

# **STATE OF NEBRASKA**

## **2015**

# **ANNUAL ACTION PLAN**

**DEPARTMENT OF ECONOMIC DEVELOPMENT**

**DIVISION OF HOUSING AND COMMUNITY DEVELOPMENT**

**Housing, Community Development, & Economic Development Programs**



**DEPARTMENT OF HEALTH AND HUMAN SERVICES**

**Homeless Services & HOPWA Services Programs**



**Effective July 1, 2015 - June 30, 2016**

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## Expected Resources

### AP-15 Expected Resources – 91.320(c)(1,2)

#### Introduction

The following table describes the anticipated resources to be allocated throughout Nebraska broken down by program type. These anticipated resource projections are made for FY 2015 and the remaining four years of the Consolidated Plan.

Nebraska anticipates receiving the following amount in FY 2015:

CDBG: \$9,464,002  
HOME: \$3,002,167  
ESG: \$948,440  
HOPWA: \$362,364

In addition, Nebraska anticipates utilizing the following additional State resources in FY 2015:

NAHTF: \$9 million  
HSATF: \$1.9 million

Further details regarding expected resources are identified below.

## Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<b>CDBG</b>	public - federal	Acquisition, Admin and Planning  Economic Development  Housing  Public Improvements  Public Services	\$9,464,002	\$1,900,000	\$0	\$11,464,002	\$45,856,008	Nebraska CDBG funds will be matched in some categories by units of local government.  A portion of CDBG funds will be used in order to meet CDBG Program match requirements.
<b>HOME</b>	public - federal	Acquisition  Homebuyer assistance  Homeowner rehab  Multifamily rental new construction  Multifamily rental rehab  New construction for ownership  TBRA	\$3,002,167	\$0	\$0	\$3,002,167	\$12,008,668	Nebraska HOME funds will be matched with additional resources by sub-recipients who receive HOME funds for LIHTC rental housing development.  Eligible CHDOs will also provide matching funds within their acquisition, rehabilitation, and resale projects.  A portion of HOME funds will be used in order to meet HOME Program match requirements.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOPWA	public - federal	Permanent housing in facilities					\$1,449,456	<p>The majority of HOPWA resources are matched with resources from the Ryan White Part B Program and from Community Action Agencies.</p> <p>A portion of HOPWA funds will be used for administrative expenses provided to the Nebraska AIDS Project, the HOPWA Program Sponsor.</p>
		Permanent housing placement						
		Short term or transitional housing facilities						
		STRMU						
		Supportive services						
TBRA	\$362,364	\$0	\$0	\$362,364				
ESG	public - federal	Conversion and rehab for transitional housing				\$3,793,760	<p>Nebraska Homeless Assistance Program (NHAP) funding consists of ESG funds and HSATF. HSATF dollars serve as the HUD-required one-to-one match for ESG dollars at the state level, so activates funded with HSATF dollars must also meet federal ESG requirements.</p>	
		Financial Assistance						
		Overnight shelter						
		Rapid re-housing (rental assistance)						
		Rental Assistance Services						
		Transitional housing	\$948,440	\$0	\$0			\$948,440

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Reminder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
<b>Housing Trust Fund (NAHTF)</b>	public state	Acquisition, Admin and Planning					\$36,000,000	Nebraska Affordable Housing Trust Fund (NAHTF) resources will be utilized to further housing programs throughout the state. A portion of the NAHTF resources will be used as match for the HOME Program funds.
		Homebuyer assistance						
		Homeowner rehab Housing						
		Multifamily rental new construction	\$9,000,000	\$0	\$0	\$9,000,000		
		Multifamily rental rehab						
		New construction for ownership						
		TBRA						

<b>Other (HSATF)</b>	public - state	Conversion and rehab for transitional housing						Homeless Shelter Assistance Trust Fund (HSATF) resources will be utilized to supplement ESG activities. A portion of these funds will be utilized as match for the ESG Program.
		Financial Assistance						
		Overnight shelter						
		Rapid re-housing (rental assistance)						
		Rental Assistance Services						
		Transitional housing	\$1,900,000	\$0	\$0	\$1,900,000	\$7,600,000	

**Table 1 - Expected Resources – Priority Table**

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

CDBG funds will be leveraged within many of the programs including: Economic Development; CR; CIS; Public Works; and Downtown Revitalization. These matching funds will come from the units of general local government. CDBG Program matching requirements will be met by DED through additional resources provided as match to the CDBG administration allocation. This amount will fulfill the one for one matching requirements of the CDBG Program. Further information on program allocations and distributions is provided within the Appendix.

HOME funds will be leveraged with resources from sub-recipients who are funded through the NIFA/DED Low Income Housing Tax Credit rounds for the development of rental housing. Funds will also be leveraged with resources from the CHDOs who are funded with HOME funds through the CHDO Set Aside. Annually, 15% of HOME resources are utilized by CHDO eligible projects. HOME Program matching requirements will be provided by NAHTF resources in order to meet the 25% HOME Match requirement for non-administration funds.

ESG funds, through the Nebraska Homeless Assistance Program, will be leveraged with Nebraska Homeless Assistance Trust Fund (HSATF) resources. The HSATF is state funding that is based on the a twenty-five cent set-aside on each \$1,000.00 of the value of real estate sold in Nebraska and collected via the documentary tax stamp on real estate sales. Annually HSATF provides on average approximately 1.9 million dollars to the Nebraska Homeless Assistance Program. HSATF dollars serve as the HUD-required one-to-one match for ESG dollars, which well exceeds this requirement. Another resource utilized by some ESG sub-recipients who provide transitional housing and/or supportive services is through the CoC Program (SHP). Lastly, a significant amount of local NHAP sub-recipients contribute additional resources such as Community Services Block Grant, local foundations, and United Way to the homeless program they operate.

For the HOPWA Program, the majority of leveraging of funds are from the Ryan White Part B Program and from Community Action Agencies across the state. It is not known whether the funds from the Community Action Agencies are private, state or local. Assistance that HOPWA clients receive from outside resources are entered into our Provide Case Management software program to simplify completion of the Consolidated Annual Performance and Evaluation Report (CAPER).

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Not applicable.

**Discussion**

See above for additional information.



## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

#### Goals Summary Information

Below is information on the Annual Goals for the Programs identified below.

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Housing Program	2015	2015	Affordable Housing	Statewide	Housing Priority Need	CDBG: \$1,900,000 HOME: \$3,002,167 Housing Trust Fund: \$9,000,000	Rental units constructed: 50 Household Housing Units  Homeowner Housing Added: 25 Household Housing Units  Homeowner Housing Rehabilitated: 50 Household Housing Units
2	Community Development Program	2015	2015	Non-Housing Community Development	Statewide	Community Development Priority Need	CDBG: \$5,892,654	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 55,500 Persons Assisted  Facade treatment/business building rehabilitation: 25 Businesses Assisted

3	Economic Development Program	2015	2015	Non-Housing Community Development	Statewide	Economic Development Priority Need	CDBG: \$3,637,428	Jobs created/retained: 500 Jobs (100 Jobs)  Businesses assisted: 35 Businesses Assisted (7 Businesses)
4	Nebraska Homeless Assistance Program (NHAP)	2015	2015	Homeless	BoS CoC	Homeless Services Priority Need	ESG: \$948,440  HSATF: \$1,900,000	Tenant-based rental assistance / Rapid Rehousing: 452 households assisted  Number of individuals provided emergency or transitional shelter: Homeless Person Overnight Shelter: 7,224 persons  Number of individuals provided homeless prevention services: Homelessness Prevention: 1,483 persons
5	HOPWA Program	2015	2015	Persons with HIV/AIDS	Statewide	HOPWA Services Priority Need	HOPWA: \$362,364	Tenant-based rental assistance / Rapid Rehousing: 12 households Other: 45 Other

**Table 2 – Goals Summary**

## Goal Descriptions

<b>1</b>	<b>Goal Name</b>	Housing Program
	<b>Goal Description</b>	Within the Nebraska Affordable Housing Program resources will be provided that primarily benefit low to moderate income persons through affordable housing activities. These activities are completed through resources from CDBG, HOME, and the NAHTF.
<b>2</b>	<b>Goal Name</b>	Community Development Program
	<b>Goal Description</b>	This Program includes planning; public works; water/waste water; comprehensive revitalization; the Comprehensive Investment & Stabilization Program; and downtown revitalization activities. A wide variety of activities are funded that primarily serve LMI persons throughout the state.
<b>3</b>	<b>Goal Name</b>	Economic Development Program
	<b>Goal Description</b>	The primary goals of the Program include: job creation and expansion; and tourism development. A wide variety of activities are funded that primarily serve LMI persons throughout the state.
<b>4</b>	<b>Goal Name</b>	Nebraska Homeless Assistance Program
	<b>Goal Description</b>	For Rapid Rehousing-Work toward securing permanent housing options for persons who are homeless. For Homeless Services-Plan on ending homelessness for Nebraskans by providing appropriate shelter and/or housing to people who are homeless and/or at imminent risk of becoming homeless. For Homelessness Prevention-Assure needed services are provided to people who are at imminent risk of becoming homeless.
<b>5</b>	<b>Goal Name</b>	HOPWA Program
	<b>Goal Description</b>	The primary goals of the Program help to provide activities that serve persons with HIV/AIDS throughout Nebraska.

### AP-21 HOPWA Annual Goal - 91.320(c)(3)&(e)

#### Narrative (Optional):

The primary goals of the Program help to provide activities that serve persons with HIV/AIDS throughout Nebraska.

The activities in the "Other" section below include: Short-term Rent/Mortgage Assistance, Permanent Housing Replacement and Supportive Services.

## AP-25 Allocation Priorities – 91.320(d)

### Introduction:

### Funding Allocation Priorities

	Housing Program (%)	Community Development Program (%)	Economic Development Program (%)	Nebraska Homeless Assistance Program (NAHP) (%)	HOPWA Program (%)	Total (%)
CDBG	20%	60%	20%	0	0	100%
HOME	100%	0	0	0	0	100%
HOPWA	0	0	0	0	100%	100%
ESG	0	0	0	100%	0	100%
Housing Trust Fund	100%	0	0	0	0	100%
Other HSATF	0	0	0	100%	0	100%

Table 3 – Funding Allocation Priorities

### Reason for Allocation Priorities

Through experience and consultation, the allocation priorities for CDBG and HOME have been identified as noted above.

In regard to the ESG Program, the NHAP does not currently allocate funds based on priority needs but rather focuses on allocating funds, in consultation with the BoS CoC and regional CoC to ensure the statewide provision of ESG services statewide so all homeless and near homeless Nebraskans have access in or near their communities. NHAP hopes to gather enough valid and reliable data in the coming years to start incorporating priority needs in to the application and funding allocation process.

In regard to HOPWA, Nebraska’s HOPWA Program budget has funds allocated to budget categories needed in order to conduct outreach and serve priority populations (homeless/chronically homeless). The HOPWA Program continues to seek additional funds to expand tenant-based rental assistance and to increase client’s hands-on access to employment/job training services. Intensive case management is an important component when serving the priority populations.

**How will the proposed distribution of funds address the priority needs and specific objectives described in the Consolidated Plan?**

The State's Housing Priority Need includes the need to respond to regional needs for affordable, decent, safe, and appropriate housing as part of balanced economic development in Nebraska. This Priority Need includes 4 Objectives that have been developed in order to meet the Housing Priority and include:

- Promote additional affordable rental housing and preservation of affordable rental housing in selected markets.
- Promote housing preservation by improving the quality of Nebraska's existing affordable housing.
- Promote additional households into homeownership by expanding affordable homeownership opportunities.
- Enhance statewide understanding of fair housing law through outreach and education.

The Nebraska Affordable Housing Program will utilize CDBG, HOME, and NAHTF resources in order to address the Priority Need mentioned above as well as in order to address those specific objectives associated with the priority need.

The Community Development Priority Need has been developed in order to strengthen Nebraska communities through community development programs and services in order to provide a stable platform for economic development. This Priority Need includes 3 primary objectives that include:

- Improve the quality of water and wastewater in Nebraska and assist in developing and financing appropriate infrastructure and facilities for communities and counties that have planned and set priorities for long-term development;
- Invest in quality projects that are identified in a formal community development plan; compliment or support related community investments; leverage maximum private and/or other investment; and have reasonable plans for long-term operation and maintenance; and
- Increase capacity, efficiency, and effectiveness of local planning efforts resulting in long-term development.

The Community Development Program will utilize CDBG resources in order to address the Priority Need mentioned above and to address those specific objectives associated with the priority need.

The Economic Development Priority Need includes the need to foster the competitiveness of Nebraska's business and industrial sector, and as a result, assist in the economic development of Nebraska's communities and people. This Priority Need includes 4 primary objectives that include:

- Promote the retention and expansion of existing businesses in Nebraska, and the startup of new businesses in Nebraska, and the immigration of out-of-state businesses relocating or expanding into Nebraska.
- Invest in public facilities and improvement activities that make economic opportunities available to low and moderate income persons.

- Invest in effective and affordable tourist attractions (for profit or nonprofit) in quality communities that will result in visitor spending, generate jobs, and promote long-term economic development.
- Undertake planning activities that may include, but are not limited to: a feasibility study; an environmental review; preliminary site planning; site predevelopment; market analysis and a marketing plan; all in preparation for a larger project.

The Economic Development Program will utilize CDBG resources in order to address the Priority Need mentioned above and to address those specific objectives associated with the priority need.

The Homeless Services Priority Need has been developed in order to ensure appropriate emergency shelter and/or transitional housing and services for people who are homeless or at imminent risk of becoming homeless by distributing Emergency Solutions Grant funds and Homeless Shelter Assistance Trust Fund resources. This Priority Need includes 2 primary objectives that include:

- Provide appropriate shelter and/or housing to people who are homeless or at imminent risk of becoming homeless; and
- Provide needed services to people who are homeless or at imminent risk of becoming homeless

The Nebraska Homeless Assistance Program will utilize ESG funds and HSATF resources in order to address the Priority Need mentioned above and to address those specific objectives associated with the priority need.

In addition, addressing homelessness in Nebraska is a critical issue. NHAP funds are allocated as described above in the “Reason for Allocation Priorities”. The Nebraska Homeless Assistance Program combines Homeless Shelter Assistance Trust Fund Resource with Emergency Solutions Grant funding. NHAP will use the combined resources through HSATF and ESG for all eligible services within the limitations set by ESG regulations and guided by local CoC direction, to include the following services: Street Outreach, Emergency Shelters, Homelessness Prevention, Rapid Re-Housing, HMIS, and administrative activities.

The HOPWA Services Priority Need is intended to ensure appropriate emergency and/or permanent housing and services for people who are homeless or at imminent risk of becoming homeless by distributing funds to a project sponsor in order to meet the needs of persons living with HIV/AIDS. This Priority Need includes one primary objective that includes:

Provide housing assistance and related supportive services to low income persons with HIV/AIDS and their families and enable low income persons with HIV/AIDS to achieve stability in housing, reduce risks of homelessness, and increase access to health care.

The HOPWA Services Program will utilize HOPWA resources in order to address the Priority Need mentioned above and to address those specific objectives associated with the priority need.

In addition, Nebraska’s HOPWA Program has identified the majority of homeless/chronically homeless clients have medical concerns and/or are not employed. Placing individuals into housing and connecting them to healthcare are the first steps when services have been established. Utilizing Permanent Housing Placement and Tenant-Based Rental Assistance seems to be the best use of HOPWA resources if the person is not eligible for other assistance.

### AP-30 Methods of Distribution – 91.320(d)&(k)

#### Introduction:

The Methods of Distribution will be identified for four federal resources which include CDBG, HOME, ESG, and HOPWA. In addition, a brief discussion will be provided regarding two State programs related to the Nebraska Affordable Housing Trust Fund (NAHTF) and the Homeless Shelter Assistance Trust Fund (HSATF).

Within the IDIS eCon Planning Suite System, the Distribution Methods by State Program Table has been generated (See below). For purposes of providing more detailed information the following table has been supplemented and reformatted in order to provide the public with a clearer picture on the State’s methods of distribution.

#### Distribution Methods

Table 4 - Distribution Methods by State Program	
<b>State Program Name:</b>	
<b>Funding Sources:</b>	
<b>Describe the state program addressed by the Method of Distribution.</b>	
<b>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</b>	
<b>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</b>	
<b>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</b>	
<b>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</b>	
<b>Describe how resources will be allocated among funding categories.</b>	
<b>Describe threshold factors and grant size limits.</b>	
<b>What are the outcome measures expected as a result of the method of distribution?</b>	

## **Federal Programs**

### **Community Development Block Grant (CDBG)**

CDBG funds will be used for several activities authorized in Section 105(a) of the amended 1974 Housing and Community Development Act that meet national CDBG objectives. Projects are funded in order to meet at least one of three CDBG National Objectives that include: (1) benefit low- and moderate-income persons; (2) prevent or eliminate slums or blight; and (3) meet urgent community development needs. The State annually certifies that not less than 70% of the aggregate funds received during a 3 year period (as identified to HUD) shall be used for activities benefitting low and moderate income (LMI) persons.

CDBG funds are not specifically targeted to areas of minority concentration, but are distributed throughout the state's non-entitlement areas (all areas outside of Omaha, Lincoln, and Bellevue) targeted for activities that serve LMI persons. Since projects funded with CDBG resources typically provide a community-wide benefit, it can be assumed that minority groups benefit equally in the same proportion as they occur in the general population.

The State Programs set forth within this Method of Distribution of the current CDBG allocation attempt to balance the need for providing jobs and suitable places to live. Funds are reserved in each category based on a percent of the total funds available for distribution to local governments. The State is allowed \$100,000 plus 3% of the State grant for administration and technical assistance in accordance with HUD regulations. The State is also allowed 3% of the program income received by units of general local government (whether retained by the unit of general local government or paid to the State) and funds reallocated by HUD to the State.

To achieve the most effective and efficient use of CDBG funds, DED may, at its discretion, use categorical adjustments. A categorical adjustment allows DED to reserve up to 10% of the total CDBG allocation for use as needed among categories. An adjustment of more than 10% of the total allocation, or the creation or elimination of a category, will be considered a substantial amendment to the AAP, and would require further steps as identified within the Citizen Participation Plan section of the Consolidated Plan. Adjustments may be made for remaining balances within a Category within the last 3 months following a 12 month Program Year in order to meet the HUD Timely Distribution requirement which requires the CDBG grant amount for a given Federal Fiscal Year to be distributed within a HUD required 15-month time frame.

For purposes of the Consolidated Plan and the Annual Action Plan, the overall CDBG Program includes activities within the Housing Priority Need, the Community Development Priority Need, and the Economic Development Priority Need.



A description and details of each State Program will be identified below.

**State Program Name:** CDBG Owner Occupied Rehabilitation (CDBG OOR)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Housing Priority Need, CDBG funds will be utilized for owner occupied rehabilitation activities and made available to LMI persons at or below 80% of the Area Median Income.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

The CDBG OOR Program will be implemented by the Nebraska Affordable Housing Program (NAHP) within DED. The NAHP will utilize a separate application cycle titled the "NAHP CDBG Owner Occupied Rehabilitation Cycle". CDBG funds will only be available for applicants that are CDBG-eligible units of general local government.

Specific application questions will be developed for the CDBG OOR Cycle and will include a section for Demonstrates Desired Results and a section for Probability of Producing Desired Results. The Demonstrates Desired Results section will include: a) Pre- Application; b) Threshold Questions; c) Program Guidelines and Reuse Plan; and d) Program Guidelines Additional Points. The Probability of Producing Desired Results section will include: a) Capacity & Feasibility. In addition, a third section includes information on the Municipal Equalization Fund (MEF) score which will be calculated for each applicant and added to the total application score within the CDBG OOR Cycle.

The total points available for any given application will be 345 points. Applicants will be required to obtain a minimum score within the Pre-Application and Threshold Questions sections, and must meet all the threshold requirements, in order to be scored and considered for an award recommendation. In addition, failure of the Applicant to score a minimum number of total points on the application will result in the Application not being funded during the 2015 CDBG OOR Cycle.

A Selection Criteria Matrix has been developed for the CDBG OOR Cycle which provides for three sections for scoring within an application and includes: I) Demonstrates Desired Results, II) Probability of Producing Desired Results and III) Municipal Equalization Fund (MEF) Score. The Selection Criteria Matrix is noted as follows

Selection Criteria Matrix			
Characteristic	Criteria	Points Possible	Points Awarded
<b>I. Demonstrates Desired Results</b>	a) Pre-Application	5	
	b) Threshold Questions	40	
	c) Program Guidelines and Reuse Plan	35	
	<b>Demonstrates Desired Results Total</b>	<b>Possible Points</b>	<b>80</b>
<b>II. Probability of Producing Desired Results</b>	a) Capacity & Feasibility	165	
	<b>Probability Total</b>	<b>Possible Points</b>	<b>165</b>
<b>III. MEF</b>	a) Municipal Equalization Fund (MEF) Score	100	
	<b>Probability Total</b>	<b>Possible Points</b>	<b>100</b>
<b>Demonstrates Desired Results Total + Probability Total</b>	<b>Total Possible Points</b>	<b>345</b>	

Specific Questions regarding the application criteria will be made available within the CDBG OOR Cycle Application Guidelines. Additional information regarding the application sections, particularly regarding the Municipal Equalization Fund (MEF) section is noted within the Appendix.

Overall, the information provided above is a summary of the criteria that will be utilized within the CDBG OOR Cycle.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG OOR Cycle Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

\$1,900,000 million in CDBG resources will be available for the CDBG OOR Program.

**Describe threshold factors and grant size limits.**

The threshold factors within the CDBG OOR Program are noted below. The maximum amount of CDBG funds that may be obtained will be \$500,000.

Each project funded must meet the CDBG National Objective of benefiting low to moderate (LMI) income persons.

Additional threshold factors include: Whether the Pre-Application was submitted by the application due date; whether the applicant is an eligible unit of general local government classified as a municipality (i.e. City or Village); and whether the applicant has achieved the expenditures of previous grant funds for other projects.

**What are the outcome measures expected as a result of the method of distribution?**

Through the CDBG OOR Program additional owner-occupied rehabilitation will occur for housing units occupied by LMI persons throughout the state. The additional number of units rehabilitated will be quantified within the Annual Performance Report under the “Housing Program” Goal that is completed after the conclusion of the previous Program Year.

**State Program Name:** Comprehensive Revitalization (CR)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Community Development Priority Need, CDBG funds will be utilized for CDBG Eligible activities that include those identified as State Priorities in the Housing, Public Works, Planning, and Downtown Revitalization categories and made available to LMI persons or in areas that are defined under the Slum and Blight National Objective criteria. A complete list will be identified within the Appendix.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Grant recipients are selected based on the population size of the communities. Only a limited number of communities in Nebraska are eligible and these include: Columbus, Fremont, Grand Island, Hastings, Kearney, Norfolk, and North Platte only. The CDBG entitlement communities of Omaha, Lincoln, and Bellevue are not eligible nor are any other communities whose populations are less than 20,000 persons.

For the 2015 Program Year, which is the third year of a CR Cycle that includes 2013 and 2014 resources as well, the distribution formula is based on the greater amount for either: a minimum funding level of \$150,000 (which also includes a maximum of \$225,000) or the formula allocation according to the number of low- and moderate-income (LMI) persons residing in the community. The funding allocations were determined by dividing the amount of the CDBG Program funds available for distribution in the Downtown Revitalization, Housing, Planning, Water Wastewater, and Public Works categories (excludes Economic Development and Tourism Development categories) by the total number of low and moderate-income (LMI) persons residing in the non-entitlement areas of the state multiplied by the number of LMI persons residing in the eligible community. The source of the LMI persons is the U.S. Department of Housing and Urban Development calculations for 2014 based on the 2006-2010 American Community Survey (ACS)

from the U.S. Census.

All activities, except general administration and housing management, require 1:1 leverage. Proposed leverage must be from CDBG eligible activities directly related to the proposed project(s) in the same neighborhood or directly benefiting a substantial majority of the LMI persons or families residing within the neighborhood during the grant award period. Consideration for leverage will be given for such sources as public/private cash, loans and program income from prior awards.

The General Administration activity cannot exceed 10% of the city's allocation. The Housing Management activity cannot exceed 10% of the city's allocation. These amounts are taken out of the CDBG CR funds allocation for each city. General Administration and Housing Management activities require no matching funds.

Only up to 25% of each community's allocation can be used for activities eligible for assistance under the Downtown Revitalization (DTR) Program; provided that such activities were identified as needs in the comprehensive needs assessment, and provide a benefit to low/moderate income residents of the community. If the CR grantee is awarded funds within the DTR Program, 0% of the CR allocation may be used for activities eligible for assistance under the DTR except for housing activities.

Grantees with open Comprehensive Revitalization awards cannot apply within the Public Works and Water Wastewater Program Categories.

Overall, the information provided above is a summary of the criteria that will be utilized within the CR Program.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Comprehensive Revitalization Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

The seven eligible communities and approximate funding allocations are shown below. The formula allocation is based on the available CDBG allocation for 2015 Downtown Revitalization, Housing, Planning, Public Works, and Water/Waste Water Category distributions of \$5,142,653, divided by a non-entitlement LMI population of 376,900 persons equals \$13.645/per capita, multiplied by the respective number of LMI persons.

These amounts are subject to change based on CDBG funds available; a community’s threshold compliance; the participating municipalities (including the amount of match, leverage, and additional resources each participating municipality is able to provide); and the overall scope and design of each community’s proposed activities. Application proposals that demonstrate the most significant comprehensive economic impact will receive priority.

<b>City</b>	<b>LMI Population</b>	<b>Formula</b>	<b>Allocation</b>
Columbus	8,175	\$111,547	\$150,000
Fremont	10,255	\$139,929	\$150,000
Grand Island	19,775	\$269,829	\$225,000
Hastings	10,390	\$141,771	\$150,000
Kearney	12,825	\$174,997	\$175,000
Norfolk	9,950	\$135,767	\$150,000
North Platte	10,855	\$148,116	\$150,000
<b>TOTAL</b>	<b>82,225</b>	<b>\$1,121,960</b>	<b>\$1,150,000</b>

**Describe threshold factors and grant size limits.**

Each project funded must meet either the CDBG National Objective of benefiting low to moderate (LMI) income persons or SBA.

As noted above, the grant size limits for the eligible communities range from \$150,000 per community to \$225,000.

**What are the outcome measures expected as a result of the method of distribution?**

Additional comprehensive revitalization efforts will improve communities throughout the state.

**State Program Name:** Comprehensive Investment & Stabilization (CIS)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Community Development Priority Need, CDBG funds will be utilized for activities similar to those noted within the CR section (See above) and made available to LMI persons or in areas that are defined under the Slum and Blight CDBG National Objective criteria.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

For the 2015 Program Year, which is the second year of the CIS Cycle that includes 2014 resources as well, the distribution formula is based on the number of LMI persons in each community and the

funding allocation amounts that were provided during the 2014 Program Year. The source of the LMI persons is the U.S. Department of Housing and Urban Development calculations for 2014 based on the 2006-2010 American Community Survey (ACS) from the U.S. Census.

CIS activities undertaken during the 2nd Year require a 25% match. No more than half of the total project match may be in-kind source contributions. At least half of the total project match must include non-CDBG cash contributions, of the total CIS project costs.

The General Administration activity cannot exceed 10% of the city's allocation. The Housing Management activity cannot exceed 10% of the city's allocation. These amounts are taken out of the CDBG CIS funds allocation for each city. General Administration and Housing Management activities require no matching funds.

All CDBG-eligible CIS activities, except General Administration and Housing Management, are encouraged to demonstrate 1:1 leverage. Proposed leverage must be from CDBG eligible activities directly related to the proposed project(s) in the same neighborhood or directly benefiting a substantial majority of the LMI persons or families residing within the neighborhood during the grant award period. Consideration for leverage will be given for such sources as public/private cash, loans and program income from prior awards. Each applicant's proposed leverage will be reviewed and considered, and compared against other eligible applicants, in order to determine 2015 CDBG funding levels for CIS applicants.

Only up to 25% of each community's allocation can be used for activities eligible for assistance under the Downtown Revitalization (DTR) Program; provided that such activities were identified as needs in the comprehensive needs assessment, and provide a benefit to low/moderate income residents of the community. If the CR grantee is awarded funds within the DTR Program, 0% of the CIS allocation may be used for activities eligible for assistance under the DTR except for housing activities.

All activities, except General Administration, are encouraged, which includes matching funds, to demonstrate a 1:1 leverage. Proposed leverage must be from CDBG eligible activities directly related to the proposed project(s) in the same neighborhood or directly benefiting a substantial majority of the LMI persons or families residing within the neighborhood during the grant award period. Consideration for leverage will be given for such sources as public/private cash, loans and program income from prior awards.

The General Administration activity cannot exceed 10% of the city's allocation. The Housing Management activity cannot exceed 10% of the city's allocation. These amounts are taken out of the CDBG CIS funds allocation for each city. General Administration and Housing Management activities require no matching funds.

Grantees with open Comprehensive Investment & Stabilization Category awards cannot apply within the Public Works and Water Wastewater Priorities or the Downtown Revitalization Program Category.

Overall, the information provided above is a summary of the criteria that will be utilized within the CIS Program.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Comprehensive Investment & Stabilization Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

The six eligible communities and approximate funding allocations are shown **below these amounts are subject to change based on CDBG funds available; a community’s threshold compliance; the participating municipalities (including the amount of match, leverage, and additional resources each participating municipality is able to provide); and the overall scope and design of each community’s proposed activities. Application proposals that demonstrate the most significant comprehensive economic impact will receive priority.**

<b>Community</b>	<b>Proposed Allocation Amount</b>
Nebraska City	\$220,000
Wayne	\$130,000
Schuyler	\$210,000
Holdrege	\$130,000
Lexington	\$250,000
Plattsmouth	\$210,000
<b>TOTAL</b>	<b>\$1,150,000</b>

**Describe threshold factors and grant size limits.**

Each project funded must meet the CDBG National Objective of benefiting low to moderate (LMI) income persons or SBA. As noted above, the grant size limits for the eligible communities range from \$130,000 per community to \$250,000.

**What are the outcome measures expected as a result of the method of distribution?**

Through the CIS Program additional investments will be made in Nebraska communities in order to contribute to the stabilization, revitalization, and redevelopment of housing and infrastructure throughout the state in order to assist LMI persons.

**State Program Name:** Public Works (PW)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Community Development Priority Need, CDBG funds will be utilized for public works projects. Within the PW Program CDBG funds will be utilized for and made available under the LMI-National Objective measures. Funds are awarded for: community centers; senior centers exclusively for persons aged 62 and over; nonprofit centers for day care, primary health and mental health clinics; remodel shelter facilities for the homeless (excludes costs for operation); accredited public libraries; fire and/or rescue buildings, including fire trucks; removal of architectural barriers from city/village halls or county courthouses for accessibility; parks (a new facility/improvement or a quantifiable increase of an existing facility/improvement); street, curb, gutter, sidewalk, or storm sewer; flood control and drainage; and tornado-safe shelters in manufactured home parks.

For more information see §3.01-3.04 of the PW Application Guidelines.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Full applications are scored with pre-set categorical criterion as noted below. A scoring team will review the applications independently and then come together to prepare a consensus tabulation.

Below is the Scoring Criteria Matrix that will be utilized within the Public Works Program Category.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Project Need	Project Impact	Project Readiness	Citizen Participation	Leverage	LMI Benefit	MEF	Bonus Points	<b>TOTAL</b>
200	150	250	150	50	50	100	50	<b>1,000 points</b>
75 min	75 min	100 min	50 min	0	0	0	NA	<b>300 minimum</b>

Items 1 through 4 include minimum threshold criteria and minimum points must be earned in order to obtain threshold.

A new tool will be utilized which replaces the Community Needs Factor (CNF) score that is called the Municipal Equalization Fund (MEF) evaluation criteria. MEF was created in 1996 as a needs-based method of providing state aid to cities. The program is administered by the Nebraska Department of Revenue, with data provided by the Department of Revenue’s Property Assessment and Research Divisions, and the Nebraska Auditor of Public Accounts. Final aid calculations for Nebraska communities are posted in June of each year.



This aid formula provides a way of looking at needs and resources while at the same time ensuring that local governments provide a level of local resources. DED will incorporate the MEF calculation as one of the scoring categories used to produce points towards the total score of a PW application.

Each city's population is multiplied by the average per capita property tax levy for the relevant population group. Then each city's property tax valuation is multiplied by the state average property tax levy. These numbers are used to make the preliminary determination for state aid under the MEF formula. If a city's population multiplied by the average per capita property tax levy is greater than the state-wide average levy multiplied by its valuation, the community qualifies for points towards their CDBG Public Works application. If the difference is negative, no points will be awarded under MEF category used for scoring CDBG Public Works applications. Populations, used in the MEF are based on the last decennial census including those modified by annexations that have taken place since the last census and any special censuses completed by the U.S. Census Bureau.

Overall, the information provided above is a summary of the criteria that will be utilized within the PW Program. Further information will be provided within the Appendix and within the CDBG Program Guidelines for this Program.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Public Works Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

For the 2015 Program Year, DED is considering funding public works infrastructure activities/projects with an anticipated \$1,000,000 in CDBG resources. The Public Works award amount is based on beneficiary data of the project area as well as the feasibility and need for the project.

**Describe threshold factors and grant size limits.**

Each project funded must meet the CDBG National Objective of benefiting low to moderate (LMI) income persons. Up to \$250,000 in CDBG funds may be awarded per project for project activity and general administration combined; no more than \$20,000.00 may be used for general administration. The cost per resident beneficiary cannot exceed \$3,000, except for daycare facility projects where the cost per resident beneficiary cannot exceed \$5,000

**What are the outcome measures expected as a result of the method of distribution?**

The State will be able to identify qualified projects in areas that are economically distressed in order to appropriately invest CDBG funds for public works projects that meet the National Objectives described in 24 CFR Part 570.

**State Program Name:** Water Wastewater (WW)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Community Development Priority Need, CDBG funds will be utilized for and made available to LMI persons on an area basis. Eligible applicants may submit one of two types of applications:

1. Individual: Except as provided in the DED application guidelines in § 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.

Funds are awarded to publicly-owned systems. The fundable activities include: final engineering design, water source, treatment, storage, distribution; sanitary sewer treatment or collection.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Applicants anticipating the use of federal and/or state administered funds in order to finance water or sanitary sewer improvements must apply with the Water Wastewater Advisory Committee (WWAC). WWAC is made up of several state and federal agencies that include: the Nebraska Department of Economic Development, the Nebraska Department of Environmental Quality, and the Nebraska

Department of Health & Human Services, and the U.S. Department of Agriculture. The application process includes submitting the application and pre-application with information regarding a facility plan (FP) or Preliminary Engineering Report (PER) to one of the WWAC agency partners.

WWAC reviews the project pre-application then advises the applicant which assistance provider(s) can best meet the project funding needs. Project owners may also contact the individual agencies

directly without going to the WWAC. It is important to note that the DED relies on the ranking systems in this Intended Use Plan (IUP) as their initial step for determining the eligibility of a community for their grants. Drinking water projects must score a minimum of 85 points and clean water projects must meet a minimum of 55 points as described in the IUP. The community, at that time, is also reviewed to determine whether a CDBG National Objective has been met for the State's CDBG program. If, after a WWAC review, it has been determined that CDBG funds are an appropriate funding source for a community, DED will invite the community to apply for a CDBG WW award.

Priority ranking will be utilized for projects when two or more projects are similar within the following areas that include: a) each project has an equivalent SRF priority ranking, b) each project proposes appropriate solutions, c) each community is ready to promptly start and complete activities, and d) adequate CDBG funding for all projects is not available. In this instance, the community with the highest percent of low- and moderate-income persons shall have priority.

The invitee's application is reviewed for CDBG thresholds and requirements as outlined in the Water/Wastewater Program Guidelines. Awards will be reserved until December 31, 2015 for communities scoring 85 or more points on the Drinking Water Revolving Fund Intended Use Priority (IUP) and 55 or more IUP points on the Clean Water Revolving Fund priority system. If funds remain available thereafter, CDBG reserves will be considered for the next highest ranked and eligible community determined by WWAC as an appropriate source for funding.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Water Wastewater Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

For the 2015 Program Year, DED anticipates utilizing \$1,000,000 of funding allocated to this Program.

**Describe threshold factors and grant size limits.**

Each project funded must meet the CDBG National Objective of benefiting low to moderate (LMI) income persons.

Once a community is invited to apply for a Water/Wastewater CDBG award, all applications are reviewed and held to the same criterion as all of the other State’s WW projects appraised. There is a 25% match requirement for CDBG Water/Wastewater awarded activities.

Up to \$250,000 in CDBG funds are available per project. No more than \$3,000 in CDBG funds per beneficiary of record can be invested in the described project area.

**What are the outcome measures expected as a result of the method of distribution?**

DED will be able to identify those water/wastewater project areas that meet a CDBG National Objective and target those projects that are impacting the safety of our citizens. Through a collaborative effort with other funding agencies, DED is better able to leverage CDBG resources in order to obtain maximum impact.

**State Program Name:** Planning (PP)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Community Development Priority Need, CDBG funds will be utilized by a local unit of government to provide community planning, fair housing studies, strategic planning, and functional or special studies, related to: housing, infrastructure, economic development, land use/regulatory measures, main street improvement district, energy conservation, transportation planning, environmental planning, heritage tourism studies, historic preservation studies, etc. and made available under the LMI or Slum and Blight National Objective criteria.

Describe all of the criteria that will be used to select applications and the relative importance of these criteria.

CDBG funds will only be available for applicants that are CDBG-eligible units of general local government. Specific application questions have been developed, which include: problem statement, impact, strategy/work plan, National Objective, leverage, and bonus points are available for sustainability. The total points available for any given application will be 1,000 points; a minimum of 400 points is required in order to be considered for funding. In addition, applicants will be required to obtain a minimum score within the problem statement, impact, and strategy/work plan sections, and must meet all the threshold requirements, in order to be scored and considered for an award recommendation. In addition, failure of the Applicant to score a minimum number of total points on the application will result in the Application not being funded.

Below is the Selection Criteria Matrix that will be used for the Planning Program.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	
Project Need	Project Impact	Project Readiness (Local Effort)	Leverage	LMI Benefit	MEF	Bonus Points	<b>TOTAL</b>
250	250	250	50	50	100	50	<b>1,000 points</b>
150 min	125 min	125 min	0	0	0	NA	<b>400 minimum</b>

The above mentioned information is a summary. Additional information on the Planning Program will be made available within the Appendix.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Planning Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

Technical assistance is available from the State during preparation of the application to ensure that the application will meet threshold requirements. Application guidelines are available as a downloadable document on the Department website or may be acquired by contacting the program representative.

**Describe how resources will be allocated among funding categories.**

\$242,654 in CDBG resources will be available for the CDBG Planning Category.

**Describe threshold factors and grant size limits.**

Eligible local governments may individually or jointly apply and receive more than one grant per cycle in the Planning Category. The applicant local government in 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. All municipalities must be involved with the same project, which addresses a common issue. The product can, however, be packaged to meet individual municipal or county needs. There must be a product for the regional study and each municipality or county may have its own product that addresses local recommendations, strategies, or needs as an example. Projects are to be completed within twenty-four (24) months following award. Funds are available in 2015 in two cycles, including one in the spring and an open-cycle throughout the remainder of the Program Year.

For 2015, no Preliminary Engineering Reports (PERs) that are prepared in anticipation of WWAC funding will be funded through the CDBG Planning Program. PERs that are needed outside of the WWAC process may be funded.

No more than 60% of CDBG funds allocated will be awarded from the first application cycle. The maximum grant is \$30,000 per community/unincorporated county. The maximum grant for multi-community, countywide, or regional planning projects may not exceed \$50,000. There is an estimated \$242,654 reserved for planning projects out of the 2015 CDBG allocation.

All planning activities require a 25% match (minimum 12.5% non-CDBG cash, in-kind services, contributions) of the total project cost. General administration activities require no matching

funds. General administration activities shall not exceed 7% of the CDBG funds awarded or \$1,500, whichever is greater.

Additional threshold factors are required within the Planning Program. This information will be available within the Appendix.

**What are the outcome measures expected as a result of the method of distribution?**

Through additional planning, communities and counties will be able to better prepare for potential projects throughout the state. These planning efforts will help provide communities the opportunity to solve problems and meet citizen needs through a community planning process that assesses community development needs, develops options for meeting those needs, and packages work plans or carries out processes that lead to successful projects.

**State Program Name:** Downtown Revitalization (DTR)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Community Development Priority Need, CDBG funds will be utilized within the Downtown Revitalization Program for activities that will contribute to the revitalization or redevelopment of downtown infrastructure, health and safety concerns, and develop a greater capacity for growth. This provides a sound basis for fostering local economic development. This recognizes the importance of the condition and viability of a downtown to increase the community's tax base and create a center for community activity which is directly related to business expansion and location decisions. Activities will assist communities to carry out a comprehensive downtown revitalization pre-development study to stabilize and enhance clearly defined downtown areas that will provide a benefit to low/moderate income residents of the community or aid in the elimination of substandard or blighted structures and areas in the downtown as part of meeting CDBG National Objective criteria.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Projects will be carried out in two phases, first a pre-development phase which will result in the completion of a well-defined, comprehensive pre-development study that defines a series of specific desired outcomes with goals and action steps for improvements to a defined downtown business district.

The second phase will be awarded, after the successful completion and approval by DED of the downtown revitalization pre- development study; to implement physical projects or loan programs identified in the downtown revitalization pre-development study. The pre-development study must be submitted with the required application to receive an award for Phase II activities.

CDBG funds for Phase II are reserved for communities that were selected to complete Phase I for Downtown Revitalization Projects.

Eligible applicants include every Nebraska incorporated municipality with a population of less than 50,000 persons. See the "Threshold Requirements" within the Appendix for specific thresholds that are also considered in determining eligibility.

Below is the Selection Criteria Matrix that will be used for the DTR Program Category.

Additional information is available within the Appendix.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
Project Need	Project Impact	Project Readiness	Business & Community Support	Leverage	On-Site Review	MEF	Bonus Points	<b>TOTAL</b>
200	150	200	100	50	100	100	50	<b>1,000 points</b>
100 min	100 min	100 min	50 min	0	50 min	0	NA	<b>400 minimum</b>

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Downtown Revitalization Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

It is estimated that \$100,000 in CDBG funds will be utilized for planning activities (Phase I) and \$1,000,000 will be utilized for project implementation (Phase II).

**Describe threshold factors and grant size limits.**

Each project funded must meet a CDBG National Objective of benefiting low to moderate (LMI) income persons or slum and blight (SBA).

DTR applicants will no longer be required to obtain either an Economic Development Certified Community designation nor a Designated Leadership Community designation. Participation in these programs is encouraged as many of the elements of each program provide many benefits to a community and can enhance DTR applications by having many of the necessary items for a project.

The maximum grant amount for Phase I (pre-development) activities will be \$30,000 per community. Pre-development activities undertaken to complete Phase I DTR project activities require a 25% match. No more than half of the total project match may be in-kind source contributions. At least half of the total project match must include non-CDBG cash contributions, of the total pre-development project costs. General Administration activities during the pre-development phase may not exceed 7% of the amount of CDBG funds awarded, or \$1,500, whichever is greater. General Administration activities do not require any matching funds.

The maximum grant amount for Phase II (project implementation) activities will be \$350,000 per community. DTR activities undertaken during Phase II require a 25% match. No more than half of the total project match may be in-kind source contributions. At least half of the total project match



must include non-CDBG cash contributions, of the total DTR project costs. General Administration activities during the project implementation phase may not exceed 10% of the amount of CDBG funds awarded.

General Administration activities do not require any matching funds.

Additional information regarding threshold requirements and eligible activities can be found within the Appendix and also within the DTR Program Guidelines.

**What are the outcome measures expected as a result of the method of distribution?**

Through CDBG resources, communities will be improved throughout the state through the increased viability of downtown areas.

**State Program Name:** Economic Development (ED)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Economic Development Priority Need, CDBG funds will be utilized 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, SBA, or Urgent Need CDBG National Objective criteria.

Eligible activities will generally include:

- loans to for-profit businesses (through the applicant community) for a variety of business purposes;
- public facilities (infrastructure) projects undertaken by applicant communities for economic development purposes, where a benefiting business agrees to locate or expand premised on the infrastructure improvements and agrees to create jobs for LMI persons;
- job training grants to for-profit businesses (through the applicant community);
- speculative building projects or speculative industrial park prospects, in the form of conditional grants to applicant communities for such projects; and
- a short-term interim financing program.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

A summary of the ED Program criteria include a number of items, much of which is noted below. Additional criteria include the following:

- The business must pay all employees at the project location in Nebraska at a rate of no less than \$9.00 per hour, as well as provide appropriate employee benefits, for the duration of the project job maintenance period (this period will be established as part of the Memorandum of Understanding (MOU) for the project).
- Non-profit businesses/organizations are ineligible.
- Businesses that derive any revenues from gaming are ineligible.
- Production agriculture enterprises are ineligible. These are excluded because they lack the necessary CDBG ED Program Guideline 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 aquacultural facilities.
- 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.

The general scoring criteria for the Program include 110 points available for any application. These criteria include: CDBG Funds Utilization; Community Impact and Investment; Business Factors; and Economic Development Certified Community. Additional information will be noted within the Appendix.

This information provided is a summary. Additional information will be available within the Appendix and within the ED Program Guidelines.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Economic Development Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

For the 2015 Program Year, DED is considering funding economic development infrastructure activities/projects with the anticipated \$1,287,428 of funding allocated to this Program. Other activities/projects will be funded from DED's CDBG Economic Development Revolving Loan Fund.

### **Describe threshold factors and grant size limits.**

Eligible applicants include every Nebraska incorporated municipality that is under a population of 50,000 persons. Every county in Nebraska is also eligible for the Program.

Each project funded must meet one of three CDBG National Objectives that include: benefiting low to moderate (LMI) income persons; aiding in the prevention or elimination of slums and blight (SBA); or meeting other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to health or welfare of the community and other financial resources are not available to meet such needs.

The majority of projects funded within the ED Program meet the LMI National Objective. The LMI benefit is demonstrated in nearly all projects through job creation, job retention, or both job creation and job retention, by a benefited business. Such job creation or job retention must involve the employment of persons, the majority (51% or more) of whom are LMI persons.

All CDBG ED projects require a minimum 1:1 match of CDBG funds with funds from other (non-CDBG) sources. This means that CDBG funds can be no more than 50% of the total project cost. In addition to achieving the match as described above, Speculative Industrial Park Projects – Data Centers, as described below, can achieve their match using the following costs as well: DED approved costs associated with the infrastructure development of the site, and DED approved marketing costs associated with the promotion of the site.

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 ED Program are designed to address these federal guidelines. Further information regarding the "decision-making criteria" and other information on the ED Program will be available within the Appendix. Additional information will also be available with the Economic Development Program Guidelines.

In addition, not all businesses are eligible to be benefited businesses under the DED CDBG ED Program. For a business to be eligible to be a benefited business that business must:

- meet the definitional criteria to be a "qualified business" as that term is defined in the Nebraska Advantage Act, as that Act exists at the time an eligibility determination is made under these guidelines;

and also,

- meet any additional eligibility criteria, and not be ineligible by reason of the exclusions, in the ED Program Guidelines and above mentioned information.

Additional information regarding the Nebraska Advantage Act Criteria will be provided within the Appendix.

\$1,000,000 will be used as a guideline for an award for any one project under the ED Program. This is further limited by maximums of \$250,000 for any one Job Training grant and \$250,000 for any one speculative building project. \$1,000,000 will also be used as a guideline for an award for any one speculative industrial park project.

**What are the outcome measures expected as a result of the method of distribution?**

Through the Economic Development Program additional jobs will be created or retained throughout the state which will create additional opportunities for Nebraskan's, particularly those who are LMI.

**State Program Name:** Tourism Development (TD)

**Funding Sources:** CDBG funds

**Describe the state program addressed by the Method of Distribution.**

Within the Economic Development Priority Need, CDBG funds will be utilized for tourism development projects, defined as tourist attractions. For the purposes of this section "tourist attractions" include attractions developed by either for-profit or non-profit entities that are either public or private. These tourist attractions must be expected to draw 2,500 visits or more per year from origins of at least 100 miles away. Tourist attractions include sites and facilities that draw visitors from a significant distance away because of their scenic, historic, cultural, scientific, educational, and/or recreational attributes. These projects also serve and

provide facilities that service other community and regional activities. Tourism projects generally focus on meeting and improving multi-faceted facilities for assisting in economic development at the local, regional, and statewide levels. Tourist attractions must meet a CDBG National Objective and also a state CDBG priority. A complete list of priorities, along with further information regarding the Tourism Development Program, will be in the Appendix.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Specific criteria for the TD Program will be identified prior to the completion of the Final AAP. In addition, TD Program Guidelines will also be available and further information regarding Tourism Development will be noted within the Appendix.

**If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)**

As noted above within the description of the criteria used to select applications, this information was a summary of the criteria. Complete information regarding the application criteria will be made available within the CDBG Tourism Development Application Guidelines. The Guidelines will provide

specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/grants/applications/cdbg-forms>

**Describe how resources will be allocated among funding categories.**

Up to \$350,000 in resources will be made available within the 2015 Program Year for TD projects. These resources are being estimated in a range from \$350,000 to \$0 depending on the number and quality of applications within a given year.

**Describe threshold factors and grant size limits.**

Each project funded must meet a CDBG National Objective.

All TD projects require a minimum 25% match which must be 3 to 1 (3 CDBG and 1 other resources) match of CDBG funds with funds from other (non-CDBG) sources. At a maximum, no more than one-half of the total project match may be from in-kind source contributions. At a minimum, at least one-half of the total project match must be non-CDBG cash contributions. General administration activities require no matching funds.

Eligible local governments may individually or jointly apply and receive more than one grant per year in the Tourism Development Category.

Applications for CDBG TD awarded are accepted and considered on an open cycle. TD applications will be accepted beginning in May of 2015. Applications will be submitted as prescribed in the Tourism Development Application Guidelines.

Threshold requirements must be met prior to review. Applications will not be considered and returned if the following threshold requirements are not met:

- Applicant is eligible;
- activities are eligible and comply with a CDBG National Objective and State CDBG priority;
- Applicant has no significant, unresolved audit finding;
- Applicant has no legal actions underway that may significantly impact its capacity;
- Applicant is following a detailed Citizen Participation Plan and Anti-Displacement Plan; and
- Applicant has adopted an authorizing participation resolution.
- Applicant must have addressed and cleared all compliance problems (i.e. Davis-Bacon, acquisition, fair housing, etc.), if any, from past Awards and have had responses accepted by DED;
- Applicant is current with all reporting requirements (semiannual status reports, closeout reports, audit reports, notification of annual audit reports, etc.)

The maximum grant amount is \$225,000 in CDBG funds and the minimum amount is \$50,000 per community/unincorporated county.

**What are the outcome measures expected as a result of the method of distribution?**

Additional tourist attractions funded by Tourism Development activities will increase opportunities throughout the state for persons within the communities where the projects are located and for those persons visiting the attractions.

**HOME Investment Partnerships (HOME)**

**State Program Name:** HOME CHDO Program

**Funding Sources:** HOME funds

**Describe the state program addressed by the Method of Distribution.**

Within the Housing Priority Need, HOME funds will be utilized for acquisition, rehabilitation, and resale of residential units throughout the state and made available to eligible non-profits that are designated as Community Housing Development Organizations (CHDOs) under the Nebraska Affordable Housing Program application criteria.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Eligible applicants include community-based non-profit 501(c)(3), 501(c)(4), or section 905 (subordinate organization of a 501(c) organization) organizations with the provision of decent housing that is affordable to low- and moderate-income persons among the purposes of the organization.

In addition, these organizations must meet and satisfactorily demonstrate the prescribed requirements in the CHDO Designation guidelines. DED will designate nonprofit organizations that meet defined criteria as CHDOs. A CHDO is defined in the HOME Investment Partnerships Program Final Rule Subpart A, §92.2

The HOME CHDO Program will be implemented by the Nebraska Affordable Housing Program (NAHP) within DED. The NAHP will utilize a separate application cycle titled the “CHDO Cycle”. HOME funds will only be available for applicants that are eligible Community Housing Development Organizations (CHDOs).

Specific application questions will be developed for the CHDO Cycle and will include a section for Demonstrates Desired Results and a section for Probability of Producing Desired Results. The Demonstrates Desired Results section will include: a) Pre-Application; b) Threshold Questions; c) Program Guidelines and Reuse Plan; and d) Program Guidelines Additional Points. The Probability of Producing Desired Results section will include: a) Capacity & Feasibility.

The total points available for any given application will be 245 points. Applicants will be required to obtain a minimum score within the Pre-Application and Threshold Questions sections, and must meet all the threshold requirements, in order to be scored and considered for an award recommendation. In addition, failure of the Applicant to score a minimum number of total points on the application will result in the Application not being funded during the 2015 CHDO Cycle.

A Selection Criteria Matrix has been developed for CHDO applications. There is a separate Matrix for CHDO applications that involve PRR activities and a separate Matrix for those that involve rental activities. Each Matrix notes two sections for scoring within an application that includes: I) Demonstrates Desired Results and II) Probability of Producing Desired Results. Each Selection Criteria Matrix is noted below.

Selection Criteria Matrix for the Rental Program			
Characteristic	Criteria	Points Possible	Points Awarded
<b>I. Demonstrates Desired Results</b>			
	a) Pre-Application	5	
	b) Threshold Questions	40	
	c) Project Design and Pro Forma & Project Design Spreadsheets	55	
<b>Demonstrates Desired Results Total</b>	<b>Possible Points</b>	<b>100</b>	
<b>II. Probability of Producing Desired Results</b>			
	a) Capacity & Feasibility	145	
<b>Probability of Producing Desired Results Total</b>	<b>Possible Points</b>	<b>145</b>	
<b>Demonstrates Desired Results Total + Probability of Producing Desired Results Total</b>	<b>Total Possible Points</b>	<b>245</b>	

Selection Criteria Matrix for the Homebuyer Program			
Characteristic	Criteria	Points Possible	Points Awarded
<b>I. Demonstrates Desired Results</b>			
	a) Pre-Application	5	
	b) Threshold Questions	40	
	c) Program Guidelines and Reuse Plan	35	
<b>Demonstrates Desired Results Total</b>	<b>Possible Points</b>	<b>80</b>	
<b>II. Probability of Producing Desired Results</b>			
	a) Capacity & Feasibility	165	
<b>Probability of Producing Desired Results Total</b>	<b>Possible Points</b>	<b>165</b>	
<b>Demonstrates Desired Results Total + Probability of Producing Desired Results Total</b>	<b>Total Possible Points</b>	<b>245</b>	

Complete application guideline information will be made available within the CHDO Application Guidelines. The Guidelines will provide specific details on the Application questions, deadlines for completing applications, threshold requirements, and any other necessary items. This information will be available on the DED website at: <http://www.neded.org/community/community-info/documentslibrary-a-forms/home>

**Describe how resources will be allocated among funding categories.**

\$450,325 in HOME resources will be available for CHDO Program.

**Describe threshold factors and grant size limits.**

Eligible applicants include community-based non-profit 501(c)(3), 501(c)(4), or section 905 (subordinate organization of a 501(c) organization) organizations with the provision of decent housing that is affordable to low- and moderate-income persons among the purposes of the organization.

In addition, these organizations must meet and satisfactorily demonstrate the prescribed requirements in the CHDO Designation guidelines. DED will designate nonprofit organizations that meet defined criteria as CHDOs. A CHDO is defined in the HOME Investment Partnerships Program Final Rule Subpart A, §92.2.

After State-designated CHDOs have been selected, each CHDO will be provided the opportunity to complete an application for funding. These applications will only be for CHDO-eligible activities and may include projects completed under the Purchase, Rehabilitation, Resale (PRR) program or within the rental development program.

Additional threshold factors include: Whether the Pre-Application was submitted by the application due date; whether the applicant is an eligible unit of general local government classified as a municipality (i.e. City or Village); and whether the applicant has achieved the expenditures of previous grant funds for other projects.

The maximum amount of HOME funds available within the CHDO Cycle will be \$450,325.

What are the outcome measures expected as a result of the method of distribution?

Through the HOME CHDO Program additional acquisition and rehabilitation (and potentially rental development) will occur for housing units that will be occupied by LMI persons throughout the state. The additional number of affordable housing units will be quantified within the Annual Performance Report under the "Housing Program" Goal that is completed after the conclusion of the previous Program Year.

**State Program Name:** HOME Rental Program

**Funding Sources:** HOME funds



**Describe the state program addressed by the Method of Distribution.**

Within the Housing Priority Need, HOME funds will be utilized for rental housing (both new construction and rental rehabilitation) through a joint application process between the Nebraska Investment Finance Authority (NIFA) and DED. NIFA will provide an allocation of Low Income Housing Tax Credits (LIHTCs) and DED provides HOME funds to those applicants needing HOME resources for gap financing in order to make their tax credit projects feasible. The tax credit rental development program uses 9 percent tax credits (and may use 4 percent tax credits for a bond structured project) combined with other resources in order to provide affordable housing to low income persons, at or below 60% of the Area Median Income, throughout the state. All areas of Nebraska are eligible for these rental projects, including Omaha, Lincoln, and Bellevue.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

Eligible applicants include community-based non-profit 501(c)(3), 501(c)(4), PHAs, CHDOs, and units of local government. These applicants will partner with rental housing developers in order to complete the joint NIFA/DED application.

NIFA administers the application process that begins with the completion of a Qualified Allocation Plan (QAP). The QAP provides details on the LIHTC allocation process. Further information and details can be found within the QAP at: <http://nifa.org/downloads/2015qap.pdf>

A joint NIFA/DED application is completed online in order for eligible applicants to apply for LIHTCs and HOME resources. The NIFA/DED application includes a variety of detailed selection criteria which include, but are not limited to, site control requirements, evidence of sufficient funding resources, and a market study. The complete application can be found on NIFA's website at: [http://nifa.org/downloads/2015lihtc\\_homeapp.pdf](http://nifa.org/downloads/2015lihtc_homeapp.pdf)

**Describe how resources will be allocated among funding categories.**

\$2,251,625 in HOME resources will be utilized for LIHTC rental housing development. In addition, \$675,488 in NAHTF resources will also be used within the tax credit cycles. These NAHTF resources will be used in order to meet the 25% HOME Match requirements.

**Describe threshold factors and grant size limits.**

Only eligible HOME applicants can apply for HOME resources within the NIFA/DED application cycles. Eligible applicants include community-based non-profit 501(c)(3), 501(c)(4), PHAs, CHDOs, and units of local government. A number of Threshold Exhibits are required during the application process that include: architectural plans; an affirmative marketing plan; site control; site visit approval for HOME funded projects; subsidy information; investor letters; financing documentation; development worksheets; and other information (all of which is noted within the NIFA/DED application as mentioned above).

There are no specific HOME grant size limits. However, DED staff will work closely with applicants in order to determine the availability of HOME funds for any given project.

**What are the outcome measures expected as a result of the method of distribution?**

HOME resources, combined with LIHTCs, will create additional rental housing throughout the state. These additional units will serve low income persons at or below 60% of the Area Median Income. These additional affordable housing units will remain affordable to low income persons for at least 20 years.

**Emergency Solutions Grant (ESG)**

**State Program Name:** Nebraska Homeless Assistance Program (NHAP)

**Funding Sources:** ESG funds and HSATF resources

**Describe the state program addressed by the Method of Distribution.**

Within the Homeless Services Priority Need, ESG funds will be utilized, along with Homeless Shelter Assistance Trust Fund (HSATF) resources, in order to provide funding for activities that provide a comprehensive approach to address the needs of people who are homeless or at risk of homelessness in Nebraska. These activities are intended to: assist in the prevention and alleviation of homelessness; provide temporary and/or permanent housing for persons who are homeless; and to encourage the development of projects that link housing assistance programs with efforts to promote self-sufficiency.

The statewide Continuum of Care (CoC) system has been developed to help ensure that people who are homeless or at risk of homelessness are able to access needed emergency shelter, street outreach, homelessness prevention, and rapid rehousing services in each of the 93 counties.

Additional information regarding the Continuum of Care Regions is available within the Appendix.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

In order to reduce NHAP grant management and administrative burden, NHAP adopted a two-year funding cycle in 2003. 2014-2015 was the first year of this two-year grant cycle which involved a competitive application process that was open to any eligible applicants. For the 2015 Program Year, NHAP applications will include a renewal application process that is open only to existing recipients for second year funding.

In 2014, an allocation formula was used in distributing NHAP grant funds. The formula helped ensure an equitable distribution of funds throughout the entire state. The formula was calculated using a \$50,000 base 'hold harmless' funding amount per geographic Region (see page 6-12); the Department of Housing and Urban Development's (HUD) annual Continuum of Care NOFA pro rata amounts; and consideration of statewide service continuity. The initial allocation formula was developed with input from the NHAP advisory committee.

For 2014-15, the following NHAP plan was developed in consultation with Nebraska's Continuum of Care:

Due to annual fluctuations in the pro rata need amounts and the need to help ensure statewide continuity of necessary services, should applying the formula result in a decrease in funding from the prior year for the majority of the regions, or a significant increase in one or more regions, adjustments will be made to reduce the impact of the change in available funding by region.

**Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)**

As mentioned above, funding awards will be made to available only to existing recipients that received grant awards in 2014. This second year application renewal process will allocate resources to existing recipients. DHHS will provide additional details regarding the 2nd year allocation process.

**Describe how resources will be allocated among funding categories.**

ESG funds will be allocated among several service categories. The Table below further describes the breakdown of estimated allocations for each of the ESG Categories in order to ensure that no more than 60 percent of the total ESG award is allocated to Street Outreach (SO) and Emergency Shelter (ES) services. Based on the ESG allocation estimate, SO and ES services must be below \$569,064, which is 60 percent of the total ESG funds.

<b>Service</b>	<b>Estimated ESG Funds</b>
Street Outreach (SO)	\$4,238
Emergency Shelter (ES)	\$300,000
<b>Maximum SO &amp; ES Subtotal (60% of Estimated Total Award)</b>	<b>\$569,064</b>
Homelessness Prevention	\$261,534
Rapid Re-housing	\$261,535
HMIS	\$50,000
<b>Services Subtotal</b>	<b>\$877,307</b>
Estimated Administration (7.5%)	\$71,133
<b>Total ESG Award</b>	<b>\$948,440</b>

**Describe threshold factors and grant size limits.**

DHHS staff will develop the threshold factors and grant size limits for the ESG and HSATF resources.

**What are the outcome measures expected as a result of the method of distribution?**

Through ESG and HSATF resources needed services will be provided to persons who are homeless or at risk of homelessness throughout the state.

**Housing Opportunities for Persons with AIDS (HOPWA)**

**State Program Name:** HOPWA Program

**Funding Sources:** HOPWA funds

**Describe the state program addressed by the Method of Distribution.**

Within the HOPWA Services Priority Need, HOPWA funds will be utilized to provide supportive services to persons, and their families, with HIV/AIDS that include: standard and intensive case management services with a medical and self-sufficiency component; outreach to HIV+ homeless persons/families and homeless service providers; emergency rental/mortgage assistance; tenant-based rental assistance (TBRA); permanent housing placement (including first/last month's rent, security deposits, and rental application fees); and housing information services and resource identification.

The HOPWA Program prioritizes outreach to the chronically homeless and homeless persons, and their families, living with HIV/AIDS in order to help address their housing, supportive services, and medical needs.

In general, DHHS provides HOPWA resources to the Nebraska AIDS Project (NAP), the HOPWA Project Sponsor, in order to carry out activities throughout the state. The strategy of the program is to support and facilitate NAP's participation and involvement in the seven (7) regional Continuum of Care (CoC) Committees. DHHS participates on the Statewide Continuum of Care Committee. It is the goal of HOPWA staff to coordinate with ESG Program staff, and homeless service providers, in order to coordinate homeless activities. These collaborations will help to ensure that the special needs of persons living with HIV/AIDS in Nebraska will be represented at both the regional and the state level planning processes.

The HOPWA Program also participates in the Nebraska HIV Care and Prevention Consortium (NHPC) which consists of HIV/AIDS medical providers, service providers, consumers, and other members of the public. One of the members of the NHPC includes a representative of the Nebraska Red Ribbon Community. The Nebraska Red Ribbon Community is a geographical, diverse group of persons living with HIV/AIDS that work together to enhance and enrich the lives of fellow HIV positive persons through leadership and partnership with the State and other local organizations. In addition, the HOPWA Program Manager works closely with the Ryan White All Parts Committee members to coordinate services for persons living with HIV/AIDS. Committee meetings are held on a quarterly basis.

**Describe all of the criteria that will be used to select applications and the relative importance of these criteria.**

DHHS and NAP will identify the criteria used to select applications. This information will be provided prior to finalizing the AAP.

**Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)**

Within Nebraska, the Nebraska AIDS Project (NAP) is the only AIDS Service Organization that provides case management services statewide to persons living with the HIV/AIDS disease. Because of this, DHHS awards HOPWA funds to NAP directly through a sole source contract deviation process. NAP serves as the project sponsor for the HOPWA Program and has offices located in Omaha, Lincoln, Kearney, Norfolk, and Scottsbluff.

**Describe how resources will be allocated among funding categories.**

\$362,364 in HOPWA funds will be available with the 2015 Program Year. The majority of those resources will be awarded to the Nebraska AIDS Project, in order to administer the HOPWA Program.

HOPWA funds will be used to support the goal of reducing homelessness and increasing housing stability for special needs populations through the following activities:

**DHHS**

- Formula Administrative-\$10,871
- Supportive Services-\$7,000
- Housing Information-\$8,000
- Resource Identification-\$16,030
- Short-term Rent/Mortgage-\$9,433
- Long-term Rent-\$22,210

**Nebraska AIDS Project**

- Formula Administrative AID-\$18,894.77
- Supportive Services AID-\$96,450
- Resource Identification AID-\$3,225
- Permanent Housing Placement AID-\$9,000
- Short-term Rent/Mortgage AID-\$79,880
- Long-Term Rent AID-\$81,370.23

**TOTAL: \$362,364.00**

**Describe threshold factors and grant size limits.**

Services provided by Nebraska’s HOPWA program are limited to services that can be delivered under the funding allocation the program receives and provides to Nebraska AIDS Project. There are no State dollars provided to the HOPWA program. Other threshold factors will be defined by DHHS in collaboration with NAP through the implementation of HOPWA services.

**What are the outcome measures expected as a result of the method of distribution?**

Through HOPWA resources needed services will be provided to persons living with HIV/AIDS and their families throughout the state.

## **Distribution of Other CDBG Funds Remaining Funds**

Funds remaining uncommitted and unobligated from prior years' allocations on the acceptance date for the 2015 CDBG Program, from any funding category, will remain in their funding category. If the remaining uncommitted and unobligated funds exceed the total amount of eligible and viable applications in the original funding category, or if funds need to be moved to another category in order for DED to meet timely distribution requirements, the funds may be distributed among any funding category identified in the 2015 Annual Action Plan. Funds for State Administration and Operations and Technical Assistance that are not used in a Program Year may be carried forward to the next Program Year.

## **Reallocated Funds**

Funds reallocated by HUD during 2015 shall be used in conformance with the 2015 CDBG Program Guidelines, unless otherwise specified by HUD

## **Redistributed Funds**

Funds periodically recaptured by DED from grantees including, but not limited to, those that are recaptured due to: (a) unexpended CDBG funds for approved activities and (b) disallowed expenditures of CDBG funds for unapproved or ineligible activities, will be redistributed according to the prioritization noted below.

The first priority for the redistribution of recaptured CDBG funds is to the Downtown Revitalization (DTR) Program of the Community Development Priority Need. The amount redistributed will not exceed the total funds required to fund all eligible and viable projects in the DTR Category application cycle.

The second priority for the redistribution of recaptured CDBG funds is to the Comprehensive Revitalization (CR) Program. Otherwise, funds recaptured from prior CDBG projects will be redistributed in conformance with the 2015 Program that is most similar to the Program from which the original award was made.

Funds recaptured from Economic Development Program grantees may be redistributed to either the Economic Development Program or the Tourism Development Program in conformance with 2015 Program Guidelines, or may be distributed among other funding programs.

Funds recaptured from Public Works; Water/Wastewater; Housing; Planning; CIS; and Downtown Revitalization Program grantees will be redistributed in conformance with 2015 Program Guidelines as follows: (1) if there are sufficient funds within 105 days from the date of the 2015 grant awards, the next ranked fundable applicant(s) may be awarded; or (2) if funds are insufficient, these funds, and any other funds recaptured after the 105 day period and prior to the 2015 CDBG application acceptance date, may be redistributed in conformance with the Program Guidelines of any 2015 CDBG Program.

In addition, CDBG funds recaptured from Housing Program grantees (the CDBG OOR Program) may be redistributed for housing activities in either the CR Program or CIS Program. In addition, funds recaptured (de-obligated) from HOME and NAHTF grantees may also be redistributed for housing activities within the CR and CIS eligible communities.

**CDBG Program Income (Economic Development and Housing)**

Program income is defined as gross income received by a State, a unit of general local government, or a sub-grantee 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 or not the activity has been closed out, except in limited circumstances [See also 24 CFR 570.489(e)(2)]. When program income is generated by an activity that is only partially assisted with CDBG funds, the income must be prorated to reflect the percentage of CDBG funds used.

The State may use up to 3% of the amount recaptured and reportable to HUD each year for administrative expenses under the Nebraska Community Development Block Grant (CDBG) Program, including amounts recaptured and reported to HUD from and during all open grant years.

There are 2 primary types of CDBG program income that is generated through program-eligible activities and these include Economic Development (ED) program income and Housing program income. ED program income is incurred through ED Program activities as defined within the Economic Development Program and Housing program income is created through the CDBG OOR Program activities.

Further information regarding CDBG program income is identified within the Appendix.

**Discussion:**

See above for more information.

**AP-35 Projects – (Optional)**

**Introduction:**

There are currently no 2015 projects to report at this time as the 2015 Program Year does not begin until July 1, 2015. Funding for CDBG, HOME, ESG, and HOPWA projects will not be determined until Program-specific applications are received and evaluated, which will occur in 2015.

It is for this reason that the table below is blank as generated by the IDIS system.

#	Project Name

**Table 5 – Project Information**



**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

As projects are funded through CDBG, HOME, ESG, and HOPWA additional information will be provided within this AP-35 Section.

**AP-38 Project Summary**

**Project Summary Information**

There are currently no 2015 projects to report at this time as the 2015 Program Year does not begin until July 1, 2015. Funding for CDBG, HOME, ESG, and HOPWA projects will not be determined until Program-specific applications are received and evaluated, which will occur in 2015

**AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)**

**Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?**

No, the State has no Section 108 Loan Guarantee Program and has no plans to apply for this program in the near future.

**Available Grant Amounts**

Not applicable.

**Acceptance process of applications**

Not applicable.

**AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)**

**Will the state allow units of general local government to carry out community revitalization strategies?**

The State of Nebraska will continue the CDBG Comprehensive Revitalization (CR) Program for those communities within the state that have 20,000 persons or more and that are not a CDBG entitlement recipient (Omaha, Lincoln, and Bellevue) through the 2015 Program Year as this will be the third and final year of CR funding for a 3 year cycle that began during the 2013 Program Year. This CR Program includes community revitalization efforts that include significant planning and community development efforts. After the conclusion of the 2015 Program Year, DED will re-evaluate the CR Program in order to determine whether or not a new three year funding cycle will be implemented for those currently designated CR communities, or whether or not the CR Program will be revised.

The State will also continue the CDBG Comprehensive Investment & Stabilization (CIS) Program for those communities that received funding within the First Round of the Program during the 2013 Program Year, and that have continued projects and activities through the 2015 Program Year. This CIS Program includes community revitalization efforts that include significant planning and community development efforts. After the conclusion of the 2015 Program Year, DED will re-evaluate the CIS Program in order to determine whether or not an additional funding cycle will be implemented for those currently designated CIS communities, or whether or not the CIS Program will be revised.

**State’s Process and Criteria for approving local government revitalization strategies**

Annually, the State reviews the local revitalization strategies of the CR and CIS Program communities. This strategy review includes evaluating the planning process that was completed during the initial phase of the project, and evaluating the proposed activities within the CR and CIS Program in order to ensure that these activities meet a CDBG national objective of 1) benefitting low-and-moderate income persons (through the subcategories LMI Area Benefit; LMI Limited Clientele; or LMI Housing); or 2) aiding in the prevention or elimination of slums or blight. Any project or project activity that fails to meet one of these specified national objectives is ineligible.

**AP-50 Geographic Distribution – 91.320(f)**

**Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed**

The State of Nebraska has chosen not to target any particular geographic area for special assistance, but has chosen to allow any non-entitlement community to apply for CDBG funding, dependent on eligible activities and programs, and provides HOME, ESG, and HOPWA funding throughout the state.

It is for this reason that the table below is blank as generated by the IDIS system.

**Geographic Distribution**

Target Area	Percentage of Funds

Table 6 - Geographic Distribution

**Rationale for the priorities for allocating investments geographically**

Not applicable.

## **Discussion**

The State of Nebraska will distribute development resources in proportion to the development needs of the state. In general, the Nebraska Department of Economic Development and the Nebraska Department of Health and Human Services will approve funding for development projects which satisfy specific criteria and fund projects throughout the state. There is no specific target area for funding distribution but program assistance is provided statewide.

Nebraska is served by a system of service providers throughout the state. The majority of these service providers are located in the areas where need has been shown according to the Census data available and other economic indicators. Some of these indicators include the community population, where those communities with the largest populations tend to have the greatest number of service providers within any given geographic area.

## Affordable Housing

### AP-55 Affordable Housing – 24 CFR 91.320(g)

#### Introduction:

Below is a summary of the one year goals for a number of categories that relate to affordable housing. These one year goals are related to the federal resources provided through CDBG, HOME, ESG, and HOPWA and also include HSATF projects. These numbers do not include households assisted through NAHTF as this is a State resource and the State is not required to report these numbers within the context of the Annual Action Plan.

<b>One Year Goals for the Number of Households to be Supported</b>	
Homeless	452
Non-Homeless	125
Special-Needs	57
<b>Total</b>	<b>634</b>

**Table 7 - One Year Goals for Affordable Housing by Support Requirement**

<b>One Year Goals for the Number of Households Supported Through</b>	
Rental Assistance	464
The Production of New Units	50
Rehab of Existing Units	50
Acquisition of Existing Units	25
<b>Total</b>	<b>589</b>

**Table 8 - One Year Goals for Affordable Housing by Support Type**

#### Discussion:

As the information above demonstrates, a significant number of households are served annually through affordable housing programs.

One year goals for the number of “Homeless” households supported are estimated from the number of households that will receive TBRA through the Nebraska Homeless Assistance Program (See also AP-20). One year goals for the number of “Non-Homeless” are estimated from the number of units proposed within the Housing Program Goal (See also AP-20). One year goals for the number of “Special-Needs” are estimated from the number of households that will be served through the HOPWA Program (See also AP-20).

Rental assistance will be completed primarily through ESG and HOPWA resources that include Tenant Based Rental Assistance (TBRA); financial assistance including rental application fees, security and utility deposits, last month’s rent, utility payments, and moving costs; and short- term rent assistance. In addition, HSATF resources will also be used for this activity. The total estimated number of households for “Rental Assistance” includes ESG and HOPWA estimates of TBRA assistance combined (See also AP-20).

The production of new units will be completed primarily through HOME resources that will be utilized through the NIFA/DED Low Income Housing Tax Credit (LIHTC) Application Cycle which utilizes LIHTCs and HOME funds in order to provide additional affordable housing. In addition, NAHTF resources may also be used for this activity.

Rehabilitation of existing units will be completed primarily through CDBG resources within the Owner Occupied Rehabilitation Program administered by the Nebraska Affordable Housing Program. Additional rehabilitation activities may occur through the NIFA/DED Low Income Housing Tax Credit (LIHTC) Application Cycle which utilizes LIHTCs and HOME funds in order to provide additional affordable housing. In addition, NAHTF resources may also be used for this activity.

The number of households supported through acquisition of existing units will be performed through HOME funding to eligible CHDO organizations in order to meet the HOME regulatory requirement which ensures that at least 15 percent of the HOME allocation is utilized for CHDO activities. It is estimated with the approximate \$450,000 in HOME funds proposed for 2015, approximately 25 households will be assisted with acquisition.

It is anticipated that additional households will be supported through NAHTF projects which will likely include those that involve acquisition of existing units. Specific numbers and estimates regarding NAHTF accomplishments were not available during the development of this Consolidated Plan, as this information is compiled and calculated through a separate NAHTF cycle, but this information will be compiled separately through the implementation of additional housing programs.

In addition, based on the findings within the “Opening Doors: 10 Year Plan to Prevent and End Homelessness in the State of Nebraska” there is a significant need for the development of additional Permanent Supportive Housing (PSH) throughout the state. Collaboration and partnerships should be developed and evaluated in order to address these continued needs in order to serve persons who are homeless or at risk of homelessness.

## **AP-60 Public Housing - 24 CFR 91.320(j)**

### **Introduction:**

As the State Department of Economic Development, DED does not manage or oversee funds to any of the Public Housing Authorities throughout the state. The State will continue to work with the Public Housing Authorities (PHAs) to house Nebraska’s low-income households to the extent that is necessary. PHAs are eligible applicants for some DED resources including Nebraska Affordable Housing Trust Fund (NAHTF) resources.

### **Actions planned during the next year to address the needs to public housing**

This Annual Action Plan is for a State grantee, and therefore no summary information is available on the actions planned for multiple Public Housing Authorities in Nebraska. This information would be obtained by contacting a given PHA within a designated geographic area.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

This Annual Action Plan is for a State grantee, and therefore no summary information is available on the actions planned for multiple Public Housing Authorities in Nebraska. This information would be obtained by contacting a given PHA within a designated geographic area.

### **If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

Not Applicable.

### **Discussion:**

This Annual Action Plan is for a State grantee, and therefore no summary information is available on the actions planned for multiple Public Housing Authorities in Nebraska. This information would be obtained by contacting a given PHA within a designated geographic area.

## **AP-65 Homeless and Other Special Needs Activities – 91.320(h)**

### **Introduction**

**Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:**

### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The “All Doors Lead Home Coordinated Entry” has the potential to create more efficient homeless service systems by targeting resources toward those who need them most and helping clients move through the system faster. In Nebraska, coordinated assessment is being implemented at the CoC level. NHAP will continue to require participation in coordinated assessment for the CoC as a part of the ESG program.

The State of Nebraska’s ESG funding is focused on assisting the literally homeless. As such, a portion of funding is designated to street outreach to identify unsheltered individuals and support them with the services they need to allow them to regain stable housing and secure self-sufficiency.

To measure the effectiveness of Nebraska’s ability to reduce the number of unsheltered individuals and families and end homelessness, the Homeless Point in Time Count (PIT) will be used. The goal in Nebraska is to reduce the number of unsheltered individuals and families by 1% each year.

For each Street Outreach program funded by NHAP, performance will be measured based on:

1. An increase in the number of contacts with unduplicated individuals made during outreach.
2. An increase in the percentage of persons placed in permanent housing.
3. An increase in the percentage of persons that increase non-cash benefits at program exit.

Providers in the CoC work closely with other community agencies that encounter unsheltered homeless persons. This includes law enforcement, faith community, community action agencies, and Salvation Army. These organizations have solid referral networks with CoC provider agencies and will contact them for support when they encounter unsheltered persons in need of assistance.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Emergency shelter is a critical part of the homeless service system. Shelters provide temporary refuge and often serve as the “front door” or first place of entry to those experiencing homelessness. NHAP sees the importance that emergency shelters have in connecting those experiencing homelessness with the resources needed to exit homelessness and move to self-sufficiency.

For NHAP programs funded to support Emergency Shelter Programs, performance will be measured based on:

1. Increased use of bed utilization rate.
2. The average length of stay of the households served decreased from prior year.
3. Increase in the percentage of discharged households to permanent housing.

For NHAP program funded to support Transitional Housing Programs, performance will be measured based on:

1. Increased use of bed utilization rate.
2. Increase in the percentage of discharged households to permanent housing.
3. Increase in the percentage of discharged households with more non-cash benefits.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The State will continue to uphold the expectation NHAP sub-recipients utilize the housing first model and encourage them to prioritize Rapid Re-Housing funds towards ending homelessness. Technical assistance will continue from the State to support the implementation of Outreach and Rapid Re-Housing services, through NHAP grant awards, towards increasing the number of homeless households served.

By CoC's using the coordinated entry system, this will allow for making appropriate housing decisions and more effectively targeting resources to those most in need. Consequently, by making the appropriate level of intervention, the time individuals and families experiencing homelessness should be shortened.

During the next year, NHAP will monitor the length of time households are homeless through HMIS, and then establish targets for agencies to assist households into permanent housing. NHAP will monitor subrecipients continued progress on increasing the number of households being placed in permanent housing.

With the support of housing stability case management and financial assistance services, NHAP will fund subrecipients who will work to help keep recently housed individuals from returning to homelessness. The goal to increase the percentage of discharged households with more non-cash benefits should help increase the economic security many individuals and families need to maintain their housing.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs**

Throughout Nebraska, many communities have systems in place aimed towards homeless prevention. Community Action Programs and other non-profits provide wrap around services to address poverty and NHAP is committed to supporting these efforts. CSBG, TANF, and Assistance to the Aged, Blind and Disabled programs are just a few examples of services and/or grants distributed state-wide to provide financial assistance to those who are extremely low-income and require short-term assistance in order to stabilize their housing. NHAP's goal to increase the percentage of discharged households with more non-cash benefits will help those low-income families and individuals to avoid becoming homeless again as well as free up public and private services for other low-income families experiencing struggles with day to day living.

The State will continue to evaluate policies across the CoC regions in order to help low-income individuals and families to avoid becoming homeless, especially extremely low-income families who are being discharged for the publicly funded institutions and systems of care, such as health care facilities, mental health facilities and other youth facilities, and correction programs and institutions. The CoC regions and NHAP subrecipients actively promote and pursue coordination



with community providers and work towards integrating individuals served with mainstream resources and services. NHAP will continue to work and support the CoCs involvement to provide permanent supported housing options for those individuals at highest risk of becoming homeless.

### **Discussion**

See above for additional information.

### **AP-70 HOPWA Goals – 91.320(k)(4)**

One of the program goals for the HOPWA Program is to provide decent, safe and affordable housing and supportive services to people who are homeless and/or at imminent risk of becoming homeless. If funding permits, increasing access to employment opportunities/job training is a goal for the program. Eligibility for HOPWA funded services requires at least one person in the household be infected with the HIV virus and a household income at or below 80% of the area median income. Households with incomes above 80% of the area median income are eligible to receive HOPWA funded housing counseling and referral services. The priority population for HOPWA is serving the homeless and chronically homeless.

### **AP-75 Barriers to affordable housing – 91.320(i)**

#### **Introduction:**

Below is information on the actions planned for 2015 and some background information on the State's efforts toward reducing barriers to affordable housing.

**Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

#### **Discussion:**

The Consolidated Plan regulations require the State to describe the State's actions it plans to take during the next year to remove or ameliorate negative effects of its policies that serve as barriers to affordable housing as identified within MA-40. The State has adopted a strategy to remove or ameliorate barriers to affordable housing as identified within SP-55 of the Consolidated Plan. During the current Annual Action Plan year, the following actions are planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing and these actions include:

### **Actions related to Tax Policy affecting land and other property**

The State will continue to evaluate steps to alleviate the property tax burden that is a barrier to affordable housing. The State has previously reviewed the tax structure as it relates to school districts, but will also review other areas of the tax policy that may be revised which reduce property taxes for Nebraskans.

In addition, the State will continue to review the tax policies affecting affordable housing and evaluate the impacts of the new legislation under LB356 which revised the method for appraisals made on low income housing tax credit projects that was passed in 2015. The State will review whether the income-approach calculation will reduce the overall taxes on these properties that utilize low income housing tax credits (LIHTCs) and often times also use HOME or NAHTF resources.

### **Actions related to Land Use Controls and Zoning Ordinances**

The State, because it has very limited influence on land use controls and zoning ordinances, will continue to work with local governments to utilize good practices in ensuring the local land use controls and zoning ordinances do not negatively impact affordable housing development, thus removing an additional barrier to affordable housing. One way in which the State will accomplish this is to continue its collaboration with the Nebraska Chapter of the American Planning Association through its participation at the Nebraska Planning and Zoning Association (NPZA) Conference and other planning and zoning related events. Continued collaboration and educational outreach will assist in these efforts.

### **Actions related to Building Codes**

The State will continue to work with local governments in ensuring that any building codes enacted at the local level do not have a negative impact on affordable housing. Efforts are needed to ensure that local building codes do not hamper additional investment for affordable housing throughout the state. The State will accomplish this through collaborating with community and county officials in educating them on the use of solid building code policy that will focus on ensuring safe and decent housing for individuals, including low income persons, but at the same time implementing policies such as energy efficiency, into the codes.

In addition, the State Department of Economic Development will continue to collaborate with the Nebraska Department of Energy in ensuring that affordable housing projects meet the property code standards within their developments.

### **Actions related to Growth Limits**

The State, because it has very limited influence on communities utilizing regulatory barriers which place limits on the number of market rate, rental, and affordable housing that may be located within a given area, will continue to work with local governments in education and utilization of good practices in reducing the negative impacts of growth limits within communities. Education

and outreach can be important tools in showing that mixed income developments (both market rate and rent-restricted units) are not harmful to communities, but can create benefits through the income diversity within a community. The State will continue its outreach which would assist in reducing any negative impacts that growth limits may have on affordable housing.

### **Actions related to Policies Impact Return on Residential Investment**

Because the State does not have control of the amount of residential return on investment, as this is determined at the local level when a property is sold or when it is rented, the State has limited actions it can take to create more favorable policies that may impact return on residential investment. The State hopes that through education and outreach with affordable housing providers that a reasonable return on investment can be obtained within the development of affordable housing projects, which will help in reducing the negative impacts a limited return on investment may have on housing development. The State will continue to work with local governments, housing providers, housing developers, and other affordable housing entities in order to help assist in the creation of favorable policies that improve return on residential investment and that will reduce the negative impacts on policies related to this issue.

### **Actions related to other effects of public policy on affordable housing and residential investment**

The State will continue to evaluate additional barriers or constraints to the development of affordable housing that include: lack of housing contractors throughout the state; housing construction costs (including labor and materials); residential home values in certain markets; lack of sufficient rental units in some communities; lack of residential units for homebuyers (both low income and market rate) in many communities; lack of infrastructure for development, and ; insufficient establishment and enforcement of building codes. Policies related to these must be evaluated as these barriers negatively affect both the private and public sectors in ensuring that proper affordable housing and residential investment is made available within communities throughout the state.

The State will continue to evaluate policies that can be implemented which will work to attract additional residential contractors, particularly those that are willing to construct moderate priced homes in communities. The State will review whether or not there may be policy incentives implemented into State housing programs that may include: providing zero interest loans to contractors to build residential units; providing low priced or free residential lots for development; and also to provide additional points in housing applications for those applicants that compile lists of interested contractors that may work on projects if applications are funded. This approach could also be implemented at the local level and through education and outreach the State could help influence good decision making and policies that would work toward attracting more residential contractors in many underserved markets throughout the state.

The State will also continue to work with developers and contractors to identify any cost saving measures that might be appropriate to implement in order to save on the cost of materials and labor. Policies related to construction cost savings measures could be evaluated which could include

increased collaboration between communities and affordable housing providers that utilize job training in their construction practices and thus are able to provide reduced price homes in communities.

Overall, the State will continue to evaluate public policy that may impact the value of residential units in certain markets; the lack of residential units; ways in which to improve residential infrastructure; and code enforcement assistance. All these items will move towards reducing additional barriers to affordable housing.

## **AP-85 Other Actions – 91.320(j)**

### **Introduction:**

The following are actions planned throughout the course of the Consolidated Plan period (2015-2019).

### **Actions planned to address obstacles to meeting underserved needs**

All of the activities which will be funded under the State's CDBG, HOME, ESG, HOPWA Programs and funded under the State's Nebraska Affordable Housing Trust Fund (NAHTF) and Nebraska Homeless Shelter Assistance Trust Fund (HSATF) will address obstacles to meeting underserved needs. The State will identify and respond to underserved needs as they arise from self-evaluation and citizen participation.

### **Actions planned to foster and maintain affordable housing**

The Housing Priority of the Annual Action Plan addresses how the State attempts to foster and maintain affordable housing throughout the state. Actions planned include: developing additional rental housing; developing additional homeownership units; providing down payment assistance; providing owner occupied rehabilitation (OOR) activities, and other housing activities. These actions will be funded through HOME, for rental housing development and activities related to CHDOs; through CDBG, for OOR, and through the NAHTF, for rental development, homeownership activities, OOR, and non-profit operating assistance.

### **Actions planned to reduce lead-based paint hazards**

The State is committed to reducing lead based paint hazards. DED and DHHS will continue its efforts to educate CDBG, HOME, ESG, and HOPWA recipients on the dangers of lead-based paint, as appropriate. In addition, DED ensures that any Housing Program Guidelines contain information on the requirements for lead-based paint work practices and the requirement to have properly trained staff in order to properly mitigate lead-paint hazards as necessary.

The Nebraska Department of Health and Human Services (DHHS), through the Division of Public Health's Lead-Based Paint Program, will coordinate with DED for training, education, and other resources related to lead based paint hazards, and will require the that grantees and sub-grantees

utilize staff and contractors that have the appropriate training and certification.

### **Actions planned to reduce the number of poverty-level families**

Many agencies throughout Nebraska actively pursue the elimination of poverty. The role that DED and DHHS perform in this overall endeavor is to foster and promote self-sufficiency and independence. To better empower individuals and families toward self-sufficiency and independence the following strategies will be put to work:

- Promote sustainable economic development through affordable housing and other community development activities;
- Evaluate projects, in part, on the basis of their ability to foster self-sufficiency when awarding funding for projects;
- Maintain a strong relationship with the Continuum of Care system in order to enhance and promote the stabilization of homeless families and encourage transition to stable households and housing situations;
- Explore partnership opportunities with other agencies that provide a range of services and activities that have a measurable, and potentially major impact, on the causes of poverty in their communities; and
- Enhance efforts to educate the public and interested persons about available supportive services that foster self-sufficiency and independent living arrangements.

### **Actions planned to develop institutional structure**

The State is committed to improving institutional structures. The institutional structure for the CDBG, HOME, ESG, and HOPWA Programs is composed of DED, DHHS, local governments, nonprofit organizations, and private industry. It is essential that these entities efficiently work together. The Consolidated Plan focuses on improving institutional structure through coordination. Some examples include within the rental housing program (through the collaboration between NIFA and DED) and within the water/wastewater program (through the collaboration between DED and the WWAC).

### **Actions planned to enhance coordination between public and private housing and social service agencies**

DED will continue to coordinate with public partners in the Affordable Housing Agency Committee (AHAC) process which includes regularly scheduled meetings with the Nebraska Investment Finance Authority (NIFA), the USDA, the City of Omaha, the State Historic Preservation Office (SHPO), and any other interested parties in order to discuss current projects and methods to coordinate efforts throughout the state.

In addition, DED works with NIFA through providing technical assistance and financing resources in

the NIFA-led Collaborative Resource Allocation in Nebraska (CRANE) process which works at developing housing projects that impact special needs and other underserved populations.

DED also coordinates regularly with the Nebraska Commission on Housing and Homelessness (NCHH) and is represented on various social service state advisory groups to ensure housing services are coordinated with social services for needy populations in Nebraska.

The Nebraska Homeless Assistance Program (NHAP) is housed within the infrastructure of the Department of Health and Human Services. Being part of this collective organization, which includes Behavioral Health, Developmental Disabilities, Medicaid, Public Health and Veteran's Homes, allows for continued collaboration and coordination across the various disciplines in support of the delivery of housing and supportive service needs. At the local level, the BOS works proactively with regional CoC partners. CoC partners engage various public and private nonprofit organizations, such as local Housing Authorities, Veterans Administration, Employment First, and SNAP to ensure that efficient and effective coordination of services exists between affordable housing and social services.

**Discussion:**

Through the above identified actions the State will continue to address these various issues and is committed to addressing these issues throughout the implementation of the 2015-2019 Consolidated Plan.

## Program Specific Requirements

### AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

#### Introduction:

Activities planned utilizing the CDBG funds expected to be available during the year are identified within the Method of Distribution. The following information identifies program income that may be available for use that would be included in additional projects that would be carried out.

#### Community Development Block Grant Program (CDBG) Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed.	\$1,900,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements.	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	\$1,900,000

#### Other CDBG Requirements

The amount of urgent need activities 0

The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.

70.00%

## HOME Investment Partnership Program (HOME) Reference 24 CFR 91.320(k)(2)

### 1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

The State of Nebraska will not use HOME funds beyond those identified in Section 92.205.

### 2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The Appendix to the Consolidated Plan/AAP contains the full language of the resale and recapture provisions for the HOME program. This information is also available on the DED website at: <http://neded.org/consolidatedplan>.

#### **Guidelines for Resale or Recapture of HOME-Funded Projects**

DED structures these guidelines based on individual program design and market conditions.

#### **Use of Resale Provisions for HOME-Funded Projects**

The Appendix to the Consolidated Plan/AAP contains the full language of the resale and recapture provisions for the HOME program. This information is also available on the DED website at: <http://neded.org/consolidatedplan>.

#### **Use of Recapture Provisions for HOME-Funded Projects**

The Appendix to the Consolidated Plan/AAP contains the full language of the resale and recapture provisions for the HOME program. This information is also available on the DED website at: <http://neded.org/consolidatedplan>.

#### **Additional recapture provisions to be established in the DED Grantee homebuyer guidelines**

The DED grantee must adopt the HOME Recapture & Resale provisions and establish additional recapture provisions in the DED grantee's Homebuyer Guidelines.

The Appendix to the Consolidated Plan/AAP contains the full language of the resale and recapture provisions for the HOME program. This information is also available on the DED website at: <http://neded.org/consolidatedplan>.



**3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:**

The Appendix to the Consolidated Plan/AAP contains the full language of the resale and recapture provisions for the HOME program. This information is also available on the DED website at: <http://neded.org/consolidatedplan>.

**4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:**

The State of Nebraska does not have any plans to use HOME funds to refinance any existing debt secured by multifamily housing that is rehabilitated with HOME funds.

**Emergency Solutions Grant (ESG) Reference 91.320(k)(3)**

**1. Include written standards for providing ESG assistance (may include as attachment)**

Note: ESG standards are a Living document and as such, will be revisited, edited and updated as needed. Any revisions made to this document will be posted on the NHAP website at: [http://dhhs.ne.gov/children\\_family\\_services/Documents/ESG%20Standards%20-%20final.pdf](http://dhhs.ne.gov/children_family_services/Documents/ESG%20Standards%20-%20final.pdf)

See the attached ESG Standards found within the Appendix.

**2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.**

The CoC is in the process of implementing a coordinated assessment system. The HMIS lead received funding through a HUD award to develop and implement the system. This system will implement a 'no-wrong door' Nebraska-wide approach, that will include initial telephone screening; walk in access through partner agencies statewide, and will be publicized through PSAs and through CAP agencies. The initial assessment will determine whether the household can be diverted from shelter; if not an assessment will be conducted using the VI and FAM SPDAT assessments to prioritize placement in PSH or RRH. Program eligibility minimums will be examined and most appropriate referral programs identified through eligibility module in HMIS. Referrals will be made to programs with available resources and appropriate services to end homelessness for the household.

**3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).**

In order to reduce NHAP grant management and administrative burden, NHAP adopted a two- year funding cycle. The first year of this two-year grant cycle involves a competitive application process that is open to any eligible applicant. The second year is a renewal application process and is open only to existing recipients in good standing.

To be eligible to apply for NHAP funding, applicants must:

- (a) Have at least two years of experience successfully providing services which address the purpose of NHAP, as previously described;
- (b) Identify there is a need for the proposed services;
- (c) Provide evidence of participation in their Continuum of Care;
- (d) Obtain Continuum of Care approval for the proposed services identified in their application and provide documentation of such approval;
- (e) Be exempt from taxation under section 501(c)3 of the Internal Revenue of 1986 or represent a number of eligible applicants;
- (f) Not discriminate based on age, religion, sex, race, color, disability or national origin;
- (g) Provide:
  - i. Residential housing for at least eight hours of every twenty-four hour period, as defined by the state and federal rules and regulations governing HUD's Emergency Solutions Grant (ESG) program and/or Nebraska's Homeless Shelter Assistance Trust Fund (HSATF); and
  - ii. Homelessness prevention, rapid rehousing, street outreach and/or shelter services for individuals and/or families who are homeless or at risk of homelessness in compliance with the state and federal rules and regulations governing HUD's Emergency Solutions Grant (ESG) program and/or Nebraska's Homeless Shelter Assistance Trust Fund (HSATF);
- (h) Operate a drug-free premise;
- (i) Agree to participate in any count of homeless individuals and/or families and housing inventory undertaken by DHHS or their designee;
- (j) Agree to comply with the written ESG standards approved by the Balance of State Continuum of Care and found on the NHAP website at:  
[http://dhhs.ne.gov/children\\_family\\_services/Pages/fia\\_nhap\\_history\\_of\\_nh\\_ap.aspx](http://dhhs.ne.gov/children_family_services/Pages/fia_nhap_history_of_nh_ap.aspx)
- (k) Agree to participate in NHAP's HMIS database by entering data on all persons served and all NHAP-funded activities, with the exception victim or legal service providers who agree to submit annual aggregate data reports;
- (l) If requesting funding for homeless prevention and/or rapid rehousing services, agree to assess client eligibility and obtain the necessary documentation to verify the client, the payment/service provided and the housing unit meet HUD's ESG requirements at 24 CFR 576. See also [http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title24/24cfr576\\_main\\_02.tpl](http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title24/24cfr576_main_02.tpl)

- (m) If requesting funding for shelter services, agree to maintain shelter facility in compliance with HUD's minimum standards at 24 CFR 576.403.
- (n) Conduct and submit an annual, certified, external financial audit/financial report for the year immediately preceding the application; and
- (o) Submit a correctly completed application, including all the attachments, by the deadline previously specified.
- (p) Assume responsibility for having knowledge of and the ability and intent to comply
- (q) with federal and state Emergency Solutions grant (ESG) and state Homeless Shelter Assistance Trust Fund (HSATF) requirements.

During a competitive year, funding priorities for eligible applicants will be based on the following factors:

- Availability of ESG and HSATF funding;
- Need for proposed service (i.e., if project was discontinued or not funded, would it create a substantial and recognizable gap in services);
- Applicant's experience including the following:
  - Agency history and mission;
  - Provision of services to individuals and families experiencing, or at risk of experiencing, homelessness;
  - Work with federal grant programs;
  - Participation and leadership role in local, regional and/or state CoC;
  - Participation and leadership role in special events/projects related to ending and/or preventing homelessness and/or promoting self-sufficiency (e.g., Project Homeless Connect, Stand Down); and
  - Verification of CoC attendance.
- Applicant's strategies for:
  - Ensuring compliance with this and other grant-funded programs;
  - Monitoring and improving the accuracy and quality of program data;
  - Supporting and improving program participant self-sufficiency;
  - Coordinating services with mainstream service and housing providers;
  - Connecting program participants with mainstream services; and
  - Maintaining/attaining fiscal stability.
- Approval of applicant's project by relevant CoC;
- Quality of application, budget, budget narrative and personnel narrative.

An allocation formula is used in distributing NHAP grant funds. The formula helps ensure an equitable distribution of funds throughout the entire state. The formula is calculated using a \$50,000 base 'hold harmless' funding amount per geographic Region; the Department of Housing and Urban Development's (HUD) annual Continuum of Care NOFA pro rata amounts; and consideration of statewide service continuity. The initial allocation formula was developed with input from the NHAP advisory committee.

The following NHAP plan was developed in consultation with Nebraska's Continua of Care:

Due to annual fluctuations in the pro rata need amounts and the need to help ensure statewide continuity of necessary services, should applying the formula result in a decrease in funding from the prior year for the majority of the regions, all other regions shall be limited to no more than the specific percentage increase that allows all regions to remain level or have an increase.

If ESG funding is less than anticipated, regional allocations shall be reduced by the same percent.

If ESG funding exceeds what is anticipated, regional allocations shall either be enhanced by the same percentage, an additional amount of HSATF shall be added to the Special Needs funding or a combination of both. Nebraska's CoCs shall be consulted in making this determination.

ESG Funding allocations for Street Outreach and Emergency Shelter services are not allowed to go over 60 percent of the total ESG award.

Applications for the competitive grant process are reviewed by teams composed of representatives of the governor-appointed Nebraska Commission on Housing and Homelessness; State, Regional or Local Continuum of Care Committees; Department of Health and Human Services; and/or other agencies or organizations with experience in service delivery to those experiencing, or at risk of experiencing homelessness. NHAP will facilitate the review process.

Using the criteria performance criteria identified, which were developed based on input from the Continuums of Care via electronic survey, the grant review teams assigns points to each application, up to a maximum total of 100 points, and provides recommendations on funding to NHAP.

- 4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.**

All NHAP sub-recipients are expected to involve homeless or formerly homeless individuals on the Board or actively consult with them regarding ESG policies, funding and activities. During on-site monitoring visits conducted by the State, NHAP sub-recipients are required to be able to demonstrate this assurance is being met.

## **5. Describe performance standards for evaluating ESG.**

The primary goals the State strives NHAP sub-recipients to achieve include reducing the length of homelessness, reducing returns to homelessness and maintaining/increasing income.

Through a performance report card with performance metrics that has been established by the BoS CoC, performance on these goals can be measured. Currently a report is issued through HMIS and distributed bi-annually to all CoC and ESG grantees. The state will be moving to adopt and incorporate these performance measurements as an evaluation component of how successful NHAP sub-recipients are at reaching and achieving program standards. The performance measurements will also be used to increase housing stability. Part of the performance measures specifically relates to housing stability. With the housing stability information collected, the State and BoS CoC will jointly review and work to develop strategies which can help providers assist the homelessness gain stable housing. See also Performance Measures Section within the Appendix.

### **Discussion:**

See above for additional information.