Emergent Threat

2019 Community Development Block Grant APPLICATION GUIDELINES July 2019
Table of Contents

Section A. Overview........................................................................................................... 3
Section B. Application Forms & Instructions ........................................................................ 6
Part I. General Information.................................................................................................. 9
Part II. Funding Summary Instructions .............................................................................. 11
Part II. Funding Summary ................................................................................................. 12
Part III. Project Budget ....................................................................................................... 13
Part IV. Selection Criteria ................................................................................................. 14
Part V. Exhibits and Attachments ..................................................................................... 15
Section C. Application Guidelines .................................................................................... 16
Section 1.01 Eligible Applicants ....................................................................................... 16
Section 1.02 Type of Applicants ....................................................................................... 16
Section 1.03 Special Policies for Applicants ..................................................................... 16
Section 2.01 Compliance with the CDBG National Objective ........................................... 17
Section 2.02 Compliance with State Community Development Objective ....................... 19
Section 2.03 Compliance with State Priorities ................................................................... 20
Section 3.01 Compliance with State Emergent Threat Priority ........................................... 20
Section 3.02 Special Policies for Activities ........................................................................ 21
Section 3.03 Ineligible Activities ..................................................................................... 21
Section 3.04 Eligible Activities ........................................................................................ 22
Section 4.01 Maximum Grant Amount ............................................................................ 23
Section 4.02 Matching Funds Requirements ..................................................................... 24
Section 4.03 Program Income ........................................................................................... 24
Section 5.01 Submission of Applications and Selection of Grantees ................................. 25
Section 5.02 Special Policies for Thresholds for Selection ................................................ 26
Section 5.03 Category Priority Point System for Selection ................................................. 29
Section 5.04 Use of Consultants ....................................................................................... 30
Section 5.05 Requirements for Submitting Applications .................................................... 32
Section 5.06 Post Award Requirements ........................................................................... 33
Section 6.01 Glossary of Terms ......................................................................................... 34
Section A. Overview

These application guidelines are for all applications for resources under the Emergent Threat (EM) Category. Any eligible applicant must follow the instructions and information within this Chapter in order to apply for any EM resources. For a complete description of requirements, refer to Section C.

The purpose of the EM Category is to assist units of local government with situations that pose a serious and immediate threat to public health, safety, or welfare. Priority is given to those projects that are meeting the emergent threat criteria.

All activities proposed in applications for CDBG funding in the EM Category must meet the national objective of benefitting low-and moderate-income persons (through the subcategories LMI Area Benefit and LMI Limited Clientele), aid in the prevention or elimination of slums or blight in either an area (SBA) or spot basis (SBS), and/or through urgent need (UN).

Respondent to the current threats associated with disaster declarations throughout the state, this category also allows for the State and communities to respond to and address emergent issues and needs as they are identified. Given disaster is transitory in nature and future events likely, application must identify the cause of the situation, such as: flooding, tornado, fire, or other natural or man-made disaster.

The maximum Emergent Threat project activity funding will not exceed $450,000, exclusive of supporting project and administrative costs. To the greatest extent feasible, CDBG funds are to be used as gap financing.

FOR MORE INFORMATION
For further information, please contact the following Primary Contact for this program category. See also Chapter 1 for more information and Chapter 9 for Exhibits required for each application.

Steve Charleston
Nebraska Department of Economic Development
Housing and Community Development Division
PO Box 94666, Lincoln NE 68509-4666
Steve.charleston@nebraska.gov
Phone: 1 (402) 471-3757 (or) 1 (800) 426-6505
Fax: (402) 471-8405
http://opportunity.nebraska.gov/CDBG
1. ELIGIBLE APPLICANTS
Except as provided in Section 1.03 of the Application Guidelines, Eligible Applicants include every Nebraska incorporated municipality and Nebraska county with a population of less than 50,000 and who are not classified as a CDBG Entitlement Community (including Omaha, Lincoln, Bellevue, and Grand Island). Eligible units of general local government may apply individually or jointly for EM activities.

2. ELIGIBLE ACTIVITIES
The primary national objective of the CDBG Program is the “development of viable urban communities by providing decent housing and a suitable living environment, particularly for low- and moderate-income persons.” Eligible activities are those identified as State Priorities.

The following activities are eligible within the EM category. If any activity is not noted below, please consult the DED Primary Contact in order to determine if any other proposed activities are eligible for the EM category.

**Facilities:** Community Centers; Senior Centers exclusively for persons aged 62 and over; Nonprofit centers for daycare, dependent care, primary health, and mental health care outpatient clinics (excluding shelters defined as: hospitals, nursing homes, convalescent homes, battered spouse shelters, shelters for the homeless, halfway houses, group homes, and temporary housing); Remodel shelter facilities for the homeless (excludes costs for operation); Accredited public libraries; Neighborhood parks (a new facility/improvement or a quantifiable increase of an existing facility/improvement); Single- or multi-service fire/rescue buildings (fire trucks are specifically considered “public facilities” and thus eligible); and Tornado-safe shelters in manufactured home parks (containing not less than 20 manufactured housing units that are within such proximity of shelter to be of use in a tornado).

**Infrastructure:** Street improvements including curb, gutter, and sidewalk; Storm sewer improvements; Flood control; Drainage improvements; Publicly owned water system improvements including, source treatment, storage, and/or distribution improvements; Publicly owned sanitary sewer collection and/or treatment system improvements; and, when in support of any of the above activities, acquisition/easements, demolition, and clearance activities may be undertaken.

**Note:** Repairing, operating, or maintaining eligible facility and infrastructure activities are ineligible.

For more information, see Section 3.04 of the Application Guidelines. Restrictions are identified in Section 3.03.

3. GRANT AMOUNTS

<table>
<thead>
<tr>
<th>EM Category – Key maximums and requirements</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementation Project Costs</td>
<td>$450,000</td>
</tr>
<tr>
<td>General Administration</td>
<td>10% of Project Costs not to exceed $25,000</td>
</tr>
<tr>
<td>Construction Management</td>
<td>$10,000</td>
</tr>
<tr>
<td>Match</td>
<td>Not Required</td>
</tr>
</tbody>
</table>

For more information, see Section 4.01 of the Application Guidelines.

4. APPLICATION DUE DATES AND PROCESS
Applications are prepared at the applicants’ expense and costs are not reimbursable. DED awards grants under this category to an eligible local government to carry out local project activities meeting the national and State CDBG objectives. Funds shall be reserved and awarded in accordance with the application cycle.

Pre-applications are submitted on an open cycle and DED reviews pre-applications to ensure the activity is eligible and a national objective is met. Once DED has determined that CDBG resources are an appropriate funding source for a community’s project, DED will invite each community selected to apply for CDBG funds. Only those communities invited to apply for CDBG resources through the EM category are eligible to submit a full application.
Full applications are reviewed on a competitive basis according to the selection criteria established in Section 5.03 of the Application Guidelines. This determination will be made in consultation with appropriate federal, state and/or local agencies.

Recommended applications are presented to the DED Director for a grant award (i.e. Notice of Approval). DED issues a formal Notice of Approval Letter to the applicant community upon approval of the recommendation. Letters of non-selection are issued to those applicants not invited to submit a full application or those not being recommended for award.

For more information, see Sections 5.01 and 5.02 of the Application Guidelines.

<table>
<thead>
<tr>
<th>Milestone Summary</th>
<th>Pre-Applications Due</th>
<th>Open Cycle</th>
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<tbody>
<tr>
<td>Anticipated Notification about the status of Pre-Application</td>
<td>30 Days</td>
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<tr>
<td>Full Applications Due</td>
<td>Open Cycle</td>
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<tr>
<td>Applications Reviewed</td>
<td>Quarterly</td>
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<tr>
<td>Anticipated Award</td>
<td>45 Days or less after Quarter</td>
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</tbody>
</table>

5. FUNDABILITY THRESHOLD REVIEW REQUIREMENTS
Projects are to be completed within twenty-four (24) months following notice of approval. Eligible local governments may only receive one (1) EM grant per program year. For a complete list of general fundability threshold requirements to apply for resources from any CDBG category and special policies for EM Applicants, see Sections 5.01 and 5.02 of the Application Guidelines.

CDBG National Objective

All CDBG-funded project activities must meet one of three National Objectives of the CDBG Program. A project or project activity that fails to meet a national objective is ineligible for CDBG resources. These national objectives are briefly described below:

- Benefitting low- to moderate-income persons (LMI), including:
  - On an area basis (LMA),
  - Serving a limited clientele (LCM), or
- Aiding in the prevention or elimination of slums or blight, including:
  - On an area basis (SBA) and
  - On a spot basis (SBS).
- Urgent Need

For more information about the summary information provided, see Sections 4.01 and 4.02 of the Application Guidelines.

6. POST AWARD REQUIREMENTS
Each eligible application must also comply with any necessary post award requirements. Generally, this includes environmental review, procurement, DBRA compliance, etc. For more information, and for a complete list of Post Award Requirements, see Section 5.06 of the Application Guidelines.

7. APPLICATION SELECTION CRITERIA MATRIX AND PROJECT DESCRIPTION
Each category has a Selection Criteria Matrix used by the respective review committees to score applications. IMPORTANT NOTE: attachments should supplement and not be considered as a replacement for narrative.

For more information see Section B. Application Forms and Instructions Part IV, and for a complete list of selection criteria, see Section 5.03 of the Application Guidelines.
Section B. Application Forms & Instructions

In order for your application to be scored and ranked effectively, carefully review the contents of this section. This section contains all forms and listing of exhibits and attachments for submission with your application. Application content should be clear and concise. The Department reserves the right to verify all information, and to consult with other agencies on the proposed project. The Department may “non-select” any application that does not contain all of the required items and/or where submitted items cannot be verified.

In a typical program year, total requested funds exceed funds available. Applicants must carefully read and review the current program year’s Application Guidelines and the selection criteria described to develop a competitive application. In submitting your application, these instructions must be followed:

- Submit **ORIGINAL** and a complete **PDF** copy. PDF copy should be complete with bookmarks and, where appropriate, functional hyperlinks to documents or other resources referenced in the application.
- Two-hole punched at top.
- Do not fold, staple, or bind in any way.
- Table of Contents must be included.
- Number all pages sequentially at the bottom of the page.
- Label all Exhibits at the bottom right-hand corner of the page.
- Label all Attachments at the bottom right-hand corner of the page.

Failure to follow these instructions may result in the return of your application for correction. If requested by DED, submit corrections and revisions to an application within one week.

An outline of an EM application is on the following page.
Pre-Application

- Pre-Application Form
- Project Description
- National Objective Compliance
  - Low and Moderate Income
    - Exhibit E: ACS Documentation
    - Exhibit E1: Census Income Survey (project service area)
    - Exhibit E2: Random Sample Survey (project service area)
    - Exhibit E3: Limited Clientele
  - Slum and Blight
    - Exhibit F1: Slum and Blight Area Basis Documentation
    - Exhibit F2: Slum and Blight Spot Basis Documentation
  - Urgent Need
    - Exhibit G: Urgent Need Certification and Documentation

Full Application

- Part I. General Information (use required form)
- Part II. Funding Summary
- Part III. Project Budget
- Part III. Selection Criteria
- Part IV. Exhibits
  - Exhibit A: Notice of Public Hearing
  - Exhibit B: Authorizing Resolution
  - Exhibit C1: State of Assurances and Certifications
  - Exhibit C2: Citizen Participation Plan
  - Exhibit D: Residential Anti-Displacement and Relocation Assistance Plan
  - Exhibit E: ACS Documentation
  - Exhibit E1: Census Income Survey
  - Exhibit E2: Random Sample Survey
  - Exhibit E3: Limited Clientele
  - Exhibit F1: Slum and Blight Area Basis Documentation
  - Exhibit F2: Slum and Blight Spot Basis Documentation
  - Exhibit G: Urgent Need Certification and Documentation
  - Exhibit K1a: Waiver of Procurement Process and Narrative
  - Exhibit K1b: Waiver of Procurement Process and Narrative (Development District)
  - Exhibit L: Federal Funding Accountability and Transparency Act
  - Exhibit M: Map of Proposed Project Area
  - Exhibit N: System for Award Management Documentation
  - Exhibit O1: Four Factor Analysis Assessing Limited English Proficiency
  - Exhibit O2: Language Assistance Plan
  - Exhibit Q: Local Cost-Share Documentation
# Table of Contents & Checklist

Applicants must attach this Table of Contents to their application. Type in additional items as deemed necessary to your project under Part VI. List appropriate page numbers under **PAGE NUMBER** column.

*Use the language verbatim in each exhibit. Incorrect language may cause a delay in application review and award, if successful. Also, provide the bracketed information [EXAMPLE] as requested in each exhibit. The omission or incomplete description as requested in bracketed text may cause a delay in application review and awards process.*

<table>
<thead>
<tr>
<th>FULL APPLICATION</th>
<th>PAGE NUMBER</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part I: General Information</td>
<td></td>
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<tr>
<td>Part II: Funding Summary</td>
<td></td>
</tr>
<tr>
<td>Part III: Project Budget</td>
<td></td>
</tr>
<tr>
<td>Part IV: Selection Criteria</td>
<td></td>
</tr>
<tr>
<td>Part V: Required Exhibits</td>
<td></td>
</tr>
<tr>
<td>A. Notice of Public Hearing</td>
<td></td>
</tr>
<tr>
<td>B. Authorizing Resolution Endorsing Project</td>
<td></td>
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<tr>
<td>C1. Statement of Assurances and Certifications</td>
<td></td>
</tr>
<tr>
<td>C2. Citizen Participation Plan</td>
<td></td>
</tr>
<tr>
<td>D. Residential Anti-Displacement &amp; Relocation Assistance Plan</td>
<td></td>
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<tr>
<td>E. LMI Documentation – ACS Data (LMI Area Benefit only)</td>
<td></td>
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<tr>
<td>E1. LMI Documentation/Low- and Moderate-Income Worksheet (LMI Area only)</td>
<td></td>
</tr>
<tr>
<td>E2. LMI Random Sample Worksheet (LMI Area only)</td>
<td></td>
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<tr>
<td>E3. LMC Worksheet (Limited Clientele only)</td>
<td></td>
</tr>
<tr>
<td>F1. Slum and Blight Area Basis Documentation (SB Area Basis only)</td>
<td></td>
</tr>
<tr>
<td>F2. Slum and Blight Spot Basis Documentation (SB Spot Basis only)</td>
<td></td>
</tr>
<tr>
<td>G. Urgent Need Certification and Documentation</td>
<td></td>
</tr>
<tr>
<td>K1a. Waiver of Procurement Process and Narrative*</td>
<td></td>
</tr>
<tr>
<td>K1b. Waiver of Procurement Process and Narrative (Development Districts)*</td>
<td></td>
</tr>
<tr>
<td>K2. Procurement Process Completed Prior to Application (narrative required)*</td>
<td></td>
</tr>
<tr>
<td>L. Federal Funding Accountability and Transparency Act (FFATA) Form</td>
<td></td>
</tr>
<tr>
<td>M. Map of Proposed Project Area</td>
<td></td>
</tr>
<tr>
<td>N. System for Award Management (SAM) record and clearance documentation</td>
<td></td>
</tr>
<tr>
<td>O1. Four Factor Analysis Assessing Limited English Proficiency</td>
<td></td>
</tr>
<tr>
<td>O2. Language Assistance Plan (optional at the time of application)</td>
<td></td>
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<tr>
<td>Q. Local Cost Share</td>
<td></td>
</tr>
</tbody>
</table>

* See Section 5.02 and 5.05 of the Application Guidelines and Chapter 9 for additional information.
Part I. General Information

Type or print all information except where signatures are required. **ALL PAGES MUST BE TWO-HOLE PUNCHED AT TOP. DO NOT BIND, FOLD, OR STAPLE.**

1. **Applicant identification:** Enter the name, mailing address, telephone, and fax number of the local government that is the applicant in an individual application or the lead applicant in a joint application. Enter the name of the local government contact person. Such person is the applicant’s employee who is most familiar with the application, and not a regional council or community action agency staff person, consultant, or other applicant non-employee. Include the Federal Tax Identification number and DUNS number of the Applicant. The DUNS number can be obtained via D&B online at [http://fedgov.dnb.com/webform](http://fedgov.dnb.com/webform) or requested by phone at 866-705-5711 or for persons with a hearing impairment, the TTY number is 866-814-7818. Enter the email address for the local unit of government or local contact.

2. **Person Preparing Application:** Enter the name and contact information of the person who prepared the application. If prepared by a firm, identify the staff contact person. Include the Federal Tax Identification number of the firm, development district, or nonprofit. Check the appropriate application preparer status box. For more information regarding use of consultants, see Section 5.04 of the Application Guidelines.

3. **Activity Type:** Check the appropriate box under which funds are being requested. See Section 5.03.

4. **Funding Sources:** Enter the dollar amounts of CDBG funds requested for this project. Enter the amount of all other funds identified in the application that you are committing to this project. **ROUND AMOUNTS TO THE NEAREST DOLLAR.** Be certain that the figures are added correctly and consistent throughout. **OTHER FUNDS ARE LISTED SEPARATELY.**

5. **Application Type:** Check the appropriate application type box.

6. **Service Area:** Identify the Legislative District and Congressional District.

7. **Project Name and Location:** Provide the name of the project and the primary location of the project.

8. **Use Summary:** Provide a short, explicit summary of the project activities in measurable terms for which funds are requested. **There is no need to include funding information. EXAMPLE:** Continuation of commercial rehab program in Historic Downtown Anytown.

9. **Certifying Official:** Only the signature of the applicant’s chief elected official will be accepted. Blue ink for signature is advisable. Alternate signatures (e.g. city council president, city manager) are not allowed, except where there exist extenuating circumstances (e.g. chief elected official is out for an extended period), and the applicant receives prior written approval from DED. Type the name and title of both signers and the date of signatures.
**Emergent Threat (EM) Application**

*Community Development Block Grant (CDBG)*  
*Nebraska Department of Economic Development (DED)*

**PART I. GENERAL INFORMATION**

**TYPE OR PRINT ALL INFORMATION**

<table>
<thead>
<tr>
<th>1. APPLICANT IDENTIFICATION</th>
<th>2. PERSON PREPARING APPLICATION</th>
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<tbody>
<tr>
<td>Applicant Name</td>
<td>Name</td>
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<tr>
<td>Mailing Address</td>
<td>Organization</td>
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<tr>
<td>City, State, ZIP</td>
<td>Address</td>
</tr>
<tr>
<td>County</td>
<td>City, State, ZIP</td>
</tr>
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<td>Local Contact</td>
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<td>Telephone</td>
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<td>Telephone</td>
<td>Federal ID #</td>
</tr>
<tr>
<td>Federal ID #</td>
<td>Application Preparer (Check One)</td>
</tr>
<tr>
<td>DUNS #</td>
<td>Local Staff</td>
</tr>
<tr>
<td>SAM Expiration Date</td>
<td>Non-Profit</td>
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<tr>
<th>3. ACTIVITY TYPE</th>
<th>4. FUNDING SOURCE</th>
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<tbody>
<tr>
<td>Wastewater System</td>
<td>Water System</td>
</tr>
<tr>
<td>Senior/Community Center</td>
<td>Storm Sewer</td>
</tr>
<tr>
<td>Daycare</td>
<td>Drainage/Flood Control</td>
</tr>
<tr>
<td>Library</td>
<td>Streets/Sidewalks</td>
</tr>
<tr>
<td>Neighborhood Park</td>
<td>Water Lines/Transmission</td>
</tr>
<tr>
<td>Fire Station/Trucks</td>
<td>Other:</td>
</tr>
</tbody>
</table>

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<tr>
<th>5. APPLICATION TYPE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individual</td>
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<tr>
<td>Joint</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>6. SERVICE AREA</th>
<th>7. PROJECT NAME AND LOCATION</th>
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<tbody>
<tr>
<td>Legislative District</td>
<td>Congressional District</td>
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<tr>
<th>8. USE SUMMARY: Brief description of the project for which CDBG funds are requested.</th>
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<tr>
<th>9. CERTIFYING OFFICIAL: Chief elected officer of local government requesting CDBG funds.</th>
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</table>

To the best of my knowledge and belief, data, and information in this application are true and correct, including any commitment of local or other resources. This application has been duly authorized by the governing body of the applicant following an official public hearing. This applicant will comply with all federal and state requirements governing the use of CDBG funds.

<table>
<thead>
<tr>
<th>Signature in Blue Ink</th>
<th>Typed Name and Title</th>
<th>Date Signed</th>
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<th>Attest</th>
<th>Typed Name and Title</th>
<th>Date Signed</th>
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Individuals who are hearing and/or speech impaired and have a TTY, may contact the Department through the Statewide Relay System by calling (711) INSTATE (800) 833-7352 (TTY) or (800) 833-0920 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402) 471-3111. Additional information is at the Nebraska Relay website at [http://www.nebraskarelay.com/](http://www.nebraskarelay.com/). Nebraska Relay offers Spanish relay service for our Spanish-speaking customers. Spanish-to-Spanish (711) or 1-888-272-5528/Spanish-to-English (711) or 1-877-564-3503. Nebraska le ofrece el servicio de relevo a nuestros clientes en español. Los consumidores de TTY pueden escribir por maquina en español y las conversaciones seran retransmitidas en español y ingles.
Part II. Funding Summary Instructions

INSTRUCTIONS: Using the activity code number and description provided on the Funding Summary, enter the national objective code for each activity (as identified on the application form).

Enter the dollar amount of CDBG funds requested for each activity. Enter the amount of other funds that you are committing to each activity and identify the source. Select the single most specific code to describe the nature of the activity being funded. For example, if property will be acquired and a senior center will be constructed with CDBG funds, code the activities 0091 Senior Center rather than 0010 Acquisition. You would include appraisal, acquisition, architectural, and construction costs with 0091 Senior Center. You would include costs for environmental review, fair housing activities, labor standards enforcement, record keeping, progress reports, general office expenses, contractual services for administration, and audits under Code 0181 General Administration.

NOTE: Labor Standards Enforcement costs can now be identified under 0181 General Administrative Activity or 0380 Construction Management Activity.

Limit the Funding Summary information to allowable CDBG eligible costs incurred during the CDBG program period only. Exclude any “other” project costs not eligible for CDBG reimbursement or match (i.e. test holes completed, preliminary architectural or engineering fees incurred or obligated prior to Release of Funds, fees for services not procured by CDBG guidelines, equipment or furnishings not affixed to building, etc.). Written documentation of commitment of source matching funds must be included as Exhibit Q.

Identify the sources of other funds and provide written documentation of availability of matching funds (if applicable). Please be certain that the figures are correctly added and the column totals are consistent throughout. Ultimately, the information provided is used as the foundation for your CDBG contract sources and uses table, if selected for an award. For more information, see Sections 4.01 and 4.02 of the Application Guidelines.
## Part II. Funding Summary

<table>
<thead>
<tr>
<th>Activity Code-Activity</th>
<th>Nat’l Objective *</th>
<th>Proposed Unit Type **</th>
<th>CDBG Funds</th>
<th>Matching Funds²</th>
<th>Total Funds</th>
<th>Sources of Matching Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>0010 Acquisition/Easements</td>
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<td>0030 Clearance/Demolition</td>
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<tr>
<td>0070 Public Facilities &amp; Improvements***</td>
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<tr>
<td>0081 Daycare Centers</td>
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<tr>
<td>0082 Health Care Clinics</td>
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<td>0083 Remodel Shelter Facilities for the Homeless</td>
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<td>0090 Community Centers</td>
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<td>0091 Senior Centers</td>
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<td>0092 Public Libraries</td>
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<td>0093 Fire Station/Equipment</td>
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<td>0094 Neighborhood Parks</td>
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<td>0230 Streets/Bridges</td>
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<td>0250 Storm Sewers</td>
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<td>0300 Water/Sewer</td>
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<tr>
<td>0370 Flood Control &amp; Drainage Facilities</td>
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<tr>
<td>0450 Relocation</td>
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</tbody>
</table>

**SUBTOTAL: PROJECT COSTS**

| 0380 Construction Mgmt                        |                   |                       |            |                 |             |                           |

**SUBTOTAL: SUPPORTING PROJECT COSTS**

| 0181 GENERAL ADMINISTRATION                    |                   |                       |            |                 |             |                           |

**TOTAL AMOUNT**

---

1 Must correspond to CDBG National Objective of the primary activity.

NOTE: If additional activity codes are needed, add supplemental pages to the application.

* For each activity enter the most appropriate National Objective Code and complete the summary information below, see Section 2.01 of the Application Guidelines.

** The most common Proposed Units of Accomplishment types include People, Housing Units, Businesses, and Jobs. List the most appropriate proposed primary beneficiary group. Identify the most appropriate proposed type of primary beneficiary group in the table and list the proposed number of beneficiaries below.

*** Use this code for facilities and improvement activities that do not align with the other codes.
Part III. Project Budget

INSTRUCTIONS: The proposed project budget includes costs for project delivery (project and supporting project costs) and administration. All items listed as match, other funds, and CDBG costs must be allowable and eligible under the CDBG Program.

Detailed information provided in this section will be used to evaluate the accuracy and reasonableness of activity costs throughout the application. Indicate the date and source of cost estimates. Provide name, address, phone, and e-mail of person(s) who prepared the estimates. Department reserves the right to seek clarification on budgeted items.

Project Costs

Provide a breakdown of the major project delivery costs by listing the activity description and activity code number for each activity. Common line item costs include: real property acquisition, legal expenses, architectural and engineering fees, project inspection fees, site work, demolition and removal, construction, equipment. Any items listed as “miscellaneous” or “contingencies” must also include detailed information.

If the project includes work to be performed by volunteers or in-kind contributions by the local government or other organizations, include the value of the volunteer or in-kind donations under the appropriate budget line item in a separate column. If awarded, these types of contributions are referenced in your CDBG contract, but not explicitly listed in the sources and uses table. For more information about in-kind costs, see Section 4.02 of the Application Guidelines.

Please note that project costs not eligible for CDBG reimbursement and not claimed on the Part II Funding Summary may be identified here as a separate subtotal to clarify total project costs. Such costs may include architectural or engineering fees incurred or obligated prior to Release of Funds, fees for services not procured, equipment, or furnishings not affixed to building, etc.

Supporting Project Costs

Construction management (0380) costs are labor standards enforcement costs.

General Administration Costs

The general administration (0181) budget includes those costs that are administrative in nature with exception of pre-program costs, such as payment or reimbursement of application preparation fees, costs of conducting local surveys, etc. Common line items costs are environmental review, fair housing activities, financial audit (if necessary), labor standards enforcement, preparation of required grant progress reports and drawdowns.
Part IV. Selection Criteria

Applicants use this portion of the application to define the proposed project within the service area and describe how the proposed project addresses identified community development. In this section, Applicants provide specific information about the issues and/or problems addressed by the project, line item budget, preliminary schedule, and how the project fulfills the selected National Objective.

The Matrix below describes each selection criteria as a numerical score within the EM Category. A minimum score of 30 points is required and each criteria require a minimum score as noted below.

<table>
<thead>
<tr>
<th>Selection Criteria Detailed Matrix – EM Category</th>
<th>Maximum</th>
<th>Threshold Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Project Need</td>
<td>40</td>
<td>10</td>
</tr>
<tr>
<td>2. Project Impact</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td>3. Project Readiness</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100 points</strong></td>
<td><strong>30 points</strong></td>
</tr>
</tbody>
</table>

For more information of each of the selection criteria, see Section 5.03 of the Application Guidelines.
Part V. Exhibits and Attachments

This Part contains specific information on the Exhibits that are required for the project as well as any necessary Attachments that must also be provided in order for the applicant to submit a complete application.

Identified below and provided within the Table of Contents Checklist is a list of required exhibits. All Exhibit information and templates are found in Chapter 9.

The following required Exhibits include the certification and documentation requirements for the application:

- **Exhibit A:** Notice of Public Hearing *(must include the Proof of Publication or Certificate of Posting and summary of public comments)*
- **Exhibit B:** Authorizing Resolution *(Original or Certified copy)*
- **Exhibit C1:** Statement of Assurances and Certifications
- **Exhibit C2:** Citizen Participation Plan
- **Exhibit D:** Residential Anti-displacement and Relocation Assistance Plan
- **Exhibit E:** LMI Documentation - ACS Data *(Only for LMI Area Benefit)*
- **Exhibit E1:** LMI Census Worksheet *(LMI area benefit only)*
- **Exhibit E2:** LMI Random Sample Worksheet *(LMI area benefit only)*
- **Exhibit E3:** LMC Worksheet *(Limited Clientele benefit only)*
- **Exhibit F1:** Slum and Blight Area Basis Documentation *(SBA benefit only)*
- **Exhibit F2:** Slum and Blight Spot Basis Documentation *(SBS benefit only)*
- **Exhibit G:** Urgent Need Certification and Documentation
- **Exhibit K1a:** Waiver of Procurement Process and Narrative *
- **Exhibit K1b:** Waiver of Procurement Process and Narrative *(Development Districts)* *
- **Exhibit K2:** Procurement Process completed prior to Application and Narrative *
- **Exhibit L:** FFATA Federal Funding Accountability and Transparency Act
- **Exhibit M:** Map of Proposed Project Area *(in relation to service area)*
- **Exhibit N:** SAM record and clearance documentation
- **Exhibit O1:** Four Factor Analysis Accessing Limited English Proficiency
- **Exhibit O2:** Language Access Plan *(optional at the time of application)*
- **Exhibit Q:** Local Cost Share *(documentation of other funds invested in the project)*

* See Sections 5.02 and 5.04 of the Application Guidelines and Chapter 9 for additional information.

Additional attachments provided by the applicant would be included at the end of the application.
Section C. Application Guidelines

The primary objective of Nebraska’s nonentitlement Community Development Block Grant (CDBG) Program is to develop viable communities and counties by providing decent housing, suitable living environments, and expanding economic opportunities principally for low- and moderate-income (LMI) persons. As the designated state administering agency, the Nebraska Department of Economic Development (DED) accomplishes this objective by funding activities authorized under the federal Housing and Community Development Act of 1974, as amended, and designed to meet the objectives for the Community Development goal. These particular guidelines concern the Emergent Threat (EM) category. If HUD provides additional guidance, DED will notify all applicants of any new requirement by Policy Memo.

Section 1.01 Eligible Applicants
Except as provided in Section 1.03, eligible applicants include every Nebraska incorporated municipality with a population of less than 50,000 and are not classified as a CDBG Entitlement Community (including Omaha, Lincoln, Bellevue, and Grand Island).

Section 1.02 Type of Applicants
Eligible applicants may submit one type of applications:

1. Individual: Except as provided in Section 1.03, an eligible municipality may apply only for projects within its corporate limits, and an eligible county may apply only for such projects or activities in unincorporated areas.

2. Joint: Eligible applicants may apply together for projects when it can be clearly documented that mutual action by the applicants is required. The applicant local government in multi-jurisdictional application must also be a direct participant in the project. The applicant local government cannot serve only as a pass through for CDBG funds or only as the general administrator of the project.

Section 1.03 Special Policies for Applicants
Special policies affecting Section 1.01 and Section 1.02 are:

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

2. A county may not submit an application for projects undertaken within the corporate limits or zoning jurisdiction of a municipality unless the projects involves either:
   a. Public facilities within an eligible incorporated municipality that are owned or operated by the county; or
   b. Activities provided county-wide, either directly by the county or through contract with another local or area agency.

3. A joint application must include a written agreement made in accordance with state law (Interlocal Cooperation Act) that
   a. Stipulates that the parties will cooperate in undertaking the project;
   b. Delineates responsibilities and authorities of each party with respect to grant administration; and
   c. Authorizes one of the parties to act as primary agent for administrative and monitoring purposes. The applicant local government in a multi-jurisdictional application must also be a direct participant in the project. The applicant local government cannot serve only as a pass-through for CDBG funds or only as the general administrator of the project.
4. If the application requires participation of entities that are not eligible applicants, each such entity must provide written assurance that it concurs with the project and is committing its resources, if any, as stated in the application. A grantee/sub-grantee agreement that stipulates the decision making authority, administration, contract compliance, reporting, etc. shall be executed and submitted as an attachment to the application. In all instances, the grantee has the final responsibility for implementation of the project and must retain environmental and financial responsibility.

5. Eligible applicants may provide CDBG funds to a sub grantee neighborhood-based nonprofit organization. Note: *proof of nonprofit status, such as Secretary of State designation, must be included with the application*. For example, projects involving a day care facility.

Section 2.01 Compliance with the CDBG National Objective

The primary national CDBG objective is the development of viable communities by providing decent housing, suitable living environments, and expanded economic opportunities, principally for low- and moderate-income persons. Under these guidelines, this is accomplished by funding projects that meet at least one of three national objectives.

The primary CDBG National Objective met by the applicant under the EM Category is the benefit to low- to moderate-income persons.

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

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

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

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

Such an area need not be coterminous with census tract or other officially recognized boundaries, but must be the **ENTIRE** area served by the activity (i.e. an arterial street or sewer interceptor line running through a neighborhood would serve more residents than those in the immediate neighborhood).

Submit Exhibit E, E1, or E2.
b. **Limited clientele activities.** These are activities that provide a benefit to a specific group of persons rather than everyone in an area generally. It may benefit particular persons without regard to the area in which they reside, or be an activity that provides benefit on an area basis but only to a specific group of persons who reside in the area. In either case, at least 51% of the beneficiaries of the activity must be LMI persons. Applicants will complete and submit Exhibit E3. To qualify under this subcategory, the activity must meet one of the following tests:

1. Exclusively benefit a clientele who are generally presumed by HUD to be principally LMI persons. The following groups are currently presumed by HUD to be made up principally of LMI persons: abused children, battered spouses, elderly persons, adults meeting Bureau of Census’ definition of severely disabled adults, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or,

2. Require information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the LMI limit, this includes the case where the activity is restricted exclusively to LMI persons; or,

3. Be of such nature and in such location that it may reasonably be concluded that the activity’s clientele will primarily be LMI persons (e.g. a daycare center that is designed to serve residents of a public housing complex); or,

4. Be an activity that removes material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting Bureau of Census’ Current Population Reports definition of “severely disabled,” provided it is restricted, to the extent practicable, to the removal of such barriers by assisting the reconstruction of a public facility or improvement or rehabilitation or a privately-owned nonresidential building that does not qualify under LMI area benefit criteria.

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

2. **Aid in prevention or elimination of slums and blight:** “Slums” has the meaning as substandard areas as defined in Section 18-2103(10) Neb. R.R.S. “Blight” has the same meaning as blighted areas as defined in Section 18-2103 (11) Neb. R.R.S. A copy of the Community Development law is available upon request from DED. The focus of activities under the Prevention/Elimination of Slums and Blight (SB) National Objective is a *change in the physical environment of a deteriorating area or spot.* This contrasts with the LMI benefit national objective where the goal is to ensure that funded activities benefit LMI persons.

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

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

1) The area is designated by official action of the local government as substandard or blighted in accordance with the applicable state statute;

2) There is a substantial number of deteriorated or deteriorating structures throughout the area, or public improvements throughout the area are in a general state of deterioration;

3) The assisted activity is designed to address one or more of the conditions which contributed to the deterioration of the area;
4) Documentation is provided and maintained by the recipient on the boundaries of the area and the conditions which qualified the area at the time of its designation; and

5) Activities to be assisted with CDBG funds must be limited to those that address one or more of the conditions that contributed to the deterioration of the area.

Submit Exhibit F1.

b. **On a spot basis:** An activity must be designed to eliminate specific conditions of blight or physical decay not located in a designated slum or blighted area; and be limited to one of the following: acquisition, clearance, relocation, historic preservation, or rehabilitation of buildings, but only to the extent necessary to eliminate specific conditions detrimental to public health and safety. (Public improvements cannot qualify under this standard except for rehabilitation of public buildings and historic preservation of public property that is blighted). Submit Exhibit F2.

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

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

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

3. **Urgent Need:** To comply with the national objective of meeting community development needs having a particular urgency, an activity must be designed to alleviate existing conditions which the local government certifies and state determines:

   a. Pose a serious and immediate threat to the health or welfare of the community,
   b. Are of recent origin or recently became urgent. A condition will generally be considered to be of recent origin if it is developed or became critical within 18 months preceding the state grant recipient’s certification.
   c. The local unit of government is unable to finance the activity on its own, and other sources of funding are not available to carry out the activity, as certified by both the State and the grant recipient.

Submit Exhibit G.

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**Section 2.02 Compliance with State Community Development Objective**

Several activities are eligible for assistance under Section 105(a) of the amended 1974 HCD Act. Although the state may not refuse to distribute CDBG funds for any eligible activity, the state can use criteria that have the effect of increasing the likelihood of certain activities being funded. Under the state program, CDBG funds will be distributed for the eligible
activities listed in Section 3.04 that comply with the state priorities. In addition, all improvements must be either publicly owned or owned by a nonprofit and operated so as to be open to the general public during all normal hours of operation.

Section 2.03 Compliance with State Priorities
The State of Nebraska identified five priorities, which summarize the goals of the five-year Consolidated Plan. The main priorities and objectives within the current program year Annual Action Plan (AAP) include:

- Housing Priority Need
- Community Development Priority Need
- Economic Development Priority Need
- Homeless Services Priority Need
- HOPWA Services Priority Need

Through the development of the Consolidated Plan it was determined that there were three objectives guiding the proposed activities that include:

- Provide Decent Housing
- Provide a Suitable Living Environment
- Expand Economic Opportunity

Three outcomes were developed to show how programs and activities would benefit a community or the persons within a community served. The three outcomes that will illustrate the benefits of each activity funded by the CDBG, HOME, HTF, ESG, or HOPWA Programs are:

- Improved availability/accessibility
- Improved affordability
- Improved sustainability

Section 3.01 Compliance with State Emergent Threat Category
The purpose of the Emergent Threat (EM) category is to assist units of local government with situations that pose a serious and immediate threat to public health, safety, or welfare. Priority is given to those projects that are meeting the emergent threat criteria.

All activities proposed in applications for CDBG funding in the EM Category must meet the national objective of benefitting low- and moderate- income persons (through the subcategories LMI Area Benefit and LMI Limited Clientele), aid in the prevention or elimination of slums or blight in either an area (SBA) or spot basis (SBS), and/or through urgent need (UN).

Respondent to the current threats associated with disaster declarations throughout the state, this category also allows for the State and communities to respond to and address emergent issues and needs as they are identified. Given disaster is transitory in nature and future events likely, application must identify the cause of the situation, such as: flooding, tornado, fire, or other natural or man-made disaster.

To the greatest extent feasible, CDBG funds are to be used as gap financing.
Section 3.02 Special Policies for Activities
Special policies affecting activities listed in Section 3.04 are:

1. **Facilities containing both eligible and ineligible uses:**
   A public facility otherwise for assistance under the CDBG program may be provided with CDBG funds even if it part of a multiple use building containing ineligible uses, if:
   a) The facility which is otherwise eligible and proposed for assistance will occupy a designated and discrete area within the larger facility; and
   b) The grantee can determine the costs attributable to the facility proposed for assistance as separate and distinct from the overall costs of the multiple-use building and/or facility. Allowable costs are limited to those attributable to all eligible portion of the building or facility.

2. **Fees for use of facility:**
   Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding LMI persons from using the facilities, are not permitted.

3. **Special Assessments:**
   The term special assessment means the recovery of the capital costs of a public improvement, such as streets, water, or sewer lines, curbs, and gutters, through a fee or charge levied or filled as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public improvement, or a one-time charge made as a condition of access to a public improvement. This term does not relate to taxes on property or the establishment of the value of real estate for the purpose of levying real estate, property, or ad valorem taxes, and does not include periodic charges based on the use of a public improvement, such as water or sewer user charges, even if such charges include the recovery of all or some portion of the capital costs of the public improvement.

   Where CDBG funds are used to pay all or part of the cost of a public improvement, special assessments may be used to recover capital costs as follows:
   a) Special assessments to recover the CDBG funds may be made only against properties not owned and occupied by LMI persons (such assessments are program income), or
   b) Special assessments to recover the non-CDBG portion may be made provided that CDBG funds are used to pay the special assessment on behalf of all properties owned and occupied by LMI persons; except that CDBG funds need not be used to pay the special assessments on behalf of properties owned and occupied by moderate income persons if the grantee certifies that it does not have sufficient CDBG funds to pay the assessments on behalf of all of the LMI owner-occupant persons (funds collected through such special assessments are not program income).

Section 3.03 Ineligible Activities
The following activities are ineligible within the EM Category. If any activity is not noted within the list below, and is not listed as an eligible activity, please consult a CDBG Program Representative in order to determine if any other proposed activities are eligible for the program category.

1. General administrative and audit costs that exceed the allowable maximum. Applicant may request up to 10% of Project Costs for General Administration activities, not to exceed $25,000.
2. Construction Management costs, where applicable, that exceed the allowable $10,000 maximum.
3. Buildings, or portions thereof, used predominantly for the general conduct of government cannot be assisted with CDBG funds. Such buildings are defined as city and village halls, county administrative affairs of the government are conducted. This definition does not include such facilities as neighborhood service centers or special purpose buildings located in LMI areas that house various non-legislative functions or services provided by government at decentralized locations. This does not exclude, however, the removal of architectural barriers in order to make public buildings accessible to elderly and handicapped persons.
4. General government expenses cannot be paid with CDBG funds, except for those costs that are directly attributable to administration of a local CDBG program and are documented as such. (Eligible cost expenses are detailed in 2 CFR 200).

5. CDBG funds cannot be used to pay for facilities or equipment used for political purposes or to engage in other political activities such as candidate forums, voter transportation, or voter registration. However, a facility originally financed in whole or in part with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns; provided all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

6. The purchase of equipment with CDBG funds is generally ineligible, except:
   a. The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowance pursuant to 2 CFR 200 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible;
   b. Fire protection equipment is considered for this purpose to be an integral part of a public facility and thus, purchase of such equipment would be eligible; and
   c. The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible.

   However, CDBG funds may be used to purchase or to pay depreciation or use allowances (in accordance with 2 CFR 200, as applicable) for such items when necessary for use by a municipality or county in the administration of activities assisted with CDBG funds, or when eligible as firefighting equipment, or when such items constitute all or part of a public service.

7. **The general rule is that any expense associated with repairing, operation, or maintaining public facilities, improvements and services is ineligible.** Specific exceptions to this general rule are operating and maintenance expenses associated with a public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program. For example, the use of CDBG funds to pay the allocable costs of operating and maintaining a facility used in providing a public service would be eligible, even if no other costs of providing such a service are assisted with such funds.

   Examples of ineligible operating and maintenance expenses are maintenance and repair of streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for the handicapped, parking and similar public facilities. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs; and payment of salaries for staff, utility costs, and similar expenses necessary for the operation of public works and facilities.

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

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

**Section 3.04 Eligible Activities**

Activities eligible for assistance under the state’s CDBG program are only those authorized in Section 105(a) of the amended 1974 HCD Act. The general rule is that any activity listed in Section 105(a) may be funded in whole or in part...
with CDBG funds. Below is a partial list of activities from Section 105(a). Communities should be aware that although an activity may be legally eligible under Federal statute and HUD regulations, it may not be competitive under the guidelines and ranking system in the respective Nebraska CDBG Program Category. The State has adopted priorities, listed in Section 3.01, which increase the likelihood of funding of certain activities. Restrictions are identified in Sections 3.02 and 3.03 above.

The following activities are eligible within the EM Category. If any activity is not noted within the list below, please consult a CDBG Program Representative in order to determine if any other proposed activities are eligible for the category. In general, this includes all public facility and infrastructure activities, but are not limited to, the following:

**Facilities:** Community Centers; Senior Centers exclusively for persons aged 62 and over; Nonprofit centers for daycare, dependent care, primary health, and mental health care outpatient clinics (excluding shelters defined as: hospitals, nursing homes, convalescent homes, battered spouse shelters, shelters for the homeless, halfway houses, group homes, and temporary housing); Remodel shelter facilities for the homeless (excludes costs for operation); Accredited public libraries; Neighborhood parks (a new facility/improvement or a quantifiable increase of an existing facility/improvement); Single- or multi-service fire/rescue buildings (fire trucks are specifically considered “public facilities” and thus eligible); and Tornado-safe shelters in manufactured home parks (containing not less than 20 manufactured housing units that are within such proximity of shelter to be of use in a tornado).

**Infrastructure:** Street improvements including curb, gutter, and sidewalk; Storm sewer improvements; Flood control; Drainage improvements; Publicly owned water system improvements including, source treatment, storage, and/or distribution improvements; Publicly owned sanitary sewer collection and/or treatment system improvements; and, when in support of any of the above activities, acquisition/easements, demolition, and clearance activities may be undertaken.

The eligible activities must substantially benefit the designated service area. As the primary national objective, DED gives priority to those activities meeting a LMI National Objective.

**Section 4.01 Maximum Grant Amount**
The maximum amount for EM project cost activities will be $450,000, exclusive of supporting project and general administrative costs. For the current program year, anticipated allocations by category see the Annual Action Plan, [http://opportunity.nebraska.gov/AAP](http://opportunity.nebraska.gov/AAP).

General Administration includes includes those costs that are administrative in nature with exception of pre-program costs, such as payment or reimbursement of application preparation fees, costs of conducting local surveys, etc. Common line items costs are environmental review, fair housing activities, financial audit (if necessary), labor standards enforcement, preparation of required grant progress reports and drawdowns. Matching funds are not required. Up to 10% of project costs can be used for general administration, not to exceed $25,000.

Construction Management costs related to compliance with Davis-Bacon and Related Acts (DBRA) may be budgeted separate from general administration costs under Activity 0380 Construction Management. Matching funds are not required. Maximum of $10,000 in CDBG funds can be used under Activity 0380. Where the maximum is not used, by contract budget amendment these funds can be moved to other project-activities, not general administration activity costs.
Section 4.02 Matching Funds Requirements
All project cost activities funded with EM resources do not require match.

Section 4.03 Program Income
Program income for the State’s CDBG program is regulated by the provisions of 24 C.F.R. §570.489(e). The text of this regulation should be consulted for definitions and for other guidance concerning program income. Grantees that receive a CDBG award will be governed by the policies written in the Department’s Annual Action Plan and the (5-year) Consolidated Plan section “Program Income”. Related policy guidance can be found in the Nebraska CDBG Program Administration Manual in Chapter 8 “Program Income”. Lastly, Program Income (and Re-Use Plans) are addressed within your CDBG Contract (per project).

The State CDBG objective for program income is to provide adequate financing for local development to ensure Nebraska's economic prosperity and to use all resources in a timely manner. The State is seeking to provide a policy for use of program income that coordinates local and State resources to the fullest extent possible. The State is responsible for ensuring that program income at the State and local levels is used in accordance with applicable federal laws and regulations.

Program Income – Definition:

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

All Program Income is and remains subject to all requirements of the HCDA and CDBG regulations. Program Income which may become a part of a Department approved community CDBG revolving loan fund remains subject to all requirements of the HCDA and CDBG regulations. This means all loans made from such a fund, including second and subsequent generation loans, are, and continue to be, subject to all CDBG requirements.

All Program Income earned during the grant period must be expended on the project activities prior to drawing down additional CDBG funds under the grant. Program Income earned after the completion of the grant activities is subject to the same CDBG requirements.

Program income includes, but is not limited to, the following:

1. Proceeds from the disposition by sale or long-term lease of real property purchased or improved with CDBG funds except in instances where the proceeds are received more than 5 years after expiration of the grant agreement between the state and the unit of general local government.” [See also 24 CFR 570.489(e)(2)(v)];
2. Proceeds from the disposition of equipment purchased with CDBG funds;
3. Gross income from the use or rental of real or personal property acquired by the unit of general local government or subgrantee of the unit of general local government with CDBG funds, less the costs incidental to the generation of the income;
4. Gross income from the use or rental of real property, owned by the unit of general local government or other entity carrying out a CDBG activity that was constructed or improved with CDBG funds, less the costs incidental to the generation of the income;
5. Payments of principal and interest on loans made using CDBG funds;
6. Proceeds from the sale of loans made with CDBG funds, less reasonable legal and other costs incurred in the course of such sale that are not otherwise eligible costs;
7. Proceeds from the sale of obligations secured by loans made with CDBG funds, less reasonable legal and other costs incurred in the course of such sale that are not otherwise eligible costs;
8. Interest earned on funds held in a revolving loan fund's cash balance interest-bearing account;
9. Income earned on program income pending disposition of the income;
10. Funds collected through special assessments made against nonresidential properties and properties owned and occupied by households not of low and moderate income, if the special assessments are used to recover all or part of the CDBG portion of a public improvement; and
11. Gross income paid to a unit of general local government or subgrantee of the unit of general local government from the ownership interest in a for-profit entity acquired in return for the provision of CDBG assistance.

Section 5.01 Submission of Applications and Selection of Grantees
Projects are to be completed within twenty-four (24) months following notice of approval. Eligible local governments may apply individually and receive one grant for Emergent Threat during a program year.

Applications are prepared at the applicants’ expense and costs are not reimbursable. DED awards grants under this category to an eligible local government to carry out local project activities meeting the national and State CDBG objectives. Funds shall be reserved and awarded in accordance with the application cycles.

Pre-Applications are required (please use the EM Pre-Application document on the website) and are submitted electronically via Sharefile (https://negov.sharefile.com/r-r52f30a2b06b44ea8).

Full Applications must be received as a hard copy to the address listed below, and submitted electronically via Sharefile (https://negov.sharefile.com/r-r52f30a2b06b44ea8).

Nebraska Department of Economic Development
ATTN: CDBG EM Application
PO Box 94666
Lincoln, NE 68509

Pre-applications are submitted on an open cycle and DED reviews pre-applications to ensure the activity is eligible and a national objective is met. Once DED has determined that CDBG resources are an appropriate funding source for a community’s project, DED will invite each community selected to apply for CDBG funds. Only those communities invited to apply for CDBG resources through the EM category are eligible to submit a full application.

Full applications are reviewed on a competitive basis according to the selection criteria established in Section 5.03 of the Application Guidelines. This determination will be made in consultation with appropriate federal, state and/or local agencies.

Recommended applications are presented to the DED Director for a grant award (i.e., Notice of Approval). DED issues a formal Notice of Approval Letter to the applicant community upon approval of the recommendation. Letters of non-selection are issued to those applicants not invited to submit a full application or those not being recommended for award.

<table>
<thead>
<tr>
<th>Milestone Summary</th>
<th>Pre-Applications Due</th>
<th>Open Cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anticipated Notification about the status of Pre-Application</td>
<td>30 Days</td>
<td></td>
</tr>
<tr>
<td>Full Applications Due</td>
<td>Open Cycle</td>
<td></td>
</tr>
<tr>
<td>Applications Reviewed</td>
<td>Quarterly</td>
<td></td>
</tr>
<tr>
<td>Anticipated Award</td>
<td>45 Days or less after Quarter</td>
<td></td>
</tr>
</tbody>
</table>

DED shall return and not consider Applications if they fail to meet any of the following threshold requirements:

a. Activities proposed are eligible and comply with CDBG National Objectives and State CDBG priorities.
b. Applicant has no significant, unresolved audit finding.

c. Applicant has no legal actions under way that may significantly affect its capacity.

d. Applicant is following a detailed Citizen Participation Plan (CPP) and Anti-Displacement Plan.

e. Applicant has adopted an authorizing resolution for participation in the program.

f. Where applicable for past-awarded projects, Applicant must clear all compliance issues found during risk analysis performance and compliance monitoring and DED must accept any responses thereof.

g. Applicant is current with all reporting requirements (i.e. semiannual project status reports, closeout reports, audit reports, notification of annual audits, etc.).

h. On any open CDBG grants, Applicant has shown progress including expenditures through drawdowns.

CDBG National Objective

All EM projects funded and CDBG-funded activities must meet a National Objective of the CDBG Program. **A project or project activity that fails to meet a national objective is ineligible for CDBG resources.** These national objectives include:

- Benefitting low- and moderate-income persons (LMI), including:
  - On an area basis (LMA),
  - Serving a limited clientele (LMC), or
- Aiding in the prevention or elimination of slums or blight, including:
  - On an area-basis (SBA) and
  - On a spot basis (SBS).
- Urgent Need

For more information about CDBG National Objectives, see Section 2.01 of the Application Guidelines.

Section 5.02 Special Policies for Thresholds for Selection

Special policies affecting thresholds for selection are:

1. The Citizen Participation Plan must contain provisions for the involvement of citizens, particularly LMI residents, in all phases of the project. Each local government submitting a single application or participating in a joint application, where applicable, must have and follow a citizen participation plan. The plan must provide for:
   a. Proper notice and access to all meetings and project records;
   b. Technical assistance on request to group’s representative of LMI persons;
   c. A minimum of two public hearings, each at a different stage of the program, for the purpose of obtaining citizen’s views, responding to proposals and questions specifically during the:
      (1) Application phase – the hearing(s) must cover community and housing needs, development of proposed activities to be undertaken, the amount of funds requested, the estimated amount proposed to benefit LMI persons, the amount and source of matching and leverage funds, if any, and the applicant’s plans for minimizing displacement of persons as a result of CDBG assisted activities and for assisting persons actually displaced; and
      (2) Implementation phase – the hearing(s) must review project/program performance and summarize any relevant updates or changes through the process, in supplement to any hearings held in accordance with the contract amendment request process.

   The minutes of the public hearing and the public hearing notice are to include each listed statement. Public hearings for joint applicants must be held in each participant’s jurisdiction and the application must be available for public inspection at each locality.

d. A process for responding to complaints and grievances within 15 working days; and

e. The needs of non-English speaking residents where a significant number of them can be expected to participate in public hearings.
2. The **Residential Anti-Displacement and Relocation Assistance Plan** must be adopted and certified by the local government and be available to the public. A certification and plan is required even if the applicant is not proposing activities which will result in demolition or in the conversion of an LMI unit to a use other than LMI housing. The plan must contain two components (a) one-for-one replacement unit requirement, and (b) a relocation assistance component.

   a. **One-For-One Replacement** unit requirement applies to all occupied and vacant occupiable LMI dwelling units that will be demolished or converted to another use as a direct result of a CDBG assisted activity. Occupiable dwelling unit is a residential unit that is in standard condition or in a substandard condition, but suitable for rehabilitation.

      (1) An LMI dwelling unit is defined as a unit with a market rental, including utility costs, that does not exceed the Section 8 fair market rent (FMR) as established by HUD. Whenever assisted rehabilitation raises the rent above the FMR that unit must be replaced.

      (2) A “vacant occupable dwelling unit” is a unit in standard condition or a unit in substandard, but is suitable for rehabilitation; or a dwelling unit that has been occupied (except for a squatter) at any time one year prior to the Notice of Approval date for an approved application.

      (3) A unit is “standard condition” is ready to be lived-in with only a minimal amount of deferred maintenance or repair required at a reasonable cost.

      (4) A unit “suitable for rehabilitation” is defined for purposes of this certification as a unit whose estimated repair, rehabilitation, weatherization, and/or general improvement costs do not exceed one-half of its replacement value after rehabilitation. The local government may use their own definition for “suitable for rehabilitation” provided such definition is made public and DED determines the definition to be acceptable.

      (5) Replacement LMI units must be provided within three years from the start of demolition or conversion and must be:

         (1) Located within the same jurisdiction;
         (2) Sufficient in number and size to house at least the number of occupants that were or could have been housed; according to local occupancy codes;
         (3) Provided in standard condition or brought up to a standard condition; and
         (4) Designed to remain LMI for ten (10) years.

      (5) Replacement units may include public housing and housing with Section 8 project-based assistance.

   b. **Relocation Assistance** must be provided to each LMI family displaced by the demolition or conversion to another use of any housing unit because of an assisted activity. Persons must be provided assistance as prescribed in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (49 CFR Part 24) or 24 CFR 570.496a(c).

3. The **procurement process** for consultant selection must be outlined in accordance with Section 5.05 (3) Competitive Proposals. A grantee must use procurement procedures that are in conformance with State and local laws and regulations, Federal law and the standards identified for grantees within 2 CFR200.300–345.
Grantees must establish and maintain effective internal control over the CDBG award, providing reasonable assurance that all parties involved are in compliance with federal, state, and local statutes, regulations, and the terms and conditions of the CDBG award.

*Overall, recipients of CDBG funds are responsible for ensuring competitive procurement for goods and services, in accordance with established rules and regulations using full and open competition. Complete documentation of this process is required.*

In specific instances, Exhibit K may be required at the time of application along with related supplemental documentation. **NOTE:** there may be instances where the applicant submits more than one such exhibit, for example when separately procured consulting firms provide general administrative and planning activities.

Applicants shall complete **Exhibit K1a/b** if this process as described in Section 5.05 will not be used. The applicant must state why and identify and describe the process used for selecting a consultant. This also includes the process used for selecting of the consultant that implements the project. **Exhibit K2** shall be completed if the procurement process is completed prior to submission of application. Procurement process must follow state and federal requirements with the exception of the Applicant/Grantee acting in their own capacity.

Supplemental materials must be provided that clearly demonstrate the applicant community carried out the procurement process, this includes documentation that a reasonable number of appropriate firms were contacted directly and in a meaningful manner. Documentation must also include a narrative indicating the method of procurement, reasoning for selecting that method, how and by whom the procurement process was carried out, and any other pertinent information about the procurement process, including a description of how the applicant made meaningful contact to a reasonable number of appropriate firms (e.g. five). As an example, meaningful contact may involve an applicant sending the request for proposal directly to firms known to complete the scope of work and follow up with a phone call or email that confirms receipt of the request.

**WARNING:** With the exception of contracts for general administration services, **DO NOT execute any contract for goods or services prior to the Department issuing a written Notice of Release of Funds and Environmental Clearance.** This includes contracts related to project costs or supporting project costs (construction management and housing management).
Section 5.03 Category Priority Point System for Selection

Applicants meeting required thresholds are scored based on their capacity to describe the challenges within the service area and describe how the proposed project addresses identified community development needs. Applicants provide specific information about the issues and/or problems addressed by the project, line item budget, preliminary schedule, and how the project fulfills the selected National Objective.

The Matrix below describes each selection criteria as a numerical score within the EM Category. The maximum number of points available within any application is 100 points. A minimum score of 30 points is required overall.

<table>
<thead>
<tr>
<th>Selection CriteriaDetailed Matrix—EM Category</th>
<th>Maximum</th>
<th>Threshold Minimum</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Project Need</td>
<td>40</td>
<td>10</td>
</tr>
<tr>
<td>2. Project Impact</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td>3. Project Readiness</td>
<td>30</td>
<td>10</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100 points</strong></td>
<td><strong>30 points</strong></td>
</tr>
</tbody>
</table>

1. Project Need
Describe the existing or emergent problem and/or an assessment of the identified local need for the project. The narrative should reflect the current need for the proposed project based on existing, identifiable problems and conditions; identify any past formal or informal efforts to resolve the problem; and demonstrate the capacity and commitment to successful completion of the project.

Points in this section include:
- 0 – 8 points: Inadequately defined, below average
- 9 – 25 points: Reasonably defined, average compared to other applicants
- 26 – 40 points: well-defined, above average

2. Project Impact
Proposed solutions will be evaluated for the degree to which they are long term; appropriate in terms of existing or emergent community need, as well as technical, operational and financial aspects of the project. Describe each major activity and identify who will own, operate and maintain the proposed improvements. Provide information and supporting documentation identifying the national objective to be met and the proposed number of beneficiaries. Also, include maps that identify the boundaries of the applicant’s jurisdiction, boundaries of the project service area, specific location of each activity, and areas within the 100-year flood hazard boundary.

Points in this section include:
- 0 – 8 points: Inadequately defined, below average
- 9 – 20 points: Reasonably defined, average compared to other applicants
- 21 – 30 points: well-defined, above average

3. Project Readiness
To the greatest extent feasible, CDBG funds are to be used as gap financing; this implies that other local, state, and federal funds will be invested in the project. Applications are to identify and describe all other sources of funding for proposed activities. Projects will be reviewed for the extent to which funds have been secured (binding commitments obtained, local funds budgeted, etc.), and realistic schedules are provided to: secure necessary property and easement rights, complete environmental review that complies with CDBG requirements, complete final design plans and bid specifications, complete review and obtain approval by other agencies of all permits necessary to complete project, start, and complete construction. For a project to be considered, sufficient other local, state or federal funds either are not available or cannot be obtained within the time frame necessary to address the problem.
Points in this section include:
- 0 – 8 points: Inadequately defined, below average
- 9 – 20 points: Reasonably defined, average compared to other applicants
- 21– 30 points: well-defined, above average

Section 5.04 Use of Consultants

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

There are a number of reasons why a community may want to use consultants to assist with preparing a Community Development Block Grant application or administering a grant, such as when:

1. Work requires special professional services, such as accounting, architectural, engineering, legal, or planning services;
2. Local staff is inexperienced in the area of grant writing or project administration, or is already committed to other ongoing activities; or,
3. Work involves a short-term, but somewhat specialized project activity that does not justify hiring experienced, full-time staff.

Communities selected for CDBG funding will receive written guidelines regarding the federal and state requirements for selection of consultants to assist with project implementation, such as engineers, architects, planners, housing management administrators, or project administrator. The federal requirements do not apply to communities selecting consultants to assist with the preparation of an application; however, these costs are not eligible for reimbursement.

The procurement process for consultant selection must outlined in detail in accordance with Section 5.04 (3) Competitive Proposals. In specific instances, Exhibit K Procurement Process may be required at the time of application along with related supplemental documentation. Applicants shall complete Exhibit K1a/b if this process as described in Section 5.04 (3) will not be used. The applicant must state why and identify the process that will be used for selecting a consultant. This also includes the process used or electing the application preparer if that firm or individual is a part of or included in the process intended for selection of the consultant that implements the project. Exhibit K2 shall be completed if the procurement process is completed prior to submission of application. Procurement process must follow state and federal requirements with the exception of the Applicant/Grantee acting in their own capacity. Additional information is available within Section 5.02 and Chapter 9.

Several points should be considered before selecting any consultant, engineer, architect, planner, housing management administrator, or other professional to help assure that the community will receive satisfactory service. Cost-plus contracts are prohibited.

1) “Loss-Leader” Arrangements

“Loss-leader” arrangements, where a consultant offers to prepare a grant application or preliminary engineering estimates at cut rates or at no cost in return for a future contract if the application is funded, are prohibited by federal regulations. Some firms may suggest this approach because costs incurred by a city or county prior to the award of CDBG funds, such as preparation of the application or preliminary engineering studies, not eligible for reimbursement. However, loss-leader arrangements violate federal regulations which require “maximum open and free competition.” Professional organizations also consider this practice unethical because it deprives the client of the benefits that can results from competition among competent, professional firms.

2) Selection of Engineers, Planners, or Administrative Consultants Prior to Grant Award

Generally, the use of multi-services procurement and contracting is prohibited, except for:

a) When local officials decide to procure the services of an engineer to assist them with both preparation of preliminary engineering plans (that is not grant application preparation) and project engineering, in the event their community is selected for grant award;
b) When a community wants to conduct one procurement process to cover both grant preparation and grant administration; and

c) When a community wants to conduct one procurement process to cover both grant application preparation and grant implementation (contingent upon CDBG award).

On occasion local officials decide to procure the services of an engineer to assist them with both preparation of preliminary engineering plans and project engineering, in the event their community is selected for grant award. Likewise, some communities want to conduct one procurement process to cover both grant preparation and grant administration. This approach is permitted under federal procurement regulations. Obviously, in both cases, the selection process would occur prior to grant application. Any agreement between the community and the engineer or consultant that includes preliminary and project engineering or grant writing and administration services would have to be contingent upon award of CDBG funds. Any such contract also would have to have the prior approval of the Department of Economic Development to assure that federal procurement procedures complied with, and that all required federal clauses are included in the contract. Local officials would have to follow the procedures briefly outlined below under Competitive Proposals.

3) Competitive Proposals

Procurement by “competitive proposals” is a method used to meet federal and state requirements for soliciting architectural, engineering, legal, management, or accounting services. If your CDBG application is selected for funding, this is the procedure that is most appropriate to solicit and select professional services for your project. You may also want to use this procedure to select a consultant to assist you with the preparation of a CDBG application.

Competitive proposals are advertised and requested from several qualified sources.

HUD regulations for competitive proposals require the following:

(1) Requests for proposals (RFP’s) or qualifications (RFQ’s) must be publicized and identify all evaluation factors and their relative importance.

For example: RFP evaluation criteria may include technical expertise of the firm and its personnel (25 points); past record of performance on projects of similar nature, including quality of work and cost control (25 points); familiarity with CDBG program (20 points); capacity of firm to perform the work within time schedule (20 points); and the nature and extent of services proposed versus estimated fees (10 points); etc.

In general, grantees should use RFP process for professional planning services.

(2) Proposals must be solicited from an adequate number of qualified sources (at least three);

(3) Grantees and sub-grantees must have a method for conducting technical evaluations of the proposals received according to the criteria specified in the RFP and for selecting awardees;

(4) Awards must be made to the responsible firm whose proposal is most advantageous to the program, with price and other specified factors considered; and

(5) Grantees may use competitive proposal procedures for qualification-based procurement of architectural/engineering (A/E) professional services, whereby competitor’s qualifications are evaluated and the most qualified competitor is selected subject to negotiation of fair and reasonable compensation.

The method where price is not used as a selection factor can only be used in procurement of Architectural or Engineering services (NOTE: this does not include professional planning services).
DED recommends sending RFP’s to firms serving your region of the State. In addition to advertising in your local newspaper, you should also advertise in at least one other newspaper that is widely distributed in your region of the state. The community would evaluate the firms responding and could then conduct interviews with one or more of the firms responding and select a consultant. The community then negotiates a contract with terms and conditions to its satisfaction. Be sure to score all proposals received in accordance with the terms described and published with the RFP or RFQ, depending on the method used.

A response to an RFP should not be confused with competitive bid. A bid is an estimate of cost in response to detailed specifications. A response to a RFP in the competitive proposal process is a description of how a consultant proposes to approach solving your problem. Competitive proposals refer to the comparison of qualifications and may include fees where required or deemed appropriate. However, the main focus in selecting the consultant is to evaluate the content of the proposal and the consultant’s qualifications and demonstrated competence.

4) References
Any time a consultant solicits your business you should always check references prior to contracting with them. Request a list of prior clients, showing the organization’s name, address, phone number and contact person, as well as a brief description of the work performed. A list of the most recent clients is preferable (especially previous CDBG projects). Contact each reference. Some useful questions might be:

- Were you satisfied with the work?
- Was it performed on time?
- Was the consultant knowledgeable about the program?
- Were the tasks or work products prepared by the consultant useful?
- Did the consultant work with local staff to develop local capacity?
- Were the costs or charges reasonable? Did they stay within their original budget?
- Would you hire them again?

In addition, check to see if the work done for these clients is similar to what you want the consultant to do. The ability to write a grant application does not mean the same consultant has the capability to assist you with managing a grant. Sometimes the firm you are interested in will be a new firm with few if any client references. New, small firms can be just as good as well established, large firms, so instead of asking for client references, you could ask for past employer references.

Checking references prior to contracting is the most important action you can take to avoid becoming involved with a less than satisfactory firm.

5) Involve Local Staff
Whenever you retain a consultant to assist you with preparing a grant application or managing a CDBG project, make sure that someone from the city or county works with the consultant and understands the community’s application or the management issues involved. You should have a local staff person become familiar with the regulations for the CDBG program and work closely with the consultant in developing the application or managing the project. A consultant is a technical resource.

Section 5.05 Requirements for Submitting Applications
To apply for funds under these guidelines, an eligible applicant must complete the APPLICATION FOR EMERGENT THREAT form. This form consists of five parts: Part I – General Information, Part II – Funding Summary, Part III – Project Budget, Part IV – Selection Criteria, and Part V – Exhibits. All parts must be completed according to instructions before an application will be considered for funding. Applicants shall be contacted by DED if their application is incomplete. Incompleteness applies only to Part I – General Information, Part II – Funding Summary, and Part III – Budget, and Exhibits. When all deficiencies have been corrected, DED will resume the review process.
Section 5.06  Post Award Requirements
Considerations should be given to a variety of Federal and State regulations that can have scheduling or cost implications. Among these are:

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

2. **2 CFR Part 200 Subpart F**
Local governments and nonprofits that expend $750,000 or more must conduct a single audit of federal and local funds.

3. **Davis-Bacon Act**
This and related acts require that prevailing wage rates be paid to all employees working on a construction contract of $2,000 or more.

4. **Acquisition/Relocation**
Regulations for acquisition and relocation emphasize anti-displacement and should be discussed with the Department URA representative at the beginning of the project. The Uniform Relocation and Real Properties Acquisition Act (URA) apply to all federally assisted activities that involve the acquisition of real property or the displacement of persons. If CDBG funds are used in any part of the project, the URA would govern the acquisition of real property, including easements, and any resulting displacement, even if local funds are used to pay the acquisition costs. The URA requirement may include formal notification of the affected property owner(s), preparation of an appraisal to determine fair market value, and a written purchase offer based on an amount determined to be fair market value. The only exception is a voluntary transaction that meets certain criteria.

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

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

6. **Procurement**
Open and free competition on solicitation of professional services bidding is also required in most cases. If the applicant intends to use CDBG funds to pay all or a portion of fees, or intends to claim fees as match, then CDBG procurement guidelines must be followed. Grantees must establish and maintain effective internal controls over the CDBG award, providing reasonable assurance that all parties involved are compliant with federal, state, and local statutes, regulations, and the terms and conditions of the CDBG award. For more information, see Section 5.05 of the Application Guidelines.

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

8. **Special Assessments**

Where CDBG funds are used to pay all or part of the cost of a public improvement, special assessments to recover the non-CDBG portion may be made provided CDBG funds are used “to pay” the special assessment on behalf of all properties owned and occupied by low- and moderate-income persons. For more information see Section 3.02 (3).

9. **Equal Opportunity, Fair Housing, and Handicap Accessibility**

Laws require that CDBG grantees administer their projects in a manner that affirmatively furthers fair housing and equal opportunity. All grantees will be required to undertake specific activities to further fair housing. Grantees must also assure that all activities and services are accessible to those with disabilities.

10. **International Energy Conservation Code**

Most new construction or substantial rehabilitation of buildings must meet the 2009 International Energy Conservation Code or the most recent version of the International Conservation Code in effect, as specifications (at no cost) that meet said standards. This applies to lighting, heating, cooling, ventilating, or water heating equipment or controls, as well as building envelopes. The certification form, which will be provided by the NEO, will attest that the building design complies and provide summary information about the design.

When the Energy Office has determined that a subject building complies, or has received documentation of alternate compliance, it will provide a Verification of Construction form on which it must be certified that the building is constructed substantially according to the plans. At key points during construction, the building should be inspected to verify that insulation and other envelope components, and all specified lighting, heating, cooling, ventilating, and water heating equipment and controls are installed as indicated on the plans. The Verification of Construction form must be signed and returned to the Energy Office within twenty (20) days following substantial completion. Contact NEO at (402) 471-2867 for a copy of the code.

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

11. **Continued Use**

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

**Section 6.01  Glossary of Terms**

**Annual Action Plan (AAP)**

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

**Assessment Abatement**

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

**Beneficiary**

The ultimate consumer of HUD programs who receives benefits from a HUD Recipient or Sub-recipient.
Community Development Need
A demonstrated deficiency in housing stock, public facilities, economic opportunities, or other services that is necessary for developing or maintaining viable communities.

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

Consolidated Plan
The Nebraska Five-Year Consolidated Plan is a comprehensive planning document identifying the state’s needs in housing, homelessness, community and economic development. The State is required by the U.S. Department of Housing and Urban Development (HUD) to complete a Consolidated Plan every five years to receive federal funds for the Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), National Housing Trust Fund (HTF), Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Solutions Grant (ESG) programs. Two other State funded programs are included in the plan, Homeless Shelter Assistance Trust Fund (HSATF) and Nebraska Affordable Housing Trust Fund (NAHTF).

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

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

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

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

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

Firm Public or Private Commitment
An agreement by a private or public party to take part in a local community development project. The party must demonstrate the capacity to carry out the activity specified in the grant application. The agreement may take the form of a city council or county board resolution, letter from a governmental agency, or a letter of credit from a private lending institution.
**Flood and Drainage**
Facilities designed to influence or affect the flow in a natural water course (such as a river, stream, lake, or intermittent stream) and excludes storm sewers.

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

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

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

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

**Income**
The total gross income (before taxes) of all members of a family who are age 15 or older. Income includes all monies received by all members of the family such as gross wages and salaries, bonuses, tips, interest, dividends, social security, other retirement, supplemental security income, welfare, disability, VA payments, unemployment, alimony, other. A family that is involved in a business where the finances are interrelated with the family budget (such as a farmer) should consider their income as net after expenses, as reported to the Internal Revenue Service.

**Language Assistance Plan (LAP)**
A written implementation plan that addresses identified needs of the LEP persons served.

**Leverage**
Funds that are committed to the project activities exceeding the required match. Leverage may include public and private funds, or in-kind services, such as materials, labor, or other items that are directly related to the project. Leveraged funds may be considered only if they are spent during the project period. (Date of Release of funds through the project completion date). The amount of leverage must be given in dollars.

**Limited English Proficient Person (LEP)**
Individuals who do not speak English as their primary language and who have a limited ability to read, write, speak, or understand English because of national origin.

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

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

Municipal Equalization Fund (MEF) score
The Municipal Equalization Fund (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 into the scoring criteria for this program.

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 will earn points. If the difference is negative, no points will be awarded under the MEF scoring criteria for this program. All of the incorporated cities in a state are divided into three population groups:

1. Municipalities with a population of 5,000 inhabitants or more;
2. Municipalities with a population between 800 and 5,000 inhabitants; and
3. Municipalities with a population of 800 inhabitants or less.

Populations 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 US Census Bureau.

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

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

Project Cost
Costs to complete the project and not associated with general administration of the grant (i.e. 0181 General Administration) or supporting project costs (i.e. 0380 Construction Management, 0580 Housing Management – Rehabilitation Management, and 0580a Housing Management – Lead-based Paint testing, risk assessment, and clearance testing).

Project Description
Applicants are required to submit a one-page project description identifying the nature and scope of the project. This description is utilized to determine eligibility of project activities and provides overall context to the selection criteria for
scoring of applications. This description should include how the project proposes to address at least one objective and one outcome as described in Section 2.03.

**Service Area**
Area within the community designated to benefit from the project.

**Single Purpose Project**
One or more activities designed to meet a specific community development need.

**Special Assessment**
A fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public improvement or a onetime charge made as a condition of access to the improvement. The amount of the fee represents the pro rata share of the capital costs of the public improvement levied against the benefitting properties. For additional information see, Section 3.02 (3).

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

**Target Area**
A defined geographic area within which an applicant has determined that, based on community plans or other studies, a need for community development activities exists. A target area may be a neighborhood of 100 or more families in a community or an entire community. The target area must encompass the entire area served by the project. For additional information, see Section 3.02 (4).

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

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