-date, including
  - i) Identification of key collaborators (e.g., individuals, organizations, businesses, etc.);
  - ii) Reasoning for selecting the proposed activities in terms of relative importance; and
  - iii) Identification and summary of any past and/or concurrent efforts to resolve the problem(s).

Limit: 1500 characters

- b) Overall purpose and identification of need for the proposed project with references to existing, identifiable problems, and conditions (i.e., a problem statement for which you are proposing a solution).

Limit: 100-250 words.



- c) Project Impact, including concise definition of how the project fits into the Applicant’s overall revitalization effort (i.e., how you will define, measure, and accomplish success). Provide explanation of the following, (Limit each response: 25-150 words)
- i) How the project fulfills the selected National Objective(s);
  - ii) How the Applicant will define success (i.e., identify goals and objectives);
  - iii) How the Applicant will track progress in measurable units (i.e., identify measurable outcome(s); and
  - iv) How accomplishments (within project implementation) will reduce or eliminate the need(s) and, if applicable, any plans to eliminate what needs remain.
  - v) *Has the Applicant completed a formal planning process addressing the project location?*
    - (1) If yes, has the Applicant adopted a Predevelopment Study/Downtown Revitalization Plan?
      - (a) Date of adoption.
      - (b) Date of last update.
    - (2) If no, provide an explanation.

A strong narrative in this section will provide a clear nexus between the problem statement and outcomes described. Points in this section include:

- 0–9 points—inadequately defined, below average compared to other applicants
- 10–24—limited or somewhat defined, project design is not fully articulated/understood
- 25–39—reasonably defined, average compared to other applicants
- 40–50—well defined, above average compared to other applicants

**Project Design Attachment/Upload:** Applicants will also upload the **Planning and Implementation Overview**. Within this overview document, provide background information related to the project, including summary of the completed, planned, and projected activities. This is a summary of planning and implementation undertaken, attaching portions of the planning document is not sufficient. As it is supplemental to this criteria, Applicants may cite specific items included within this overview in their narrative response. Limit upload to five pages.

As appropriate and applicable, the attachment should include the following information:

- Provide an overview of the planning process, identifying the priorities and, where projects were previously implemented, describe the remaining needs and priorities to be addressed and include a timeline. This should include the date of the original planning process and any updates as completed or planned. (Updates to the downtown revitalization plan may be formal or informal based on the nature of the update.)
- Provide an overview of the implementation process underway, identifying remaining needs and priorities to be addressed within the proposed project and include a timeline for overall downtown revitalization efforts. This should include the date of completed, underway, or planned implementation projects.
- For the project described in the application, identify measurable benchmarks and outline a schedule for project implementation. Typical benchmarks include:
  - Securing administrative and engineering services,
  - Process and completion of environmental review,
  - Land acquisition,
  - Completion of plans/specifications,
  - Securing of any necessary permits and/or approvals,

- Solicit construction bids (NOTE: do not enter into contracts until receiving environmental clearance and release of funds),
- Estimated construction start and completion dates, etc.

**ADDITIONAL GUIDANCE – PROJECT DESIGN CRITERIA:** Community involvement and participation is a fundamental part of any successful project and is required as part of the CDBG application process. Community surveys, town hall meetings, and/or interviews with community organizations, businesspersons, government officials and other community representatives are encouraged to determine perceived community needs. Public involvement should also be used to let residents know what needs were identified, how they were identified and to give residents an opportunity to respond to the proposed project. Existing capital improvement, comprehensive, economic development, housing, or other community development plans should be reviewed to determine if they reflect current conditions and goals or if there is a need to develop new goals and action plans. Special short-term committees can be asked to validate and/or update existing information.

The proposed project does not need to be the highest community priority. Often top-ranked needs can be addressed with other more appropriate local, state, or federal financial resources. Sometimes one of the community’s lower-ranked needs may address an issue that is a high priority for CDBG funds such as a project that will affect low- and moderate-income persons. Other times government and/or elected officials may be more aware of a need for that CDBG may be an appropriate resource than the general public. In this case, efforts should also be made to educate and inform the community about the need in order to build consensus and support to address the problem.

## 2. Project Readiness

Up to 20 points possible. Applicant must earn a minimum of 10 points to meet threshold. A description of prior and concurrent efforts related to the overall ability to complete the project, which includes stakeholder involvement. Narrative must convey Applicant’s and, if applicable, key collaborators’:

- Implementation strategy and role(s) key collaborator(s) (e.g., work plan for solutions to the problems/needs and impact as defined above); Limit: 100-250 words.
- Project readiness; Limit: 25-150 words.
- Financial and operational capacity of the community. Limit: 25-150 words.
- Has the Applicant received a CDBG award for a similar/related project?*
  - If yes, what was the year of the most recent such award?
- What other non-CDBG resources (e.g., sales taxes, grants, foundations, etc.) will be used to complete the project?*
  - Amount of secured funds (i.e., cash on-hand) as of the application submission.*

Points in this section include:

- 0-4 points—inadequately defined, below average  
*Lack of local staff or ability to oversee the revitalization efforts from planning to the implementation of the project, no clear evidence of commitment to proceed with implementation, no evidence that code enforcement is in place.*
- 5-14—reasonably defined, average compared to other applicants  
*Local capacity demonstrated through past projects, past downtown and/or community improvement efforts, citizen participation, and strong evidence of a commitment to proceed with implementation of downtown revitalization plan; and code enforcement is in place.*

- 15-20—well defined, above average  
*Significant local capacity demonstrated through past improvement efforts, citizen participation, and evidence of commitment to proceed with implementation of downtown revitalization plan; code enforcement in place; and strong evidence of interest groups, organizations, and/or demonstration of other such efforts dedicated to downtown development and revitalization.*

### 3. Business & Community Support

Up to 10 points possible. Applicant must earn a minimum of 5 points to meet threshold. This criteria describes “community buy-in” as compared to other applicants as described below. Where letters of support are included, Applicant must include a summary of the noted support.

- a) Business Community Support: the level of capacity, commitment, and support.  
Limit: 150 words.
- b) Resident Support: the level of capacity, commitment, and support.  
Limit: 150 words.
- c) Community Leadership Support: the level of capacity, commitment, and support.  
Limit: 150 words.
- d) *Would a visitor to your community describe the project location as “active”?*
  - i) If yes, provide brief explanation. This should include a brief summary of events or other such programming that promotes and provides for residents and visitors gathering in the area (e.g., farmers market; annual sales; holiday, seasonal, or other festivals; etc.). Limit 150 words.
  - ii) If no, provide explanation. Limit 150 words.
- e) *Does the project effect area businesses?*
  - i) If yes, what is the number of effected businesses?
  - ii) If yes, describe how project activities effect businesses. Limit 100 words.
  - iii) If yes, has the Applicant reached out to all effected businesses?
    - (1) If yes, are all effected businesses “bought in”?
    - (2) If no, provide an explanation. Limit 100 words.
- f) *Does the project involve commercial rehabilitation activities?*
  - i) If yes, is this a continuation of an existing Commercial Rehabilitation program? (y or n)
    - (a) If yes, is that program currently or formerly funded by CDBG funds? (y or n)
      - (i) If no, what is the source of funding?
    - (b) If yes, for that program, what is the most recent year of CDBG award? #####
    - (c) If yes, in measurable units, provide a brief summary of its impact on overall revitalization. Limit 50 words.
  - ii) If yes, **upload/attach Commercial Rehab Program Guidelines**. Program Guidelines will describe and reference relevant city codes, any design standards in place, the process for application and approval between the local government and the business, etc. If application is awarded, these guidelines are approved by the Department and local government prior to release of funds.
  - iii) If yes, how many businesses have benefited to-date from this program? ##
  - iv) If yes, were any businesses denied benefit due to lack of available funds?
    - (1) If yes, provide an explanation (e.g., available funds exhausted already, ineligible activities proposed by business, etc.).

- (2) If no, provide an explanation (e.g., funds were fully expended/interest exceeded resources, funds were moved into another activity, etc.)
- v) If yes, what is the estimated total investment (including all sources) to-date? \$\$
- vi) If yes, what is the estimated total local matching/leveraged funds by area businesses? \$\$
- vii) If yes, how many businesses are proposed as a part of this application? ##
- viii) If yes, did the Applicant solicit letters of intent and/or pre-apps to gauge interest in the program?
- (1) If yes, provide an explanation.
- (2) If no, what evidence does the Applicant have that the program will be successful if funded?
- ix) If no, what evidence does the Applicant have that the program will be successful if funded?  
Limit 100 words.
- g) *Does the project involve infrastructure improvements (e.g., sidewalks, intersections, streets, public gathering space, etc.)?*
- i) If yes, does the Applicant own the effected property(ies)?
- ii) If no, does the Applicant have an MOU with the current ownership?
- h) *Does the project involve sidewalks, intersections, and/or public gathering space?*
- i) If yes, are the proposed improvements allow for ADA-accessibility?
- i) *Are other formal or informal revitalization efforts complete, underway, or planned?*
- i) If yes, provide an explanation.
- ii) If no, provide an explanation.

A strong narrative in this section identifies a significant number of businesses and/or partners contacted or otherwise engaged (i.e., included in the predevelopment/planning process) and clearly describe how the project will foster public and private sector partnerships for prioritized improvements to the downtown. Points in this section include:

- 0-4 points—inadequately defined, below average  
*No evidence or very little evidence from the general and business community that will commit resources and support downtown revitalization efforts.*
- 5-7—reasonably defined, average compared to other applicants  
*Some evidence of from the general and business community to commit resources and support downtown revitalization efforts. This may include letters of support, letters of intent from businesses and/or partners to commit resources, financial commitments from businesses and partners, or other such evidence of support for the project from the general and/or business community.*
- 8-10—well defined, above average  
*Significant evidence from the general and business community that it will commit resources and support downtown revitalization efforts.*

**Business & Community Support Attachment/Upload:** Applicants will also upload Letters of Support. Applicants are encouraged to include letters of support, but such letters are not to be provided in place of narrative that describes and illuminates the outreach and collaborative efforts undertaken within the

community by elected officials, community leaders, organizations, businesses, individuals, etc. As it is supplemental to this criteria, Applicants may cite specific items included within the letters in their narrative response. Limit upload to five pages.

#### 4. Organizational Preparedness

Up to 10 points possible. No minimum points in this section are required to meet threshold. The community has a Redevelopment Authority or other downtown/business/community/economic development organization that is operational and functioning within the community.

**Organizational Preparedness Attachment/Upload:** To receive points for this criterion, the applicant must upload a letter from the organization that verifies the presence of such organization in the community and provides a description of how the organization has played an active role throughout the downtown revitalization efforts. Moreover, the letter must describe how the organization, applicant community, and general public collaborate in terms of the proposed project.

Points in this section are awarded in five-point increments as follows:

- 0 points—no organization established or inadequately defined, below average description
- 5—organization established and reasonably defined, average description of preparedness compared to other applicants
- 10—organization established and well defined, above average

#### 5. Achievements

Up to 5 points possible. No minimum points in this section are required to meet threshold. Due to the nature of these programs, Applicant may only earn points as an EDCC or LCC, not both. Applicant must demonstrate any of the following items at the time of application submittal, including:

1) Applicant is designated as an Economic Development Certified Community, **5 points.**

For a complete list of communities and additional information, visit the DED website at: <https://opportunity.nebraska.gov/program/economic-development-certified-community-edcc/>

2) Applicant is designated as a DED Leadership Community, **5 points.**

For a complete list of communities and additional information, visit the DED website at: <https://opportunity.nebraska.gov/program/leadership-certified-community/>

*In addition, also note that the achievements section is optional; projects can be funded in communities not awarded points in this section. These points may bolster an application's score as compared to other Applicants, as requested funding amounts often exceed available resources.*

**Achievements Attachment/Upload:** Applicants will also upload their certificate or other documentation provided by DED that recognizes the EDCC or LCC status. Limit upload to 1-5 pages.

#### On-Site Review

Conducted by DED staff, on-site reviews do not yield points independent of the Application and is not a required part of the application process, but may be completed at the Department's discretion based upon activities proposed, risk analysis considerations, or other such factors.

Evaluation considerations include observation of dilapidating or substandard conditions; infrastructure in poor condition (e.g., deteriorating streets and sidewalks, accessibility issues, drainage problems, etc.); downtown structures in poor condition observable need of façade or public safety improvements; identification of moderate to significant physical or economic blight (e.g., more than 15% of the properties in the project area in a state of physical or economic blight); and a number of vacant buildings.

**NOTE:** For the purposes of DTR, the term “physical blight” includes deteriorated conditions, or states of disrepair, of downtown infrastructure, buildings, and other physical elements which detract from the overall appearance and identify of the downtown district. The physical blight adds to depressed property values and affects the ability to market and attract investment. “Economic blight” includes the existence of vacant, disinvested, or underutilized buildings, and parcels, which represents unrealized commercial potential and create a negative image of the downtown that harms efforts to attract new investment.

### **Supplemental materials**

Depending on the nature and scope of project activities proposed, other items may be required prior to release of funds, if awarded. Review *CDBG Administration Manual Chapter 4* and any other guidance provided by DED.

### **5.07 | Application Review and Selection**

Refer to *Part II. Section 5.07*.

### **6.00 | Post Award Requirements**

Refer to *Part II. Section 6.00*.

## Section 2: Economic Development (ED)

CDBG funds can be utilized for economic development projects. The objective of the Economic Development (ED) Opportunity is to assist businesses which expand the state's economic base and which create quality jobs primarily benefiting employees in the low- and moderate-income levels.

CDBG funds will be utilized within the Economic Development Priority Need by a local unit of government for providing communities and counties with resources to assist businesses which expand the state's economic base and which create quality jobs principally benefiting LMI employees and made available under the LMI CDBG National Objective criteria.

In addition, the CDBG State Revolving Loan Fund (RLF) objective is to provide adequate financing for local development to ensure Nebraska's economic prosperity and to use all resources in a timely manner. The State is responsible for ensuring that program income at the State and local levels is used in accordance with applicable federal laws and regulations. Program income for the state's program under the ED Opportunity is regulated by the provisions of 24 C.F.R. §570.489(e).

During the 2021 Program Year, all activities proposed in applications for CDBG funding in the ED Opportunity must meet the national objective of benefiting low- and moderate-income persons (through the subcategory LMI Jobs).

### 1.01 | Eligible Applicants

Refer to *Part II. Section 1.01*.

### 1.02 | Type of Applicants

Refer to *Part II. Section 1.02*.

### 1.03 | Special Policies for Applicants

As allowed within *Part II. Section 1.03 (4) and (5)*, this funding opportunity allows the eligible applicant, as identified in *Part II. Section 1.01*, to collaborate with eligible businesses and the Nonprofit Development Organization (NDO) to receive funding.

#### Part II. Section 1.03 (4) Clarification

Eligible and ineligible businesses are defined below:

#### 1) **Eligible Businesses**

- a) A qualified business are those engaged in any one (or combination) of the following:
  - i) Research and development
  - ii) Manufacturing
  - iii) Data processing
  - iv) Telecommunications
  - v) Insurance
  - vi) Financial Services
  - vii) Distribution
  - viii) Storage/Warehousing
  - ix) Transportation
  - x) Headquarters (administrative)
  - xi) Data Centers
  - xii) Scientific Testing

- xiii) Targeted export services (75% of sales outside Nebraska or to the U.S. Government: software development; computer systems design; product testing services, guidance, or surveillance systems; technology licensing)
- b) Include the following documentation regarding the eligible business
  - i) Proof of Secretary of State Registration
  - ii) System for Awards Management (SAM), <https://www.sam.gov/SAM/>
  - iii) Agreement

## 2) Ineligible Businesses

- a) Non-profit businesses/organizations are ineligible.
- b) Businesses that derive any revenues from gaming establishments and/or operations are ineligible.
- c) Production agriculture enterprises are ineligible. These are excluded because they lack the necessary requirement that there must exist extra levels of substantial and separately identifiable value-added processing being performed by employees of the production agriculture enterprise—beyond those tasks and activities of production, harvesting, and marketing normally associated with traditional agricultural production commodities. Examples of such ineligible enterprises (when they lack the extra value-added component) include: grain farming, livestock raising, raising of poultry or the production of eggs, the production of milk, fruit or nut orchards, vegetable farming including hydroponics vegetable production, and aquaculture facilities.
- d) Trucking enterprises, which lack the requisite storage, warehousing, or distribution extra components which would distinguish them from the usual so-called "rolling stock" enterprises, are ineligible.
- e) Businesses that conduct retail establishments and/or operations are ineligible.

### Part II. Section 1.03 (5) Clarification

Nonprofit Development Organizations are generally involved when the CDBG funds are used to make a loan. If CDBG funds are used for infrastructure development activity to assist a business (defined in *Part II. Section 3.02*), NDOs are generally not involved.

For more information regarding NDOs refer to Chapter 8 of the CDBG Administration Manual.

Include the following documentation within the application:

- 1) Proof of Secretary of State Registration
- 2) System for Awards Management (SAM), <https://www.sam.gov/SAM/>
- 3) Memorandum of Understanding

## 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity, the national objective met is benefit to low- and moderate-income persons through the subcategory Jobs (LMJ).



## 2.02 | Public Benefit Standards

Refer to *Part II. Section 2.02.*

## 2.03 | Compliance with the State’s Consolidated Plan

Refer to *Part II. Section 2.03.*

## 3.01 | Eligible Activities

Refer to *Part II. Section 3.01.*

## 3.02 | Priority Activities

### 1) Economic Development

- a) Economic Development Direct Financial Assistance to For-Profit Business
- b) Infrastructure Development
- c) Construction Management

### 2) Administration

- a) General Administration

## 3.03 | Ineligible Activities

Refer to *Part II. Section 3.03.*

## 3.04 | Special Polices for Activities

Refer to *Part II. Section 3.04.*

## 4.01 | CDBG Grant Amount and Matching Funds

<b>Economic Development – Key Minimums, Maximums, and Requirements</b>	
Maximum CDBG Project Costs	\$1,000,000
Minimum CDBG Project Costs	\$125,000
General Administration	10% of CDBG Project Costs, not to exceed \$10,000
Construction Management	\$10,000
Local Matching Funds	100% of CDBG Project Costs, i.e., 1:1 match
Public Benefit Standards per FTE – Max	\$35,000
Minimum Hourly Rate	\$12.50

## 4.02 | Program Income

Refer to *Part II. Section 4.02.*

## 4.03 | Budget

Refer to *Part II. Section 4.03.*

## 5.01 | Application Development and Use of Consultants

Refer to *Part II. Section 5.01.*

## 5.02 | Application Submission

Refer to *Part II. Section 5.02.*

### 5.03 | Application Due Dates

This funding opportunity accepts applications throughout the program year (July 1, 2021 – June 30, 2022). An applicant can receive more than one award under this funding opportunity during the program year. A separate application is required.

### 5.04 | Application Thresholds

#### Business and Financial Analysis Documentation

- Business plan-Business Strategy
- Resumes of key business personnel Business financials: balance sheet, income statement, and cash flow statements (3 years historical/2 year pro forma)
- Guarantors' financial statements Project cost documentation, including vendor quotes or engineering estimates for equipment purchases
- Borrowing resolution authorizing business representative to borrow funds from the local government System Awards Management (SAM) Documentation for Business
- Environmental Review Record

### 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

*Exhibit A: Notice of Public Hearing*

*Exhibit B: Authorizing Resolution*

*Exhibit C1: Statement of Assurances and Certification*

*Exhibit C2: Citizen Participation Plan*

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

*Exhibit E4: Low-and Moderate-Income (LMI) Jobs*

*Exhibit K1: Waiver of Procurement Process, if applicable*

*Exhibit K2: Waiver of Procurement Process, if applicable*

*Exhibit M: Map of Proposed Project Area*

*Exhibit N: System for Awards Management Documentation*

*Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

*Exhibit Q: Budget and Local Cost-Share Documentation*

### 5.06 | Application Criteria

The Matrix below describes each selection criteria as a numerical score for the Economic Development application. The maximum number of points available within any application is 100 points. A minimum score of 25 points is required.

The scoring criteria includes: CDBG Funds Utilization; Community Impact and Investment; Business Factors; and Economic Development Certified Community. The Department's Project Review Committee considers the following criteria, and uses the following scoring spectrum, when evaluating whether an application meets the minimum threshold requirement. A project scoring less than 25 points does not meet the minimum threshold for further consideration by the Project Review Committee. Scoring 25

points is a necessary condition for further consideration; the minimum threshold is not the only determinate for a favorable recommendation submission by the Project Review Committee.

Selection Criteria	Maximum	Threshold Minimum
1. CDBG Funding Utilization	35	-
2. Community Impact and Investment	30	-
3. Business Factors	30	-
4. Economic Development or Leadership Certified Communities	5	-
<b>Total</b>	<b>100 points</b>	<b>25 points</b>

**CDBG Funding Utilization** **Maximum, 35 Points**

*CDBG Funds Per Job Created/Retained*

- \$35,000 or more = 0 points
- \$30,000 to <\$35,000 = 4 points
- \$25,000 to <\$30,000 = 8 points
- \$20,000 to <\$25,000 = 12 points
- \$15,000 to <\$20,000 = 16 points
- <\$15,000 = 20 points

*CDBG Funding Compared to Total Project Funding (As %)*

- 50% = 0 points
- 33% to <50% = 2 points
- 20% to <33% = 6 points
- <20% = 10 points

*Aggregate Wages (And Benefits) Paid to Employees in Created Jobs within One Year Compared To CDBG Funds (As %)*

- 100% or less = 0 points
- >100% to <125% = 2 points
- 125% or more = 5 points

**Community Impact and Investment** **Maximum, 30 Points**

*Location of community as more economically distressed than others, based on three broad location sectors:*

- Larger Community/County Locations = 10 points  
*Include: Beatrice, Columbus, Fremont, Hall County, Hastings, Kearney, Norfolk, North Platte, Scottsbluff/Gering, South Sioux City, Douglas County, Lancaster County, and Sarpy County*
- Not one of the Larger Community Locations, but in the Interstate 80 Corridor = 20 points
- Rural (Encompassing All Locations Not Within The Two Location Sectors Above) = 30 points

**Business Factors****Maximum, 30 Points***Owners' Equity in Project = 6 Points Possible*

- 10% Or Less = 0 points
- >10% To 20% = 2 points
- >20% To 33% = 4 points
- >33% = 6 points

*Loan Collateral and Loan Guarantees = 6 Points Possible*

- Unsecured, Or a Junior Lien Position Offering Little Realizable Value = 0 points
- For the Spectrum In Between = 1-5 points
- Reasonably Secured as To Collateral Value And Liquidity, With Guarantees In Existence = 6 points

*Established Business, Or Business Start-Up = 6 Points Possible*

- Start-Up Business with All the Usual Risks of Failure = 0 Points
- Established Business with Negative Trends = 3 Points
- Established Business with Positive Trends = 6 Points

*Duration of Commitment to Maintaining the Created/Retained Jobs = 2 Points Possible*

- Committing to maintaining only for the minimum required by the Department's guidelines = 0 points
- Committing to substantially more than the minimum = 2 points
- Targeted Industry = 10 Points Possible

**Economic Development/Leadership Certified Community****Maximum, 5 Points**

Points will be awarded in this section for applicants that are designated as:

- a) Economic Development Certified Community  
<https://opportunity.nebraska.gov/program/economic-development-certified-community-edcc/>
- b) DED Leadership Certified Community  
<https://opportunity.nebraska.gov/program/leadership-certified-community/>

**Underwriting & Decision-Making Criteria**

The Housing and Community Development Act (HCDA) and HUD's CDBG regulations outline basic project "underwriting" guidelines/standards so that state programs administering federal CDBG funds will achieve the federal objectives of the CDBG program. The underwriting standards—the decision-making criteria—used in the Nebraska CDBG ED Opportunity are designed to address these federal guidelines.

The federal CDBG guidelines, as applied by the Department, may be summarized as follows:

1. **Project costs must be reasonable**, not excessive, and must be supported by cost analyses. Transactions must be carried out through arms-length transactions, not insider arrangements.
2. All proposed **sources of financing necessary to carry out the project must be committed**. This ensures that time and effort is not wasted on assessing proposals, or awarding funds to projects, that are not in a position to proceed to project completion within a reasonable time. To fulfill this requirement, the Department requires a written verification affirming the various funding parties' intentions to make funds available, and, depending on the nature of the funding party, a showing of their capacity to actually provide such funds.
3. To the extent practicable, **CDBG funds are not to be substituted for other funds**. This standard requires a financial underwriting analysis of the project. The level of analysis will vary with the nature and complexity of the project. Since projects in this Opportunity provide financing for for-profit businesses, appropriate levels of private source financing (e.g., bank loans) are expected to be present, and equity participation in the project must be sufficient given the financial capacity of those owning the enterprise.
4. The **financial feasibility of the project** includes a public benefit. The public benefit expected from the investment of CDBG funds is the creation and maintenance of LMI jobs. That benefit will not materialize if the project is not financially feasible.
5. Avoidance of providing an **unreasonable return on investment to the owner** of the project. The availability of non-interest bearing loans and forgivable loans to for-profit businesses presents a potential for this to occur which must be addressed in analyzing, and in judging the merits of, each project.
6. To the extent practicable, **CDBG funds should be disbursed on a pro rata basis** with other project funding sources. CDBG money cannot be the first money into a project, but rather should flow into a project in proportion to other project funding sources.

### 5.07 | Application Review and Selection

Decisions on Economic Development applications will be reviewed by the Department Project Review Committee. This review is based on the individual and collective determination of Committee members, in consultation with other Department staff as necessary, applying analyses of objective criteria important in assessing whether to use federal CDBG dollars on a proposed project and in distinguishing among competing applications. A group/consensus decision is reached evaluating the merits of each application and deciding whether to fund, and at what level of funding.

### 6.00 | Post Award Requirements

Refer to *Part II. Section 6.00*.

## Section 3: Owner Occupied Rehabilitation (OOR)

CDBG funds will be utilized for owner occupied rehabilitation projects. The purpose of the OOR funding opportunity is to promote housing preservation by improving the quality of Nebraska's existing affordable housing and activities are made available to persons at or below 80% of the Area Median Income. Priority will be given to projects that demonstrate benefit to a disaster-impacted area.

During the 2021 Program Year, all activities proposed in applications for CDBG funding in the OOR funding opportunity must meet the national objective of benefitting low- and moderate-income persons (through the subcategories LMI Housing). All terms of assistance must be fully forgiven over the affordability period.

**In addition to complying with Part II. General CDBG Application Guidance, applicants within the Owner Occupied Rehabilitation opportunity must address the following.**

### 1.01 | Eligible Applicants

Only incorporated municipalities are eligible to apply.

### 1.02 | Type of Applicants

Only individual type of applicants are eligible to apply.

### 1.03 | Special Policies for Applicants

Refer to *Part II. Section 1.03*.

### 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity must comply with the national objective: benefit to low- and moderate-income persons housing (LMH).

### 2.02 | Public Benefit Standards

Does not apply to this opportunity.

### 2.03 | Compliance with the State's Consolidated Plan

Refer to *Part II. Section 2.03*.

### 3.01 | Eligible Activities

Refer to Part II: General CDBG Application Guidelines, Section 3.01.

### 3.02 | Priority Activities

The following activities are priority activities within this opportunity:

#### 1) Housing

- a) Owner Occupied Rehabilitation
- b) Housing Management
- c) Lead-Based Paint/Lead Hazards Testing

#### 2) Administration

- a) General Administration

### 3.03 | Ineligible Activities

Refer to Part II: General CDBG Application Guidelines, Section 3.03.

### 3.04 | Special Polices for Activities

Refer to Part II: General CDBG Application Guidelines, Section 3.04

## 4.01 | CDBG Grant Amount and Matching Funds

<b>Owner-Occupied Rehabilitation – Key Minimums, Maximums, and Requirements</b>	
Minimum CDBG Project Costs	\$250,000
Maximum CDBG Project Costs	\$750,000
General Administration	Not to exceed \$20,000
Housing Management	12% of CDBG Projects Costs, not to exceed \$50,000
Lead Base Paint	\$1,500 per unit
Match	Not Required, however additional points are awarded. Refer to Part III. Section 3, 5.06

### 4.02 | Program Income

Refer to *Part II. Section 4.02.*

### 4.03 | Budget

Refer to *Part II. Section 4.03.*

## 5.01 | Application Development and Use of Consultants

Refer to *Part II. Section 5.01.*

### 5.02 | Application Submission

Refer to *Part II. Section 5.02.*

### 5.03 | Application Due Dates

The required pre-application is due on July 15, 2021 and the full application is due September 15, 2021.

### 5.04 | Application Thresholds

In addition to the threshold requirements identified *Part II. Section 5.04*, this opportunity must also comply with:

- Applicant demonstrates progress financially (as of the date of full application submitted) on prior DED Housing grant awards as follows:
  - 2019 DED Housing Grant Awards: 25% of grant funds have been drawn.
  - 2018 DED Housing Grant Awards: 50% grant funds have been drawn.
  - 2017 and prior DED Housing Grant Awards: 100% of grant funds have been drawn.

## 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

*Exhibit A: Notice of Public Hearing*

*Exhibit B: Authorizing Resolution*

*Exhibit C1: Statement of Assurances and Certification*

*Exhibit C2: Citizen Participation Plan*

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

*Exhibit K1: Waiver of Procurement Process, if applicable*

*Exhibit K2: Waiver of Procurement Process, if applicable*

*Exhibit M: Map of Proposed Project Area*

*Exhibit N: System for Awards Management Documentation*

*Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

*Exhibit P: Owner Occupied Rehabilitation Program Guidelines and Reuse Plan*

*Exhibit Q: Budget and Local Cost-Share Documentation*

*Exhibit R: Preliminary Environmental Review Record Project Description*

## 5.06 | Application Criteria

### **Pre-Application:**

To be eligible to submit a full application within this Funding Opportunity, applicants must submit a pre-application. The pre-application determines eligibility prior to the submission of a full application, providing the Department with information about the applicant's eligibility, the applicant's proposed project activities, as well as a list of previous DED grants for the past five years.

### **Full Application:**

The Matrix below describes each selection criteria as a numerical score within the OOR funding opportunity. The maximum number of points available within any application is 130 points. A minimum score of 30 points is required and certain criteria require a minimum score as noted below.

Selection Criteria	Maximum	Overall Threshold Minimum
1. Need/Impact	30	10
2. Capacity/Collaboration	30	10
3. Readiness	30	10
4. Match	5	
5. Achievement in EDCC or LCC	5	-
6. Disaster 4420-DR	30	-
<b>Total</b>	<b>130 points</b>	<b>30 points</b>

For each of the following sections a project narrative must be provided and any additional information as noted within the individual application question.



## 1. Need/Impact

Up to 30 points is possible. A minimum of 10 points must be earned in this section or the application will not meet threshold and will not be considered for funding. The level of need/impact will be compared to other applicants. The narrative for Need/Impact shall not exceed 13,200 characters and should address the following items:

- Describe your existing housing stock.
- Describe the local need for the proposed CDBG project.
- How was the need determined and what led to this need?
- Describe how the proposed project impacts this need in the community.
- Is housing identified in the applicant's strategic/comprehensive plan?
  - If yes, provide the current status of the housing activities indicated in the plan.
  - If no, explain what the community has identified as housing priorities.
- What other housing projects are taking place in the community or service area? (ex. private development, Housing Authority renovation/updates, upper story conversion, etc.)

Points in this section include:

- 0-9—no clear description of the need/impact for the project.
- 10-19— reasonably defined need/impact that is average compared to other applicants.
- 20-30— above average description of need/impact.

## 2. Capacity/Collaboration

Up to 30 points is possible. A minimum of 10 points must be earned in this section or the application will not meet threshold and will not be considered for funding. The level of capacity/collaboration will be compared to other applicants. **For applications submitting Exhibit K, include the capacity of those entities referenced.** The narrative for Capacity/Collaboration shall not exceed 13,200 characters and should address the following items:

- List the names of the key players (local unit of government employees and partner organizations) that will be involved in the project from start to finish. **(Must include the CDBG Certified Administrator, if known.)**
- Describe their roles and responsibilities and experience with this type of project. **(If CDBG Certified Administrator is not known, identify the responsibilities to be completed by the CDBG Certified Administrator).**
- Describe the amount of funds allocated per unit for both Housing Management and General Administration, including how amounts were determined.
- Describe the practices in place for managing the progress of the project.
- Identify the relationships the applicant has with contractors, consultants and other professionals that will be beneficial to the project.
- What was the public's involvement and input for the development of this proposed project? (ex: public meetings and attendees, strategic planning, marketing/social media, virtual meetings, etc.)

- Describe the process for referring ineligible applicants or non-selects to other organizations or available programs. (List organizations partnered with for ineligible applicants and the resources provided by those organizations)

Points in this section include:

- 0-9—no clear description of capacity/collaboration for the project.
- 10-19— reasonably defined capacity/collaboration that is average compared to other applicants.
- 20-30— above average description of capacity/collaboration.

### 3. Readiness

Up to 30 points possible. A minimum of 10 points must be earned in this section or the application will not meet threshold and will not be considered for funding. The level of readiness by the community will be scored as compared to other applicants. The narrative shall not exceed 9,900 characters and should address the following items:

- Describe any interest from potential beneficiaries, including but not limited to:
  - Information on a wait list already started.
  - Date wait list was last updated or revised.
  - Method for adding applicants to wait list.
- Provide an anticipated timeline for the project outlining major milestones.
- Explain community’s process (program guidelines summary) for how program will be managed including the following items:
  - Identify applicant eligibility and income verification process
  - Describe how the amount of assistance provided per unit is determined including maximum and minimum rehabilitation amounts allowed (for 2021 program year, all terms of assistance must be fully forgiven over affordability period).
  - Provide an explanation identifying how a unit is determined to be infeasible.
  - Explain community’s radon process, including education applicants/beneficiaries about radon, radon testing, and mitigation plans.
- Identify the date submitted program guidelines were last updated or approved.

### 4. Match

Up to 5 points possible, no minimum points required to meet threshold. Match is not required. Points will be awarded to applicants based on the amount of cash match provided. Matching funds are defined as cash funds committed to the project activities. Matching funds may be considered only if they are spent during the project period (Date of Release of Funds through the project completion date). The amount of match must be given in dollars. The table below further describes this scoring criteria.

Matching Funds	
5 points	10% or greater of total CDBG project cost
4 points	5-9.99% of total CDBG project costs
3 points	3-4.99% of total CDBG project costs
2 points	Less than 3% of total CDBG project cost
0 points	No match

## 5. Achievement:

Up to 5 points possible. No minimum points in this section are required in order to meet threshold. Applicant must demonstrate any of the following items at the time of application submittal. These items include:

- a. Applicant is designated as an Economic Development Certified Community. For a complete list of communities and additional information visit the DED website at: <https://opportunity.nebraska.gov/program/economic-development-certified-community-edcc/>. **5 points**
- b. Applicant is designated as a DED Leadership Community. For a complete list of communities and additional information visit the DED website at: <https://opportunity.nebraska.gov/program/leadership-certified-community/>. **5 points**

*In addition, also note that the achievement section is optional; projects can be funded in communities not awarded points. These points may bolster an application's score as compared to other applicants, as requested funding amounts often exceed available resources.*

## 6. Disaster 4420-DR:

30 points for projects related to disaster recovery from March 2019 flooding. Points are only awarded for those projects addressing the unmet housing needs related to 4420-DR. Projects are not required to be tied to Disaster DR to receive funding. For a map of areas included within the declaration, see <https://www.fema.gov/disaster/4420>. Must be located in an Individual Assistance and Public Assistance declared county.

- a) Is the need for the project directly or indirectly related to the March 2019 floods (federal disaster declaration 4420-DR)?
- b) If no, no additional points or consideration to this effect.

## 5.07 | Application Review and Selection

Refer to *Part II. Section 5.07*.

## 6.00 | Post Award Requirements

Refer to *Part II. Section 6.00*.

## Section 4: Planning (PP)

CDBG funds can be utilized for planning projects. The purpose of the Planning (PP) funding opportunity is to provide communities the opportunity to solve problems and meet citizen needs through an integrated community planning process that assesses community development needs, develops options for meeting those needs, and packages work plans or otherwise carries out strategic processes that provide the framework for successful projects directing resources toward State priorities.

Successful efforts shall involve strategic planning, implementation, monitoring, and evaluation. The outcome of a successful planning process will ultimately provide information and data that will be used in future planning and implementation efforts. Successful projects arise from effective efforts to involve stakeholders and gain their support throughout the process.

During the 2021 Program Year, all activities proposed in applications for CDBG funding in the PP funding opportunity must meet the national objective of benefitting low-and moderate-income persons (through the subcategories LMI Area Benefit, LMI Limited Clientele).

No Preliminary Engineering Reports (PERs) that are prepared in anticipation of Water/Wastewater Advisory Committee (WWAC) funding will be funded through the PP Opportunity. PERs that are proposed without the intention of going through the WWAC process may be funded.

### 1.01 | Eligible Applicants

Refer to *Part II. Section 1.01*.

### 1.02 | Type of Applicants

Refer to *Part II. Section 1.02*.

### 1.03 | Special Policies for Applicants

Refer to *Part II. Section 1.03*.

### 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity, please select one of the below national objectives.

1. Benefit to low- and moderate-income persons
  - a. Area benefit
  - b. Limited Clientele

### 2.02 | Public Benefit Standards

This does not apply to this CDBG opportunity.

### 2.03 | Compliance with the State's Consolidated Plan

Refer to *Part II. Section 2.03*.

### 3.01 | Eligible Activities

Refer to *Part II. Section 3.01*.

### 3.02 | Priority Activities

#### 1) Planning

- a) Planning

#### 2) Administration

- a) General Administration

### 3.03 | Ineligible Activities

No Preliminary Engineering Reports (PERs) that are prepared in anticipation of Water/Wastewater Advisory Committee (WWAC) funding will be funded through the PP Opportunity. PERs that are proposed without the intention of going through the WWAC process may be funded.

### 3.04 | Special Polices for Activities

Refer to *Part II. Section 3.04.*

### 4.01 | CDBG Grant Amount and Matching Funds

Planning – Key Minimums, Maximums, and Requirements	
Minimum CDBG Project Cost	\$20,000
Maximum: Individual Community, CDBG Project Costs	\$50,000
Maximum: Multi-Jurisdictional/Countywide, CDBG Project Costs	\$70,000
General Administration	10% of CDBG Project Costs not to exceed \$3,000
Match	25% of CDBG Project Costs

### 4.02 | Program Income

Refer to *Part II. Section 4.02.*

### 4.03 | Budget

Refer to *Part II. Section 4.03.*

### 5.01 | Application Development and Use of Consultants

Refer to *Part II. Section 5.01.*

### 5.02 | Application Submission

Refer to *Part II. Section 5.02.*

### 5.03 | Application Due Dates

Applications are due by September 1, 2021.

### 5.04 | Application Thresholds

Refer to *Part II. Section 5.04.*

## 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

*Exhibit A: Notice of Public Hearing*

*Exhibit B: Authorizing Resolution*

*Exhibit C1: Statement of Assurances and Certification*

*Exhibit C2: Citizen Participation Plan*

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

At least one of the following exhibits must be completed:

- *Exhibit E: Low-and Moderate-Income (LMI) on an Area Basis: ACS Data*
- *Exhibit E1: Low-and Moderate-Income (LMI) on an Area Basis: Census Survey*
- *Exhibit E2: Low-and Moderate-Income (LMI) on an Area Basis: Random Sample Survey*
- *Exhibit E3: Low-and Moderate-Income (LMI) on Limited Clientele*

*Exhibit K1: Waiver of Procurement Process, if applicable*

*Exhibit K2: Waiver of Procurement Process, if applicable*

*Exhibit M: Map of Proposed Project Area*

*Exhibit N: System for Awards Management Documentation*

*Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

*Exhibit Q: Budget and Local Cost-Share Documentation*

*Exhibit R: Preliminary Environmental Review Record Project Description*

## 5.06 | Application Criteria

The Matrix below describes each selection criteria as a numerical score for the Planning application. The maximum number of points available within any application is 90 points. A minimum score of 45 points is required and some criteria require a minimum score as noted below. For each Application, the review committee scores all selection criteria in five-point increments and on a scale as compared to other Applicants. Preference is given to project proposals that demonstrate a comprehensive approach. Priority is given to projects that benefit low- and moderate-income persons.

Selection Criteria Matrix – CDBG Planning (PP) Opportunity		
Item	Criteria	Points Possible
<b>1. Project Need (<i>threshold: 15 pts</i>)</b>		<b>30</b>
	Overall Purpose of Project	20
	Capacity and commitment	5
	Past efforts to resolve the problem	5
<b>2. Project Impact (<i>threshold: 15 pts</i>)</b>		<b>30</b>
	Goals and objectives	5
	Community, especially LMI benefit	10
	Accomplishment in measurable units	5
	Alternatives considered	5
	Formal study recommendation	5
<b>3. Project Readiness – Local Effort (<i>threshold: 15</i>)</b>		<b>30</b>

Planning activities and methodology	15
Community involvement/stakeholder support ( <i>DTR pre-development Phase I studies should include business support</i> )	15
<b>Total (minimum threshold 45 pts)</b>	<b>90</b>

1. **Project Need:** Up to 30 points is possible. A minimum of 15 points in this section is required in order to meet threshold. Community involvement and participation is a fundamental part of any community needs-assessment process and is required as part of the CDBG application process.

- a) Overall Purpose:
  - i) Describe the existing or imminent problem based on existing, identifiable problems, and conditions. How would the plan address it?
  - ii) How were the problems determined?
- b) Capacity and Commitment:
  - i) How is the community prepared to undertake this project?
  - ii) What is the community committing to, in regard to this project?
- c) Past Efforts:
  - i) What has the community done previously to resolve the problem stated above?
  - ii) Has the community completed any formal or informal planning efforts to resolve the problem?
  - iii) If yes, explain...

Points in this section include:

- 0-10 points—inadequately defined, below average
- 11-20 —reasonably defined, average compared to other applicants
- 21-30 —well-defined, above average

2. **Project Impact:** Up to 30 points possible. A minimum of 15 points in this section in order to meet threshold.

- a) Goals & Objectives:
  - i) If awarded, describe the community’s goal for the project.
  - ii) Describe what objectives will be set to ensure project success.  
NOTE: The goal is the ultimate end point. The objectives are precise actions/steps taken to get there – i.e. specific, measurable, tangible.
- b) Community:
  - i) How will this project impact the community?
  - ii) How will this project impact LMI individuals within the community, specifically?
- c) Accomplishment:
  - i) Will the community impact be measurable?
  - ii) If yes, explain the degree to which the accomplishments within project implementation (after plans have been completed) will reduce or eliminate the need(s).
  - iii) How does the community plan to eliminate what needs remain?
- d) Alternatives:
  - i) Were any alternative resources, other than CDBG, considered?
  - ii) If yes, explain which ones and rationale for selection.

- e) Formal Study:
  - i) Was a formal study/report completed that recommends the proposed solution?
  - ii) If yes – Who completed the study/report?
    - (a) When was the study/report completed?
    - (b) Briefly explain the findings.

Points in this section include:

- 0-10 points—inadequately defined, below average
- 11-20 —reasonably defined, average compared to other applicants
- 21-30 —well-defined, above average

The application narrative shall be scored for clear and concise description of:

**3. Project Readiness (Local Effort):** Up to 30 points possible. A minimum of 15 points in this section in order to meet threshold.

- a) Planning & Methodology:
  - i) Describe the planning activities and methodology (e.g. work plan) for achieving the goals and objectives as outlined under the Project Impact section. This narrative should list and describe the activities and tasks, time frames, products, or outcomes, and key parties responsible for completing each activity.

NOTE: This would be your strategy. A strategy is how one plans to achieve their objectives and goals – i.e. the programs, initiatives, schedules, etc.

- b) Citizen Participation/Stakeholders:
  - i) Describe the citizen participation process, specifically outlining how broad-based community involvement/awareness has and/or will be utilized throughout the project and any related timelines.

*NOTE: DTR pre-development (formerly known as the DTR Phase I) studies should also include narrative and/or supplemental materials demonstrating business support when describing stakeholder support, specifically how businesses have been included in the initial planning process. Successful downtown revitalization efforts derive from the public and private sectors. Supplemental materials may include letters of support from the local chamber of commerce and/or business owners.*

Points in this section include:

- 0-10 points—inadequately defined, below average
- 11-20—reasonably defined, average compared to other applicants
- 21-30—well defined, above average

## 5.07 | Application Review and Selection

Refer to *Part II. Section 5.07.*

## 6.00 | Post Award Requirements

Refer to *Part II. Section 6.00.*



## Section 5: Public Works (PW)

CDBG funds will be used for public facility and infrastructure projects. The purpose of the Public Works (PW) Opportunity is to provide for a broad range of investments to communities investing in effective and affordable infrastructure and/or facilities that address strategic long-term developments. This Opportunity recognizes the importance of the availability and condition of infrastructure and community facilities. Funded projects shall develop the state's communities and counties by providing residents with basic infrastructure and/or facilities with the opportunity to maximize energy efficiency and provide a suitable living environment. CDBG funds that are requested for public facility or infrastructure projects must meet the "residential in character" requirement per 24 CFR §570.483(b)(1)(i).

During the 2021 Program Year, all activities proposed in applications for CDBG funding in the PW Opportunity must meet the national objective of benefitting low-and moderate-income persons (through the subcategories LMI Area Benefit, LMI Limited Clientele and Housing).

In 2021, the Public Works opportunity includes those activities that were previously funded under the Water/Wastewater Opportunity. Public Works projects that are eligible for funding for water or wastewater are those designed to address and resolve a specific problem/need that will contribute to the revitalization of a community or specific target areas that are contiguous and substantial, where there is a concentration of lower income families. Activities given priority are publicly owned water system improvements including, source treatment, storage and/or distribution improvements; publicly owned sanitary sewer collection; and/or treatment system improvements. When in support of any of the above activities, clearance activities may be undertaken.

### 1.01 | Eligible Applicants

Refer to *Part II. Section 1.01*.

### 1.02 | Type of Applicants

Refer to *Part II. Section 1.02*.

### 1.03 | Special Policies for Applicants

As allowed within *Part II. Section 1.03 (4) and (5)*, this funding opportunity allows the eligible applicant, as identified in *Part II. Section 1.01*, to partner with non-profit organizations to receive funding.

- *Part II. Section 1.03 (4)* - Need to include the following documentation with the application:
  - Proof of Secretary of State Registration
  - System for Awards Management (SAM), <https://www.sam.gov/SAM/>
  - Agreement
- *Part II. Section 1.03 (5)* - Need to include the following documentation with the application:
  - Proof of Secretary of State Registration
  - System for Awards Management (SAM), <https://www.sam.gov/SAM/>
  - Memorandum of Understanding

### 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity, please select one of the below national objectives.

1. Benefit to low- and moderate-income persons
  - a. Area benefit
  - b. Limited Clientele

## 2.02 | Public Benefit Standards

Does not apply to this opportunity.

## 2.03 | Compliance with the State’s Consolidated Plan

Refer to *Part II. Section 2.03.*

## 3.01 | Eligible Activities

Refer to *Part II. Section 3.01.*

## 3.02 | Priority Activities

### 2) Public Facilities and Improvements

- a) Clearance and Demolition
- b) Senior Centers
- c) Facilities for Persons with Disabilities
- d) Homeless Facilities
- e) Youth Centers
- f) Neighborhood Facilities – Libraries
- g) Neighborhood Facilities – Community Centers
- h) Parks, Recreational Facilities
- i) Solid Waste Disposal Improvements
- j) Flood Drainage Improvements
- k) Water/Sewer Improvements
- l) Street Improvements
- m) Sidewalks
- n) Child Care Centers
- o) Fire Stations/Equipment
- p) Health Facilities
- q) Other Public Improvements – Removal of Architectural Barriers
- r) Historic Preservation (Non-Residential)
- s) Tornado Shelters Serving Private Mobile Home Parks
- t) Construction Management

### 3) Administration

- a) General Administration

## 3.03 | Ineligible Activities

Refer to *Part II. Section 3.03.*

## 3.04 | Special Polices for Activities

Refer to *Part II. Section 3.04.*

#### 4.01 | CDBG Grant Amount and Matching Funds

Public Works – Key Minimums, Maximums, and Requirements	
Minimum CDBG Project Costs	\$250,000
Maximum CDBG Project Costs	\$400,000
General Administration	10% of CDBG Project Funds Requested (not including General Administration or Construction Management), not to exceed \$25,000
Construction Management (maximum)	\$10,000
Cost per Resident Beneficiary (except for Daycares)	\$3,000
Cost per Daycare Beneficiary	\$10,000
Match	<ul style="list-style-type: none"><li>▪ Villages: 10% of CDBG Project Costs</li><li>▪ Second Class Cities: 20% of CDBG Project Costs</li><li>▪ First Class Cities: 30% of CDBG Project Costs</li></ul>

#### 4.02 | Program Income

Refer to *Part II. Section 4.02.*

#### 4.03 | Budget

Refer to *Part II. Section 4.03.*

#### 5.01 | Application Development and Use of Consultants

Refer to *Part II. Section 5.01.*

#### 5.02 | Application Submission

There are two general classifications of applications:

- Infrastructure
- Public Facilities

Facilities are those activities including buildings and park facilities (e.g. community centers, neighborhood parks, tornado shelters, etc.). Infrastructure involves underlying structural systems critical to the function of the community including streets, flood control, water mains, etc. In each of the two general classifications, eligible local governments may individually or jointly apply and receive up to two grants per year in the Public Works Opportunity; one only in the facilities classification and one only in the infrastructure classification.

**Example:** In a single program year, Anytown may apply for and receive one PW grant for improvements to their community center and another to replace a water main. Projects are to be completed within thirty (30) months following notice of approval.

#### 5.03 | Application Due Dates

Applications are due August 15, 2021.

#### 5.04 | Application Thresholds

Refer to *Part II. Section 5.04.*

## 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

*Exhibit A: Notice of Public Hearing*

*Exhibit B: Authorizing Resolution*

*Exhibit C1: Statement of Assurances and Certification*

*Exhibit C2: Citizen Participation Plan*

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

*Exhibit E: Low-and Moderate-Income (LMI) on an Area Basis: ACS Data*

*Exhibit E1: Low-and Moderate-Income (LMI) on an Area Basis: Census Survey*

*Exhibit E2: Low-and Moderate-Income (LMI) on an Area Basis: Random Sample Survey*

*Exhibit E3: Low-and Moderate-Income (LMI) on Limited Clientele*

*Exhibit K1: Waiver of Procurement Process, if applicable*

*Exhibit K2: Waiver of Procurement Process, if applicable*

*Exhibit M: Map of Proposed Project Area*

*Exhibit N: System for Awards Management Documentation*

*Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

*Exhibit Q: Budget and Local Cost-Share Documentation*

*Exhibit R: Preliminary Environmental Review Record Project Description*

## 5.06 | Application Criteria

The Matrix below describes each selection criteria as a numerical score within the PW Opportunity. The maximum number of points available within any application is 100 points. A minimum score of 50 points is required and some criteria require a minimum score as noted below.

Selection Criteria Matrix – CDBG PW Opportunity Table		
Selection Criteria	Maximum	Threshold Minimum
1. Need & Extent of the Problem	45	30
2. Citizen Participation	15	5
3. Project Impact	20	10
4. Project Readiness	15	5
5. Achievements	5	-
<b>Total</b>	<b>100 points</b>	<b>50 points</b>

### 1. Need & Extent of the Problem

Up to 45 points is possible. A minimum of 30 points in this section is required to meet threshold. This section gives the applicant an opportunity to describe the need for the project based on existing, identifiable problems and conditions; how that project will meet an essential community development need or imminent problem; and how/why the project will improve the viability of the community. The section also allows the applicant to identify any past formal or informal efforts to resolve the problem. The application narrative must address the following.

- a) Provide documentation of the need, cause of the problem, how long the problem has existed and how the problem affects the community. Document the urgency of the problem and if any state/federal regulations are being violated. Provide factual information that illustrates the severity of identified problems in community. Include photographs, maintenance costs, etc. as applicable.
- b) Describe the importance of this project need as compared to total community needs.
- c) Describe past efforts from the previous 3-5 years to address the community's overall needs. This includes the proposed project as well as any other city activities such as street improvements, water/sewer improvements, senior center, ADA, etc.
- d) Summarize the alternative solutions that were examined to address the need above, including a financial analysis of all the proposed solutions (for example, if other solutions were too expensive, maintenance and upkeep costs are too high, etc.). State why the solution was chosen and the reasoning behind the choice.
- e) Has there been a formal study/report completed that recommends the proposed solution? If so, who completed it and when?

A strong narrative in this section will provide a clear nexus between the problem statement and outcomes described. Points in this section include:

- 0 – 29 points: Inadequately defined, below average
- 30-39 points: Reasonably defined, average compared to other applicants
- 40-45 points: Well-defined, above average

## 2. Citizen Participation

Up to 15 points is possible. A minimum of 5 points is required in this section in order to meet threshold. This section gives the applicant an opportunity to describe the citizen participation process that helped to determine the needs in the community, and how citizens were afforded the opportunity to participate in the assessment of the identified local need for the project. The application narrative must address the following.

- a) Did the community's citizens have an active role in determining the needs identified in the Need & Extent of the Problem section above? If so, describe the process – i.e. a community needs assessment, community needs survey, public meetings to discuss needs and/or outcomes, complaints in regard to the problems (for example, potholes, etc.). Include dates of each activity.
- b) Has the community developed a priority list using needs assessment, survey, public meetings, a 1 and 5 year Action Plan, etc.? (yes or no). Describe.
- c) Provide a record of conducting other community, housing and economic development efforts with significant citizen involvement within the last 3-5 years that address items on the community's priority list as well as other efforts – for example, a comprehensive plan, housing study, a capital improvement plan, LB840, a business retention and expansion survey, or other fundraising efforts.

Points in this section include:

- 0 – 4 points: Inadequately defined, below average
- 5-10 points: Reasonably defined, average compared to other applicants
- 11-15 points: Well defined, above average

### 3. Project Impact

Up to 20 points possible. A minimum of 10 points is required in this section in order to meet threshold. This section gives the applicant the opportunity to describe the importance of project activities to the community and provide clarity on how the project will benefit those identified by a CDBG National Objective. For this criterium, it is necessary to create a nexus between the project need and the project outcomes as proposed. The application narrative must address the following.

- a) How will the completed activities benefit the community? Include discussion about how it will benefit low- and moderate-income persons?
- b) Describe the proposed project outcome in measurable units, the degree to which these accomplishments within project implementation will reduce or eliminate the need(s), and any plans to eliminate what needs remain (if any). Include financial information, if applicable (for example, if maintenance costs are expected to decrease, those costs can then go towards a different community need, etc.).
- c) Describe the characteristics of the surrounding area of the proposed project (i.e. residential, commercial, industrial, etc.) and how the project meets the requirement of “residential in character” per 24 CFR §570.483(b)(1)(i). For example, how many businesses or residences are located in or near the proposed project area.

In addition, the application narrative must address the following for water/wastewater projects:

1. Proposed solutions will be evaluated for the degree to which they are long term; appropriate in terms of capacity, sizing, and demand for the community; as well as technical, operational and financial aspects of the project. Solutions must alleviate high priority needs. **Applicants must have a reasonably projected user fee, including all potential grant funds, exceeding \$30 per household per month.**
2. Describe each major activity and identify who will own, operate and maintain the proposed improvements. Provide information and supporting documentation identifying the number of residential users; projected monthly residential rate; debt service portion of the rate; operation and maintenance portion of the rate and identify if the water system is metered. If not, will the water system be metered as part of the project? Also, maps that were included in another section need to identify the boundaries of the applicant’s jurisdiction, boundaries of the project service area, specific location of each activity, and areas within the 100-year flood hazard boundary.

Points in this section include:

- 0 – 9 points: Inadequately defined, below average
- 10 – 15 points: Reasonably defined, average compared to other applicants
- 16-20 points: Well defined, above average

### 4. Project Readiness

Up to 15 points possible. A minimum of 5 points is required in this section in order to meet threshold. This section gives the applicant the opportunity to describe prior and concurrent efforts related to the overall planning strategy; a workplan for solutions to the problems/needs and impact as defined above; project readiness; and financial and operational capacity of the community, and demonstrate the capacity and commitment to successful completion of the project.

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

Also for water/wastewater projects, identify measurable benchmarks that have already been completed. These may include:

- The Preliminary Engineering Report (PER) which must be attached to this application
- Administrative or Engineering Services Secured
- Environmental Review Completed
- Land Acquired
- Test Hole Drilling Completed
- Water Quality Testing Completed
- Plans and Specifications Completed and Approval Dates
- Permits and/or Approvals Obtained

The application narrative must address the following.

- a) Describe the degree to which the applicant is ready to proceed with the project. The response should describe the applicant's capacity and commitment to successfully implement change and to complete the project.
- b) Does the applicant currently own the associated land? (yes or no)
  - i) IF NO:
    - (1) If land is yet to be purchased, does the applicant have ownership of the land or have an "option to purchase" the land?
    - (2) If NO: provide explanation.
  - ii) If YES: UPLOAD: Attach documentation as necessary.
- c) Are there any known environmental concerns that would delay the project? (yes or no)
- d) Have Davis-Bacon wage rates been considered in all cost estimates? (yes or no)
- e) Describe the project specific roles and responsibilities and the knowledge/experience of individual key staff members in planning, managing, and implementing projects in accordance with the work-plan/narrative schedule.
- f) Does the community have letters of support for the project?
  - iii) IF YES: UPLOAD\*\*.

Points in this section include:

- 0 – 4 points: Inadequately defined, below average
- 5-10 points: Reasonably defined, average compared to other applicants
- 11-15 points: Well defined, above average

## 5. Achievements

Up to 5 points possible. No minimum points in this section are required to meet threshold. Due to the nature of these programs, Applicant may only earn points as an EDCC or LCC, not both. Applicant must demonstrate any of the following items at the time of application submittal, including:

- a) Applicant is designated as an Economic Development Certified Community, **5 points**.  
For a complete list of communities and additional information, visit the DED website at: <https://opportunity.nebraska.gov/program/economic-development-certified-community-edcc/>
- b) Applicant is designated as a DED Leadership Community, **5 points**.  
For a complete list of communities and additional information, visit the DED website at: <https://opportunity.nebraska.gov/program/leadership-certified-community/>

### Supplemental materials

Depending on the nature and scope of project activities proposed, the following information may be required for the application:

- Attachment 1: For proposed facility activities, submit a Facility Floor Plan (for all facility projects)
- Attachment 2: The Preliminary Engineering Report (PER)

### 5.07 | Application Review and Selection

Refer to *Part II. Section 5.07*.

### 6.00 | Post Award Requirements

Refer to *Part II. Section 6.00*.



## Section 6: Tourism Development (TD)

CDBG funds will be used for economic development tourism focused projects. The purpose of the Tourism Development (TD) Opportunity is to provide investments in effective and affordable tourist attraction facilities to quality communities that are investing in long-term development. This provides a sound basis for assisting tourist attraction projects that have attracted significant financial support and are likely to have long-term positive impacts on their local and regional economies. Tourist attractions projects that serve both a regional and a local economy of community need are a key element in satisfying the state objective.

During the 2021 Program Year, all activities proposed in applications for CDBG funding in the TD Opportunity must meet the national objective of benefitting low- and moderate-income persons (through the subcategories LMI Jobs, LMI Limited Clientele) or aid in the prevention or elimination of slums or blight in either an area (SBA) or spot basis (SBS).

### 1.01 | Eligible Applicants

Refer to *Part II. Section 1.01*.

### 1.02 | Type of Applicants

Refer to *Part II. Section 1.02*.

### 1.03 | Special Policies for Applicants

As allowed within *Part II. Section 1.03 (4) and (5)*, this funding opportunity allows the eligible applicant, as identified in *Part II. Section 1.01*, to partner with non-profit organizations to receive funding.

- *Part II. Section 1.03 (4)* - Need to include the following documentation with the application:
  - Proof of Secretary of State Registration
  - System for Awards Management (SAM), <https://www.sam.gov/SAM/>
  - Agreement
- *Part II. Section 1.03 (5)* - Need to include the following documentation with the application:
  - Proof of Secretary of State Registration
  - System for Awards Management (SAM), <https://www.sam.gov/SAM/>
  - Memorandum of Understanding

### 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity, please select one of the below national objectives.

1. Benefit to low- and moderate-income persons
  - a. Limited Clientele (LMC)
  - b. Jobs (LMJ)
2. Aid in prevention or elimination of slums and blight
  - a. On an Area Basis
  - b. On a Spot Basis

## 2.02 | Public Benefit Standards

Refer to *Part II. Section 2.02*. This only applies if the project is meeting the National Objective of LMJ

## 2.03 | Compliance with the State’s Consolidated Plan

Refer to *Part II. Section 2.03*.

## 3.01 | Eligible Activities

Refer to *Part II. Section 3.01*.

## 3.02 | Priority Activities

### 1) Public Facilities and Improvements

- a) Clearance and Demolition
- b) Other Public Improvements – Removal of Architectural Barriers
- c) Historic Preservation (Non-Residential)
- d) Construction Management
- e) Neighborhood Facilities
  - i) Convention Centers
  - ii) Participatory Sport Facilities
  - iii) Cultural and Heritage Recreational Sites and Facilities
  - iv) Scientific and Educational Interpretive Educational Sites and Facilities

### 2) Administration

- a) General Administration

## 3.03 | Ineligible Activities

Refer to *Part II. Section 3.03*.

## 3.04 | Special Polices for Activities

Refer to *Part II. Section 3.04*.

## 4.01 | CDBG Grant Amount and Matching Funds

Tourism Development – Key Minimums, Maximums, and Requirements	
Minimum CDBG Project Costs	\$250,000
Maximum CDBG Project Costs	\$400,000
General Administration	10% of CDBG Project Costs, not to exceed \$25,000
Construction Management	\$10,000
Local Matching Funds	25% of CDBG Project Costs
Public Benefit Standards per FTE – Maximum	\$35,000 ( <i>LMJ Only</i> )
Minimum Hourly Rate ( <i>LMJ Only</i> )	\$12.50

## 4.02 | Program Income

Refer to *Part II. Section 4.02*.

## 4.03 | Budget

Refer to *Part II. Section 4.03*.

### 5.01 | Application Development and Use of Consultants

Refer to *Part II, Section 5.01*.

### 5.02 | Application Submission

Refer to *Part II, Section 5.02*.

### 5.03 | Application Due Dates

This funding opportunity accepts applications throughout the program year (July 1, 2021 – June 30, 2022). An applicant can receive more than one award under this funding opportunity during the program year. A separate application is required.

### 5.04 | Application Thresholds

Refer to *Part II, Section 5.04*.

### 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

*Exhibit A: Notice of Public Hearing*

*Exhibit B: Authorizing Resolution*

*Exhibit C1: Statement of Assurances and Certification*

*Exhibit C2: Citizen Participation Plan*

*Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*

*Exhibit E3: Low-and Moderate-Income (LMI) on Limited Clientele*

*Exhibit E4: Low-and Moderate-Income (LMI) Jobs*

*Exhibit K1: Waiver of Procurement Process, if applicable*

*Exhibit K2: Waiver of Procurement Process, if applicable*

*Exhibit M: Map of Proposed Project Area*

*Exhibit N: System for Awards Management Documentation*

*Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*

*Exhibit Q: Budget and Local Cost-Share Documentation*

*Exhibit R: Preliminary Environmental Review Record Project Description*

### 5.06 | Application Criteria

The Matrix below describes each selection criteria as a numerical score within the TD Opportunity. The maximum number of points available within any application is 90 points. A minimum score of 40 points is required and some criteria require a minimum score as noted below. Priority is given to projects meeting the primary national objective of benefiting low- and moderate-income persons.

Selection Criteria Detailed Matrix –TD Opportunity	Maximum	Threshold Minimum
1. Project Need	20	10
2. Project Impact	20	10
3. Project Readiness	25	10
4. Community Support	25	10
Total	90 points	40 points

When more than one application is under review, those ranking highest in competitive order shall be selected for funding subject to the amount of funds available for each priority. Otherwise, an applicant under individual review scored according to the selection criteria and must meet the minimum threshold for consideration for approval.

### **1. Project Need**

Up to 20 points possible. If the minimum of 10 points is not met, the application will not be reviewed further. The level of project need compared to other applicants.

The application narrative scored for:

- a) Explanations of the overall purpose of the project application and factual information that illustrates the tourism development needs
- b) Past efforts to resolve the address the needs for tourism development
- c) Stated goals and objectives for addressing the needs with a description of how the community will be included in the citizen participation process in order to determine the objectives.

Points in this section include:

- 0 - 9:** No clearly defined conditions or no clear description of the need for the project.
- 10 - 14:** Minor conditions or minor needs only defined.
- 15 - 20** Major conditions or description of project need clearly defined.

### **2. Project Impact**

Up to 20 points possible. If minimum of 10 points is not met, the application will not be reviewed further. Within this section, the applicant explains the expected outcome of the project and the positive impact on local and regional economies.

- a) Describe the importance of project activities to the community and provide clarity on how the project will benefit those identified by a CDBG National Objective.
- b) The significance of the project impact scored as compared to other applicants.

Points in this section include:

- 0 - 9:** Inadequately defined project impact.
- 10 - 14:** reasonably defined project impact that is average compared to other applicants.
- 15 - 20:** above average description of project impact.

### **3. Project Readiness**

Up to 25 points possible. If minimum of 10 points not met, the application will not be reviewed further. The level of capacity and commitment by the community scored as compared to other applicants.

Points in this section will include:

- 0 - 9:** Lack of local staff or ability to oversee the efforts from planning to the implementation of the physical project, no availability of the site(s) investigated, preliminary work is not substantially completed, and project is not construction ready.
- 10 - 19:** Local capacity demonstrated through past projects, past community improvement efforts, citizen participation, there is strong evidence of a commitment to proceed with project, the

feasibility and cost estimates are reliable, the project is construction ready, and financial resources secured.

**20 - 25:** Significant local capacity demonstrated through past improvement efforts, financial resources are secured and pending CDBG award approval, match/non-CDBG funding is committed and documented, and environmental review completed as attachment.

#### 4. Community Support

Up to 25 points possible. If the minimum of 10 points not met, the application not reviewed further. Applicant's description of public participation and the process used to identify community needs and allocate resources to address needs compared to other applicants.

The following criteria is taken into consideration when determining the community score for the Community Support section. Check yes or no and enter date last accomplished. Support with attachments.

- a) Completed a comprehensive needs assessment
- b) The needs assessment process includes documented citizen participation
- c) Developed, distributed, and analyzed a community needs survey
- d) Held public meetings to discuss the outcomes on the community needs analysis
- e) Documentation showing the community needs assessment took place within the past 3 years
- f) Developed a priority list using the community needs assessment process
- g) Developed a strategy to address items in order of the communities priority list
- h) A record of conducting other community and economic development efforts with significant citizen involvement within the last three years that address items ranked on the communities priority list
- i) The community has adopted or updated a comprehensive plan, housing study, and/or a capital improvement plan within the last five years
- j) The community can show evidence of economic initiatives such as: LB840, completing a business retention and expansion survey, or other viable fundraising efforts
- k) The community is an Economic Development Certified Community (EDCC) or a DED Leadership Certified Community (LCC)

Points in this section include:

**0 - 9:** Has not completed a majority of the above criteria.

**10 - 19:** Has completed a majority of the above criteria

**20 - 25:** Has completed and properly documented most or all of the above criteria.

#### 5.07 | Application Review and Selection

Refer to *Part II. Section 5.07.*

#### 6.00 | Post Award Requirements

Refer to *Part II. Section 6.00.*

## Section 7: Youth Job Training (JT)

CDBG funds will be utilized towards job training for youth. The Youth Job Training (JT) Opportunity activities that are eligible for funding are those designed to address a specific special need population. Activities given priority are employment services for youth.

In collaboration with the Nebraska Department of Labor and the Nebraska Jobs of America's Graduates (JAG) Program, the Department makes funding available to further expand the available employment opportunities for youth. The Nebraska JAG program is designed for "at risk" youth from households to help young people stay in school through graduation, pursue postsecondary education, and secure quality entry-level jobs leading to career opportunities. The Nebraska JAG program partners with local school districts, and through that partnership, an educator is hired to implement the Nebraska JAG program to eligible student. Eligible young people for the Nebraska JAG program must have barriers, as defined by the JAG program that make them more at risk in graduating from high school, pursuing postsecondary education and a successful addition the labor force.

During the 2021 Program Year, all activities proposed in applications for CDBG funding in the JT Opportunity must meet the national objective of benefitting low- and moderate-income persons (through the subcategories LMI Limited Clientele). Student families must be income qualified, and each grantee must be able to demonstrate that 51% of the students participating in the Nebraska JAG program are at or below 80% of the Average Medium Income for the county the student and their family reside.

### 1.01 | Eligible Applicants

Refer to *Part II. Section 1.01*.

### 1.02 | Type of Applicants

Refer to *Part II. Section 1.02*.

### 1.03 | Special Policies for Applicants

As allowed within *Part II. Section 1.03 (4) and (5)*, this funding opportunity allows the eligible applicant, as identified in *Part II. Section 1.01*, to partner with local school districts and with non-profit organization to receive funding.

### 2.01 | National Objectives

Applicants must document that the proposed activity(ies) comply with a national objective. For each project activity proposed within this funding opportunity, please select one of the below national objectives.

1. Benefit to low- and moderate-income persons
  - a. Limited Clientele

### 2.02 | Public Benefit Standards

Does not apply to this opportunity.

### 2.03 | Compliance with the State's Consolidated Plan

Refer to *Part II. Section 2.03*.

### 3.01 | Eligible Activities

Refer to *Part II. Section 3.01*.

### 3.02 | Priority Activities

#### 1) Public Service

- a) Employment Training

#### 2) Administration

- a) General Administration

### 3.03 | Ineligible Activities

Refer to *Part II. Section 3.03*.

### 3.04 | Special Policies for Activities

Refer to *Part II. Section 3.04*.

## 4.01 | CDBG Grant Amount and Matching Funds

### Youth Job Training – Key Minimum, Maximums, and Requirements

Maximum CDBG Project Cost	\$100,000
General Administration	\$5,000
Match	No matching requirement

### 4.02 | Program Income

Refer to *Part II. Section 4.02*.

### 4.03 | Budget

Refer to *Part II. Section 4.03*.

## 5.01 | Application Development and Use of Consultants

Refer to *Part II. Section 5.01*.

## 5.02 | Application Submission

Refer to *Part II. Section 5.02*.

## 5.03 | Application Due Dates

This funding opportunity accepts applications throughout the program year (July 1, 2021 – June 30, 2022). An applicant can receive more than one award under this funding opportunity during the program year. A separate application is required.

## 5.04 | Application Thresholds

Refer to *Part II. Section 5.04*.

## 5.05 | Application Exhibits

The following exhibits apply to this opportunity:

- Exhibit A: Notice of Public Hearing*
- Exhibit B: Authorizing Resolution*
- Exhibit C1: Statement of Assurances and Certification*
- Exhibit C2: Citizen Participation Plan*
- Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan*
- Exhibit E3: Low-and Moderate-Income (LMI) on Limited Clientele*
- Exhibit K1: Waiver of Procurement Process, if applicable*
- Exhibit K2: Waiver of Procurement Process, if applicable*
- Exhibit M: Map of Proposed Project Area*
- Exhibit N: System for Awards Management Documentation*
- Exhibit O: Four Factor Analysis Assessing Limited English Proficiency*
- Exhibit Q: Budget and Local Cost-Share Documentation*
- Exhibit R: Preliminary Environmental Review Record Project Description*

## 5.06 | Application Criteria

The Matrix below describes each selection criteria as a numerical score within the JT Opportunity. The maximum number of points available within any application is 100 points. A minimum score of 20 points is required overall.

Selection Criteria Matrix –JT Opportunity	Maximum	Threshold Minimum
1. Project Need		30
2. Project Readiness		30
3. Project Impact		10
4. Project Sustainability		30
<b>Total</b>	<b>100 points</b>	<b>20 points</b>

### 1. Project Need

- a) Describe the underlying characteristics of existing student population (e.g., free and reduced lunches, number of students that are characterized at-risk, etc.) and/or an assessment of the identified schools’ need for the project. Limit: 150-250 words.
- b) A statement of how the facility will meet the low-and moderate-income (LMI) requirement. LMI is defined as household incomes below 80% of the county median household income. The LMI requirement must be satisfied by student’s participation within the program where at least 51% of students meet the LMI requirement. Limit: 25-150 words.
- c) Identify any past formal or informal efforts to address this need. Limit: 25-150 words.

### 2. Project Readiness

- a) Provide a timeline of proposed activities, including:
  - i) Timeline for program development and implementation
  - ii) Anticipated date students enroll in expanded or new programing
  - iii) Anticipated date for full capacity (be sure to indicate the number of students to be served at full capacity).



- b) Identify the partner organizations. The project must include a partnership with a local public educational entity and the Nebraska JAG Program. (See *Part II. Section 1.03*) Upload letters or MOU documenting the partnerships.

### **3. Project Impact**

- a) List one or more outcomes to reflect the annual number of participants that will successfully enroll in and complete the training program
- b) Describe the tools and processes that will be used to track student progress, indicate the frequency of the evaluation.

### **4. Project Sustainability**

- 1) Describe how the program will be implemented in a 24 month period.
- 2) Describe how this program will be supported and/or expanded in the future after CDBG funds have been invested.

## **5.07 | Application Review and Selection**

Refer to *Part II. Section 5.07*.

## **6.00 | Post Award Requirements**

Refer to *Part II. Section 6.00*.

## Part IV. Glossary of Terms

### **Annual Action Plan (AAP)**

The Annual Action Plan updates the Nebraska Housing and Community Development Consolidated Plan, a five-year plan addressing the state's housing and community development needs.

### **Assessment Abatement**

To pay fees levied against private property for the costs of public facilities activities (see special assessment). In order to maximize benefit to low- and moderate-income households, funds may be used to abate the assessments for these owner-occupied households.

### **Beneficiary**

The ultimate consumer of HUD programs who receives benefits from a HUD Recipient or Sub-recipient.

### **Community Development Need**

A demonstrated deficiency in housing stock, public facilities, economic opportunities, or other services that is necessary for developing or maintaining viable communities.

### **Comprehensive Strategic Approach**

A comprehensive strategic approach is one that effectively utilizes community needs assessments, stakeholder participation, and planning processes. A comprehensive approach should include: significant needs identification, adopted or updated Comprehensive Plan, housing study, and capital improvement plan.

### **Consolidated Plan**

The Nebraska Five-Year Consolidated Plan is a comprehensive planning document identifying the state's needs in housing, homelessness, community and economic development. The State is required by the U.S. Department of Housing and Urban Development (HUD) to complete a Consolidated Plan every five years to receive federal funds for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), National Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG) programs. Two other State funded programs are included in the plan, Homeless Shelter Assistance Trust Fund (HSATF) and Nebraska Affordable Housing Trust Fund (NAHTF). As stipulated by the Nebraska Affordable Housing Act (Neb. Rev. Stat. 58-701 through 58-711), the Nebraska Department of Economic Development (DED) is required to develop an annual Qualified Allocation Plan (QAP) concerning the distribution of NAHTF resources throughout the state. Further information and details can be found within the QAP at: <https://opportunity.nebraska.gov/wp-content/uploads/2021/01/2021-NAHTF-QAP-FINAL.pdf>

### **Department or DED**

Nebraska Department of Economic Development. The state agency that administers the federal Community Development Block Grant State Program for communities under 50,000 population with funds allocated to the US Department of Housing and Urban Development.

### **Disability**

Any condition or characteristic that renders a person an "individual with disabilities" as defined in 24 CFR §8.3 (Code of Federal Regulations). An "individual with disabilities" means any person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such impairment.

**Elderly**

For purposes of this program and qualifying a project as meeting the low- and moderate-income national objective by principally benefitting seniors, a senior citizen is a person aged 62 or older.

**Eligible Activity**

Those activities authorized in Section 105(a) of the amended 1974 Housing and Community Development Act. However, the State and local participants have developed priorities, listed in *Part II. Section 3.04*, that best serve their interests and increase the likelihood of being funded.

**Family**

A family is defined as all persons living in the same household who are related by birth, marriage, or adoption. An individual living in a housing unit that contains no other person(s) related to him/her is considered to be a one-person for this purpose. A dependent child who is living outside of the home (e.g. students living in a dormitory or other student housing), is considered for these purposes to be part of the family upon which he/she is dependent, even though he/she is living in another housing unit.

**Firm Public or Private Commitment**

An agreement by a private or public party to take part in a local community development project. The party must demonstrate the capacity to carry out the activity specified in the grant application. The agreement may take the form of a city council or county board resolution, letter from a governmental agency, or a letter of credit from a private lending institution.

**Flood and Drainage**

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

**Grant Closeout**

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

**Grant Contract**

The legally binding contract between the state and a grant recipient. It consists of the notice of grant award, special conditions to the contract, certifications to comply with applicable state and federal regulations, the project budget, and the grant application.

**Household**

All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Housing and Community Development Needs Assessment**

A statement by the applicant that lists the community's development needs, including housing needs and needs of low- and moderate-income persons and strategies to address the needs. Required of all applicants to be eligible for CDBG funding under Title I of the Housing and Community Development Act.

**Income**

The total gross income (before taxes) of all members of a family who are age 15 or older. Income includes all monies received by all members of the family such as gross wages and salaries, bonuses, tips, interest,

dividends, social security, other retirement, supplemental security income, welfare, disability, VA payments, unemployment, alimony, other. A family that is involved in a business where the finances are interrelated with the family budget (such as a farmer) should consider their income as net after expenses, as reported to the Internal Revenue Service.

**Language Assistance Plan (LAP)**

A written implementation plan that addresses identified needs of the LEP persons served.

**Limited English Proficient Person (LEP)**

Individuals who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English because of national origin.

**Low- and Moderate-Income**

For CDBG, a person is considered to be of **low income** only if he or she is a member of a household whose income would qualify as "very low income" under the Section 8 Housing Assistance Payments program. Generally, these Section 8 limits are based on 50% of area median. Similarly, CDBG **moderate income** relies on Section 8 "lower income" limits, which are generally tied to 80% of area median.

**Low- and Moderate-Income Person**

A member of a family having an income as described under the Low- and Moderate-Income definition.

**Lower-Income Person**

A member of a family having an income equal or less than the Section 8 "lower income" limit established by HUD (80% or less of the area median). Unrelated individuals shall be considered as one-person families for this purpose.

**Neighborhood**

A geographic location with the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a unit of general local government that is under 25,000 population.

**Neighborhood-based nonprofit organization**

An association or corporation duly organized to promote and undertake community development activities on a not-for-profit basis within a neighborhood. To be considered neighborhood-based, the majority of the organization's membership, clientele, or governing body are residents of the neighborhood where activities assisted with CDBG funds are to be carried out.

**Project Cost**

Costs to complete the project and not associated with general administration of the grant (i.e., General Administration) or supporting project costs (i.e., Construction Management, Housing Management, and Lead-based Paint testing, risk assessment, and clearance testing).

**Service Area**

Area within the community designated to benefit from the project.

**Single Purpose Project**

One or more activities designed to meet a specific community development need.

**Special Assessment**

A fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public improvement or a onetime charge made as a condition of access to the improvement. The amount of the fee represents the pro rata share of the capital costs of the public improvement levied against the benefitting properties. For additional information see, *Part II. Section 3.02 (3). Special Assessments are not allowed in 2021.*

**Supporting Project Costs**

Costs that support project costs (i.e., 0380 Construction Management, 0580 Housing Management – Rehabilitation Management, and 0580a Housing Management – Lead-based Paint testing, risk assessment, and clearance testing). For reporting purposes, beneficiaries are not reported separately rather they are associated with the most appropriate activity. Supporting project costs do not include grant administration (i.e., 0181 General Administration).

**Target Area**

A defined geographic area within which an applicant has determined that, based on community plans or other studies, a need for community development activities exists. A target area may be a neighborhood of 100 or more families in a community or an entire community. The target area must encompass the entire area served by the project.

**Threshold**

The minimum that an applicant must score to be considered for funding. For example, *“A project scoring less than 25 points does not meet the minimum threshold for further consideration by the Project Review Committee* means that if the application does not score at least 25 points, the application will not be funded.

**Units of Accomplishment**

Awarded projects must report on accomplishments specific to project outcomes. There are seven accomplishment types, the number of accomplishments will depend on the project activities to be undertaken. These types include People, Households, Businesses, Organizations, Housing Units, Public Facilities, and Jobs. For reporting purposes, at the time of application, the number of accomplishments is considered “proposed” and upon completion of project activities, the accomplishments are considered “actual”.

**Vital Document**

Any document that is critical for ensuring meaningful access to the Recipient’s major activities and programs by beneficiaries generally and LEP persons specifically.