

APPENDIX A

ICDBG APPLICATION CHECKLIST AND GUIDANCE

Below is a checklist of items you will need to include in your application submission. Following the checklist is a brief description of each item and guidance on how to best provide the required information. All forms listed below can be found in Appendix B of this application kit.

1. ____ Standard Form for Application for Federal Assistance (SF-424).
2. ____ Federal Assistance Funding Matrix and Certifications (HUD-424-M).
3. ____ Certification for a Drug-Free Workplace (HUD-50070).
4. ____ Applicant/Recipient Disclosure/Update Report (HUD-2880).
5. ____ Certification Regarding Debarment and Suspension (HUD-2992).
6. ____ Acknowledgment of Application Receipt (HUD-2993).
7. ____ If applicable, concurring resolutions if the application is prepared by a “Tribal Organization” for one or more eligible applicants.
8. ____ Community Development Statement that includes:
 - 8a ____ Components addressing relevant threshold requirements and rating factors.
 - 8b ____ A brief description of community development needs. (Use of HUD-4121, Needs Description, is optional).
 - 8c ____ A brief description of the proposed project(s). (Use of HUD-4122, Project Summary, is optional).
 - 8d ____ A schedule for implementing the project. (Use of HUD-4125, Implementation Schedule, is required).
 - 8e ____ Cost information by project, including specific activity costs, administration, planning, and technical assistance (if any), other dollars to be included in the project, and total HUD share. (Use of HUD-4123, Cost Summary, is required).
9. ____ Certifications (HUD-4126)
10. ____ If applicable, a map showing project location.
11. ____ If applicable, displacement or temporary relocation information.
12. ____ If applicable, evidence of public disclosure (see §1003.606, Conflict of Interest).
13. ____ If applicable, Demographic Data Certification and Survey Form.

1. **Standard Form for Application for Federal Assistance (SF-424).** This form has not changed in a number of years and should be familiar to anyone who has applied for Federal funds. Please note the following:
 - The Catalog of Federal Domestic Assistance (CFDA) number for the ICDBG Program is 14.862.
 - In Section 15, Estimated Funding, list only the ICDBG funds requested under 15a-Federal. If Federal funds other than ICDBG will be involved in the project, e.g. funds from IHS, list them under 15e-Other. Tribal resources committed to the project may be listed under 15b-Applicant or 15d-Local. Please make sure that the amounts and the sources indicated in this Section are in agreement with what is listed on the Cost Summary, form HUD 4123.
 - In Section 16, check the box 16b-No.
2. **Federal Assistance Funding Matrix and Certifications (HUD-424M).** All applicants must submit this HUD form.
3. **Drug-Free Workplace Certification (HUD-50070).** All applicants must submit this HUD form.
4. **Applicant/Recipient Disclosure/Update Report (HUD-2880).** This form is required and must be completed and submitted by all applicants to comply with Section 102 of the HUD Reform Act of 1989 (Public Law 101-235). Please note the following:
 - If the amount of assistance requested from HUD, states, and units of general local governments for the project in your application is less than \$200,000 (in total), only Parts I and II of the form must be completed.
 - If the \$200,000 threshold is met or exceeded, Part III must list all other Federal, state or local funds requested (or to be provided to the project) regardless of amount.
 - References in the instructions to the form to HUD housing projects do not apply to ICDBG funded housing activities. Therefore, the applicant should check the "No" box under Part II(2) and sign where indicated.
 - Interested parties (as defined in the instructions to the form) must only be listed in Part IV if their monetary interest in the project will exceed \$50,000 or 10% of the assistance requested, whichever is less. However, these dollar or percentage thresholds do not apply to consultants who have assisted in the preparation of the application. They must be listed no matter what the dollar amount of their contract with the applicant.
 - For Part V--Report on Sources and Uses of Funds--please note that if information on sources and uses of all funds has been provided elsewhere in the application (such as on Form HUD 4123, Cost Summary), it is not

necessary to repeat the information in Part V. You must, however, note on Form 2880, where the information is located in the application.

5. **Certification Regarding Debarment and Suspension (HUD-2992).**
6. **Acknowledgment of Application Receipt (HUD-2993).** This form is new to the ICDBG Program. Applicants complete the top section of the form. AONAPs complete the bottom section. All applicants must submit this form to HUD.
7. **If applicable, concurring resolutions if the application is prepared by a “Tribal Organization” for one or more eligible applicants.** Such resolutions are required from an otherwise eligible applicant if a tribal organization applies on its behalf. (See §1000.5(b) of the Program Regulations for additional information).
8. **Community Development Statement**
 - 8a. **Components that address the relevant threshold requirements and rating factors.** This section of your application should include that information necessary to address any general thresholds, project specific thresholds established for the type of project for which your Tribe has applied, and rating factors. Be specific—be careful to address all aspects of each relevant criterion and thresholds. It is important that these items be addressed as completely as possible since no opportunity will be provided to submit additional information to address them once the application is submitted. If there are any questions regarding what project specific thresholds apply or under what rating factors your project will be rated, please contact the Area ONAP that serves your community for clarification prior to the submission of the application. Please refer to Section V of the ICDBG Program Section of the SuperNOFA for a description and discussion of the Application Selection Process including general and project specific thresholds and rating factors. No required or optional form applies.
 - 8b. **A brief description of community development needs.** It is very important to provide as much relevant data and narrative information you feel is necessary to adequately describe the community development need(s) of your Tribe. The severity, magnitude and immediacy of the need(s) should be emphasized in this description. This information may be provided on form HUD-4121, Needs Description Comprehensive Approach, but the use of this form is not required.
 - 8c. **A brief description of the proposed project.** The information provided in this application component should describe the scope, magnitude and method of implementing the project proposed to meet the need(s) described. The unit or component costs of the project should be provided as well as on what basis and by whom they were estimated. The inflation rate, other relevant cost indices and the number of months it is anticipated that it will take to go out to bid or commence construction should be taken into consideration.

It is in this component that data should be provided on the service area population of the project including the number and percent of these persons who are of low or moderate income status. The income levels to be used by applicants to evaluate

the income characteristics of the service area population of a proposed project will be provided by the Area ONAP that serves your community. Please see the section below, Demographic Data Requirements - certification and survey form to determine what supporting or backup information will have to be provided for this data.

For tribes that are interested in including a **planning project** in their applications, please note that no more than twenty percent of the total grant award may be used for planning and administrative activities. One consequence of this restriction is that HUD cannot fund an ICDBG Program which consists of only a planning project. A guidance document- Guidelines and Recommendations to Support Requests for Planning Projects- is included in Part IV B of this kit.

For Tribes that are interested in including a **technical assistance project** in their application, please note that as indicated in §1003.203(b), technical assistance costs cannot exceed ten percent of the total grant award. A definition of technical assistance is provided in this regulatory section. A direct relationship must be established between the proposed technical assistance activities and ICDBG projects the Tribe currently has underway or those also included in the application.

The information provided to address this application component may be provided on form HUD-4122, Project Summary, but the use of this form is not required.

8d. A schedule for implementing the project. It should be demonstrated in this application component that the project can be completed in a timely manner. The use of form HUD-4125, Implementation Schedule, is required. In completing this form please note that a project is defined as the item proposed for funding, e.g., the construction of a community building. In addition, for each project (except planning and technical assistance), there will be at least three component activities: Preparation and completion of an environmental review; Construction (or rehabilitation) activities; and, Project administration. Each of these component activities will have milestones which will be projected and tracked. If funds have been requested for technical assistance or a planning project, these activities should be treated as separate projects.

8e. Cost information by project. This is a very straightforward requirement. The use of form HUD-4123, Cost Summary, is required. Please make sure that the detailed cost estimates provided in the application component which provides the description of the project are accurately reflected in the cost summary.

An estimate of indirect costs may be included on the cost summary, but only if the indirect cost negotiation agreement is submitted with the application. Please note, since the cost of an OMB Circular A-133 audit is an indirect cost item, if an amount is entered on the cost summary for indirect cost, a separate amount for audit should not be included. As is indicated above, the total of administrative costs (direct and indirect) and planning costs cannot exceed 20 percent of the total grant award. Also as indicated, the amount provided for technical assistance activities cannot exceed ten percent of the grant award.

A discussion of administrative and planning costs versus project costs is provided below in this application kit to aid you in the preparation of the cost summary.

9. **Certifications.** Form HUD-4126 is required. Should you have any questions regarding any of the matters to which assurance and certification is required, contact the Area ONAP office that serves your community.
10. **If applicable, a map showing project location.** For most types of projects, a map which identifies the location of the proposed project and its service area will aid in the review of your application. Please remember that certain of the individuals involved in the review of your application may have no personal knowledge of your community and a map with this information will assist them in their review.
11. **If applicable, displacement or temporary relocation information.** If the proposed project will result in displacement or temporary relocation, a statement that identifies (a) the number of persons (families, individuals, businesses and nonprofit organizations) occupying the property on the date of the submission; (b) the number to be displaced or temporarily relocated; (c) the estimated cost of relocation payments and other services; (d) the source of funds for relocation; and (e) the organization that will carry out the relocation activities must be included. Please note, ICDBG funds may be used to pay for eligible costs related to temporary relocation or displacement (see § 1003.602 for a description of grantee responsibilities).
12. **If applicable, evidence of public disclosure.** This would be a required application component for a housing rehabilitation or new housing construction if the proposed recipient of such assistance was a covered person as defined in § 1003.606(c). See §1003.606(e) for requirements.
13. **If applicable, Demographic Data Certification and Survey Form.** The primary objective of the ICDBG Program is that not less than 70 percent of the funds of each single purpose grant must be used for activities that benefit low and moderate income persons.

One way to meet this objective is to demonstrate that at least 51 percent of the persons who will benefit from the proposed project are of low or moderate income status (for other ways, see discussion below). HUD will use the best available demographic data to determine compliance with the 51% requirement. Applicants can rely on published data or conduct their own survey if they believe that generally published data is substantially inaccurate or incomplete. Sometimes (see below) the applicant has no choice but to submit a survey. If this is the case, the Demographic Data Certification and Survey Form or its equivalent must be used and submitted. The Area ONAP that serves your community has available low and moderate income limits by household size for your area. Contact that office for a copy of this information.

Below are common situations when you may want to use published data or when you might want to generate your own data. If you believe that your project does not fit one of these situations, please contact the Area ONAP that serves your community.

- **Use of Published Data.** You may want to use already published data when the benefits accrued to your community from your project are area-wide. Area-wide activities are those such as a community center that would serve the entire village or reservation. Census Bureau data has been used by some applicants to determine the percentage of low and moderate income persons by geographic area. The Area ONAP that serves your community may be able to provide this information for your area.
- **Applicant Generated Data.** There are circumstances under which an applicant **MUST** prepare and submit demographic data to meet the low and moderate income person benefit requirement. These cases include:
 - **For activities with area-wide benefits,** if the service area is one that is listed as having less than 51% low-and moderate-income persons, but the applicant feels that the published data is inaccurate, other demographic data can be submitted for review. If the reliability of this information can be verified, it will be used by HUD. In addition, there will often be situations in which census data is not available for the service area of an area- wide benefit activity
 - **For activities benefiting a small, discrete area of the community** (such as a water/sewer extension), information must be provided to establish that at least 51 percent of the persons to be served are of low or moderate income status.
 - **For housing rehabilitation projects,** all single family units to be rehabilitated must be occupied by low or moderate income households.
 - **For new housing construction projects,** all proposed beneficiary households must be of low or moderate income status.

HUD will review and accept demographic data provided by an applicant, if it is determined that the generally available, published data are substantially inaccurate or incomplete; the data provided has been collected systematically; and, to the greatest extent feasible, the data is independently verifiable. If HUD does not accept the data provided, the best available data will be used.

There are two special cases where the 70 percent objective can be demonstrated in alternative ways than listed above. The first case involves **Economic Development Projects**. The 51% low or moderate income benefit requirement can be demonstrated in one of two ways:

- By determining how many of the total number of jobs being created or retained will be available to or are held by low-and moderate-income persons. Availability is determined by the type and degree of skills required to qualify for the jobs created, as well as actions to be taken to insure that low-and moderate-income persons receive first consideration for the jobs.
- If the purpose of the project is to provide goods or services to an area in which at least 51 percent resident households are of low or moderate income status, the

income characteristics of the service area would have to be documented as indicated above.

The second cases involves **groups presumed to be principally of low or moderate income status**. Certain groups are presumed by HUD to be composed principally but not entirely of low or moderate income persons [see §1003.208(b)(1)(i)]. These groups are abused children, battered spouses, the elderly, handicapped persons, homeless persons, illiterate persons, and migrant farm workers. Proposed projects which would exclusively serve one of these groups automatically demonstrate the 51 percent low or moderate income benefit requirement.

Please note, that the presumption of benefit will not affect point award under the Need/Extend of the Problem rating factor for public facilities and improvements and economic development . The award of points under these factors will be based on the provision in the application of beneficiary income information by household size.

APPENDIX B

REQUIRED & OPTIONAL FORMS

The following forms can be found in the Section:

Standard Form for Application for Federal Assistance (SF-424).	Required
Federal Assistance Funding Matrix and Certifications (HUD-424-M).	Required
Certification for a Drug-Free Workplace (HUD-50070).	Required
Applicant/Recipient Disclosure/Update Report (HUD-2880).	Required
Certification Regarding Debarment and Suspension (HUD-2992).	Required
Acknowledgment of Application Receipt (HUD-2993).	Required
Needs Description Comprehensive Approach (HUD-4121).	Optional.
Project Summary (HUD-4122).	Optional.
Implementation Schedule (HUD - 4125).	Required
Cost Summary (HUD-4123).	Required
Certifications (HUD-4126).	Required

Application for Federal Assistance

OMB Approval No. 0348-0043

	2. Date Submitted (mm/dd/yyyy)	Applicant Identifier
1. Type of Submission Application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction	3. Date Received by State (mm/dd/yyyy)	State Application Identifier
	4. Date Received by Federal Agency (mm/dd/yyyy)	Federal Identifier
Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non-Construction		

5. Applicant Information

Legal Name	Organizational Unit
Address (give city, county, State, and zip code)	Name and telephone number of the person to be contacted on matters involving this application (give area code)

6. Employer Identification Number (EIN) (xx-yyyzzzz) <input type="text"/> - <input type="text"/>	7. Type of Applicant (enter appropriate letter in box) <input type="checkbox"/> A. State B. County C. Municipal D. Township E. Interstate F. Inter-municipal G. Special District H. Independent School Dist. I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N Nonprofit O Public Housing Agency P. Other (Specify)
8. Type of Application: <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es): <input type="checkbox"/> <input type="checkbox"/> A. Increase Award B. Decrease Award C. Increase Duration D. Decrease Duration Other (specify)	9. Name of Federal Agency

10. Catalog of Federal Domestic Assistance Number (xx-yyy) Title: <input type="text"/> - <input type="text"/>	11. Descriptive Title of Applicant's Project
12. Areas Affected by Project (cities, counties, States, etc.)	

13. Proposed Project Start Date (mm/dd/yyyy) Ending Date (mm/dd/yyyy)	14. Congressional Districts of a. Applicant b. Project
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<p style="font-size: 24pt; font-weight: bold;">Complete form HUD-424-M, Funding Matrix</p>	16. Is Application Subject to Review by State Executive Order 12372 Process? a. Yes This pre-application/application was made available to the State Executive Order 12372 Process for review on: Date (mm/dd/yyyy) _____ b. No <input type="checkbox"/> Program is not covered by E.O. 12372 or <input type="checkbox"/> Program has not been selected by State for review.
17. Is the Applicant Delinquent on Any Federal Debt? <input type="checkbox"/> Yes If "Yes," attach an explanation <input type="checkbox"/> No	

18. To the best of my knowledge and belief, all data in this application/pre-application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is awarded.

a. Typed Name of Authorized Representative	b. Title	c. Telephone Number (Include Area Code)
d. Signature of Authorized Representative		e. Date Signed (mm/dd/yyyy)

Instructions for the SF-424

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0043, Washington, DC 20503).

**Please do not return your completed form to the Office of Management and Budget.
Send it to the address provided by the sponsoring agency .**

This is a standard form used by applicants as a required face sheet for pre-applications and applications submitted for Federal assistance. It will be used by Federal agencies to obtain applicant certification that States which have established a review and comment procedure in response to executive Order 12372 and have selected the program to be included in their process, have been given an opportunity to review the applicant's submission.

- | Item | Entry | Item | Entry |
|------|--|------|---|
| 1. | Self-explanatory. | 12. | List only the largest political entities affected (e.g., State, counties, cities). |
| 2. | Date application submitted to Federal agency (or State if applicable) and applicant's control number (if applicable). | 13. | Self-explanatory. |
| 3. | State use only (if applicable). | 14. | List the applicant's Congressional District and any District(s) affected by the program or project. |
| 4. | If this application is to continue or revise an existing award, enter present Federal identifier number. If for a new project, leave blank. | 15. | Use form HUD-4243-M, Funding Matrix. Amount requested or to be contributed during the first funding/budget period by each contributor. Value of in-kind contributions should be included on appropriate lines as applicable. If the action will result in a dollar change to an existing award, indicate only the amount of the change. For decreases, enclose the amounts in parentheses. If both basic and supplemental amounts are included, show breakdown on an attached sheet. For multiple program funding, use totals and show breakdown using same categories as item 15. |
| 5. | Legal name of applicant, name of primary organizational unit which will undertake the assistance activity, complete address of the applicant, and name and telephone number of the person to contact on matters related to this application. | 16. | Applicants should contact the State Single Point of Contact (SPOC) for Federal Executive Order 12372 to determine whether the application is subject to the State intergovernmental review process |
| 6. | Enter Employer Identification Number (EIN) as assigned by the Internal Revenue Service. | 17. | This question applies to the applicant organization, not the person who signs as the authorized representative. Categories of debt include delinquent audit disallowances, loans and taxes. |
| 7. | Enter the appropriate letter in the space provided. | 18. | To be signed by the authorized representative of the applicant. A copy of the governing body's authorization for you to sign this application as official representative must be on file in the applicant's office. (Certain Federal agencies may require that this authorization be submitted as part of the application.) |
| 8. | Check appropriate box and enter appropriate letter(s) in the space(s) provided:
– "New" means a new assistance award.
– "Continuation" means an extension for an additional funding budget period for a project with a projected completion date.
– "Revision" means any change in the Federal Government's financial obligation or contingent liability from an existing obligation. | | |
| 9. | Name of Federal agency from which assistance is being requested with this application. | | |
| 10. | Use the Catalog of Federal Domestic Assistance number and title of the program under which assistance is requested. | | |
| 11. | Enter a brief descriptive title of the project. If more than one program is involved, you should append an explanation on a separate sheet. If appropriate (e.g., construction or real property projects), attach a map showing project location. For pre-applications, use a separate sheet to provide a summary description of this project. | | |

Federal Assistance Funding Matrix

The applicant must provide the funding matrix shown below, listing each program for which Federal funding is being requested, and complete the certifications.

Program*	Applicant Share	Federal Share	State Share	Local	Other	Program Income	Total
Grand Totals							

* For FHIPs, show both initiative and component

Instructions for the HUD-424-M

Public reporting burden for this collection of information is estimated to average 45 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This form is to be used by applicants requesting funding from the Department of Housing and Urban Development for application submissions for Federal assistance.

Enter the following information:

Program: The HUD funding program you are applying under.

Applicant Share: Enter the amount of funds or cash equivalent of in-kind contributions you are contributing to your project or program of activities.

Federal Share: Enter the amount of HUD funds you are requesting with your application.

State Share: Enter the amount of funds or cash equivalent of in-kind services the State is contributing to your project or program of activities.

Local Share: Enter the amount of funds or cash equivalent of in-kind services your local government is contributing to your project or program of activities.

Other: Enter the amount of other sources of private, non-profit, or other funds or cash equivalent of in-kind services being contributed to your project or program of activities.

Program Income: Enter the amount of program income you expect to generate and contribute to this program over the life of your award.

Total: Please total all columns and fill in the amounts.

Certification for a Drug-Free Workplace

U.S. Department of Housing and Urban Development

Applicant Name

Program/Activity Receiving Federal Grant Funding

Acting on behalf of the above named Applicant as its Authorized Official, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the sites listed below:

I certify that the above named Applicant will or will continue to provide a drug-free workplace by:

a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the Applicant's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

b. Establishing an on-going drug-free awareness program to inform employees ---

(1) The dangers of drug abuse in the workplace;

(2) The Applicant's policy of maintaining a drug-free workplace;

(3) Any available drug counseling, rehabilitation, and employee assistance programs; and

(4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace.

c. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph a.;

d. Notifying the employee in the statement required by paragraph a. that, as a condition of employment under the grant, the employee will ---

(1) Abide by the terms of the statement; and

(2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

e. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph d.(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federalagency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

f. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph d.(2), with respect to any employee who is so convicted ---

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

g. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs a. thru f.

2. Sites for Work Performance. The Applicant shall list (on separate pages) the site(s) for the performance of work done in connection with the HUD funding of the program/activity shown above: Place of Performance shall include the street address, city, county, State, and zip code. Identify each sheet with the Applicant name and address and the program/activity receiving grant funding.)

Check here if there are workplaces on file that are not identified on the attached sheets.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Signature

Date

X

Public reporting burden for this collection of information is estimated to average 2.0 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection information unless that collection displays a valid OMB control number.

Privacy Act Statement. Except for Social Security Numbers (SSNs) and Employer Identification Numbers (EINs), the Department of Housing and Urban Development (HUD) is authorized to collect all the information required by this form under section 102 of the Department of Housing and Urban Development Reform Act of 1989, 42 U.S.C. 3531. Disclosure of SSNs and EINs is optional. The SSN or EIN is used as a unique identifier. The information you provide will enable HUD to carry out its responsibilities under Sections 102(b), (c), and (d) of the Department of Housing and Urban Development Reform Act of 1989, Pub. L. 101-235, approved December 15, 1989. These provisions will help ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. They will also help ensure that HUD assistance for a specific housing project under Section 102(d) is not more than is necessary to make the project feasible after taking account of other government assistance. HUD will make available to the public all applicant disclosure reports for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be made available along with the disclosure reports, but in no case for a period generally less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Freedom of Information Act (5 U.S.C. §552) and HUD's implementing regulations at 24 CFR Part 15. HUD will use the information in evaluating individual assistance applications and in performing internal administrative analyses to assist in the management of specific HUD programs. The information will also be used in making the determination under Section 102(d) whether HUD assistance for a specific housing project is more than is necessary to make the project feasible after taking account of other government assistance. You must provide all the required information. Failure to provide any required information may delay the processing of your application, and may result in sanctions and penalties, including imposition of the administrative and civil money penalties specified under 24 CFR §4.38.

Note: This form only covers assistance made available by the Department. States and units of general local government that carry out responsibilities under Sections 102(b) and (c) of the Reform Act must develop their own procedures for complying with the Act.

Instructions

Overview.

A. Coverage. You must complete this report if:

- (1) You are applying for assistance from HUD for a specific project or activity **and** you have received, or expect to receive, assistance from HUD in excess of \$200,000 during the fiscal year;
- (2) You are updating a prior report as discussed below; or
- (3) You are submitting an application for assistance to an entity other than HUD, a State or local government if the application is required by statute or regulation to be submitted to HUD for approval or for any other purpose.

B. Update reports (filed by "Recipients" of HUD Assistance):

General. All recipients of covered assistance must submit update reports to the Department to reflect substantial changes to the initial applicant disclosure reports.

Line-by-Line Instructions.

Applicant/Recipient Information.

All applicants for HUD competitive assistance, must complete the information required in blocks 1-5 of form HUD-2880:

1. Enter the full name, address, city, State, zip code, and telephone number (including area code) of the applicant/recipient. Where the applicant/recipient is an individual, the last name, first name, and middle initial must be entered.
2. Entry of the applicant/recipient's SSN or EIN, as appropriate, is optional.
3. Applicants enter the HUD program name under which the assistance is being requested.
4. Applicants enter the amount of HUD assistance that is being requested. Recipients enter the amount of HUD assistance that has been provided and to which the update report relates. The amounts are those stated in the application or award documentation. **NOTE:** In the case of assistance that is provided pursuant to contract over a period of time (such as project-based assistance under section 8 of the United States Housing Act of 1937), the amount of assistance to be reported includes all amounts that are to be provided over the term of the contract, irrespective of when they are to be received.
5. Applicants enter the name and full address of the project or activity for which the HUD assistance is sought. Recipients enter the name and full address of the HUD-assisted project or activity to which the update report relates. The most appropriate government identifying number must be used (e.g., RFP No.; IFB No.; grant announcement No.; or contract, grant, or loan No.) Include prefixes.

Part I. Threshold Determinations - Applicants Only

Part I contains information to help the applicant determine whether the remainder of the form must be completed. **Recipients filing Update Reports should not complete this Part.**

If the answer to **either** questions 1 or 2 is No, the applicant need not complete Parts II and III of the report, but must sign the certification at the end of the form.

Part II. Other Government Assistance and Expected Sources and Uses of Funds.

A. Other Government Assistance. This Part is to be completed by both applicants and recipients for assistance and recipients filing update reports. Applicants and recipients must report any other government assistance involved in the project or activity for which assistance is sought. Applicants and recipients must report any other government assistance involved in the project or activity. Other government assistance is defined in note 4 on the last page. For purposes of this definition, other government assistance is expected to be made available if, based on an assessment of all the circumstances involved, there are reasonable grounds to anticipate that the assistance will be forthcoming.

Both applicant and recipient disclosures must include all other government assistance involved with the HUD assistance, as well as any other government assistance that was made available before the request, but that has continuing vitality at the time of the request. Examples of this latter category include tax credits that provide for a number of years of tax benefits, and grant assistance that continues to benefit the project at the time of the assistance request.

The following information must be provided:

1. Enter the name and address, city, State, and zip code of the government agency making the assistance available.
2. State the type of other government assistance (e.g., loan, grant, loan insurance).
3. Enter the dollar amount of the other government assistance that is, or is expected to be, made available with respect to the project or activities for which the HUD assistance is sought (applicants) or has been provided (recipients).
4. Uses of funds. Each reportable use of funds must clearly identify the purpose to which they are to be put. Reasonable aggregations may be used, such as "total structure" to include a

number of structural costs, such as roof, elevators, exterior masonry, etc.

- B. Non-Government Assistance. Note that the applicant and recipient disclosure report must specify all expected sources and uses of funds - both from HUD **and any other source** - that have been or are to be, made available for the project or activity. Non-government sources of funds typically include (but are not limited to) foundations and private contributors.

Part III. Interested Parties.

This Part is to be completed by both applicants and recipients filing update reports. Applicants must provide information on:

1. All developers, contractors, or consultants involved in the application for the assistance or in the planning, development, or implementation of the project or activity and
2. any other person who has a financial interest in the project or activity for which the assistance is sought that exceeds \$50,000 or 10 percent of the assistance (whichever is lower).

Note: A financial interest means any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residency of an individual in housing for which assistance is being sought is not, by itself, considered a covered financial interest.

The information required below must be provided.

1. Enter the full names and addresses. If the person is an entity, the listing must include the full name and address of the entity as well as the CEO. Please list all names alphabetically.
2. Entry of the Social Security Number (SSN) or Employee Identification Number (EIN), as appropriate, for each person listed is optional.
3. Enter the type of participation in the project or activity for each person listed: i.e., the person's specific role in the project (e.g., contractor, consultant, planner, investor).
4. Enter the financial interest in the project or activity for each person listed. The interest must be expressed both as a dollar amount and as a percentage of the amount of the HUD assistance involved.

Note that if any of the source/use information required by this report has been provided elsewhere in this application package, the applicant need not repeat the information, but need only refer to the form and location to incorporate it into this report. (It is likely that some of the information required by this report has been provided on SF 424A, and on various budget forms accompanying the application.) If this report requires information beyond that provided elsewhere in the application package, the applicant must include in this report all the additional information required.

Recipients must submit an update report for any change in previously disclosed sources and uses of funds as provided in Section I.D.5., above.

Notes:

1. All citations are to 24 CFR Part 4, which was published in the Federal Register. [April 1, 1996, at 63 Fed. Reg. 14448.]
2. Assistance means any contract, grant, loan, cooperative agreement, or other form of assistance, including the insurance or guarantee of a loan or mortgage, that is provided with respect to a specific project or activity under a program administered by the Department. The term does not include contracts, such as procurements contracts, that are subject to the Fed. Acquisition Regulation (FAR) (48 CFR Chapter 1).
3. See 24 CFR §4.9 for detailed guidance on how the threshold is calculated.
4. "Other government assistance" is defined to include any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit, or any other form of direct or indirect assistance from the Federal government (other than that requested from HUD in the application), a State, or a unit of general local government, or any agency or instrumentality thereof, that is, or is expected to be made, available with respect to the project or activities for which the assistance is sought.
5. For the purpose of this form and 24 CFR Part 4, "person" means an individual (including a consultant, lobbyist, or lawyer); corporation; company; association; authority; firm; partnership; society; State, unit of general local government, or other government entity, or agency thereof (including a public housing agency); Indian tribe; and any other organization or group of people.

Certification Regarding Debarment and Suspension

Certification A: Certification Regarding Debarment, Suspension, and Other Responsibility Matters - Primary Covered Transactions

1. The prospective primary participant certifies to the best of its knowledge and belief that its principals;

a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal debarment or agency;

b. Have not within a three-year period preceding this proposal, been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (A)

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to whom this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded**, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of these regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines this eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.

Certification B: Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Instructions for Certification (B)

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms **covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded**, as used in this clause, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of these regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Nonprocurement List.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph (5) of these instructions, if a participant in a lower covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies including suspension and/or debarment.

Applicant		Date
Signature of Authorized Certifying Official	Title	

Acknowledgment of Application Receipt

U.S. Department of Housing and Urban Development

Type or clearly print the Applicant's name and full address in the space below.

(fold line)

Type or clearly print the following information:

Name of the Federal Program to which the applicant is applying: _____

To Be Completed by HUD

HUD received your application by the deadline and will consider it for funding. In accordance with Section 103 of the Department of Housing and Urban Development Reform Act of 1989, no information will be released by HUD regarding the relative standing of any applicant until funding announcements are made. However, you may be contacted by HUD after initial screening to permit you to correct certain application deficiencies.

HUD did not receive your application by the deadline; therefore, your application will not receive further consideration. Your application is:

Enclosed

Being sent under separate cover

Processor's Name _____

Date of Receipt _____

Needs Description Comprehensive Approach

Indian Community Development

Block Grant (ICDBG)

See Instructions and Public Reporting Statement on back.

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0191
(exp. 5/31/2003)

1. Name of Applicant	2. Application/Grant Number (to be assigned by HUD upon submission)	
3. Name of Project	4. <input type="checkbox"/> Original (check here if this is the first submission to HUD)	Date (mm/dd/yyyy)
	<input type="checkbox"/> Amendment (check here if submitted after grant award)	Date (mm/dd/yyyy)
5. Community Development Needs Description (See Instructions on back.)		

Public reporting burden for this collection of information is estimated to average 17 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information requires that each eligible applicant submit information to enable HUD to select the best projects for funding during annual competitions for the ICDBG Program. The information will be used by HUD to determine whether applications meet minimum screening eligibility requirements and application submission requirements. Applicants provide general information about the project which is preliminary to the review of the applicant's response to the criteria for rating the application. The information is essential for HUD in monitoring grants to ensure that grantees are making proper use of Federal dollars. Responses to the collection are required by Section 105 of the Department of Housing and Urban Development Reform Act (P.L. 101-235) as amended by the Cranston-Gonzales National Affordable Housing Act of 1990. The information requested does not lend itself to confidentiality.

General Instructions: Forms HUD-4121 and HUD-4122 are optional. Forms SF-424, HUD-4123, HUD-4125, and HUD-4126 must be included. For instructions in filling out form SF-424, refer to the form itself.

5. Community Development Needs. Briefly describe the need which this project addresses. Be specific and quantify need if possible. Since extent of need will be considered when project is rated, address specific points in the Notice of Fund Availability which consider need. If need involves serious threat to health and safety, provide evidence to substantiate threat. The type of information that is needed includes the specific problem the project will address, how long problem has existed, what other solutions have been considered, what negative effects will result if problem is not resolved in near future, how proposed project fits overall plan of village/tribe, and priority of this project over other projects for which funding is requested. Additional pages may be attached.

Project Summary

Indian Community Development
Block Grant (ICDBG)

**U.S. Department of Housing
and Urban Development**
Office of Public and Indian Housing

OMB Approval No. 2577-0191
(exp. 5/31/2003)

See Instructions and Public Reporting Statement on back.

Note: Items 1 through 4 on this form should match those items on form HUD-4121.

1. Name of Applicant	2. Application/Grant Number (to be assigned by HUD upon submission)	
3. Name of Project	4. <input type="checkbox"/> Original (check here if this is the first submission to HUD)	Date (mm/dd/yyyy)
	<input type="checkbox"/> Amendment (check here if submitted after grant award)	Date (mm/dd/yyyy)
5. Description of Project. (See Instructions on back.)		

Check here if additional page(s) are attached.

6. **Low/Moderate Benefit.** Low and moderate income beneficiary as defined in 24 CFR 1003.4.

Number of Persons Served by the Project	Number & Percentage of Low/Moderate Income Persons who Benefit	

5. Description of Project. The information provided in this application component should describe the scope, magnitude, and method of implementing the project proposed to meet the need(s) described. It should also clearly establish that the two sub-thresholds set forth in Section 1003.301(a)(1)(i) and (ii) are met by the project, specifically that the project costs are reasonable and that the project is appropriate for the intended use. The unit or component costs of the project should be provided as well as on what basis and by whom they were estimated. The inflation rate, other relevant cost indices and the number of months it is anticipated that it will take to go out to bid should be taken into consideration. The following type of information is suggestive of what is needed but may not be applicable to all projects. Indicate the specific project, its size (square feet, linear feet, volume, number, etc.), to what degree it solves the problem identified in the description of need(s), length of time needed for completion, location of facility in reference to population served (map should be provided) if appropriate. Indicate whether the project will aid more than one Tribe/municipal government, how project will be carried out (tribal force account, third party contract, tribal based non-profit corporation, local development corporation, etc.), what funds will be required from other sources and current status of funds. Indicate other elements which enhance the quality of the proposed project. If funds are requested for planning and/or technical assistance, a separate project summary must be completed describing the proposed use of these funds. It is in this component that data should be provided on the service area population of the project including the number and percent of these persons who are of low or moderate income status. **The income levels to be used by applicants to evaluate the income characteristics of the service area population of a proposed project will be provided by the ONAP office that serves your community.** Additional pages may be attached.

Public reporting burden for this collection of information is estimated to average 20 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information requires that each eligible applicant submit information to enable HUD to select the best projects for funding during annual competitions for the ICDBG Program. The information will be used by HUD to determine whether applications meet minimum screening eligibility requirements and application submission requirements. Applicants provide general information about the project which is preliminary to the review of the applicant's response to the criteria for rating the application. The information is essential for HUD in monitoring grants to ensure that grantees are making proper use of Federal dollars. Responses to the collection are required by Section 105 of the Department of Housing and Urban Development Reform Act (P.L. 101-235) as amended by the Cranston-Gonzales National Affordable Housing Act of 1990. The information requested does not lend itself to confidentiality.

Implementation Schedule

Indian Community Development Block Grant (ICDBG)

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0191
(exp. 5/31/2003)

See Instructions and Public Reporting Statement on back.
Submit a separate implementation schedule for each project category.

1. Name of Applicant (as shown in Item 5, Standard Form 424)	2. Application/Grant Number (to be assigned by HUD)	3. <input type="checkbox"/> Original (First submission to HUD) <input type="checkbox"/> Pre-Award Submission <input type="checkbox"/> Amendment (submitted after grant approval)	Date (mm/dd/yyyy)
4. Name of Project (as shown on form HUD-4123, item 4)	5. Effective Date (mm/dd/yyyy)	Expected Completion Date (mm/dd/yyyy)	Expected Closeout Date (mm/dd/yyyy)

6. Environmental Review Status

Exempt (As described in 24 CFR 58.34) **Under Review** (Review underway; findings not yet made) **Finding of No Significant Impact** (Finding made that request for release of funds for project is not an action which may significantly affect the environment.)

EIS Required (Finding that project may significantly affect environment or EIS automatically required by 24 CFR 58.37) **Not Started** (Review not yet begun) **Certification** (Environmental review completed; certification and request for release of funds being prepared for submission.) **Categorically Excluded** (as described in 24 CFR 58.35)

7. Tribal Fiscal Year (mm/dd/yyyy)

8. Task List
(List tasks such as environmental assessment, acquisition, etc.)

9. Schedule.
Use Calendar Year (CY) quarters. Fill-in the CY below. See detailed instructions on back.

	CY				CY				Date (mm/dd/yyyy) (If exceeds 8th Quarter)
	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.	5th Qtr.	6th Qtr.	7th Qtr.	8th Qtr.	
(Task List)									
10. Planned Drawdowns by Quarter (Enter amounts non-cumulatively)	\$	\$	\$	\$	\$	\$	\$	\$	\$Total
11. Cumulative Drawdown (If more than one page, enter total on last page only)	\$	\$	\$	\$	\$	\$	\$	\$	\$Total

Public reporting burden for this collection of information is estimated to average 40 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Paperwork Reduction Project (2577-0191), Office of Information Technology, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information requires that each eligible applicant submit information to enable HUD to select the best projects for funding during annual competitions for the ICDBG Program. The information will be used by HUD to determine whether applications meet minimum screening eligibility requirements and application submission requirements. Applicants provide general information about the project which is preliminary to the review of the applicant's response to the criteria for rating the application. The information is essential for HUD in monitoring grants to ensure that grantees are making proper use of Federal dollars. Responses to the collection are required by Section 105 of the Department of Housing and Urban Development Reform Act (P.L. 101-235) as amended by the Cranston-Gonzales National Affordable Housing Act of 1990. The information requested does not lend itself to confidentiality.

Instructions for Item 9 Schedule: Use Calendar Year (CY) quarters. Fill-in the CY below. If the project begins in May, for example, enter under "1st Qtr.", A(April), M(May), J(June). Indicate time period required to complete each activity, e.g., acquisition, by entering "X" under the months it will begin and end. Draw a horizontal line from the first to the second "X". If the completion date will extend beyond the 8th quarter, enter date in the far right column and attach an explanation.

Public reporting burden for this collection of information is estimated to average 40 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information requires that each eligible applicant submit information to enable HUD to select the best projects for funding during annual competitions for the ICDBG Program. The information will be used by HUD to determine whether applications meet minimum screening eligibility requirements and application submission requirements. Applicants provide general information about the project which is preliminary to the review of the applicant's response to the criteria for rating the application. The information is essential for HUD in monitoring grants to ensure that grantees are making proper use of Federal dollars. Responses to the collection are required by Section 105 of the Department of Housing and Urban Development Reform Act (P.L. 101-235) as amended by the Cranston-Gonzales National Affordable Housing Act of 1990. The information requested does not lend itself to confidentiality.

Instructions for Item 4.

Project Name and Project Type

Participants enter the project name and the name of one of the following three categories of activities:

- Housing
- Community Facilities
- Economic Development

Also enter the component name if applicable. Use a separate Cost Summary sheet (form HUD-4123) for each project included in the application.

Examples of categories and/or components including examples of eligible activities are listed below.

Housing

Rehabilitation Component

- Rehabilitation
- Demolition

Land to Support New Housing Component

New Housing Construction Component

Community Facilities

Infrastructure Component

- Water
- Sewer
- Roads and Streets
- Storm Sewers

Buildings Component

- Health Clinic
- Daycare Center
- Community Center
- Multi-purpose Center

Economic Development

- Commercial (wholesale, retail)
- Industrial
- Motel/Hotel
- Restaurant
- Agricultural Development

Certifications

Indian Community Development
Block Grant (ICDBG)

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0191
(exp. 5/31/2003)

Public reporting burden for this collection of information is estimated to average 40 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This collection of information requires that each eligible applicant submit information to enable HUD to select the best projects for funding during annual competitions for the ICDBG Program. The information will be used by HUD to determine whether applications meet minimum screening eligibility requirements and application submission requirements. Applicants provide general information about the project which is preliminary to the review of the applicant's response to the criteria for rating the application. The information is essential for HUD in monitoring grants to ensure that grantees are making proper use of Federal dollars. Responses to the collection are required by Section 105 of the Department of Housing and Urban Development Reform Act (P.L. 101-235) as amended by the Cranston-Gonzales National Affordable Housing Act of 1990. The information requested does not lend itself to confidentiality.

The grantee hereby certifies and assures that it will comply with the regulations, guidelines, and requirements with respect to the acceptance and use of Federal funds for this Federally-assisted program. Also, the grantee gives assurances and certifies with respect to the grant that:

- A. It possesses the legal authority to apply for the grant and execute the proposed program.
 - B. The governing body has duly authorized the filing of the application, including all understandings and assurances contained in the application and has directed and authorized the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
 - C. It will comply with the HUD general administration requirements in 24 CFR Part 85.
 - D. It will comply with the requirements of Title II of Public Law 90-284 (25 USC 1301) (the Indian Civil Rights Act).
 - E. It will comply with the Indian preference provisions required in 24 CFR 1003.510.
 - F. It will establish written safeguards to prevent employees from using positions funded under the ICDBG programs for a purpose that is, or gives the appearance of being, motivated by private gain for themselves, their immediate family or business associates. Nothing in this certification should be construed as to limit employees from benefiting from program activities for which they would otherwise be eligible.
 - G. It will give HUD and the Comptroller General access and right to examine all books, records, papers, or documents related to the grant for a period of not less than three years after program completion or until resolution of any final audit findings.
 - H. Neither the applicant nor its principals are presently excluded from participation in any HUD programs, as required by 24 CFR part 24.
 - I. It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, implementing regulations at 49 CFR part 24 and the requirements of 24 CFR 1003.602.
 - J. The chief executive officer or other official of the applicant approved by HUD:
 - 1. Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 insofar as the provisions of the Act apply to the applicant's proposed program pursuant to 24 CFR 1003.605.
 - 2. Is authorized and consents on behalf of the applicant and him/her self to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.
- Note:** Applicants for whom HUD has approved a claim of incapacity to accept the responsibilities of the Federal government for purposes of complying with the environmental review requirements of 24 CFR part 58 pursuant to 24 CFR 1003.605 need not include the provision of paragraph J in their assurance.
- K. It will comply with the requirements of Section 3 of the Housing and Urban Development Act of 1968 and the regulations in 24 CFR part 135 (Economic Opportunities for Low and Very Low Income Persons) to the maximum extent consistent with, but not in derogation of, compliance with Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 USC. 450e(b)).
 - L. It will comply with the requirements of the Fire Authorization Administration Act of 1992 (Pub.L. 102-522).
 - M. It will provide the drug-free workplace required by 24 CFR part 24, subpart F.
 - N. It will comply with 24 CFR, part 4, subpart A, showing full disclosure of all benefits of the project as collected by Form HUD-2880, Applicant/Recipient Disclosure Report.
 - O. Prior to submission of its application to HUD, the grantee has met the citizen participation requirements which includes following traditional means of member involvement, as required in 24 CFR 1003.604.
 - P. It will administer and enforce the labor standard requirements prescribed in 24 CFR 1003.603.
 - Q. The Program has been developed so that not less than 70 percent of the funds received under this grant will be used for activities that benefit low- and moderate-income persons.
- Note:** Applicants receiving Imminent Threat Grants need not include the provision of this paragraph in their assurance

Name (type or print)	Title
Signature	Date (mm/dd/yyyy)

APPENDIX C

ELIGIBLE ACTIVITIES 24 CFR 1003.200 - 1003.206

§ 1003.200 General policies.

An activity may be assisted in whole or in part with ICDBG funds only if the activity meets the eligibility requirements of section 105 of the Act as further defined in this subpart and if the criteria for compliance with the primary objective of the Act set forth under § 1003.208 have been met. The requirements for compliance with the primary objective of the Act do not apply to imminent threat grants funded under subpart E of this part.

§ 1003.201 Basic eligible activities.

ICDBG funds may be used for the following activities:

(a) Acquisition. Acquisition in whole or in part by the grantee, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of § 1003.207.

(b) Disposition. Disposition, through sale, lease, donation, or otherwise, of any real property acquired with ICDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in § 1003.503.

(c) Public facilities and improvements. Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in § 1003.207(a), carried out by the grantee or other public or private nonprofit entities. In undertaking such activities, design features and improvements which promote energy efficiency may be included. [However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to publicly owned and privately owned buildings, facilities, and improvements including those provided for in §

1003.207(a)(1).] Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving ICDBG assistance. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in § 1003.207(b)(3). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims. In certain cases, nonprofit entities and subrecipients including those specified in § 1003.204 may acquire title to public facilities. When such facilities are owned by nonprofit entities or subrecipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the following policies in (1) through (3).

(1) Special policies governing facilities. The following special policies apply to:

(i) Facilities containing both eligible and ineligible uses. A public facility otherwise eligible for assistance under the ICDBG program may be provided with ICDBG funds even if it is part of a multiple use building containing ineligible uses, if:

(A) The facility which is otherwise eligible and proposed for assistance will occupy a designated and discrete area within the larger facility; and

(B) The grantee can determine the costs attributable to the facility proposed for assistance as separate and distinct from the overall costs of the multiple-use building and/or facility. Allowable costs are limited to those attributable to the eligible portion of the building or facility.

(ii) Equipment purchase. As stated in § 1003.207(b)(1), the purchase of equipment with ICDBG funds is generally ineligible. However, the purchase of construction equipment for use as part of solid waste facility is eligible. In addition, the purchase of fire protection

equipment is considered to be an integral part of a public facility, and, therefore, the purchase of such equipment is also eligible.

(2) Fees for use of facilities. Reasonable fees may be charged for the use of the facilities assisted with ICDBG funds, but charges such as excessive membership fees, which will have the effect of precluding low and moderate income persons from using the facilities, are not permitted.

(3) Special assessments under the ICDBG program. The following policies relate to special assessments under the ICDBG program:

(i) Definition of special assessment. The term "special assessment" means the recovery of the capital costs of a public improvement, such as streets, water or sewer lines, curbs, and gutters, through a fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public improvement, or a one-time charge made as a condition of access to a public improvement.

This term does not relate to taxes, or the establishment of the value of real estate for the purpose of levying real estate, property, or ad valorem taxes, and does not include periodic charges based on the use of a public improvement, such as water or sewer user charges, even if such charges include the recovery of all or some portion of the capital costs of the public improvement.

(ii) Special assessments to recover capital costs. Where ICDBG funds are used to pay all or part of the cost of a public improvement, special assessments may be imposed as follows:

(A) Special assessments to recover the ICDBG funds may be made only against properties owned and occupied by persons not of low and moderate income. Such assessments constitute program income.

(B) Special assessments to recover the non-ICDBG portion may be made provided that ICDBG funds are used to pay the special assessment on behalf of all properties owned and occupied by low and moderate income persons; except that ICDBG funds need not be used to pay the special assessments on behalf of properties owned and occupied by moderate income persons if the grantee certifies that it does not have sufficient ICDBG funds to pay the assessments in behalf of all of the low and moderate income owner-occupant persons. Funds collected through such special assessments are not program income.

(iii) Public improvements not initially assisted with ICDBG funds. The payment of special assessments with ICDBG funds constitutes ICDBG assistance to the public improvement. Therefore, ICDBG funds may be used to pay special assessments provided:

(A) The installation of the public improvements was carried out in compliance with requirements applicable to activities assisted under this part including environmental and citizen participation requirements; and

(B) The installation of the public improvement meets a criterion for the primary objective in § 1003.208; and,

(C) The requirements of § 1003.201(c)(3)(ii)(B) are met.

(d) Clearance activities. Clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites. Demolition of HUD-assisted housing units may be undertaken only with the prior approval of HUD.

(e) Public services. Provision of public services (including labor, supplies, materials, and the purchase of personal property and furnishings) which are directed toward improving the community's public services and facilities, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under § 1003.207(b)(4)), homebuyer downpayment assistance or recreational needs. To be eligible for ICDBG assistance, a public service must be either a new service, or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the grantee through funds raised by the grantee, or received by the grantee from the Federal government in the twelve calendar months before the submission of the application for ICDBG assistance. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the grantee.) The amount of ICDBG funds used for public services shall not exceed 15 percent of the grant. Such projects must therefore be submitted with one or more other projects, which must comprise at least 85 percent of the total requested ICDBG grant amount.

(f) Interim assistance.

(1) The following activities may be undertaken on an interim basis in areas exhibiting objectively determinable signs of physical deterioration where the grantee has determined that immediate action is necessary to arrest the deterioration and that permanent improvements will be carried out as soon as practicable:

- (i) The repairing of streets, sidewalks, parks, playgrounds, publicly owned utilities, and public buildings; and
- (ii) The execution of special garbage, trash, and debris removal, including neighborhood cleanup campaigns, but not the regular curbside collection of garbage or trash in an area.

(2) In order to alleviate emergency conditions threatening the public health and safety in areas where the chief executive officer of the grantee determines that such an emergency condition exists and requires immediate resolution, ICDBG funds may be used for:

- (i) The activities specified in paragraph (f)(1) of this section, except for the repair of parks and playgrounds;
- (ii) The clearance of streets, including snow removal and similar activities, and
- (iii) The improvement of private properties.

(3) All activities authorized under paragraph (f)(2) of this section are limited to the extent necessary to alleviate emergency conditions.

(g) Payment of non-Federal share. Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of ICDBG activities, provided, that such payment shall be limited to activities otherwise eligible and in compliance with applicable requirements under this subpart.

(h) Relocation. Relocation payments and other assistance for permanently and temporarily relocated individuals families, businesses, nonprofit organizations, and farm operations where the assistance is

- (1) Required under the provisions of § 1003.602 (b) or (c); or
- (2) Determined by the grantee to be appropriate under the provisions of § 1003.602(d).

(i) Loss of rental income. Payments to housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by program activities assisted under this part.

(j) Housing services. Housing services, as provided in section 105(a)(21) of the Housing

and Community Development Act of 1974 [42 U.S.C. 5305(a)(21)].

(k) Privately owned utilities. ICDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities of privately owned utilities, including the placing underground of new or existing distribution facilities and lines.

(l) The provision of assistance to facilitate economic development.

(1) The provision of assistance either through the grantee directly or through public and private organizations, agencies, and other subrecipients (including nonprofit and for-profit subrecipients) to facilitate economic development by:

- (i) Providing credit, including, but not limited to, grants, loans, loan guarantees, and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises;

- (ii) Providing technical assistance, advice, and business support services to owners of microenterprises and persons developing microenterprises; and

- (iii) Providing general support, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services, to owners of microenterprises and persons developing microenterprises.

(2) Services provided under paragraph (l) of this section shall not be subject to the restrictions on public services contained in § 1003.201(e).

(3) For purposes of this paragraph (l), "persons developing microenterprises" means such persons who have expressed interest and who are, or after an initial screening process are expected to be, actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed.

(m) Technical assistance. Provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities. Capacity building for private or public entities (including grantees) for other purposes may be eligible as a planning cost under § 1003.205.

(n) Assistance to institutions of higher education. Provision of assistance by the grantee to institutions of higher education where the grantee determines that such an institution has demonstrated a capacity to carry out eligible activities under this subpart.

(o) Homeownership assistance. ICDBG funds may be used to provide direct homeownership assistance to low-and moderate -income households to:

- (1) Subsidize interest rates and mortgage principal amounts for low-and moderate-income homebuyers;
- (2) Finance the acquisition by low-and moderate-income homebuyers, of housing that is occupied by the homebuyers;
- (3) Acquire guarantees for mortgage financing obtained by low-and moderate-income homebuyers from private lenders (except that ICDBG funds may not be used to guarantee such mortgage financing directly, and grantees may not provide such guarantees directly);
- (4) Provide up to 50 percent of any downpayment required from a low-and moderate-income homebuyer; or
- (5) Pay reasonable closing costs (normally associated with the purchase of a home) incurred by a low-or moderate-income homebuyer.

§ 1003.202 Eligible rehabilitation and preservation activities.

(a) Types of buildings and improvements eligible for rehabilitation or reconstruction assistance. ICDBG funds may be used to finance the rehabilitation of:

- (1) Privately owned buildings and improvements for residential purposes; improvements to a single-family residential property which is also used as a place of business, which are required in order to operate the business, need not be considered to be rehabilitation of a commercial or industrial building, if the improvements also provide general benefit to the residential occupants of the building;
- (2) Low-income public housing and other publicly owned residential buildings and improvements;
- (3) Publicly or privately owned commercial or industrial buildings, except that the rehabilitation of such buildings owned by a private for-profit business is limited to improvements to the exterior of the building and the correction of code violations (further improvements to such buildings may be undertaken pursuant to § 1003.203(b)); and
- (4) Nonprofit-owned nonresidential buildings and improvements not eligible under § 1003.201(c);

(5) Manufactured housing when such housing constitutes part of the community's permanent housing stock.

(b) Types of assistance. ICDBG funds may be used to finance the following types of rehabilitation or reconstruction activities, and related costs, either singly, or in combination, through the use of grants, loans, loan guarantees, interest supplements, or other means for buildings and improvements described in paragraph (a) of this section, except that rehabilitation of commercial or industrial buildings is limited as described in paragraph (a)(3) of this section.

- (1) Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties, for use or resale for residential purposes;
- (2) Labor, materials, and other costs of rehabilitation of properties, including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors and dead bolt locks, and renovation through alterations, additions to, or enhancement of existing structures, which may be undertaken singly, or in combination;
- (3) Loans for refinancing existing indebtedness secured by a property being rehabilitated with ICDBG funds if such financing is determined by the grantee to be necessary or appropriate to achieve the grantee's community development objectives;
- (4) Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, and conversion, modification, or replacement of heating and cooling equipment, including the use of solar energy equipment;
- (5) Improvements to increase the efficient use of water through such means as water saving faucets and shower heads and repair of water leaks;
- (6) Connection of residential structures to water distribution lines or local sewer collection lines;
- (7) For rehabilitation carried out with ICDBG funds, costs of:
 - (i) Initial homeowner warranty premiums;
 - (ii) Hazard insurance premiums, except where assistance is provided in the form of a grant; and

(iii) Flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, pursuant to 24 CFR 58.6(a).

(iv) Procedures concerning inspection and testing for and treatment and abatement of defective paint surfaces and lead-based paint, pursuant to § 1003.607.

(8) Costs of acquiring tools to be lent to owners, tenants, and others who will use such tools to carry out rehabilitation;

(9) Rehabilitation services, such as rehabilitation counseling, energy auditing, preparation of work specifications, loan processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in rehabilitation activities authorized under this section;

(10) Improvements designed to remove material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to buildings and improvements eligible for assistance under paragraph (a) of this section.

(c) Code enforcement. Code enforcement in deteriorating or deteriorated areas where such enforcement together with public or private improvements, rehabilitation, or services to be provided, may be expected to arrest the decline of the area.

(d) Historic preservation. ICDBG funds may be used for the rehabilitation, preservation or restoration of historic properties, whether publicly or privately owned. Historic properties are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, listed in a State or local inventory of historic places, or designated as a State or local landmark or historic district by appropriate law or ordinance. Historic preservation, however, is not authorized for buildings for the general conduct of government.

(e) Renovation of closed buildings. ICDBG funds may be used to renovate closed buildings, such as closed school buildings, for use as an eligible public facility or to rehabilitate such buildings for housing.

§ 1003.203 Special economic development activities.

A grantee may use ICDBG funds for special economic development activities in addition to other activities authorized in this subpart which

may be carried out as part of an economic development project. Special activities authorized under this section do not include assistance for the construction of new housing. Special economic development activities include:

(a) The acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the grantee or public or private nonprofit subrecipients.

(b) The provision of assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is necessary or appropriate to carry out an economic development project, excluding those described as ineligible in § 1003.207(a). In order to ensure that any such assistance does not unduly enrich the for-profit business, the grantee shall conduct an analysis to determine that the amount of any financial assistance to be provided is not excessive, taking into account the actual needs of the business in making the project financially feasible and the extent of public benefit expected to be derived from the economic development project. The grantee shall document the analysis as well as any factors it considered in making its determination that the assistance is necessary or appropriate to carry out the project. The requirement for making such a determination applies whether the business is to receive assistance from the grantee or through a subrecipient.

§ 1003.204 Special activities by Community-Based Development Organizations (CBDOs).

(a) Eligible activities. The grantee may provide ICDBG funds as grants or loans to any CBDO qualified under this section to carry out a neighborhood revitalization, community economic development, or energy conservation project. The funded project activities may include those listed as eligible under this subpart, and, except as described in paragraph (b) of this section, activities not otherwise listed as eligible under this subpart. For purposes of qualifying as a project under paragraphs (a)(1), (a)(2), and (a)(3) of this section, the funded

activity or activities may be considered either alone or in concert with other project activities either being carried out or for which funding has been committed. For purposes of this section:

- (1) Neighborhood revitalization project includes activities of sufficient size and scope to have an impact on the decline of a geographic location within the jurisdiction of a grantee (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a grantee which is under 25,000 population;
- (2) Community economic development project includes activities that increase economic opportunity, principally for persons of low- and moderate-income, or that stimulate or retain businesses or permanent jobs, including projects that include one or more such activities that are clearly needed to address a lack of affordable housing accessible to existing or planned jobs;
- (3) Energy conservation project includes activities that address energy conservation, principally for the benefit of the residents of the grantee's jurisdiction; and
- (4) To carry out a project means that the CBDO undertakes the funded activities directly or through contract with an entity other than the grantee, or through the provision of financial assistance for activities in which it retains a direct and controlling involvement and responsibilities.

(b) Ineligible activities. Notwithstanding that CBDOs may carry out activities that are not otherwise eligible under this subpart, this section does not authorize:

- (1) Carrying out an activity described as ineligible in § 1003.207(a);
- (2) Carrying out public services that do not meet the requirements of § 1003.201(e), except services carried out under this section that are specifically designed to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services;
- (3) Carrying out an activity that would otherwise be eligible under § 1003.205 or § 1003.206, but that would result in the grantee's exceeding the spending limitation in § 1003.206.

(c) Eligible CBDOs. (1) A CBDO qualifying under this section is an organization which has the following characteristics:

- (i) Is an association or corporation organized under State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation within the jurisdiction of the grantee; and
- (ii) Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low and moderate income; and
- (iii) May be either non-profit or for-profit, provided any monetary profits to its shareholders or members must be only incidental to its operations; and
- (iv) Maintains at least 51 percent of its governing body's membership for low- and moderate-income residents of its geographic area of operation, owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or representatives of low- and moderate-income neighborhood organizations located in its geographic area of operation; and
- (v) Is not an agency or instrumentality of the grantee and does not permit more than one-third of the membership of its governing body to be appointed by, or to consist of, elected or other public officials or employees or officials of an ineligible entity (even though such persons may be otherwise qualified under paragraph (c)(1)(iv) of this section); and
- (vi) Except as otherwise authorized in paragraph (c)(1)(v) of this section, requires the members of its governing body to be nominated and approved by the general membership of the organization, or by its permanent governing body; and
- (vii) Is not subject to requirements under which its assets revert to the grantee upon dissolution; and
- (viii) Is free to contract for goods and services from vendors of its own choosing.

(2) A CBDO that does not meet the criteria in paragraph (c)(1) of this section may also qualify as an eligible entity under this section if it meets one of the following requirements:

- (i) Is an entity organized pursuant to section 301(d) of the Small Business Investment Act of

1958 (15 U.S.C. 681(d)), including those which are profit making; or

(ii) Is an SBA approved Section 501 State Development Company or Section 502 Local Development Company, or an SBA Certified Section 503 Company under the Small Business Investment Act of 1958, as amended; or

(iii) Is a Community Housing Development Organization (CHDO) under 24 CFR 92.2, designated as a CHDO by the HOME Investment Partnerships program participating jurisdiction, with a geographic area of operation of no more than one neighborhood, and has received HOME funds under 24 CFR 92.300 or is expected to receive HOME funds as described in and documented in accordance with 24 CFR 92.300(e); or

(iv) Is a tribal-based nonprofit organization. Such organizations are associations or corporations duly organized to promote and undertake community development activities on a not-for-profit basis within an identified service area.

(3) A CBDO that does not qualify under paragraphs (c)(1) or (2) of this section may also be determined to qualify as an eligible entity under this section if the grantee demonstrates to the satisfaction of HUD, through the provision of information regarding the organization's charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those entities qualifying under the above-referenced paragraphs.

§ 1003.205 Eligible planning, urban environmental design and policy-planning-management capacity building activities.

(a) Planning activities which consist of all costs of data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans, including, but not limited to comprehensive plans, community development plans and functional plans in areas such as housing and economic development. In addition, other plans and studies such as capital improvements programs, individual project plans, general environmental studies, and strategies and action programs to implement plans, including the development of codes and ordinances are also eligible activities. With respect to the costs of individual project plans, engineering and design

costs related to a specific activity are eligible as part of the cost of such activity under §§ 1003.201-1003.204 and are not considered planning costs. Also, costs necessary to comply with the requirements of 24 CFR part 58, including project specific environmental assessments and clearances for activities eligible under this part are eligible as part of the cost of such activities under §§ 1003.201-204.

(b) Policy -- planning -- management -- capacity building activities including those which will enable the grantee to determine its needs, set long term goals and short term objectives, devise programs to meet these goals and objectives, evaluate the progress being made in accomplishing the goals and objectives. In addition, actions necessary to carry out management, coordination and monitoring of activities necessary for effective planning implementation are eligible planning activities, however the costs necessary to implement the plans are not.

§ 1003.206 Program administration costs.

ICDBG funds may be used for the payment of reasonable administrative costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under this part. No more than 20 percent of the sum of any grant plus program income received shall be expended for activities described in this section and in § 1003.205 - Eligible planning, urban environmental design and policy-planning-management capacity building activities. This does not include staff and overhead costs directly related to carrying out activities eligible under §§ 1003.201-1003.204, since those costs are eligible as part of such activities. In addition, technical assistance costs associated with developing the capacity to undertake a specific funded activity are also not considered program administration costs. These costs must not, however, exceed 10% of the total grant award.

(a) General management, oversight and coordination. Reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include, but are not necessarily limited to, necessary expenditures for the following:

(1) Salaries, wages, and related costs of the grantee's staff, the staff of local public agencies,

or other staff engaged in program administration. In charging costs to this category the grantee may either include the entire salary, wages, and related costs allocable to the program of each person whose primary responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes any program administration assignments. The grantee may use only one of these methods during the grant period. Program administration includes the following types of assignments:

- (i) Providing tribal officials and citizens with information about the program;
- (ii) Preparing program budgets and schedules, and amendments thereto;
- (iii) Developing systems for assuring compliance with program requirements;
- (iv) Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
- (v) Monitoring program activities for progress and compliance with program requirements;
- (vi) Preparing reports and other documents related to the program for submission to HUD;
- (vii) Coordinating the resolution of audit and monitoring findings;
- (viii) Evaluating program results against stated objectives; and
- (ix) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph (a)(1) (i) through (viii) of this section.

(2) Travel costs incurred for official business in carrying out the program;

(3) Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services; and

(4) Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, furnishings, or other personal property (or the payment of depreciation or use allowances for such items in accordance with OMB Circulars A-21, A-87 or A-122, as applicable), insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.

(b) Public information. The provisions of information and other resources to residents and

citizen organizations participating in the planning, implementation, or assessment of activities being assisted with ICDBG funds.

(c) Indirect Costs. Indirect costs may be charged to the ICDBG program under a cost allocation plan prepared in accordance with OMB Circulars A-21, A-87, or A-122 as applicable. **(Copies of these circulars are available from the American Communities Center by calling the following toll-free numbers: (800)998-9999 or (800)483-2209(TDD).**

(d) Submission of applications for Federal programs. Preparation of documents required for submission to HUD to receive funds under the ICDBG program. In addition, ICDBG funds may be used to prepare applications for other Federal programs where the grantee determines that such activities are necessary or appropriate to achieve its community development objectives.