Texas Community Development Block Grant Program

2015-2016 Community Development Fund

Application Guide

October 2014

TEXAS DEPARTMENT OF AGRICULTURE

TODD STAPLES
COMMISSIONER

October 9, 2014

Dear Applicant:

The Texas Department of Agriculture (TDA) is pleased to release the Texas Community Development Block Grant (TxCDBG) Application and Application Guide for the 2015/2016 Community Development Fund.

We have made minor tweaks to the application in an effort to simplify it, such as eliminating the Activity Specific questions and removing redundant information from the Table 1. We are also requiring some items up to be submitted with the application to ensure that an applicant is ready to move forward when awards are made. The items that will need to be submitted with the application are: evidence of registration on the System of Awards Managements (SAM), the most recently completed Annual Audit (FY 2013), and the environmental form "Exemption Determination for Activities Listed at 24 §58.34". Please use the checklist in the application guide to help you complete the application and to help you identify and collect all the required attachments.

If you have further questions after reviewing this guide, TDA staff is happy to provide technical assistance throughout the application process. We look forward assisting rural Texas communities with these Community Development funds.

We look forward to partnering with you as we serve the rural citizens of Texas.

Sincerely yours,

Suzanne Barnard, Director
Texas Community Development Block Grant Program

SB/EG/eg

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TxCDBG Goals and Requirements

The goal of the Texas Community Development Block Grant (TxCDBG) Program is to develop viable communities by providing decent housing and a suitable living environment, as well as by expanding economic opportunities, principally for persons of low-to-moderate income. In awarding funding pursuant to Government Code Section 487.351(c), the Texas Department of Agriculture (TDA) shall give priority to eligible activities in the areas of economic development, community development, rural health and rural housing to support workforce development.

The objectives of the TxCDBG Program are:

1. To improve public facilities to meet basic human needs, principally for low-to-moderate income persons;
2. To improve housing conditions, principally for persons of low-to-moderate income;
3. To expand economic opportunities by creating or retaining jobs, principally for low-to-moderate income persons; and
4. To provide assistance and public facilities to eliminate conditions hazardous to the public health and of an emergency nature.

Application Submittal and Deadline Requirements

The application procedures for the 2015/2016 TxCDBG Community Development (CD) Fund are included in this Application Guide. The application for the 2015/2016 CD Fund is available at www.TexasAgriculture.gov. The procedures in this application guide supersede those published in all previous TxCDBG application guides.

The deadline for all 2015/2016 TxCDBG CD Fund applications is 5:00 p.m. C.T. on February 27, 2015.

Applications will not be accepted after 5:00 p.m. on the final day of submission, unless the applicant can demonstrate that the untimely submission was due to extenuating circumstances beyond the applicant's control.

The application packet must contain two (2) signed and completed copies of the application: one with original signatures and one copy of the original. An electronic copy of the application is also required. Only the PDF document of the Community Development Fund Portion of the application is needed electronically. This will allow TDA to export the application into a database for faster processing. Email to cdbgapps@TexasAgriculture.gov

TDA will forward hard copies of the applications to the appropriate Regional Review Committee support staff for scoring.

Contact Information

Mailing Address (for U.S. Postal Service):	Physical Address (for Overnight Carriers):
Texas Department of Agriculture Texas Community Development Block Grant Program Post Office Box 12847, Capitol Station Austin, Texas 78711	1700 N. Congress Avenue, 11th Floor Mailroom Austin, Texas 78701 Or Hand Deliver to staff on 2nd Floor

512-936-7875 or 512-936-7891 – Telephone
888-216-9867 – Fax

Any application that is incomplete, noncompliant with program requirements, or received late will be disqualified. Applications lacking information necessary to make a determination concerning the eligibility of the activity (e.g., data on low-to-moderate income benefits) or compliance with TxCDBG and Federal program requirements (e.g., citizen participation requirements) will be disqualified. A substantially complete TxCDBG application must include all of the following information:

- A completed 424 Form with original signature;
- All application forms, fully completed;
- A passed/adopted Local Government Resolution authorizing submission of the application;
- Evidence of compliance with the TxCDBG Citizen Participation Plan including the Public Hearing Notice;
- Legible, quality maps;
- Regional Review Committee Scoring Criteria Response Sheets completed in accordance with the region's RRC Guidebook; and
- Annual Audit (See Attachments Section).

Applications lacking any of the items listed above will be disqualified. An Application Review Checklist is located at the end of the Application Guide. Applicants must verify that the application is complete using the checklist.

Completed applications received by the deadline may be subject to disqualification including but not limited to any of the following reasons:

- The applicant is not a unit of general local government;
- The project is located in an entitlement area;
- The application contains ineligible activities;
- The applicant does not comply with the TxCDBG Citizen Participation Plan requirements;
- The applicant does not meet the Applicant Threshold Requirements;
- The application contains false information;
- The applicant did not comply with the TxCDBG survey requirements;
- The same or substantially the same application has been submitted under two or more TxCDBG fund categories;
- The application does not contain adequate or acceptable information to show that each proposed application activity meets a National Program Objective;
- The application does not comply with the requirement concerning the preparation of an assessment of the applicant's housing and community development needs prior to submission of a TxCDBG application;
- The applicant does not provide the information required in the TxCDBG Applicant/Recipient Disclosure/Update section of the Application;
- The applicant does not respond, refuses to respond, or does not provide an adequate response to requests for revisions or additional information within the prescribed timeline;

TDA will not award TxCDBG funds to the same (or substantially the same) project under two different funds. However, if a CD fund application is unsuccessful, project funding may be available through another fund (e.g. STEP, Disaster Relief/Urgent Need) if the appropriate application criteria are satisfied.

Action Plan

The requirements and procedures specified in the 2015 TxCDBG Program Action Plan will govern the 2015/2016 CD Fund application process. Applicants are strongly encouraged to read the entire Action Plan prior to completing and submitting this application for funding assistance. Copies of the Action Plan are available in the 2015-2019 Consolidated Plan on the TDHCA website at http://www.tdhca.state.tx.us.

Eligible Applicants

Eligible applicants are non-entitlement units of general local government, incorporated cities and counties not participating or designated as eligible to participate in the entitlement portion of the federal Community Development Block Grant Program. Non-entitlement cities that are not participating in urban county programs through existing participation agreements are eligible applicants unless the city's population counts toward the urban county CDBG allocation.

Non-entitlement cities are located predominately in rural areas and are generally:

- cities with populations of less than 50,000 persons;
- cities that are not designated as a central city of a metropolitan statistical area; or
- cities that are not participating in urban county programs.

Non-entitlement counties are also predominately rural in nature and generally have fewer than 200,000 persons in the non-entitlement cities and unincorporated areas located in the county.

While non-entitlement units of general local government are the only eligible applicants for TxCDBG funding, these applicants may submit applications that will provide benefits through other sub-recipient groups serving the jurisdiction.

For example, a county could submit an application for water distribution line improvements to a water system that is owned and operated by a public utility district. The improvements themselves would become the property of the public utility district, but the programmatic and fiscal compliance responsibilities would remain with the applicant (the county).

As another example, a city could submit an application for the construction of a building to house a social services agency providing primary benefit within the city. Again, the facility could be placed under the control of the agency (through title transfer or lease arrangement), but compliance responsibilities would remain with the city.

National Program Objectives (NPO)

Each proposed activity included in an application for TxCDBG funds must meet one of the U. S. Housing and Urban Development's (HUD) three CDBG National Program Objectives, or NPOs. They are:

1. Activities Benefiting Low-to-Moderate Income Persons
    a. *Low-to-Moderate Income Area Benefit* – an activity that benefits all residents of an area that is primarily residential. Low-to-moderate income is frequently abbreviated as "LMI."
    b. *Low-to-Moderate Income Limited Clientele* – an activity that provides benefits to a specific group of persons generally presumed to be principally LMI.
    c. *Low-to-Moderate Income Housing* – an activity assisting in the acquisition, construction, or improvement of permanent residential structures may qualify as benefiting LMI persons only to the extent that the housing is occupied by LMI persons.

d. *Low-to-Moderate Income Jobs* – activity that creates or retains permanent jobs, at least 51 percent of which, on a full time equivalent (FTE) basis, are either held by or available to LMI persons.

2. Prevention / Elimination of Slums or Blight
    a. Addressing Slums or Blight on an Area Basis
    b. Addressing Slums or Blight on a Spot Basis
3. Urgent Need - Meet other community development needs of particular urgency that represent an immediate threat to the health and safety of residents of the community.

Applicants are required to document and report the beneficiaries of each proposed application activity regardless of the NPO met by the activity. Once an applicant has identified the persons that will benefit from the proposed eligible activity, there are three (3) acceptable ways to document the total beneficiaries and number of LMI beneficiaries for each proposed application activity: HUD Census and American Community Survey based data, the completion of a TxCDBG approved survey, or a combination of the two.

Eligible Activities

TxCDBG eligible activities include:

- Water System Improvements
- Wastewater System Improvements
- Drainage Improvements
- Housing Rehabilitation
- Gas System Improvements
- Road/Street Improvements
- Fire Protection Facilities
- Accessibility Improvements to Public Buildings
- Solid Waste Disposal/Landfills/Transfer Stations
- Community/Senior/Social Service Centers
- Shelters for Persons With Special Needs

Additional guidance and further definition concerning eligible and ineligible activities for some of the TxCDBG eligible activities are included in Section 105(a) of the Housing and Community Development Action of 1974 (HCDA).

Ineligible Activities

In general, any type of activity not described or referred to in Section 105(a) of the Housing and Community Development Act of 1974, as amended, is ineligible for TxCDBG funding. Specific ineligible activities under the TxCDBG Program include:

- Construction of buildings and facilities used for the general conduct of government (e.g., city halls and courthouses).The only exception is for improvements made to these buildings solely to provide complete access for elderly persons and persons with severe disabilities;
- Financing of political activities;
- Purchase of construction equipment;
- Income payments, such as housing allowances;

- New housing construction; and
- Operating and maintenance expenses of public facilities, improvements and services

Various methods used to identify specific sections of wastewater line that require maintenance to reduce or eliminate the amount of inflow or infiltration routed to the treatment facilities, such as smoke testing, televising (TV'ing), and line cleaning (vacuuming, jetting, etc.), are considered maintenance tools. The process of identifying target areas for wastewater line replacement must be completed prior to the submission of an application in order for the scope of the project to be fully identified and to expedite construction completion. Similar methods may also be used as a part of construction and inspection of the new lines. Maintenance tools will not be accepted as a CDBG eligible activity in an application and such costs will be eliminated from the application. Sludge removal from a wastewater facility is also an operational expense.

Identifying Activity Beneficiaries

This section includes descriptions of acceptable methods of identifying beneficiaries of a proposed eligible activity. The method(s) used by an applicant to identify the beneficiaries of an activity are based on the type of activity proposed and the persons that could or will actually benefit from the proposed activity.

TDA staff reviews the beneficiaries reported in the application for accuracy, the acceptability of the method(s) used by an applicant to identify the beneficiaries for each proposed activity, and for compliance with the criteria for NPOs.

Activities Principally Benefiting Low-to-Moderate Income Persons

An activity addresses the NPO of principally benefitting low-to-moderate income persons if it meets the area benefit activity, housing activity, limited clientele activity, or job activity criteria.

Area Benefit Activities

Area benefit activities must benefit all residents in an area where at least 51 percent of the residents are LMI persons. Residents claimed as beneficiaries in the target area must be based on the entire area served by the activity. An activity serving an area that is not primarily residential in character is not eligible under the area benefit criterion. The benefit area must be clearly identified in the project map.

Special Assessments for Public Improvements

TxCDBG funds may pay special assessments and fees levied against residential properties owned and occupied by LMI persons for a public improvement that benefits all residents of the target area. Localities cannot levy special assessments and service connection/tap-on costs and fees on LMI persons to recover the TxCDBG-financed portion of a public improvement.

However, localities may levy such fees to recover the portion of a public improvement financed from other funding sources if TxCDBG funds are used to pay these costs for the residential properties owned and occupied by LMI beneficiaries.

Under certain conditions, TxCDBG funds may pay special assessments and fees for LMI persons in connection with public improvements not initially financed with TxCDBG funds. The payment of special assessments/fees constitutes TxCDBG assistance to the public improvement. TxCDBG funds may pay the assessments/fees on behalf of LMI persons provided that:

- The installation of the public improvements was carried out in compliance with requirements applicable to activities assisted under the TxCDBG Program, including labor, environmental, and citizen participation;
- The installation of the public improvement meets a TxCDBG NPO; and
- TxCDBG funds cover the assessment/fees on behalf of LMI persons.

When assessments/fees might be levied for public improvements not financed with TxCDBG funds and meeting the first two criteria described above, applicants must either waive the payment of the assessments/fees or request funds in the TxCDBG application to pay such fees levied against residential properties owned and occupied by LMI persons.

Water Distribution Lines or Sewer Collection Lines in Residential Areas
Residents of a target area are beneficiaries if the water or sewer lines installed through the application activities provide service to all residents of the area. If applicable, project activities must include funds to pay related special assessments, service connection costs, and fees levied against residential properties owned and occupied by LMI persons.

Sewer Main Trunk Lines, Water Main Supply Lines, and Looping Of Water Lines
Residents of a target area are beneficiaries if the water provided through the new or replaced lines is available to them. The residents of the target area that receive improved water pressure or an alternate means of access to water through the looping of water lines are also considered beneficiaries.

The residents of a target area are beneficiaries when existing or new sewer collection lines flow into the new or replaced sewer collector trunk lines en route to the treatment plant. This also applies for lift stations.

Water Treatment, Water Supply, Water Storage Improvements
The residents of a service area that will be served by the proposed treatment, supply, or storage improvements are counted as beneficiaries. These improvements generally provide a community-wide or system-wide benefit. If the improvement provides less than a system-wide benefit, the applicant must base the beneficiary count on the number of residents in the service area that benefit from the improvement.

Sewage Treatment Plant Improvements
All residents served by the sewer treatment facility that will be improved through the TxCDBG application activities are considered beneficiaries. If there is more than one treatment facility serving the applicant's jurisdiction, the applicant must identify only the beneficiaries residing in the service area of the plant that will be improved through the proposed project.

Water and Sewer Yard Service Lines and Service Connections
All persons residing in homes that receive a service connection, service re-connection, or water meter located on public property may be considered beneficiaries.

Installing service re-connections and yard service lines on private property is an area benefit activity only when the beneficiaries already receive water or sewer service and relocation of the yard service line is necessary because some existing water lines or sewer lines are relocated as part of TxCDBG application activities.

The yard service lines must be treated as a separate activity and must meet a 100 percent LMI benefit threshold for the total number of residents receiving the yard service line assistance.

Street Improvements
Area benefit may be used to qualify street paving activities. However, for street paving activities with multiple non-contiguous target areas, each target area must separately meet the LMI National Program Objective – at least 51% of the beneficiaries in each non-contiguous target area must be LMI.

Beneficiaries of street improvement projects include residents whose property lines abut the arterial or collector streets targeted for improvement, as well as those who rely on the targeted streets as the only way to access their area of residence. Residents of arterial street blocks whose property directly abuts either side of the collector streets targeted for improvement are also considered beneficiaries.

Flood and Drainage Improvements
All residents in the recognized drainage basin or the area that will actually receive improved drainage from the proposed activities are beneficiaries.

Solid Waste Disposal/Landfills/Transfer Stations
Residents of the service area for the landfill or transfer station are considered beneficiaries. A multi-jurisdiction application may be necessary if multiple governmental jurisdictions will use the landfill or transfer station.

Community Centers/Senior Centers/Multi-purpose Centers/Other Public Centers
If there is only one center in the community, this may be a community-wide benefit activity. If there is more than one community center, the applicant must identify the service area for the center. All residents in the service area of the proposed center are beneficiaries.

Activities under this category may meet the NPO for Limited Clientele Activities if the proposed center will serve only a specific population within the community.

Acquisition of Real Property
All residents that benefit from the planned use of the property may be considered beneficiaries. A final determination shall be based on the property's actual use.

Demolition
Residents whose property line is adjacent to the properties to be cleared may be considered beneficiaries. If this activity is part of a neighborhood revitalization project, applicants may base the beneficiary count on the population of the defined neighborhood revitalization area. Applicants must contact TxCDBG staff prior to application submission to determine appropriate target area requirements.

Relocation Assistance
When the unit of general local government is required to provide relocation assistance, residents benefitting from the relocation assistance activity are the same beneficiaries as those who benefit from the activity that required their displacement.

When relocation assistance is voluntary, the unit of general local government may qualify the assistance based on the NPO addressed by the displacing activity, or if the relocation assistance is provided to LMI persons, based on principally benefitting LMI persons.

Fire Prevention
All residents in the service area for the specific improvements (e.g., hydrants, fire stations) are beneficiaries.

Parks and Recreational Activities
All residents in the service area for the proposed park or recreational facility improvements are beneficiaries. If there is only one park or recreational facility in the community, it is considered a community-wide benefit project. If there is more than one park or recreational facility, the applicant must identify the service area of the park or recreational facility that is included in the proposed project.

Code Enforcement
All residents of the designated area affected by such enforcement are beneficiaries. Applicants must contact TxCDBG staff prior to application submission to determine appropriate target area requirements.

City or County Jails

All residents in the jurisdiction served by the jail are considered beneficiaries. For a city jail, the benefit is at least citywide. For a county jail, the benefit is at least countywide.

Planning-only Activities
When planning is the only activity included in a TxCDBG grant, the application must include documentation that at least 51 percent of the persons who would benefit from the implementation of the plan are LMI persons. Planning activities for a target area or entire community with at least 51 percent LMI population will meet the NPO focused on primarily serving persons of low-to-moderate income.

Housing Activities

In order to meet the NPO of principally benefiting LMI persons, housing activities must provide or improve permanent residential structures that will be occupied by LMI persons. Eligible projects include (but are not limited to):

- acquisition or rehabilitation of property by the unit of general local government, a sub-recipient, an entity eligible to receive assistance under section 105(a)(15) of the Housing and Community Development Act of 1974, as amended (neighborhood-based nonprofit organization, local development corporation, nonprofit organizations serving the development needs of the non-entitlement community), a developer, an individual homebuyer, or an individual homeowner; and
- conversion of non-residential structures to residential structures.

Housing Rehabilitation
LMI persons residing in housing that will receive rehabilitation assistance are considered beneficiaries. Since the actual number of beneficiaries may not be known when the application is prepared, an applicant may estimate the number of beneficiaries by multiplying the number of housing units proposed for rehabilitation by the average household or family size for the applicant's jurisdiction obtained from Census data (e.g., 10 proposed housing units and an average family size of 3.5 persons for the jurisdiction would yield an estimate of 35 beneficiaries).

The beneficiaries of TxCDBG-financed housing rehabilitation assistance programs, including programs for the rehabilitation of housing units to include improvements necessary to make the units accessible to persons with disabilities, are limited to LMI persons.

Voluntary Relocation Assistance
When relocation assistance is voluntary under a TxCDBG-financed housing rehabilitation program, assistance is limited to LMI persons. The beneficiaries are the residents of the housing units that receive voluntary relocation assistance.

Water and Sewer Yard Service Lines and Service Connections on Private Property
For projects that include the provision of first-time water service or first-time sewer service, the installation of service connections and yard service lines on private property is considered a housing rehabilitation activity and must meet the housing activity criteria. TxCDBG funds will only pay for the costs of service connections, yard service lines, and related house plumbing improvements that are located on private property for LMI persons.

For example, City A receives a TxCDBG grant to provide first -time sewer service in a target that includes 80 persons, of which 52 are LMI. The beneficiaries of the sewer collection lines, lift stations, etc., needed to provide service to the area are all 80 persons. City A will provide TxCDBG-funded assistance to the LMI persons in the target area for sewer house connections, yard service lines, and related plumbing improvements. The sewer house connections, yard service lines, and related plumbing improvements are a housing rehabilitation activity benefitting only the 52 LMI persons in the target area**.**

On-Site Sewage Facilities
For projects that include the provision of first-time on-site sewage facilities or replacement of on-site sewage facilities, the installation of septic systems on private property is considered a housing rehabilitation activity and must meet the housing activity criteria. TxCDBG funds will only pay for the systems that are located on private property for LMI persons. **Applicants applying for this activity must provide a waiting list of homeowners in order to document the need as described in the Community Needs Assessment**.

Rental Housing Activities
For rental housing, beneficiaries are LMI persons residing in units that receive TxCDBG assistance. Rents must be held at affordable levels in order to qualify under the housing activities criterion.

Limited Clientele Activities

To qualify as a limited clientele activity, the activity must meet one of the following tests:

- Benefit a clientele who are generally presumed to be principally LMI persons. Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit 51 percent LMI:
    - elderly persons (age 62 and over)
    - abused children
    - battered spouses
    - homeless persons
    - illiterate adults
    - migrant farm workers
    - persons living with AIDS
    - persons meeting the Census Bureau definition of "severely disabled." Persons are classified as having a severe disability if they:
        - use a wheel-chair or have used another special aid for 6 months or longer;
        - are unable to perform one or more functional activities or need assistance with an activity of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating, and toileting) or instrumental activity of daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone);
        - are prevented from working at a job or doing housework; or
        - have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility or dementia, or mental retardation.
        - are less than 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).
- Require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the LMI limit.
- Have income eligibility requirements which limit the activity exclusively to LMI persons; or
- Be of such a nature, and be in such a location, that the activity's clientele will primarily be LMI persons.

An eligible TxCDBG activity that exclusively serves the residents of Public Housing Authority (PHA) units could qualify as a limited clientele activity because the income guidelines used to determine PHA eligibility are the HUD Section 8 Income Limits.

An eligible TxCDBG activity that exclusively serves a Nursing Home where at least 51 percent of the Nursing Home residents are LMI persons could qualify as a limited clientele activity. Nursing Home residents that are eligible for Medicaid (not Medicare) assistance meet income limit eligibility requirements that are lower than the low-to-moderate income limits. Residents of Nursing Homes that are older than 62 years of age are in a clientele group that is presumed to be principally LMI.

As an example, a Nursing Home with 100 residents has 75 persons that qualify for Medicaid. The 75 Medicaid-eligible persons are LMI. Thirteen (13) of the remaining 25 (25 X 0.51 = 12.75 = 13) Nursing Home residents can also be considered LMI by using the minimum TxCDBG activity qualifying low/mod benefit percentage (51%).

When activities are limited to one or a combination of the groups of persons in the accepted categories listed for limited clientele activities, the beneficiaries of a community center, multi-purpose center, service center, or service center for severely disabled persons, it may be presumed that the activity benefits 51 percent low -to-moderate income persons. The number of LMI beneficiaries will equal 51 percent of the total number of persons estimated to be served by the center.

Community Center, Multi-Purpose Center, and Service Center Activities
A community center, multi-purpose center, or service center activity could qualify as a limited clientele activity if the center exclusively serves:

- one or a combination of the groups of persons in the accepted categories listed for limited clientele activities;
- persons through programs that require information on family size and income where there is evidence that at least 51 percent of the clientele are LMI; or
- persons through programs that are limited to persons of low-to-moderate income.

For centers which would provide some office space for limited clientele eligible programs and some space for general use by persons in the service area, the TxCDBG requires that the number of beneficiaries be based on the total number of persons residing in the service area (area benefit activity that usually includes all persons residing in the city for a city center or all persons residing in the county for a county center).

Senior Center Activities
A senior center activity could qualify as a limited clientele activity if the center exclusively serves:

- elderly persons (age 62 and over) or a combination of the groups of persons in the accepted categories listed for limited clientele activities; or
- persons through programs that require information on family size and income where there is evidence that at least 51 percent of the clientele are LMI; or
- persons through programs that are limited to persons of low-to-moderate income.

Please note that all other general use of the facility and use by persons that are not senior citizens must represent only incidental use. Otherwise, the activity must qualify as an area benefit activity that includes all persons residing in the city for a city center or all persons residing in the county for a county center.

Service Centers for Severely Disabled Persons
A service center for severely disabled persons activity (facilities such as physical/vocational rehabilitation centers, mental health/mental retardation service centers, etc.) could qualify as a limited clientele activity if the center exclusively serves:

- severely disabled persons or a combination of the groups of persons in the accepted categories listed for limited clientele activities; or

- persons through programs that require information on family size and income where there is evidence that at least 51 percent of the clientele are LMI; or
- persons through programs that are limited to persons of low-to-moderate income.

Provision of Accessibility to Public Buildings
Removal of architectural barriers to the mobility or accessibility of elderly persons or severely disabled persons to public buildings could qualify as a limited clientele activity if the activity is limited to public buildings. The applicant must be able to document that complete accessibility to the public building is being provided.

A TxCDBG application that includes a public building accessibility activity must include improvements such as handrails, ramps, widening of doorways (entrances and exits to the building and to primary offices and meeting rooms), modifications of restroom facilities, elevator(s) (if applicable), parking, and related improvements.

The beneficiary count for this activity is based on the number of elderly persons and severely disabled adults residing in the service area for the public building and it is presumed that the project will meet the NPO of principally benefitting persons of low to moderate income. For the provision of accessibility to a County Courthouse, the beneficiary population would be determined on a county-wide basis. For the provision of accessibility to a City Hall, the beneficiary population would be determined on a city-wide basis.

The total number of beneficiaries will equal fifteen percent (15% as determined by the Texas Rehabilitation Commission) of the most recent Census population for the city or county. The number of LMI beneficiaries will equal fifty- one percent (51%) of the total number of (15% of the total service area population) estimated to be served by the accessibility project.

For example, a City Hall accessibility project in a city with a population of 2,000 persons would benefit 300 total persons and 153 low-to-moderate income persons (2,000 X 0.15 = 300 X 0.51 = 153).

Slums or Blight

Activities meeting one or more of the following criteria are considered to aid in the prevention or elimination of slums or blight:

1. *Activities to address slums or blight on an area basis.* An activity addresses prevention or elimination of slums or blight if:
    a. the area, delineated by the unit of general local government, meets a definition of a slum, blighted, deteriorated, or deteriorating area under state or local law;
    b. there are a substantial number of deteriorated or deteriorating buildings throughout the area or the public improvements are in a general state of deterioration; or
    c. the activity addresses one or more of the conditions that contributed to the deterioration of the area.

Rehabilitation of residential buildings carried out in an area meeting the above requirements will be considered to address the area's deterioration only where each building rehabilitated is considered substandard before rehabilitation, and all deficiencies making a building substandard have been eliminated if less critical work on the building is also undertaken. The unit of general local government must have minimum standards for building quality. The unit of general local government must provide to TxCDBG records sufficient to document that an activity meets the national objective of prevention or elimination of slums and blight.

2. *Activities to address slums or blight on a spot basis.* Acquisition, clearance, relocation, historic preservation and building rehabilitation activities that eliminate conditions of blight or physical decay in smaller areas not located in a slum or blighted area will meet this objective. Under this criterion, rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety. An activity involving planning may be eligible under this NPO if the activity is the only activity for which the grant to the unit of

government is given, or the planning activity is unrelated to any other activity assisted by the grant, and either:

a. the plans are for a slum or blighted area, or

b. all elements of the planning are necessary for and related to an activity that, if funded, would meet one of the other criteria of elimination of slums or blight. TxCDBG applicants must document the beneficiaries of proposed activities that qualify under this NPO. Identification of the beneficiaries of the activities will depend on the type of activity and whether the activity addresses slum or blight conditions on an area or spot basis.

For activities done on an area basis, the beneficiaries are the residents of the delineated slum and blight area.

For proposed spot-basis activities, the beneficiary count is based on the types of buildings or facilities being addressed by the applicant. For activities on a spot basis, please contact TDA for a determination on beneficiary documentation requirements.

Urgent Need

In order to qualify under this NPO, activities must be designed to meet community development needs having a particular urgency. An activity addresses this objective if it is designed to alleviate conditions of recent origin which pose a serious and immediate threat to the health or welfare of the community which are of recent origin. The unit of general local government must be unable to finance the activity on its own, and funds from other external sources must be unavailable. A condition is considered to be of recent origin if it first occurred, or was discovered, no more than 30 days prior to the date that the potential applicant provides a written request to the TxCDBG Program for urgent need assistance.

TxCDBG applicants must document the beneficiaries of proposed activities that qualify under the activities designed to meet community development needs having a particular urgency.

Identification of the beneficiaries of the activities will depend on the type of activity and whether it is an area benefit, housing, or a limited clientele activity.

Applicants for TxCDBG Disaster Relief or Urgent Need assistance should contact TDA for assistance in determining the required beneficiary documentation based on the proposed activities.

Beneficiary Identification Methods

An activity that addresses the NPO of principally benefitting low-to-moderate income persons must provide documentation as to the income status of those persons (also called beneficiaries). Low to moderate income individuals are those whose income is 80% or less of the area median family income (AMFI). Clear documentation of an applicant's beneficiary identification method must be received with the application.

Surveys

Use of door-to-door surveys is an acceptable method for documenting beneficiary income levels. Refer to the agency website at www.TexasAgriculture.gov for a copy of the most recent **Survey Methodology Manual** and required survey forms. Surveys of 200 or more households must use random sampling techniques and all surveys must result in at least an 80% response rate. When the beneficiaries of an activity are fewer than 60% of the residents of a Census Geographic Area, or the income profile of a community has changed substantially since the last Census, surveys are often a useful alternative (see example 3 in Appendix I: Using Census Data and Surveys). Adhere to these requirements to avoid disqualification.

Obtaining Census Maps

To obtain a Census map of a specific area, visit the U.S. Census Bureau web site (http://www.census.gov/geo/maps-data/maps/block/2010/).

For further information about using Census data to determine the LMI percentage of a project's beneficiaries, contact TDA staff and refer to Appendix I: Using Census Data and Surveys. The beneficiary documentation methods can be found on the TDA website under All Resources on the CDBG landing page.

Citizen Participation Plan Requirements

Each applicant must complete a citizen participation process that complies with the TxCDBG Citizen Participation Plan requirements as described in this guide prior to submitting an application.

A locality can only receive a TxCDBG grant if the locality certifies that it follows a detailed citizen participation plan that provides for and encourages citizen participation at all stages of the community development program.

TxCDBG applicants and funded localities are required to carry out citizen participation in accordance with the Citizen Participation Plan adopted for the TxCDBG Program. Each applicant certifies by signing a 424 Form that it has and will comply with the requirements of this Citizen Participation Plan.

Each applicant must maintain a citizen participation file that includes a copy of this Plan, the applicant's complaint procedures, any technical assistance provided by the applicant, and public notices, minutes, and attendance lists for public hearings.

Complaint Procedures:
The applicant/recipient must have written citizen complaint procedures that provide a timely written response to complaints and grievances. Citizens must be made aware of the location, days, and hours when copies of the plan are available.

Technical Assistance:
When requested, the applicant/recipient shall provide technical assistance to groups representative of persons of low-to-moderate income in developing proposals for the use of TxCDBG funds. The level and type of assistance shall be determined by the applicant/recipient based upon the specific needs of the community's residents.

Public Hearing Provisions:
For public hearings scheduled and conducted by a TxCDBG applicant or recipient, the following public hearing provisions must be observed:

1. Public notice of the hearings must be published in a local newspaper at least seventy-two (72) hours prior to the scheduled hearing. The public notice must include the date, time, location and topics to be considered at the public hearing. A published newspaper article may also be used to meet this requirement so long as it meets all content and timing requirements. Notices should also be prominently posted in public buildings and distributed to local Public Housing Authorities and other interested community groups.
2. The public hearing must be held at a time and location convenient to potential or actual beneficiaries and include accommodations for persons with disabilities. Furthermore, the applicant must make arrangements for individuals who require auxiliary aids or services if contacted at least two days prior to each hearing. The public hearing must be held after 5:00 p.m. on a weekday or at a convenient time on a Saturday or Sunday.
3. When a significant number of non-English speaking residents are expected to participate in a public hearing, an interpreter must be present to accommodate the needs of the non-English speaking residents.

Applicants must comply with the following citizen participation requirements for the preparation and submission of an application to the Texas Community Development Block Grant Program:

1. The public hearing must occur prior to the adoption of the local government resolution authorizing the submission of the application.
2. The locality must retain documentation of the hearing notice(s), attendance lists, minutes of the hearing(s), and any other records concerning the proposed use of funds for a period of one year. Such records must be available to the public in accordance with Chapter 552, Government Code.
3. The public hearing must meet the following TxCDBG notification requirements and include a discussion with citizens covering the following topics:
    - The development of housing and community development needs.
    - The amount of funding available.
    - All eligible activities under the Texas Community Development Block Grant Program.
    - The applicant's use of past TxCDBG contract funds, if applicable.
    - The estimated amount of funds proposed for activities that will meet the national objective of benefit to low-to-moderate income persons.
    - The plans of the locality to minimize displacement of persons and to assist persons actually displaced as a result of activities assisted with TxCDBG funds, if applicable.

Citizens must be encouraged to submit their views and proposals regarding community development and housing needs, with particular emphasis on persons of low-to-moderate income who are residents of slum or blighted areas. Local organizations that provide services or housing for low-to-moderate income persons, including the local Public Housing Authority, the local Health and Human Services office, the local Mental Health and Mental Retardation office, and other local service providers such as Faith-Based organizations, must receive written notification concerning the date, time, location and topics to be covered at the public hearing. Citizens must be made aware of the location where they may submit their views and proposals in case they are unable to attend the public hearing. While more than one application may be discussed at the public hearing, a hearing held for the previous program year's submission of the same application does not satisfy the requirements for any subsequent competition.

At least five (5) days prior to the submission of an application for TxCDBG funds, the applicant must publish a public notice in a local newspaper that includes the following information:

- The TxCDBG fund categories for which applications will be submitted.
- The amount of TxCDBG funds requested in each application.
- A short description of the proposed project activities in each application.
- The locations of the project activities included in each application.
- The location and hours when the application will be available for public review.

Applicants must comply with the following citizen participation requirements in the event that the application is successful:

- The locality must hold a public hearing concerning any proposed substantial change, as determined by TDA, in the use of TxCDBG funds from one eligible activity to another.
- Upon completion of the activities, the locality shall hold a public hearing and review its program performance, including the actual use of TxCDBG funds.

- The locality must retain documentation of the hearing notice(s), attendance lists, minutes of the hearing(s), and any other records concerning the actual use of funds for the greater of:
    1. Three years after close-out of HUD's grant to the State of Texas (please see TDA website)
    2. If notified by TDA in writing, the date that the final audit is accepted with all audit issues resolved to TDA's satisfaction (Please see date of TDA audit acceptance letter if applicable); or
    3. A date consistent with the period required by other applicable laws and regulations as described in 24 CFR 570.490 and 570.502.

The applicant certifies compliance with the TxCDBG Citizen Participation Plan requirements by signing the 424 form. Failure to comply with these requirements may result in disqualification of the application.

Local Certifications

Each applicant for TxCDBG funding must certify by signing the 424 Form that it has adhered to the Local Certifications included in this application guide in the preparation of any TxCDBG application. Adherence to these certifications must be ongoing in the event that the application is successful.

With respect to the expenditure of funds provided under a Texas Community Development Block Grant contract, each TxCDBG contractor is required to certify that:

1. It will minimize displacement of persons as a result of activities assisted with such funds.
2. The program will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq.) and the Fair Housing Act (42 USC 3601-20), and that it will affirmatively further fair housing, as specified by TDA.
3. It will provide opportunities for citizen participation, hearings and access to information with respect to its community development programs, and that it is following the TxCDBG Program Citizen Participation Plan.
4. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of low-to-moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless: (A) such funds are used to pay the proportion of such fee or assessment related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (B) for purposes of assessing any amount against properties owned and occupied by persons of low-to-moderate income who are not persons of very low income, the contractor certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (A).
5. It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal implementing regulations at 49 CFR Part 24, and the requirements of section 570.606 including the following of a residential anti-displacement and relocation assistance plan, as specified by TDA, in the event that displacement of residential dwellings will occur in connection with a project assisted with TxCDBG funds.
6. It has adopted or will adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations and enforce applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
7. To the best of the TxCDBG contractors' knowledge and belief, no Federal appropriated funds have been paid or will be paid, by or on behalf of the TxCDBG Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making

of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

8. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the TxCDBG Contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
9. The TxCDBG contractor must require that the language of this certification be included in the award documents for all sub-awards at all levels (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Minority Participation/Local Opportunity

The TxCDBG Program will maintain the goal of encouraging minority participation and will assist communities in identifying potential minority contractors and subcontractors through the ongoing Minority Business Enterprise program. Also in accordance with Section 3 of the Housing and Urban Development Act of 1968, successful applicants using CDBG funding for housing or other public construction are required, to the greatest extent feasible, to provide training and employment opportunities to lower-income residents and contract opportunities to businesses in the project area.

Subdivision Platting Requirements in Economically Distressed Counties

Chapter 232, Subchapter B, Texas Local Government Code, establishes comprehensive platting requirements for subdivisions of four or more residential lots in economically distressed areas (unincorporated areas in affected counties located outside of the corporate limits of municipalities and outside of the extraterritorial jurisdiction of municipalities that are within 50 miles of the international border) in affected counties (counties that are eligible for the Texas Water Development Board Economically Distressed Areas Program).

Subchapter B covers counties that are within fifty miles of the international border and are eligible for the Texas Water Development Board Economically Distressed Areas Program.

Chapter 232, Subchapter C, Texas Local Government Code, establishes many of the same platting requirements for the subdivision of land located outside of a municipality or the extraterritorial jurisdiction of a municipality for counties that are eligible for the Texas Water Development Board Economically Distressed Areas Program that are not covered by the Subchapter B provisions.

Subchapter C covers counties that are further than fifty miles from the international border and are eligible for the Texas Water Development Board Economically Distressed Areas Program.

A sub-divider is required to have a plat of the subdivision prepared in compliance with the requirements of Subchapter B or Subchapter C including certifications by an engineer concerning when water and sewer facilities will be fully operable and that said facilities are in compliance with the Model Subdivision Rules. A plat is not valid unless the county commissioner’s court approves it.

Fair Housing Activities

Any locality receiving funds under the TxCDBG Program must certify that it will affirmatively further fair housing choice. Each funded locality must conduct at least one fair housing activity during the contract period, even if the

locality is currently undertaking fair housing activities. Activities that qualify as affirmatively furthering fair housing include, but are not limited to, the following:

- Cities may pass a fair housing ordinance and publicize the existence of such an ordinance.
- Counties may adopt written fair housing policies and procedures that are equivalent to a fair housing ordinance and publicize the existence of such policies.
- The development of a strategy to pass a fair housing ordinance to be evidenced by public hearings and input from interested parties.
- The establishment of a written local complaint and monitoring process and notification to the public of its existence.
- The initiation of a fair housing counseling referral service that provides housing choices outside historically minority and/or low-to-moderate income neighborhoods to be evidenced by adoption of written procedures and publication of the availability of such service.
- The completion of a community-wide housing analysis to determine impediments to fair housing and actions to eliminate these impediments.
- The designation of April, or some other month, as Fair Housing Month through resolution or proclamation along with other activities to support fair housing.

In addition, communities that receive CDBG funds, chief elected officials, and third party consultants will be required to have Fair Housing training. Training will be offered at both on-site workshops and state-wide webinars.

Conflict of Interest

Under the conflict of interest provisions at 24 CFR 570.489(h) included in the regulations governing state administration of CDBG non-entitlement funds (24 CFR 570, Subpart I), no persons who exercise or have exercised any function or responsibilities with respect to TxCDBG activities, or who are in a position to participate in a decision-making process, or gain inside information regarding TxCDBG activities, may obtain a financial interest or benefit from the activity, or have interest in any contract, subcontract, or agreement, or the proceeds thereof, either for themselves or those with whom they have family or business ties, during their tenure, or for one year thereafter.

These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official of the state, or of a unit of general local government, or of any designated public agencies, or sub-recipients receiving CDBG funds.

As an example, a conflict of interest would exist (family member receiving benefit from an activity) if a member of a mayor's family was selected to receive housing rehabilitation assistance through a city program financed with TxCDBG funds. Another example where a conflict of interest would exist (business ties) is a situation where a consultant, who is employed by an engineering firm, has been selected by a city to provide grant administration services and the city is considering the selection of an engineer from that same firm to provide grant engineering services.

TDA may grant an exception to the conflict of interest provisions on a case-by-case basis if it determines that such exception will serve to further the purpose of the TxCDBG and the effective and efficient administration of the project. An exception may be considered only upon written request from the city or county that includes the following documentation:

- A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made.

- An opinion of the attorney for the city or county that the interest for which the exception is sought would not violate state or local law.
- Whether the exception would provide a significant cost benefit or an essential degree of expertise to the project that would not be available otherwise.
- Whether an opportunity was provided for open competitive bidding or negotiation.
- Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class.
- Whether the person affected has withdrawn from his/her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question.
- Whether the interest or benefit was present before the affected person was in the position as an employee, agent, consultant, officer, or elected official of the city or county, or of any designated public agencies, or sub-recipients that are receiving CDBG funds.
- Whether undue hardship will result to the city or county or the persons affected when weighed against the public interest served by avoiding the prohibited conflict.
- Any other relevant considerations.

Types of Applications

Single Jurisdiction Applications

A single eligible applicant (city or county) may submit one application for funding if the project beneficiaries are limited to persons located within the applicant's jurisdiction.

For an incorporated city, the beneficiaries would generally be limited to persons located within the city limits. An incorporated city may submit a single jurisdiction application that includes activities benefitting persons located within the extra-territorial jurisdiction (ETJ) of the city. However, the applicant must describe how the activity benefitting persons located in the ETJ is meeting the applicant’s community development and housing needs, including the needs of low-to-moderate income persons.

An incorporated city may not submit a single jurisdiction application that includes beneficiaries located both inside of the city and outside of the city's ETJ. In this case, the city and the county where the unincorporated area is located would be required to submit a multi-jurisdiction application.

For a county, the beneficiaries would generally be limited to persons located in unincorporated areas within the county (for target area projects) or countywide (possibly for projects such as a county community center, county park, or courthouse accessibility improvements).

However, a county may submit a single jurisdiction application on behalf of an incorporated city located within the county as long as the application adheres to the following guidelines and requirements:

- The activities proposed in the application benefit the incorporated city’s residents and the proposed activities provide improvements to a publicly-owned facility or privately-owned utility that is not owned or operated by the incorporated city on whose behalf the county has submitted the application. As an example, a county could submit an application on behalf of an incorporated city that does not own or operate the water system that serves the city’s residents, when the water system is owned and operated by an entity such as a public water supply corporation, and the proposed activities in the application are for water system improvements that benefit the city’s residents. The city’s residents are the beneficiaries of the application activities, but the improvements would become the property of the public water supply corporation.

- The persons benefitting from the application activities must be located within the city's corporate limits and/or within the city's ETJ.
- The incorporated city must adopt and submit a resolution (with the TxCDBG application) authorizing the county to submit the application on behalf of the city.
- The county will be the grantee and the party responsible for compliance with all program requirements.
- The county or the incorporated city that the county applied on behalf of cannot submit another single jurisdiction application or be a participating jurisdiction in a multi-jurisdiction application submitted under the same TxCDBG fund category.
- The incorporated city's demographic information will be used for the scoring of TxCDBG selection criteria.
- A county may submit a single jurisdiction application for a countywide housing rehabilitation activity that includes rehabilitation of housing units in unincorporated areas and incorporated cities located in the county when the following TxCDBG guidelines and requirements are met:
    - The proposed housing rehabilitation activities in the application benefit county residents in the unincorporated areas of the county and county residents in incorporated cities located in the county (i.e., the actual rehabilitated housing units under the countywide program must be located in county unincorporated areas and within each incorporated city included as a participant in the countywide housing rehabilitation program).
    - Each incorporated city participating in the countywide housing rehabilitation program must provide a resolution adopted by the governing body of the city authorizing the county to include the city in the county's housing rehabilitation program (resolution(s) must be submitted with the TxCDBG application).
- The county will be the grantee and the party responsible for compliance with all program requirements.
- The county unincorporated area demographic information and each participating incorporated city's demographic information will be used for the scoring of TxCDBG selection criteria.

Multi-Jurisdiction Applications

Two or more eligible applicants may submit a joint application for funding when the project beneficiaries are persons located within more than one unit of general local government. The requirements for multi-jurisdiction applications are:

- The locations of the beneficiaries and the locations of the proposed activities must be within the applicants' jurisdictions; and
- A proposed project that includes an activity located in more than one jurisdiction or that includes beneficiaries from more than one jurisdiction must be submitted as a multi-jurisdiction application. Exceptions to this requirement are the ETJ provision allowed by the TxCDBG for incorporated municipalities under single jurisdiction applications and the county exceptions described under single jurisdiction applications.

In order for a multi-jurisdiction application to be eligible for consideration for TxCDBG funding, a multi-jurisdiction application must mutually benefit residents of the applicant localities and cannot be submitted solely on the basis of administrative convenience, i.e., there must be a physical need for such a project (location, area to be served, etc.). An example of an eligible multi-jurisdiction application would be construction of a sanitary sewer treatment facility to serve households in two applicant cities. However, activities such as multi-county paving projects would not meet the "physical need" requirement, as they are generally developed based on administrative convenience to the applicant counties.

Additional criteria that must be met by multi-jurisdiction applicants are:

- The multi-jurisdiction applicants shall determine which one of the participating units of general local government will be authorized (the authorized applicant) to act in a representative capacity for all of the participating units.
- Under the Community Development Fund regional competitions, a multi-jurisdiction application that includes participating units of general local government from more than one state planning region will compete in the regional competition where the majority of the application activity beneficiaries are located and the authorized applicant must be located in the region where the application is submitted.
- Each participating jurisdiction shall submit a signed 424 Form and be responsible for compliance with the Local Certifications therein.
- Each participating jurisdiction shall submit a Community Needs Assessment that identifies the housing and community development needs and activities designed to meet those needs for each of the participating jurisdictions.
- The authorized applicant jurisdiction and each of the other participating jurisdictions must meet the citizen participation requirements.
- Each proposed activity must meet one of the NPOs. For this purpose, a similar activity carried out/located in two or more different jurisdictions, such as sewage collection lines/service connections for each of the participating jurisdictions, is considered two separate activities. A common activity, such as the sewage treatment plant that would serve each of the participating jurisdictions, is considered a single activity.
- The authorized applicant assumes overall responsibility for ensuring that the application activities will be carried out in accordance with statutory requirements. In order to accomplish this, the authorized applicant must enter into a legally binding cooperation agreement with each participant that includes the above criteria.
- All jurisdictions participating within the multi-jurisdiction application must be TxCDBG eligible. For example, if a city and county are submitting a multi-jurisdiction application and the city is currently ineligible due to past performance issues, the application is ineligible.

Single Activity Applications

Applicants may submit applications for projects that include a single activity such as housing rehabilitation, sewer improvements, water improvements, drainage, roads, community centers, etc.

A single activity project (e.g., the extension of water lines and related service connections) may include some ancillary activities, such as repair of streets under which the lines were placed, and still be considered a single activity project.

Multi-Activity Applications

Applicants may submit multi-activity applications that include multiple activities addressing the applicant's public facilities, public services and housing needs.

On Table 1 of the Application, the budgets for each of the activities must appear separately and the applicant must provide the correct number of persons benefitting from each activity. Costs associated with engineering and acquisition of a right-of-way or easement must be separated by activity.

This requirement pertains both to applications with a variety of activities (e.g., water, sewer, and street paving activities) and to applications that include mixture of different areas. For example, an application that includes a water well benefitting an entire city and water lines benefitting a target area would be considered separate activities.

State Scoring

Once the applicants are scored at the regional level, the scores will be forwarded to TxCDBG. TxCDBG will assign 10% of the RRC total combined points based on factors described in the 2015 TxCDBG Action Plan plus the Low and Moderate Income Persons (LMI) National Objective Scoring factor. TxCDBG will be responsible for reviewing the RRC scores and for determining and approving the final ranking of the applicants once the RRC and the TxCDBG scores are summed. TxCDBG is responsible for publishing the final ranking of the applicants for each region.

TxCDBG will assign 10% of the total RRC combined points as follows:

1. Past Selection – Maximum Points - 4% of Maximum Possible RRC Score
2. Past Performance - Maximum Points - 4% of Maximum Possible RRC Score
3. Basic infrastructure or Housing Activities - 2% of Maximum Possible RRC Score

To assist in fulfilling the CDBG statutory requirements for the percentage of program year awards that must meet the LMI National Objective, applications that meet the LMI National Objectives for each activity (51% L/M) will receive 2% of the maximum possible RRC Score for each region. To ensure the TxCDBG program meets the statutory LMI National Objective requirements, if the ranking in a region would not result in the award of at least 75 percent of the allocated funds for LMI National Objective, then the TxCDBG shall make awards based on a revised ranking to achieve at least a 75 percentage level for LMI awards for the region.

Regional Review Committee Scoring

Specific information regarding regional scoring is contained within each of the Regional Review Committee Guidebooks located on the agency website at www.TexasAgriculture.gov or applicants may contact the local COG office for a copy of the guidebook.

Federal Funding Accountability and Transparency Act (FFATA)

In September 2006 the President signed the Federal Funding Accountability and Transparency Act (FFATA) requiring the Office of Management and Budget (OMB) to develop a publicly available, free-of-charge, searchable website on federal funding. Federal funding includes grants, sub-grants, loans, awards, cooperative agreements, and other forms of financial assistance. On April 6, 2010, the OMB issued a memorandum outlining responsibilities for State agencies making sub-awards with Federal funds.

Beginning October 1, 2010, TDA is responsible for reporting data on each TxCDBG award, which will be entered into the usaspending.gov database. This data includes:

- The name of the entity receiving the award;
- The amount of the award;
- Information on the award, including transaction type, funding agency, Catalog of Federal Domestic Assistance (CFDA) number, program source, and a descriptive award title;
- Location of the entity receiving the award and the primary location of performance under the award, including the city, state, congressional district, and county; and
- The Data Universal Numbering System (DUNS) number for the entity receiving the award.

Additional information deemed relevant by the OMB must also be provided, and all information is due no more than thirty days after a grant is awarded.

In addition, applicants must register on the System for Award Management (SAM) and entities must have an active registration to receive funding from HUD. Information on SAM registration is available at https://www.sam.gov.

False Information on Applications

The following actions may be taken, on a case-by-case basis, where TDA finds that an applicant provided false information in its application for TxCDBG funding.

If the applicant provides false information in a TxCDBG Fund application that has the effect of increasing the applicant's competitive advantage, or false beneficiary information that increases the number or percentage of potential beneficiaries, TDA TxCDBG staff shall make a recommendation for action to the Director of the State TxCDBG Program.

Actions that the Director may make include, but are not limited to:

1. Disqualification of the application and holding the locality ineligible to apply for TxCDBG funding for a period of at least one year not to exceed two program years.
2. Even if an award has been made, the locality may be liable for funds expended if adjustment to the scores would have resulted in a change in rankings for the purpose of funding.
3. Holding the locality ineligible to apply for TxCDBG funding for a period of two program years or until any issue of restitution is resolved, whichever is longer.

An applicant may appeal a decision of the State TxCDBG Director by filing an appeal with the Director of the Office of Rural Affairs.

Appeals Process

Refer to Title 4 Part 1 §30 of the Texas Administrative Code (TAC).

Application Instructions

Cover Sheet

Enter the applicant's name in the space provided. The applicant's name will then appear in the footer of every page in the application. Using the drop-down box, select the applicant's County. Region-specific information such as COG region and County Code will automatically appear where appropriate throughout the application once the County has been selected.

Application Checklist

Carefully read the list of required attachments and application forms located on page 40 of this guide, checking off each completed item. This minimizes the likelihood of serious deficiencies or disqualification.

424 Form

The numbered sections below coincide with the numbered fields on the 424 Form. All information is required unless otherwise noted. The applicant must provide an email address and the information can be entered under the address box of the bottom of the 424 Form in box 18a.

1. ***Type of Submission***- Under the Application column, select either Construction orNon-Construction. The majority of TxCDBG applications, except for Planning-only applications, include some construction activities.
2. ***Date Submitted***– To use the calendar provided, click on the drop-down arrow on the right side of the box.
3. ***Date Received by State*** – Leave this field blank.

4. ***Date Received by Federal Agency*** – Leave this field blank.

5. ***Applicant Information***- Provide the applicant's Legal Name (e.g., City of ABC, ABC County) and the Organizational Unit (can be the same as the Legal Name).**Mailing address, telephone number, fax number, and email address are required for both the applicant and the application preparer.** The applicant's physical address and county are also required.

6. ***Employer Identification Number***– Also known as the Federal Tax ID, this 14-digit number is required to facilitate disbursement of funds.

6a. ***DUNS Number*** – All applicants must have a Data Universal Numbering System number to apply for Federal funds. The DUNS number is a nine-character identification number provided by Dun and Bradstreet. There is no charge to obtain a DUNS number. For additional information, visit the Dun and Bradstreet website at www.dnb.com. Failure to provide the applicant's DUNS number at the application stage may result in delayed award disbursement. The DUNS number is also required to be registered with the System for Award Management.

7. ***Type of Applicant***– Select County or City.

8. ***Type of Application***– Check the appropriate box.

9. ***Name of Federal/State Agency*** – Provided by TDA

10. ***Catalog of Federal Domestic Assistance Number*** – Provided by TDA

11. ***Project Type*** – Use the drop-down menu to select the project type that best describes the proposed project. Please double check for accuracy, as TDA will use this information for creation of an Action Item and contracts if the application is successful. If the options in the drop-down menu do not accurately describe the proposed project, you may type the appropriate project type in this field rather than selecting from those provided.

11a.***Type of Application*** – Provided by TDA

12. ***Target Area(s) Affected by the Project***– Briefly identify the target areas of the city or county affected by the project. Acceptable descriptions would be: "The ABC Community in southeast XYZ County", "The ABC Community and LMN Community in XYZ County", "The ABC Water Supply Corporation Service Area", "The A, B, C, and D Colonias of XYZ County", and "Jollyville neighborhood in the northwest portion of ABC Town".

13. ***Applicant's Fiscal Year*** – Indicate the beginning and end dates of the applicant's fiscal year.

14. ***Congressional Districts***– Provide the congressional districts of the entity applying for funding, as well as for the proposed project site(s).This information is available through the "Who Represents Me" feature at the Texas State Legislature's web site: www.fyi.legis.state.tx.us.

15. ***Estimated Funding***– Complete each field as follows:

    A. TxCDBG Request: Amount requested from TDA through this application;

    B. Federal: Amount committed from federal resources such as RUS or USDA-RD;

    C. State: Amount committed from state resources such as TWDB;

    D. Applicant: Amount of match committed by the applicant;

    E. Local: Amount committed from local resources such as a WSC, WCID, MUD, or any other local entity other than the applicant;

    F. Other: Amount committed from resources other than those listed above; and

    G. Total: This will calculate automatically.

If the applicant intends to use TxCDBG to leverage funds from another source, indicate the full scope of the project (including portions funded by other sources) in the Project Summary.

16. ***Is application subject to review by State Executive Order 12372 Process?*** – For TxCDBG applications, the answer to this question is "No." However, if the applicant provides a copy to the Regional Planning Commission, estimate the date of submission to the Regional Planning Commission for Texas Review And Comment System (TRACS) review.
17. ***Is the Applicant delinquent on any Federal debt?***- If the answer is "Yes," include an explanation concerning the nature, amount, and date when payment of the debt became delinquent.
18. ***Certification***– Before signing the 424 Form, the authorized signatory should read the text in this field carefully and review the Local Certifications and Citizen Participation Plan sections of this guide. Complete all sub-fields prior to signature.

Project Approval Information

This form asks for a variety of information about a proposed project. Please be sure to verify your responses, as TDA staff may rely on this information to make important decisions regarding the project's approval status. Some items on this form include follow-up questions that will only appear if necessary. If a question does not apply to the proposed project, select "N/A". Failure to respond to any item on the Project Approval Information form will result in a deficiency notice.

Community Needs Information

List of All Identified Community Needs

Provide a list of all the applicant's identified community development and housing needs, not just those addressed in the application. List the needs in order of importance, using the boxes marked "+" and "x" to add or delete space for additional items.

Community Needs Assessment Questionnaire

Provide the information requested for each item, including information concerning the applicant's past and future efforts to provide affordable housing opportunities in the applicant's jurisdiction and the applicant's past efforts to provide infrastructure improvements through the issuance of general obligation or revenue bonds. A response is required for each item; "None" and "N/A" are acceptable.

Fair Housing Activities

Any locality receiving TxCDBG monies must certify that it will affirmatively further fair housing. Using the table, in the application, identify the activities presently undertaken to affirmatively further fair housing and which new activities will be undertaken if an award is made by TDA. Applicants should be aware that, in the event of funding, these fair housing efforts will be monitored. Other activities may be eligible, and the applicant should contact TDA to determine eligibility.

The Needs Addressed In This Application Were Determined By

Indicate the method(s) used to determine the needs addressed in this application, including the date(s) of each method/assessment. If the exact date is not known, choose the first day of the appropriate month and year. If a city's application includes activities benefiting persons located within the city's ETJ, the applicant must describe how the activity benefiting persons located in the ETJ is meeting the applicant's community development and housing needs, including the needs of low to moderate income persons.

Description of the Need(s) Addressed in This Application

Provide a description of the problem the proposed project will address. TDA will use the information from this section to draft a contract in the event that the application is successful. Please double-check for accuracy and do not use all capital letters.

Example: The Green Creek Water Supply Corporation's water system in the northern portion of the City of Green Creek does not meet the Texas Commission on Environmental Quality (TCEQ) regulations 290.44(D) as required by law. This system is unable to meet the TCEQ volume and water pressure requirements.

Project Summary

This section is to be answered for each target area identified within the application and it consists of four questions intended to summarize the most basic aspects of the proposed project(s) (use the clearly marked buttons at the top of the page to add or delete additional forms for multiple target areas). Responses will be used to draft a contract if the application is awarded. Ensure the information provided in this section is accurate and in agreement with all other parts of the application. To answer the questions on this form, follow the instructions below:

1. **"Summarize the problem(s) to be addressed within the application by target area."**

   Guidance: state the nature of the problem by expanding on the Description of Needs from the previous section, as well as specific locations and the state of existing facilities.

   EXAMPLE- The existing six-inch (6") asbestos cement water line is old and deteriorated which results in frequent breaks and water loss making the water line unreliable. This water line is the only source of water serving the city north of State Highway 88 and does not provide adequate capacity.

2. **"Identify the location of each activity/target area."**

   Guidance: first, enter the name of the project area and then identify from the dropdown menu the activity that is to occur in that target area. Lastly, identify the location of the activity/project using cross streets, **or** provide a brief description/narrative of the location of the activity/target area. Use the "+" box on the right side of the page for additional lines to provide street locations, if necessary (or the "x" box to delete unnecessary ones). **NOTE**: when entering the name of the project area, ensure exact consistency in the naming of the project area **throughout** the application (spelling and capitalization, etc.). For example, "Green Acres" should not appear as "green acres subdivision" elsewhere.

3. **"Identify the action(s) to resolve the problem(s) and their anticipated outcomes. Include specific materials and quantities, as well as any anticipated Acquisition. Provide the proposed description based on the example below and examples in the Application Guide."**

   Guidance: describe what action is required to address the problem, including the type and amount of material required for construction activities. For projects that will take place in more than one target area, be sure to describe the conditions and proposed work at each site. Describe in detail acquisition needed for the activity. The response should resemble a standard TxCDBG Performance Statement (see Appendix V: Form/Document Samples for an example).

   EXAMPLE- Contractor shall provide first-time sewer service connections to 25 households in the Addison Neighborhood in the southwest portion of the city. Construction shall include the installation of yardlines, tap fees and decommission of existing septic tanks.

4. **"Disclose the source(s) and use(s) of non-TxCDBG funds."**

   Guidance: Disclose the source, use and amount of any non-TxCDBG funds committed to the proposed project. This includes all cash, material, land, and in-kind match.

Provisions at Subpart A of 24 CFR Part 4 require TxCDBG applicants to disclose the information requested in each part of this section:

- Assistance from other government sources in connection with the TxCDBG project;
- The sources of funds contributed to the project; and
- The uses for which the funds are to be utilized.

Each reportable source of funds must indicate:

- The name and address, city, state, and zip code of the individual or entity providing the assistance. If applicable, include at least one organizational level below the agency name. For example, U.S. Department of Transportation, U.S. Coast Guard; Department of Safety, Highway Patrol;
- the program name, and any relevant identifying numbers or other means of identification for the assistance; and
- the type of assistance (e.g., applicant contribution, loan, grant, loan insurance).

TDA will make all applicant disclosure reports available to the public for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be available along with the disclosure reports, but in no case for a period less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Texas Public Information Act (Chapter 552, Texas Government Code). Failure to provide any required information may delay the processing of the application and may result in sanctions and penalties, including imposition of the administrative and civil penalties specified under 24 CFR Section 4.38.

Additional Project Information

Answer the four questions on this page to identify: 1) any persons with a reportable financial interest to disclose; 2) the type of acquisition (if applicable) needed for the proposed project; 3) any construction activities to be completed by Force Account; and 4) Drought-related needs.

Applicants must provide information on anyone with financial interest in the proposed project exceeding $50,000 or 10 percent of the requested amount (whichever is lower). This includes developers, contractors, or consultants involved in the application for TxCDBG assistance or in the planning, development, or implementation of the project or activity. A “financial interest" is any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residence in housing for which assistance is sought is not considered a covered financial interest.

The applicant disclosure report must specify all expected sources of funds from TxCDBG and from any other source that is or will be available for the proposed project or activity. Non-TxCDBG sources typically include the applicant's local contribution, other government assistance referred, equity, and contributions from foundations and private individuals. The report must also specify all expected use(s) of the funds. All sources and uses of funds must be included if they can be reasonably expected to be available for the proposed project.

Additional disclosures apply to update reports. During the period in which a TxCDBG application is pending, the applicant must make the following additional disclosures:

1. Any information that should have been disclosed in connection with the application but was inadvertently omitted.
2. Any information that would have been subject to disclosure in connection with the application but that arose at a later time, including information concerning an interested party that now meets the applicable disclosure threshold.
3. Any changes in previously disclosed Other Government Assistance that exceeds the previously disclosed amount.
4. For changes in previously disclosed financial interests, any change in the amount of the financial interest of a person that exceeds the amount of the previously disclosed interests by $50,000 or by 10 percent of such interests (whichever is lower).

5. For changes to previously disclosed sources of funds, any change in a source of funds that exceeds the lower of:
    a. The amount previously disclosed for that source of funds by $250,000 or by 10 percent of the amount previously disclosed for that source, whichever is lower; or
    b. The amount previously disclosed for all sources of funds by $250,000 or by 10 percent of the amount previously disclosed for all sources of funds, whichever is lower.
6. For changes to previously disclosed uses of funds, any change in a use of funds that exceeds the lower of:
    a. The amount previously disclosed for that use of funds by $250,000 or by 10 percent of the amount previously disclosed for that use, whichever is lower; or
    b. The amount previously disclosed for all uses of funds by $250,000 or by 10 percent of the amount previously disclosed for all uses of funds, whichever is lower.

For Questions 2 and 3, click on the appropriate response and provide a response if prompted.

Per the 2015 Action Plan, applicants must demonstrate they are adequately addressing water supply and water conservation issues, in particular contingency plans to address drought-related water supply issues. Applicants requesting funds for projects other than water and sewer must include a description of how the applicant's water and sewer needs would be met and the source of funding that would be used to meet these needs.

Table 1 – Beneficiary Data

Provide the following information for each proposed activity. For activities that share the same location, beneficiaries, and National Program Objective, use the "+" box on the right side of the page to add activity line items (or the "x" box to delete an unnecessary line item). Data for activities in a different location, serving different beneficiaries, or addressing a different NPO must appear on a separate Table 1 form. To add a new Table 1 form, click the "Add Another Table 1" button at the top of the page, or click "Remove this Table 1" to remove an unnecessary page. Refer to Appendix III: Sample Table 1 & Table 2 for an example of a properly completed Table 1 form.

Enter the following information for each target area:

- Target Area Name – enter the name of the applicable target area. **NOTE**: when entering the name of the project area, ensure exact consistency in the naming of the project area **throughout** the application (spelling and capitalization, etc.). For example, "Green Acres" should not appear as "green acres subdivision" elsewhere.
- Construction Completion Method(s) – identify how each proposed activity will be accomplished:
    - select "contract" for activities that will be accomplished by the bid/contract process.
    - select "force account" for force account labor (performed by the applicant's own employees); or
    - select "combination" for a combination of both (Contract) and (Force Account);

- Activity Description – choose the appropriate activity from the dropdown menu. After selecting an activity, the appropriate HUD activity number will appear in the next field. Refer to Appendix IV: TxCDBG Activity Code Reference Table for a brief description of each activity and its corresponding activity code. Most projects involve at least three activities, and at least one construction item and General Administration are mandatory. For most public works/facilities projects, engineering/architectural services should be included even if not paid with TxCDBG funds.
    - When completing the form for the General Administration activity, the Gender, Ethnicity, and Census Geographic Area information is not required. For the General Administration line item, use the TxCDBG Construction and/or Other Construction columns to indicate the portions of the

Administration costs to be paid by TxCDBG funds and/or Other funds respectively. Engineering and acquisition costs are not applicable to General Administration and should be left blank for both TxCDBG and Other funds. In some cases, more than three activities apply even if the application is for a single purpose. One example is housing projects that include rehabilitation, clearance, and relocation activities.

- Total Benes (Total Activity Beneficiaries) – enter the total number of beneficiaries of the activity. For projects with multiple activities, each separate activity requires a separate beneficiary count. Once this information is entered for all activities (if applicable), enter the sum total of all the beneficiaries at the bottom of the column. This is true when activities take place in different sectors of a jurisdiction, but may also be true when the activities are proposed in the same general vicinity.
    - For example, if a proposed project includes street paving and sewer line improvements in the same part of a community, a survey conducted for the project should produce a separate sub-tabulation for each activity. If the activity locations overlap completely and serve the same population, the beneficiary totals will be identical. If the activity locations overlap partially or not at all, the totals will differ because each activity serves a different population.
- LMI Benes (Activity LMI Beneficiaries) – enter the number of persons identified out of the Total Beneficiaries whose income falls below 80% of the area median family income. Once this information is entered for all activities, enter the sum total of all the LMI beneficiaries at the bottom of the column.
- LMI % (Activity LMI %) – this is the percentage of an activity's beneficiaries that are LMI, and will automatically calculate. For projects addressing the low-to-moderate income NPO, the TxCDBG program requires that this amount be at least 51% for each construction activity.
- TxCDBG Construction – indicate the amount of TxCDBG funds requested for each construction activity. Be sure to correlate this figure for all construction activities on Table 2 – Budget Justification.
    - Use this column for General Administration (choose General Administration as the activity and then budget the amount in the TxCDBG Construction column). The amount requested for General Administration must not exceed 16% of the combined TxCDBG amounts requested for construction and acquisition/relocation activities. The locality is responsible for any cost incurred for General Administration (Program Administration, Compliance, Audit, etc.) that exceeds the TxCDBG-funded amount
- TxCDBG Engineering – indicate the amount of TxCDBG funds requested to pay engineering costs associated with the activity. This amount should also appear on Table 2 – Budget Justification. When TxCDBG Engineering costs exceed 25% of the TxCDBG Construction/Acquisition budget, the cost is considered unreasonable and an explanation of high costs will be required.
- TxCDBG Acquisition – indicate the amount of TxCDBG funds requested to pay acquisition costs associated with the activity. This amount should also appear on Table 2 – Budget Justification.
- Other Construction – indicate the amount of local or other matching funds committed to pay for the construction costs associated with the activity.
- Other Engineering – indicate the amount of local or other matching funds committed to pay for the engineering costs associated with the activity.
- Other Acquisition – indicate the amount of local or other matching funds committed to pay the acquisition costs associated with the activity.
- The source(s) of all other funds must be disclosed in the Project Summary section of the application when the "other" amount is greater than zero. TDA requires a commitment documenting each outside source of funding. Refer to Appendix II: Matching Funds for additional details.

- Activity Total – this is the total cost of completing each activity, including funds from TxCDBG and all other sources, and will automatically calculate. The total for all activities should match the total project cost on the 424 form.
- Gender Data – enter in the total number of male and female beneficiaries that will be served in the target area. The number in the Total Benes column (Gender Data) should match the Total Beneficiary – Activity Totals column in the section above.
- Race/Ethnicity Data – provide the race, and ethnicity data of the beneficiaries that will be served in the target area. This data is available for census geographic areas in the TXMA05 file located on the agency website. According to a requirement promulgated by the Office of Management and Budget (OMB) and the Department of Housing and Urban Development (HUD), beneficiaries for the Community Development Block Grant Program (CDBG) must now consider persons of Hispanic or Latino origin as an ethnic group. Therefore, persons of Hispanic or Latino origin must also be included under one or more of the single race or multi-race categories. The number of persons shown in the single race or multi-race categories, not including the persons shown as Hispanic or Latino origin, should equal the total number of project beneficiaries when added together. The number in the Total Activity Beneficiaries column must match the Activities column in the section above.
- Census Geographic Area Data – for reporting purposes, HUD requires that TDA collect information regarding the location of each project activity. The county code/FIPS (Federal Information Processing Standard) code will automatically populate when you choose the applicant's county from the drop down menu on the cover page. Next, enter all of the applicable census tracts (6-digit) and block group where the activity's beneficiaries reside.
- This Activity Benefits a Target Citywide/Countywide Benefit – identify whether the proposed activity will benefit an entire city or county.
- Beneficiary Identification Methods – indicate which of the three acceptable methods was used by selecting the appropriate box, and then provide the appropriate information that is requested under the selected identification method. The three acceptable ways to determine how many beneficiaries an activity will serve are the following
    - HUD Census-based Data;
    - TxCDBG-approved Survey; and
    - TxCDBG-approved Limited Clientele Information.

Table 2 – Budget Justification of Retail Costs

For projects involving more than one activity, this form should reflect each separate activity and its applicable costs. Do not include cost categories such as contingency funds, profit, overhead, and bonding as separate costs. They should be built into the estimated construction costs. Costs related to housing rehabilitation activities, other than water or sewer connections on private property related to the installation of first-time water or sewer service, do not have to be reflected on this form.

Localities may not levy special assessments, fees or service connection/tap-on costs on low-to-moderate income persons to recover the TxCDBG-financed portion of a public improvement. However, they may do so to recover the portion financed with other funding sources provided TxCDBG funds pay these costs for the LMI beneficiaries.
Under certain conditions, TxCDBG funds may pay special assessments and fees for low-to-moderate income persons even if the public improvements are funded by another source. Payment of special assessments/fees constitutes TxCDBG assistance to the public improvement. Therefore, TxCDBG funds may pay for the assessments/fees on behalf of LMI persons provided that:

- the installation of the public improvements was carried out in compliance with requirements applicable to activities assisted under TxCDBG, including labor standards, environmental review requirements, and citizen participation;

- the installation of the public improvement meets a TxCDBG national program objective; and,
- TxCDBG funds do not pay for the assessment/fees on behalf of non low-to-moderate income persons.

Force account labor costs, whether to be paid with TxCDBG funds or included as local match, must be based on the estimated TxCDBG contract-related construction hours to be worked by force account workers and the hourly wages to be paid, not on labor costs estimated through the bid/contract method. These costs must be described in the Project Summary section of the application.

The value of materials/supplies to be provided by the applicant, and already owned by the applicant, must be based on the purchase price of the materials and supplies at the time of purchase and cannot be based on the current purchase price of such materials/supplies.

Equipment costs for equipment owned by the locality, whether to be paid with TxCDBG funds or included as local match, must be based on a use allowance (such as those used by FEMA) or depreciation (based on acquisition cost, and only if the equipment is not already fully depreciated). Calculate all costs based on hours the equipment is in use on the project.

Please enter the following:

- Activity Description – refer to the listed activities on Table 1. Activities shown on this form must correspond to those shown on Table 1. Use the dropdown menu for a full list of activity descriptions and their corresponding HUD activity numbers. Use the "+" box on the right side of the page for additional line items (or the "x" to remove unnecessary ones).
- Materials/Facilities/Services – in this column, list the materials/facilities/services associated with each activity.
- $/Unit, Unit, and Quantity – for projects that will be completed using force account labor, use the materials/facilities/services column to calculate the value of the force account, such as the estimated contract-related construction hours multiplied by hourly wage rates with the total amount indicated in the Construction column, or attach a separate Force Account Schedule. See Appendix V: Form/Document Samples for an example of a properly completed Table 2 – Budget Justification for Retail Costs involving Force Account labor. There are two acceptable methods for determining actual construction costs:
    1. Break down the construction costs into labor and materials components for each activity (use this method for activities involving force account labor); or
    2. Use unit price ($/Unit) and the number of units (Quantity) for each activity. The units used (e.g., linear feet (lf), square feet (sf), etc.) must be priced to include all proposed improvements related to and necessary for the major construction activity.
- Construction – enter the price of a material associated with a construction activity. This is the quantity in the "$/Unit" column multiplied by the number in the "Qty" column.
- Engineering – engineering/architectural costs are required to be broken out and entered by **each construction activity** and by the following engineering services (survey, design, and construction/inspection). Special engineering services and their costs must be itemized on Table 2.
- Acquisition – enter any cost involved with a proposed activity involving acquisition of real property (easements, rights-of-way, etc.). The projected acquisition costs must be broken out by the activity for which the acquisition is needed. Acquisition costs associated with construction activities, such as easements for a water system improvement project, should be shown in the "Acquisition" column. Please keep in mind that TDA requires compliance with the Uniform Real Property Acquisition and Relocation Policies Act of 1970. **Do not add a separate Acquisition activity line item unless the project involves acquisition of real property, in which case the "Construction" and "Engineering" columns should be blank for the Acquisition activity.**

- Total – the totals for each line item and column will calculate automatically. Each activity cost and the associated total activity costs must be consistent with those shown on Table 1. General Administration costs are not shown on Table 2.
- Signature of Registered Engineer/Architect Responsible For Budget Justification (and Seal) – for public facilities projects, a professional engineer or architect licensed to practice in the State of Texas must complete this form. The engineer or architect's signature and registration seal must be on the form. Please also provide the date the form is completed and the engineer or architect's telephone number. If the professional seal is a pressure (non-ink) seal, please ensure that a penciled-over image of the seal is visible on the duplicate copy.

National Program Objectives

Indicate which National Program Objective (NPO) the proposed project addresses. Additional data may be required depending on which NPO you select:

- Activities benefitting low-to-moderate income persons;
    - LMI Area Benefit;
    - LMI Housing Activity;
    - LMI Limited Clientele; or
    - LMI Jobs
- Prevention / Elimination of Slums or Blight; or
- Urgent Need.

Provide a Justification of Beneficiary Identification Method that was used to identify the beneficiaries of the proposed projects. Provide specific references to programs and income limits or the condition on which the limited clientele eligibility was based. The number of limited clientele beneficiaries must be substantiated through clientele lists or certified by the director of the facility or program. Additional questions will appear if the Prevention/Elimination of Slums or Blight NPO is selected:

- Area Basis / Spot Basic – by selecting the appropriate box, indicate if the proposed activity will address slums or blight on an area or a spot basis.
- Conditions – describe the conditions that are present in the area to designate and qualify the areas as a slum or blighted area.
- Boundaries – Describe the boundaries of the slum/blight area. Do not use this field to document the Census tract/block group data.
- Percentage Deteriorated Buildings/Qualified Properties – Enter the percentage of deteriorated buildings/properties in the area at the time it was designated a slum/blight area.
- Public Improvement/Type Condition – If the activity qualifies for CDBG assistance on the basis that public improvements throughout the area are in a general state of deterioration, enter a description of each type of improvement in the area and its condition at the time the area was designated as slum/blight.
- Slum/Blight Designation Year – Enter the year the area was designated as a slum/blight area. If the period during which such designations are valid has lapsed, the applicant entity must re-evaluate and re-designate the area.

NOTE: Funds to address the Urgent Need NPO are awarded separately on an invitation-only basis. For more information regarding NPOs, refer to the National Program Objectives section of this guide.

Anticipated Objectives and Outcomes

Indicate the anticipated objectives and outcomes from the proposed activities by completing the following for each activity:

- Activity – using the dropdown menu, select the appropriate activity. If the options in the drop-down menu do not accurately describe the proposed activity, you may type the appropriate project type in this field rather than selecting from those provided from the drop-down list. Also, use the boxes marked "+" and "x" on the right side of the page to add or delete space for additional activities.
- Anticipated Objective – select one anticipated objective for each activity:
    - Create a suitable living environment.
    - Provide decent affordable housing
    - Create economic opportunities.
- Anticipated Outcome – select one outcome for each activity in the application (excluding engineering and administration):
    - Availability / Accessibility
    - Affordability
    - Sustainability

NOTE: Only one set of objectives and outcomes is required for each activity. If multiple objectives and outcomes are provided for each activity, the responses listed first for each activity will be used for reporting purposes by TxCDBG staff.

Anticipated Outcome Units

Of the following, select the box next to the most appropriate description of the proposed activities:

- Infrastructure/Public Facilities Improvement Project
- Services
- Planning Activity

Once the additional questions appear, select the Activity from the dropdown menu. Use the "+" box on the right side of the page to add additional activities, if applicable (or the "x" box to delete unnecessary ones). For each activity, provide the following:

- Identify the number of persons for each of the following:
    - Anticipated to have new access to this type of public facility or infrastructure improvement;
    - Anticipated to have improved access to this type of public facility or infrastructure improvement; or
    - Anticipated to be served by public facility or infrastructure that is no longer substandard.

NOTE: The total for each activity and outcome must not exceed the total number of beneficiaries identified in the application.

Additional Activity Information

Select only those that apply.

- *One-for-One Replacement* – requires that a grantee replace occupied and vacant units that are demolished or converted.

- *Revolving Loan Fund* – established to make loans whereby principal repayments of loans are re-paid into the fund and re-lent to other borrowers.
- *Brownfield Activity* – any activity designed to treat a piece of industrial or commercial property that is abandoned or underused and often environmentally contaminated, especially one considered as a potential site for redevelopment.
- *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 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 one-time charge made as a condition of access to public improvement.
- *Favored Activity* – certain activities specifically related to economic development.
- *Colonia* – Any identifiable unincorporated community that is determined to be a colonia on the basis of objective criteria, including lack of potable water supply, lack of adequate sewage systems, and lack of decent, safe, and sanitary housing; and was in existence as a colonia prior to the date of enactment of the Cranston-Gonzalez National Affordable Housing Act (November 28, 1990).
- *Presidentially Declared Disaster Area* – any area that is listed as an active disaster area on the Federal Emergency Management Agency website (www.fema.gov).
- *Historic Preservation Area* – any area that has been identified in accordance with the standards for the treatment of historic properties as set by the Secretary of the Interior.
- *Displacement* – a displaced person is any lower income family or individual that moves from real property, or moves his or her personal property from real property, permanently and involuntarily, as a direct result of the conversion of an occupied or vacant occupiable low/moderate income dwelling unit, or the demolition of any dwelling unit, in connection with an assisted activity.
- *Float Funded* – process by which a state's CDBG funds are already under contract to grant recipient, yet the state awards the same funds to another grant recipient providing that the state is repaid before the initial grant recipient needs the funds to meet their obligation(s) for their CDBG funded activities.

Attachments

The application must be submitted with the following attachments, if applicable, in the order specified.

Resolutions

The application *must* be submitted with a resolution from the local governing body (i.e. County Commissioners Court of City Council) authorizing the submission of that application. The governing body must adopt/pass the resolution before the application submission and after the application public hearing. Failure to comply with these resolution requirements may result in disqualification of the application.

The language of the resolution must, at a minimum:

1. Authorize the submission of an application for funding under the Texas Community Development Block Grant Program.
2. Designate the Community Development Fund as the fund category under which the application is to be considered.
3. Designate the activities addressed in the application.
4. Designate the dollar amount being requested.
5. Designate a person (e.g., County Judge, County Commissioner, or Mayor) who will be authorized to execute documents in conjunction with the application, and any resulting grant contract.

6. Commit to the provision of resources by source and use (if applicable) in support of the proposed project activities, including the specific source (e.g., General Fund, Water/Sewer Fund, General Obligation Bonds) and use of those resources.
7. Commit to compliance with all federal, state, and program requirements, including environmental review, labor standards, procurement, acquisition of property, civil rights, and administrative requirements.

In a multi-jurisdiction application, a cooperative agreement must also be included and signed by all participating local governments, and must state which participant will serve as the lead administrative entity if the project is funded. Additionally, each locality participating in a multi-jurisdiction application must submit a resolution adhering to the guidelines above.

For a sample resolution, see Appendix V: Form/Document Samples.

Documentation of Match

The following guidelines serve to clarify the type of match acceptable under the Texas Community Development Block Grant Program. Acceptable types of match can be any of the following:

1. Cash only;
2. In-kind services/equipment use;
3. Materials or supplies;
4. Land; or
5. Any combination of the above.

Match must be fully documented in the application. For more information on the acceptability of each of the different types of match, refer to Appendix II: Matching Funds.

While other resources are strongly encouraged, the commitments for these matching funds must be fully documented as to source, type, use, and minimum dollar amount before they can be considered in the scoring of an application.

Local government resource commitments must be made in the form of a Resolution from the City Council or County Commissioners Court. This resolution should indicate, at a minimum, the type of resource (e.g., land, labor, materials, money, etc.) and the source, a minimum dollar value to be provided, and for what purpose(s) this resource will be used. Please note here that local match can only be counted for expenditures that would not occur if the proposed application is not funded, with the exception of local funds expended for consultant engineering and administrative services.

Resource commitments provided by other local entities (e.g., public housing authority, special utility districts, private financial institutions or other similar sources leveraging loan funds with a local housing rehabilitation program or other TxCDBG-eligible activity) must be documented in a letter signed by a person authorized by that entity to make such a commitment. This letter should identify the type of resource, a minimum dollar value, and for what purpose this resource will be used. Applicants who are unsure about the eligibility of a commitment from other local entities should contact TDA staff.

Commitments for other State or Federal funds (e.g., Texas Water Development Board, UDSA) must be supported by a grant/loan offer, contract award letter, etc., signed by a person authorized to make such a commitment for that agency for an activity directly related to activities included in the TxCDBG funding request. This evidence must include identification of the resource, a minimum dollar value, and the purpose for which this resource will be used. These resources cannot have been expended before the application is submitted.

All resources committed in an application and considered in the scoring of that application must be provided in the event that the project is selected for funding. If these resources are not made available, the locality may be subject to the sanctions described in the *"False Information"* section of this guide.

Additionally, the use of other funds (e.g., federal, state, or local) in conjunction with TxCDBG funds generally triggers a series of compliance requirements that might not be applicable if those funds were to be used independently. These requirements include but are not limited to environmental review, labor standards, real property acquisition (including easements), prohibition of special assessments, and financial management procedures.

Published Notices of Public Hearing and Application Activities

Prior to the preparation and submission of an application for TxCDBG funds, each applicant must hold at least one public hearing and publish a notice that describes the application activities and the availability of the application(s) for public review.

The public hearing gives citizens information about the Texas Community Development Block Grant Program and eligible program activities, as well as opportunities to participate in the development of the applicant's community development and housing needs and the development of TxCDBG applications.

The public notice gives citizens information on proposed uses for the funds and an opportunity to review and comment on the application(s) prior to submission.

Other requirements include:

- Public notices should be prominently posted in public buildings and distributed to local Public Housing Authorities and other interested community service providers.
- Ensure nondiscrimination by taking reasonable steps to ensure meaningful access for persons with Limited English Proficiency (LEP) by providing language assistance as appropriate.
- Persons with disabilities must be able to attend the hearing and an applicant must make arrangements for individuals who require auxiliary aids or services, if contacted at least two days prior to the hearing.
- Local organizations that provide services or housing for low-to-moderate income persons, including the local Public Housing Authority, Health and Human Services office, Faith-based organizations, and Mental Health and Mental Retardation office, must receive written notification concerning the date, time, location and topics to be covered at the public hearing.

The written notification sent to local service providers for the public hearing must include the date, time, location and topics of discussion at the public hearing (a copy of the notice will suffice if it includes all required information). Send this notification to service providers serving the jurisdiction's residents – if a local office is located in the community, then that office should receive the notification. If a local office is not located in the community, send the notification to the local or regional office location that serves the jurisdiction's residents.

The following items are required as evidence of adherence with public hearing and public notice requirements:

1. A copy of the actual published public hearing notice (full page of the newspaper with publication title and date or publisher's affidavit and a copy of the notice) for the required public hearing. The notice must conform to the requirements of the Citizen Participation Plan, including specifics such as the date, time, location of the hearing and the topics to be discussed.
2. A copy of the actual published notice of the application(s) activities and availability of the application(s) for public review. This may be either a full newspaper page with the publication title and date or publisher's affidavit and a copy of the notice. The notice must conform to the requirements of the Citizen Participation Plan including the timing of the published notice and the information included in the notice.

3. A listing of the local service providers that received written notification of the public hearing. Copies of the written notifications must be kept by the applicant and will be reviewed by TDA staff during site visits. Again, the written notification must conform to the requirements of the Citizen Participation Plan including specifying the date, time, and location of the hearing and the topics of discussion.

TDA recommends verifying that the public notices are published on the correct days, as well as allowing sufficient time for publication and public hearing issues to be resolved rather than completing these steps just prior to submitting the application.

For sample public notices, see Appendix V: Form/Document Samples.

Project Maps including Census Maps
Each application for TxCDBG funding must include a project map, or maps, which clearly show the following information:

- The boundaries of the applicant's jurisdiction;
- The boundaries of the county;
- Location(s) of the target area community or communities; and
- Location(s) of all proposed project activities (e.g., sewer/water lines, lift stations, street pavement, water storage tanks, water wells, wastewater treatment plants, public facility improvements, etc.)

Applicants using HUD-Census-based data to document project beneficiaries must provide maps that clearly show:

- All of the Census geographic areas (e.g., census tracts, block numbering areas, block groups) within the applicant's jurisdiction where census data is used to document project beneficiaries;
- Locations of the project activities (on the same census maps); and
- The census tract numbers, block numbering area numbers, and block group numbers must be legible.

If project beneficiaries are determined based on area benefit, the project area or service area boundaries must also be delineated on all maps. Maps must be reproducible. Care should be taken in copying maps so that project activities that may have been designated by a colored mark are still identifiable.

Waiting List for Housing Activities (If Applicable)
For projects that include the provision of first-time on-site sewage facilities or replacement of on-site sewage facilities, applicants must provide a waiting list of homeowners that have indicated a need and willingness to participate in the program. At a minimum, this waiting list must include the address and LMI status of the potential beneficiaries.

Documentation of Beneficiaries
Clear documentation of an applicant's beneficiary identification method **must** be received with the application. Applicants must include with their application either a completed survey of the target area; for previously completed surveys the TxCDBG Approval Letter and the Survey Tabulation Form or supporting documentation of the HUD based Census Low-to-Moderate-Income Summary Data (LMISD) spreadsheet for the census geographic area.

Evidence of Active SAM Registration
The applicant shall include a screen-shot from the System for Award Management (SAM) website at https://sam.gov verifying the entity's registration is active.

Annual Audit
Applicants must comply with the audit requirements in the Texas Local Government Code for the fiscal year ending 2013. The applicant is required to submit their most recent annual audit with their application to demonstrate financial capacity. Annual audits for fiscal years ending on or before December 31, 2012 will not be accepted. Failure to submit an audit for FY2013 by the application deadline will result in automatic disqualification.

A302 Exemption Determination for Activities Listed at 24 §58.34
The applicant shall include a completed Exemption Determination for Activities Listed at 24 CFR §58.34 form for the proposed project.
(See Appendix V: Form and Document Samples)

Pre-agreement Option
TxCDBG may reimburse funded applicants for Administrative and Engineering costs (except for application preparation costs) incurred prior to the TxCDBG Contract Start Date based on the Pre-Agreement Stratagem. If an applicant wishes to proceed under the Pre-Agreement Stratagem, the applicant must submit a written request with the application or anytime thereafter prior to award. If any contract-related professional service costs are paid with local funds, these costs may be applied toward the applicant's local match contribution if the application is funded.

For a sample Pre-Agreement Request Letter, see Appendix V: Form/Document Samples.

Application Review Checklist
See the following page for the Application checklist and instructions.

RRC Scoring Criteria Response
Applicants must address each of the 2015-2016 RRC Scoring Criteria factors for their region and provide complete responses with supporting documentation (see Data Source) for each scoring criterion as identified in the RRC Guidebook. Use other software (such as Microsoft Word) to complete this section, then print and include it with the application.

Providing each answer consists of three steps:

1. Identifying the scoring criteria / question by number or by name;
2. Providing the response information to the criteria; and
3. Attaching the verifiable source.

If the data source is included in Part I of the TDA 2015/2016 CD Application, it is not necessary to reattach the data source (example: Table 1, Table 2, Form 424). Repeat the steps for each scoring criteria until each scoring criteria for the region is complete.

Applicant Name:_____

Application Review Checklist for Community Development Fund

The following items **must** be included in the application. If the application is found to be substantially incomplete it will be denied without further consideration. Applications that have deficiencies will be given 10 business days to satisfy those deficiencies. Applicant or Application Preparer must initial for each item included in the application or indicate that the item is not applicable. Print this page separately and insert directly behind the Application Coversheet.

COMMUNITY DEVELOPMENT FUND **Application Contents**	**Initial if complete NA if not applicable**

Original Application – Part 1

Completed 424 Form with original signature	
Project Approval Information with all question answered	
Community Needs Assessment	
Project Summary by Target area and locations identified & Source and Use of non-TxCDBG funds Disclosure	
Table 1	
Table 2	
National Program Objectives	

Attachments – Part 2

Resolution passed by the applicant		
Match documentation - Letter(s) of Commitment		
Public notices		
	Copy of actual published public hearing notice or Publisher's Affidavit and copy of notice	
	Copy of actual published notice of application activities and availability of the application for public review or Publisher's Affidavit and copy of notice	
	Listing of the local service providers that were sent the written notification of the public hearing	
Project Map documenting the Benefit area		
Census Maps for documenting the Benefit area when using Census data to qualify for LMI		
Waiting List for Housing Activities (if applicable)		
Documentation supporting Low-to-Moderate Income beneficiaries (See Appendix I)		
Evidence of active SAM Registration		
Most recent Annual Audit		
Exemption Determination for Activities Listed at 24 CFR §58.34		
Pre-Agreement Request letter (if applicable)		

RRC Scoring Criteria Responses– Part 3

Attach the RRC Scoring Criteria Responses to the CD application. A copy of your region's scoring criteria may be found on the TDA website or from your local COG. See page 37 of the App. Guide for instructions.	

Electronic Copy– Part 4

Only the PDF document of the Community Development Fund Portion of the application is needed. CD-Rom or email to cdbgapps@TexasAgriculture.gov	

Appendix I: Using Census Data and Surveys

To count project beneficiaries and document LMI percentage based on data from the Census, use the Low-to-Moderate-Income Summary Data (LMISD) spreadsheets from the TDA web site. This Excel file contains population and income data for the State of Texas down to the Block Group level.

TxCDBG will only allow the use of the LMISD data to qualify an activity and to document the activity beneficiaries under the following conditions:

1. The project activity will benefit all of the persons within a census geographic area or a significant number of the persons (at least 60% of the persons) within a census geographic area. The census geographic area could be a county, place, census tract, or block group.
2. If only LMISD data is used to document the beneficiaries of an application activity, the low- and moderate-income benefit percentage must be at least 51% (not 50.99%) for a single census geographic area or for combinations of two or more census geographic areas.
3. The LMISD data may be used in combination with beneficiaries identified using other methods (as appropriate) to document the beneficiaries of an application activity. Again, the activity must benefit at least 51% low and moderate income persons.

If an application activity does not benefit an entire census geographic area, or a significant number of the persons within a census geographic area, then the applicant must use another method to document the beneficiaries. The applicant should then consider conducting a local TxCDBG survey to document the beneficiaries and the low- and moderate-income benefit percentage for the activity. A local survey is usually the best way to document the beneficiaries of direct benefit activities.

Navigating the LMISD Spreadsheets

The following are the three separate spreadsheets that compose the LMISD data (along with the information that each contains):

1. ALL BLOCK GROUPS STATEWIDE – data for every block group in the state
    a. "geoname" – identifies each block group by census tract and county
    b. "countyname" – identifies the county
    c. "tract" – identifies the census tract
    d. "blkgrp" – identifies the block group
    e. "lowmod" – number of LMI persons within the block group
    f. "lowmoduniv" – total number of persons within the block group
    g. "lowmod_pct" – percentage of LMI persons in the block group
2. LOCAL UNITS OF GOV (NON-ENT) – data for every non-entitlement entity in the state
    a. "group" – identifies type of entity (COUNTIES, COUSUB/MCD, PLACES)
    b. "geoname" – identifies the entity
    c. "place" – provides a place's identifying census number, if applicable
    d. "county" – provides a county's identifying census number, if applicable
    e. "cousub" – provides a county subdivisions/CDP identifying census number, if applicable
    f. "lowmod" – number of LMI persons within the block group
    g. "lowmoduniv" – total number of persons within the block group
    h. "lowmod_pct" – percentage of LMI persons in the block group
3. LOCAL UNITS OF GOV (ENT) – data for every entitlement entity in the state
    a. "cdbgname" – identifies the entitlement entity
    b. "county" – provides a county's identifying census number, if applicable
    c. "countyname" – identifies the county in which the entity is located
    d. "tract" – identifies the census tract

e. "blkgrp" – identifies the block group
f. "lowmod" – number of LMI persons within the block group
g. "lowmoduniv" – total number of persons within the block group
h. "lowmod_pct" – percentage of LMI persons in the block group

The "ALL BLOCK GROUPS STATEWIDE" data may be used to qualify a project that benefits a target area(s) or used to recreate entity-wide LMI data that is broken out by block group (to use in substituting with income surveys or other allowable data) for a project that is entity-wide.

Due to the fact that "split block groups" are no longer available and applicant's (namely cities) are no longer able to identify which part of a block group's population actually resides within an entity's jurisdiction and which ones do not, applicants must recreate these "split block groups" using 2010 Census Data (by using the "Urban/Rural – 090" geographic type) to identify the actual population of a block group that is within their jurisdiction. Once that number is obtained, an applicant must simply apply the original LMI percentage of that block group to the adjusted number to calculate LMI persons for that particular block group. Whether an applicant is obtaining beneficiary numbers for a target area or recreating entity-wide data, the method above will apply to each (if applicable).

The "LOCAL UNITS OF GOV (NON-ENT)" data may be used to qualify a project that has a benefit area that is entity-wide. This data may not be used in combination with any other data or method of identifying beneficiaries (for example, income surveys), with the exception of institutional data (prison, nursing home, etc.) that may be substituted in, as appropriate.

The "LOCAL UNITS OF GOV (ENT)" data is simply provided for the use of eligible county applicants that have an entitlement entity within its jurisdiction. If a county applies for a project with a county-wide benefit, the populations of any and all entitlement entities within the county's jurisdiction must be subtracted and not considered when calculating the beneficiary data.

Example 1: The City of Athens wants to apply for a project that includes the installation of water distribution lines and fire hydrants in 2 block group (BG) areas. Using the LMISD spreadsheet to recreate the block group data, the City finds the following information:

- BG 5 has 100 residents, but an examination of the project maps indicates the project will only serve 35. The LMI percentage for BG 5 is 51%.
- BG 6 also has 100 residents, but the project is only expected to serve 20.

Can the City of Athens use Census data to qualify this project? No, because the project *will not benefit a significant number of BG 5 or BG 6 residents*. Both block groups would qualify if more than 60% of the residents of each were expected to receive benefits. In this case, City A must perform a survey of the benefiting areas.

Example 2: Tom Green County wants to apply for a county-wide benefit project that includes reconstructing streets throughout the entire county. The county has three incorporated area (that also includes an entitlement city) that it must subtract from its beneficiary data:

Group	geoname	Place	County	Cousub	lowmod	lowmodu	lowmod_pct
COUNTIES	Tom Green County, Texas		451		41,710	102,505	40.69%
	San Angelo (from entitlement data)				38,855	93,710	41.46%
PLACES	Grape Creek CDP, Texas	30629			1,060	2,885	36.74%
PLACES	Christoval CDP, Texas	14872			210	445	47.19%
				Total of Cities:	40,125	97,040	
				County's Unincorporated Population:	**1,585**	**5,465**	**29.00%**

The LMI percentage of the entire unincorporated area is 29.00% (1,585 low- to moderate-income persons and 5,465 total beneficiaries). Tom Green County cannot qualify the project using Census data because the project does not benefit at least 51% low- and moderate-income persons.

Example 3: The City of Trenton wants to apply for a direct benefit project that includes the installation of water distribution lines and fire hydrants in 2 block group (BG) areas. The project will benefit a significant number of BG 2 residents (70%) and a small section of BG 3 (about 5%).

After recreating the "split block groups", the City finds that the population of BG 2 is 70% low- and moderate-income (455 low- and moderate-income persons and 650 total residents) according to 2010 Census data. BG 3 is found to be 45% low- and moderate-income (324 low and moderate income persons and 720 total residents) according to Census data.

Can the City of Trenton use Census data to qualify this project? Yes and no. TxCDBG would allow the use of Census data for BG 2 but not for BG 3. The City would be advised to use census data for BG 2 and to survey the beneficiaries located in BG 3.

The City surveys BG 3 beneficiaries and the survey identifies 35 total and 28 low to moderate income beneficiaries. The number of beneficiaries in BG 2 (about 70% of BG 2 residents) is 450 total and 315 low and moderate income. Therefore, there are 485 total activity beneficiaries, 343 of whom are of low- to moderate-income.

Applicants using LMISD data to document activity beneficiaries must submit the following information with the application:

- A copy of the data from the LMISD spreadsheet(s) for the applicant and/or the TxCDBG-completed cover sheet, which includes low-and moderate-income benefit percentages for each census geographic area.
- A copy of the methodology and the supporting documentation (SF 1 information if applicable) used to determine the total number and number of low- and moderate-income beneficiaries for a census geographic area where only a portion of the census geographic area is receiving benefit from an application activity.
- For target area activities that do not benefit the entire city or county, a census map that contains the numbers for each census geographic area, the boundaries of each census geographic area, and the locations of the project activities within each census geographic area receiving project benefit.
- The Census information and maps are available from various state agencies and from various websites. When trying to obtain information or maps, first check with your local Council of Governments, as most have these materials for their respective regions. You may also contact TxCDBG staff for information concerning the availability of Census information. Census maps are available on the Census Bureau website at http://www.census.gov/geo/maps-data/maps/block/2010/).

Appendix II: Matching Funds

TxCDBG will not accept matching funds from the United States Department of Agriculture Rural Development Programs for TxCDBG applications unless the applicant has submitted the preliminary application for the Rural Development grant or loan matching funds to Rural Development prior to the TxCDBG application deadline. Applicants planning to use Rural Development funds as match for TxCDBG funds cannot submit a TxCDBG application for the Community Development Fund or Colonia Construction Fund unless the applicant has submitted the application for Rural Development funds prior to the TxCDBG application deadline.

TxCDBG will not accept matching funds from the Texas Water Development Board Programs for TxCDBG applications unless the applicant has submitted the preliminary application or the required questionnaire for the Texas Water Development Board grant or loan matching funds to the Texas Water Development Board prior to the TxCDBG application deadline. Applicants planning to use Texas Water Development Board funds as match for TxCDBG funds cannot submit a TxCDBG application for the Community Development Fund, or Colonia Construction Fund unless the applicant has submitted the application or completed the required questionnaire for Texas Water Development Board funds prior to the TxCDBG application deadline.

Funds expended prior to the application deadline will not count as matching funds.

An applicant may procure professional services prior to the submission of the application to assist in the preparation of the application and/or to provide engineering/architectural or administration services needed for contract management purposes if the application is funded. However, costs for application preparation are not eligible for reimbursement with TxCDBG funds.

TDA strongly recommends that applicants follow the professional services procurement guidelines included in the most recent TxCDBG Implementation Manual to contract for such services. Following those guidelines will ensure a competitive process and compliance with all applicable state and federal requirements.

Match funds are valid only if committed for activities proposed for funding with TxCDBG funds and the match will be used in the same target areas as the TxCDBG funds, or the match will be used for activities that are directly related to supporting the activities proposed for TxCDBG funding.

Example #1- An applicant proposes a water line replacement project in two different target areas. TxCDBG funds will finance the improvements in one target area and the applicant's match will be used to finance the improvements in the other target area. The applicant had already budgeted local funds for the water improvements in the applicant financed target area and did not claim any of the persons located in this target area as project beneficiaries. This match would not be considered because it is not committed to the TxCDBG financed target area beneficiaries, nor is it committed to the proposed TxCDBG-funded water improvements.

Example #2 - An applicant proposes water line replacement and street paving activities in the same target area and proposes that TxCDBG funds finance the water improvements and the applicant's match will finance the street paving improvements. Even though the match is committed to the same target area, this match would not be considered because the match is not committed to the TxCDBG-funded water activity. The applicant could complete the street paving improvements without TxCDBG funds.

Example #3 - An applicant proposes water line replacement and street paving activities in the same target area and proposes that TxCDBG funds finance 80% of water improvements costs and 50% of the street paving costs. The applicant's match will finance the remaining 20% and 50% of these activities. The applicant's match is allowed because it is committed to the same target area and activities proposed for TxCDBG funding.

Example #4 - An applicant proposes a sewer system improvements project that includes acquisition of easements and a site for a lift station. TxCDBG funds will finance 100% of the sewer system construction improvements and the

applicant's match will finance 100% of the acquisition, engineering, and administrative costs related to the delivery of the construction improvements. This match is considered allowable because the acquisition, engineering and administrative costs are directly related to the TxCDBG funded sewer construction activity.

Example #5 –An applicant proposes to provide first-time water service in a project area where 90% of the households are low-to moderate-income households. Only applicant's (or other entity's) funds in support of rehabilitation activities benefiting low- to moderate- income households are considered matching funds. Any applicant's (or other entity's) funds used to provide first-time water service to the 10% non-low-to moderate-income households are NOT acceptable as matching since they do not support an eligible TxCDBG activity.

Match is acceptable only if the applicant has used an acceptable and reasonable method to document the value of the match.

Except for cash match, the applicant must provide an attachment/schedule to Table 2, Budget Justification, which shows how the value of each type of match was determined. The following documentation is acceptable:

Cash
Acceptable documentation for cash match is described in *"Letter(s) of Commitment"* section (e.g., local government resolution, letters of commitment from other local entities, state/federal agency contract award letter, etc.).

Force Account Labor (in-kind service)
The value of force account labor match must be based on the estimated TxCDBG contract-related construction hours to be worked by force account workers and the hourly wages to be paid and cannot be based on labor costs estimated through the bid/contract method.

The applicant must provide an attachment/schedule that shows how the value of the match was determined (number of estimated contract-related construction hours multiplied by the hourly wage rates paid for each worker). Documentation regarding this information should be included.

Administration/Engineering (in-kind service)
The value of in-kind administration and engineering match must be based on the estimated TxCDBG contract-related hours to be worked by administrative/engineering staff and the hourly wages or salary to be paid and cannot be based on a percentage of the project cost method or on an estimated cost of the service(s) if an administrative/engineering consultant(s) were hired.

The applicant must provide an attachment/schedule that shows how the value of the match was determined. The schedule should include the estimated contract-related staff-work hours multiplied by the hourly wages or salary to be paid and the estimated value of other TxCDBG-eligible administration/engineering costs (e.g., materials, supplies, bonding, postage, audits, plans/specifications, construction mapping, etc.). If you are unsure about the eligibility of any administrative or engineering costs, please contact TDA staff for a determination.

Equipment Use (in-kind)
The value of in-kind equipment use match for equipment owned by the locality must be based on a use allowance or depreciation (both cannot be used for the same piece of equipment) and cannot be based on the estimated rental cost of such equipment if already owned by the locality.

To document the value of estimated in-kind equipment use match based on a use allowance, the applicant may use equipment hourly rates and mileage rates established by the Federal Emergency Management Agency (available from TxCDBG under separate cover).

Depreciation value may be used only if the equipment is not already fully depreciated and the schedule is based on acquisition cost. The applicant must provide an attachment/schedule that shows how the value of the match was determined.

If determining value by use allowance, the schedule must include a list of the equipment (including the capacity or size of the equipment), the hourly use rate or mileage rate, and the number of estimated hours or miles that each piece of equipment will be used on project related activities.

If determining value based on depreciation, the schedule must include a list of the equipment, the depreciation schedule, and the acquisition cost of each piece of equipment.

Materials and Supplies

The value of materials/supplies to be provided by the applicant, and already owned by the applicant, must be based on the purchase price of the materials/supplies at the time of purchase and cannot be based on the current purchase price of such materials and supplies.

The applicant must provide an attachment/schedule that shows how the value of the match was determined. The schedule must include a list of the materials/supplies to be provided by the applicant, the number of units and the unit price acquisition cost of each material/supply.

Land

The value of land donations of public or private property must be based on an independent appraisal report establishing the fair market value or on the purchase price of the property at the time of purchase.

Either way, the value claimed must be based on the amount of property actually needed for the project (e.g., the applicant cannot claim the value for a 200-acre tract of land if only one acre is needed for the project).

The applicant must provide the appraisal report or deed of purchase establishing the value of the property needed for the project.

Appendix III: Sample Table 1 & Table 2

TABLE 1 Complete a separate table for each activity or colonia target area. | Add Another Table 1 | Remove this Table 1

Identify the target area for this project. Only one Table 1 is needed if the same target area, beneficiaries, and national objective apply. If any of these are different, add a new Table 1. Refer to the Application Guide for instructions.

Target Area: Town of Prickly Pear - East Side Construction Completion Type: Contract

Activity Description	HUD Act #	Total Benes	LMI Benes	LMI %	TxCDBG Construction	TxCDBG Engineering	TxCDBG Acquisition	Other Construction	Other Engineering	Other Acquisition	Activity Total	+
Water Improvements	03J	100	75	75.00%	125,000	30,000	0	10,000	0	0	165,000	X
Acquisition of Real Property	1	0	0	0.00%	0	0	10,000	0	0	0	10,000	X
General Program Administration (use Construction columns)	21A	0	0	0.00%	25,000	0	0	0	0	0	25,000	X
ACTIVITY TOTALS:		100	75	75.00%	150,000	30,000	10,000	10,000	0	0	200,000	

Race	# Non-Hispanic Beneficiaries	# Hispanic Beneficiaries	Total Activity Beneficiaries	+
White	12	13	25	X
Black African American	12	12	24	X
Asian	15	12	27	X
Asian/White	12	12	24	X
TOTALS:	51	49	100	

Gender	Total Males	Total Females	Total Benes
	50	50	100

REQUIRED - Census Geographic Area Data
Identify the census tract and block group(s) in which the project will take place

County Code: 25 +

Census Tract (6-digit)	01	02	03	04	05	06	07	08	09	10	X
9501.00	☒	☐		☒							
9500.00	☐	☒		☐							

☐ City-wide Benefit

☐ County-wide Benefit

Beneficiary Identification Method(s)

☐ An approved TxCDBG survey was used to identify the beneficiaries for this activity.

☒ 2010 Census information used to identify the beneficiaries for this activity?

☒ The required Census or Texas State Data Center map has been provided if required.

Provide the number of beneficiaries identified through each of the following methods for this activity:

TxCDBG Survey: 0 2010 Census: 100 Area Benefit: 0 Housing Activity: 0 Limited Clientele: 0

TABLE 1 Complete a separate table for each activity or colonia target area. | Add Another Table 1 | Remove this Table 1

Identify the target area for this project. Only one Table 1 is needed if the same target area, beneficiaries, and national objective apply. If any of these are different, add a new Table 1. Refer to the Application Guide for instructions.

Target Area: Town of Prickly Pear - North Side Construction Completion Type: Contract

Activity Description	HUD Act #	Total Benes	LMI Benes	LMI %	TxCDBG Construction	TxCDBG Engineering	TxCDBG Acquisition	Other Construction	Other Engineering	Other Acquisition	Activity Total	+
Sewer Improvements	03J	50	40	80.00%	60,000	15,000	0	10,000	0	0	85,000	X
ACTIVITY TOTALS:		50	40	80.00%	60,000	15,000	0	10,000	0	0	85,000	

Race	# Non-Hispanic Beneficiaries	# Hispanic Beneficiaries	Total Activity Beneficiaries	+
Black African American	10	8	18	X
Native Hawaiian / Other Pacific Islander	7	10	17	X
American Indian/Alaskan native	7	8	15	X
TOTALS:	24	26	50	

Gender	Total Males	Total Females	Total Benes
	25	25	50

REQUIRED - Census Geographic Area Data
Identify the census tract and block group(s) in which the project will take place

County Code: 25 +

Census Tract (6-digit)	01	02	03	04	05	06	07	08	09	10	X
9500.00	☐	☒		☐							

☐ City-wide Benefit

☐ County-wide Benefit

Beneficiary Identification Method(s)

☐ An approved TxCDBG survey was used to identify the beneficiaries for this activity.

☒ 2010 Census information used to identify the beneficiaries for this activity?

☒ The required Census or Texas State Data Center map has been provided if required.

Provide the number of beneficiaries identified through each of the following methods for this activity:

TxCDBG Survey: 0 2010 Census: 50 Area Benefit: 0 Housing Activity: 0 Limited Clientele: 0

TABLE 2 - BUDGET JUSTIFICATION OF RETAIL COSTS

Activity Description	HUD Act #	Materials/Facilities/Services	$/Unit	Unit	Quantity	Construction	Engineering	Acquisition	Total	
Water Improvements	03J	8" PVC Water Pipe	$8.00	LF	2,500	$20,000	$0	$0	$20,000	x
Water Improvements	03J	75,000 gal. Ground Storage Tank	$80,000.00	EA	1	$80,000	$0	$0	$80,000	x
Water Improvements	03J	8" Tapping Sleeve & Valve	$2,500.00	EA	2	$5,000	$0	$0	$5,000	x
Water Improvements	03J	Booster Pumps	$10,000.00		3	$30,000	$0	$0	$30,000	x
Water Improvements	03J	Acquisition of Storage Tank Site	$0.00		0	$0	$0	$10,000	$10,000	x
Water Improvements	03J	6" PVC Sewer Pipe	$6.00	LF	2,000	$12,000	$0	$0	$12,000	x
Water Improvements	03J	6" Roadway Boring	$12,000.00	LF	4	$48,000	0	$0	$48,000	x
Water Improvements	03J	Pump Repairs	$10,000.00	LS	1	$10,000	$0	$0	$10,000	x
Water Improvements	03J	Engineering: Survey	$0.00		0	$0	$15,000	$0	$15,000	x
Water Improvements	03J	Engineering: Design	$0.00		0	$0	$15,000	$0	$15,000	x
Water Improvements	03J	Engineering: Construction	$0.00		0	$0	$15,000	$0	$15,000	x
						$205,000	**$45,000**	**$10,000**	**$260,000**	

Seal

Signature of Registered Engineer/Architect Responsible For Budget Justification: **Date:** **Phone Number**

Appendix IV: TxCDBG Activity Code Reference Table

Code	Description
01	**Acquisition of Real Property** Acquisition of real property that will be developed for a public purpose. Use code 01 for the CDBG-funded purchase of real property on which, for example, a public facility or housing will be constructed. When CDBG funds are used to: • acquire a public facility that will be rehabilitated with CDBG funds and continue to be used as a public facility, assign the appropriate 03* code. • acquire housing that will be rehabilitated, use code 14G.
02	**Disposition of Real Property** Costs related to the sale, lease, or donation of real property acquired with CDBG funds or under urban renewal. These include the costs of temporarily maintaining property pending disposition and costs incidental to disposition of the property.
03A	**Senior Centers** Acquisition, construction, or rehabilitation of facilities (except permanent housing) for seniors. 03A may be used for a facility serving both the elderly and the handicapped, provided it is not intended primarily to serve persons with handicaps. If it is, use 03B instead. For the construction of permanent housing for the elderly, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.
03D	**Youth Centers** Acquisition, construction, or rehabilitation of facilities intended primarily for young people age 13 to 19. These include playground and recreational facilities that are part of a youth center. For the acquisition, construction or rehabilitation of facilities intended primarily for children age 12 and under, use 03M; for facilities for abused and neglected children, use 03Q.
03E	**Neighborhood Facilities** Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or multiple purposes (including recreational). Such facilities may include libraries and public schools.
03F	**Parks, Recreational Facilities** Development of open space areas or facilities intended primarily for recreational use.
03G	**Parking Facilities** Acquisition, construction, or rehabilitation of parking lots and parking garages. Also use 03G if the primary purpose of rehabilitating a public facility or carrying out a street improvement activity is to improve parking. If parking improvements are only part of a larger street improvement activity, use 03K.
03I	**Flood Drainage Improvements** Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention

	ponds or catch basins. Do not use 03I for construction/rehabilitation of storm sewers, street drains, or storm drains. Use 03J for storm sewers and 03K for street and storm drains.
03J	**Water/Sewer Improvements** Installation or replacement of water lines, sanitary sewers, storm sewers, and fire hydrants. Costs of street repairs (usually repaving) made necessary by water/sewer improvement activities are included under 03J. For water/sewer improvements that are part of: • more extensive street improvements, use 03K (assign 03K, for example, to an activity that involves paving six blocks of Main Street and installing 100 feet of new water lines in one of those blocks). • a housing rehabilitation activity, use the appropriate 14* matrix code. For construction or rehabilitation of flood drainage facilities, use 03I.
03K	**Street Improvements** Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs. Also use 03K: • for improvements that include landscaping, street lighting, and/or street signs (commonly referred to as “streetscaping”). • if sidewalk improvements (see code 03L) are part of more extensive street improvements.
03L	**Sidewalks** Improvements to sidewalks. Also use 03L for sidewalk improvements that include the installation of trash receptacles, lighting, benches, and trees.
03M	**Child Care Centers** Acquisition, construction, or rehabilitation of facilities intended primarily for children age 12 and under. Examples are daycare centers and Head Start preschool centers. For the construction or rehabilitation of facilities for abused and neglected children, use 03Q.For the construction or rehabilitation of facilities for teenagers, use 03D.
03O	**Fire Stations/Equipment** Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency rescue equipment.
03P	**Health Facilities** Acquisition, construction, or rehabilitation of physical or mental health facilities. Examples of such facilities include neighborhood clinics, hospitals, nursing homes, and convalescent homes. Health facilities for a specific client group should use the matrix code for that client group. For example, use 03Q for the construction or rehabilitation of health facilities for abused and neglected children.

03	**Other Public Facilities and Improvements** Do not use this code unless an activity does not fall under a more specific 03* code. Also, do not use one activity for multiple facilities and then assign it an 03 because the types of facilities are different. One legitimate use of 03 is for activities that assist persons with disabilities by removing architectural barriers from or providing ADA improvements to government buildings (activities that otherwise would not be eligible for CDBG funding).
04	**Clearance and Demolition** Clearance or demolition of buildings/improvements, or the movement of buildings to other sites.
05D	**Youth Services** Services for young people age 13 to 19 that include, for example, recreational services limited to teenagers and teen counseling programs. Also use 05D for counseling programs that target teens but include counseling for the family as well. For services for children age 12 and under, use 05L; for services for abused and neglected children, use 05N.
05L	**Child Care Services** Services that will benefit children (generally under age 13), including parenting skills classes. For services exclusively for abused and neglected children, use 05N.
05M	**Health Services** Services addressing the physical health needs of residents of the community. For mental health services, use 05O.
05R	**Homeownership Assistance (not direct)** Homeowner downpayment assistance provided as a public service. If housing counseling is provided to those applying for downpayment assistance, the counseling is considered part of the 05R activity. Assistance provided under 05R must meet the low/mod housing national objective. Therefore, unless the assistance is provided by an 105(a)(15) entity in a CRSA, it is subject to the public service cap and only low/mod households may be assisted. If the assistance is provided by a 105(a)(15) in a CRSA, the housing units for which CDBG funds are obligated in a program year may be aggregated and treated as a single structure for purposes of meeting the housing national objective (that is, only 51% of the units must be occupied by LMI households). For more extensive types of homeownership assistance provided under authority of the National Affordable Housing Act, use code 13.
05U	**Housing Counseling** Housing counseling for renters, homeowners, and/or potential new homebuyers that is provided as an independent public service (i.e., not as part of another eligible housing activity).
05	**Other Public Services** Do not use this code for public services activities unless an activity does not fall under a more specific 05* code. Examples of legitimate uses of this code are referrals to social services, neighborhood cleanup, graffiti removal, and food distribution (community kitchen, food bank, and food pantry services).

06	**Interim Assistance** Only for activities undertaken either to: • Make limited improvements (e.g., repair of streets, sidewalks, or public buildings) intended solely to arrest further deterioration of physically deteriorated areas prior to making permanent improvements. • Alleviate emergency conditions threatening public health and safety, such as removal of tree limbs or other debris after a major storm.
08	**Relocation** Relocation payments and other assistance for permanently or temporarily displaced individuals, families, businesses, non-profit organizations, and farms.
14A	**Rehab: Single-Unit Residential** Rehabilitation of privately owned, single-unit homes.
14A	**Rehab: Single-Unit Residential Water Services** First-time yardlines/service connections.
14A	**Rehab: Single-Unit Residential Sewer Services** First-time yardlines/service connections and on-site sewage facilities.
14B	**Rehab: Multi-Unit Residential** Rehabilitation of privately owned buildings with two or more permanent residential units. For the rehabilitation of units that will provide temporary shelter or transitional housing for the homeless, use 03C.
14C	**Rehab: Public Housing Modernization** Rehabilitation of housing units owned/operated by a public housing authority (PHA).
14D	**Rehab: Other Publicly Owned Residential Buildings** Rehabilitation of permanent housing owned by a public entity other than a PHA. For the rehabilitation of other publicly owned buildings that will provide temporary shelter or transitional housing for the homeless, use 03C.
14H	**Rehab: Administration** All delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing; survey, site, and utility plans; application processing; and other fees. Do not use 14H for the costs of actual rehabilitation and do not use it for costs unrelated to running a rehab program (e.g., tenant/landlord counseling). For housing rehabilitation administration activities carried out as part of general program administration (and thus not required to meet a national objective), use code 21.
15	**Code Enforcement** Salaries and overhead costs associated with property inspections and followup actions

	(such as legal proceedings) directly related to the enforcement (not correction) of state and local codes. For the correction of code violations, use the appropriate rehabilitation code.
16A	**Residential Historic Preservation** Rehabilitation of historic buildings for residential use.
16B	**Non-Residential Historic Preservation** Rehabilitation of historic buildings for non-residential use. Examples include the renovation of an historic building for use as a neighborhood facility, as a museum, or by an historic preservation society.
18A	**Economic Development: Direct Financial Assistance to For-Profits** Financial assistance to for-profit businesses to (for example) acquire property, clear structures, build, expand or rehabilitate a building, purchase equipment, or provide operating capital. Forms of assistance include loans, loan guarantees, and grants. With one exception, a separate 18A activity must be set up for each business assisted. The exception is an activity carried out under 570.483(b)(4)(vi), for which job aggregation is allowed.
19C	**CDBG Non-Profit Organization Capacity Building** Activities specifically designed to increase the capacity of non-profit organizations to carry out eligible community revitalization or economic development activities. Such activities may include providing technical assistance and specialized training to staff.
20	**Planning** Program planning activities, including the development of comprehensive plans (e.g., a consolidated plan), community development plans, energy strategies, capacity building, environmental studies, area neighborhood plans, and functional plans.
21A	**General Program Administration** Overall program administration, including (but not limited to) salaries, wages, and related costs of grantee staff or others engaged in program management, monitoring, and evaluation. Also use 21A to report the use of CDBG funds to administer Federally designated Empowerment Zones or Enterprise Communities. For CDBG funding of HOME admin costs, use 21H; for CDBG funding of HOME CHDO operating expenses, use 21I.

For a more comprehensive list of activity codes, go to:
(http://archives.hud.gov/offices/cpd/systems/idis/library/refmanual/ref_man_b.pdf)

Appendix V: Form and Document Samples

Sample Resolution

RESOLUTION

A RESOLUTION OF THE COMMISSIONERS COURT OF (XYZ) COUNTY, TEXAS, AUTHORIZING THE SUBMISSION OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF AGRICULTURE FOR THE (COMMUNITYDEVELOPMENT FUND); AND AUTHORIZING (THE COUNTY JUDGE) TO ACT AS THE COUNTY'SEXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE COUNTY'S PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the Commissioners Court of (XYZ) County desires to develop a viable community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low-to-moderate income; and

WHEREAS, certain conditions exist which represent a threat to the public health and safety; and

WHEREAS, it is necessary and in the best interests of (XYZ) County to apply for funding under the Texas Community Development Block Grant Program;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSIONER'S COURT OF (XYZ) COUNTY, TEXAS:

1. That a Texas Community Development Block Grant Program application for the (CommunityDevelopment Fund) is hereby authorized to be filed on behalf of the County with the Texas Department of Agriculture.

2. That the County's application be placed in competition for funding under the (CommunityDevelopment Fund).

3. That the application be for ($500,000.00) of grant funds to provide (first-time water service).

4. That the Commissioners Court directs and designates (the County Judge) as the County's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the County's participation in the Texas Community Development Block Grant Program.

5. That all funds will be used in accordance with all applicable federal, state, local and programmatic requirements including but not limited to procurement, environmental review, labor standards, real property acquisition, and civil rights requirements.

6. That it further be stated that (XYZ) County is committing ($25,000.00) from its (General Fund) as a cash contribution toward the administration activities of this (first-time water service) project.

Passed and approved this ____ day of _____, 20__.

_____
John Doe, County Judge
(XYZ) County, Texas

_____
Mary Smith, County Clerk
(XYZ) County, Texas

Sample Public Hearing Notice and Application Activities Notice

SAMPLE PUBLIC HEARING NOTICE:

Published on (July 14, 2012):

PUBLIC HEARING NOTICE

(XYZ) COUNTY
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

(XYZ) County will hold a public hearing at 7:00 p.m. on July 14, 2012, at (XYZ) County Courthouse regarding the submission of an application to the Texas Department of Agriculture for a Texas Community Development Block Grant Program (TxCDBG) grant. The purpose of this meeting is to allow citizens an opportunity to discuss the citizen participation plan, the development of local housing and community development needs, the amount of TxCDBG funding available, all eligible TxCDBG activities, and the use of past TxCDBG funds. The County encourages citizens to participate in the development of this TxCDBG application and to make their views known at this public hearing. Citizens unable to attend this meeting may submit their views and proposals to (John Doe), County Judge at the County Courthouse. Persons with disabilities that wish to attend this meeting should contact the County Courthouse to arrange for assistance. Individuals who require auxiliary aids or services for this meeting should contact the County Courthouse at least two days before the meeting so that appropriate arrangements can be made. Para más información en español, comuníquese con [local contact name] al XXX-XXX-XXXX.

SAMPLE APPLICATION ACTIVITIES NOTICES:

Published on (September 26, 2012):

PUBLIC NOTICE

(XYZ) COUNTY
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

(XYZ) County is giving notice of the county's intent to submit Texas Community Development Block Grant Program grant applications for a (Community Development Fund) grant request of ($275,000) for (the installation of a sewer system) in the (community of XX). The application is available for review at the (XYZ) County Courthouse during regular business hours. Para obtener una copia en espanol, comuníquese con [local contact name] al XXX-XXX-XXXX.

Sample TxCDBG Performance Statement

EXHIBIT A

PERFORMANCE STATEMENT

All activities funded with TxCDBG funds must meet one of the CDBG program's National Objectives: benefit low- and moderate-income (LMI) persons, aid in the prevention or elimination of slums or blight, or meet community development needs having a particular urgency.

Contractor shall carry out the following activities in the target area identified in the Application. The Contractor shall ensure that the amount of funds expended for each activity described does not exceed the amount specified for such activity in the Budget.

CURRENT NEED

The city's sewer lines located in the eastern section of the city are deteriorated and excessive inflow and infiltration overwhelm the system during severe storms.

The Contractor certifies that the activity (ies) carried out under this contract will meet the National Objective of benefitting LMI persons with at least 51% of the beneficiaries qualifying as LMI.

Sewer Improvements

Contractor shall replace approximately three thousand eight hundred eight linear feet (3,808 l.f.) of eight-inch (8"), ten-inch (10"), and twelve-inch (12") PVC sanitary sewer pipe, thirteen (13) manholes, demolition of existing manholes, boring, service connections, street repair and all necessary appurtenances. Construction shall take place in the following locations:

STREET	FROM	TO
Trent Street	Erica Road	Mark Ave
Diana Blvd	Tom Lane	Tammie Circle

These activities shall benefit six hundred thirty-seven (637) persons, of which four hundred sixty-eight (468) or seventy-three percent (73%) are of low-to-moderate income.

Engineering

Contractor shall ensure that the amount of Department funds expended for all eligible project-related engineering services, including preliminary and final design plans and specifications, all interim and final inspections, and all special services does not exceed the amount specified for engineering in the Budget.

General Administration

Contractor shall ensure that the amount of Department funds expended for all eligible project-related administration activities, including the required annual program compliance and fiscal audit does not exceed the amount specified for administration in the Budget.

Exemption Determination for Activities Listed at 24 CFR §58.34

Grant Recipient: _____Project Name: _____
Project Description (Include all actions which are either geographically or functionally related):
_____
Location:_____
Funding Source: CDBG HOME ESG HOPWA EDI Capital Fund Operating Subsidy Hope VI Other
Estimated Funding Amount:_____Grant Number:_____
I have reviewed and determined that the abovementioned project is Exempt per 24 CFR §58.34 as follows:

☐	58.34(1). Environmental & other studies, resource identification & the development of plans & strategies;
☐	58.34(2) Information and financial services;
☐	58.34 (3) Administrative and management activities;
☐	58.34(4) Public services that will not have a physical impact or result in any physical changes, including but not limited to services concerned with employment, crime prevention, child care, health, drug abuse, education, counseling, energy conservation and welfare or recreational needs;
☐	58.34(5) Inspections and testing of properties for hazards or defects;
☐	58.34(6) Purchase of insurance;
☐	58.34(7) Purchase of tools;
☐	58.34 (8) Engineering or design costs;
☐	58.34(9) Technical assistance and training;
☐	58.34(10) Assistance for temporary or permanent improvements that do not alter environmental conditions and are limited to protection, repair, or restoration activities necessary only to control or arrest the effects from disasters or imminent threats to public safety including those resulting from physical deterioration;
☐	58.34(11) Payment of principal and interest on loans made or obligations guaranteed by HUD;
☐	58.34(12) Any of the categorical exclusions listed in §58.35(a) provided that there are no circumstances that require compliance with any other Federal laws and authorities cited in §58.5.

The responsible entity must also complete and attach the **58.6 Compliance Checklist**. By signing below the Responsible Entity officially determines in writing that all activities covered by this determination are Exempt and meets the conditions specified for such exemption under section 24 CFR §58.34. This document must be maintained in the ERR.

AUTHORIZED RESPONSIBLE ENTITY OFFICIAL:

_____ _____
Authorized Responsible Entity Signature Date

_____ _____
Authorized Responsible Entity Name (printed) Title (printed)

Sample Pre-Agreement Request

<<date>>

Suzanne Barnard
Director, Texas CDBG Program
P.O. Box 12847
Austin, Texas 78711

Re: Pre-Agreement Cost Approval for Administration and Engineering

Dear Ms. Barnard:

This is to notify the Texas Department of Agriculture, Texas Community Development Block Grant (TxCDBG) Program that the city of XYZ intends to proceed with its 2013-2014 Community Development Fund application project per the pre-agreement costs stratagem. As a condition of this pre-agreement to acknowledge and agree to the following:

1. All applicable state and federal laws, including procurement procedures for professional services and applicable vendors; all applicable TxCDBG policies and procedures, including a completed Environmental Assessment necessary for the Release of Funds (for construction activities) by TxCDBG, acquisition requirements, approval of plans and specifications as regulated by the Texas Commission on Environmental Quality (TCEQ), Davis-Bacon wage requirements, and any applicable contract Special Conditions.
2. The Department shall not reimburse any costs under this agreement until a 2015 or 2016 Community Development Fund contract is fully executed with the city. Department shall not be liable for costs incurred prior to <<CD application deadline date>>or for any activities not included in Exhibit A, Performance Statement, and Exhibit B, Budget, of the executed contract associated with the 2015 or 2016 grant.

Sincerely,

Mayor, City of XYZ