



JACK B. JOHNSON
County Executive

**Prince George's County, Maryland
Department of Housing and Community Development**



Community Planning and Development Division

**Community
Development
Block Grant
Recovery
Program**

CDBG-R

**Funding
Application
Instructions**

Under The American
Recovery & Reinvestment Act
of 2009
(STIMULUS)

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Deadline: 5:00 p.m. - May 20, 2009

Department of Housing and Community Development
Community Planning and Development Division
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Visit us at: www.co.pg.md.us/Government/AgencyIndex/HCD



CDBG-R FUNDING APPLICATION INSTRUCTIONS

Please address each section completely. Incomplete applications will be considered ineligible. Provide only the essential information needed to evaluate your request. While there are no page or word limits, most applications can be completed in 10 pages or less. **Please do not return these instructions with your application.**

To be considered for Community Development Block Grant-Recovery (CDBG-R) funding, the proposed project must meet one of the three national objectives for the CDBG Program:

- 1. Provide benefit to low and moderate income persons or households, either directly or through a project of area-wide benefit;**
- 2. Prevent or eliminate slums or blight; or**
- 3. Address an urgent need related to a natural disaster, such as a major flood.**

Applications are not currently being accepted for urgent need projects, which must respond to natural disasters as declared by the County Executive.

If proposing more than one activity, submit each proposal on a separate application, identified by priority number(s). Due to funding limitations, it is likely that only the number one ranked project will be considered for funding.

Funded activities should be ready to start July 1, 2009 and be completed within one year. If completion in a one-year period is not possible, the activity should be divided into phases that can be completed and financed in subsequent one-year periods. Any funds not expended by September 30, 2012 will be recaptured by HUD and returned to the U.S. Treasury.

The CDBG-R program operates on a **reimbursement basis only**. If an application is approved for funding and the agency receives its fully executed Operating Agreement (contract), the agency must spend its own funds first. A requisition form requesting reimbursement can then be submitted to the Department of Housing and Community Development (DHCD). Reimbursement requests **must** contain back-up documents confirming that expenditures were for activities described in the Operating Agreement. Undocumented expenditures will not be reimbursed. Reimbursements will be issued **ONLY** for encumbrances or commitments that occurred **AFTER** the effective date of the Operating Agreement.

The CDBG-R application form is provided on paper, by e-mail and via the County's website at www.co.pg.md.us/Government/AgencyIndex/HCD/.

Do not use forms from prior years. Do not include covers of any kind. Staple or paperclip one (1) original and two (2) signed copies of each application being submitted, and mail or deliver to:

**Department of Housing and Community Development
Community Planning and Development Division
9400 Peppercorn Place, Suite 200
Largo, MD 20774**

To help you determine your agency's readiness to apply for CDBG-R funding, please answer the following questions:

Questions	Yes	No	Unknown
1. Is your agency certified by the Internal Revenue Service as a 501(c)(3) organization?			
2. If not certified as a 501(c)(3), has your organization filed a Form 1023 Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code?			
3. Has your organization registered with the Maryland Office of the Secretary of State, Charitable Organizations Division, as a charitable organization?			
4. Has your agency completed a project funded from any other grant source?			
5. Does your agency have a full-time Executive Director?			
6. Does your agency have full-time staff to administer programs?			
7. Does your agency have a written Procurement Policy?			
8. If so, is your Procurement Policy in compliance with OMB Circular No. A-110?			
9. Does your organization have a written Drug-Free Workplace Policy?			
10. Does your agency have sufficient operating funds to begin the proposed project on July 1 st of next year, but can wait as long as six months later for your first reimbursement of project expenses?			
11. Does your organization have a board of directors?			
12. Will your agency be able to provide a Certificate of Liability Insurance naming Prince George's County as a Certificate Holder and an Additional Insured?			

If you answered "No" or "Unknown" to three or more questions, request technical assistance from the CPD staff member or Office of Risk Manager (*if applicable*) assigned to the activity category that matches your proposed project.

Project Manager	Activity Type				
	Acquisition	Economic Development	Infra-structure	Public Facilities	Public Services
LeShann Benston (301) 883-5457 lbentson@co.pg.md.us		√	√	√	
Linda Kruelle (301) 883-5539 lgkruelle@co.pg.md.us	√	√	√	√	
Dianne Thomas (301) 883-5576 drthomas@co.pg.md.us			√	√	√
Joaney Todd (301)883-5586 jtodd@co.pg.md.us					√

For questions concerning insurance requirements, contact Steven B. Middleton, Risk Manager, at (301) 952-3563 or SBMiddleton@co.pg.md.us

COMPLETING THE APPLICATION FORM

The following includes instructions for properly completing this application, basic requirements and eligible activities, definitions of terms, HUD/CDBG income limits, the housing and community development FY 2010 Goals and Objectives, the type of projects and activities eligible to receive CDBG-R funds, and frequently asked questions about the CDBG program.

SECTION I: INSTRUCTIONS

Part I. Project Summary (two pages)

Provide a summary project description in about 100 words. Be sure to include the key points or highlights of the project, including:

- The number and type of low and moderate-income people expected to be served (e.g., 50 jobs created, 20 persons with disabilities);
- The location of the project, by address or geographic boundaries;
- The goal and objective of the project;
- The total amount of funds requested; and
- How you plan to measure the performance of the project.

Part II. Project Budget (one table and a brief narrative explanation)

Budget Form: Provide a line item budget in the format provided. On the budget form, request amounts for one year only.

Costs: List costs associated with each element or component of the project. If the project is funded, this information will become the budget of the Operating Agreement.

Indirect Costs: Do not request amounts for support of indirect costs unless absolutely necessary. If you include indirect costs, you **must** provide an indirect cost allocation plan with your proposal. Indirect costs are those costs which cannot be attributed to a single program. Examples include rent, utilities, telephone, Internet service, and insurance.

Davis-Bacon: If your proposed project includes construction, renovation or related types of activities, account for Davis-Bacon wage rates in your budget. Davis-Bacon wage rates are prevailing wages as determined by the U.S. Department of Labor. Failure to pay at least the Davis-Bacon wage rates will render your project ineligible for reimbursement, and your CDBG-R funds will be reprogrammed to other activities. Otherwise, the contractor(s) on your project could be suspended or debarred from future participation in Federally-funded assisted projects and could be subject to criminal prosecution. Wage determinations can be found at www.access.gpo.gov/davisbacon. A pre-construction conference to ensure compliance with Davis-Bacon regulations is required prior to project implementation. If you have questions concerning Davis-Bacon issues, contact one of these Project Managers: LeShann Benston at lbenston@co.pg.md.us or (301) 883-5457; Linda Kruelle at lkruelle@co.pg.md.us or (301) 883-5539; or Dianne Thomas at drthomas@co.pg.md.us or (301) 883-5576.

Match/Other Funds: Provide the amount and source of matching funds and/or other funds available to the activity next year or in future years, and a confirmation letter or other appropriate documentation of other funding sources. Include a name and phone number of a contact person who can provide further details. Your *intent* to apply for matching funds **does not** constitute a match.

It is very important for sub-recipients to seek other, additional sources of funds. CDBG-R is a **one time supplemental grant** under the American Recovery and Reinvestment Act of 2009 (Recovery Act) and as such will not be available in future program years.

Equipment: The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG-R funds may be used, however to purchase or to pay depreciation or use allowances (in accordance with OMB Circular A-21, A-87 or A-122 as applicable) for such items when necessary for use by a sub-recipient in administration of activities assisted with CDBG-R funds, or when eligible as fire fighting equipment, or when such items constitute all or part of a public service activity.

Miscellaneous: **Do not** include a line item for "Miscellaneous Expenses" "Food Expenses" or "Contingency Fees."

Multi-Year Projects: If this is one phase of a multi-year project, state the future amounts needed from the CDBG program. State the estimated amount needed for each future year and the total cost.

If there are questions, please contact Linda Kruelle at (301) 883-5539 or LeShann Benston at 301-883-5457, Community Planning and Development Division or by their respective e-mail addresses: lbenston@co.pg.md.us; lkruelle@co.pg.md.us.

Part III. Activity Schedule (one form)

Complete this schedule to show what project activities will occur in each three-month quarter of the year. Show the dollar amounts associated with these activities.

Part IV. American-Made Goods Requirement Certification

Section 1605 of the American Recovery and Reinvestment Act of 2009, under which CDBG-R programs are funded, requires that all iron, steel, and manufactured goods used in construction, alteration, repair, or maintenance of a public building or public work project assisted with funds under the Recovery Act must be produced in the United States, unless the Secretary finds that: the requirement is inconsistent with public interest; those goods are not reasonably available or produced in sufficient quantity in the U.S.; or the use of the goods will increase the project cost by more than 25 percent. Subgrantees must request a waiver of this provision if, in the process of carrying out an eligible activity, one of these conditions arises. If the Secretary of the U.S. Department of Housing and Urban Development determines that it is necessary to waive this requirement, he must publish in the Federal Register a detailed written justification why the requirement was waived;

therefore, all subgrantees are expected to adhere to these provisions. These requirements must be applied consistent with U.S. obligations under international agreements. To streamline compliance with the provision of Section 1605 in determining the project cost using American-made materials, subgrantees may want to consider acquiring two cost estimates with bids: one with only American-made materials and the other with any materials. Applicants are required to provide with the application a certification of compliance with this requirement.

Part V. Narrative Statement (one to five pages)

For all projects, describe the proposed project in detail.

Explain how the CDBG-R funds requested are necessary and appropriate to the success of the project. State whether the project is an existing activity that has received CDBG funding in prior years, an expansion of an existing activity or a completely new activity.

Refer to the goals and objectives for the various types of eligible projects. Describe how the proposed project will be measured clearly indicating the performance measures to be used to evaluate the outcome of your proposed project (e.g., number of persons, households, units assisted; number of communities/neighborhoods assisted).

Describe any circumstances that might prevent this project from starting and ending on time.

Provide a brief description of how the agency complies with disabilities non-discriminatory practices, including program accessibility for individuals with disabilities.

Provide letters of support, local resolutions and technical reports that further illustrate the significance or urgency of your request.

For Rehabilitation, Public Facility and Infrastructure Improvement Projects:

According to the approved *2006-2010 Consolidated Plan for Housing and Community Development*, the County's community revitalization and infrastructure goal is to improve the safety and livability of neighborhoods. Projects in the revitalization areas will strengthen and preserve existing communities and improve public facilities. If applicable, state the revitalization area in which the proposed project is located. Describe how this project supports the County's revitalization effort. The revitalization areas are:

- Gateway/Route 1 – Hyattsville, Brentwood, and Mount Rainier
- Landover Road/Route 202 – Dodge Park, Kentland, and Palmer Park
- Annapolis Road/Route 450 – Bladensburg, Colmar Manor, and Cottage City
- Central Avenue/Route 214 – Capitol Heights
- Pennsylvania Avenue/Route 4 – Suitland/Silver Hill community and District Heights
- Branch Avenue – Hillcrest Heights

In addition to describing the project in detail, give the property address and legal description (lot, block, section or parcel, legal subdivision name).

For projects involving infrastructure improvements or improvements to real property, please provide a photograph of the project site. For infrastructure improvement projects, please provide a long view of the street, not a close-up of the deteriorated section(s). The photograph is needed for a review by the Maryland Historical Trust, which is required for all projects having any physical impacts, regardless of whether the project site is located within a historic district.

If the project involves multi-family housing with five or more dwelling units, or non-residential property, a Phase I Environmental Site Assessment by a qualified professional may be required to determine the current or past presence of hazardous materials, contamination, toxic chemicals or gases, and radioactive substances, where a hazard could affect the health or safety of occupants or conflict with the intended use of the property. Any property proposed for CDBG or any other HUD funding must be free of these hazards. However, radon testing is required only when radon is known or suspected to exist. The costs of the inspection and remediation are eligible for reimbursement through the CDBG program if the inspection and remediation are carried out during the program year. Contact *Linda Kruelle, Environmental Review Officer, at (301) 883-5539* to determine whether your project requires a Phase I Environmental Site Assessment.

If the project involves residential property, the property must be inspected for lead-based paint, mold, and friable asbestos. Any of these hazards found must be remediated. The costs of the inspection and remediation are eligible for reimbursement through the CDBG Program if they are carried out during the program year.

For projects involving physical changes to land or buildings, attach architectural plans, contractors' applications, or other documentation describing the work proposed.

For projects involving rehabilitation of a building, if approved, the applicant must submit a transition plan to bring the facility into compliance with ADA/Section 504 standards. Contact *Dianne Thomas, Project Manager, at (301) 883-5576* for additional information and to obtain a copy of the transition plan guidelines.

Attach a site plan and work write-up, including the engineer's cost estimate.

If more than one improvement is proposed in the project, state the priority order of the work to be performed.

State whether the project will be administered by the Prince George's County Department of Public Works and Transportation, and, if so, provide the name and telephone number of the DPW&T contact person.

For multi-phase activities, provide a description of each phase.

For street or parking lot resurfacing, complete a Bituminous Concrete Quantity Report on Form 1-A.

For sidewalk, curb and gutter, handicapped ramp, or driveway apron replacement, complete a Concrete Quantity Report on Form 1-B. State on Form 1-A and Form 1-B the street name and block to be improved.

For Public Service Projects:

In addition to describing the project in detail, describe the characteristics or special needs of the population you propose to serve. If the service includes several components, e.g., employment training, job placement and housing counseling, etc., describe each component and estimate the number of low and moderate income persons that will benefit from each component of the service.

SECTION II: BASIC REQUIREMENTS AND ELIGIBLE ACTIVITIES

Meeting a National Objective

In order to be eligible for funding, every CDBG-R funded activity must qualify as meeting one of the three national objectives of the program. This requires that each activity, except those carried out under the basic eligibility categories of Program Administration and Planning and Capacity Building, meet a specific test for either:

- Benefitting low and moderate-income persons,
- Preventing or eliminating slums or blight, or
- Urgent Needs

Benefitting Low and Moderate-Income (L/M) Persons

- L/M Income Limited Clientele Activity – provides benefits to a specific group of persons rather than everyone in an area. At least 51 percent of the beneficiaries of the activity must be low and moderate-income persons. Priority is given to applications that serve 100 percent low and very low-income clients. See the Attachment entitled “HUD/CDBG INCOME LIMITS EFFECTIVE MARCH, 2009.” Certain project beneficiaries are presumed to be of low and/or moderate income: the homeless, the elderly, abused children, illiterate persons, migrants and persons with disabilities.
- L/M Income Job Activity – provides benefits to L/M persons in the creation or retention of jobs. This includes activities designed to create or retain permanent jobs where at least 51 percent of the jobs, computed on a full-time equivalent basis, involve the employment of low and moderate-income persons.
- L/M Income Area Benefit Activity – provides benefits to all residents of an area which is primarily residential. In order to qualify as addressing the national objective of benefit to L/M income persons on an area basis, an activity must meet the identified needs of L/M income persons residing in an area where at least 51 percent of the residents are L/M income persons. The benefits of this type of activity are available to all residents in the area regardless of income.
- L/M Income Housing Activity – provides benefits to households, not persons. An activity which assists in the acquisition, construction, or improvement of permanent, residential structures may qualify as benefitting L/M income persons only to the extent that the housing is occupied by L/M income persons.

Preventing or Eliminating Slums or Blight - addresses either “spot” blight or a larger blighted area. The project must meet the State or County definition of a slum, blighted, deteriorated or deteriorating area:

- Blighted Area: Areas in which the majority of buildings have declined in productivity by reason of obsolescence, depreciation or other causes to an extent they no longer justify fundamental repairs and adequate maintenance.
- Slum Area: Any area where dwellings predominate, which, by reasons of depreciation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary facilities, or any combination of these factors, are detrimental to the public safety, health or morals.

Urgent Needs – must be designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community which are of recent origin or which recently became urgent, that the applicant is unable to finance the activity on its own, and that other sources of funding are not available. The County Executive must declare any projects as meeting an “urgent need”. Applications are not being accepted for this category at this time.

Categories of Eligible Activities

CDBG-R funds can only be use for activities that fall under an authorized category of basic eligibility. The CDBG-R activities must be consistent with the goals and objectives in the County’s approved 2006 – 2010 Consolidated Plan. The priority categories are affordable housing, homeless populations, special needs populations (non-homeless), economic development, public facilities and infrastructure, and public services. Listed below are the FY 2009 annual goals and objectives and the type of activities eligible to receive CDBG-R funds.

Goal 7: Improve the safety and livability of neighborhoods	
OBJECTIVE	PERFORMANCE MEASURE
<u>Objective 20:</u> Develop or rehabilitate various public facilities that provide services to low and moderate-income persons	Assist public and non-profit organizations in the renovation of public facilities to serve 5,000 by June 30, 2010
<u>Objective 21:</u> Improve and/or expand community facilities and infrastructure to serve county and municipal residents	Construct or repair streets, sidewalks, curb and gutter, driveways, water, sewer, and storm drainage improvements to serve 32,500 low and moderate-income residents by June 30, 2010

Examples of infrastructure and public facilities projects

Infrastructure: public streets, curbs, gutters, sidewalks, rights-of-way, landscaping, street lighting, non-County storm water management, utility adjustments

Public facilities: bus shelters, park improvement, ADA-compliance retrofits to public buildings, recreation centers, community centers, public parking lots, land acquisition, health facilities

Handicapped accessibility improvements: bathroom and kitchen accessibility, elevators, ramps and railings, automatic doors.

Acquisition: purchase of land for new construction or a building for economic development

Clearance and demolition projects: providing buildable lots, removing blighted structures, abating threats to health and safety

Crime control and neighborhood revitalization projects: ensuring public safety and reducing crime

Criteria for evaluating infrastructure and public improvement projects

- Eliminate a health or safety threat
- Provide an element of an overall revitalization strategy
- Be consistent with the *Consolidated Plan*
- Receive local support and commitment
- Reduce crime and upgrade security
- Show a positive cost-benefit ratio
- Encourage private investment
- Eliminate barriers to disabled
- Note whether funding is available elsewhere
- Show that project is needed and would be used
- Be part of a previously-funded project
- Create or retain jobs
- Be implemented within one year
- Have matching amount to leverage CDBG-R dollars
- Have completed the engineering and design phase
- Present a “window of opportunity”
- Demonstrate a positive record of drawdown performance
- Use prior year residual funds if available
- Be a less costly alternative to others
- Conserve energy or eliminate waste

Goal 8: Improve the quality of life by providing needed public services

OBJECTIVE	PERFORMANCE MEASURE
<u>Objective 22:</u> Provide employment and literacy training to low income persons	Provide 4,000 persons with training for literacy and employment in new and expanding business by June 30, 2010
<u>Objective 25:</u> Provide health care services to low and moderate-income persons, elderly and frail elderly persons, immigrants and families	Provide 5,000 low and moderate-income persons, elderly and frail elderly persons, immigrants and families with needed health care services by June 30, 2010
<u>Objective 29:</u> Provide supportive services to at-risk children and youth, specifically supportive educational services	Assist 1,450 children and youth with needed supportive services by June 30, 2010

Examples of public services projects: Employment services and health care services.

Criteria for evaluating public services proposals

- Serve a majority of very low income persons and be accessible to very low income persons
- Serve a vulnerable population
- Be cost effective
- Have in-kind contributions or be able to leverage other funds rather than request a 100 percent CDBG-R subsidy
- Maximize available necessary resources to meet the need
- Be sponsored by an IRS certified tax-exempt 501(c)(3) non-profit organization

Matrix Codes

Every project must be assigned a HUD Matrix Code identifying the purpose of the expenditure of funds. If your proposed project fits more than one Matrix Code, the proposal must be divided into separate applications for each activity. For assistance in determining which Matrix Code applies to your proposed project, contact any of the Project listed on page 3. The HUD Matrix Codes listed below are for those activities that are eligible for CDBG-R funding. See HUD Code Title on next page.

HUD Code	HUD Code Title
03	Public Facilities and Improvements, General
03A	Senior Centers
03B	Handicapped Centers
03C	Homeless Facilities (not operating costs)
03D	Youth Centers
03E	Neighborhood Facilities
03F	Parks, Recreational Facilities
03G	Parking Facilities
03H	Solid Waste Disposal Improvements
03I	Flood Drain Improvements
03J	Water/Sewer Improvements
03K/03L	Street Improvements (may include storm drains, curb and gutter, sidewalks if installed as a peripheral part of a street improvement, driveway aprons, handicapped ramps, tunnels, bridges, landscaping, streetscape, trees as part of streetscape, and/or street lights or signs) Sidewalks (Installation of trash receptacles, trees as part of sidewalk, benches, and lighting should also be coded under 03L.)
03M	Child Care Centers
03O	Fire Stations/Equipment
03P	Health Facilities
03Q	Abused and Neglected Children Facilities
03R	Asbestos Removal
03S	Facilities for AIDS Patients (not operating costs)
05	Public Services, General (educational programs or health services only)
05A	Senior Services (educational programs only)
05D	Youth Services (educational programs only)
05H	Employment Training
05M	Health Services
05O	Mental Health Services
05P	Screening for Lead-Based Paint/Lead Hazards Poison
05U	Homeownership Counseling
14F	Energy Efficiency Improvements
19D	CDBG Assistance to Institutes of Higher Education

Job Creation/Retention

The goals of the American Recovery and Reinvestment Act of 2009, under which CDBG-R programs are funded, are focused on stimulating job creation and long-term economic benefit. Those who receive this funding must report on the number of jobs created or retained as a result of the project.

DUNS Number

An applicant for CDBG-R funding must provide a Data Universal Numbering System (DUNS) number. A DUNS number may be requested by telephone at 1-866-705-5711 or via the web at: http://www.grants.gov/applicants/request_duns_number.jsp.

SECTION III: DEFINITION OF TERMS

CDBG: Community Development Block Grant: Federal entitlement program through which funds are made available on an annual basis to states, metropolitan cities and urban counties. Funds target economic development, public facilities and infrastructure improvements, affordable housing and public services. Use of funds must meet one of the National Objectives: (1) provide benefit to low and moderate-income persons, or (2) address conditions of slums or blight or (3) address an urgent need.

CDBG-R: Community Development Block Grant-Recovery: A supplemental grant under the American Recovery and Reinvestment Act of 2009 (Recovery Act). The goals of the Recovery Act are the preservation and creation of jobs, assistance to those most impacted by the recession, long-term economic enhancement via investments in technology and infrastructure, stabilization of state and local government budgets. The purpose of these funds is to stimulate the economy through measures that modernize the Nation's infrastructure, improve energy efficiency, and expand educational opportunities and access to health care.

CPD: Community Planning and Development Division: A division of the Prince George's County Department of Housing and Community Development. The Department of Housing and Community Development, Community Planning and Development Division (CPD) is the lead agency that prepares the County's five-year Housing and Community Development Consolidated Plans, Annual Action Plans, and Consolidated Annual Performance and Evaluation Reports. The Consolidated Plan and Annual Action Plan provide strategies for the use of Federal Housing and Urban Development (HUD) funds: Community Development Block Grant (CDBG), Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA) programs. The Community Planning and Development Division administer the CDBG program. The Division has the oversight responsibilities for the Section 108 Loan Guarantee and Economic Development Initiative (EDI), ESG and HOPWA programs. Call (301) 883-5542 for more information.

Consolidated Plan for Housing and Community Development, 2006-2010: The Consolidated Plan (*The Plan*) reflects a vision of what the County wants to become over a five-year period, describes local priority needs and identifies specific goals and objectives toward achieving that vision. The Consolidated Plan and Annual Action Plan provide strategies for the use of Federal Housing and Urban Development (HUD) funds: Community Development Block Grant (CDBG), HOME Investment Partnerships (HOME), Emergency Shelter Grant (ESG), Housing Opportunities for Persons with AIDS (HOPWA), and American Dream Downpayment Initiative (ADDI) programs. Call (301) 883-5542 for more information.

Annual Action Plan for Housing and Community Development: The Annual Action Plan (AAP) reflects the County's yearly funding priorities for neighborhood revitalization, public improvements, housing development, economic development, public services, and homeless activities. These projects help to create and expand livable environments within the older established communities (formerly inner-Beltway communities). The AAP also serves as the federal application to receive CDBG, HOME, ADDI and ESG funds. The HOPWA application is submitted jointly with other adjacent jurisdictions in a regional approach. Call (301) 883-5542 for more information.

Consolidated Annual Performance and Evaluation Report: The Consolidated Annual Performance and Evaluation Reports (CAPER) contains a narrative summary of programmatic accomplishments, the status of actions undertaken during each fiscal year to implement the County's overall strategy and a self-evaluation of progress made during the past year addressing priority needs and objectives. The CAPER documents the County's achievements toward providing decent housing, suitable living environments and expanding economic opportunity for low and moderate-income persons. Call (301) 883-5542.

Davis-Bacon Wage Rates: Federal legislation requires payment of prevailing wages for construction-related CDBG projects. See page 4 of these instructions. For information, contact LeShann Benston at (301) 883-5457 or Linda Kruelle at (301) 883-5539.

DHCD or HCD: Prince George's County Department of Housing and Community Development, 9400 Peppercorn Place, Suite 200, Largo, Maryland 20774, Tel (301) 883-5531.

HUD: U.S. Department of Housing and Urban Development

Operating Agreement: Contract between the County and an agency receiving CDBG-R funding. Contract is for typically one year.

Insurance Requirement: An agency that receives CDBG-R funding will be required to obtain Liability Insurance. Your Certificate of Liability Insurance must name Prince George's County as a **Certificate Holder and an Additional Insured**. The certificate should not identify a specific Department within the County government. The address to be used is 14741 Governor Oden Bowie Drive, Upper Marlboro, Maryland 20772. For additional insurance requirements and or information please contact Steven B. Middleton, Risk Manager, Office of Finance, on (301) 952-3563 or by e-mail SBMiddleton@co.pg.md.us .

**Prince George's County, Maryland
Department of Housing and Community Development
Community Development Block Grant (CDBG-R) Program**

HUD/CDBG INCOME LIMITS EFFECTIVE MARCH 19, 2009

Household Size	Extremely low income (30% Maximum Income)	<u>VERY LOW INCOME</u> (50% Maximum Income)	<u>LOW INCOME</u> (80% Maximum Income)
1	\$21,550	\$35,950	\$44,800
2	\$24,650	\$41,100	\$51,200
3	\$27,700	\$46,200	\$57,600
4	\$30,800	\$51,350	\$64,000
5	\$33,250	\$55,450	\$69,100
6	\$35,750	\$59,550	\$74,250
7	\$38,200	\$63,650	\$79,350
8	\$40,650	\$67,800	\$84,500

Source: U.S. Department of Housing and Urban Development (www.huduser.org)

SECTION V.

FREQUENTLY ASKED QUESTIONS ABOUT THE CDBG/CDBG-R PROGRAM

Q: Must the applicant organization be a 501(c)(3) nonprofit?

A: Most applicants are government agencies and public entities, like municipalities. The nonprofit applicant must have 501(c)(3) status confirmed by the time funding decisions are made.

Q: Do I need physical and sexual abuse liability insurance, and what amounts are required?

A: Nonprofit agencies that are approved for CDBG/CDBG-R funding and that provide a direct service to clients must submit an insurance certificate confirming that the agency has obtained physical and sexual abuse liability insurance in the amount of \$100,000 per individual and \$300,000 per occurrence. The County shall be designated as an Additional Insured and Certificate Holder on the Certificate of Liability Insurance.

Q. What are the insurance requirements for construction or rehabilitation projects?

A. For projects involving construction, such as street improvements, or rehabilitation of a building, the applicant must provide a Certificate of Liability Insurance showing the following coverage: (1) General Liability insurance in the amount of \$1,000,000 at a minimum, (2) Workers' Compensation insurance meeting the Statutory Limits for Maryland and Employers' Liability limits of \$500,000, and (3) business automobile liability insurance in the amount of \$1,000,000. The agency shall designate Prince George's County as an Additional Insured and Certificate Holder on the Certificate of Liability Insurance. In addition, the agency must ensure that each contractor carries the same coverage, with the agency and the County named as an Additional Insureds and Certificate Holders. The agency shall maintain on file copies of the Certificates of Liability Insurance from each contractor.

- Q: Must the applicant agency be located in Prince George's County?**
A: Yes, although there have been a few exceptions in the past. In **all** cases, the agency must provide service to low and moderate-income Prince George's County residents.
- Q: Does the designation of specific revitalization focus areas exclude applications from other areas in the County?**
A: No. Eligibility depends on the income of people who reside in the area. No eligible area is excluded from consideration. Eligibility determinations are based on updated 2000 census data provided by the U.S. Department of Housing and Urban Development (HUD).
- Q: The *Consolidated Plan* for Housing and Community Development covers the years 2006 through 2010. Does this mean that applications should be for that five-year period?**
A: No. The *Consolidated Plan* presents a five-year strategy and a one-year *Action Plan*. Applications are for one-year periods beginning July 1st.
- Q: If a CDBG-R funded Operating Agency has not spent its existing grant, can it still apply for new funds for next year?**
A: Yes. Agencies are asked to plan the project so that the grant will be spent during the one-year period. The ability to expend funds in a timely manner is a measure of performance and capacity to spend future funds. An agency's CDBG spending history is reviewed at the time a new application is evaluated.
- Q: Can CDBG-R funding be used to provide group homes (or assisted living facilities/congregate housing) for senior citizens?**
A: The County funds housing development through the Home Investment Partnerships Program (HOME) administered by this Department's Housing Development Division. A HOME proposal package can be obtained by calling (301) 883-5570.
- Q: Are start-up funds available through CDBG-R?**
A: Start-up operating funds for a new public service project are almost never approved. A short, start-up period for a proposed one-year "brick and mortar" project can be included.
- Q: What are the steps of the proposal application approval process?**
A: Applications are compiled and evaluated by the Department of Housing and Community Development (DHCD), Community Planning and Development Division.
- ◆ The compiled and summarized information is reviewed by a Proposal Advisory Group (PAG), which rates each application on the degree to which it addresses a County priority.
 - ◆ The summarized information is submitted to the County Executive who recommends funding approvals to the County Council for review.
 - ◆ Applications selected for funding are written into the *Annual Action Plan* for the coming year. The *Annual Action Plan* is submitted to HUD for review and approval.

Q: When will the funds be available?

A: The U.S. Congress and HUD release the funds, that is, make the funds available retroactive to the County from July 1. Reimbursements cannot be issued until the County receives the release of funds notification from HUD, which usually occurs between September and December. Once the notification is received, the County's Office of Finance loads the program budget into its accounting system to allow disbursements of reimbursements.

Q: The proposal form refers to but does not provide the State's definition of "slums or blight." Could you give us that?

A: There are two kinds of slums or blight: (1) spot, and (2) area-wide. According to HUD regulations, a slum or blighted area is an area delineated by the proposer: (1) which meets a definition of a slum, blighted, deteriorated, or deteriorating area under State or local law; and (2) where there is a substantial number of deteriorating or dilapidated buildings or improvements throughout the area. In order for an activity to qualify under this standard, it must be designed to address one or more of the conditions which qualified the area.

The definitions of slum and blight in the Prince George's County code are: (1) Slum Area shall mean any area where dwellings predominate, which, by reason of depreciation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitary facilities, or any combination of these factors, are detrimental to the public safety, health or morals; (2) Blighted Area shall mean an area in which a majority of buildings have declined in productivity by reason of obsolescence, depreciation or other causes to an extent they no longer justify fundamental repairs and adequate maintenance.

The slums/blight determination must be based on any of the conditions described in State/County regulation. One basis used in the County is that the condition causing the area-wide deterioration results from a defect in the design of the community. In these cases, the defect was the failure to provide adequate storm-water management systems.

Q: If your project has two components, should you use two application forms?

A: Yes.

Q: Can you explain the reimbursement process?

A: An agency uses its own resources to pay project expenses then submits to DHCD a request for reimbursement along with proof of the expenses paid. The County processes the request and then mails a check to the agency or processes an electronic funds transfer if the sub-recipient has signed up for direct deposit.

Q: Are grant awards all or nothing? Is there any negotiation?

A: An agency might be awarded a portion of the amount requested. The grant amount depends on the reasonableness of the request, the track record of the requesting agency, and the amount of funds the County has available. If less than the total amount requested is awarded, the amount of work to be accomplished must be renegotiated.

Q: Will applications for large projects, say \$750,000, be considered?

A: Large projects should be broken down into year-by-year phases. CDBG-R funding is a one-time supplemental grant and is limited, and there are many needs throughout the County that must be addressed.

Q: What is my agency's chance of being funded?

A: Projects involving rehabilitation and improvement of public facilities and infrastructure have a good chance of being funded because more money is available for them. Proposals must describe a project with a high likelihood of success and be well thought through, realistic, achievable, etc.

There is significant competition for public service funds and only 15 percent of the County's CDBG funds can go to public services.