

STATE OF DELAWARE CDBG CV PROGRAM

CARES ACT FUNDING

POLICIES AND PROCEDURES OCTOBER 2020



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DELAWARE STATE HOUSING AUTHORITY

CDBG CARES ACT FUNDING

Under the CARES Act, Congress provided \$5 billion to fund the Community Development Block Grant Program (CDBG-CV) for activities to prevent, prepare for and respond to the coronavirus crisis. The first \$2 billion was distributed using the same formula the United States Department of Housing and Urban Development (HUD) used to award funds to entitlements and states for federal fiscal year 2020. The State of Delaware, through the Delaware State Housing Authority (DSHA) was awarded \$1,427,933 for non-entitlement communities and \$3,236,174 and \$1,880,190 for State Agencies. The remaining \$3 billion will be provided at a later date using formulas to be developed by HUD.

HUD provides the State with "maximum feasible deference" to create additional policies, be more restrictive than HUD in policies and interpretation of regulations, and to determine how funds will be distributed. Additionally, DSHA may choose not to fund certain types of projects though they are eligible. Of the total funds received, 70% of the funds must be spent on activities that benefit low- and moderate-income persons. For this grant, HUD has removed the 15% limit on funding of public services.

The CDBG-CV funds will be distributed as follows:

STATE OF DELAWARE CDBG-CV ALLOCATIONS			
	CV -1	CV-2	CV-3
State Administration	\$103,034	\$226,532	\$131,613
Projects and/or Activities	\$1,368,890	\$3,039,089	\$1,748,577
TOTAL	\$1,471,924	\$3,236,174	\$1,880,190

ELIGIBILITY

For CV-1 funding, DSHA is required to set aside a portion of its grant for use by nonentitlement units of general local government (Kent and Sussex Counties). The nonentitlement set aside **must be no less than an amount equal to the state's first CDBG-CV allocation** and may be from any portion of the state's additional CDBG-CV allocation. This limitation is imposed for consistency with the CDBG-CV formulas, which include a direct allocation to entitlement areas and to states on behalf of nonentitlement areas to prevent, prepare for, and respond to coronavirus. The nonentitlement set aside fulfills the intent reflected by the formula to address needs in urban and rural areas, while giving states the flexibility to determine how to expend each allocation as it is made based on needs within its jurisdiction. to only accept applications from non-entitlement county governments through a competitive process. This limitation is an effort to address needs impacting the entire county. The nonentitlements have agreed to assign either CDBG or CDBG-CV1 back to DSHA to directly administer on their behalf the hotel/motel voucher program with the Division of State Service Centers. The remaining balance of the CV1 grant will be distributed to Kent and Sussex Counties to allocate to eligible public service non-profit entities.

For CV-2 and CV-3 funding, DSHA will be administering the funding directly to entitlements, nonentitlements and/or public service non-profit agencies.

To be eligible for CDBG funding, DSHA, Kent and/or Sussex Counties will have an application process. Each application submitted for funding must meet the following eligibility requirements:

- The applicant is an eligible entity;
- The proposed activities are eligible under Title I of the Housing and Community Development Act of 1974, as amended, and identified on the list of eligible activities in DSHA's CDBG guidelines and this plan;
- The proposed project(s) meets a national objective as required under 24 CFR Part 570;
- The proposed (if any) subrecipient(s) is eligible; A county government can submit one application for multiple projects.

Eligible subrecipients include:

- Entitlements and nonentitlements;
- non-profit organizations that are corporations, associations, agencies or faith-based organizations with non-profit status under the IRS Section 501(c)(3); and
- community based development organizations (CBDOs) that have been certified by DSHA. See *Exhibit I*.

DSHA and/or entitlements are expected to conduct a risk analysis to review and evaluate the financial and administrative capacity of subrecipients to manage and complete projects. This risk analysis should include an assessment of past performance with CDBG funds, experience of staff, and determination that the proposed number of staff to carry out the project(s) is sufficient.

If funded, the grantee will be required to execute a Subrecipient Agreement with the specific entity(s). These agreements bind them to the requirements and policies of the CDBG program and the grantee.

NATIONAL OBJECTIVE

CDBG funded projects must meet at least one of the following national objectives as required by Title I of the Housing and Community Development Act of 1974, as amended:

- to benefit low- and moderate-income persons;
- to prevent or eliminate conditions of slum and blight; or
- to meet an urgent need.

To ensure that the grant activities are used to prevent, prepare for and respond to the coronavirus crisis, DSHA has chosen to limit the use of these funds to meet only two of the national objectives.

The activities to be funded under this grant must meet one of the following national objectives:

Benefit to Low- and Moderate-Income Persons Thru Limited Clientele Activities – For projects that benefit persons that are "presumed" to be of low and moderate income or are qualified based on data about family size and income. If not a presumed clientele, 51% of the total number of beneficiaries must be of low and moderate income.

The following clientele are presumed by HUD to be of low and moderate income:

Abused Children	- Homeless Persons	- Battered Spouses
Elderly Persons	- Persons Living with Aids	- Migrant Farm Workers

Adults meeting the census definition of severely disabled

Benefit to LMI Households Thru Housing Activities – For projects that benefit a low- and moderate-income household that is qualified based on data about household size and income.

Meeting an Urgent Need – For projects that respond to or address a serious and immediate threat to the health and welfare of a community, are of recent origin, and other funding sources are not available. Note that only 30% of the available funding can be used to fund activities under this national objective.

ELIGIBLE USES AND ACTIVITIES

Activities assisted under DSHA's CDBG program must be eligible per Section 105(a) of Title I of the Housing and Community Development Act of 1974 ("HCD Act of 1974"), 42 U.S.C. § 5305(a), as amended.

DSHA chooses to limit the uses of funds to certain activities. The eligible activities can be implemented immediately and are not subject to lengthy environmental review processes or permitting. All activities are considered to be public services by HUD. Applicants must be able to demonstrate that they are addressing needs resulting from the coronavirus crisis.

Under DSHA's CDBG Program, for public service activities, applicants must be able to demonstrate that they are implementing a new service or that they are addressing a quantifiable increase in the demand/need for existing services due to the coronavirus crisis.

Eligible uses and examples of projects/activities are:

- Homeless Assistance: Emergency sheltering vouchers for homeless persons to stay in hotels/motels;
- Homelessness Prevention Assistance: Up to six months' rent, mortgage, and/or utility assistance for low- and moderate-income households who have lost their jobs due to COVID-19, this can include Diversion service programs.
- Senior/Elderly Food Programs: Food Purchase, Delivery, New Staff
- Medical and Health Services: Supplies, Materials, Equipment, Operating Costs, and new staff
- COVID19 Supplies, Materials, and new staff
- Other Essential Services: Will be considered on a case by case basis to determine eligibility

As there is significant funding available at both federal and state levels, the CDBG Program is to ensure that there is no duplication of benefits. Applicants must identify all sources of funds, including local and private, that have been applied for and/or received for requested projects and activities. Food purchases are only allowed during the emergency period.

Applicants can request reasonable amounts of funds for project administration for themselves and their subrecipients. No funds will be awarded for general administration or indirect costs.

APPLICATION SUBMISSION PROCESS

Applications and the process will be posted on DSHA's website with all deadlines.

1. Citizen Participation Requirements – DSHA must comply with citizen participation requirements when seeking CDBG funding and implementing CDBG funded projects. DSHA requires a jurisdiction to adopt and maintain a written *Citizen Participation Plan* which outlines and describes their efforts in soliciting citizen input and responding to concerns and questions. Applicants/grantees are provided minimum language to be included.
2. Public Hearing - A jurisdiction is to conduct at least one public hearing prior to submission of an application for a CDBG project. Failure to conduct the hearing as required will result in the rejection of the application as it will not be in compliance with Citizens Participation requirements.

Hearings may take place in conjunction with a regularly scheduled meeting of the elected public officials of the county that is submitting the application or as a special public hearing. At the hearing, the jurisdiction should discuss the impact of the coronavirus crisis on the county, and how these funds can be utilized to meet local needs, needs of municipalities, and needs of health and human service providers. While the hearing allows for a jurisdiction to seek input on proposed activities, it should allow for input from the community as to other needs that could be considered. A copy of the hearing notice must be submitted with the application. Copies of the meeting minutes must be submitted as soon as completed.

The public hearing notice must be published in a local newspaper at least five (5) days prior to the date of the hearing. Applicants are provided with the *minimum* language required for the notice. Additionally, the jurisdiction should seek to notify the public with other means such as cable television, posted notices in public places, notices in other local publications, newsletters, government website, etc. The jurisdiction should encourage participation of potential or actual beneficiaries of a project and make accommodations for the disabled.

Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate. See *Exhibit C*.

3. Residential Anti-Displacement and Relocation Assistance Plan – DSHA requires jurisdictions to adopt and maintain a written *Residential Anti-Displacement and Relocation Assistance Plan* when the activity is applicable. While a jurisdiction should make every effort to minimize the displacement of persons or businesses when using CDBG funds, this plan will describe what the jurisdiction will do in the event that it does occur. Applicants/grantees are provided minimum language to be included.

Section 104(k) of the HCD Act of 1974, 42 U.S.C. § 5304(k), requires that reasonable relocation assistance be provided to persons displaced as a result of the use of CDBG assistance to acquire or substantially rehabilitate property. Section 104(d) of the HCD Act of 1974, as amended, 42 U.S.C. § 5304(d), requires one-for-one replacement of all low- and moderate-income

dwelling units housing the same number of occupants as could have been housed in the units demolished or converted to another use as a result of CDBG assistance.

A jurisdiction's *Residential Anti-Displacement and Relocation Assistance Plan* is effective for a five-year period. The plan must be current at the time of application. If it is not current or the applicant does not have one, the applicant must adopt and submit a new plan with their application. See *Exhibit E*.

4. Debarment - The applicant is required to complete Debarment Checks on subrecipients prior to submission of an application. The completed forms do not need to be included with the application unless there is a problem. See *Exhibit F*.

5. Limited English Proficiency – Applicants are to demonstrate that they complied with their Limited English Proficiency Plan if they are an existing grantee or, if a new applicant, they researched the available data to determine if any of their outreach efforts required information to be translated into other languages or if other outreach efforts were required. See *Exhibit H*.

6. Environmental Review – Funded grants must be in compliance with the National Environmental Policy Act of 1969 and other federal laws which are specified in 24 CFR Part 58. All activities under this grant will be Exempt or Categorically Excluded: Not Subject to Part 58.5. In order to ensure that approved awards are expedited in a timely manner applicant are to complete the *Certification of Exempt and/or Categorical Exclusion: Not Subject to Part 58.5* and the *Request for Release of Funds forms* and submit with the application to comply with applicable laws.

Public services that do not impact the environment are considered to be Exempt.

Under this grant, the following activities are Categorically Excluded: Not Subject to Part 58.5: Rental assistance Operating Costs including equipment purchase, utilities and supplies.

Note: As only rental assistance is address specific, grantees will be required to complete additional information for approved households.

RATING AND RANKING

DSHA will award CDBG-CV funds through a competitive process. Applications are evaluated using a three-step process: threshold review, project evaluation, and funding recommendations. Applications will not pass threshold and be rejected if: 1) the application is not complete; 2) the public hearing process was not done correctly; 3) the draft of the application was not available for public review before submission; 4) the application is not received by the established due date; or 5) the proposed project and/or activities do not meet the eligibility requirements.

Due to the immediate crisis, the CDBG Program will not consider performance issues related to previous CDBG grants when reviewing the applications for CDBG-CV funds. However, if funded, additional requirements may be identified if a grantee has existing performance issues.

Staff will review the Needs Assessment(s) in each application to determine if it is complete, comprehensive and sufficient. Applicants will be contacted if additional information is required. Applications will be rated and ranked competitively by a review committee composed of Delaware CDBG program staff with participation from other state and/or federal government agencies when appropriate. Applicants will be given an opportunity to answer the committee's questions via phone or e-mail.

Rating is based on a 100-point scale. Point ranges have been established for each criterion to gauge the extent to which the applicant meets the criterion. The following factors will be considered in determining the points assigned.

RANKING FACTOR	MAXIMUM POINTS
BENEFIT	60 Points
READINESS TO PROCEED	40 Points

1. BENEFIT (60 maximum points)

Applications and projects will be evaluated based on their impact and ability to prevent, prepare for and respond to the coronavirus. Applicants must clearly describe needs, solutions, and proposed benefits and accomplishments.

2. READINESS TO PROCEED (40 maximum points)

As Congress and HUD have mandated that funds must be spent in a timely manner, the applications and projects will be evaluated based on capacity and readiness to proceed.

- Applicants must describe how they will implement each project.
- Applicants must provide an overall grant management plan including how they will manage subrecipient(s).
- Applicants must provide detailed schedules for each project.
- Applicants must provide detailed explanations as to how costs were derived.

FUNDING RECOMMENDATIONS

The highest rated applications are recommended for funding until the available funding for the round is exhausted. DSHA reserves the right to reduce requested amounts or to not fund specific projects identified in an application.

The recommendations of the Review Committee for both approval and rejection of applications are reviewed by the Director of DSHA for final approval. Awards are expected to be announced within approximately 30 days of the application submission deadline.

PROGRAM REGULATIONS, REQUIREMENTS, AND POLICIES

Grants must be implemented in compliance with the requirements found in the HCD Act of 1974, the CDBG program regulations found in 24 CFR 570, other federal regulations, and state policies and procedures. While most are not applicable until a project is funded and underway, some have to be considered when submitting an application for funding as they may impact cost, schedule, staffing, etc. The ones listed below are specific to the eligible activities that can be funded under this grant:

1. Audits – If a grantee spends more than \$750,000 of federal funds from any source during their fiscal year, they are required to have a Single Audit prepared in conformance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR Part 200).
2. Conflict of Interest - Grantees must comply with federal Code of Conduct or Conflict of Interest Standards found in 2 CFR Part 200 and 24 CFR Part 570.489 which includes having a written policy. Additionally, State of Delaware law requires local governments to adopt conflict of interest restrictions and financial disclosure requirements for local elected officials and candidates that are at least as stringent as the requirements for public officials contained in the Public Ethics Law. More information regarding the Local Government Ethics Law can be found at COMAR, Title 19A, Subtitle 04, Local Government Ethics Law. *Note that those exempt from this requirement under the State of Delaware law must still comply with federal requirements.*
3. Duplication of Benefits – Grantees are to ensure that there is no duplication of benefits related to funding of projects. Additional guidance will be provided to approved grantees.
4. Emergency Rental Assistance - Specific policies and requirements.
5. Fair Housing and Equal Opportunity – Grantees must demonstrate their compliance with numerous federal laws, regulations, and Executive Orders as a recipient of a CDBG award and in their general conduct of operating a government. The most relevant regulations are related to non-discrimination when using HUD funding programs; non-discrimination and equal opportunity in housing; non-discrimination on the basis of race, color, religion, sex, national origin, handicap or familial status in programs and activities receiving or benefiting from federal assistance; and employment and contracting opportunities for lower income persons or minority businesses. The grant agreements issued for funded projects will identify all that apply and the specific requirements. Note that these requirements also apply to subrecipients.

6. Financial Management - Grantees must comply with appropriate sections of 2 CFR Part 200, 24 CFR 570.489 and State regulations and requirements in the financial management of their federal grant. CDBG funds should only be spent on costs that are deemed as "reasonable and necessary." *The CDBG Program Financial and Procurement Manual* will provide additional information.

7. Food - The purchase of food is allowable during the emergency/crisis period. Food cannot be purchased after the emergency period has passed. The definition of "emergency period" needs further clarification from HUD. More detailed information will be provided to grantees.

11. Homeless Assistance - Applicants must coordinate requests for any funds for assistance for homeless persons with their local Continuum of Care. The lead agency for the continuum can serve as the subrecipient and carry out activities or manage activities of organizations under the continuum or they can provide support letters for homeless projects with other subrecipients. Homeless prevention activities are not eligible under "homeless assistance."

12. Lead-Based Paint - Grantees are to comply with federal lead paint requirements for specific types of activities that are funded under this grant. See *Exhibit J* for specific information.

13. Operating Costs - Costs must be in support of the new or expanded services. Leasing and utility costs are eligible only to the extent that they support the new or expanded services. Funds cannot be used for previously budgeted costs.

14. Procurement - Grantees are to comply with requirements and processes as identified in the *CDBG Program Financial and Procurement Manual* for all procurement activities. The use of the same policy by all grantees ensures compliance with appropriate sections of 2 CFR Part 200 and 24 CFR 570.489 when purchasing materials, products or services with federal funds.

15. Project Administration Costs - All costs supporting project administration or project delivery costs must be documented. Timesheets must be maintained for all persons paid with CDBG funds. The timesheets must reflect actual hours worked on the project.

ADDITIONAL PROGRAM INFORMATION

1. Grant Period - The end date for all grants will be June 30, 2022. No time extensions will be provided. The grant period is related to the expenditure of the grant funds only.

2. Grant Amendments - Grants may be amended only for changes in scope and budget activities. Requests for amendment must be submitted in writing for the following:

- the proposed addition of a new, or deletion of an existing activity or project; the scope of a project will change;
- a budget revision is proposed resulting in a transfer between approved budget line items in excess of ten percent of the grant award; or
- other instances where DSHA determines an amendment to be appropriate.

Grant amendment requests shall provide sufficient information to explain and justify the proposed changes. The CDBG Program may determine that an amendment to a grant

agreement requires additional actions. The grantee will be notified in writing if they must complete any of the following requirements:

- additional citizen participation efforts;
- additional review by the State Clearinghouse; or
- additional environmental review.

The request for a grant amendment will be reviewed on the basis of eligibility and the evaluation criteria applicable at the time of the amendment request.

3. Reporting – Grantees will be required to submit quarterly reports. The report forms will be specific to projects and activities for each grant.

4. Monitoring and Close Out of Grants - Grants will be monitored on an on-going basis by CDBG Program staff for compliance with federal and state regulations and requirements and to ensure that the national objective has been met. All applications are considered "open" until they have been fully monitored and all issues are resolved. DSHA will issue a Close Out letter to the grantee when it has been formally closed. Grant files and records must be retained by the grantee for a five (5) year period after close out of DSHA's grant by HUD.

5. Recapture and Repayment of Funds – The CDBG Program will recapture funds from awarded grants if the grantee is not expending funds and implementing projects in a timely manner. In the event that additional funds are made available under this round due to recapture, funds will be offered to other CDBG-CV grantees for an existing project provided they can demonstrate immediate need for additional funding.

Any funds recaptured through grant termination, repayment due to monitoring findings, or completion of an activity at a cost savings will be subject to HUD regulations and requirements.

6. Duplication of Benefits

A duplication of benefits occurs when a person, household, business, government, or other entity receives financial assistance from multiple sources for the same purpose, and the total assistance received for that purpose is more than the total need for assistance. DSHA Grantees may not use CDBG-CV funds for costs already fully covered by other programs.

The CARES Act provides that the Secretary of HUD shall ensure there are adequate procedures in place to prevent any duplication of benefits as required by section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155) and in accordance with section 1210 of the Disaster Recovery Reform Act of 2018 (division D of Public Law 115–254; 132 Stat. 3442), which amended section 312 of the Robert T. 2 Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5155). HUD will require each grantee to have procedures in place to prevent the duplication of benefits when it provides financial assistance with CDBG-CV funds. Grant funds may not be used to pay for a particular cost if another source of financial assistance is available to fully pay for that same cost.

DSHA Grantees can prevent duplication of benefits by having an awareness of other assistance that its community may receive for COVID-19 prevention, preparation and response and designing its CDBG-CV program and activities to target unmet needs.

If duplication of benefits is discovered by DSHA, Grantees will be required to repay CDBG-CV grants with non-Federal funds.

DSHA's duplication of benefits policies and procedures include the following:

1. At application, Grantees must provide a list of sources and uses for the public service activity and certify that there will be no duplication of benefits. The sources and uses should include all Federal and non-Federal funding, including in-kind donations. If the budget shows that the need is greater than funding sources, there is no duplication of benefits.
2. Language on Duplication of Benefits requirements will be part of each CDBG-CV contract.
3. A benefits analysis will be required for every draw during the contract period. A duplication of benefits analysis will be on a separate tab, include the financial analysis and certification. When assistance is provided to individuals, the duplication of benefits analysis must examine other sources the person has or will receive for the same purpose (i.e. cost).
4. DSHA will monitor duplication of benefits during the contract period through on-site and desk audits.

DSHA prepared this plan using all available information provided by HUD at the time. If future guidance from HUD requires changes to approved projects, applicants/grantees will be notified immediately.

•••Exhibit A•••

HUD 2020 CDBG Income Limits

Due to number of pages, applicants/grantees are referred to the CDBG Page on the DSHA website.

•••Exhibit B•••

DELAWARE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

CITIZEN PARTICIPATION PLAN

Not Required for Subgrantees

You may attach DSHA's located at the following link:

http://www.destatehousing.com/FormsAndInformation/Publications/ds-fy2015-19_amendment_plan.pdf

SAMPLE NOTICE

_____ has adopted this Citizen Participation Plan to meet the citizen participation requirements of 24 CFR 570.486 and 24 CFR 91.11S(e). Regulations require that each unit of general local government receiving or expecting to receive Delaware Community Development Block Grant Funds:

- Furnish citizens with information related to the availability of CDBG funding including the amount DSHA makes available under each state fiscal year, the eligible CDBG activities, and the eligible uses of CDBG funds;
- Provide for and encourage citizen participation, particularly by low- and moderate-income persons who reside in slum or blighted areas and areas in which CDBG funds are proposed to be used;
- Ensure that citizens will be given reasonable and timely access to local meetings, information and records relating to the unit of general local government's proposed and actual use of CDBG funds;
- Provide technical assistance to groups representative of persons of low and moderate income that request assistance in developing proposals in accordance with procedures developed by DSHA. Such assistance need not include providing funds to such groups;
- Provide for a minimum of two public hearings, each at a different stage of the project, for the purpose of obtaining citizen's views and responding to proposals and questions. Together the hearings must cover community development and housing needs, development of proposed activities and a review of program performance. Public hearings to cover community and economic development and housing needs must be held before submission of an application to DSHA. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped. Public hearings shall be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate;
- Provide citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in an application to DSHA and, for grants already made, activities which are proposed to be added, deleted, or substantially changed from the unit of general local government's application to DSHA. Substantially changed means changes made in terms of purpose, scope, location or beneficiaries as defined by criteria established by DSHA;
- Provide citizens with the (County/Town) Residential Anti-Displacement and Relocation Assistance

Plan if proposed applications to be submitted will likely to result in displacement of persons or businesses from their homes or businesses;

-
- Provide citizens the address, phone number and times for submitting complaints and grievances, and provide timely written answers to written complaints and grievances, within 15 working days where practicable.

CDBG funded activities may serve beneficiaries outside the jurisdiction of the unit of general local government that receives the grant, provided the unit of general local government determines that the activity is meeting its needs in accordance with section 106(d)(2)(D) of the Act.

PROVISION OF INFORMATION. PUBLIC HEARINGS AND COMMENTS

_____ will provide reasonable access to records and information on the proposed and actual use of CDBG funds during regular business hours of _____ am- _____ pm at the following location: _____

Where possible, _____ will provide copies of documents or access to copying services to citizens or groups requesting information at their own expense.

Information will be furnished to citizens through public notice in _____, a newspaper of general circulation. _____ may also provide additional information to its citizens about the CDBG Program through articles in local newspapers, newsletters or community bulletins, flyers distributed door to door or at presentations made at community meetings.

_____ will hold at least one public hearing to receive input by citizens on the housing and community and economic development needs of the jurisdiction and to discuss the development of proposed activities. This hearing will be held in conjunction with a regularly scheduled meeting of the elected public officials prior to submission of an application for CDBG funds.

If the MD CDBG Program funds the activity, a second hearing on program performance must be held at some point during the grant period after the activity has been initiated.

The MD CDBG Program requires that notice of a public hearing be published in a newspaper of general local circulation no less than five (5) days in advance of the hearing. Hearings will be held at times and locations convenient to actual or potential beneficiaries and at locations accessible to the disabled. Documentary evidence that the required notices are published and public hearings are held in accordance with the plan will be maintained. Copies of the actual notices and/or affidavits shall be a part of the files, in addition to minutes of the hearings.

Written minutes of the hearing and an attendance roster will be maintained by _____
___ at the following location: _____

If necessary, _____ will make arrangements for a translator when it is expected that non-English speaking persons will participate. Similarly, a signer shall be provided for a deaf or mute participant. If special accommodations are necessary, however, requests should be made to _____ @ _____. At least _____ days advance notice is requested.

_____ will provide citizens an opportunity to comment on the proposed activities in an application to DSHA. Written comments may be sent to:

TECHNICAL ASSISTANCE

When requested to provide technical assistance to groups representative of persons of low and moderate income, _____ will assist if possible. Files shall document meetings between the group and the local government. If staff capacity to assist does not exist, _____ may offer a referral to DSHA State or to a consultant who can provide the necessary expertise.

COMPLAINTS AND GRIEVANCES

Citizens who wish to submit a complaint or grievance may do so by calling or writing:

_____ shall make reasonable effort to provide a response in writing to written complaints or grievances within 15 working days.

AMENDMENTS TO APPLICATIONS OR GRANTS

_____ will provide citizens notice of, and opportunity to comment on, substantial changes to grants already made, including changes in the purpose, scope, location or beneficiaries. This can be achieved through public notice describing the change and establishing a comment period or through public hearing.

This Citizen Participation Plan is hereby adopted by _____

on _____, 20__ . It is effective for a 5 year period until _____

CHIEF ELECTED OFFICIAL

WITNESS

•••Exhibit C•••

*First Public Hearing Notice
(Sample shows minimal language to be included)*

NOTICE OF PUBLIC HEARING
Required for Kent and Sussex County Only

DSHA's Public Hearing Notice link:
[http://www.destatehousing.com/FormsAndInformation/
Publications/2019_annual_action_plan_nofa.pdf](http://www.destatehousing.com/FormsAndInformation/Publications/2019_annual_action_plan_nofa.pdf)

The (*Jurisdiction*) will conduct a Public Hearing to obtain the views of citizens on community development and housing needs to be considered for submission of an application to the Delaware Community Development Block Grant Program (CDBG) for funds awarded through the federal CARES Act. Funds must be used to prevent, prepare for and respond to the coronavirus.

Citizens will have the opportunity to discuss proposed projects and to provide input on other needs to be considered. The hearing will be held at the (*Location*) at (*time, day, and date*). The draft application will be available for the public to review on (*date*) until (*date*) at (*location*) during normal business hours.

Citizens will be furnished with information including but not limited to:

- * the amount of CDBG funds available;
- * the range of activities that may be undertaken with CDBG funds; and
- * the proposed projects under consideration by (*Jurisdiction*).

The Delaware CDBG Program is a federally funded program designed to assist governments with activities directed toward neighborhood and housing revitalization, economic development, and improved community facilities and services. It is administered by the Delaware Department of Housing and Community Development.

Efforts will be made to accommodate the disabled and non-English speaking residents with _____*days* advance notice to _____ (*name and phone number of contact*).

(Chief Executive Officer of Jurisdiction)

••• Exhibit D •••

Authorizing Resolution

(Sample shows minimal language to be included)

N/A for DSHA

Required for Kent and Sussex

SAMPLE RESOLUTION

WHEREAS, the State of Delaware through the Department of Housing and Community Development has solicited applications from eligible jurisdictions to apply for funding under the Delaware Community Development Block Grant Program for funds awarded through the federal CARES Act; and

WHEREAS, (Jurisdiction) is eligible to apply for funds from the Delaware Community Development Block Grant program through the Delaware Department of Housing and Community Development; and

WHEREAS, the (Board/Council name) have held the required public hearing(s) related to the formulation of the (Jurisdiction)'s Block Grant Application; and

WHEREAS, the (Board/Council name) understand and acknowledge that they would be responsible for completion of grant activities and any corrective actions including the repayment of funds if necessary;

NOW, THEREFORE, BE IT RESOLVED, that the (Board/Council name) authorize the submittal of an application for Community Development Block Grant funds in the amount of .(1) this () day of (20_) for the following project(s):

BE IT FURTHER RESOLVED, that (Chief Elected Official) is authorized and empowered to execute any and all documents required for the submission of the application.

(Board/Council name)
(Jurisdiction)

By: _____
(President/County Executive)

Attest:

• • • Exhibit E • • •

RESIDENTIAL ANTI-DISPLACEMENT AND RELOCATION ASSISTANCE PLAN

NOT APPLICABLE FOR PUBLIC SERVICE ACTIVITIES

_____ will take every preventable action to minimize the involuntary displacement of persons or businesses when using federal funds received from the Delaware Community Development Block Grant funds as a source of funding in our projects. In the event that displacement occurs, hereby agrees to comply with all requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 ("URA"), as amended, as described in 49 CFR Part 24; and with the Housing and Community Development Act of 1974 ("HCD Act of 1974"), as amended, as described in 24 CFR Part 42.

RELOCATION

_____ will provide relocation assistance as required under the URA to all persons or businesses displaced as a direct result of assisted activities. They shall be provided relocation benefits which, at a minimum, include:

- Relocation assistance planning and advisory services;
- Moving expenses;
- Referral to comparable replacement unit; and
- Replacement housing payments for 42 months.

Low- and moderate-income households displaced by the acquisition or demolition of housing or by the conversion or rehabilitation of low- and moderate-income dwellings to another use are entitled to additional benefits under the requirements of 24 CFR 42.350. These additional benefits include:

- Security deposits and credit checks,
- Referral to comparable replacement unit; and
- Replacement housing payments for 60 months.

Additionally, legal, low- and moderate-income tenants are also eligible for:

- Referral to at least one suitable, decent, safe and sanitary replacement dwelling unit. _____

_____ shall advise tenants of their rights under the Federal Fair Housing Act, 42 U.S.C. §§ 3601-3619, and of replacement housing opportunities in such a manner that, wherever feasible, they will have a choice between relocation within their neighborhood and other Neighborhoods; and

- Each person must be offered rental assistance equal to 60 times the amount necessary to reduce the monthly rent and estimated average monthly cost of utilities for a replacement dwelling (comparable replacement dwelling or decent, safe, and sanitary replacement dwelling to which the person relocates, whichever costs less) to the "Total Tenant Payment." All or a portion of this assistance may be offered through a certificate or voucher for rental assistance (if available) provided under Section 8 of the United States Housing Act of 1937, 42 U.S.C. § 1437f.

In addition, in consideration of the financial assistance received from the Delaware CDBG Program, particularly when such assistance is used for acquisition, rehabilitation, demolition, or conversion which results in temporary relocation, agrees to assist either the temporarily displaced residential or business tenant or owner occupant during the time they are displaced. Those receiving temporary relocations shall receive at a minimum:

- Interim living costs;
- Relocation assistance planning and advisory services;
- Reasonable moving expenses; and
- Rental Assistance (if moving to more expensive unit).

ONE FOR ONE REPLACEMENT HOUSING

In the event that low- and moderate-income dwelling units are demolished or converted to a use other than as low/moderate-income housing, will replace all units that were occupied or were vacant but deemed occupiable as required under Section 104(d) of the HCD Act of 1974, as amended.

All replaced housing will be provided within three (3) years of the commencement of the demolition or rehabilitation relating to conversion. Before obligating or expending funds that will directly result in such demolition or conversion, will make public and submit to the Delaware CDBG Office the following information in writing:

- A. A description of the proposed assisted activity;
- B. The location on a map and number of dwelling units by size (number of bedrooms) that will be demolished or converted to use other than as low/moderate-income dwelling units as a direct result of the assisted activity;
- C. A time schedule for the commencement and completion of the demolition or conversion;
- D. The general location on a map and approximate number of dwellings units by size (number of bedrooms) that will be provided as replacement dwelling units;
- E. The source of funding and a time schedule for the provision of replacement dwelling units; and
- F. The basis for concluding that each replacement dwelling unit will remain a low/moderate-income dwelling for at least ten (10) years from the date of initial occupancy.

GENERAL POLICIES

1. will take every preventable action to minimize the involuntary displacements of persons or businesses during the implementation of our CDBG funded projects. Examples of actions that may be taken include:

Stage rehabilitation of assisted housing to allow tenants to remain during and after rehabilitation, working with empty buildings or groups of empty units

first, so they can be rehabilitated first, and tenants moved in before rehabilitation of occupied units or buildings is begun.

Establish temporary relocation facilities in order to house families whose displacement will be of short duration, so they can move back to their neighborhoods after rehabilitation or new construction.

Provide counseling to assist homeowners and renters to understand the range of assistance that may be available to help them in staying in the area being revitalized.

2. may enter into a written agreement with a subrecipient, or the owner of the assisted property, under which either may pay all or part of the cost of the required relocation assistance.
3. understand the cost of relocation assistance and other benefits shall be paid from CDBG funds or such other funds as may be available from any source including the jurisdiction's general fund.
4. will refer owners and/or tenants to DSHA's CDBG Program if there is a disagreement with the determination that these requirements do not apply to an acquisition or a displacement.
5. will prepare a specific Relocation Plan in the event that funding is requested for a project where it is known that displacement will occur.

ATTEST/WITNESS

(Typed Name of Chief Elected Official)

(Signature)

This Anti-Displacement Plan is hereby adopted by _____
on _____, 20___. It is effective for a 5-year period until _____

• • • Exhibit F • • •

**DELAWARE COMMUNITY DEVELOPMENT BLOCK GRANT
PROGRAM**

Certification Regarding Debarment and Suspension

Instructions

All CDBG grantees will be required to do debarment checks on all subrecipients and anticipated contractors receiving CDBG funds. This applies to labor contractors, engineers, consultants, architects, etc. These checks will be completed by using the form provided. The completed form should be placed in your CDBG records in a separate folder.

For proposed subrecipients, the checks must be completed prior to submission of the application. Upon award of grant funds, the checks must be completed by you prior to signing a contract for services.

Note: Debarment checks for construction contractors will still be completed by the CDBG Labor Standards Officer.

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, Participants' responsibilities. The regulations were published as Part IV of the January 30, 1989 Federal Register (pages 4722-4733).

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective shall attach an explanation to this proposal.

Grantees should use the System for Award Management (SAM) web-site to determine if the potential contractor or engineering firm is excluded from receiving Federal contracts. The web-site can be found at www.sam.gov.

DELAWARE CDBG PROGRAM

Debarment Check

Name of Contractor _____

Contractors Address _____

Date Debarment Check Completed _____

CERTIFICATION SIGNATURE:

SIGNATURE: By signing this Certification page, you certify that you performed the necessary actions to complete the debarment check and certifying that this contractor is not debarred or suspended.

Grantee Name: _____

Program Name: Delaware CDBG Program

Chief Elected Official or Designee: _____

Signature: _____

Date: _____

(Signed Certifications are to be kept in CDBG project files)

•••Exhibit H•••

COMMUNITY BASED DEVELOPMENT ORGANIZATION CERTIFICATION

Community Based Development Organizations (CBDOs) are associations or corporations organized under State or local law to engage in community development, housing or economic development activities within an identified geography area of operation. They must meet provisions of 24 CFR Part 570.204(c).

A CBDO qualifying organization has the following characteristics:

- Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of LMI persons; and
- May be either non-profit or for-profit, provided any monetary profits to its shareholders or members must be only incidental to its operations; and
- Maintains at least 51 percent of its governing body's membership for LMI residents of its geographic area of operation, owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or representatives of LMI neighborhood organizations located in its geographic area of operation; and
- Is not an agency or instrumentality of the Grantee and does not permit more than one-third of the membership of its governing body to be appointed by, or to consist of, elected or other public officials or employees or officials of an ineligible entity; and
- Requires the members of its governing body to be nominated and approved by the general membership of the organization, or by its permanent governing body; and
- Is not subject to requirements under which its assets revert to the Grantee upon dissolution.

Organizations may also qualify if it is an entity organized pursuant to section 301(d) of the [Small Business Investment Act of 1958](#) (15 U.S.C. 681(d)) or is an SBA approved Section 501 State Development Company or Section 502 Local Development Company, or an SBA Certified Section 503 Company under the [Small Business Investment Act of 1958](#), as amended.

Interested organizations must submit certification information for approval prior to submission of an application. Contact the CDBG Program to discuss further and obtain forms.

•••Exhibit I•••

EMERGENCY RENTAL ASSISTANCE

The policies and requirements for using CDBG-CV funds for emergency rental assistance are as follows:

- Assistance is only to persons in danger of losing their housing.
- Assistance can only be provided to households with a total household income at or below 80% of area median income using HUD's income limits provided for each county. Each household must be income qualified based on their income at the time of their application using the HUD Part 5 calculation. Note that savings are calculated into the determination.
- The CDBG Income Certification should be used. *See DSHA website for form.*
- Rental payments can be provided for the month of April forward.
- Each household must provide a copy of their current lease and a letter from their landlord saying they are in arrears if asking for back rent.
- Valid identification is required that matches the name(s) on the lease.
- Each household must provide documentation that they have lost their job or their work hours were reduced as a result of the coronavirus crisis.
- Each household will sign an affidavit as to the information they provided. Payments are to be made to landlords.
- Each landlord must provide a copy of their rental license.
- Public housing authority residents or households receiving federal rental assistance are not eligible.
- Households that had received an eviction notice prior to March 16, 2020 are not eligible.

NOTE: DSHA is working with HUD for further clarification about lead-based paint requirements related to this activity.

• • • **Exhibit J** • • •

MEETING A NATIONAL OBJECTIVE

Please see DSHA Website for Template Form

Benefit to Low and Moderate Income Persons - Limited Clientele - Presumed

- Count by persons
 - Presumed clientele are abused children, battered spouses, elderly citizens, homeless persons, illiterate adults, persons living with AIDS, migrant farm workers, and adults meeting the Bureau of Census definition of severely disabled adults
 - No income information is required
 - Must report on demographic information for each person
 - Report information on beneficiaries after they receive the benefit
- Activities: Senior Services, Food Programs, Homeless Assistance, Services for Disabled Adults

Benefit to Low- and Moderate-Income Persons - Limited Clientele - Income Qualified

- Count by persons
 - Income information is required for each beneficiary – it is based on total family income through self-certification - must be at or below 80% area median income
 - Must report on demographic information for each person
 - Report information on beneficiaries after they receive the benefit
- Activities: Food Programs, Rural Health Center/Clinics

Benefit to Low- and Moderate-Income Persons - Housing

- Count by households and by persons
 - Income information is required for each household served – it is based on total household income which is verified
 - Must report demographic information for each household
 - Report information on beneficiaries after they receive the benefit
- Activities: Emergency Rental Assistance

Meeting an Urgent Need

- Count by persons
 - Must report demographic information for each person
- Activities: Food Programs

•••Exhibit K•••

Lead-Based Paint Requirements

Federal lead-based paint regulations require the following to ensure compliance for specific activities funded with CDBG-CV funds. These regulations apply to the following:

- Leasing of buildings used for residential purposes;
- Leasing of residential units for transitional housing for the homeless;
- Support Services in buildings used for health centers, childcare centers and training; and
- Operation of homeless shelters or other residential facilities

The exceptions to these requirements are:

- Use of housing units for emergency rental assistance if only used for 100 days after initial payment or assistance provided and no lease renewal or extension can occur;
- Housing units or buildings where all lead-based paint has been previously identified, removed and clearance achieved based on specific regulations;
- Residential property designated for adults with disabilities;
- Single room occupancy or zero bedroom dwelling units;
- Senior only housing as defined as retirement communities or similar types of housing reserved for persons 62 or older unless children under the age of six reside or are expected to reside; or

Requirements are based on the type of activity:

When CDBG funded activities involve the leasing of residential units as transitional or permanent housing for the homeless or other residential use, the grantee is to do a visual assessment of all painted surfaces in units to identify deteriorated lead-based paint. If identified, paint stabilization and clearance is required prior to occupancy*.

When CDBG funds are used in facilities providing health or training, the grantee is to do a visual assessment of all painted surfaces in the building to identify deteriorated lead-based paint. If identified, paint stabilization and clearance is required prior to use of CDBG funds*.

When CDBG funds are used for operations of a homeless shelter or other residential facility, the grantee is to do a visual assessment of all painted surfaces in the building to identify deteriorated lead-based paint. If identified, paint stabilization and clearance is required prior to use of CDBG funds*.

*The grantee and its subrecipient or developer are responsible for the cost of evaluation and hazard reduction.

••Exhibit L••

Environmental Forms

**DELAWARE STATE HOUSING AUTHORITY
Environmental Forms
CDBG-CV Round - Environmental Review Certification of Exempt Activity**

Sub Recipient: _____

Project Information: Identify all exempt activities and location for projects that will be carried out with CDBG and any other funding sources.

Agency Awarded	Title of Program/Activity	Program Description	Complete Exclusion Citation

Citations:

- Administration as listed at 24 CFR 58.34(a)(3)
- Public Services as listed at 24 CFR 58.34(a)(4)

I hereby certify that the above-mentioned project has been reviewed and determined to be Exempt.

By signing below the applicant, as the future Responsible Entity, certifies in writing that each activity or project is Exempt and meets the conditions specified for such determination per section 24 CFR 58.34(a).

Signature:

Date

DELAWARE STATE HOUSING AUTHORITY

CDBG-CV Round - Environmental Review Certification of

Categorical Exclusion:

Not Subject to Part 58.5

DSHA Sub-Recipient: _____

Project Information: Identify all activities and location for projects that are Categorical Excluded Not Subject to Part 58.5 that will be carried out with CDBG and any other funding sources. List complete categorical exclusion citation/written determination for each activity, e.i., 24 CFR 58.35(b) ???.

AGENCY AWARDED	Title of Program/Activity	Activity Description	Complete Categorical Exclusion Citation

I hereby certify that the above-mentioned activities have been reviewed and determined to be Categorical Excluded Not Subject to Part 58.5 as per the 24 CFR Part 58 citation(s) listed above.

If funded, we will comply with Part 58.6 if funds will be spent on an activity that is in an Airport Runway Clear Zone & Accident Potential Zone; will impact Coastal Barrier Resources; or within a floodplain or wetland.

By signing below the applicant, as the future Responsible Entity, certifies in writing that each activity or project is Exempt and meets the conditions specified for such determination per section 24 CFR 58.35(b).

Signature

Exhibit N

Suggested Monitoring Forms

See DSHA Website