

March 2020

CDBG Housing Rehabilitation Administrative Plan Requirements

Each community receiving a CDBG award to implement a housing rehabilitation program must prepare and submit to IEDA an administrative plan at the time of application. A plan approved by the city must be submitted for all projects applying for CDBG funds for:

1. Architectural Barrier Removal
2. Energy Efficiency Improvements
3. Exterior Home Improvements

This plan will serve as a guide to the community as to how the program will be implemented at the local level. The plan should describe specific processes and policies that will be used through the duration of the project.

As the needs of each community are unique, each community will have flexibility as to how their program is designed. The administrative plan for the funded project will describe the program design to IEDA staff.

Below is a description of the components that must be addressed in every administrative plan. Additional information/ items may be included, if the community chooses to do so.

While each community should develop a plan that meets its own needs and preferences, there are some universal requirements that will apply to all CDBG funded programs. These requirements must be included in every administrative plan. Required language is underlined below and should be included in every plan.

Each CDBG housing rehabilitation administrative plan must address the following components:

- I. **Program Overview** - Provide a brief program description and anticipated number of homeowners that will be assisted under the program.

The community understands and will follow all requirements outlined and described in the City's CDBG contract and IEDA program guidance.

- II. **Fair Housing & Non-discrimination** - The community will ensure that CDBG assistance is made available on a non-discriminatory basis without regard to race, color, religion, sex, disability, familial status, age or national origin.

Describe the community's efforts to affirmatively further fair housing. This could include marketing efforts, on-going outreach efforts with community organizations, development of local ordinances, community sponsored training on fair housing or other related activities.

III. Program Assistance - Describe the maximum amount of CDBG assistance that will be provided per unit.

CDBG assistance will be provided as a five-year receding forgivable loan. The property must remain the applicant's principal residence for five years following the project acceptance date for the loan to be forgiven. The community will file a lien/ security interest against the property in the amount of CDBG assistance. This lien may be filed in junior position to a conventional loan.

The community has the discretion to decide in what circumstances it will allow the lien to be released.

Please describe in what instances the city will release the lien against the homeowner's property.

IV. Application, Selection and Income Verification process-

Should the community need to select new program participants during the contract period, the community will use the same marketing, application and selection processes described in the approved application to IEDA and/or outlined in IEDA program guidance.

Income verification will be completed in accordance with 24 CFR 5.609 (Part 5 Annual Income). Income verifications are valid for twelve months from the date verification is completed.

V. File Documentation - List documents/ information the city will keep on file for this project and for each program participant.

The community will keep the following items on file:

- Income verification documents
- Ownership verification documents
- Property inspection documents (initial and final)
- Construction documents (specifications, contracts, and related items)
- Final acceptance of work (signed by homeowner)
- CDBG environmental review documents
- Lead based paint related documents

VI. Procurement - Describe the strategies that the community will use to market and select contractors for this project. Describe how the community will follow state and federal procurement requirements. Describe how bids will be accepted and reviewed. Describe how the city will inform successful and unsuccessful bidders. Describe the contracting process for selected bidders.

- VII. Financial management** - Describe the financial management processes the community will implement for this project. Describe the process the community will use for paying contractors and how lien waivers will be handled. Discuss how CDBG funds will be draw down from IEDA. Discuss how other funding, if any, will be injected into the rehabilitation program.

The community must request CDBG funds at least every six months including both rehabilitation costs and grant administration costs within the period.

- VIII. Program Implementation** - Describe how the community will operate its rehabilitation program including the following activities:

- a. Initial property inspections
- b. Project specifications
- c. Initial cost estimates
- d. Section 106 historic review (required for federally funded projects)
- e. Pre-construction conference
- f. Change orders
- g. Final inspection
- h. Any other program activities

- IX. Roles and Responsibilities** - Describe the role of the city, CDBG grant administrator, rehabilitation committee, and any others that will be involved in the management of the city's rehabilitation program.

Describe the duties that each individual/ entity will handle during the duration of the program.

- X. Lead-Based Paint Requirements** - The community will comply with HUD's lead hazard reduction requirements through the duration of the program.

Communities must describe how it will comply with these requirements.

- XI. Appeal/ Complaint Procedure** - Describe the process that the community will use to address complaints or concerns regarding the program. This may include application decisions, contractor complaints, and other related issues. Include the name and contact information for the individual(s) that residents should contact concerning complaints or concerns.

- XII. Program Amendments** - The community should have a process for amending procedures and policies established in the administrative plan. Describe the process that the city will use to amend the plan, if necessary. Include a description of any forms/ documents that will be used and the entity responsible for approving amendments to the plan. Any substantive changes must be approved beforehand by IEDA.

Discuss how change orders will be processed and approved during the program.

XIII. Conflicts of Interest - The community must follow federal requirements regarding conflicts of interest that may arise during the implementation of the rehabilitation program.

The city will refer to 24. CFR.570.611 (CDBG regulations on conflicts of interest) should a potential conflict of interest arise and follow guidance provided in these regulations.

Required attachments to plan: Relocation policy (IEDA has a sample)