

# COMMUNITY DEVELOPMENT BLOCK GRANT

Program Guidelines | April 2020



# Community Development Block Grant (CDBG) Application Kit Forms and Instructions

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## Introduction

The Department of Community and Economic Development's mission is to encourage the shared prosperity of all Pennsylvanians by supporting good stewardship and sustainable development initiatives across our commonwealth. With a keen eye toward diversity and inclusiveness, we act as advisors and advocates, providing strategic technical assistance, training, and financial resources to help our communities and industries flourish. The Department's 2020-2021 priority is to revive Pennsylvania's economy by providing tax credits and targeted assistance to; distressed areas and low-income populations with a strategic focus on community participation and collaborations among residents, nonprofits, and businesses.

Pennsylvania's renaissance will be driven by the need to increase community revitalization efforts, and this translates into the importance of programs such as the Community Development Block Grant program to provide support and opportunity for every neighborhood and community in the commonwealth. The Community Development Block Grant program will offer a proactive approach, with respect to its goals, which aim to offer additional resources in assisting neighborhoods with fiscal difficulties, averting adverse impacts on health, safety and the welfare of their residents helping to put communities back on the right track to good fiscal well-being.

Legislative Authorization:

- 42 USC 5301 - Housing and Community Development Act
- 24 CFR Part 570 - Community Development Block Grant Regulations
- 35 P.S. 1751 - Community Development Block Grant Entitlement Program for Nonurban Counties and Certain Other Municipalities, commonly referred to as Small Communities Block Grant (Act 179 of 1984)
- Housing and Economic Recovery Act of 2008 (HERA)
- CDBG Disaster Recovery Program

## All Applicants:

The original application must be submitted to the Department of Community and Economic Development, Center for Community and Housing Development.

NOTE: Applicants from Lawrence, Mercer and Venango Counties must also submit a paper copy of the application to the Northwest Regional Office.

**Direct any questions in preparing the Application to your designated Grant Manager.**

# CDBG Application Contents & Checklist

Please place the information in the application in the following order so that the DCED staff can review the information efficiently. Please organize the application as follows:

APPLICANT NAME:
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**Cover Sheet indicating:  
(only applicable to the modified paper submission)**

- PA CDBG Program
- Name of Applicant
- County
- Date of submission
- Completed Application Checklist

**Section I**

- Single Application** – *Completed online (copy)*
- General Application Certifications**
- Resolution: Application Submission**
- Citizen Participation Report**
- Disclosure Report** – *All blanks completed or marked N/A*
- Fair Housing / MWBE Requirements / Section 3**
  - Submit Fair Housing Advertisement
  - Fair Housing Resolution
  - Actions taken to affirmatively further fair housing in accordance with your Fair Housing Analysis
  - M/WBE Plan must be officially adopted and in file for review
  - M/WBE identified participation goals, previous year achievements, actions if goals not met
  - Section 3 Plan adopted & in file for review
  - Four Factor Analysis with Certification or Language Access Plan (LAP)
  - 504 Officer Designation for Grantees with 15 or more employees
- DCED Land Use Implementation**
  - Letter from appropriate local and county planning agency certifying compliance *(if applicable) or marked N/A.*

**Section II**

- Management Plan/Local Staff Capacity**
  - Comprehensive description of how CDBG program will be managed and administered
  - All bullet points have been addressed
- Timeliness** – *All blanks completed or marked N/A*

**Section III**

- Three Year Community Development Plan** includes *(modified for competitiveness)*:
  - Description of low and moderate income and minority persons based on ACS data and/or surveys
  - Assessment of community development needs relating to housing, public community facilities and improvements, public services and economic development
  - Analysis of community development needs of Low Mod areas identified through ACS data or surveys
  - Explanation of how the community development objectives address the identified needs with emphasis on benefit to low/moderate income persons. If Low Mod areas are identified with no funding, provide an explanation for this conclusion
  - Short term (1 year) and long term (3 year) plan which identifies activities that are designed to meet the CD objectives
  - List the resources that were considered when developing the local and/or area wide plans

- REQUIRED: A map or maps that depict:
  - Municipal **census** geography w/boundaries; includes identifying census tracts and block groups
  - Location of low/mod income persons within each Census Tract
  - Incidence & concentration of minority within each Census Tract
  - Location of each activity selected
  - Identify the service area benefiting each submitted project. The individual projects with identified service areas may be separate maps attached to each activity description.

**Section IV**

- Activity Description(s)** – The Activity Description should include: 1) the need being met – what is the problem being addressed and how does it impact the service area beneficiaries; 2) explanation of the need for CDBG funding; 4) quantity of the improvement and location of activity within the service area; 5) how the activity meets a national objective; and 6) beneficiaries, including total, Very Low Income (VLI) and Low Moderate Income (LMI), of the activities.
  - Map w/jurisdiction boundaries shown for example census tract or block group, project area identified as well as service area, and survey area corresponds to service area
  - Multi-year project?     Yes or  No
  - Project timetable included (*beginning with the application submission date, outline a reasonable timetable for project completion. Include all significant milestones, emphasizing those related to plans, permits, bids, contracts, financing, acquisition of property, construction, and completion*).
  - Project Budget that supports completion within 36 months of grant award  
NOTE: The project budget must include an itemized cost estimate for each line item, identifying each source and use of funds
  - Have other funds been committed (*if applicable*)

- Appropriate National Objective selected
- Answered all questions related to the selected national objective
- Current pictures of the proposed project or project area (*strongly recommended*)
- Administrative Costs form
- Appendix B - CDBG Public Service Activities** (*if applicable*)
- Appendix C - Service Areas & Service Methodology** (*if applicable*)
  - Include script and outreach, *if applicable*
  - Copy of sample survey form
  - Map of survey area
  - Survey Worksheet included (*if applicable*)
  - Survey Results (K-2 form) included
- Appendix D - Determining Service Areas** (*if applicable*)
- Local Effort/User Fee Analysis** (*if applicable*)

**Section V**

- LMI Principal Benefit Determination**

**Section VI**

- Other Supporting Documents Included**  
Such as pictures, newspaper articles, test results, consent orders, other pertinent documents. (*if applicable*)

# Single Application

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To apply for funding, the applicant must submit the electronic on-line DCED Single Application for Assistance located at [dced.pa.gov/singleapp](http://dced.pa.gov/singleapp). If the program you are applying under requires multiple copies of the application, they may be sent via US Mail with the hard-copy of the signature page that accompanies the application. If addenda are required, it may be attached electronically to the application on the Addenda tab, or submitted via US Mail with the Signature page. Please reference the Single Application number on any documents sent with the signature page.



# GENERAL APPLICATION CERTIFICATIONS

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

CDBG PROGRAM YEAR:
APPLICATION DEADLINE DATE:

### GENERAL INFORMATION

1. GRANT ADMINISTRATOR NAME:	2. GRANT ADMINISTRATOR TITLE:	
3. GRANT ADMINISTRATOR ADDRESS:		
4. CITY:	5. STATE:	6. ZIP CODE:
7. GRANT ADMINISTRATOR TELEPHONE:	8. GRANT ADMINISTRATOR EMAIL:	
9. METHOD OF PROCUREMENT (CHECK ONE):		
<input type="checkbox"/> RFP <input type="checkbox"/> Small Purchase <input type="checkbox"/> Local Funds <input type="checkbox"/> Not Yet Procured <input type="checkbox"/> N/A		

### CERTIFICATION

10. Certification of Community Development Plan (CDP) for Boroughs and Townships administering their own grants and for county grants.

**For Counties:**  
I hereby certify that all nonentitlement municipalities were provided with the notification specified in 2.a. of the Community Development Plan instructions and that the County of \_\_\_\_\_ has approved the CDP for nonentitlement municipalities.

**For Cities, Boroughs, and Townships:**  
I hereby certify that \_\_\_\_\_ has approved the CDP.  
*(Name of Municipality)*

As Chief Elected Official of the grantee, I certify compliance with the Community Development Plan requirements.

Signature of Chief Elected Official	Date
Name/Title of Chief Elected Official	Municipality
	County

**GENERAL APPLICATION CERTIFICATIONS | COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

11. Certification of Community Development Plan (CDP) for counties administering grants on behalf of one or more entitlement boroughs & townships.

**For Counties with "On Behalf Of" Entitlements:**

I hereby certify that the County of \_\_\_\_\_, which will administer the CDBG grant, has developed the CDP in cooperation with \_\_\_\_\_ and that said Municipality has approved the CDP or applicable portion of the CDP.  
(Name of Municipality)

**County:**

\_\_\_\_\_  
 Signature of Chief Elected Official Date

\_\_\_\_\_  
 Name/Title of Chief Elected Official Municipality County

**"On Behalf Of" Entitlements:**

\_\_\_\_\_  
 Signature of Chief Elected Official Date

\_\_\_\_\_  
 Name/Title of Chief Elected Official Municipality County

*(A copy of this form must be submitted for each grant applied for by the County on behalf of an Act 179 entitlement borough or township.)*

12. Certification of Mandatory Tap in Ordinance:

As Chief Elected Official of a municipality in which CDBG funds will be used for the extension of water and/or sewer service, I hereby certify that said municipality will, prior to the execution of a construction contract for such improvements, adopt an ordinance mandating that all residences intended to benefit from the improvements, tap into the extended system.

I further certify that said municipality will enforce said ordinance to the extent permitted under local code.

\_\_\_\_\_  
 Signature of Chief Elected Official Date

\_\_\_\_\_  
 Name/Title of Chief Elected Official Municipality County

In the case of County "On Behalf Of" applications, the County must submit a signed copy of the above certification for each municipality in which a water or sewer extension project is proposed. Also, this form must be submitted for any nonentitlement municipality in which funds allocated to the County will be used for a water or sewer extension project.

RESOLUTION

Place adopted, executed resolution here



# Instructions for Completion of Disclosure Report

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All applicants for CDBG grants must complete and submit, with their applications, Parts I and II of the Disclosure Report. At the completion of Part II of the report, some applicants will find that they must complete Parts III, IV, V and VI.

**Part I** requires the applicant's name, address, phone and Federal Employer Identification number; indication as to whether this is an initial report or an update (all applicants will check the initial report box); the fiscal year CDBG funds subject to the disclosure; a check as to whether the disclosure is related to an entitlement or competitive application; the amount of CDBG funds being requested; the amount of any CDBG program income that will be used with the CDBG grant; and, the total amount (CDBG grant and program income).

**Part II** asks two questions. If the answer to both questions is "no," the applicant must provide the certification at the end of Part II, but is not required to complete the remainder of the report. If the answer to either questions is "yes" the applicant must complete the remainder of the report.

**Part III** requires information on any other Federal, State and/or local assistance that is to be used in conjunction with the CDBG project.

**Part IV** requires the identification of interested parties. Interested parties are persons and entities with a reportable financial interest in the project. If an entity is being disclosed, the disclosure in Part IV must include an identification of each officer, director, principal stockholder or other official of the entity. All consultants, developers or contractors involved in the application for CDBG assistance, or in the planning, development or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or 10 percent of the CDBG assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which a person or entity has an equity interest in the project, shares in any profit or resale or any distribution of surplus cash or other assets of the project or receives compensation for any goods or services provided in connection with the project. (The following are not considered interested parties: local CDBG administrative staff, recipients of housing rehab assistance, and rehab contractors as long as the rehab agreement is between the property owner and the contractor).

It is realized that at the time of application, applicants may not be aware of all interested parties since contracts and agreements for goods and services are not generally awarded until after notice of grant award. Subsequent to grant award, as projects are being implemented, funds will be committed to interested parties which will necessitate the submission of an updated Disclosure Report. However, if an applicant identifies under Part III of the Disclosure Report, other governmental assistance that is to be used in conjunction with projects funded with CDBG and, if these other funds have been committed to interested parties, then these interested parties must be identified in Part IV.

## Appendix A – HUD Programs Subject to Disclosure

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This Appendix contains a list of all the HUD Programs that are subject to the disclosure requirements of the HUD Reform Act (42 U.S.C. §3545). All applicants for CDBG assistance must review this list to determine if they are receiving, or expect to receive, assistance from other covered programs besides CDBG. Applicants must consider HUD funds that are received either directly from HUD or through the State. The State administered CDBG Program is listed at item 3(v).

It is the total amount of funds received from all the below sources that the applicant uses to answer the second question of Part II of the Disclosure Report.

- (1) Section 312 Rehabilitation Loans under 24 CFR part 510, except loans for single family properties.
- (2) Applications for grant amounts for a specific project or activity under the Rental Rehabilitation Grant Program under 24 CFR part 511 made to:
  - (i) A State grantee under Subpart F.
  - (ii) A unit of general local government or a consortium of units of general local government or a consortium of units of general local government receiving funds from a State or directly from HUD whether by formula under Subparts D, F, and G.
  - (iii) HUD, for technical assistance under 511.3.

(Excludes formula distributions to States, units of general local government, or consortia of units of general local government under Subparts D and G, within year reallocations under Subpart D, and the HUD-administered Small Cities Program under Subpart F.)

- (3) Applications for grant amounts for a specific project or activity under Title I of the Housing and Community Development Act of 1974 made to:
  - (i) HUD, for a Special Purpose Grant under Section 105 of the Department of Housing and Urban Development Reform Act of 1989 for technical assistance, the Work Study Program of Historically Black colleges.
  - (ii) HUD, for a loan guarantee under 24 CFR part 470, Subpart M.
  - (iii) HUD, for a grant to an Indian tribe under Title I of the Housing and Community Development Act of 1974.
  - (iv) HUD, for a grant under the HUD-administered Small Cities Program under 24 CFR part 570, Subpart F.
  - (v) A State or unit of general local government under 24 CFR part 570.
- (4) Applications for grant amounts for a specific project or activity under the Emergency Shelter Grants Program under 24 CFR part 576 made to a State or to unit of general local government, including a Territory.

(Excludes formula distributions to States and units of general local government (including Territories); reallocations to States, units of general local government (including Territories) non-profit organizations; and applications to an entity other than HUD or a State or unit of general local government.)

- (5) Transitional Housing under 24 CFR part 577.
- (6) Permanent Housing for Handicapped Homeless Persons under CFR part 578.

- (7) Section 8 Housing Assistance Payments (only project-based housing under the Existing Housing and Moderate Rehabilitation program for Single Room Occupancy Dwellings for the Homeless under Subpart H).
- (8) Section 8 Housing Assistance Payments for Housing for the Elderly or Handicapped under 24 CFR part 885.
- (9) Loans for Housing for the Elderly or Handicapped under Section 202 of the Housing Act of 1959 (including operating assistance for Housing for the Handicapped under Section 162 of the Housing and Community Development Act of 1987 and Seed Money Loans under Section 106(b) of the Housing and Urban Development Act of 1968).
- (10) Section 8 Housing Assistance Payments-Special Allocations-under 24 CFR part 886.
- (11) Flexible Subsidy under 24 CFR part 219-both Operating Assistance under Subpart B and Capital Improvement Loans under Subpart C.
- (12) Low-Rent Housing Opportunities under 24 CFR part 904.
- (13) Indian Housing under 24 CFR part 905.
- (14) Public Housing Development under 24 CFR part 941.
- (15) Comprehensive Improvement Assistance under 24 CFR part 968.
- (16) Resident Management under 24 CFR part 964, Subpart C.
- (17) Neighborhood Development Demonstration under Section 123 of the Housing and Urban-Rural Recovery Act of 1983.
- (18) Nehemiah Grants under 24 CFR part 280.
- (19) Research and Technology Grants under Title V of the Housing and Urban Development Action Grant of 1970.
- (20) Congregate Services under the Congregate Housing Services Act of 1978.
- (21) Counseling under Section 106 of the Housing and Urban Development Act of 1968.
- (22) Fair Housing Initiatives under 24 CFR part 125.
- (23) Public Housing Drug Elimination Grants under Section 5129 of the Anti-Drug Abuse Act of 1988.
- (24) Fair Housing Assistance under 24 CFR part 111.
- (25) Public Housing Early Childhood Development Grants under Section 222 of the Housing and Urban-Rural Recovery Act of 1983.
- (26) Mortgage Insurance under 24 CFR Subtitle B, Chapter II (only multifamily and nonresidential).
- (27) Supplemental Assistance for Facilities to Assist the Homeless under 24 CFR part 579.
- (28) Shelter Plus Care Assistance under Section 837 of the Cranston-Gonzalez National Affordable Housing Act.
- (29) Planning and Implementation Grants for HOPE for Public and Indian Housing Homeownership under Title IV, Subtitle A, of the Cranston-Gonzalez National Affordable Housing Act.
- (30) Planning and Implementation Grants for HOPE for Homeownership of Multifamily Units under Title IV, Subtitle B, of the Cranston-Gonzalez National Affordable Housing Act.
- (31) HOPE for Elderly Independence Demonstration under Section 803 of the Cranston-Gonzalez National Affordable Housing Act.



**DISCLOSURE REPORT | COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**PART III - OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR**

1. Provide the requested information for any other Federal, State and/or local government assistance, on hand or applied for, that will be used in conjunction with the CDBG grant. (See Appendix A of the instructions).

Name and Address of Agency Providing or to Provide Assistance	Program	Type of Assistance	Amount Requested or Provided





# Instructions for Compliance with Fair Housing and Civil Rights Requirements in the Application Process

## I. Fair Housing

### A. Entitlement Grantee

#### 1. Fair Housing Advertisement:

**Entitlement applicants must submit with their applications a copy of a published advertisement re-designating a Fair Housing Officer within their municipality.** This advertisement must also inform residents of their rights under the Fair Housing law and that cases of suspicious discrimination are to be reported to the Fair Housing Officer. Communities that cannot identify a person qualified to serve as a Fair Housing Officer must publish an advertisement that provides an alternative agency, who will take discrimination complaints.

If a community designates a Fair Housing Officer, that officer will be *responsible* for the following:

#### a. Forwarding all complaints of housing discrimination to:

Pennsylvania Human Relations  
Commission  
Pittsburgh Regional Office  
301 Fifth Avenue  
Suite 390, Piatt Place  
Pittsburgh, PA 15222  
(412) 565-5395  
(412) 565-5711 TTY users only

OR

Pennsylvania Human Relations  
Commission  
Philadelphia Regional Office  
110 North 8th Street, Suite 501  
Philadelphia, PA 19107  
(215) 560-2496  
(215) 560-3599 TTY users only

OR

Pennsylvania Human Relations  
Commission  
Harrisburg Regional Office  
333 Market Street, 8th Floor  
Harrisburg, PA 17101-2210  
(717) 787-9780  
(717) 787-7279 TTY users

AND

U.S. Department of Housing  
and Urban Development  
FHEO/Regional III Office Mid-Atlantic Office  
100 Penn Square East, 12th Floor  
Philadelphia, PA 19107  
(215) 861-7643  
Fax: (215) 656-3449  
TTY: (800) 927-9275

OR

U.S. Department of Housing  
and Urban Development  
PITTSBURGH FHEO FIELD OFFICE  
Moorhead Federal Building  
1000 Liberty Avenue  
Pittsburgh, PA 15222  
(412) 644-5449 or (412) 644-6353  
Fax: (412) 644-6516  
TTY: (800) 927-9275

- b. Maintaining a record of all complaints filed, dates forwarded to appropriate agencies, and evidence of resolution. This record will be part of the grantees annual reporting to the Department for compliance and will be reviewed during monitoring.
2. Adoption of a Fair Housing Resolution by the Applicant/Grantee  
Entitlement applicants must have a fair housing resolution adopted annually affirming its dedication to further Fair Housing Practices within its jurisdiction. This notice identifies typical discriminatory acts, informs residents of their rights under the fair housing law and that cases of suspected discrimination are to be reported to the Fair Housing Officer. This Notice must be posted at prominent locations throughout the municipality and a record of the postings must be kept on file for monitoring.
3. All Entitlement applicants must annually undertake and report on actions to affirmatively further fair housing in accordance with the Fair Housing Guidance located in the Federal Resource Library: [dced.pa.gov/download/fair-housing-tip-sheet/59662](http://dced.pa.gov/download/fair-housing-tip-sheet/59662)

#### **B. Competitive Applicants**

1. Competitive applicants are not required to address the Fair Housing requirements at the application stage. Those competitive applicants that are selected for funding will be instructed to fulfill these requirements subsequent to notification of grant award.

## **II. Section 504**

#### **A. Entitlement Grantee with more than Fifteen 15 Employees**

1. Section 504 Officer:  
Entitlement applicants with over fifteen (15) employees must re-designate a Section 504 Officer annually within their municipality. This designation must be made in writing and at a public meeting. **A copy of this notice must be submitted with this application.**

The Officer's duties include:

- a. Compile and maintain a Self - Evaluation of the grantee's facilities, hiring practices, and citizen participation, as well as each activity funded with the CDBG grant, to assure that there has been no discrimination in the providing of services based on race, color, national origin, sex, disability, religion, familial status, age, or ancestry. From this self-evaluation, the municipality will develop a Transitional Plan to provide a timetable and responsible entity to bring the municipality into compliance. The Section 504 Officer will oversee that the municipality follows the Transition Plan and brings the municipality into compliance. Please refer to the Federal Resource Library on DCED's website [dced.pa.gov/library](http://dced.pa.gov/library) Federal Resource Library\CDBG\Required Plans\Template for Plans.
- b. The municipality will develop and maintain a grievance procedure that must also be adopted incorporating due process standards and allowing for prompt local resolution of any complaints of discrimination based on disability. Existing grievance procedures can often be adapted to satisfy this requirement. Any individual or authorized representative who believes that they have been denied opportunities or treated differently due to their race, color, national origin, sex, disability, religion, familial status, age or ancestry may file a complaint with the Section 504 Officer. The Officer must act on the complaint and maintain the records of the process for monitoring.

#### **B. Competitive Applicants**

Competitive applicants are not required to address the Section 504 requirements at the application stage. Those competitive applicants that are selected for funding will be instructed to fulfill these requirements subsequent to notification of grant award.

### III. Minority/Women Business Enterprise (MBE/WBE) Plan

It is required that all grantees receiving federal funds from DCED must promote the opportunity for full participation by minority and women's business enterprises ("MBEs" and "WBEs") in all housing and community development programs receiving funds from the Pennsylvania Department of Community and Economic Development. This includes all forms of procurement and contracting. Grantees are required to maintain sufficient documentation to verify that this requirement has been met.

- A. All **entitlement** applicants are reminded that they are to adopt and provide a good faith, comprehensive and continuing endeavor to their MBE/WBE Outreach Plan. One portion of the plan establishes minority owned business enterprise (MBE), and women owned business enterprise (WBE), minimum participation levels (MPLs) to be used as a guide in determining bidders' compliance with Federal MBE and WBE requirements.

**As part of the application process, the applicant, on grantee letterhead, must indicate:**

1. the minimum participation level as established in their plan
  2. the previous calendar year's achievement of the MBE and WBE goals with the actual percentage of total contract awards that went to each category. (ie: 2016 application = 2015 achievement percentage)
  3. actions to be taken by the applicant to achieve these goals in the current year if not achieved
- B. Competitive applicants that are awarded competitive grants will be required to adopt and follow an MBE/WBE Outreach Plan subsequent to notification of grant award, including minimum participation levels.

**NOTE: Applicants for Competitive CDBG Funding** – Non-entitlement municipalities are encouraged to seek assistance in applying for funds through the County administrators.

# Limited English Proficiency Guidance

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## *for CDBG Applicants*

### **In Compliance with:**

- Section 601 of Title VI the Civil Rights Act of 1964 (LEP Statutory Authority) “No person in the United States shall, on the grounds of race, color, or national origin, be excluded from *participation in, be denied the benefits of, or be subjected to discrimination* under any program or activity receiving Federal financial assistance.”

And

- Executive Order 13166 (Issued in the Federal Register 65 FR 50121 on August 16, 2000)  
Mandates improved access to federally assisted programs and activities for individuals who, as a result of national origin, are limited in their English proficiency.

Grantees are required to make reasonable efforts to provide language assistance to ensure meaningful access for LEP persons to the contractor’s programs and activities that has any federal financial assistance.

DCED is providing this guide to its grantees of federal financial assistance to aid in the analysis of determining if the beneficiaries of the proposed projects have limited English proficiency. Please use the following template to document your analysis of your program or activity and to determine if the certification can be signed by the grantee as not having an affected population or if a Language Access Plan is required. *DCED will provide additional guidance if necessary.*



**CERTIFICATION OF COMPLETION OF A  
FOUR-FACTOR ANALYSIS  
FOR LIMITED ENGLISH PROFICIENCY PERSONS**

**and**

**CERTIFICATION OF THE ACTIVITIES TO BE INCLUDED  
IN THE LANGUAGE ACCESS PLAN**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)  
(Includes CDBG Competitive, CDBG-DR, and NSP)**

**For:**

GRANTEE NAME: \_\_\_\_\_

PROGRAM and FISCAL YEAR: \_\_\_\_\_

CONTACT PERSON (Name, Telephone Number & E-mail ) \_\_\_\_\_

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**Purpose:**

In compliance with Section 601 of Title VI the Civil Rights Act of 1964 (LEP Statutory Authority) and Executive Order 13166, \_\_\_\_\_ (*Grantee*) has conducted the following Four Factor Analysis for Limited English Proficiency (LEP) persons for the federally funded program listed above.

**History:**

Title VI of the Civil Rights Act of 1964, is the federal law which protects individuals from discrimination on the basis of their race, color, or national origin in programs that receive federal financial assistance. In certain situations, failure to ensure that persons who have limited English proficiency can effectively participate in, or benefit from, federally assisted programs may violate Title VI's prohibition against national origin discrimination. Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write, or understand English may be entitled to language assistance under Title VI in order to receive a particular service, benefit, or encounter.

Executive Order 13166 (Issued in the Federal Register 65 FR 50121 on August 16, 2000) mandates improved access to federally assisted programs and activities for individuals who, as a result of national origin, are limited in their English proficiency. The order also requires a Language Access Plan for the program or activity if a qualifying population is determined. To determine if there is an affected population of beneficiaries having limited English proficiency, all grantees receiving federal financial assistance must conduct the four-factor analysis as outlined below.

**Grantee Four-Factor Analysis**

The following Four-Factor Analysis serves as the guide for determining which language assistance measures the Grantee will be required to undertake to guarantee access to Grantee's Community Development Block Grant (CDBG) programs by LEP persons.

**Factor One - Methodology:** The grantee must analyze the number or proportion of LEP persons served or encountered in the eligible service area population (served or encountered includes those persons who would be served by the program or activity if the person received education and outreach and the grantee provided sufficient language services).

Select the paragraph(s) below that best describes your methodology for the analysis by placing a check mark in the box beside the description. Also, please fill in the blanks or circle the correct statement were indicated. These paragraphs may be modified or replaced with narrative that more accurately reflects the grantee’s methodology.

- The Grantee utilized the US Census, ACS tabulation for persons that speak English “Less than Well” provided by DCED to determine the **county’s** LEP population(s). Based on this data, the Grantee (choose one)  **does**  **does not** meet the 1,000 or 5% LEP persons’ threshold for any language(s) identified.
- The Grantee utilized the US Census, ACS tabulation for persons that speak English “Less than Well” provided by DCED to determine its **municipalities’** LEP population(s). Based on this data, the Grantee (choose one)  **does**  **does not** have any municipalities within its borders that meet the 1,000 or 5% LEP persons threshold for any language(s) identified.
- The Grantee is administrating the CDBG program **on behalf of:** \_\_\_\_\_ (list other municipalities where federal financial assistance will be used). The grantee utilized the US Census, ACS tabulation for persons that speak English “Less than Well” provided by DCED. Based on this data, \_\_\_\_\_ (OBO municipality) (choose one)  **does**  **does not** meet the 1,000 or 5% LEP persons’ threshold for any language(s) identified.

*(Add additional lines if needed to address all OBO municipalities the Grantee is administering)*

- Income surveys were conducted to determine eligibility in the program or activity service area. Questions were asked to determine if any LEP persons were located in the potential project area. According to the results of the surveys, there were \_\_\_\_\_ (number) LEP persons located in the proposed project area. The proposed project area has a total population of \_\_\_\_\_ (number). The number of LEP persons affected by the project or activity (choose one)  **does**  **does not** meet the 1,000 or 5% LEP persons in the service area threshold for any languages identified.

*(Add additional lines if needed to address all projects or activities the Grantee is administering and used the above LEP analysis methodology)*

- Local elected officials, clergy, medical personnel, and school administrators were polled by telephone/questionnaire to request input regarding their knowledge of LEP persons within the community and/or proposed project area(s). Based on the results of the telephone poll/questionnaires, there are an \_\_\_\_\_ (estimated number) LEP persons out of \_\_\_\_\_ (total persons benefitting from the program or activity) located in \_\_\_\_\_ (Grantee or service area name). This (choose one)  **does**  **does not** meet the 1,000 or 5% LEP persons of total service area threshold for any language(s) identified.

*(Add additional lines if needed to address all projects or activities the Grantee is administering and used the above LEP analysis methodology)*

Please list below all municipalities and/ or service areas under this program that qualify as meeting the threshold of 1,000 or 5% LEP person's threshold for any language(s) identified as indicated by the methodology used above. Include the name of the municipality/service area, the language(s) identified, and the number or percentage of persons. For example:

Apple Township	Germanic	16%
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If any of the blocks above contains a “does” meet the 1,000 or 5% LEP person threshold for any language(s) identified, the grantee must complete a Language Access Plan for that municipality and may stop further completion of this Four Factor Analysis. Please proceed to the Language Access Plan Certification. Please submit this page, along with the Language Access Plan Certification with your application.

If the grantee, after completing this section of the analysis, has **all** blocks above marked with “does not” meet the 1,000 or 5% LEP persons’ threshold for any languages identified, they must continue analyzing their **program or activity** with the following questions.

**Additional Questions to be Answered:**

**Factor Two - The frequency with which LEP persons come into contact with the program or activity.**

Select the paragraph below that best describes the amount of public contact of your program by placing a check mark in the box beside the description. These paragraphs may be modified or replaced with narrative that more accurately reflects the grantee's program or activity.

- The proposed program or activities that provide direct assistance to the resident, which would include but not be limited to acquisition, relocation, housing rehabilitation, water/sewer laterals, and public services. Therefore, residents are likely to have considerable direct contact with the program and its staff.
- The proposed project is a program or activity that does not provide direct assistance to individuals, such as road reconstruction, water/sewer line replacement, and commercial building demolition. As a result, LEP persons are not directly affected by the CDBG program or activity and no direct assistance will be provided to the residents. However, all citizen participation activities are open to the general public and every effort should be made to provide the needed materials to all residents.

If the first block above is marked, the grantee must complete a Language Access Plan for the program or activity and may stop further completion of this Four Factor Analysis. Please proceed to the Language Access Plan Certification form. Please submit all pages of this analysis, along with the Language Access Plan Certification with your application.

If the second block is marked, the grantee must continue with their analysis of their program or activity.

**Factor Three - The nature and importance of the program, activity, or service provided by the program or activity.**

- The proposed project does provide direct assistance to program and activity service area beneficiaries related to; housing rehabilitation, water/sewer laterals, public services, therefore, the nature of the activity or service is significant to the proposed program and activity area(s) residents.
- The proposed program or activity does not provide direct assistance to individuals, such as road reconstruction, public facility architectural barrier removal, water/sewer line replacement. As a result, LEP persons may not be as directly affected by the program or activity with the CDBG program. However, all citizen participation activities are open to the general public and every effort should be made to provide the needed materials to all residents.

If the first block above is marked, the grantee must complete a Language Access Plan for the program and may stop further completion of this Four Factor Analysis. Please proceed to the Language Access Plan Certification form. Please submit all pages, along with the Language Access Plan Certification with your application.

If the second block is marked, the grantee must continue with their analysis of their program or activity.

**Factor Four - The resources available and costs to the recipient.**

Currently, internet sites can be utilized to translate some written materials. Additionally, local volunteers have been identified to provide oral translation services at public meetings and during conversations with LEP residents during the implementation of the proposed project. Furthermore, many of the common forms used in the implementation of a CDBG program or activity are available in multiple languages on the HUD and DOL websites. Additionally, translation activities are an eligible CDBG administrative or delivery expense. Therefore, limited LEP measures are reasonable given the resources available to Grantee. So grantees may not use this factor as the only factor determining the need for a Language Access Plan.

*Please continue to Certification on the next page.*

*Please complete the Certification of Completion and Findings form or the Language Access Plan Certification whichever is applicable and include in the application submission.*



**CERTIFICATION OF THE COMPLETION AND FINDINGS  
OF THE FOUR FACTOR ANALYSIS**

\_\_\_\_\_ (Grantee) has completed the Four Factor Analysis and has determined that there are **no** items identified from the analysis above for this grantee, program or activity that will trigger the need for a Language Access Plan.

*If the grantee determines that a LAP is not required, then the certification below should be signed and dated by the chief elected official and submitted with their application.*

**Certification:** Based on the above Four-Factor Analysis, the Grantee is **not** required to develop a Language Access Plan. However, the Grantee will make all reasonable attempts to accommodate language access needs of residents requesting oral translation during citizen participation, income surveys and/or direct assistance intake activities including but not inclusive of public hearings, public notices, advertisements, income surveys and direct assistance intake documents.

\_\_\_\_\_  
**Chief Elected Official** *(signature and printed)*

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Attest**

\_\_\_\_\_  
**Grantee Name & Program**



**LANGUAGE ACCESS PLAN CERTIFICATION**  
**for**

\_\_\_\_\_  
**(Grantee, Program or Activity)**

As a result of the preceding Four-Factor Analysis, \_\_\_\_\_ (Grantee) has identified the following types of language assistance to be provided by the Grantee throughout the implementation of its CDBG program dependent on need:

*Below are the minimum requirements to meet the needs of your identified Limited English Proficiency Populations. Some programs or activities do not require all items to be followed. Those marked “Required” are mandatory of all grantees having any LEP populations in any municipality or within their programs’ service areas. Additional activities may be added to meet the needs of the grantees’ LEP population(s).*

All CDBG citizen participation materials, public notices, and project-related resolutions, will be published/posted in the LEP language(s) identified, in community newsletters, on bulletin boards at the offices and meeting location of the grantee, on the grantee website and in public places throughout the proposed project area(s) and/or the community, especially those areas with high concentration of the affected population. **Required**

Additionally, all published/posted citizen participation notices will include a statement in the identified LEP language(s) indicating that other “program materials are available in the LEP language(s) upon request”. This statement must be in as many languages as has been identified during the grantee’s analysis. **Required**

All citizen participation notices will include a statement that translators will be available at public meetings upon at least 72 hours’ notice. This will be in the identified LEP language(s) in the English notification and also in the complete LEP language(s)’ notification. **Required**

All public notices of income surveys and the income survey itself will be provided in the LEP language(s) identified. **As Needed**

All direct assistance program application documents and outreach materials will be provided in the LEP language(s) identified. **As Needed**

For income surveys in service areas meeting the threshold of LEP and/or direct assistance intakes, if needed, a translator will be retained to provide oral translation at the site of the income survey or intake to assist in filling out the survey/intake documents and explaining the program. The grantee may not require the LEP applicant to provide their own translator, though the applicant may bring someone if they choose. **As Needed**

If other populations of LEP persons are identified in the future, Grantee will provide additional measures to serve the language access needs of those persons. **Required**

The Grantee will complete a Language Access Plan which delineates how these activities will be carried out, by whom, and who will monitor the effectiveness of the activities for possible revision. This Plan once adopted by the grantee must be retain in the grantees’ master file and utilized throughout the program.

**Adopted:**

\_\_\_\_\_  
**Chief Elected Official** *(signature and printed)*

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Attest** *(Name and Title)*

\_\_\_\_\_  
**Grantee Name & Program**

# DCED Land Use Implementation

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Since 2000, when the Growing Smarter land use bills were signed into law, DCED has been encouraging effective local land use planning while respecting private property rights. These measures have included a review for certain projects occurring on previously undeveloped property, requiring the grantee to submit a letter from the appropriate local and county planning agency where they exist.

## Obtaining Information about Planning and Zoning

For projects funded with CDBG funds (beginning with the 2001), where infrastructure and/or construction of new facilities (public/community facilities, water/sewer facilities, housing, economic development, etc.) will occur on previously undeveloped property, the grantee must submit a letter from the appropriate local and county planning agency (where they exist) specifically identifying the project(s) and certifying that the project(s) is(are) in compliance with all applicable land use and comprehensive plans, and zoning and subdivision ordinances. This letter should be inserted after this page in the CDBG Application. Prior to submitting this letter, CDBG Program applicants must review the questions below regarding comprehensive planning and zoning ordinances to determine the applicability of the PA Municipal Planning Code.

- Is there an adopted municipal comprehensive plan?
- Is there an adopted county comprehensive plan?
- Is there an adopted multi-municipal or multi-county comprehensive plan?
- Is there an adopted county or municipal zoning ordinance or a joint municipal zoning ordinance?
- Is the proposed project consistent with these comprehensive plans and/or ordinances?

**This requirement is not applicable to projects that occur on developed or previously developed property.**



## MANAGEMENT PLAN/ LOCAL STAFF CAPACITY

APPLICANT NAME:	GRANT ADMINISTRATOR:
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**Describe how your CDBG program will be managed and administered by addressing the following:**

- Identify the assigned staff or consultant/engineer that is assigned to complete the identified tasks needed to accomplish your proposed activities and their experience (years administering the CDBG program or similar federal programs). If more than one agency/organization will be involved, explain the coordination and lead responsibility.
- If more than one agency/organization will be involved, explain the coordination and lead responsibility.
- Justify the need for completing certain services with third party contracts which could otherwise be provided by the creation and/or development of local staff capacity.

Task	Assigned Staff or Individual	Experience
1. Application Preparation		
2. Recordkeeping and File Set-up		
3. Environmental Review		
4. Procurement		
5. Financial recordkeeping		
6. IDIS – Set-up		
7. IDIS – Draw Abilities		
8. Oversight of 3rd party contracted agreements		
9. Contracting / Labor Standards		
10. Closeout		
11. Audit, if applicable		

*(Attach Additional sheets as necessary.)*



## TIMELINESS

APPLICANT NAME: \_\_\_\_\_

Each applicant must provide an analysis of its past use of CDBG funds. The lack of timely performance must be addressed by the applicant and considered by the Department prior to contracting 2020 funds. Counties administering multiple grants are to indicate the total CDBG funds contracted to the County for each corresponding year, do not include competitive awards.

Grant Year	(A) Amount of Grant	(B) Amount Expended as of Application Submission	(C) Percent Expended	(D) Amount Remaining for Expenditure	(E) % Remaining for Expenditure
2015					
2016					
2017					
2018					
<b>(F) TOTALS</b>			<b>(G)</b>		<b>(H)</b>
2019 Grant: \$ _____			<b>(I)</b> 2020 Grant: \$ _____		
Date you received fully executed 2019 contract: _____			<b>(J)</b> Unexpended Funds Ratio: _____		

### Instructions:

1. In column (A) list the amounts of any CDBG grants (excluding Planning grants) that your municipality received for each corresponding year.
2. In column (B) list the amounts expended, as of the date of the application, for each grant listed in column (A).
3. In column (C) list the percent of funds expended by dividing the amount in column (B) by the amount in column (A).
4. In column (D) list the amounts remaining to be expended, as of the date of this application, for each grant listed in column (A).  
The amount expended in column (B) plus the amount remaining in column (D) must equal the corresponding grant amount in column (A).
5. In column (E) list the percent of funds remaining to be expended by dividing the amount in column (D) by the amount in column (A).
6. In line (F) provide the totals of columns (A), (B), and (D).
7. Indicate at (G) the percentage of total funds expended by dividing the total of column (B) by the total of column (A).
8. Indicate at (H) the percentage of total funds unexpended by dividing the total of column (D) by the total of column (A).
9. Now indicate at (I) the amount of your municipality's 2020 allocation of CDBG funds.
10. Divide the total of column (D) by the amount at (I) and enter the result at (J). If this amount exceeds 1.5, proceed to address the remainder of this form.

If the result obtained in item 10. exceeds 1.5, this means that you have previous unexpended CDBG funds which amount to more than 1 1/2 times your 2020 grant. Please address the following:

1. List any problems that are delaying particular year grants. Indicate the grant year and the reasons for delay.
2. What steps have been taken, or are being taken, to alleviate the problems identified, including new timeframes for expending the funds.

Your responses to the above are intended to provide you and DCED with a better understanding of existing and potential impediments to your timely performance. You should consider all of the above as you proceed to address your management plan for this year's Program.

If the problems you have outlined on this timeliness form are due to inadequate capacity on the part of your administering agency, this is expected to be considered and addressed in your Management Plan.

# Instructions for Completion of Three Year Community Development Plan

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## A. Purpose

In order to rationally and effectively determine community development needs, set long and short term objectives, and to design programs to meet these objectives, applicants must develop a Three Year Community Development Plan (CDP). The CDP is to be submitted with the grant application and must be approved by the Department. The Plan is to be developed in a timely and meaningful fashion, and in a manner that permits concerned citizens to participate in its development, as well as to examine, appraise and comment on its contents. The activities proposed in the CDP should consider local and area wide plans. A properly prepared CDP should result in an approach that is coordinated with and mutually supportive of other programs. Activities proposed should address critical community development needs without reducing ongoing local financial support of these activities. All activities proposed in the CDP must clearly meet the identified needs of low and moderate income persons.

## B. Instructions

1. Complete the Three Year Community Development Plan (CDP) by addressing each element listed below in a narrative with accompanying documentation. The CDP must be thoroughly addressed by entitlement applicants. A county that is applying for the county allocation, as well as the allocations of one or more entitlement boroughs and/or townships, must prepare a CDP for the county as well as an individual plan for each entitlement municipality. (Competitive applicants are not required to submit a three-year community development plan; however, an assessment of needs as specified in b. below is required.) The elements of the CDP are as follows:
  - a. A description of the incidence and concentration of low and moderate income and minority persons within the jurisdiction of the applicant. This description must be **based on the 2011-15 ACS data effective April 1, 2019 and/or surveys**. This data is available on the DCED website under the Federal Resources Program Library ([dced.pa.gov/library/](http://dced.pa.gov/library/)).
  - b. An assessment of the applicant's community development needs relating to each of the following: housing; public community facilities and improvements; public services; and economic development.
  - c. A discussion of community development objectives. These objectives are to be developed as a result of the applicant's consideration of (a) and (b) above. Objectives must be developed to address identified needs with emphasis on objectives which are likely to benefit the low/moderate income and minority persons. Activities selected for inclusion must not benefit moderate-income persons to the exclusion of low-income persons Ref: 24 CFR 570.483(b)  
  
If there are identified low and moderate income areas with minority concentrations that are not receiving consideration for funding, the grantee must provide an explanation if there are identified needs in these areas.
  - d. A short term (1 year) and long term (3 year) plan which identifies activities that are designed to meet the community development objectives. The plan must include a description of the criteria considered in establishing the short and long-term plans.
  - e. Indicate that the CDP was developed in consideration of local and/or area wide plans by listing those resources that were considered.

- f. **A map of the applicant's jurisdiction.** For county applications, the County must identify each non-entitled municipality on a map clearly depicting the elements listed below. For individual entitlement applicants, a jurisdictional map of the entitlement must clearly depict the elements below.

NOTE: Failure to include the required mapping with all required elements in a usable format will delay the approval of the grantee's application until acceptable mapping is provided.

**REQUIRED ELEMENTS:**

- 1) Census geography with boundaries relative to clearly identified landmarks. The map must clearly identify the CT number, BG numbers.
  - 2) Incidence and concentration of low and moderate-income persons and minority persons based upon ACS data or surveys.
  - 3) Location of each activity selected for funding, clearly delineating the area of benefit. This may be a separate map that is included with each proposed activity.
2. Other Requirements for Entitlement Municipalities: The following other CDP requirements apply to entitlement municipalities as indicated.
- a. Counties administering grants for non-entitlement municipalities shall submit CDPs which are related only to the non-entitlement municipalities and which are developed in cooperation with said municipalities. Each county must notify, in writing, each of the non-entitlement municipalities: (1) that the county will be preparing its annual application for CDBG funds; (2) of the amount of funds available for use in addressing the community development needs of the nonentitlement municipalities; (3) that each non-entitlement municipality is invited to submit in writing, a list of needs it would like to have considered and; (4) of the deadline by which such needs are to be submitted to the county. The county CDPs shall contain a certification that all non-entitlement municipalities were provided with the above notification. Counties must approve CDPs for non-entitlement funds.
  - b. Counties administering grants on behalf of other entitlement municipalities shall submit a CDP (or CDPs) which includes all the elements for each entitlement grant administered. These plans are distinct to the entitlement entity and must be clearly labeled and address the required elements.

These CDPs are to be developed by the counties in cooperation with each entitlement municipality. Each entitlement municipality must approve its CDP or that portion of the CDP affecting the municipality.

A well-developed three-year plan that is thoughtful and looks at completing timely projects can be a valuable resource for future planning purposes.

# Instructions for Completion of Activity Description

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## A. General Instructions

### 1. Introduction

Activities are directed toward certain needs identified in the Three-Year Plan. Each activity must be evaluated to determine if it is eligible and meets a national objective (fundable) for CDBG assistance. The Activities Description is designed to obtain the necessary information to verify that each activity is eligible and fundable, and to provide the mechanism to document changes to activities and fiscal year programs that may trigger the citizen participation requirements.

Applicants must provide sufficient evidence with each activity to demonstrate that the proposed activity is eligible and that the national objective determination is supported by the information presented.

### 2. Definition of Activity

An activity is defined as the overall description of the work proposed to address specific needs within a particular area, or for particular individuals or groups of people. Various work components may be necessary to complete the overall activity. In certain, it is possible for the work to be the overall activity or a component of the overall activity. The following example illustrates this:

<b>Activity:</b> STORM SEWER	<b>Activity:</b> STREET/ROAD IMPROVEMENTS
<b>Components:</b> Acquisition of R.O.W. Sewer Construction Street/Road Improvements	<b>Components:</b> Paving Sidewalks/Curbing/ Landscaping/Storm Sewer

### 3. Eligibility/Fundability

Each activity must be determined to be eligible as per Section 105 of the Housing and Community Development Act of 1974, as amended. Each activity must be analyzed in relation to the need and the intended primary beneficiaries to determine if a national objective is met. Each activity must meet one of the three national objectives: low and moderate income benefit, slums and blight removal or urgent need. Seventy percent (70%) of each grant amount must be assigned to activities that benefit low and moderate income persons.

#### List of Activities

When identifying the activities for CDBG funding, utilize the HUD IDIS Matrix Codes contained in Appendix A. Each activity must have a name that includes the location of the activity followed by the type of activity. For example: Elm Street reconstruction with related storm water improvements; Any Township, Lumber Road waterline extension; Veteran’s Park playground replacement.

## B. Specific Instructions for National Objectives

Refer to Section 570.483 – Criteria for National Objectives in the September 1988, HUD Regulations, for guidance along with the following information to complete this section:

1. **LMI Benefit Test** – Determine if the activity meets the LMI criteria in one of the four categories listed below. If an activity qualifies as meeting the LMI test and another national objective, such as slums and blight, it should be qualified under LMI.
  - a. **Area Benefit** – Check the appropriate box for census data or survey. If the service area coincides with census data, enter the appropriate census tract, place, or block group, and the corresponding area population, low and moderate income population, and the percent of low and moderate income persons (must equal 51 percent or greater).

### Survey

If the service area does not coincide with census data, enter the survey results including total families in the survey area, the number of responses, the number of low and moderate income persons and the percent of low and moderate income (LMI) persons.

Surveys must be conducted in accordance with HUD's prescribed guidance on conducting surveys outlined in CPD Notice 14-013 dated September 23, 2014, and applicable transition notices. (see CPD Notice 19-02 issued February 14, 2019)

- b. **Limited Clientele** – Check only one box for the appropriate determination - presumed, income eligibility or nature/location.

*Presumed* – An activity, facility or service benefiting clientele that are presumed to be principally low and moderate income, i.e., handicapped, senior citizens, abused children, battered spouses, homeless, illiterate and migrant farm workers.

For presumed benefit activities, applicants are required to include the estimated number of persons to benefit that meet the criteria for presumption.

*Income Eligibility* – Requires information on family size and family income that limits benefit exclusively to low and moderate-income people, or where it is evident that at least 51 percent of the clientele are persons whose family income does not exceed low and moderate income limits.

*Nature/Location* – The activity's nature and/or location leads to the conclusion that clientele will primarily be low and moderate-income persons.

- c. **Housing** – Check the appropriate box for rehabilitation or new housing assistance (limitations described in 570.207(b)(3).

*One Unit Structures* – Each household receiving CDBG assistance must be low and moderate Income; check yes if local program design requires this.

*Multi-Unit Structures* – Indicate whether total number of assisted units are occupied or to be occupied by persons of low and moderate-income households; if two units to be assisted, one must be low and moderate income.

For the new construction of multi-family, non-elderly rental housing, where less than 51 percent of the units to be constructed will be occupied by persons of low and moderate-income households, indicate that the percent LMI units of total units between 20 percent to 50 percent, and the amount of CDBG funds, limited to the percent of total development costs, not greater than the percent LMI units.

- d. **Job Creation/Retention** – Complete each box by indicating the appropriate number of jobs created and/or retained, the number of jobs created and/or retained that will benefit persons that are low and moderate income, and the percent of jobs created and/or retained that will benefit persons that are low and moderate income.

2. **Slums/Blight Test** – If the activity does not meet the low and moderate income benefit test, then it may be considered as meeting the slums and blight test. Check each box for area or spot basis, as appropriate.

- a. **Area Basis** – Activity must meet both criteria.

#### *Boundary Identified/Qualified*

The area must be delineated geographically and must meet the federal and state definitions for a slum/blighted area with documentation maintained on the conditions of area upon which the qualification is made. The state definition of a slum blighted area (16 PA. Code, Chapter 21) is as follows: "A portion of an urban community which contains unsafe, unsanitary, inadequate, or overcrowded dwellings or is inadequately planned because of excessive land coverage, the lack of proper light and open spaces, the defective design and arrangement or economically or socially undesirable land uses."

The Federal definition, although less comprehensive, is far more focused. It defines a slum/blight area as one: “Where there is a substantial number of deteriorating or dilapidated buildings throughout the area.”

*Activity Addresses Conditions*

The activity addresses one or more of the conditions which contributed to the deterioration of the area. Residential rehabilitation must correct substandard conditions (DCED’s *Housing Rehabilitation Guidebook* prescribed standards) before less critical deficiencies are completed.

b. **Spot Basis**

*Activities Limited To*

Acquisition, relocation, clearance, rehabilitation and historic preservation that eliminate certain conditions of blight or physical activity decay are the only eligible activities.

*Rehabilitation Limitation*

Rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.

3. **Urgent Need** – Check each box as each specific criterion must be met. The activity must be designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community; CDBG assistance must be limited to correcting the urgent condition; the condition must be of recent origin or has recently become urgent (within the past 18 months); and the municipality must certify that it is unable to finance the activity on its own, and that other sources of funding are not available.

*NOTE: Activities being considered for the Urgent Need category must be cleared by DCED prior to being included in the Grant Application.*

**C. Countywide/Area-Wide Activities  
(Referred to as Fair Share Impacts County only activities)**

If a county uses any part of its county allocation for a countywide or areawide activity, it must determine if this activity will benefit any federal or state entitlement municipality. If any federal or state entitlement municipality benefits from an activity undertaken with a county’s allocation, then the proportional cost of the project benefiting the entitlement municipality(ies) must be met by funds other than the county’s allocation.

**D. Environmental Review Requirements**

All projects must be reviewed by the local jurisdiction prior to being submitted, certifying that the proposed projects are not in an identified Floodway.

If a project is in a Floodway, you are required to contact DCED prior to submission of the activity for consideration of funding.

# Appendix B – CDBG Public Service Activities

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## A. Eligibility

Eligibility defined at Section 105(a) of the Housing and Community Development Act of 1974 (42 U.S.C. §3505(a)) and 570.482 of CDBG Entitlement Regulations. For additional information, please refer to the *State Community Development Block Grant Program -- Guide to National Objectives and Eligible Activities*.

Eligible CDBG public services include but are not limited to the following:

Child Care	Job Training	Education Programs
Health Care	Recreation Programs	Public Safety Services
Fair Housing Activities	Services for Senior Citizens	Services for Homeless
Drug Abuse Counseling/Treatment	Energy Conservation Counseling & Testing	
Homebuyer Down payment Assistance	Welfare (excluding income payments)	

Eligible public service costs include labor, supplies and materials.

To be eligible for CDBG funding, a public service activity must be:

- a new service, or
- a quantifiable increase in the level of an existing service

### 1. New Service

If it is a new public service activity (new to the community) at the time CDBG funds are first used to support the activity, it can be considered a new activity for three (3) consecutive years.(DCED's policy) Therefore, CDBG funds could be used to support the activity in the second and/or third year without any consideration as to whether there is a quantifiable increase in the level of service from one year to the next.

### 2. Quantifiable Increase

At the time CDBG funds are first used for a public service activity that is already in existence, it must be demonstrated that as a result of the CDBG funds there will be a quantifiable increase in the level of the existing service. (The purpose of this requirement is to prevent CDBG funds from being used to merely replace other funds without an increase in the level of the public service.)

The quantifiable increase must be over and above the level of service provided by the local government, or by another agency or organization on behalf of the local government, through funds raised by the local government or received from the commonwealth.

The increase in the level of service must be an increase over that which existed in the twelve (12) months immediately prior to the submission of the application or modification proposing the use of CDBG funds for the service.

CDBG funds can only be used to pay for the quantifiable increase in the public service, except, if CDBG funds are substituted for federal or private funds, a quantifiable increase in the public service is not necessary. Again, CDBG funds may not be used to substitute for local or commonwealth funds.

### 3. Questions on Eligibility

a. *Define quantifiable increase.*

The regulations do not prescribe what constitutes a quantifiable increase. DCED's policy takes the position, generally, that a quantifiable increase must be legitimate and not artificial, involving additional staff costs and time resulting in an increase in the number of clients served. With these general parameters, DCED considers each request. Examples of what has not been accepted include such requests as: a new van to replace an old one resulting in less breakdowns and less interruptions in service, possibly allowing for serving more clients; a dental service expanding the level of service from performing fillings and cleaning to orthodontics.

b. *How does the three year timeframe work?*

After a determination has been made that an activity qualifies as a new service or a quantifiable increase, that activity may be funded for the initial year and two successive years without further evaluation or qualification, provided the level of service stays the same.

Whether CDBG was used only in the first year, for only two years or for all three years, the grantee cannot come back after year three and use CDBG funds for this particular public service on the basis that it is a new activity, or at the quantifiable increase in level of service that originally qualified it. (The "three-consecutive year" requirement applies to the activity and not to years of CDBG assistance). After the three years have expired, the activity must be qualified based on a quantifiable increase in the level of service.

c. *Does CDBG funding in a public service trigger other compliance requirements, similar to CDBG funding of an infrastructure project?*

Any private sector professional service or purchase of materials or supplies directly funded by CDBG must adhere to the competitive procurement requirements, as specified in DCED's Contract/Procurement Manual. Provided CDBG funds are not used to fund any construction contract over \$2,000 that may be undertaken to compliment the public service, federal wage rates would not apply. Adhering to the civil rights requirements applies to all activities.

## B. Fundability

Each public service activity must meet either the low and moderate-income benefit or slum and blight national objective. Low and moderate income can be met either by area benefit or limited clientele. Limited clientele must be based on documentation that clearly shows that 51% or greater of the beneficiaries will be, or has been in the case of an existing service, low and moderate income. Public service activities may also be qualified based on the area slum and blight category.

# Appendix C – Service Areas and Survey Methodology for Area Benefit Activities

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## **Definition – Area Benefit (570.483 (b)(1))**

An activity, the benefits of which are available to all the residents in a particular area, where at least 51 percent of the residents are low and moderate-income persons. Such an area need not be coterminous with census tracts or other officially recognized boundaries, but must be the entire area served by the activity. An activity that serves an area that is not primarily residential in character shall not qualify under the criterion.

## **A. Process**

### **1. Determine Service Area Boundary**

#### **a. Problem/Solution**

What is/are the problem(s), or need(s)? What is the solution? Where multiple problems or needs are to be addressed, are they clearly delineated, and is there a primary problem or need? Who principally or primarily will be served?

#### **b. Nature/Type Activity**

Does the nature or type of activity inherently help to determine the service area, i.e., direct benefit, or area wide in nature (new sanitary sewer collection or water distribution; neighborhood park or Central Business District [CBD] improvements)?

#### **c. Level of Funding**

Are there sufficient funds to meet the need or solve the problem, or if only partially, will proposed activity be functional, and beneficiaries able to be determined?

#### **d. Document Service Area Boundary**

After considering the activity problem and solution, the nature and type of activity, and the level of funding, determine and document the appropriate boundary of the service area.

### **2. Document Low and Moderate-Income Percent for Activity's Beneficiaries**

#### **a. American Community Survey (ACS) Data**

If service area boundary coincides with HUD provided Low/Moderate Income Summary 2011-2015 Data, determine if the data is equal to or greater than 51% low and moderate income, and document results. (Refer to HUD CPD Notice 19-02 dated February 14, 2019.)

If service area nearly coincides with ACS data, consult with DCED to evaluate the data and determine if it is reasonable to justify the low and moderate-income benefit. ACS data for different census geography (i.e., Census Tract [CT], Enumeration District [ED], or Block Group [BG]) may be added to determine over all LMI percent.

#### **b. Survey**

If ACS data cannot appropriately be used, a survey may be conducted to determine the percentage of low and moderate-income people within the service area.

Surveys must be conducted and evaluated in accordance with HUD's most current CPD Notice on Survey Methodology.

# Appendix D – Determining Service Areas

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## A. Streets

### 1. **Dead End/Cul-de-sacs**

Street that serves only those residents living along the street; survey must be done unless it serves presumed low-moderate beneficiaries, i.e., public housing.

### 2. **Local/Neighborhood Street**

- Through street with primary beneficiaries being that street.
- Can be justified by using smallest census geography for a borough or city (i.e., B.G.), or by doing survey of street.
- In townships where there may only be E.D.'s, and the village service area does not coincide with an E.D., then survey is needed.

### 3. **Minor Collector (arterial)**

- Street that certainly serves more than a block group or neighborhood, but due to traffic patterns, land use, etc., the primary beneficiaries are less than the entire City, Borough or Township. This area might combine a number of block groups, CT's of ED's.
- Cannot isolate one smaller area for low-moderate benefit.

### 4. **Major Collector (arterial)**

- Street that serves the entire municipality (e.g., main street).
- In some instances where main street carries a lot of truck traffic or cars from one municipality to another, it is acceptable to limit the service area to the local jurisdiction in most instances.
- Cannot isolate small area for low-moderate benefit.

## B. Storm Sewers

While rehab of streets only is not too complicated in understanding the improvement, storm sewers can become very complicated.

- What is the problem? Engineer's analysis can be very helpful.
- Is the problem and solution limited or comprehensive in solving a number of problems? Is problem localized or system-wide?
- Is problem more a storm water effect on residences, or a street problem?
- Does solution, i.e., size of line, give indicator to service area intended?

## C. Multiple Problems

- Some activities have multiple problems that need directed to determine if there is a primary reason for activity (storm water, sanitary, water, street problems).
- Engineer's analysis is important.

#### **D. Renovations-Sanitary Sewer/Storm/Water**

- Localized or system-wide effect? What is primary? Source, distribution, collection, treatment, pressure, etc.
- If the problem is an inflow or infiltration issue, the jurisdiction needs to look at who is being served by the sewage treatment plant.

#### **E. New Water/Sanitary Sewer**

- Easier to deal with when connection / tap-in to system determines beneficiaries.
- Up until time of fundability determination, grantee responsible for ensuring low-moderate benefit. After fundability determination, grantee not responsible for people moving in or out, and low-moderate not met.
- Size of lines may be questionable in relation to service area, or knowledge of new development by grantee that is not included in service area that is under construction.
- Prior to installation of any new system or extension, jurisdiction must insure no new development or significant changes to the service area have or will occur.

#### **F. Parks**

- Nature of the park where improvements are made.
- Type of facilities constructed or improved.
- Primary service area & agency responsible for operation/maintenance

#### **G. Fire Stations**

- Logical service area for station, excluding multi-alarm fires (eg: Primary response area is defined by the fire department).

#### **H. Central Business District (CBD)**

- Logical service area for the downtown will primarily be the municipality.



## ACTIVITY DESCRIPTION

(Complete one for each Activity Eligibility)

1. APPLICANT/GRANTEE NAME:		2. DATE:																													
3. TYPE <input type="checkbox"/> Original <input type="checkbox"/> Revised		4. FUNDING YEAR	5. MULTI-YEAR FUNDED (IF YES, IDENTIFY FY):																												
6a. HUD MATRIX CODE:		6b. ACTIVITY NAME																													
7. ACTIVITY LOCATION:		8. COST:  <table style="width: 100%; border: none;"> <tr> <td></td> <td style="text-align: right;">Committed</td> <td></td> <td></td> </tr> <tr> <td>CDBG \$ _____</td> <td style="text-align: center;">Yes</td> <td style="text-align: center;">No</td> <td></td> </tr> <tr> <td>Federal \$ _____</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td></td> </tr> <tr> <td>State \$ _____</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td></td> </tr> <tr> <td>Local \$ _____</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td></td> </tr> <tr> <td>Private \$ _____</td> <td style="text-align: center;"><input type="checkbox"/></td> <td style="text-align: center;"><input type="checkbox"/></td> <td></td> </tr> <tr> <td>TOTAL \$ _____</td> <td></td> <td></td> <td></td> </tr> </table>			Committed			CDBG \$ _____	Yes	No		Federal \$ _____	<input type="checkbox"/>	<input type="checkbox"/>		State \$ _____	<input type="checkbox"/>	<input type="checkbox"/>		Local \$ _____	<input type="checkbox"/>	<input type="checkbox"/>		Private \$ _____	<input type="checkbox"/>	<input type="checkbox"/>		TOTAL \$ _____			
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Private \$ _____	<input type="checkbox"/>	<input type="checkbox"/>																													
TOTAL \$ _____																															
9. NATIONAL OBJECTIVE: <input type="checkbox"/> LMI <input type="checkbox"/> S/B <input type="checkbox"/> UN																															
10. NATIONAL OBJECTIVE JUSTIFICATION (USE FEDERAL STATE REGULATION CITATION NUMBERS 24 CFR 570.483 SERIES -																															
11. GOAL ADDRESSED:																															

### A. LMI BENEFIT TESTS (CHOOSE ONE)

1. LMI AREA BENEFIT ( <b>CHOOSE ONE</b> ): <input type="checkbox"/> ACS DATA C.T.: _____ B.G.: _____ CDP: _____ Area Pop.: _____ LMI Pop.: _____ % LMI: _____ OR <input type="checkbox"/> SURVEY Date of Survey: _____ Total Families: _____ # Responses: _____ # Persons: _____ # LMI Persons: _____ % LMI Persons: _____ <input type="checkbox"/> Required Survey Info Provided	2. LMC LIMITED CLIENTELE: Choose one of first 3 categories. <input type="checkbox"/> Income Eligibility <input type="checkbox"/> Nature/Location <input type="checkbox"/> Presumed Benefit (choose one, if applicable) <input type="checkbox"/> Abused Children <input type="checkbox"/> Battered Spouse <input type="checkbox"/> Elderly Persons <input type="checkbox"/> Homeless Persons <input type="checkbox"/> Illiterate Adults <input type="checkbox"/> Persons w/ Aids <input type="checkbox"/> Migrant Farm Worker <input type="checkbox"/> Disabled  Describe how this activity will benefit the above designated clientele:	3. LMH HOUSING INCOME ELIGIBILITY: <input type="checkbox"/> Rehabilitation One-Unit Structures- Each Household LMI?      Yes      No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Two-Unit Structures- At least 1 Unit is LMI?      Yes      No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Multi-Unit Structures- 3 or more units 51% of Units are LMI?      Yes      No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Housing Assistance      Yes      No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Support of New Housing      Yes      No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> Direct Homeownership Assistance      Yes      No <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> # of New Rental Units: _____ % LMI units (20% - 50%): _____ CDBG funds limited to: _____	4. LMJ JOB CREATION/RETENTION: Number of Jobs Created _____ Retained _____ Number of LMI Jobs Created _____ Retained _____ % LMI Jobs Created _____ Retained _____
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### B. SLUMS/BLIGHT TEST (CHOOSE ONE)

1. Area: <input type="checkbox"/> Area has been designated as slum, blighted or deteriorated under state or local law (Provide a copy of the designation and any support documentation)	<input type="checkbox"/> Activity Addresses Conditions
2. Spot: <input type="checkbox"/> Acquisition <input type="checkbox"/> Relocation <input type="checkbox"/> Clearance <input type="checkbox"/> Rehab <input type="checkbox"/> Historic Preservation <input type="checkbox"/> Conditions detrimental to public safety & health	

### C. URGENT NEED TEST – ALL 4 CRITERIA MUST BE MET AND DOCUMENTED

<input type="checkbox"/> Serious, Immediate Threat	<input type="checkbox"/> Critical Within Previous 18 months
<input type="checkbox"/> Urgent Condition	<input type="checkbox"/> Insufficient Local Funds

**ACTIVITY DESCRIPTION****D. ACTIVITY DESCRIPTION**

Describe the activity sufficiently to demonstrate that it is an eligible activity, and that its scope is adequate to meet the identified needs of intended beneficiaries. Particular attention must be focused on the impact the proposed solution will have upon low and moderate income people, e.g. user fees, benefit assessments, etc. (For activities with user fees, complete "Local Effort/User Fee Analysis".)

**For Competitive Applicants** - Due to the competitive review process, the activity should be described comprehensively to substantiate the cause and magnitude of the need, and "third party" support (reports, newspaper articles, letters from affected residents, businesses, etc.), should be provided. Focus as specifically as possible on the impact of the problem on the residents of the affected area.

Please provide a satellite image or photography of the project area.

1. Identify what is the problem and location of the problem. Identify the location of the project by street name(s) if applicable.

2. This project has been reviewed to determine if any of the project is within the designated FLOODWAY using the best available data, and it has been determined that it is  or is not  located in the FLOODWAY.

Identify FIRM MAP or other source used for this determination. \_\_\_\_\_

3. How will the problem be corrected: Specify type and quantity of materials to be used to correct the problem.

4. Who are the primary beneficiaries; who will receive the daily benefits of the proposed project. Grantee must confirm that the project serves a primarily residential area. The project and service area must be identified on the map and may be different. (Include photos)

*(Attach Additional sheets as necessary.)*



## LIMITED CLIENTELE WORKSHEET REPORTING

### COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

#### For LMC Benefit Activities ONLY

*(Use One Form per Activity qualifying as LMC)*

Activities in this category provide benefits to a specific group of persons rather than everyone in an area. It may benefit persons without regard to the area in which they reside, or it may be an activity that provides a benefit on an area basis but only to a specific group of persons who reside in the area. In either case, at least 51 percent of the beneficiaries of the activity must be L/M income persons.

Examples of activities that qualify under the limited clientele category include:

- Acquisition of a building to be converted into a shelter for the homeless;
- Rehabilitation of a center for training severely disabled persons to enable them to live independently;
- Clearance of a structure from the future site of a neighborhood center that will exclusively serve the elderly; and
- Public services activities like the provision of health services

With respect to determining the beneficiaries of activities as LMI and qualifying under the limited clientele category, activities must meet one of the following tests:

- **Exclusively** benefit a clientele who are generally presumed by HUD to be principally L/M income persons. The following groups are currently presumed by HUD to be made up principally of L/M income persons:
  - ✓ Abused children,
  - ✓ Elderly persons,
  - ✓ Battered spouses,
  - ✓ Homeless persons,
  - ✓ Adults meeting Bureau of Census' definition of severely disabled adults \*,
  - ✓ Illiterate adults,
  - ✓ Persons living with the disease AIDS, and
  - ✓ Migrant farm workers.

Reference: 24 CFR 570.483(b)(2)(ii)(A) or

- 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 L/M income limit. (This includes the case where the activity is restricted exclusively to L/M income persons). *Reference: 24 CFR 570.483(b)(2)(ii)(B) and (C); or*
- Be of such nature and in such location that it may reasonably be concluded that the activity's clientele will primarily be L/M income persons (for example, a day care center that is designed to serve residents of a public housing complex). *Reference: 24 CFR 570.483(b)(2)(ii)(D); or*
- Be an activity that serves to remove material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled," provided it is restricted, to the extent practicable, to the removal of such barriers by assisting:
  - ✓ The reconstruction of a public facility or improvement, or portion thereof, that does not qualify under the L/M Income Area Benefit criteria;
  - ✓ The rehabilitation of a privately-owned nonresidential building or improvement that does not qualify under the L/M Income Area Benefit criteria or the L/M Income Jobs criteria; or
  - ✓ The rehabilitation of the common areas of a residential structure that contains more than one dwelling unit and that does not qualify under the L/M Income Housing criteria. *Reference: 24 CFR 570.483(b)(2)(iii); or*
- Be a microenterprise assistance activity carried out in accordance with the provisions of HCDA Section 105(a)(22) or 24 CFR 570.482(c) with respect to those owners of microenterprises and persons developing microenterprises assisted under the activity during each program year who are low- and moderate-income persons. (Note that, for these purposes, once a person is determined to be L/M income, he/she may be presumed to continue to qualify as such for up to a three-year period. This would enable the provision of general support services to such a person during that three-year period, without having to check to determine whether the person's income has risen.) *Reference: 24 CFR 570.483(b)(2)(iv); or*

**LIMITED CLIENTELE WORKSHEET REPORTING**

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- Be an activity designed to provide job training and placement and/or other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services, in which the percentage of low- and moderate-income persons assisted is less than 51 percent which qualifies under the Limited Clientele national objective in the following **limited circumstance**:
  - ✓ In such cases where such training or provision of supportive services assists business(es), and the only use of CDBG assistance is to provide the job training and/or supportive services; and the proportion of the total cost of the services borne by CDBG funds is no greater than the proportion of the total number of persons benefiting from the services who are L/M income. *Reference: 24 CFR 570.483(b)(2)(v)*

**Activities Excluded from Limited Clientele Qualification**

There are two sets of activities that are precluded from qualifying under this category based on statutory limitations:

- Activities involving the acquisition, construction, or rehabilitation of property for housing, including homeownership assistance (these must qualify under the Housing subcategory, because of Section 105(c)(3) of the authorizing statute) or
- Activities where the benefit to L/M income persons is the creation or retention of jobs (these must qualify under the Jobs subcategory with certain exceptions as noted under the previous Area Benefit section, because of the different presumptions provided under Sections 105(c)(1)(C) and (4) of the authorizing statute)

***Please go to the next page to complete the form for your LMC activity***

**LIMITED CLIENTELE WORKSHEET REPORTING****To Be Completed as part of the Application for CDBG Funding – LMC Activity**

NAME OF ACTIVITY:	CONTRACT YEAR:
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**PART 1: IDENTIFY THE CLIENTELE TO BENEFIT****PRESUMED BENEFIT**

To qualify under Limited Clientele criteria, the activity must exclusively benefit clientele who are generally presumed by HUD to be principally low-moderate income (L/M) persons (24CFR570.483(b)(2)(ii)(A)). Please select one of the following groups that are generally presumed by HUD to be principally L/M persons for this project.

Please select one of the presumed categories that the beneficiaries of the proposed activity will be qualified as.

- |   |   |
|---|---|
| <input type="checkbox"/> Abused children                    | <input type="checkbox"/> Severely disabled adults (as defined by Bureau of Census*) |
| <input type="checkbox"/> Elderly persons (age 60 and older) | <input type="checkbox"/> Illiterate adults  |
| <input type="checkbox"/> Battered spouses                   | <input type="checkbox"/> Persons living with AIDS                                   |
| <input type="checkbox"/> Homeless persons                   | <input type="checkbox"/> Migrant farm workers                                       |

\*Persons are considered severely disabled if they:

- Use a wheelchair or another special aid for 6 months or longer;
- Are unable to perform one or more functional activities (seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs and walking);
- Need assistance with activities of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating and toileting) or instrumental activities or 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;
- Have a selected condition including autism, cerebral palsy, Alzheimer's disease, senility or dementia or mental retardation; or
- Are under 65 years of age and are covered by Medicare or receive Supplemental Security Income (SSI).

**Note: Exclusively means that all of the beneficiaries of the activity must meet the criteria for being presumed.**

**If the beneficiaries fall into any other category but those above, then Presumed Benefit category may not be used to qualify for Limited Clientele.**

**OTHER OPTIONS FOR QUALIFYING FOR THE LIMITED CLIENTELE CATEGORY**

Please select one of the other options to qualify the activity as LMC, if the Presumed Benefit option above cannot be used.

- Require documentation on family size and income in order to show that at least 51 percent of the clientele are LMI; For example: A summer lunch program that uses other funding with an income requirement; or
- Have income eligibility requirements limiting the activity to LMI persons only; For example, construction of a waterline that will only service a senior (62 or older) housing complex; or
- Be of such a nature and in such a location that it can be concluded that clients are primarily LMI. For example, is a day care center that is designed to serve residents of a public housing complex.

**Please complete Part 2 to complete this form**

**LIMITED CLIENTELE WORKSHEET REPORTING**

NAME OF ACTIVITY:	CONTRACT YEAR:
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**PART 2: DOCUMENTATION***(attach separate sheets of paper if necessary)*

Provide the following information as applicable to the proposed activity based on your responses in Part 1 of this form.

**PRESUMED BENEFIT**

Number of estimated beneficiaries (persons) in the Service Area: \_\_\_\_\_  
*(This may be from ACS, or actual membership information)*

Source : \_\_\_\_\_

For disability data, please use the HUD provided disability data located at:  
[www.hudexchange.info/programs/census/acs-cdbg-disability-data/all-tracts-summarized-by-grantee/](http://www.hudexchange.info/programs/census/acs-cdbg-disability-data/all-tracts-summarized-by-grantee/)

*\*Please attach documentation that the facility or service will exclusively benefit clientele who are generally presumed to be principally LMI persons.*

**ACTIVITIES REQUIRING DOCUMENTATION ON FAMILY SIZE AND INCOME**

Number of estimated beneficiaries (total persons): \_\_\_\_\_

Total number of LMI persons \_\_\_\_\_ LMI % \_\_\_\_\_

*\*Please attach a blank sample of the intake document used to acquire this information.*

**INCOME ELIGIBILITY REQUIREMENTS THAT LIMIT THE ACTIVITY EXCLUSIVELY TO LMC PERSONS**

Explain the income eligibility requirements that will limit the activity to LMC persons of which 51% must be low and moderate income: *\*Please attach activity guidelines.*

**NATURE OR LOCATION OF ACTIVITY ESTABLISH THAT IT WILL BE USED PRIMARILY BY LMC PERSONS**

Explain the intent of the activity or its location that would presume the beneficiaries to be LMC persons:

*\*Please attach a map of the location of the activity and the service area.*



# FORCE ACCOUNT CERTIFICATION

1. GRANTEE:	2. CONTRACT NUMBER:
3. COUNTY:	

The Grantee must complete the Force Account form and include it with its CDBG application submission prior to using Force Account for a project. Approval will be the approved application unless otherwise notified. For modifications and revisions, this form must be submitted with the formal request and approval will be the approved modification or revision unless otherwise notified.

1. DESCRIPTION OF THE CONSTRUCTION ACTIVITIES TO BE COMPLETED BY FORCE ACCOUNT:																																																
2. JUSTIFICATION FOR DOING THE WORK BY FORCE ACCOUNT:																																																
3. DETAILS OF THE GRANTEE'S EXPERIENCE WITH PROJECTS OF LIKE OR SIMILAR NATURE:																																																
4. INFORMATION ON WORKLOAD AS IT MAY AFFECT CAPACITY TO DO THE WORK WITHIN TIME FRAME OR WORK SCHEDULE:																																																
5A. A COMPLETE ESTIMATED COST BREAKDOWN SHOWING THE NUMBER OF WORK HOURS AND COST PER HOUR FOR EACH CATEGORY OF LABOR:																																																
<table border="1" style="width:100%; border-collapse: collapse; text-align: center;"> <thead> <tr style="background-color: #cccccc;"> <th style="width:15%;">LABOR TYPE</th> <th style="width:30%;">JOB DESCRIPTION</th> <th style="width:15%;"># OF EMPLOYEES</th> <th style="width:15%;">EST. WORK HRS.</th> <th style="width:15%;">HOURLY WAGES</th> <th style="width:10%;">SUBTOTAL COST</th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr> <tr> <td colspan="5" style="text-align: right;"><b>ESTIMATE TOTAL LABOR COSTS:</b></td> <td> </td> </tr> </tbody> </table>	LABOR TYPE	JOB DESCRIPTION	# OF EMPLOYEES	EST. WORK HRS.	HOURLY WAGES	SUBTOTAL COST																																					<b>ESTIMATE TOTAL LABOR COSTS:</b>					
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5B. LIST OF MATERIAL AND SUPPLIES OWNED OR TO BE PURCHASED BY THE GRANTEE:																																																
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**FORCE ACCOUNT CERTIFICATION**

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7. I certify the following:

- a. That the persons performing force account work are W-2 form registered employees, (and not 1099 form contractors) of the Grantee; and
- b. If temporary workers are hired, that they will be W-2 form registered employees (and not 1099 form contractors), and that the employer's policies for temporary employees will be followed.

\_\_\_\_\_  
Signature of Chief Elected Official

\_\_\_\_\_  
Date

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

**DCED USE ONLY**

\_\_\_\_\_  
Grant Manager Approval

\_\_\_\_\_  
Date

**DCED COMMENTS**



# PROJECT BUDGET

APPLICANT NAME:

## Total Sources and Uses of Funds

Activity	CDBG	Other CDBG	Local (with eligible in-kind)	Program Income	Total
1 Construction Costs .....					
2 Delivery Costs .....					
a. Environmental Review .....					
b. Professional Fees .....					
c. Labor Compliance .....					
d. Other (please explain) .....					
3 Land Acquisition (if any) .....					
<b>TOTAL</b> .....					

\* **DO NOT** include any general administrative costs, miscellaneous, contingency costs, etc. in budget.

Complete the table above. The budget is to reflect full project cost.

Immediately following this page, attach itemized cost estimate for each line item, identifying each source and use of funds.



## PROJECT COMPLETION TIMETABLE

APPLICANT NAME:

Beginning with the application submission date, outline below a reasonable timetable for project completion. Include all significant milestones, emphasizing those related to environmental clearance, procurement of third party services, plans, permits, bids, contracts, financing, acquisition of property, construction, and completion.

Task	Date Completed or Projected Completion
Environmental Clearance for Activity	
Executing Sub-recipient Agreement (if applicable)	
Request for Professional Services	
Income Eligibility Verification (Direct Benefit Only)	
Bid Specification Preparation	
Bid Project	
Bid Opening/Tabulation	
Contract Award	
Notice to Proceed	
Contracting/Project Implementation	
Activity Completion	
IDIS Updated	



## ACTIVITY DESCRIPTION – ADMINISTRATIVE EXPENSES

APPLICANT NAME:	TOTAL GRANT AMOUNT:                 \$
	TOTAL ADMINISTRATIVE COSTS*:     \$
HUD MATRIX CODE: <b>21A</b>	% OF TOTAL GRANT:                         %
NATIONAL OBJECTIVE JUSTIFICATION:  24 CFR 570.483(f) Planning and Administrative Costs – CDBG funds expended for eligible planning and administrative costs by units of general local government in conjunction with other CDBG assisted activities will be considered to address the national objectives.	

**COUNTY APPLICANTS administering On Behalf of Grantee (OBO) – *Must complete the box below.***

ENTITLEMENT	BUDGETED ADMINISTRATIVE COST
APPLICANT NAME:	\$ *
OBO:	\$ *
<b>TOTAL ADMIN:</b>	<b>\$ *</b>

**Please describe the expenses to be paid using CDBG administrative funds.**  
 For example, staff salaries and benefits, advertisements, office supplies. In addition, please identify if administrative expenses are included in a cost allocation plan or if the grantee has an indirect cost rate being used to determine administrative expenses.

Grantee uses a Cost Allocation Plan: <input type="checkbox"/> Yes <input type="checkbox"/> No	Grantee uses an Indirect Cost Rate: <input type="checkbox"/> Yes <input type="checkbox"/> No
---	--

\* Cannot be rounded up  
 Administrative costs for each individual allocation cannot exceed 18% of the allocation.

# Instructions for Completion of Local Effort/User Fee Analysis

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**Must be completed for all sewer and water system improvements receiving CDBG assistance.**

1. Enter applicant's name.
2. Analysis—Debt Service Portion—User Fee

**A. Current**

- 1.) Enter the total amount to be paid for debt repayment for this service only during the current year. If not applicable, enter N/A.
- 2.) Enter the number of units (Equivalent Domestic Units) now served by this system. If not applicable, enter N/A.
- 3.) Enter the total user fee being charged for each unit being serviced by the existing system (per month/quarter, whichever is applicable). If not applicable, enter N/A.
- 4.) Divide the dollar amount in (1) above by the number of units in (2) above.
- 5.) Enter the debt balance as of December 31, last year for this service only.
- 6.) Enter the date upon which all current debt for this service will be retired (paid off).
- 7.) Enter any balance of cash reserves for this system only as of December 31, last year. Submit a copy of the last completed Financial Report.

**B. Proposed Project**

- 1.) Enter the total number of units to be served by the proposed project.
- 2.) Enter the proposed user fee and indicate the proposed payment, monthly, quarterly, etc.
- 3.) Enter the total new debt anticipated excluding CDBG financing.
- 4.) Enter the total amount of CDBG funds being requested.



# LOCAL EFFORT/ USER FEE ANALYSIS

***This form is required for new water/sewer line extensions or replacements.***

1. APPLICANT NAME:

2. ANALYSIS - DEBT SERVICE PORTION - USER FEE

	Water	Sewer
<b>A. Current (if applicable)</b>		
(1) Annual Debt Service .....		
(2) Number of Units (E.D.U.'s) Now Served .....		
(3) Existing User Fee .....		
(4) Debt Service Portion of Average Annual user Fee (Divide 1 by 2 above) .....		
(5) Balance Current Debt Projected to _____ .....		
(6) Current Debt Retirement Date _____		
(7) Fund Surplus Investments Cash Balance, etc., as of _____ .....		
<b>B. Proposed Project</b>		
(1) Number of Units (E.D.U.'s) to be Served .....		
(2) Proposed User Fee and Schedule .....		
<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Other (Explain) _____		
(3) Total New Debt (Other than CDBG) .....		
(4) Total CDBG Funding Requested .....		

3. OPERATION AND MAINTENANCE PORTION - USER FEE

	Water	Sewer
A. Last Year's Operation and Maintenance Cost .....		
B. Operation and Maintenance Portion of Average Annual User Fee .....		

4. REPAYMENT RATES AND TERMS

Explain repayment rates and terms of other new-debt listed in 2.b(3) above.

5. CURRENT AND PROJECTED DEBT

Attach additional sheets to illustrate and support current and projected debt as well as why CDBG funds are critical to the completion of the proposed project.

6. AGREEMENT WITH SERVICE PROVIDER

Provide copy of service provider agreement.

# Instructions for Completion of LMI Principal Benefit Determination

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1. Applicant Name – Name of Municipality.
2. Date – Enter date of submission.
3. Submission Type – Check as appropriate.
4. Fiscal Year – Enter the Federal Fiscal Year of the grant application.
5. Contract Number – If this submission is to revise or amend an existing CDBG grant, enter the CDBG Contract Number otherwise, leave blank.

## Principal Benefit Form

- A. **Activity** – Enter the number and description of the activity using the list from Activities Description Instructions, refer to the HUD IDIS Matrix Codes in Appendix E.
- B. **National Objective met/CDBG** – Enter total CDBG dollars budgeted in support of each activity under the appropriate National Objective met in columns 1-3. If an activity qualifies as meeting the low and moderate income national objective, then 100 percent of CDBG funds budgeted for the activity are counted as benefiting LMI. If less than 51 percent benefit is demonstrated, the activity does not meet the National Objective of Benefit to LMI (except new Housing) and no CDBG funds are counted as benefiting LMI. When counting CDBG funds benefiting LMI for assistance to Housing Rehab and New Housing, CDBG dollars benefiting LMI are determined by multiplying the total costs (CDBG and non-CDBG costs) of the acquisition, construction, or rehabilitation by the percent of the units in such housing that will be occupied by persons of low and moderate income households. For example, if 8 of 10 units are to be occupied by LMI persons, and the total costs are \$120,000 - \$100,000 CDBG and \$20,000 other, then \$96,000 is counted toward benefiting the LMI category.
- C. **CDBG Total/Percent LMI** – Enter total amount for all activities in each national objective. Indicate percent of CDBG funds benefiting LMI of total CDBG funds for activities. (Must be 70 percent or greater.)

*Note: Administration costs should not be included in the determination of principal benefit.*



# LMI PRINCIPAL BENEFIT DETERMINATION

## COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

1. APPLICANT/GRANTEE NAME:		2. DATE:
3. TYPE <input type="checkbox"/> Original <input type="checkbox"/> Revised <input type="checkbox"/> Modification	4. FISCAL YEAR	5. CONTRACT NUMBER:

A. ACTIVITY		B. NATIONAL OBJECTIVE MET/CDBG			
HUD Code	Activity	1. LMI CDBG Dollars	2. Slums/Blight CDBG Dollars	3. Urgent Need CDBG Dollars	4. Total CDBG Dollars
01	Acquisition of Real Property .....				
02	Disposition .....				
03A	Senior Center/Facilities .....				
03F	Parks, Recreation Facilities .....				
03G	Parking Facilities .....				
03I	Flood and Drainage Facilities .....				
03J	Water / Sewer Improvements .....				
03K	Street Improvements .....				
03L	Sidewalks .....				
03O	Fire Station / Equipment .....				
03Z*	Public Facilities - Other .....				
04	Clearance and Demolition .....				
05A	Public Service - Senior Centers .....				
05B	Public Service - Handicapped .....				
05D	Public Service - Youth Programs .....				
05L	Public Service - Child Care .....				
05Z*	Public Service - Other .....				
06	Interim Assistance .....				
08	Relocation .....				
12	Construction of Housing .....				
13	Direct Homeownership Assistance .....				
14A	Rehab: Single-Unit Residential .....				
14E	Rehab: Publicly or Privately Owned Comm./Ind. ....				
14G	Acquisition - for Rehabilitation .....				
15	Code Enforcement .....				
18A	ED Direct Financial Assistance to For-Profits ....				
19F	Planned Repayment of Section 108 Loan Principal .....				
___	Other .....				
___	Other .....				
<b>C. CDBG TOTALS</b> .....					
<b>% LMI OF TOTAL</b> .....					

Note: Administration costs should not be included in the determination of principal benefit.

## **Supplemental CDBG Required Plans and Documentation**

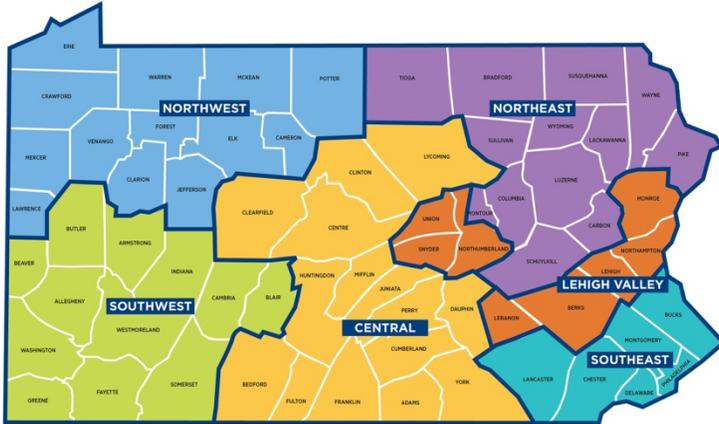
The following documents, plans, templates, and other resources are available on DCED's website at the following link: [dced.pa.gov/community/federal-program-resource-library/cdbg](http://dced.pa.gov/community/federal-program-resource-library/cdbg)

- **Citizen Participation Plan and Sample Public Notices**  
(Municipally adopted and reviewed annually)
- **Definition of Family versus Household Income**  
(Required for eligibility)
- **Environmental Tip Sheets**  
(Guidance and Required Documentation)
- **Fair Housing Notice and Sample Ad and Resolution**  
(Required with application submission and annual action steps)
- **MBE/WBE Plan**  
(Municipally adopted and implemented, when applicable)
- **Residential Anti-Displacement and Relocation Plan**  
(Municipally adopted and reviewed annually)
- **Revisions and Modifications Templates**
- **Section 3 Plan**  
(Municipally adopted and implemented, when applicable)
- **Three Year Activity Completion Extension Template**

*Please review and note which items require an annual review and update. This list will be updated periodically as the Center for Community and Housing Development updates program resources.*

# Regional Offices

## Pennsylvania Department of Community and Economic Development dced.pa.gov



### **Southeast**

*Bucks, Chester, Delaware, Lancaster, Montgomery and Philadelphia counties*

Department of Community and Economic Development  
Aliyah Stanger, Director  
110 North 8<sup>th</sup> Street, Suite 505  
Philadelphia, PA 19107-2471  
(215) 560-5830  
Fax: (215) 560-5832  
astanger@pa.gov

### **Northeast**

*Bradford, Carbon, Columbia, Lackawanna, Luzerne, Montour, Pike, Schuylkill, Sullivan, Susquehanna, Tioga, Wayne and Wyoming counties*

Department of Community and Economic Development  
Paul Macknosky  
2 North Main Street  
Pittston, PA 18640  
(570) 963-4122  
Fax: (570) 654-6315  
pmacknosky@pa.gov

### **Lehigh Valley**

*Berks, Lehigh, Monroe, Lebanon, Northampton, Northumberland, Snyder, and Union counties*

Department of Community and Economic Development  
Fadia Halma, Director  
400 North Street, 4<sup>th</sup> Floor  
Commonwealth Keystone Building  
Harrisburg, PA 17120-0225  
(717) 877-8481  
fhalma@pa.gov

### **Central**

*Adams, Bedford, Centre, Clearfield, Clinton, Cumberland, Dauphin, Franklin, Fulton, Huntingdon, Juniata, Lycoming, Mifflin, Perry, and York counties*

Department of Community and Economic Development  
Marita Kelley, Director  
400 North Street, 4<sup>th</sup> Floor  
Commonwealth Keystone Building  
Harrisburg, PA 17120-0225  
(717) 720-7301  
Fax (717) 783-4663  
markelley@pa.gov

### **Southwest**

*Allegheny, Armstrong, Beaver, Blair, Butler, Cambria, Fayette, Greene, Indiana, Somerset, Washington, and Westmoreland counties*

Department of Community and Economic Development  
Johnna Pro, Director  
301 Fifth Avenue, Suite 250  
Pittsburgh, PA 15222  
(412) 565-5098  
Fax: (412) 565-2635  
jopro@pa.gov

### **Northwest**

*Cameron, Clarion, Crawford, Elk, Erie, Forest, Jefferson, Lawrence, McKean, Mercer, Potter, Venango, and Warren counties*

Department of Community and Economic Development  
Kim Thomas, Director  
100 State Street, Suite 205  
Erie, PA 16507  
(814) 871-4245  
Fax: (814) 454-7494  
kimbethoma@pa.gov

# Appendix A

## CDBG MATRIX CODES

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### MATRIX CODE DEFINITIONS

Matrix codes are used to indicate—but do not establish—activity eligibility. An activity must be eligible in accordance with the regulations at 24 CFR 570.201 – 570.207 for Entitlements, 570.703 – 570.705 for the Section 108 loan guarantee program, and with Section 105(a) of the HCDA [42 USC 5305] and 24 CFR 570.482 for States. Grantees need to refer to the regulations to determine an activity’s eligibility; the codes defined below are used in IDIS On-Line chiefly to categorize activities for reporting purposes.

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03H	Solid Waste Disposal Improvements .....	3
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Code	Definition with Entitlement, State, or Section 108 loan Guarantee citations
<b>Acquisition and Disposition</b>	
<b>01</b>	<p><b>Acquisition of Real Property</b> 24 CFR 570.201(e) or 42 USC 5305(a)(1)  Acquisition of real property that will be developed for a public purpose. Use code 01 if CDBG funds will be used ONLY for the acquisition of property. This code is frequently used for the acquisition of property on which a public facility, public improvement or housing will be constructed using other funds.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>When a grantee acquires and constructs or rehabilitates a public facility with CDBG funds, assign the appropriate 03* matrix code, instead of 01.</i></li> <li>• <i>When a grantee combines acquisition with relocation or disposition in a single activity, that activity can be coded as Acquisition 01.</i></li> <li>• <i>When a grantee acquires and rehabilitates housing with CDBG funds for residential purposes, use code 14G.</i></li> <li>• <i>When a grantee or subrecipient acquires land, clears structures, or packages land for the purpose of creating an industrial park or encouraging commercial/industrial redevelopment, use matrix code 17A.</i></li> </ul>
<b>02</b>	<p><b>Disposition of Real Property</b> 24 CFR 570.201(b) or 42 USC 5305(a)(7)  Costs related to the sale, lease, or donation of real property acquired with CDBG funds or under urban renewal. Eligible costs would include the costs incidental to disposing of the property, such as preparation of legal documents, fees paid for surveys, transfer taxes, and other costs involved in the transfer of ownership of the CDBG-assisted property. The costs can also include the costs of temporarily maintaining property pending disposition, for example, boarding property up, mowing grass, security. However, the temporary maintenance costs are eligible only for properties initially acquired with CDBG funds.</p>
<b>04</b>	<p><b>Clearance and Demolition</b> 24 CFR 570.201(d) or 42 USC 5305(a)(4)  Clearance or demolition of buildings/improvements, or the movement of buildings to other sites.</p>
<b>04A</b>	<p><b>Cleanup of Contaminated Sites</b> 24 CFR 570.201(d) or 24 CFR 570.482(c)(3) [Public Law 105-276]  Activities undertaken primarily to clean toxic/environmental waste or contamination from a site.</p>
<b>08</b>	<p><b>Relocation</b> 24 CFR 570.201(i) or 42 USC 5305(a)(11)  Relocation payments and other assistance for permanently or temporarily displaced individuals, families, businesses, non-profit organizations, and farms.</p>

## Public Facilities and Improvements

Use matrix codes in this section when the CDBG funds are used by the grantee or other public or private non-profit entities for public facilities and improvements.

### Note:

- Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related activities are funded with CDBG, the grantee needs to set up a separate activity for each facility or improvement.
- When a facility is used only by a specific client group, the activity should be assigned the matrix code specific to that group, not the type of facility. For instance, assign 03Q to a health facility for abused and neglected children, not 03P.
- If CDBG funds are only used to acquire property for a public facility, use matrix code 01. If the grantee uses CDBG funds to pay for the acquisition and construction, or rehabilitation of a public facility or improvement, use the appropriate 03\* matrix code.
- For commercial and industrial improvements undertaken by a grantee or a subrecipient for economic development purposes, use matrix code 17A, 17B, 17C, or 17D.

<b>03A</b>	<b>Senior Centers</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of facilities (except permanent housing) for seniors. 03A may be used for a facility serving both the elderly and persons with disabilities, provided it is not intended primarily to serve persons with disabilities. If it is, use 03B instead.  <i>Note: For the construction of permanent housing for the elderly, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.</i>
<b>03B</b>	<b>Facilities for Persons with Disabilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, or rehabilitation of centers, group homes, and other facilities (except permanent housing) for persons with disabilities. 03B may be used for a facility serving both persons with disabilities and the elderly, provided it is not intended primarily to serve the elderly. If it is, use 03A instead.  <i>Note: For the construction of permanent housing for the persons with disabilities, use code 12; for the rehabilitation of such housing, use the appropriate 14* code.</i>
<b>03C</b>	<b>Homeless Facilities (not operating costs)</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2) Acquisition, construction, conversion of buildings, or rehabilitation of temporary shelters and transitional housing for the homeless, including victims of domestic violence, dating violence, sexual assault or stalking, disaster victims, runaway children, drug offenders, and parolees.  <i>Note: For the construction of permanent housing for the homeless, use code 12; for the rehabilitation of such housing, use the appropriate 14* code; for facilities for abused and neglected children, use 03Q.</i>

<b>03D</b>	<p><b>Youth Centers</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)  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.</p>
<b>03E</b>	<p><b>Neighborhood Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)  Acquisition, construction, or rehabilitation of facilities that are principally designed to serve a neighborhood and that will be used for social services or for multiple purposes (including recreation). Such facilities may include libraries and community centers.</p>
<b>03F</b>	<p><b>Parks, Recreational Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)  Development of open space areas or facilities intended primarily for recreational use.</p>
<b>03G</b>	<p><b>Parking Facilities</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)  Acquisition, construction, or rehabilitation of parking lots and parking garages. Use 03G if rehabilitation of a public facility or street improvement is a small part of an activity to improve a parking facility. However, if parking improvements are only a small part of a larger street improvement activity, use 03K.</p>
<b>03H</b>	<p><b>Solid Waste Disposal Improvements</b> 24 CFR 570.201(c) or 42 USC 5205(a)(2)  Acquisition, construction or rehabilitation of solid waste disposal facilities. The eligible costs can also include equipment, such as bulldozers, used exclusively at the facility.</p>
<b>03I</b>	<p><b>Flood Drainage Improvements</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)  Acquisition, construction, or rehabilitation of flood drainage facilities, such as retention ponds, catch basins, streambank erosion controls, channelization of streambeds, or dams. 03I can also be used for "Green Infrastructure" improvements to manage stormwater. However, if stormwater management improvements are integral to some other activity like a park or a street project, it should be included in that matrix code (03F for parks, 03K for streets) rather than 03I.</p> <p><i>Note: 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.</i></p>
<b>03J</b>	<p><b>Water/Sewer Improvements</b> 24 CFR 570.201(c) or 42 USC 5305(a)(2)  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.</p> <p>For water/sewer improvements that are part of:</p> <ul style="list-style-type: none"> <li>• More extensive street improvements, use 03K. For example, an activity that involves paving six blocks of Main Street and installing 100 feet of new water lines in one of those blocks.</li> <li>• A housing rehabilitation activity such as water/sewer hookups (lines from a house to the street), use the appropriate 14* housing rehabilitation matrix code.</li> </ul>

<b>03K</b>	<p><b>Street Improvements</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Installation or repair of streets, street drains, storm drains, curbs and gutters, tunnels, bridges, and traffic lights/signs. Also use 03K:</p> <ul style="list-style-type: none"> <li>• For improvements that include landscaping, street lighting, and/or street signs (commonly referred to as "streetscaping").</li> <li>• If sidewalk improvements (see code 03L) are part of more extensive street improvements.</li> </ul>
<b>03L</b>	<p><b>Sidewalks</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Improvements to sidewalks. Also use 03L for sidewalk improvements that include the installation of trash receptacles, lighting, benches, and trees.</p>
<b>03M</b>	<p><b>Child Care Centers</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  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</p>
<b>03N</b>	<p><b>Tree Planting</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Activities limited to tree planting (sometimes referred to as "beautification"). For streetscape activities that include tree planting, use 03K; for sidewalk improvement activities that include tree planting, use 03L.</p>
<b>03O</b>	<p><b>Fire Stations/Equipment</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Acquisition, construction, or rehabilitation of fire stations and/or the purchase of fire trucks and emergency rescue equipment.</p>
<b>03P</b>	<p><b>Health Facilities</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  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.</p>
<b>03Q</b>	<p><b>Facilities for Abused and Neglected Children</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Acquisition, construction, or rehabilitation of daycare centers, treatment facilities, or temporary housing for abused and neglected children.</p>
<b>03R</b>	<p><b>Asbestos Removal</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Rehabilitation of any public facility undertaken primarily to remove asbestos.</p>
<b>03S</b>	<p><b>Facilities for AIDS Patients (not operating costs)</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i>  Acquisition, construction, or rehabilitation of facilities for the treatment or temporary housing of people who are HIV positive or who have AIDS. For the construction or rehabilitation of facilities for AIDS education and prevention, use 03P.</p>

<b>03Z</b>	<p><b>Other Public Improvements Not Listed in 03A-03T</b> <i>24 CFR 570.201(c) or 42 USC 5305(a)(2)</i></p> <p>This matrix code replaces matrix code 03. Only use this code when an activity does not fall under a more specific 03A – 03S matrix code. Check the following before using this matrix code:</p> <ul style="list-style-type: none"> <li>• Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. When two or more related facilities are funded by CDBG, the grantee needs to set up a separate activity for each facility or improvement.</li> <li>• 03Z can be used for seawalls, bus shelters, retaining walls, and wind turbines.</li> <li>• 03Z can be used 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).</li> </ul>
<b>06</b>	<p><b>Interim Assistance</b> <i>24 CFR 570.201(f) or 42 USC 5305(a)(4)</i></p> <p>Only for activities undertaken either to:</p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• Alleviate emergency conditions threatening public health and safety, such as removal of tree limbs or other debris after a major storm.</li> </ul>
<b>11</b>	<p><b>Privately Owned Utilities</b> <i>24 CFR 570.201(l) or 42 USC 5305(a)(14)</i></p> <p>Acquisition, reconstruction, rehabilitation, or installation of distribution lines and facilities of regulated, privately owned utilities. This includes placing new or existing distribution lines/facilities underground.</p>
<b>16B</b>	<p><b>Non-Residential Historic Preservation</b> <i>24 CFR 570.202(d)</i></p> <p>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.</p>
<b>23</b>	<p><b>Tornado Shelters Serving Private Mobile Home Parks</b> <i>42 USC 5305(a)(25)</i></p> <p>Construction or improvement of tornado-safe shelters for residents of manufactured housing parks and the provision of assistance (including loans and grants) to nonprofit and for-profit entities to do so, in accordance with Section 42 USC 5305(a)(24).</p>

## Public Services

Use matrix codes in this section for CDBG assisted public services activities.

- It is important to distinguish a service from construction or rehabilitation of a facility where a service is being provided. For example, the construction or rehabilitation of a senior center is coded as 03A, but the funding of services provided at a facility for senior citizens is coded as 05A.
- Rental of a facility for a service is considered a part of delivery of service and should be treated as a public service.
- Operation and maintenance may be paid with CDBG funds only for the portion of the building where a public service is being carried out.
- If the activity is restricted to one client group, use the matrix code for that group. For example, use 05A for senior services.

<b>03T</b>	<b>Homeless/AIDS Patients Programs</b> <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Costs associated with the operation of programs for the homeless or for AIDS patients, such as staff costs, utilities, maintenance, and insurance. Because payment of operating costs for these programs is a public service under CDBG, all CDBG expenditures for 03T activities are included in the calculation of the Public Services cap.
<b>05A</b>	<b>Senior Services</b> <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services for the elderly. 05A may be used for an activity that serves both the elderly and persons with disabilities provided it is intended primarily to serve elderly. If the activity is intended primarily to serve persons with disabilities, use 05B instead.
<b>05B</b>	<b>Services for Persons with Disabilities</b> <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services for the persons with disabilities, regardless of age. If the activity is intended primarily for elderly persons, use 05A instead.
<b>05C</b>	<b>Legal Services</b> <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services providing legal aid to low- and moderate-income (LMI) persons. If the legal service is only provided for the settlement of tenant/landlord disputes, use 05K.
<b>05D</b>	<b>Youth Services</b> <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> Services for young people age 13 to 19. For example, recreational services limited to teenagers and teen counseling programs. 05D can also be used 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.
<b>05E</b>	<b>Transportation Services</b> <i>24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)</i> General transportation services. Transportation services for a specific client group should use the matrix code for that client group. For example, use 05A for transportation services for the elderly.

<b>05F</b>	<b>Substance Abuse Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Substance abuse recovery programs and substance abuse prevention/education activities. If the services are provided for a specific client group, the matrix code for that client group may be used instead. For example, substance abuse services that target teenagers may be coded either 05D or 05F.
<b>05G</b>	<b>Services for victims of domestic violence, dating violence, sexual assault or stalking</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services for victims of domestic violence, dating violence, sexual assault or stalking. For services limited to abused and neglected children, use 05N.
<b>05H</b>	<b>Employment Training</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Assistance to increase self-sufficiency, including literacy, independent living skills, resume writing, job coaching, "how to get and keep a job" training, or training students in a particular field on skill when there is no tie to a specific position or business. For activities providing training for specific permanent jobs with specific businesses, use 18A.
<b>05I</b>	<b>Crime Awareness/Prevention</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Promotion of crime awareness and prevention, including crime prevention education programs, community-oriented policing programs above and beyond normal staffing levels, installation of security cameras, and paying for security guards.
<b>05J</b>	<b>Fair Housing Activities (subject to Public Services cap)</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Fair housing services (e.g. counseling on housing discrimination) as public services. The activity needs to meet a national objective. For fair housing services activities carried out as part of general program administration (and thus not required to meet a national objective), use 21D.
<b>05K</b>	<b>Tenant/Landlord Counseling</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Counseling to help prevent or settle disputes between tenants and landlords.
<b>05L</b>	<b>Child Care Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services that will benefit children (generally under age 13), including parenting skills classes. For services exclusively for abused and neglected children, use 05N.
<b>05M</b>	<b>Health Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Services addressing the physical health needs of residents of the community. For mental health services, use 05O.
<b>05N</b>	<b>Services for Abused and Neglected Children</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2) Daycare and other services exclusively for abused and neglected children.

<b>05O</b>	<p><b>Mental Health Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Services addressing the mental health needs of residents of the community.</p>
<b>05P</b>	<p><b>Screening for Lead Poisoning</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Activities undertaken primarily to provide screening for lead poisoning.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• Use 05P to test people for possible lead poisoning.</li> <li>• Use 14I to test buildings/properties for presence of lead contamination.</li> </ul>
<b>05Q</b>	<p><b>Subsistence Payments</b> 24 CFR 570.207(b)(4) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  One-time or short-term (no more than three months) emergency payments on behalf of individuals or families, generally for the purpose of preventing homelessness. Examples include utility payments to prevent cutoff of service, and rent/mortgage payments to prevent eviction.</p>
<b>05R</b>	<p><b>Homebuyer Downpayment Assistance - Excluding Housing Counseling under 24 CFR 5.100</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Homebuyer downpayment assistance provided as a PUBLIC SERVICE. If housing counseling (under 24 CFR 5.100) is provided to in conjunction with downpayment assistance, report housing counseling separately under matrix code 05Y. If referral services, homeownership education programs, or general budget/financial counseling are provided to homebuyers in conjunction with downpayment assistance as part of a package, then the services are considered activity delivery costs as a part of an 05R activity.</p> <ul style="list-style-type: none"> <li>• It is subject to the public service cap, unless the assistance is provided by a CBDO in an NRSA or by a 105(a)(15) entity.</li> <li>• Only report the number of households that received downpayment assistance as accomplishments for 05R.</li> <li>• For more extensive types of homeownership assistance provided under authority of the National Affordable Housing Act, use code 13B.</li> </ul>
<b>05S</b>	<p><b>Rental Housing Subsidies</b> 24 CFR 570.204 or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Tenant subsidies exclusively for rental payments for more than three months. Activities providing this form of assistance must be carried out by CBDOs or 105(a)(15) entities.</p>
<b>05T</b>	<p><b>Security Deposits</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Tenant subsidies exclusively for payment of security deposits.</p>

<b>05U</b>	<p><b>Housing Counseling only, under 24 CFR 5.100</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Housing counseling, under 24 CFR 5.100, 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).</p>
<b>05V</b>	<p><b>Neighborhood Cleanups</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  One-time or short-term efforts to remove trash and debris from neighborhoods. Examples of legitimate uses of this code include neighborhood cleanup campaigns and graffiti removal.</p>
<b>05W</b>	<p><b>Food Banks</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Costs associated with the operation of food banks, community kitchens, and food pantries, such as staff costs, supplies, utilities, maintenance, and insurance.</p>
<b>05X</b>	<p><b>Housing Information and Referral Services</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  An activity that provides housing information, education, and referral services, or general budget/financial counseling that does not meet the 24 CFR 5.100 definition of Housing Counseling.</p>
<b>05Y</b>	<p><b>Housing Counseling under 24 CFR 5.100 Supporting Homebuyer Downpayment Assistance (05R)</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  Housing Counseling, under 24 CFR 5.100, that is provided to in conjunction with homebuyer downpayment assistance (05R) as a public service.</p>
<b>05Z</b>	<p><b>Other Public Services Not Listed in 03T and 05A-05Y</b> 24 CFR 570.201(e) or 42 USC 5305(a)(8) + 24 CFR 570.482(c)(2)  This matrix code replaced matrix code 05. Only use this matrix code when an activity does not fall under a more specific 05A-05Y code.  An example of a legitimate use of this code is when the CDBG funds are provided to a non-profit organization that provides multiple types of social services for operating costs. In another example, when a public service activity that does not have a more specific matrix code, provides services to multiple groups of clients such as seniors, persons with disabilities, and homeless persons. For instance, for a "meals on wheels" program for seniors and persons with disabilities, use 05Z. If this program had only been available to seniors, the correct matrix code would have been 05A.</p>

## Housing

Housing includes new construction and rehabilitation.

- Reconstruction of housing is eligible as is rehabilitation. Replacement of stick-built residential structures with manufactured housing units, or vice versa, is eligible as reconstruction of housing.
- Manufactured housing may be rehabilitated if it is considered part of the community's permanent housing stock.
- Wiring multifamily properties for broadband internet service, as part of substantial rehabilitation as defined in 24 CFR 5.100, should be treated as a cost of the rehabilitation, not broken out separately.
- Conversion of non-residential structures to housing is eligible as rehabilitation (esp. significant for 14B, 14D, 14G).
- Rehabilitation of housing can include water/sewer hookups, running water/sewer lines from a house out to the street, installation/rehabilitation/replacement of wells, septic tanks, septic drainfields, etc.
- Historic preservation work that is done as part of other housing rehabilitation can be included in the relevant matrix code.
- Installation or replacement of landscaping materials, sidewalks, and driveways can be included when the costs are incidental to the rehabilitation of the property.

<b>09</b>	<b>Loss of Rental Income</b> <i>24 CFR 570.201(j) or 42 USC 5305(a)(6)</i> Payments to owners of housing for loss of rental income due to temporarily holding rental units for persons displaced by CDBG-assisted activities.
<b>12</b>	<b>Construction of Housing</b> <i>24 CFR 570.201(m), 570.204 or 42 USC 5305(a)(15)</i> Construction of housing with CDBG funds must either be: carried out by CBDOs, in accordance with the regulations at 24 CFR 570.204(a); in accordance with 42 USC 5305(a)(15); or last resort housing under the provisions of the Uniform Act, 42 USC Part 49.
<b>13A</b>	<b>Housing Counseling, under 24 CFR 5.100, for Homeownership Assistance (13B)</b> <i>24 CFR 570.201(n) or 42 USC 5305(a)(24)</i> Housing Counseling, under 24 CFR 5.100, when provided in conjunction with direct homeownership assistance 13B. Report housing counseling under matrix code 13A as a separate activity.

<p><b>13B</b></p>	<p><b>Homeownership Assistance - excluding Housing Counseling under 24 CFR 5.100</b>  <i>24 CFR 570.201(n) or 42 USC 5305(a)(24)</i>  CDBG funds may be used to provide direct homeownership assistance under 24 CFR 570.201(n) and Section 105(a)(24) of the HCDA under the low- and moderate-income housing national objective [24 CFR 570.208(a)(3) and 570.483(b)(3)]. Direct homeownership assistance may include:</p> <ul style="list-style-type: none"> <li>• Subsidizing interest rates and mortgage principal amounts to make loan payments affordable. This may include making grants to reduce the effective interest rates charged on the loans. Low-or no-interest subordinate loans can also be used to reduce overall loan repayment amounts.</li> <li>• Financing the cost of acquiring property already occupied by renter households at terms needed to make the purchase affordable.</li> <li>• Paying all or a part of the premium on behalf of the homebuyer for mortgage insurance required upfront by a private mortgagee.</li> <li>• Paying any or all of the reasonable closing costs associated with the home purchase on behalf of the homebuyer.</li> <li>• Paying up to 50 percent of the down payment required by the mortgagee for the purchase on behalf of the homebuyer. (The 50 percent limitation on downpayment assistance is a statutory requirement. Grantee records must document what amount of downpayment is required by the mortgagee, and must clearly distinguish between the amount of CDBG funds being provided for downpayment assistance vs. the amount provided for subsidizing the mortgage principal, for closing costs, for mortgage insurance, etc.)</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• <i>If Housing Counseling, under 24 CFR 5.100, is provided in conjunction with direct homeownership assistance, report housing counseling under matrix code 13A, as a separate activity.</i></li> <li>• <i>If referral services, homeownership education programs, or general budget/financial counseling is provided to homebuyers in conjunction with homeownership assistance, the services are considered activity delivery costs as part of a 13B activity.</i></li> <li>• <i>All recipients of assistance provided under matrix code 13B must be low/moderate income and the activity must meet the LMH national objective.</i></li> <li>• <i>Only report the number of households that received homeownership assistance as accomplishments for 13B.</i></li> </ul>
<p><b>14A</b></p>	<p><b>Rehabilitation: Single-Unit Residential</b> <i>24 CFR 570.202(a)(1) or 42 USC 5305(a)(4)</i>  Rehabilitation of privately owned, single-unit homes. If Housing Counseling under 24 CFR 5.100 is provided in conjunction with rehabilitation, report Housing Counseling under matrix code 14L separately. If referral services, or general budget/financial counseling is provided to residents in conjunction with rehabilitation, the services are considered activity delivery costs as a part of a 14A activity.</p>

<b>14B</b>	<p><b>Rehabilitation: Multi-Unit Residential</b> <i>24 CFR 570.202(a)(1) or 42 USC 5305(a)(4)</i>  Rehabilitation of privately owned buildings with two or more permanent residential units. If Housing Counseling under 24 CFR 5.100 is provided in conjunction with rehabilitation, report Housing Counseling under matrix code 14L separately. If referral services or general budget/financial counseling is provided to residents in conjunction with rehabilitation, the services are considered activity delivery costs as a part of a 14B activity.</p> <p>For the rehabilitation of units that will provide temporary shelter or transitional housing for the homeless, use 03C.</p>
<b>14C</b>	<p><b>Rehabilitation: Public Housing Modernization</b> <i>24 CFR 570.202(a)(2) or 42 USC 5305(a)(4)</i>  Rehabilitation of housing units owned/operated by a public housing authority (PHA).</p>
<b>14D</b>	<p><b>Rehabilitation: Other Publicly Owned Residential Buildings</b> <i>24 CFR 570.202(a)(2) or 42 USC 5305(a)(4)</i>  Rehabilitation of permanent housing owned by a public entity other than a PHA.</p> <p>For the rehabilitation of other publicly owned buildings that will provide temporary shelter or transitional housing for the homeless, use 03C.</p>
<b>14F</b>	<p><b>Rehabilitation: Energy Efficiency Improvements</b> <i>24 CFR 570.202(b)(4) or 42 USC 5305(a)(4)</i>  Housing rehabilitation with the sole purpose of improving energy efficiency (e.g., a weatherization program).</p> <p>For energy efficiency improvements to public housing units, use 14C; for other publicly owned residential buildings, use 14D.</p>
<b>14G</b>	<p><b>Rehabilitation: Acquisition</b> <i>24 CFR 570.202(b)(1) or 42 USC 5305(a)(1)</i>  Acquisition of property to be rehabilitated for housing. 14G may be used whether CDBG funds will pay only for acquisition or for both acquisition and rehabilitation.</p>
<b>14H</b>	<p><b>Rehabilitation: Administration</b> <i>24 CFR 570.202(b)(9) or 42 USC 5305(a)(4)</i>  All delivery costs (including staff, other direct costs, and service costs) directly related to carrying out housing rehabilitation activities. Examples include appraisal, architectural, engineering, and other professional services; preparation of work specifications and work write-ups; loan processing and underwriting; survey, site and utility plans; application processing.</p> <p>14H should be used when the CDBG funds are used for activity delivery costs in implementing a program where the rehabilitation hard costs are paid with other funding sources.</p> <p>Do not use 14H for the costs of actual rehabilitation and do not use it for costs unrelated to running a rehabilitation program (e.g., tenant/landlord counseling).</p> <p>For administration activities carried out as part of general program administration (and thus not required to meet a national objective), use code 21A.</p>

<b>14I</b>	<p><b>Lead-Based Paint/Lead Hazards Testing/Abatement</b> <i>24 CFR 570.202(f) or 42 USC 5305(a)(26)</i>  Housing rehabilitation activities with the primary goal of evaluating housing units for lead-paint hazards and reducing lead-based paint/lead hazards in units.  For lead-based paint/lead hazards screening of persons, use 05P.</p>
<b>14J</b>	<p><b>Housing Services - Excluding Housing Counseling, under 24 CFR 5.100</b> <i>24 CFR 570.201(k) or 42 USC 5305(a)(20)</i>  Housing services, except Housing Counseling, under 24 CFR 5.100, in support of the HOME Program, eligible under 24 CFR 570.201(k).</p>
<b>14K</b>	<p><b>Housing Counseling, under 24 CFR 5.100, Supporting HOME Program Housing Activities</b> <i>24 CFR 570.201(k) or 42 USC 5305(a)(20)</i>  Housing Counseling, under 24 CFR 5.100, in support of a HOME- funded housing assistance program.</p>
<b>14L</b>	<p><b>Housing Counseling, under 24 CFR 5.100, in Conjunction with CDBG-assisted Housing Rehabilitation</b> <i>24 CFR 570.202 or Section 42 USC 5305(a)(4)</i>  Housing Counseling, under 24 CFR 5.100, in support of CDBG assisted housing rehabilitation activities, including 14A-14D, 14F-14I, and 16A.</p>
<b>15</b>	<p><b>Code Enforcement</b> <i>24 CFR 570.202(c) or 42 USC 5305(a)(3)</i>  Salaries and overhead costs associated with property inspections and follow-up actions (such as legal proceedings) directly related to the enforcement (not correction) of state and local codes.   For the rehabilitation hard costs of correcting code violations, use the appropriate rehabilitation code under the 14* series.</p>
<b>16A</b>	<p><b>Residential Historic Preservation</b> <i>24 CFR 570.202(d)</i>  Rehabilitation of historic buildings for residential use. Use matrix code 16A when the preservation or restoration of historically significant features is the only work being done. If historic preservation work is done as part of other housing rehabilitation, then use the relevant 14* matrix code.</p>
<b>19E</b>	<p><b>CDBG Operation and Repair of Foreclosed Property ("In-Rem Housing")</b> <i>42 USC 5305(a)(23)</i>  Activities to prevent the abandonment and deterioration of housing acquired through tax foreclosure. These include making essential repairs to the housing and paying operating expenses to maintain its habitability.</p>

## Economic Development

- Matrix codes 17A – 17D should be used to identify special economic development activities carried out by the grantee or through a public or private non-profit subrecipient. Under these matrix codes, CDBG funds are not given to a specific for-profit business or businesses.
- Matrix codes 14E, 18A, 18B, 18C should be used when assistance is provided to a for-profit business for economic development projects.

<b>14E</b>	<b>Rehabilitation: Publicly or Privately Owned Commercial/Industrial</b> <i>24 CFR 570.202(a)(3) or 42 USC 5305(a)(2)</i> Rehabilitation of commercial/industrial property. If the property is privately owned, CDBG-funded rehab is limited to: <ul style="list-style-type: none"><li>• Exterior improvements (generally referred to as “façade improvements”).</li><li>• Correction of code violations.</li></ul> For more extensive rehabilitation of privately owned commercial/industrial property, use 17C; for infrastructure developments and improvements at commercial/industrial sites, use 17B.
<b>17A</b>	<b>Commercial/Industrial: Acquisition/Disposition</b> <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Land acquisition, clearance of structures, or assembling land for the purpose of creating industrial parks or promoting commercial/industrial development. 17A activities must be carried out by the grantee or by public or private non-profits.
<b>17B</b>	<b>Commercial/Industrial: Infrastructure Development</b> <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Street, water, parking, rail transport, or other improvements to commercial/industrial sites. 17B also includes the installation of public improvements, such as the construction of streets to and through commercial/industrial areas. 17B activities must be carried out by the grantee or by public or private non-profits.
<b>17C</b>	<b>Commercial/Industrial: Building Acquisition, Construction, Rehabilitation</b> <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Acquisition, construction, or rehabilitation of commercial/industrial buildings. 17C activities must be carried out by the grantee or by public or private non-profits.
<b>17D</b>	<b>Commercial/Industrial: Other Improvements</b> <i>24 CFR 570.203(a) or 42 USC 5305(a)(14)</i> Commercial/industrial improvements not covered by other 17* codes. 17D activities must be carried out by the grantee or by public or private non-profits.

<b>18A</b>	<p><b>Economic Development Direct Financial Assistance to For-Profit Business</b>  <i>24 CFR 570.203(b) or 42 USC 5305(a)(17)</i></p> <p>Financial assistance to private for-profit businesses to (for example) acquire property, clear structures, build, expand or rehabilitate a building, purchase equipment, or provide operating capital. Forms of assistance include loans, loan guarantees, and grants.</p> <p>With one exception, a separate 18A activity must be set up for each business assisted. If an activity is carried out under 24 CFR 570.208(a)(4)(vi) or 24 CFR 570.483(b)(4)(vi), job aggregation is allowed, and all businesses assisted during a program year may be combined in one activity.</p>
<b>18B</b>	<p><b>Economic Development: Technical Assistance</b> <i>24 CFR 570.203(c) or 42 USC 5305(a)(17)</i></p> <p>Technical assistance to for-profit businesses, including workshops, assistance in developing business plans, marketing, and referrals to lenders or technical resources. Also use 18B for activity delivery costs eligible under 24 CFR 570.203(c).</p>
<b>18C</b>	<p><b>Economic Development: Microenterprise Assistance</b> <i>24 CFR 570.201(o) or 42 USC 5305(a)(22) + 24 CFR 570.482(c)</i></p> <p>Financial assistance, technical assistance, or general support services to owners and developers of microenterprises. A microenterprise is a business with five or fewer employees, including the owner(s). The activity must be designed to exclusively serve microenterprises.</p> <p>With one exception, a separate activity must be set up for each microenterprise assisted. If an activity is carried out under 24 CFR 570.208(a)(4)(vi) or 24 CFR 570.483(b)(4)(vi), job aggregation is allowed, and all assisted businesses may be combined in one activity.</p>

<b>General Admin</b>	
<b>20</b>	<p><b>Planning</b> <i>24 CFR 570.205 or 24 CFR 570.489(a)(3)</i>  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. These activities, along with administration activities, are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3). Under State CDBG, this matrix code would only be used for planning done in conjunction with another eligible activity.</p>
<b>20A</b>	<p><b>State Planning-Only Activities</b> <i>24 CFR 570.483(b)(5) and (c)(3)</i>  Program planning activities for when states award grants to units of general local government in which planning is the only activity, or in which planning activities are unrelated to any other activity funded as part of the grant. These are often referred to as "planning-only grants." These activities, along with administration activities, are subject to the 20 percent limitation under 24 CFR 570.489(a)(3).</p>
<b>21A</b>	<p><b>General Program Administration</b> <i>24 CFR 570.206 or 24 CFR 570.489(a)(3)</i>  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. These activities, along with planning activities, are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>
<b>21B</b>	<p><b>Indirect Costs</b> <i>24 CFR 570.206(e)</i>  Costs charged as general program administration under an indirect cost allocation plan. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>
<b>21C</b>	<p><b>Public Information</b> <i>24 CFR 570.206(b)</i>  Providing information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of CDBG-assisted activities. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>
<b>21D</b>	<p><b>Fair Housing Activities (subject to Admin cap)</b> <i>24 CFR 570.206(c)</i>  Fair housing activities carried out as part of general program administration rather than as a public service. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).   For fair housing activities carried out as a public service, use 05J.</p>
<b>21E</b>	<p><b>Submission of Applications for Federal Programs</b> <i>24 CFR 570.206(f)</i>  Preparation of (1) documents that must be submitted to HUD to receive CDBG funds or (2) applications to other federal programs for community development assistance. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).</p>

<b>21H</b>	<b>CDBG Funding of HOME Administrative Costs</b> 24 CFR 570.206(i)(2) or 42 USC 5305(a)(13) CDBG funding of administrative costs for the HOME Program. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
<b>21I</b>	<b>CDBG Funding of HOME CHDO Operating Expenses</b> 24 CFR 570.206(i)(2) CDBG funding of CHDO operating expenses for HOME Program. These activities are subject to the 20 percent limitation under 24 CFR 570.200(g) and 570.489(a)(3).
<b>21J</b>	<b>State Program Administration</b> 24 CFR 570.489(a) State program administration, including (but not limited to) salaries, wages, and related costs required for overall program management, coordination, monitoring, reporting, and evaluation. These activities are subject to the \$100,000 plus 3% limitation.
<b>Repayment of Section 108 Loans</b>	
<b>19F</b>	<b>Planned Repayments of Section 108 Loans</b> 24 CFR 570.705(c) Planned payments of principal due on Section 108 loans (including prepayment or defeasance of Section 108 loans). If a grantee is planning to use CDBG funds to repay the Section 108 loans, then use matrix code 19F.
<b>19G</b>	<b>Unplanned Repayments of Section 108 Loans</b> 24 CFR 570.705(c) Unplanned payments of principal due on Section 108 loans (including prepayment or defeasance of Section 108 loans). Use matrix code 19G for the following two situations: <ul style="list-style-type: none"> <li>• When the funds planned for Section 108 loan repayment are not available, the grantee needs to use CDBG funds to repay the Section 108 loans.</li> <li>• The grantee does not make a timely payment on its Section 108 Guaranteed loan, and the CDBG grant funds are deducted from grantee's line of credit to pay the Section 108 Guaranteed Loans.</li> </ul>
<b>24A</b>	<b>Payment of Interest on Section 108 Loans</b> 24 CFR 570.703(c), 570.705(c) Payment of interest on Section 108 loans.
<b>24B</b>	<b>Payment of Costs of Section 108 Financing</b> 24 CFR 570.703(g), 570.703(n), 570.705(c) Payment of issuance, underwriting, servicing, trust administration and other costs associated with private sector financing of Section 108 loans and payment of fees charged by HUD.
<b>24C</b>	<b>Debt Service Reserve</b> 24 CFR 570.703(k), 570.705(c) Establishment of debt service reserves as additional security for repayment of Section 108 loans.

<b>Other</b>	
<b>07</b>	<p><b>Urban Renewal Completion</b> <i>24 CFR 570.201(h) or 42 USC 5305(a)(10)</i>  Completion of Urban Renewal projects funded under Title I of the Housing Act of 1949.</p> <ul style="list-style-type: none"> <li>• Do not use code 07 for a downtown renewal, downtown development, or locally-created Urban Renewal activity unless the activity will result in the closing out of a federally-approved urban renewal project.</li> <li>• Only use for activities necessary to complete an existing Urban Renewal Plan.</li> </ul>
<b>19C</b>	<p><b>CDBG Non-Profit Organization Capacity Building</b> <i>24 CFR 570.201(p) or 42 USC 5305(a)(19)</i>  Activities specifically designed to increase the capacity of non-profit organizations to carry out specific CDBG eligible neighborhood revitalization or economic development activities. Such activities may include providing technical assistance and specialized training to staff. The specific eligible activity for which capacity is being developed must meet a national objective. Payment of general operational and administrative costs of a non-profit organization is not eligible under this category.</p>
<b>19H</b>	<p><b>State CDBG Technical Assistance to Grantees</b> <i>24 CFR 570.489(a)</i>  Use this code to indicate State CDBG technical assistance to grantees. This code should be used only for states. CDBG State grantees should use this matrix code for activities that fall under the set-aside for technical assistance in the CDBG program. These activities are subject to the \$100,000 plus 3% limitation.</p>