

CDBG Program Overview

The CDBG program is a federally funded program through the U.S. Department of Housing and Urban Development (HUD). HUD provides grants on an annual basis to states and some local communities to help develop viable communities. The purpose of the program is to develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for low- and moderate-income persons.

Each activity funded with CDBG funds must meet one of three national objectives:

- Prevention and elimination of slum and blight
- Benefit low to moderate income persons
- Meet an urgent need

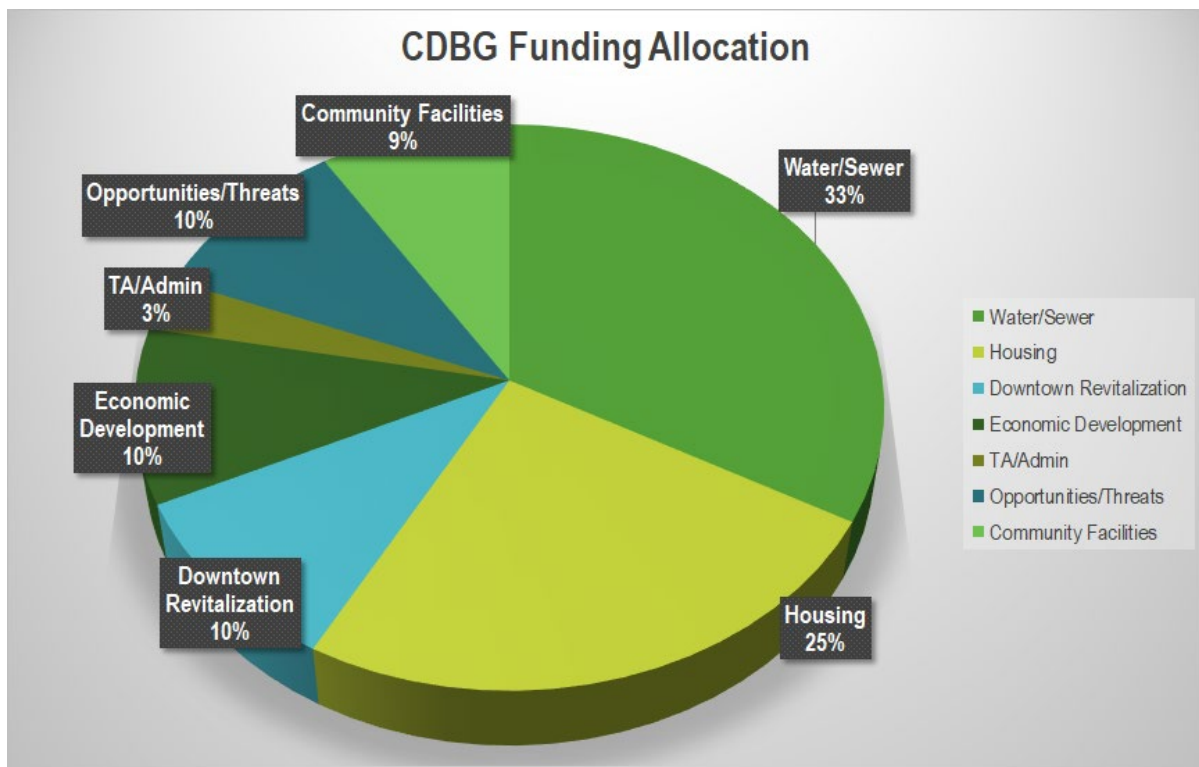
The State of Iowa's Community Development Block Grant (CDBG) program is administered by the Iowa Economic Development Authority.

The amount of CDBG funds received by the State varies, depending on the spending level approved by Congress.

For 2021, the State of Iowa will receive \$25.3 million in regular program CDBG funds.

State of Iowa's CDBG method of distribution & programs

IEDA administers a variety of programs with the State's annual CDBG allocation. The annual allocation is divided into programs on a percentage basis. The chart below provides an overview of the percentage of annual CDBG funds currently allocated to each program:



More information on each program and its requirements are provided further in this manual.

lowagrants.gov

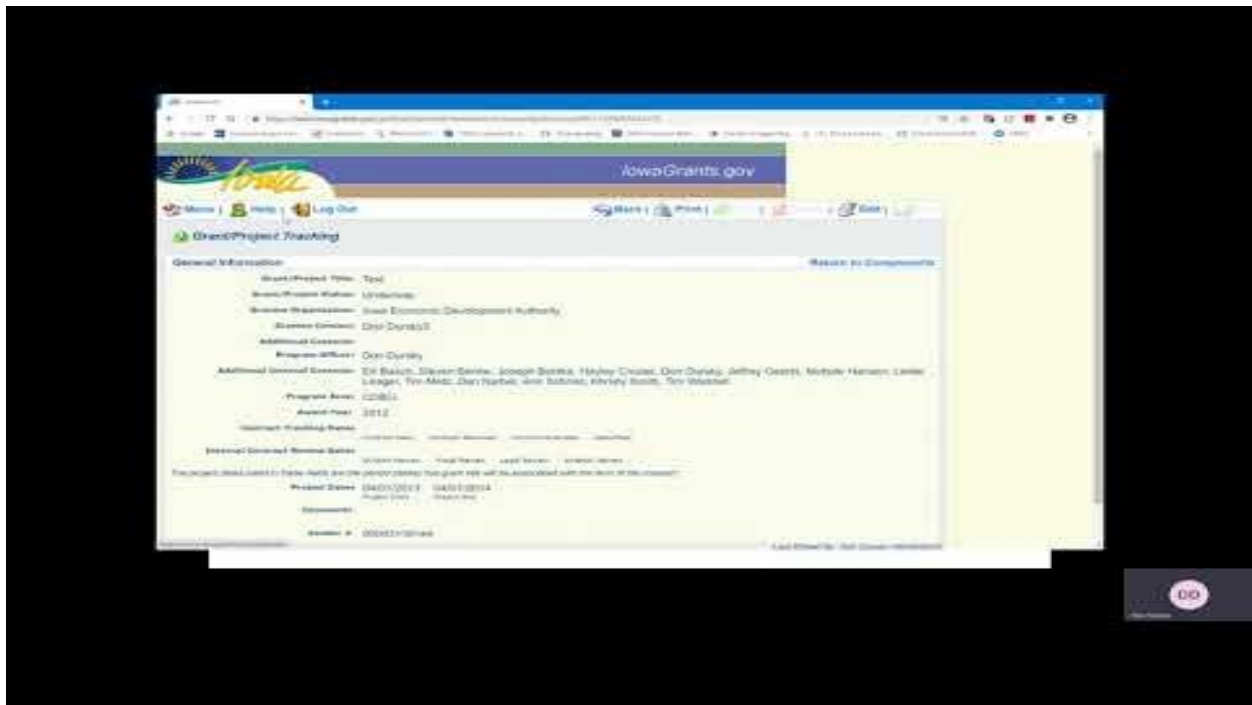
CDBG applications are submitted online through www.iowagrants.gov. To start or submit an application, you must have an account through iowagrants.gov.

To establish an account, please visit the website and click on “New Users Register Here.” Registration instructions will follow.



Additional information on registering in and working in lowagrants.gov can be found at the link below:

[2021 IowaGrants Training](#)



If you have questions or have issues with your lowagrants.gov account or experience technical issues, you may contact Don Dursky at don.dursky@iowaeda.com or 515.348.6210.

All CDBG programs can be found on the lowagrants.gov home page, under "Funding Opportunities Offered by Iowa State Agencies." Click on "Grant Opportunities," and you will see each of the CDBG programs listed. Click on the program you wish to apply through to start the application.

Federal requirements applicable to all CDBG projects

National Objectives

Federal Code requires that all activities funded with CDBG funds must meet one of three eligible national objectives. Please review the national objectives below and the objective that each IEDA program must meet:

- *Benefit to low and moderate income persons-* used for Water/Sewer fund, Community Facilities, Economic Development Set Aside, Career Link and all Housing fund programs. May sometimes be used for the Opportunities and Threats program.
- *Aid in the prevention and elimination of slum and blight-* used for the Downtown Revitalization program.
- *Meet an urgent need-* Used for the Opportunities and Threats program

Applicants must demonstrate that the proposed project meets the applicable national objective. Please see program specific information for more information on how compliance with a national objective is to be documented within the application.

Eligible Applicants

Applicants must be a unit of local government; CDBG funds cannot be awarded directly to a business entity, non-profit or individual.

All incorporated cities and all counties in the State, except those designated as HUD entitlement communities, are eligible to apply for and receive CDBG funds. A list of entitlement communities in Iowa can be found here: <https://www.hud.gov/states/iowa/community/partnerwebsites>

Grant Administration

If a CDBG application is funded, the recipient must hire an experienced grant administrator to manage the federal requirements associated with the project. The grant administrator should have regularly attended IEDA CDBG trainings and workshops and have experience with the CDBG program.

Iowa's Councils of Governments/ Regional Planning Commissions and some private consultants provide CDBG grant administration services. Please refer to the 2 CFR 200 & procurement section of this manual for more information on selecting a CDBG grant administrator and what is required to be done at the time of application.

The costs associated with grant administration may be paid with CDBG funds. Applicants should plan to include grant administration costs in their CDBG application budget. The maximum amount that can be charged for grant administration is 10% of the total project cost.

2 CFR 200 Requirements & Procurement

The CDBG Management Guide (pdf below) Chapter 2, summarizes Federal requirements that apply to the CDBG program. Please note that some CDBG programs require procurement of services to be completed at the time of application.

<https://www.iowaeda.com/UserDocs/2020-cdbg-mgmt-guide.pdf>

Please also reference Appendix 2 in the CDBG Management Guide (pdf below) for detailed information on 2 CFR 200 and the State's procurement policy. The appendix summarizes when and how to procure services and construction, as well as types of procurement, bonding, and a sample Procurement Policy.

<https://www.iowaeda.com/UserDocs/2020cdbg-appx2.pdf>

In addition, the training video below describes procurement methods and requirements:

[2021 Procurement Training](#)

Citizen Participation Requirements

Prior to submitting an application, the applicant (city or county) must hold a public hearing to discuss the project and provide information on the CDBG application.

Public notice of the hearing must be published in a newspaper of general circulation no less than 4 days and no more than 20 days before the public hearing. Public hearings are to be held in accessible locations. The public hearing notice must provide the date and time of the public hearing, the project name and description, the purpose of the project, the source of funds being requested (CDBG), and a local contact person (name/phone/email) for the public to contact if accessibility or translation services are needed.

At the public hearing, the following information should be covered. Each point must be reflected in the public hearing minutes:

- How the need for the proposed activities was identified.
- How the proposed activities will be funded and sources of funds.
- Date the application will be submitted.
- Requested amount of federal funds.
- Estimated portion of federal funds that will benefit persons of low to moderate income families.
- Where the proposed activities will be conducted.
- Plans to minimize displacement of persons and businesses as a result of the funded activity.
- Plans to assist persons actually displaced.
- The nature of the proposed activities.

At the application public hearing, applicants must conduct a Community Development and Housing Needs Assessment. During this process, applicants should ask for public input on local community and housing needs, needs of low to moderate income persons in the community, and planned or potential projects to address these needs.

For more specific information, please refer to IEDA training slides regarding public hearings and community development plans:

<https://www.iowaeda.com/UserDocs/2020CDBGTrainingPowerPoint09292020.pdf>

Applicants must ensure all public hearing and Community Development and Housing Needs assessment information is complete and adequate.

Applications that do not demonstrate compliance with citizen participation requirements will not be funded.

General CDBG Application Requirements

While the questions and information collected in each program application varies, there are some items that are required for all CDBG applications. These documents/ items will be collected in lowagrants.gov and must be submitted as part of a completed application.

- Public hearing notice and proof of publication of notice
- Signed minutes from the public hearing
- Community Development & Housing Needs Assessment
- Federal Assurances signature page- *Link to this form included in lowagrants.gov*
- Applicant/Recipient Disclosure/Update form- *Link to this form included in lowagrants.gov*
- Minority impact statement

Most programs will also require documentation that the proposed project is benefitting primarily low to moderate income individuals. This may be demonstrated through census data or through an income survey. Please review program specific information to determine if this documentation is required for your CDBG project.

General CDBG Program Requirements & Policies

All CDBG programs are subject to some general requirements and policies. Program specific requirements and policies are outlined further on in this manual.

The following policies apply to all IEDA CDBG programs:

- Incomplete applications will not be reviewed- Applications that are missing required information and attachments will not be reviewed or scored. IEDA staff will inform applicants why an application was not scored.
- No corrections to applications may be made after submittal- Once an application is submitted for review, applicants will not be able to amend or correct information in the application. It is imperative that applicants review all information and ensure all required attachments are included with an application before the application is submitted for review. IEDA may however request clarifying information during its review, to supplement what has already been submitted to IEDA. This may include allowing applicants to upload supplemental information in lowagrants.gov upon request from IEDA.
- IEDA reserves the right to negotiate award amounts with applicants- Awards may be less than the amount requested in the application. If IEDA is considering making an award at a lesser

amount, IEDA staff will contact the applicant to discuss before any final funding decision is made.

- Projects may not start before an award is made and an environmental release of funds letter is issued- Due to federal requirements, IEDA is unable to fund projects that have already started at the time of application. Costs incurred with the preparation of an application are not eligible costs and cannot be paid with CDBG funding.

Program Contacts

For questions regarding the application process for specific programs, please contact the following IEDA team members.

Program	Contact	Email	Phone
Water & Sewer Fund	Dan Narber Joe Bohlke	Dan.narber@iowaeda.com joseph.bohlke@iowaeda.com	515.348.6214 515.348.6207
Community Facilities Program	Dan Narber Joe Bohlke	Dan.narber@iowaeda.com joseph.bohlke@iowaeda.com	515.348.6214 515.348.6207
Downtown Revitalization	Ed Basch	Ed.basch@iowaeda.com	515.348.6208
Housing Fund	Joyce Brown	Joyce.brown@iowaeda.com	515.348.6209
EDSA/ Career Link	Ed Basch	Ed.basch@iowaeda.com	515.348.6208
Opportunities & Threats	Nichole Hansen	Nichole.hansen@iowaeda.com	515.348.6215

Water & Sewer Fund

Program Overview

This annual competitive program (awarded quarterly) offers grants to assist communities for a variety of water, sewer and rural water connection infrastructure projects.

To be eligible for funding at least 51% of project beneficiaries (residents served by the project) must be low- and moderate income. Low- and moderate income is defined as persons with household incomes at or below 80% of the area median income as defined by the U.S. Department of Housing and Urban Development (HUD). Current income levels can be found on the IEDA website:

<https://www.iowaeda.com/cdbg/management-guide/>.

All incorporated cities and all counties in the State, except those designated as HUD entitlement areas, are eligible to apply for and receive funds under this program.

The amount of assistance communities may apply for is based on the population:

- Communities with populations less than 1,000 can receive up to \$300,000
- Communities with populations between 1,000 and 2,500 can receive up to \$500,000
- Communities with populations between 2,500 and 15,000 can receive up to \$600,000
- Communities with populations greater than 15,000 can receive up to \$800,000
- Communities with populations less than 300 are limited to \$1,000 per capita, as are unincorporated areas of a county proposing direct service projects.

Program policies & guidelines

CDBG assistance is prohibited in the floodway except for functionally dependent uses (dam, bridge, etc.) or floodplain function restoration activity.

Applicants must document all matching funds for the project at the time of application. Matching funds must be committed to the project at the time of application.

If the applicant is using State Revolving Fund (SRF) funds as match for the project, the project must be on the State's Intended Use Plan (IUP). Merely applying to be included on the IUP does not meet this requirement; Projects must be on the IUP as approved by the ENR's Environmental Protection Commission. Applicants must submit documentation that the project is on the approved IUP.

If the applicant is using USDA-Rural Development funds as match for the project, the applicants must provide a Letter of Conditions from USDA with the application.

To demonstrate project readiness, sewer improvement projects must document the project has an approved facility plan. Applicants must submit a copy of the Iowa Department of Natural Resources' facility plan approval letter.

Water projects must submit document the project has an approved preliminary engineering report. Applicants must submit a copy of the Iowa Department of Natural Resources' engineering report approval letter.

Prior to application, applicants should procure for all services including preliminary design, final design and construction management, following CDBG procurement requirements. Please refer to Chapter 2

and Appendix 2 of the state's CDBG Management Guide for more information regarding procurement: <https://www.iowaeda.com/cdbg/management-guide/>

Application deadlines

CDBG Water & Sewer applications are accepted and reviewed on a quarterly basis. Application deadlines are at 11:59 PM on the following dates:

January 1
April 1
July 1
October 1

Low to moderate income documentation

Applicants must document that at least 51% of beneficiaries served by the project are considered low to moderate income. This may be demonstrated through using Census data (per ACS) data or a local income survey.

Census data for Iowa communities can be found here: <https://www.iowaeda.com/cdbg/management-guide/>

Income survey instructions can be found here: <https://www.iowaeda.com/UserDocs/Conducting-LMI-Survey-Packet.pdf>

Application process

Applications may be submitted through lowagrants.gov:

<https://www.iowagrants.gov/insideLinkOpps.jsp?documentPk=1314908543321>

Required attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the CDBG Water & Sewer applications.

Applications without all required attachments submitted will not be reviewed by IEDA.

Scoring / Evaluation criteria

CDBG Water/Sewer applications are reviewed based on the criteria included in the application review form included in the appendix to this manual. The Community Investments Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award decisions

Award decisions are made on a quarterly basis, as applications are submitted and are typically made within 45- 60 days of application submittal.

Community Facilities Program

Program Overview

This annual competitive program offers grants to assist communities for a variety of projects including day care facilities, health clinics, senior centers, vocational workshops and other community services. Please contact the IEDA to determine if a project may be eligible for funding.

To be eligible for funding at least 51% of project beneficiaries (residents served by the project) must be low- and moderate income. Low- and moderate income is defined as persons with household incomes at or below 80% of the area median income as defined by the U.S. Department of Housing and Urban Development (HUD). Current income levels can be found on the IEDA website:

<https://www.iowaeda.com/cdbg/management-guide/>.

All incorporated cities and all counties in the State, except those designated as HUD entitlement areas, are eligible to apply for and receive funds under this program.

The amount of assistance communities may apply for is based on the population:

- Communities with populations less than 1,000 can receive up to \$300,000
- Communities with populations between 1,000 and 2,500 can receive up to \$500,000
- Communities with populations between 2,500 and 15,000 can receive up to \$600,000
- Communities with populations greater than 15,000 can receive up to \$800,000
- Communities with populations less than 300 are limited to \$1,000 per capita, as are unincorporated areas of a county proposing direct service projects.

Program policies & guidelines

At the time of application, applicants must document site control by either:

- An option on the property where the project is taking place OR
- Documentation of ownership of the property – must be purchased prior to the application submittal date

Applicants must document all matching funds for the project at the time of application. Matching funds must be committed to the project at the time of application.

Some projects may serve groups of individuals that are presumed to be low or moderate income. Prior to application submittal, applicants must get IEDA's determination that those served by the project meet this criteria and that low to moderate income benefit may be presumed.

For projects that will be operated by entities other than the city or county (applicant), the applicant will need to submit:

- Documentation of non-profit legal status and date of incorporation AND
- Signed agreements between non-profit (subrecipient) and other parties

Projects funded under the Community Facilities program have the option to implement the Iowa Green Street Criteria as part of the project. The Iowa Green Streets Criteria promote public health, energy efficiency, water conservation, smart locations, operational savings and sustainable building practices. Applicants choosing to incorporate Green Streets Criteria in their project, may request additional

funding to incorporate certain activities into their project. Applicants will be asked to complete additional forms as part of the CDBG application.

The maximum amount of funding available for these activities is 10% of the CDBG request, excluding Green Streets activities. (CDBG project costs + administration x 10%)

To assist with the Green Streets Criteria, projects should plan to complete a design consultation prior to application. To schedule a design consultation, contact Jeff Geerts at (515) 348-6211 or

Jeef.Geerts@IowaEDA.com.

For more information, visit the Green Streets web site at <https://www.iowaeda.com/green-streets/>.

Application deadlines

Applications are accepted on an ongoing basis, as funds are available.

Low to moderate income documentation

Applicants must document that at least 51% of beneficiaries served by the project are considered low to moderate income. This may be demonstrated through using Census data (per ACS) data or a local income survey.

Census data for Iowa communities can be found here: <https://www.iowaeda.com/cdbg/management-guide/>

Income survey instructions can be found here: <https://www.iowaeda.com/UserDocs/Conducting-LMI-Survey-Packet.pdf>

Application process

Applications may be submitted at any time through lowagrants.gov:

<https://www.iowagrants.gov/insideLinkOpps.jsp?documentPk=1314908543321>

Required attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the CDBG Community Facility applications.

Applications without all required attachments submitted will not be reviewed by IEDA.

Evaluation criteria

CDBG Community Facilities applications are reviewed based on the criteria included in the application review form included in the appendix to this manual. The Community Investments Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award decisions

Award decisions are made on an on-going basis, as applications are submitted. Approval timelines may vary, depending on staffing, internal approvals and the completeness of the application.

Awards decisions are typically made within 30-45 days of application submittal.

Downtown Revitalization Program

Program Overview

The Downtown Revitalization Program (DTR) assists communities with impactful downtown improvement projects that eliminate slum and blight conditions on the front and selected side facades of commercial or mixed-use buildings in a traditional downtown setting.

All non-entitlement cities, (under 50,000 population) are eligible to apply. Counties may apply on behalf of one or more of their non-entitlement communities. The maximum grant amount is \$500,000. Applicants must address blighted items on a minimum of eight buildings (addresses) to request a grant of \$500,000 and a minimum of six buildings (addresses) to request anything less than the maximum. Applications for single buildings are also accepted, but only if the building meets the criteria for “Iconic Status”.

Project buildings must be situated within a downtown target area in which at least 25% of all buildings are judged through individual surveys and documentation to be in either fair or poor condition. A local funding match, typically from the city and the participating property owners is required.

Program policies & guidelines

Building Eligibility Requirements:

- Must be determined to be in fair or poor condition. This must be documented by detailed photographs and descriptive narrative.
- Cannot have first-floor residential usage.
- Cannot be used for the general administrative purposes of a municipality or county.
- Cannot be owned by anyone with a conflict of interest as defined by HUD.
- No other work, excepting emergency repairs and routine maintenance, can be conducted on the building from the time of application submittal until grant period closeout.
- To be considered a building of “iconic” status, the structure must have historic, cultural or architectural significance rendering it a local landmark, be of a size or footprint that is larger than all or nearly all other buildings in the downtown area, consist of vacant or clearly under-utilized space, be clearly visible from multiple viewpoints and be vital to the revitalization of the downtown area.
- Buildings that have at some point in the past, been the recipient of CDBG DTR funds are not eligible to receive any additional funds.

Facade Eligibility Requirements:

- All public street facing front facades.
- Corner side facades facing a public street. Side facades facing alleys qualify only if readily visible from adjacent street.
- Rear facades are rarely eligible - only in unique circumstances involving direct street frontage or full visibility from adjacent street with a first-floor entrance.
- Side facades, or portions thereof, that are clearly visible from the driving lane of the adjacent public street.
- Roofs are eligible but the amount of funds expended on roof work cannot exceed 40% of the total amount spent on the façade(s) of the structure that the roof covers.

- Work done to provide accessibility at the main entrance for persons with physical mobility difficulties is permissible.
- Façade work on occupied or occupiable upper story residential units is subject to Lead Based Paint regulations.

Target Area Eligibility Requirements:

- Must be in core downtown area of community.
- Vast majority of buildings must be of commercial use and facing major downtown street.
- Area geography/boundary areas should be primarily rectangular in shape but do not necessarily have to be totally contiguous.
- Target areas that were used in a previous DTR project can be reused in part or in whole provided that the area minimum slum and blight criteria can be met. However, buildings that were previous recipients of finding cannot be counted as blighted for a second time nor can they be eligible to receive funding a second time.
- DTR project target areas must be declared blighted through an Urban Renewal or Slum and Blight resolution adopted by the City Council.

Application deadlines

Applications for Downtown Revitalization projects will be accepted on an annual basis. For 2021, the application deadline for applications will be August 16, 2021.

Application process

Applications may be submitted through lowagrants.gov:

<https://lowagrants.gov/insideLinkOpps.jsp?documentPk=1350318970894>

Required attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the CDBG Downtown Revitalization application.

Applications without all required attachments submitted will not be reviewed by IEDA.

Scoring / Evaluation criteria

CDBG Downtown Revitalization applications are reviewed and evaluated based on the criteria included in the application review form included in the appendix to this manual. The Community Investments Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award decisions

Approval timelines may vary, depending on staffing, internal approvals and the completeness and readiness of the applications. Awards decisions are typically made within 45-60 days of application submittal.

Housing Fund- Housing Sustainability Program

Program Overview:

The Housing Sustainability Program consists of three areas of home improvement: Architectural Barrier Removal, Energy Efficiency Improvements and Exterior Home Improvements.

- The Architectural Barrier Removal Program is to assist low-to-moderate income homeowners, who they themselves meet or they have a member of the household residing with them that meets the definition of elderly (60+) or a “Severely Disabled” person, in removing physical architectural barriers which allow them to remain in their homes.
- The Energy Efficiency Improvements Program is to assist low-to-moderate income homeowners to implement energy efficiency improvements in their homes.
- The Exterior Home Improvements Program is to assist low-to-moderate income homeowners to improve the outside envelope of their home.

An application for any of the above listed rehabilitation programs may be submitted individually; OR the Architectural Barrier Removal program may be combined with an Energy Efficiency Improvements OR Exterior Home Improvements application. However, a homeowner may only receive one type of assistance. If awarded, the term of the contract will be for a period of two years.

The maximum amount of CDBG assistance for each single-family unit included in a project is \$38,500 plus administrative cost. The \$38,500 per unit limit includes all applicable costs including, but not limited to, the hard costs of rehabilitation; technical service costs including radon testing and lead hazard reduction carry costs; lead hazard reduction costs; and temporary relocation. All rehabilitation hard costs are limited to \$24,999 per unit. All applicable technical service costs, including radon testing and any lead hazard reduction carry costs, are limited to \$5,500 in total federal funds per unit. The maximum number of units, per program, an applicant can include in their application is 6.

Program Policies & Guidelines

All homeowners must be identified and pre-determined eligible before applying. Income verification for participating homeowners must be complete at the time of application.

For Architectural Barrier Removal ONLY, verification is required documenting that the owner or family member residing in the home, either meets the definition of elderly (60+) or “Severely Disabled”. “Severely Disabled” is a HUD eligibility classification defined by the Bureau of Census meaning: An adult person who: (a) used a wheelchair or had used another special aid for 6 months or longer; (b) were unable to perform one or more functional activities or needed assistance with an Activity of Daily Living or Instrumental Activity of Daily Living. Functional activities include seeing, hearing, having one's speech understood, lifting and carrying, walking up a flight of stairs, and walking. Activities of daily living include getting around inside the house, getting in and out of bed or a chair, bathing, dressing, eating, and toileting. Instrumental Activities of Daily Living include going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone.” (c) were prevented from working at a job or doing housework; or (d) had a condition including autism, cerebral palsy, Alzheimer's disease, senility, or dementia. (e) persons who are under 65 years of age and who are covered by Medicare or receive SSI are considered to have a severe disability.

- Required Verification Documents:

Age Verification must be completed by obtaining one of the following:

- State Issued Driver's License
- State Certified Birth Certificate OR

Verification of a "Severely Disabled" person must be completed by obtaining one of the following:

- Documentation of a disability pension OR
- Statement from doctor

All assisted units must be verified as the homeowner's principal place of residence. Ownership may be established by holding fee simple title to the property or maintaining a 99-year leasehold interest in the property.

Residential properties may not contain any form of a business or any kind of rental unit.

Income verifications must be completed and in accordance with 2 CFR 5.609 (Part 5 Annual Income). A homeowner's income must be at or below 80% of the area median income by household size as established by the US Department of Housing and Urban Development for the County jurisdiction in which the home is located. Current income levels can be found on the IEDA website:

<https://www.iowaeda.com/cdbg/management-guide/>

Properties included in the 100-year flood plain are not eligible for assistance.

Manufactured homes may be assisted with CDBG program funds only if all the following criteria are met:

- The manufactured home was constructed after 1976.
- The manufactured home is permanently affixed to a site-built permanent foundation and has had its towing hitch and running gear removed.
- The homeowner owns the land on which the manufactured home is installed.
- The manufactured home is taxed as real estate (real property) by the community.
- Form of assistance is a 5-year receding, forgivable loan.

CDBG Housing Sustainability programs allow for only certain home improvements. Please refer to the guidance here to review eligible activities:

<https://www.iowaeda.com/cdbg/housing-rehabilitation/> (Under "Resources")

Application Deadlines:

Applications will be accepted on a first come, first serve basis, as funds are available.

Applications found to be complete, but containing errors, will be negotiated back to the applicant for corrections. The applicant will be given a five-business day window to make the necessary changes and resubmit the application without losing the date and time of their original application. If the application

is not resubmitted within the allotted timeframe and with all corrections complete, the application will be withdrawn, and the applicant will need to re-apply if funds remain available.

Application Process:

Applications may be submitted through IowaGrants.gov:

<https://iowagrants.gov/insideLinkOpps.jsp?documentPk=1314893760389>

Required attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the CDBG Housing Sustainability applications.

Applications without all required attachments submitted will not be reviewed by IEDA.

Evaluation criteria

CDBG Housing Sustainability applications are reviewed based on the criteria included in the application review form found in the appendix to this manual. The Community Investments Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award decisions

Award decisions are made on an on-going basis, as applications are submitted. Approval timelines may vary, depending on staffing, internal approvals, and the completeness of the application.

Award decisions are typically made within 30-45 days of application submittal.

Housing Fund- Homebuyer Assistance Program

Program Overview

The Homebuyer Assistance Program is to facilitate and expand homeownership among low-to-moderate income homebuyers.

The maximum amount of CDBG assistance for each homebuyer is \$38,500 plus administrative cost. The \$38,500 per unit limit includes all applicable costs including, but not limited to, \$24,999 in hard costs, which include up to 50% of the down payment required by the homebuyer's lender, required closing costs up to \$3,500, and a professional home inspection up to \$300. Technical service costs including radon testing and lead hazard reduction carry costs; lead hazard reduction costs; and temporary relocation.

All applicable technical service costs, including radon testing, which is completed at the discretion of the homebuyer, and any lead hazard reduction carry costs, are limited to \$5,500 in total federal funds per unit.

If awarded, the term of the contracts between IEDA and the City will be for 2 years.

Program Policies & Guidelines

Applicants may apply for assistance for up to 5 homeowners.

The homebuyer's conventional loan must be a fixed rate, with a term between 15 – 30 years with no balloon payment.

Homes to be purchased must be inspected to ensure the property meets local/state building code.

Homes to be purchased may be new, however, they must be constructed and complete at the time the property is purchased. IEDA considers a unit complete if a Certificate of Occupancy has been issued for the unit.

The home being purchased must be the buyer's principal place of residence.

Income verifications must be completed and in accordance with 2 CFR 5.609 (Part 5 Annual Income). A homeowner's income must be at or below 80% of the area median income by household size as established by the US Department of Housing and Urban Development for the County jurisdiction in which the home is located. Current income levels can be found on the IEDA website:

<https://www.iowaeda.com/cdbg/management-guide/>

Properties included in the 100-year flood plain are not eligible for assistance.

CDBG funds may not be used to assist with a land contract purchase.

Manufactured homes may be purchased with CDBG program funds only if all the following criteria are met:

- The manufactured home was constructed after 1976.

- The manufactured home is permanently affixed to a site-built permanent foundation and has had its towing hitch and running gear removed.
- The homeowner owns the land on which the manufactured home is installed.
- The manufactured home is taxed as real estate (real property) by the community.
- Form of assistance is a 5-year receding, forgivable loan.

The form of assistance (CDBG funds) to the homebuyer will be a five (5)-year receding, forgivable loan. The property must remain the applicant's principal residence for five years following the project acceptance date or closing date for the loan to be fully forgiven. A homebuyer that refinances the property within the five (5)-year forgivable period may only do so to lower their interest rate and not for the purpose of receiving cash out.

Application Deadlines

Applications will be accepted on a first come, first serve basis, as funds are available.

Applications found to be complete, but containing errors, will be negotiated back to the applicant for corrections. The applicant will be given a five-business day window to make the necessary changes and resubmit the application without losing the date and time of their original application. If the application is not resubmitted within the allotted timeframe and with all corrections complete, the application will be withdrawn, and the applicant will need to re-apply if funds remain available.

Application Process:

Applications may be submitted through IowaGrants.gov:

<https://iowagrants.gov/insideLinkOpps.jsp?documentPk=1580833541831>

Required attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the CDBG Homebuyer Assistance applications.

Applications without all required attachments submitted will not be reviewed by IEDA.

Evaluation criteria

CDBG Homebuyer Assistance applications are reviewed based on the criteria included in the application review form found in the appendix to this manual. The Community Investments Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award decisions

Award decisions are made on an on-going basis, as applications are submitted. Approval timelines may vary, depending on staffing, internal approvals, and the completeness of the application.

Awards decisions are typically made within 30-45 days of application submittal.

Housing Fund- Upper Story Housing Conversion

Program Overview

The Upper Story Conversion application is limited to existing buildings to either rehabilitate un-occupiable units or convert existing spaces into new units. All spaces must be vacant and un-occupiable at the time of the application. Buildings must be located in an existing downtown area to be eligible.

The maximum award per project is \$500,000. This maximum amount includes funding for the CDBG grant administration.

At least 51% of all rental units included in the project (rounded up to the nearest whole number) must be made available to and occupied by a low and moderate (LMI) tenant (e.g., in 7-unit project, 4 units shall be made available to and occupied by LMI tenants). Current income levels can be found on the IEDA website: <https://www.iowaeda.com/cdbg/management-guide/>

Program Policies & Guidelines

Applicants may apply for funds to develop a maximum number of 7 units.

Properties included in the 100-year flood plain are not eligible for assistance.

The project developer must be a for-profit entity who owns or will own the building.

CDBG funds must be proportional to the number of LMI units in the project. For example, if CDBG funds will account for 75% of project funding, a minimum of 75% of units must be LMI.

At the time of application, applicants must identify all properties included in the project and document site control. Purchase agreements may be used to document site control if the owner does not currently own the building. However, no purchase can take place from the date of application until after IEDA has issued Release of Funds for awarded project.

All projects must utilize a licensed architect and/or engineer for design development and compliance, unless previously approved by IEDA.

Prior to application submission, applicants will determine the development team that will be involved in the project. All projects must comply with federal procurement regulations, 2 CFR 200, including regulations as they apply to nonfederal entities. Applicants will need to be able to convey the development team members and their respective roles and responsibilities in the proposed projects within the application submitted to the IEDA. Entities identified in the application as members of the development team and considered instrumental in the development of the application may not be subject to competitive bidding and procurement after a project is awarded. It is important to fully document the pre-award Development team, as any partners not clearly engaged in the project pre-award, will be subject to competitive bidding, and any entity with advanced knowledge of the project, that may have an unfair advantage, would be precluded from bidding. Development team members may include, but are not limited to:

Owner (or eventual owner)/Developer

Program administrator
Architectural / Engineering (A/E) or design services
Construction lender(s)
Permanent lender(s)
Property managers

Please note: If an Owner/Developer also wants to be the Contractor of record for the project, the Owner/Developer must be a licensed contractor and must have prior approval from IEDA before application. Otherwise, all construction contracts must be competitively bid through approved procurement procedures.

Projects funded under the Upper Story Housing Conversion program have the option to implement the Iowa Green Street Criteria as part of the project. The Iowa Green Streets Criteria promotes public health, energy efficiency, water conservation, smart locations, operational savings and sustainable building practices. Applicants choosing to incorporate Green Streets Criteria in their project, may request additional funding to incorporate certain activities into their project. Applicants will be asked to complete additional forms as part of the CDBG application.

The maximum amount of funding available for these activities is 10% of the CDBG request, excluding Green Streets activities. (CDBG project costs + administration x 10%)

To assist with the Green Streets Criteria, projects should plan to complete a design consultation prior to application. To schedule a design consultation, contact Jeff Geerts at (515) 348-6211 or Jeff.Geerts@iowaEDA.com.

For more information, visit the Green Streets web site at <https://www.iowaeda.com/green-streets/>.

Maximum (Gross) rent limits on the CDBG Fund assisted (affordable) rental units (by bedroom size) may not exceed the most current HOME Program 65% rent limits. This requires the owner to subtract out any essential tenant utilities from the maximum rent, so that rent + essential utilities = the HOME 65% rent limit.

Additional Program guidance for Upper Story Housing Conversion projects can be found here: <https://www.iowaeda.com/cdbg/housing-rehabilitation/> (Under "Resources")

Upper Story Housing Conversion projects must meet specific environmental review requirements. These requirements are described in the program guidance at the above link and should be reviewed before an application is submitted.

Application Deadlines:

Applications for Upper Story Conversion projects will be accepted on an annual basis. For 2021, the application deadline for will be August 31, 2021.

Application Process:

Applications may be submitted through IowaGrants.gov:

<https://iowagrants.gov/insideLinkOpps.jsp?documentPk=1580847211579>

Required Attachments:

The application form in IowaGrants.gov lists all required attachments to be submitted with the Upper Story Conversion application.

Applications received without all the required attachments will be considered incomplete and will not be reviewed by IEDA.

Evaluation/Scoring Criteria:

Applications are reviewed and scored based on the criteria listed on the application review form included in the appendix to this manual. The Community Investments Team makes funding recommendations to the IEDA Director. Final award approval is provided by the IEDA Director.

Award Decisions:

Award decisions are made after all scoring has been completed. The number of applications awarded will be determined by the amount of funding IEDA has set aside for the Upper Story Conversion Program. Approval timelines may vary, depending on the IEDA board meeting schedule and the completeness of the application. Awards decisions are typically made within 45-60 days of application submittal.

Economic Development Set Aside program

Program Overview

The Economic Development Set Aside (EDSA) provides assistance to leverage private financing in business activities resulting in the creation or retention of jobs principally for low- and moderate-income individuals.

At least 51% of jobs created/retained must be filled by low- and moderate income individuals (per the U.S. Department of Housing and Urban Development definition). Current income thresholds can be found on the IEDA website: <https://www.iowaeda.com/cdbg/management-guide/>

The maximum award amount is \$1 million. Awards are in the form of forgivable loans. All awards will require collateral from the participating business.

Program policies & guidelines

Jobs created/retained must pay at least 80% of the area laborshed wage. Wage thresholds can be found on the IEDA website: <https://www.iowaeda.com/wage-requirements/>

Companies funded under this program must offer health and dental coverage.

Federal guidelines require that funding for projects under the EDSA program be “necessary and appropriate” to accomplish the project. EDSA funds may only be provided to businesses that demonstrate a need for public assistance and only the minimum amount of CDBG funds necessary may be provided to the project. There are three valid criteria to determine this need:

- Financing gap
- Insufficient return on investment
- Locational disadvantage

The EDSA program does not fund retail operations or operations with substantial in-state competition.

Projects that include relocation from one Iowa community to another are not eligible under the program unless there is approval from the community from which the business is relocating from.

Due to federal job pirating regulations, applicants with projects that include relocation from another state much check with IEDA staff on eligibility prior to applying.

Application deadlines

Applications are accepted on an on-going basis, as funds are available.

Prior to submitting an application on IowaGrants.gov, you must contact IEDA to ensure that the project is appropriate for EDSA funding. Please contact Nichole Hansen, Community Investments Team Leader, at Nichole.hansen@iowaeda.com or 515.348.6215.

Application process

Applications may be submitted through lowagrants.gov:

<https://iowagrants.gov/insideLinkOpps.jsp?documentPk=1342794534985>

Once submitted, the IEDA Community Investment Team reviews all applications, to ensure the project meets federal CDBG requirements.

Eligible projects are presented to the IEDA board for final approval.

Required attachments

The application form in lowagrants.gov lists all attachments required to be submitted with the EDSA application.

Applications without all required attachments submitted will not be reviewed by IEDA.

Scoring / Evaluation criteria

EDSA applications are reviewed based on the criteria included in the application review form included in the appendix to this manual. EDSA applications are also reviewed to ensure projects meet HUD's underwriting criteria, which is included in the review form.

Award decisions

Award decisions are made on an on-going basis, as applications are submitted. Approval timelines may vary, depending on the IEDA board meeting schedule and the completeness of the application.

Awards decisions are typically made within 30-45 days of application submittal.

APPENDIX



Form Creator

Water/Sewer Fund Application Review Sheet

Preview Component

Program Area: CDBG

Module: Review

Form Type:

Application Checklist

- Is the DUNS number provided? Yes No
- Is the grant amount requested at or below the amount allowed? Yes No
- Is the administration line item in the budget less than 10% of CDBG request? Yes No
- Is the HUD Disclosure Form signed by the CEO? Yes No
- Is the Federal Assurances page signed by the CEO? Yes No
- Is the Community Needs Assessment current (good for one year only, then must be re-adopted)? Yes No
- Is the publication date of the hearing notice no less than 4 days but no more than 20 days before the public hearing? Yes No
- Does the public hearing notice contain correct & necessary information? Yes No
- Do public hearing minutes cover the nine required points and include correct and necessary information? Yes No
- Does the project budget add up correctly? Yes No
- Have all documents under 'Required Attachments' been uploaded with the application (including Green Streets criteria for CF applications)? Yes No

Project Information:

Administrative Capacity: Yes No

Administrative Capacity Issues:

Empty text box for Administrative Capacity Issues

Previous Grants: Yes No

Previous Grant Issues:

Empty text box for Previous Grant Issues

Local Funds Secured: Yes No

IUP or Letter: Yes No

National Objective Met: Yes No

National Objective Issues:

Project Eligible: Yes No

Eligibility Issues:

Relocation/Replacement: Yes No

Relocation/Replacement Issues:

Type of Need

Describe need:

Property damage: Yes No

Property Damage comments:

DNR Violation: Yes No

DNR Violation Comments:

Timely Completion:

Land acquisition needed: Yes No

Land acquisition comments:

Necessary agreements signed: Yes No

Comments:

If no, assumption will be Preliminary design completed.

Final level of Design completed: Yes No

Comments:

Have several options been reviewed: Yes No

Comments:

Best long term solution selected that addresses needs: Yes No

Comments:

LMI

Percentage of Household Income

LMI Survey Year:

What was the survey method used?

Was a random sampling technique used? Yes No

Are computation in LMI Benefit Chart Correct? Yes No

Are the county LMI figures used in the survey correct? Yes No

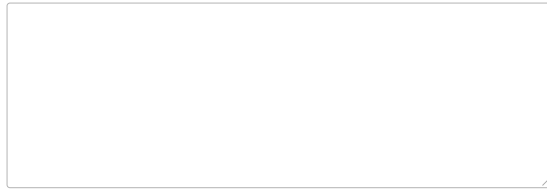
WATER PROJECTS:Preliminary engineering report approved by DNR: Yes No

Comments:

Facility Plan approved by DNR: Yes No

Comments

Project manager review comments:



Use values 1-5 for all score rankings.

Magnitude of need for the project:

1. Low = Proposed project is an "amenity"
2. Medium/Low =
3. Medium = Action needed sometime in the next few years
4. Medium/High =
5. High = Relatively immediate health or safety concern

Rank the magnitude of need for the project:

Degree to which the project can be completed in a timely fashion:

1. Low = Late start, lengthy/unrealistic/unclear timetable
2. Medium/Low =
3. Medium = Average/reasonable construction timetable based on project type and final design not started
4. Medium/High =
Final design underway, but not complete
5. High = Construction to commence quickly, minimum length, realistic time-frame. Design completed and construction permit issued

Rank the degree to which the project can be completed in a timely fashion:

Degree to which the CDBG funds will be leveraged by other funds:

1. Low = Less than 25%
2. Medium/Low = 26% - 35%
3. Medium = 36% - 45%
4. Medium/High = 46% - 55%
5. High = Over 55%

Rank the degree to which CDBG funds will be leveraged by other funds:

Degree to which the cost per beneficiary is within a reasonable range:

1. Low = more than \$10,000 CDBG dollars per beneficiary
2. Medium/Low = 8,001 - \$10,000
3. Medium = \$6,501 - \$8,000 CDBG dollars per beneficiary
4. Medium/High = \$5,001 - \$6,500
5. High = Less than \$5,000 CDBG dollars per beneficiary

Rank the degree to which the cost per beneficiary is within a reasonable range:

Potential degree of impact the activity will have on the identified need and the standard of living or quality of life of the proposed beneficiaries (including financial impact and whether or not this project identified in an Iowa great places agreement):

1. Low = Does not have substantial impact on the identified need and/or is not the best long term solution
2. Medium/Low =
3. Medium = Partial impact on the identified need
4. Medium/High =
5. High = Activity directly and substantially addresses the identified need and is the best long term solution

Rank the potential degree of impact the activity will have on the identified need and the standard of living or quality of life of the proposed beneficiaries (including financial impact and whether or not this project identified in an Iowa great places agreement):

Degree to which the project is ready to proceed:

1. Low = Little work done for site acquisition
2. Medium/Low =
Some preliminary discussions regarding acquisition
3. Medium = Documented discussion with property owner regarding acquisition and reasonable timeline for acquisition process provided
4. Medium/High = Acquisition required and purchase option is signed
5. High = Site control obtained or acquisition not required

Rank the degree to which the project is ready to proceed:

Capacity of the recipient or sub-recipient to operate and maintain the proposed activity to ensure its continuing viability:

1. Low = Existing facilities have been neglected, and no clear plans for improved capacity
2. Medium/Low =
3. Medium = Some problems with maintenance and/or lack of staff, but clear and manageable plans for improvement undetermined (e.g. site, some financing)
4. Medium/High =
5. High = Qualified personnel are already on staff and condition of existing systems indicates past record of proper maintenance

Rank the capacity of the recipient or sub-recipient to operate and maintain the proposed activity to ensure its continuing viability:

Percentage of LMI project beneficiaries:

1. Low = 51% - 55.99%
2. Medium/Low = 56% - 59.99%
3. Medium = 60% - 64.99%
4. Medium/High = 65% - 69.99%
5. High = Greater than 70%

Rank the percentage of LMI project beneficiaries:



Form Creator

Community Facilities Application Review Sheet

Preview Component

Program Area: CDBG

Module: Review

Form Type:

- Is the DUNS number provided? Yes No
- Is the grant amount requested at or below the amount allowed? Yes No
- Is the administration line item in the budget less than 10% of CDBG request? Yes No
- Is the HUD Disclosure Form signed by the CEO? Yes No
- Is the Federal Assurances page signed by the CEO? Yes No
- Is the Community Needs Assessment current (good for one year only, then must be re-adopted)? Yes No
- Is the publication date of the hearing notice no less than 4 days but no more than 20 days before the public hearing? Yes No
- Does the public hearing notice contain correct & necessary information? Yes No
- Do public hearing minutes cover the nine required points and include correct and necessary information? Yes No
- Does the project budget add up correctly? Yes No
- Have all documents under 'Required Attachments' been uploaded with the application? Yes No

Project Information

Administrative Capacity: Yes No

Administrative Capacity Issues:

Text area for Administrative Capacity Issues

Previous Grants: Yes No

Previous Grant Issues:

Text area for Previous Grant Issues

CDBG \$ Amount Requested:

Is CDBG request within limits for population: Yes No

Are Local Funds 100% Secured: Yes No

Is there a commitment Letter(s): Yes No

Amount of CDBG / Local funds ratio:

National Objective Met: Yes No

National Objective Issues:

Is project eligible: Yes No

Eligibility Issues:

Relocation/Replacement: Yes No

Relocation/Replacement Issues:

LMI

Is LMI percentage at least 51%: Yes No

Are computation in LMI Benefit Chart Correct? Yes No

Is this a new service: Yes No

New Service Comments:

Is this an increase of service: Yes No

Increase of Service Comments:

Is this service provided by other local sources: Yes No

Services provided by other local sources comments:

Timely Completion:

Land acquisition needed: Yes No

Land acquisition comments:

Who will own the land:

Who will own the building:

Is Green Development Plan & Checklist completed: Yes No

Green Development Plan * Checklist Issues:

Is proximity Map uploaded (if new construction) Yes No

Proximity Map Issues:

Is not-for-Profit formed: Yes No

Not-for-Profit comments:

Is this the best long term solution selected that addresses needs: Yes No

Comments:

Are all necessary agreements signed: Yes No

Necessary Agreements Comments:

If no, assumption will be Preliminary design completed.

Is final level of Design completed: Yes No

Final Level of Design Comments:

Have several options been reviewed: Yes No

Comments:

Survey Results

LMI Survey Year:

What was the survey method used?

Was a random sampling technique used? Yes No

Are the county LMI figures used in the survey correct? Yes No

Project Manager Review

Project manager review comments, concerns, or questions:

Does the application fully identify and document the following review criteria?

Is there a demonstrated magnitude of need for the project: Yes No

Is there evidence the project can be completed in a timely fashion: Yes No

Are the CDBG funds leveraged by substantial other committed funds: Yes No

Is the cost per beneficiary within a reasonable range: Yes No

Will the impact of the activity demonstrate a positive influence on the identified need and the standard of living or quality of life of the proposed beneficiaries(including financial impact and whether or not this project is identified in an Iowa great places agreement): Yes No

Is the project ready to proceed quickly

upon CDBG award: Yes No

Does the recipient or sub-recipient demonstrate the capacity to operate and maintain the proposed activity to ensure its continuing viability: Yes No

Is additional funding being requested for Green Streets Criteria? Yes No

If Yes:

1. Have the required supporting documents been uploaded? Yes No

2. Has a design consultation been held? Yes No

Does the project meet or exceed 51% of LMI eligible project beneficiaries? Yes No



Form Creator

DTR Application Review Sheet

Preview Component

Program Area: CDBG

Module: Review

Form Type:

Application Checklist

- Is the DUNS# provided? Yes No
- Is the grant amount requested at or below the amount allowable? Yes No
- Is administration line 10% or less of CDBG amount AND of total cost? Yes No
- Is the breakdown of construction cost detail and professional fees & permit estimates completed? Yes No
- Is CEO signature in federal assurances page? Yes No
- Is disclosure statement completed and signed? Yes No
(If Yes on Part 1 Question #2, then Parts II and III must also be completed)
- Is the Slum & Blight summary included? Yes No
- Is a city resolution declaring a slum & blight area included? Yes No
- Is the Community Needs Assessment current (good for one year only, then must be re-adopted)? Yes No
- Is the publication date no less than 4 days but no more than 20 days prior to the hearing? Yes No
- Does the public hearing notice contain correct & necessary information? Yes No
- Do the public hearing minutes cover the 9 required points and include correct and necessary information? Yes No
- Does the project budget add up correctly? Yes No
- Have all documents under Required Attachments been uploaded? Yes No

Application Review

Project Eligible: Yes No

Eligibility Comments:

Empty text box for Eligibility Comments

National Objective Met: Yes No

National Objective Comments:

Previous Grants: Yes No

Previous Grant Comments:

Administrative Capacity: Yes No

Administrative Capacity Comments:

Funding

Local Funds Secured: Yes No

Commitment Letter: Yes No

Local match amount:

Sources & Commitments

Source/Amount/Form of Commitment

Attached sources and commitment documentation? Yes No

Slum & Blight

Completed inventory form for each building in designated slum & blight area? Yes No

Completed slum & blight summary form? Yes No

Percentage of buildings in fair or poor condition:

City resolution designating slum & blight/urban renewal area? Yes No

Date of city resolution:

Map or boundaries of city resolution consistent with inventory and targeted area? Yes No

Building(s) selected for improvements classified as fair or poor conditions? Yes No

Comments related to S&B National Objective:

Type of Need

Describe need:

Describe impact:

Owner commitment letters signed? Yes No

Design completed: Yes No

Level of Design Comments (None, Preliminary, Final):

Comprehensive Downtown Revitalization Planning Efforts

Comprehensive Downtown Revitalization Planning Efforts Comments:

Use 1 - 5 for all rankings.

Degree to which the proposed activity is appropriate for CDBG funding:

- 1. Low = Does not appear to further the CDBG program purpose in any meaningful way
- 2. Medium/Low =
- 3. Medium = Relates to some aspects of the CDBG program purpose
- 4. Medium/High =
- 5. High = Clearly furthers most aspects of the CDBG program purpose

Rank the degree to which the proposed activity is appropriate for CDBG funding:

Degree to which CDBG funds will be leveraged by other funds:

- 1. Low = Less than 25% of project financed with leveraged funds
- 2. Medium/Low = 26% - 35%
- 3. Medium = 36% - 45%
- 4. Medium/High = 46% - 55%
- 5. High = Over 55%

Rank the degree to which CDBG funds will be leveraged by other funds:

Degree of impact the activity will have on the overall elimination of slum and blight in the identified target area (includes relative conditions of participating and non-participating buildings, prominence/visibility of project buildings, and geographic proximity of buildings)

- 1. Low = Minimal impact on the identified need; results/outcomes are unclear; does not appear to be the best long term solution
- 2. Medium/Low =
- 3. Medium = Partial impact on the identified need; immediate results not evident
- 4. Medium/High =
- 5. High = Activity will directly and substantially address the identified need; immediate results will be achieved; best long term solution

Rank the degree of impact the activity will have on the overall elimination of

slum and blight:

Degree to which the proposed design and work specs address identified and prioritized contributing factors to slum and blight identified per individual building:

- 1. Low = Minimal impact on the identified need; results/outcomes are unclear; does not appear to be the best long term solution
- 2. Medium/Low =
- 3. Medium = Partial impact on the identified need; immediate results not evident
- 4. Medium/High =
- 5. High = Activity will directly and substantially address the identified need; immediate results will be achieved; best long term solution

Rank the degree to which the proposed design and work specs address contributing factors to slum and blight:

Degree to which the scale and scope of the project is appropriate for the CDBG program timeframe (Maximum of 3 years):

- 1. Low = Late start; lengthy/unrealistic/unclear timetable
- 2. Medium/Low =
- 3. Medium = Average/reasonable construction timetable based on project type
- 4. Medium/High =
- 5. High = Construction to commence quickly; minimum length; realistic time-frame

Rank the degree to which the scale and scope of the project is appropriate for the CDBG program timeframe (Maximum of 3 years):

Degree of community involvement with the proposed downtown revitalization efforts (community outreach, public input, planning exercises, expressed support)

- 1. Low = Little support shown; all necessary parties have not been contacted and discussions have been minimal.
- 2. Medium/Low =
- 3. Medium = Full support not evident, but discussions among all parties is on-going
- 4. Medium/High =
- 5. High = Strong support documented by all parties involved

Rank the degree of community involvement:

Degree of clarity, completeness, readability, and viability of the application:

- 1. Low = confusing/unclear/inconsistent/incomplete
- 2. Medium/Low =
- 3. Medium = complete but not all sections or information immediately clear or entirely consistent
- 4. Medium/High =
- 5. High = completely and clearly defines project; all attachments properly prepared and included; demonstrates forethought and attention to detail

Rank the degree of clarity, completeness, readability, and viability of the application:

Rank the degree to which the project is planned out and prepared to proceed:

- 1. Low = Little preliminary work done on site or financing
- 2. Medium/Low =
- 3. Medium = Some preliminary work done, but some important elements remain undetermined (e.g. site, some financing)
- 4. Medium/High =
- 5. High = Preliminary work is done and needed financial resources are secured

Rank the degree to which the project is planned out and prepared to proceed:

Degree the project will impact the Target Area in terms of total project buildings in ratio to total number of buildings in target area: (For iconic building awards, this measure of impact is determined by the relative population of the applicant).
(# of participating buildings/# of buildings in target area)

- 1. Less than 10%
- 2. 11% - 15%
- 3. 16% - 25%
- 4. 26% - 40%
- 5. Greater than 40%

Iconic: Average of all other scores plus 1 point if under 10,000 population; plus 1.5 points if under 5,000 population

Rank the degree the project will impact the Target Area:

Project manager review comments:



Form Creator

Housing Checklist

[Preview Component](#)

Program Area: CDBG

Module: Review

Form Type:

Application Checklist

Is the DUNS# provided?* Yes No

Is the grant amount requested at or below the amount allowable? Yes No

Is CEO signature in federal assurances page? Yes No

If a joint application, is assurance page for each entity included? Yes No

Is HUD Disclosure Form 2880 completed and signed? Yes No

Application Review

Does this project meet the national objective of assisting Low- to Moderate Households (LMH)? Yes No

Are the number of units being proposed at or below the allowable threshold? (5 - Homebuyer) (6 - Housing Sustainability) Yes No

Public Hearing Notice and Minutes

The application is ineligible if "No" is checked for any of the public hearing minutes.

Is the publication date no less than 4 days but no more than 20 days prior to the hearing? Yes No

Are public hearing minutes uploaded and includes hearing date? Yes No

Do the minutes include how the proposed activity or project will be funded and the sources of funds? Yes No

Do the minutes include the date the Housing Fund application will be submitted? Yes No

Do the minutes include requested amount of federal funds (Housing Fund)? Yes No

Do the minutes include estimated portion of federal funds that will benefit persons of low and moderate income? Yes No

Do the minutes list plans to minimize displacement of persons and businesses as a result of funded activities or projects? Yes No

Do the minutes list plans to assist persons actually displaced? Yes No

Do the minutes list the nature of the proposed activity or project? Yes No

Is the community needs assessment included and was it approved at a Public Hearing for this project? Yes No

General Information

Is there assurance of compliance with Yes No

HUD's Lead Safe Housing Regulations?

Is there assurance from the community that it has read, understands and agrees to comply with the Guidance for whichever program(s) it is applying? Yes No

Does the community currently have any open Housing Contracts with IEDA? Yes No

If yes, is the current program drawing and expending funds at an acceptable proportional rate in comparison to the timeframe of the project?

Is this proposal a continuation of a previous or existing program? Yes No

Budget

Does the project budget add up correctly? Yes No

Are computations in the Project Budget chart correct? Yes No
(Cross-check the total Budget with the total on the Per Unit Breakdown of Costs sheet)

Is the total activity or project costs per unit (amount + other - general admin) acceptable? Yes No

Is the Administrative amount 10% or less of the CDBG amount or the Total Costs? Yes No

Is the Hard Cost request per unit (not including general admin costs) acceptable? Yes No

Is the total amount for technical services acceptable? Yes No

Activity Information

Is the activity in a 100-year floodplain? Yes No

Is there assurance the properties will be the homeowner's principle residence? Yes No

The next three questions are applicable ONLY to the Housing Sustainability program.

Has the community identified and determined eligible, those properties that are going to receive assistance? Yes No

Does each property listed have only one program application type? Yes No

Are the number of eligible units sufficiently documented? Yes No

General Administration

Has an administrator been identified for this activity? Yes No

Has the administrator dealt with previous/existing contracts in a timely fashion? Yes No

Have rehabilitation standards and/or lead safe housing been enforced by the administrator in previous programs? Yes No

Technical Services

Has the technical service provider been identified? Yes No

Is the technical service provider experienced? Yes No

Lead Safe Housing

Is the supervisor of lead hazard reduction acceptable? Yes No

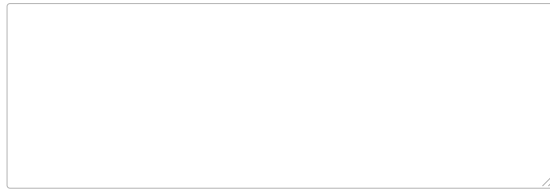
Required Attachments

Have all documents under the "Required Uploads" been uploaded? Yes No

Is the environmental review complete and ready for publication? Yes No

Project Manager Comments

Project Manager Comments:

A large, empty rectangular text box with a thin border, intended for project manager comments. A small cursor icon is visible in the bottom right corner of the box.



Form Creator

Upper Story Scoring Sheet

Preview Component

Program Area: CDBG

Module: Review

Form Type: Standard

APPLICATION CHECKLIST:

Is the DUNS# provided? Yes No

Is the grant amount at or below the allowable amounts? Yes No

Is the CEO signature on the Federal Assurance page? Yes No

If a joint application, is the Assurance page for each entity included?

Is HUD Disclosure Form 2880 completed and signed? Yes No

APPLICATION REVIEW:

Does the project meet the national objectives of assisting Low-to-Moderate Income (LMI) Households? Yes No

Are the proposed number of rental units at or below the 7-unit threshold? Yes No

Are at least 51% of the units proposed to be CDBG assisted? Yes No

Is there approval by the local government? Yes No

Is the proposed rental property an upper story project in an existing downtown? Yes No

PUBLIC HEARING NOTICE/MINUTES:

Is the publication date no less than 4 days but no more than 20 days prior to the hearing? Yes No

Are public hearing minutes uploaded and do they include the hearing date? Yes No

Do the minutes include how the proposed activity will be funded and the sources of funds? Yes No

Do the minutes include the date the application will be submitted? Yes No

Do the minutes include the amount of federal funds requested? Yes No

Do the minutes include the estimated portion of federal funds that will benefit persons of low to moderate income? Yes No

Do the minutes list the plans to minimize displacement of persons and businesses as a result of funded activities? Yes No

Do the minutes list plans to assist persons actually displaced? Yes No

Do the minutes list the nature of the proposed activity or project? Yes No

Is the community needs assessment less than a year old and included and adopted at a Public Hearing for this project? Yes No

BUDGET

Does the project budget add up correctly? Yes No

Are computations in the Project Budget Chart, correct? (Cross-Check Total Budget with Sources of Funding) Yes No

Is the Administrative amount 10% or less of the CDBG amount or Total Costs? Yes No

ACTIVITY INFORMATION

Is the activity in a 100-year floodplain? Yes No

If yes. Was LOMA letter provided? Yes No

Are proposed rents correct for CDBG assisted units? Yes No

Is the property zoned properly for this project? Yes No

If applicable, is there documentation of need (market study)?

Does the Grant Administrator and Developer/Property Owner agree to comply with the five (5) year Period of Affordability? Yes No

With conversion, is there availability of certified lead professionals? Yes No

REQUIRED ATTACHMENTS

Have all documents under the "Required Uploads" been uploaded? Yes No

Is the environmental review complete and ready for publication? Yes No

Were the special review requirements as stated in the Program Guidance included in the Environmental Review? Yes No

Does the applicant demonstrate site control? Yes No

RANKING QUESTIONS

Project Need

(1 - 5 Points based on the following:)

What is the community's current vacancy rate?

Did the applicant adequately address the need for upper story housing in the community?

Does the community have a current housing needs assessment identifying rental units as a need in the community? (Current= completed within the last years)

Project Need Score:

Project Readiness

(1 - 5 Points Based on the following)

Has the historic district evaluation been completed?

Does the developer own the property at time of application (vs. an option)?

Is the property free of debris/trash to allow for conversion work?

Does the application include detailed draft designs?

Project Readiness Score:

Status of project matching funds- level of commitment

(2 - 5 Points)

Developer has provided an executed loan agreement from a lender OR has provided documentation of cash available and unencumbered to invest in the project - 5 points

Developer has provided a commitment letter from a bank that includes loan terms/ no executed agreement - 3 points

Developer has provided matching funds through a term letter (letter does not include loan terms/ No executed agreements) - 2 points

Commitment Score:

Degree CDBG funds will be leveraged by other funds:

(1 - 5 Points)

Over 75% of project financed with non-CDBG funds - 5 points

66-75% of project financed with non-CDBG funds - 4 points

56-65% of project financed with non-CDBG funds - 3 points

50-55% of project financed with non-CDBG funds - 2 points

< 50% of project financed with non-CDBG funds - 1 point

Leverage Score:

Capacity to complete and maintain the project

(1 - 5 Points base on the following:)

Does the developer have previous experience with similar projects?

Does the development team include members with experience and capacity to ensure the project is completed?

Is the project timeline for the project reasonable and attainable, as compared to similar projects?

Is the operation/ maintenance plan for the property sufficient?

Capacity Score:

**Financial feasibility
(1 - 5 Points based on the following:)**

Debt service ratio in year 1:
Debt service ratio in year 15:
Are operating expenses included in the proforma reasonable as compared to similar projects?
Is the developer fee included reasonable? Developer percentage fee:

Feasibility Score:

**Percent of LMI units
(2 - 5 Points)**

71% or more units for LMI - 5 points
52-70% of units for LMI - 3 points
51% of units for LMI - 2 points

LMI Score:

**Federal Opportunity Zone
(0 - 3 Points)**

Yes - 3 points
No - 0 points

Opportunity Zone Score:

**Green Streets Criteria
(OPTIONAL/Required If Additional Green Streets Funding Is Requested)
(0 - 2 Points)**

>75% on IEDA's Green Streets Review – 2 points
50–75% on IEDA's Green Streets Review – 1 Point
<50% on IEDA's Green Streets Review – 0 Points

Green Streets Criteria:

**Project Manager
Comments/Questions:**



Form Creator

EDSA Application Review Sheet

Preview Component

Program Area: CDBG

Module: Review

Form Type:

Instructions

261-23.7(15) requirements for the public facilities set-aside fund. Applicants shall apply only for direct loans or forgivable loans to make to private businesses for the creation of new jobs or the retention of existing jobs that would otherwise be lost.

23.7(1) Restrictions on applicants

Is the amount requested no more than \$1,000,000? * Yes No

Comments on Request Amount:

Text input field for comments on request amount.

Are at least 51% of the permanent jobs created or retained by the proposed project, taken by or made available through first consideration activities to persons from low- and moderate-income families? * Yes No

Comments:

Text input field for comments on 51% job requirement.

Does the project maintain a minimum ratio of one permanent job created or retained for every \$10,000 of CDBG funds awarded? * Yes No

Comments:

Text input field for comments on job ratio requirement.

Does the applicant meet the qualifying wage and benefit threshold requirements? * Yes No

Comments: (Please include Qualifying Wage, Proposed Wage, and Proposed Benefits)

Text input field for comments on wage and benefit requirements.

Are the terms of conventional loans proposed for the project generally accepted by conventional financial institutions? * Yes No

Comments:

Does the application provide evidence of adequate private equity?* Yes No

Comments:

Are jobs created as a result of other jobs being displaced elsewhere in the state?* Yes No

Comments:

Will there be any significant negative land use or environmental impacts as a result of the project?* Yes No

Comments:

Does application include a business assessment plan, projecting for each identified business the number of jobs created or retained as a result of the proposed project?* Yes No

Comments:

23.7(3) Review Criteria:

IEDA shall review applications and make funding decisions based on the following criteria:

**Impact of the project on the community (i.e. jobs, capital investment, taxes, other development).
What are the total costs associated with the project?**

Are the jobs to be created ones that can reasonably meet the "taken by" or "made available through first consideration" activities? Yes No

Comments:

Appropriateness of the proposed wage and benefit package available to

employees in jobs created or retained by the proposed project:

Degree to which EDSA funding would be leveraged by private investment:

Degree of demonstrated need for assistance:

**Demonstrated need for assistance:
Please indicated Financing gap,
locational disadvantage (incentive),
and Rate of Return.**

HUD Underwriting Criteria

**Are project costs reasonable?
(Request project quotes/estimates
from third parties, review costs of
comparable projects.)**

**Are all sources of funds committed?
(Review written verification form
various funding partners.)**

**To the extent practicable, CDBG funds
are not substituted for non-federal
funds. (The recipient should clearly
demonstrate there is a need for the
investment of public resources.)**

**The project is financially feasible?
(The financial viability can be
evaluated based on assumptions in the
business plan and financial
projections.)**

**To the extent practicable, the return of
the owner's equity will not be
unreasonably high. (CDBG funds
should not provide more than a
reasonable rate of return on the
investment, given industry standards,
local conditions, and overall risk.)**

**To the extent practicable, CDBG funds
are disbursed on a pro-rata basis with
other finances committed to the**

project. (Include M&E project cost, when applicable, when determining pro-rata formula for draws.

An empty rectangular box with a thin black border, intended for providing project details. It contains no text or other content.

**Project Approval:
Community Development
Division Administrator / Coordinator
(Signature & Date)**

An empty rectangular box with a thin black border, intended for a signature and date. It contains no text or other content.