



COMMUNITY DEVELOPMENT BLOCK GRANT Policy and Procedures Manual

Department of Urban Redevelopment
Grants Administration Division



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Department of Urban Redevelopment**

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I. INTRODUCTION

The Community Development Grant (CDBG) Program is designed to help provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income persons.

The City of Fort Pierce receives a yearly distribution for the CDBG entitlement program. The entitlement program is for cities in metropolitan areas over 50,000 in population, designated principal cities of metropolitan statistical areas or urban counties with more than 200,000 people. The grant amounts are determined by the higher of two formulas: Data based on overcrowded housing, population and poverty; or Data based on age of housing, population growth lag, and poverty.

This policies and procedure manual is intended as guidance for the City of Fort Pierce's CDBG program, and is not meant to be a substitute for federal regulations. The federal CDBG program regulations can be found in Title 24 of the Code of Federal Regulations (CFR) Part 570.

This manual will be reviewed and, if required, revised as needed. It can be revised to meet changes in federal regulations, actions of the City Commission or to meet administrative needs.

II. DEFINITIONS

24 CFR Part 85 (the Common Rule): This rule provides that the grantee shall take affirmative steps to encourage contracting with small minority and female owned business enterprises when possible as sources of supplies, equipment, construction, and services.

Action Plan: An annual update to HUD regarding the Consolidated Plan.

Consolidated Plan: The Consolidated Plan is prepared by the grantee in accordance with 24 CFR Part 91, and describes needs, resources, priorities and proposed activities to be undertaken with respect to CDBG program. An approved Consolidated Plan is one which has been approved by HUD.

Contractors: A contractor is an entity paid with CDBG funds in return for a specific service (e.g., construction). Contractors must be selected through a competitive procurement process based on the City's procurement standards.

Copeland Anti-Kickback Act: Makes it a criminal offense for a person to induce anyone employed in the construction, completion, or repair of any public building, public work, or building, or work financed in whole or in part by loans or grants from the United States, to give up any part of the compensation to which the employee is otherwise entitled. Also regulates payroll deductions, specifies methods of paying wages to covered employees, and requires the submission of weekly payrolls in conjunction with statements of compliance by all contractors in a format that meets the requirements of 29CFR Section 5.5.

Davis-Bacon Act: The Act is triggered when construction work over \$2,000 is financed in whole or in part with CDBG funds. It requires that workers receive no less than the prevailing wages being paid for similar work in the same area.

Draw down: Refers to the process of requesting and receiving CDBG funds. Grantees draw down funds from a line of credit established by HUD, while subrecipients draw down funds from the grantee.

Executive Order 11063: This Executive Order provides that no person shall be discriminated against on the basis of race, color, religion, sex, or national origin in housing and related facilities provided with Federal assistance and lending practices with respect to residential property when such practices are connected with loans insured or guaranteed by the Federal government.

Executive Order 11246: This Executive Order applies to all Federally assisted construction contracts and subcontracts. It provides that no person shall be discriminated against on the basis of race.

Executive Order 11259: This Executive Order provides that the administration of all Federal programs and activities relating to housing and urban development be carried out in a manner to further housing opportunities throughout the United States.

Grantee: Each entitlement community, or grantee, administers its local CDBG program in accordance with program requirements.

Household: All the persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together, or any groups of related or unrelated persons who share living arrangements.

Income: Grantees may select any of three definitions of income: (1) Annual income as defined under Section 8; (2) Annual income as reported under the Census long form; or (3) Adjusted gross income as defined by the IRS Form 1040.

Limited Clientele: Persons (or groups of persons) are presumed to be principally LMI, according to HUD. These include: abused children, battered spouses, elderly persons (age 62 and over), adults meeting the Bureau of the Census' definition of severely disabled, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers.

Low and Moderate Income: Low and moderate income (LMI) means family or household annual income less than the Section 8 Low Income Limit, generally 80% of the area median income, as established by HUD.

Low-Income Household/Family: A household/family having an income equal to or less than the Section 8 Very Low Income limit (50% of the area median income) as established by HUD.

Moderate-Income Household/Family: A household/family having an income equal to or less than the Section 8 Low Income limit (80% of area median income) established by HUD, but greater than the Section 8 Very Low Income Limit (50% of area median income) established by HUD.

Restoration Act of 1987: This Act restores the broad scope of coverage and clarifies the application of the Civil Rights Act of 1964. It also specifies that an institution which receives Federal financial assistance is prohibited from discriminating on the basis of race, color, national origin, religion, sex, disability, or age in a program or activity which does not directly benefit from such assistance.

Section 109 of Title 1 of the Housing and Community Development Act of 1974: This section of Title 1 provides that no person shall be excluded from participation (including employment), denied program benefits, or subject to discrimination on the basis of race, color, national origin, or sex under any program or activity funded in whole or in part under Title I of the Act.

Section 3 of the Housing and Urban Development Act of 1968, as amended: Requires the provision of opportunities for training and employment that arise through HUD-financed projects to lower-income residents of the project area, to the greatest extent feasible and consistent with Federal, State and local laws and regulations. Also required is that contracts be awarded to businesses that provide economic opportunities for low- and very low-income persons residing in the area. Amendments to Section 3 in 1992 included requirements for providing these opportunities in contracts for housing rehabilitation, including lead-based paint abatement, and other construction contracts.

Section 109 of Title I of the Housing and Community Development Act of 1974: Requires that no person shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded with CDBG funds on the basis of race, color, religion, national origin, or sex.

Section 504 of the Rehabilitation Act of 1973: It is unlawful to discriminate based on disability in federally assisted programs. This section provides that no otherwise qualified individual shall, solely by reason of his or her disability, be excluded from participation (including employment), denied program benefits, or subjected to discrimination under any program or activity receiving Federal

funding assistance. Section 504 also contains design and construction accessibility provisions for multi-family dwellings developed or substantially rehabilitated for first occupancy on or after March 13, 1991.

Subrecipient: An entity that assists the grantee to implement and administer its program. Subrecipients are generally nonprofit organizations that assist the recipient to undertake one or more activities on behalf of the grantee, such as a home rehabilitation. Subrecipients are also referred to as subgrantees.

The Age Discrimination Act of 1975: This Act provides that no person shall be excluded from participation, denied program benefits, or subject to discrimination on the basis of age under any program or activity receiving Federal funding assistance. Effective January 1987, the age cap of 70 was deleted from the laws. Federal law preempts any State law currently in effect on the same topic including: KRS 18A.140; KRS 344.040; 101 KAR 1:350 Paragraph 11; 101 KAR 1:375 Paragraph 2(3); 101 KAR 2:095 Paragraphs 6 and 7.

The Americans with Disabilities Act of 1990 (ADA): This Act modifies and expands the Rehabilitation Act of 1973 to prohibit discrimination against "a qualified individual with a disability" in employment and public accommodations. The ADA requires that an individual with a physical or mental impairment who is otherwise qualified to perform the essential functions of a job, with or without reasonable accommodation, be afforded equal employment opportunity in all phases of employment. Kentucky adopted this Act in 1992 with the enrollment and passage of Senate Bill 210.

The Equal Employment Opportunity Act: This Act empowers the Equal Employment Opportunity Commission (EEOC) to bring civil action in Federal court against private sector employers after the EEOC has investigated the charge, found "probable cause" of discrimination, and failed to obtain a conciliation agreement acceptable to the EEOC. It also brings Federal, State, and local governments under the Civil Rights Act of 1964.

The Fair Housing Amendment Act of 1988: This Act amended the original Fair Housing Act to provide for the protection of families with children and people with disabilities, strengthen punishment for acts of housing discrimination, expand of the Justice Department jurisdiction to bring suit on behalf of victims in Federal district courts, and create an exemption to the provisions barring discrimination on the basis of familial status for those housing developments that qualify as housing for persons age 55 or older.

The Housing for Older Persons Act of 1995 (HOPA): Retained the requirement that the housing must have one person who is 55 years of age or older living in at least 80 percent of its occupied units. The Act also retained the requirement that housing facilities publish and follow policies and procedures that demonstrate intent to be housing for persons 55 and older.

The Immigration Reform and Control Act (IRCA) of 1986. Under IRCA, employers may hire only persons who may legally work in the U.S., i.e., citizens and nationals of the U.S. and aliens authorized to work in the U.S. The employer must verify the identity and employment eligibility of anyone to be hired, which includes completing the Employment Eligibility Verification Form (I-9).

The Uniform Guidelines on Employee Selection Procedures adopted by the Equal Employment Opportunity Commission in 1978: This manual applies to employee selection procedures in the areas of hiring, retention, promotion,

transfer, demotion, dismissal and referral. It is designed to assist employers, labor organizations, employment agencies, licensing and certification boards in complying with the requirements of Federal laws prohibiting discriminatory employment.

The Vietnam Era Veterans' Readjustment Act of 1974 (revised Jobs for Veterans Act of 2002): This Act was passed to ensure equal employment opportunity for qualified disabled veterans and veterans of the Vietnam War. Affirmative action is required in the hiring and promotion of veterans.

Title VI of the Civil Rights Act of 1964: This Act provides that no person shall be excluded from participation, denied program benefits, or subject to discrimination based on race, color, and/or national origin under any program or activity receiving Federal financial assistance.

Title VIII of the Civil Rights Act of 1968 (The Fair Housing Act): This Act prohibits discrimination in housing on the basis of race, color, religion, sex and/or national origin. This law also requires actions which affirmatively promotes fair housing.

III. CDBG IMPLEMENTATION PROCESS

The following provides an overview of the framework in which the City must make decisions concerning activities and/or organizations to fund under the CDBG program.

A. Consolidated/Action Plans Creation

The process of completing the Consolidated Plan (and annual Action Plans) helps the City to determine what activities to fund in the coming year.

The Consolidated Plan is a 5-year plan and describes the community needs, resources, priorities, and proposed activities to be undertaken under the CDBG program. This Plan is often referred to at the City of Fort Pierce as the '5-Year Plan'.

Prior to the beginning of each individual program year of the 5-Year Plan, the City must submit an update to HUD, referred to as a yearly Action Plan. The Action Plan describes the specific planned uses for that year's CDBG, from the priorities and proposed activities originally detailed in the 5-Year Plan.

The Consolidated Plan includes the following:

1. A description of the entity responsible for overseeing the development of the Consolidated Plan and a description of the process undertaken to develop the plan;
2. A housing and homeless needs assessment;
3. A housing market analysis;
4. A strategic plan; and
5. A one-year Action Plan.

The following is a timeline of the Consolidated Plan and each yearly Action Plan, to ensure that they are timely and accurate.

May-July - The availability of a Community Needs Assessment Survey is promoted in newspapers, radio, on the City website, through social media and through local community supportive service organizations. Hardcopies are available to be picked up at City Hall, the community library or can be mailed, upon request. Online surveys are available between May-July for at least 30-45 days.

July - First Public Hearing is held regarding the proposed Consolidated/Action Plan. The Plan contains survey results as well as comments collected from citizens from the survey. Copies of the proposed Plan are made available for public review. The 30 day public comment period begins the day after the first public hearing is held.

July - A draft of the Plan is presented to the Communitywide Council (Advisory Council). A 2nd public hearing is advertised and then held during the Communitywide Council meeting.

August - The 3rd public hearing is held during a regularly-scheduled City Commission meeting. The Plan is approved by City Commission via Resolution.

September - The Plan is submitted to HUD.

B. Establishing Program Delivery Method

The City (grantee) is responsible for ensuring that CDBG funds are used in accordance with all program requirements. The use of designated public agencies, subrecipients, or contractors does not relieve the grantee of this responsibility. The grantee is also responsible for determining the adequacy of performance under subrecipient agreements and procurement contracts and for taking appropriate action when performance problems arise.

Before disbursing funds to any organization that is carrying out CDBG activities on behalf of the grantee as a subrecipient, a written agreement is executed. The CDBG regulations stipulate that certain requirements be included in all written agreements with subrecipients.

Written agreements must remain in effect for the length of time that the subrecipient has control over any CDBG funds, including program income. However, subrecipient agreements are updated annually to ensure the agreements are current with regulations and requirements. This process also allows an opportunity to revisit and clarify problem areas or issues.

IV. NATIONAL OBJECTIVES

A. Low to Moderate Income (LMI)

The Low to Moderate Income (LMI) national objective is the primary national objective because the statute requires that grantees expend 70% of the CDBG funds to meet the LMI national objective.

LMI Calculation Example:

Total entitlement grant amount:	\$225,000
Less actual planning and admin (up to 20%):	<u>(\$45,000)</u>
Equals amount subject to LMI calculation:	\$180,000
Multiplied by 70 percent:	<u>X 0.70</u>
Equals minimum to benefit LMI:	\$126,000

At least 51% or more of the persons and families benefiting must be low and moderate-income (LMI) for public projects and public facilities and 100% LMI for housing activities. LMI can be determined by HUD census data or by conducting a survey. LMI is generally calculated on an area basis, meaning either the entire jurisdiction of the City or a defined targeted area within the City must be at least 51% LMI.

- a. To be considered as a CDBG project, LMI documentation must be obtained.
- b. For every separate activity funded under the same project, there must be 51% LMI or the removal of slum and blight achieved.
- c. A project may not be designed to benefit moderate-income persons to the exclusion of low-income persons.
- d. HUD's Section 8 program income guidelines (as modified by the Housing and Community Development Act of 1987) shall be used to define low and moderate-income for the CDBG Program. The annual income limits are available from <http://www.huduser.org/portal/>. If HUD has not published the applicable year's limits, we may use the previous year's limits.

- e. "Income" should be viewed as a family's total adjusted gross income. Any person that belongs to an LMI family is considered an LMI person. Request a copy of the direct beneficiaries IRS Form 1040 or other equivalent income statements.
- f. To calculate the LMI percentage, divide the number of LMI persons by the total number of persons benefiting; and divide the number of LMI families by the total number of families benefiting. Both calculations must equal or exceed 51%. You may not round up to achieve 51%. The HUD census data is only available in the number of LMI persons. Therefore, in order to arrive at the correct number of LMI families, divide the number of persons by 2.49, which is the State of Florida's average household size.
- g. The activity will often provide the indication of who benefits. The availability of exact census data will determine whether census or survey may be used. In the CDBG program, an applicant determines the project to be either: area-wide benefit, or a target-area benefit. Secondly, the applicant indicates the method of LMI eligibility: census, survey, job-creation, or limited clientele.
- h. The application may be an area-wide benefit if the activity benefits an entire city, county, township, or enumeration district; the American Community Survey may be used to determine LMI benefit. Please note that the census data provided by HUD sometimes differs from the U.S. Census Bureau in terms of income and the total number of persons and families in a given area. City may only accept the HUD data as valid.
- i. If the activities proposed in an application only benefit a portion of the community, then a target-area benefit would be relevant. Most often, surveys are required to gain eligibility here. Census data by tract or block group may be used if the beneficiaries exactly match the tracts or block.
- j. Limited Clientele persons (or groups of persons) are presumed to be principally LMI, according to HUD. These include: abused children, battered spouses, elderly persons (age 62 and over), adults meeting the Bureau of the Census' definition of severely disabled, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers. The disability data used for limited clientele are "persons with a mobility or self-care limitation." This data is broken into persons age 16 to 64 and 65 and older. The data for both age groups must be added together in total. Do not use the data for "persons with a work disability."
- k. In addition, if a project's activities are limited exclusively to LMI persons (such as a food pantry with income restrictions either equal to or more restrictive than the LMI income limits for that area), the project may meet the LMI national objective through limited clientele.
- l. Limited Clientele projects are those that exclusively serve a group defined as limited clientele. If this criterion is met, then no further LMI documentation, either by census or by survey is necessary. If the project is not exclusive or designed for only that group or groups, then LMI eligibility must be proven by another method.

B. Aid in the Prevention or Elimination of Slums and Blight

To prove this HUD national objective, a project must propose one of the two different methods.

- 1. The first method occurs when a structure is blighted; when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to health, safety and public welfare.

For the City to participate in this activity it must, at a minimum, determine blighted structures by applying existing dangerous building ordinance, building code level of violation or applicable occupancy or habitability designation or code violation in a manner consistent with their ordinance. The ordinance, code violation or designation must be applied to the specific structure, not to the area as a whole. The predominance of blight in an area does not allow blight to be assumed for each structure inside the area.

2. The second method covers area blight, and includes submitting a resolution passed by the governing legislative body declaring the area blighted in accordance with 24 CFR 570. As stated, the definition of the national objective *elimination of slum and blight* reads as follows. The area meets the conditions of either (a) or (b):
 - (a) At least 25% of the properties throughout the area experience one or more of the following conditions:
 - 1) Physical deterioration of buildings or improvements,
 - 2) Abandonment of properties
 - 3) Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings,
 - 4) Significant declines in property values or abnormally low property values relative to other areas in the community, or
 - 5) Known or suspected environmental contamination.
 - (b) The public improvements throughout the area are in a general state of deterioration.

C. Urgent Need

The use of the urgent need national objective is rare. It is generally used for activities to alleviate emergency conditions. According to "Basically CDBG" Course Training Manual examples include:

1. Acquisition of property located in a flood plain that was severely damaged by a recent flood;
2. Public facility improvements like the reconstruction of a publicly-owned hospital that was severely damaged by a tornado;
3. Demolition of structures that are severely damaged by a major earthquake;

Urgent need qualified activities must meet the following criteria:

1. The existing conditions must pose a serious and immediate threat to the health or welfare of the community;
2. The existing conditions are of recent origin or recently became urgent (generally, within the past 18 months);
3. The grantee is unable to finance the activity on its own; and
4. Other sources of funding are not available.

D. Eligible and Ineligible Activities

Section 105(a) of the Community Development Act and HUD regulations specify the **Eligible Activities** for CDBG assistance. A detailed description of eligible activities can be found in 105(a) of the Act and in 24 CFR 570.482. A website link to this information: http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_16361.pdf

Pursuant to 24CFR 570.207, **Ineligible Activities** include:

1. Maintenance or operation costs.
2. General government expenses.
3. Political activities.
4. Improvements to city halls and courthouses, except those required to meet the Americans with Disabilities Act. Note: CDBG funds used for ADA projects may only convert existing facilities to accessibility. CDBG funds may not be used to add new facilities.
5. Purchase of equipment, except for fire protection, public services, landfills or recreation.
6. Income payments, except for loss of rental income due to displacement.
7. Application preparation costs or a bonus award for writing a successful application.
8. Religious purposes.
9. Maintenance and Operation Costs: Any cost that recurs on a regular basis (generally, less than five years) is considered a maintenance or operation cost, therefore ineligible for CDBG assistance.

V. ENVIRONMENTAL REVIEW

An Environmental Review Record must be completed for each project requiring environmental review in order to meet the Environmental Review Requirements set forth at 24 CFR Part 58. All projects requiring environmental review will publish appropriate notices (including HUD 8-Step Process), submission of the Request for Release of Funds and Certification and Authority to Use Grant Funds will be issued by HUD prior to commencing with project activities.

VI. FAIR HOUSING, ACCESSIBILITY, AND EQUAL EMPLOYMENT

The City and any sub-recipient(s) must adhere to all the basic tenets of fair housing and equal opportunity regulations. Recipients are prohibited from practicing discrimination on the grounds of race, color, national origin, religion, sex, handicap, or familial status.

This prohibition applies to all project contractors or subcontractors. Beneficiary information should be determined and demographic data compiled, with this information made available in the project file for public review.

A. Fair Housing

As part of HUD's certification, the City is required to complete an analysis of impediments to fair housing choice. Although not part of the consolidated plan, the City must certify that it completed the analysis, is taking appropriate actions to overcome the effects of any impediments identified and maintain records reflecting the analysis and related actions.

The most recent Analysis of Impediments was completed in September 2007. The City looks forward to completing a new Analysis of Impediments during the 2016 program

year. Actions to address identified impediments will be implemented through the City's Consolidated and Action Plans.

B. Handicapped Accessibility

The City shall abide by HUD regulations in Section 504, HUD's implementation of the American with Disability Act (ADA). The City conducts a self-evaluation of accessibility to determine their current programs, services, polices, and practices meet the requirements of Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act.

C. Equal Employment Opportunities

Congress established Section 3 to ensure that the employment and other economic opportunities generated by Federal financial assistance for housing and community development programs shall, to the greatest extent feasible, be directed toward low and very low income persons, particularly those who are recipients of government assistance for housing.

Section 3 applies to training, employment, contracting and other economic opportunities that are in connection with the CDBG funds. Contractors and subcontractors providing a service on projects for which the total amount of federal assistance exceeds \$200,000 and the amount of the contract or subcontract exceeds \$100,000 are required to comply with Section 3.

VII. PROCUREMENT

According to the table below, it appears that the City procurement policies are stricter than CDBG's procurement policy. Therefore, the City procurement policies will take precedence.

The City of Fort Pierce shall take affirmative steps to encourage contracting with small minority and female owned business enterprises when possible as sources of supplies, equipment, construction, and services.

City of Fort Pierce	HUD Requirements	HUD Requirement Notes
\$5,000 or less - 3 written quotes should be obtained for all purchases up to \$5,000		
Over \$5,000 - advertise for competitive sealed bids; publish in widest circulation media, allow 14 days before bids are received. Lowest and best bid submitted by responsible bidder meeting specifications recommended for award.	3 written quotes should be obtained for all purchases up to \$100,000.	Award should be made to the lowest responsive and responsible source.
All bids must be opened publically at the time and place stated in the invitation for bids. A firm-fixed price contract award must be made in writing to the responsive bidder whose bid is lowest, most responsible and responsive.	Over \$100,000. a) Competitive Sealed Bids. Publish one time in widest circulation paper. b) Competitive Proposals for professional services.	All bids must be opened publically at the time and place stated in the invitation for bids. A firm-fixed price contract award must be made in writing to the responsive bidder whose bid is lowest, most responsible and responsive. All unsuccessful bidders must be notified in writing.

Non-competitive proposals may be used only when the award of a contract is infeasible under small purchase procedures, sealed bids, or competitive proposals and one of the following circumstances applies:

1. Where the item is available only from a single source;
2. Where a public emergency or urgent situation is such that the urgency will not permit a delay beyond the time needed to employ one or the other procurement methods; or
3. Where after solicitation of a number of sources, competition is determined inadequate.

When bidding out projects with HUD funds, the City will ensure that the equal opportunity housing symbol is included within the publication.



A. Conflict of Interest

The following is information from the City's Purchasing Policy and Procedures Manual.

It shall be unethical for any city employee to participate directly or indirectly in a procurement contract where the city employee knows that:

- a. The city employee or any member of the city employee's immediate family has a financial interest pertaining to the procurement contract; or
- b. Any other person, business, or organization with whom the city employee or any member of a city employee's immediate family is negotiating or has an arrangement concerning prospective employment is involved in the procurement contract.

A city employee or any member of a city employee's immediate family who holds a financial interest in a disclosed blind trust shall not be deemed to have a conflict of interest with regard to matters pertaining to that financial interest.

Note: City Personnel Policy

Conflict of Interest

No employee of the City of Fort Pierce shall hold a financial interest in a firm, institution, corporation, or other establishment supplying goods or services to the city. No employee shall be employed in any capacity with a firm, institution, corporation or other establishment supplying goods or services to the city when that capacity means the possession, direct or indirect, of the powers to direct or cause the direction of the management and policies of that organization. No employee shall receive any payment, gifts, favors, or other consideration from any person, firm, institution, corporation, or other establishment supplying goods or services to the city. **Penalties** - Any employee found guilty of any violation of this section shall be subject to any disciplinary action up to and including dismissal as defined by these rules and such other penalties as may be deemed appropriate and consistent with the laws of the City of Fort Pierce and the State of Florida.

B. Excluded Parties

Prior to making any award (sub grant or contract) the organization must be checked for debarment, suspension or otherwise excluded from participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

Contractors must be cleared through the following links:

- a. Secretary of State's website. Check and see if they are registered to do business in the State. Sunbiz.org
- b. HUD's debar website. Click on Limited Denial of Participation list. If nothing shows up for the company, they are not debarred with HUD.
http://portal.hud.gov/hudportal/HUD?src=/topics/limited_denials_of_participation
- c. State Department of Labor Contractor Department List
www.contractors-license.org/fl/fl.htm
- d. System for Award Management (SAM) sam.gov

VIII. CONTRACT MANAGEMENT

Before entering into a contract, the Department of Urban Redevelopment will ensure that all contracts are written so that they are based on a lump sum or unit price.

A. Contract Content

According to 24 CFR 85.36(i) contract provisions, a grantee's and subgrantee's contracts must contain provisions listed below. Federal agencies are permitted to require changes, remedies, changed conditions, access and records retention, suspension of work, and other clauses approved by the Office of Federal Procurement Policy.

1. Administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
2. Termination for cause and for convenience by the grantee or subgrantee including the manner by which it will be effected and the basis for settlement.
3. Compliance with Executive Order 11246 of September 24, 1965, entitled "Equal Employment Opportunity", as amended by Executive Order 11375 of October 13, 1967, and as supplemented in Department of Labor regulations (41 CFR chapter 60).
4. Compliance with the Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR part 3). (All contracts and subgrants for construction or repair)
5. Compliance with the Davis-Bacon Act (40 U.S.C. 276a to 276a-7) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts in excess of \$2,000 awarded by grantees and subgrantees when required by Federal grant program legislation). Davis-Bacon does not apply to the rehabilitation of residential structures containing less than eight units or force account labor.
6. Compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327A 330) as supplemented by Department of Labor regulations (29 CFR part 5). (Construction contracts awarded by grantees and subgrantees in excess of \$2,000, and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers)
7. Notice of awarding agency requirements and regulations pertaining to reporting.
8. Notice of awarding agency requirements and regulations pertaining to patent rights with respect to any discovery or invention which arises or is developed in the course of or under such contract.

9. Awarding agency requirements and regulations pertaining to copyrights and rights in data.
10. Access by the grantee, the subgrantee, the Federal grantor agency, the Comptroller General of the United States, or any of their duly authorized representatives to any books, documents, papers, and records of the contractor which are directly pertinent to that specific contract for the purpose of making audit, examination, excerpts, and transcriptions.
11. Retention of all required records for three years after grantees or subgrantees make final payments and all other pending matters are closed.
12. Compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857 (h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15). (Contracts, subcontracts, and subgrants of amounts in excess of \$100,000)
13. Mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub. L. 94A 163, 89 Stat. 871).

B. Common Rules Regarding Contracting

1. All services, professional, or construction, paid in whole or in part with CDBG funds, require the execution of a formal contract.
2. The use of CDBG dollars, regardless of the amount, for payment of any service under contract in a grant, initiates the contracting requirements described. The total amount of the contract will often indicate the proper documentation to be included in the contract.
3. All contracts should contain a clear, concise, and detailed description of the:
 - Scope of work
 - Total cost
 - Duration or life of the contract
 - Compliance requirements
 - Reporting responsibilities
 - Contract content paragraphs listed above
4. If proposals involving architectural/engineering professional services are evaluated with respect to factors other than price, the program participant must document the basis for negotiation of fair and reasonable compensation.

C. Acceptable Contract Cost Structures

All construction contract fees shall be based upon a lump sum or unit price. All professional service contracts shall be based upon a lump sum or a cost-plus-fixed-fee. Cost plus a percentage of cost and percentage of construction cost methods are prohibited.

D. Alternative Deductibles/Alternate Add-Ons in Construction Bidding

In an effort to remain flexible in the bidding process for construction activities, the grantee may set in place alternative deductibles or alternate add-ons. These items must be clearly marked as such and, in the event of bids received over budget, may be "deducted" from the scope of the project, or in the event of bids received under budget, may be "added" to the scope of the project. All alternative

deductibles/additions must be assigned a number in order of preference to be eliminated or added. Any elimination or additions of these items must follow that numerical guide (e.g., Item #2 may not be deducted or added prior to Item #1). No items may be eliminated or added from a bid process if they were not initially indicated as an alternative deductible or alternate add-on. Alternate deductibles should include, but not be limited to, items the grantee may be able to complete on its own or items that would not have an adverse effect on the project if omitted.

E. Addendum Procedure

If changes or additions to the bid packet must be made prior to the bid deadline date, an addendum must be executed. The addendum must spell out the change or addition and must be distributed to all interested bidders. This action must not take place later than 72 hours prior to the bid submission deadline. If this time period is not possible, the addendum may be distributed and the deadline may be delayed exactly one week. All bidders obtaining bid documents must be made aware of all addenda in order not to interrupt the procurement procedure.

F. Amendment Procedure

If, during the life or duration of any formal contract, the parties agree to a change in the design, duration, cost, or any of the terms of the contract, a formal amendment may be executed. For this amendment to be valid and recognized by CDBG, it must be in writing, signed, and attested by both parties and attached to all original contract documents. The grantee may require review by their attorney prior to implementing the process. Any changes or change orders that directly affect the use of CDBG dollars, the scope of the project, or greatly changes the duration of the contract should be reviewed prior to execution.

Reports should be prepared and submitted by each contractor whenever it is determined that any change in the design, cost, or duration of the project is necessary.

G. Award of Contract

Awarding contracts using CDBG funds shall be completed in the same manner as if using local funds. The required process for entering into contracts should be reviewed and used for CDBG projects.

H. Federally Debarred Contractors

Before signing a contract with a proposed contractor, the grantee must ensure that the contractor is not on the Federal listing of Contractors Unable to Perform Work under a Federally Sponsored Project at http://portal.hud.gov/hudportal/HUD?src=/topics/limited_denials_of_participation. Click on Limited Denial of Participation list & if nothing shows up for the company then they are not debarred with HUD. In addition, the grantee should check the System for Award Management (SAM) at www.sam.gov.

I. Contractors Licensed To Do Business In Florida

All professional service contracts and construction contracts paid for with CDBG funds must use firms/businesses that are licensed to operate in the State of Florida. No grant funds will be released to pay businesses that do not hold this license. Check Sunbiz.org and search for the company's name which has to be exactly how they registered with the State.

J. Businesses In Good Standing With The Department of Labor

All licensed businesses must be in good standing with the Florida State Department of Labor office. State debar website <https://www.myfloridalicense.com/wl11.asp>

K. Department Of Treasury's Listing Of Approved Sureties

The bonding company used by the contractor to provide payment and performance bonds must be listed with the Department of the Treasury's Listing of Approved Sureties. At the time the contract is awarded check

http://www.fiscal.treasury.gov/fsreports/ref/suretyBnd/c570_a-z.htm to ensure that Florida is listed for the surety as being licensed in the state. Print off the listing as compliance documentation for the file and ensure the date is included on the copy.

L. Internal Control

Proper internal control for each contractor may include a contract file that includes the following:

- A signed contract and amendments or change orders;
- A schedule of payments supported by:
 - Copies of time sheets or payroll records;
 - Copies of checks or transfer notifications; and
 - Copies of invoices;
- All project-related correspondence;
- Property records (where appropriate);
- Any notice of cancellation, termination, or suspension of the contract;
- All field inspection reports and employee interviews; and
- Other data as required by the recipient to properly administer the contract.

M. Engineer/Consultant's Certificate of Completed Work

A copy of the Certificate for Acceptance, and Final Payment, signed by the project engineer/consultant, must be obtained prior to closeout. This certificate must cover all work included in the project (regardless of funding source), including grantee cash and in-kind. The certificate must state that work has been completed in accordance with drawings and specifications and is functioning properly with the recommendation for Final Payment.

IX. LABOR STANDARDS

Construction work that is financed in whole or in part with CDBG funds must adhere to certain Federal labor standards requirements. Additional information can be found at https://www.hudexchange.info/resources/documents/Module3_TrainingSlides.pdf.

A. Davis-Bacon Act

The Davis-Bacon Act (40 USC, Chapter 3, Section 276a-276a-5; and 29 CFR Parts 1, 3, 5, 6 and 7) is triggered when construction work over \$2,000 is financed in whole or in part with CDBG funds. It requires that workers receive no less than the prevailing wages being paid for similar work in the same area. ***Davis-Bacon does not apply to the rehabilitation of residential structures containing less than 8 units or force account labor (construction carried out by employees of the grantee).***

HUD's Office of Labor Relations Letter No. LR 2009-01, Davis-Bacon applicability to demolition work states demolition, by itself, is not necessarily considered to be

construction, alteration, or repair (i.e. activities to which Davis-Bacon requirements may apply). As a result, Davis-Bacon wage requirements are not typically triggered by demolition work, alone. However, if subsequent construction at the site is planned as part of the same contract or if subsequent construction is contemplated as part of a future construction project, then the demolition work is considered to be part of the overall construction project. In such cases, if the subsequent construction work is subject to Davis-Bacon requirements, then the demolition work likewise be covered by Davis-Bacon requirements. Additional information can be found at http://portal.hud.gov/hudportal/documents/huddoc?id=DOC_14999.pdf.

B. Copeland Anti-Kickback Act

The Copeland Anti-Kickback Act (40 USC, Chapter 3, Section 276c and 18 USC, Part 1, Chapter 41, Section 874; and 29 CFR Part 3) requires that workers be paid weekly, that deductions workers' pay be permissible, and that contractors maintain and submit weekly payrolls.

C. Contract Work Hours and Safety Standards Act

The Contract Work Hours and Safety Standards Act (40 USC, Chapter 5, Sections 326-332; and 29 CFR Part 4, 5, 6 and 8; 29 CFR Part 70 to 240) applies to contracts over \$100,000 and requires that workers receive overtime compensation (time and one-half pay) for hours they have worked in excess of 40 hours in one week. Violations under this Act carry a liquidated damages penalty (\$10 per day per violation).

D. Section 3 of the Housing and Urban Development Act of 1968

Section 3 of the Housing and Urban Development Act of 1968, as amended requires the provision of opportunities for training and employment that arise through HUD-financed projects to lower-income residents of the project area. Also required is that contracts be awarded to businesses that provide economic opportunities for low- and very low-income persons residing in the area. 29

E. Florida Prevailing Wage Law

Florida's Prevailing Wage Law establishes a minimum wage rate that must be paid to workers on public works construction projects in Florida, such as bridges, roads, and government buildings. The prevailing wage rate differs by county and for different types of work.

The Florida Prevailing Wage Law applies to all public works projects constructed by or on behalf of state and local public bodies. Information on Florida's Prevailing Wage Law can be found at: <http://www.contractorsprevailingwage.com/faq/florida-prevailing-wage/>

X. ACQUISITION AND RELOCATION

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) generally applies to projects involving acquisition, rehabilitation or demolition of real property. In some cases, the use of CDBG funds in a project involving demolition or conversion of lower income dwellings may also trigger another Federal law under Section 104 (d) of the Housing and Community Development Act of 1974.

HUD issued [CPD Notice 14-09](#) which provided guidance concerning the October 1, 2014 effective date of Moving Ahead for Progress in the 21st Century Act (MAP-21) that changed payment limits and replacement housing payment eligibility criteria in the

Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA). The revised regulations at 49 CFR part 24 are consistent with MAP-21, which other proposed changes underway.

The following changes to the URA become effective on October 1, 2014:

A. Residential Relocation:

- Length of occupancy requirement to receive Replacement Housing Payment for homeowner occupants is reduced from 180 days to 90 days [42 U.S.C. 4623(a)(1) and 42 U.S.C. 4624(b)];
- Maximum Replacement Housing Payment for displaced 90 day (formerly 180 day) homeowner-occupant increased from \$22,500 to \$31,000 [42 U.S.C. 4623(a)(1)]; and
- Maximum Replacement Housing Payment for displaced 90 day residential tenant increased from \$5,250 to \$7,200 [42 U.S.C. 4624(a)].

B. Nonresidential Relocation:

- Maximum Reestablishment Expense Payment increased from \$10,000 to \$25,000 [42 U.S.C. 4622(a)(4)] and
- Maximum Fixed Moving Expense Payment increased from \$20,000 to \$40,000 [42 U.S.C. 4622(c)].

XI. ADMINISTRATION and PLANNING

CDBG funds can be used for administrative and planning activities and are limited to 20%.

The following are eligible administrative activities:

- General management, oversight and coordination
- Providing local officials and citizens with information about the CDBG program;
- Preparing budgets and schedules;
- Preparing reports;
- Monitoring program activities;
- Fair Housing Activities;
- Indirect costs; and
- Submission of applications for Federal programs.

Eligible planning activities are:

- Comprehensive plans;
- Community development plans (i.e. Consolidated Plan);
- Functional plans (i.e. land use, economic development, floodplain management, transportation, historic preservation, etc.).
- Other plans and studies (i.e. neighborhood plans, capital improvements, individual plans, historic preservation studies, etc.).

Any costs and time charged must be documented through the appropriate means such as invoices, receipts, time and attendance records, etc. Documentation shall be kept on file and will be reviewed at financial monitoring.

Under this category, CDBG funds may not be used for the following activities:

- Engineering, architectural and design costs related to a specific project; or
- Other costs of implementing plans.

However, these costs may be eligible as part of an eligible project.

A. Calculating Administrative Cap

In accordance with 24 CFR 570, planning and administration costs are capped at 20% of the sum of grant plus program income plus reallocated funds.

Calculating cap example:

Total grant amount	\$227,500
Program income & reallocated funds	<u>\$ 2,500</u>
Total: the basis for calculating the cap	\$230,000
Multiplied by 20 percent	<u>X .20</u>
Maximum dollar level that may be charged	\$ 46,000

XII. PUBLIC SERVICES

The total amount of CDBG funds expended for public services activities must not exceed 15% of the yearly allocation of funds plus 15% of program income received within the program year.

According to 24 CFR 105(a)(8) allows the use of grant funds for public service activities, including *but not limited to*:

- Employment services (e.g. job training);
- Crime prevention and public safety;
- Child care;
- Health services;
- Substance abuse services (e.g. counseling and treatment);
- Fair housing counseling;
- Education programs;
- Energy conservation;
- Services for senior citizens;
- Services for homeless persons;
- Welfare services (excluding income payments);
- Down payment assistance; and
- Recreational services.

CDBG funds may be used to pay for labor, supplies, and material as well as to operate and/or maintain the portion of a facility in which the public service and located. This includes the lease of a facility, equipment and other property needed for the public service.

For the public service to be eligible, the service must be either 1) a new service; or 2) a quantifiable increase (10%) in the level of an existing service which has been provided by the entity through state or local government funds in the 12 months preceding the submission of the City of Fort Pierce's Consolidated Plan Annual Action Plan to HUD.

Income payments by HUD regulations for entitlement communities have restrictions. Income payments are payments to an individual or family, which are used to provide

basic services such as food, shelter (including payment for rent, mortgage and/or utilities) or clothing. Income payments are not to exceed three consecutive months; and the payment are made directly to the provider of such services on behalf of an individual or family. Political activities are considered an ineligible activity.

Applications for CDBG public service subawards will be reviewed by the Communitywide Council (CWC), a citizen's board appointed by the Fort Pierce City Commission to make recommendations related to the City's CDBG funded programs. Their recommendations will be presented to the City Commission, who will make the final decision on all grant awards.

Subrecipients will be required to enter into a contractual agreement with the City of Fort Pierce in order to receive a Public Service grant award. The Subrecipient contract will contain the federal requirements for receiving a federal grant. The contract will also contain the Subrecipient program description, timeframe, budget, scope of services, cash or in-kind match and reporting requirements. The signature page will contain the signatures of persons authorized to enter into contractual agreements.

No funds will be disbursed until both the organization and the City have signed the contract. No reimbursement for expenses of projects which occur prior to entering into a written contract will be honored. A formal contract is mandatory, regardless of the amount of the grant award. Applicants are responsible for knowing and understanding the terms of their contracts and deadlines for submitting documentation and reports.

The Subrecipient is required to maintain and report demographics and statistics of its project beneficiaries, regardless of the amount of the grant, and to make monthly reports to the Grants Administrator describing its activities and accomplishments, including sign-in sheets, pictures, etc. The Subrecipient must agree to maintain its project records and copies of reports for a minimum of five (5) years. Subrecipients who are late with reports may be suspended from receiving further reimbursements and also from applying for future CDBG funds.

Subrecipients may not be awarded a second grant while a previous grant award is open. Previously funded projects must be successfully completed and closed before another grant award for the organization will be considered.

Subrecipients that fail to carry out their projects satisfactorily will not be eligible to apply for a Public Service grant for at least three years from the time of the original application. The Communitywide Council may establish additional penalties for nonperformance on a case-by-case basis.

Only new or expanded projects that are designed to improve the lives of low to moderate income citizens, and fall within the guidelines of the U.S. Department of Housing and Urban Development will be considered for funding.

XIII. TIMELY DISTRIBUTION OF FUNDS

CDBG funds are to be distributed in a timely fashion. Timeliness refers to how quickly funds are able to be committed and expended. It is vital that every effort is made to quickly distribute and use funds.

Timeliness is defined as the annual grant being obligated within 15 months of the City signing a grant agreement with HUD.

If the City was to award funds to subgrantees, obligation means the date which the City officially announces the selection of its awards to the subgrantee. Obligation could mean the following:

- Contract;
- Letter;
- Press release;
- News announcement; and/or
- Public Notice.

Currently there are no timely regulatory requirements in either the statute or regulations. HUD tracks expenditures through the Line of Credit Control System (LOCCS). Through this system several reports can be created by HUD staff such as the Ratio of Unexpended Funds to Grant, Ratio of Funds Expended in the Last 12 Months to Grant, Expenditure Report and National Chart.

XIV. PROGRAM INCOME

Program income is the gross income received by the City of Fort Pierce which was directly generated from the use of CDBG funds. Program income is treated as additional CDBG funds subject to all requirements.

Examples of program income include:

- Proceeds from the sale or lease of property purchased or improved with CDBG funds;
- Funds collected through special assessments on properties not owned and occupied by LMI households in order to recover the CDBG portion of a public improvement.

Program income does not include:

- Any income received in a single year by the City and its subgrantees, that does not exceed \$35,000; and
- Amounts generated and kept by a nonprofit development organization under 105(a)(15).

Program income must be disbursed prior to the drawdown of additional funds from IDIS. Therefore program income works on a last in first out scenario.

XV. UNIFORM ADMINISTRATIVE REQUIREMENTS

In accordance with 24 CFR Part 85, the City of Fort Pierce must adhere to certain administrative requirements. These requirements include OMB Circular A-87 "Cost Principles for State, Local and Indian Tribal Governments". This circular establishes principles and standards for determining allowable costs under Federal grants.

Non-profits are required to comply with OMB Circular A-122 "Cost Principles for Non-Profit Organizations". This circular establishes principles for determining allowable costs under grants, contracts and other agreements with nonprofit organizations.

In addition, local governments and nonprofit organizations are required to comply with OMB Circular A-133 "Audits of Institutions of States, Local Governments and Nonprofit Institutions".

For additional information on uniform administrative rules for Federal grants and cooperative agreements visit hud.gov/offices/lead/library/lead/24_CFRPART_85.pdf

XVI. AUDIT REQUIREMENTS

The City of Fort Pierce's fiscal year runs from October 1 through September 30.

The City currently provides subawards from its CDBG funds to sub-recipients. The City of Fort Pierce has measures in place to ensure that the sub-recipients are aware of federal expenditure thresholds of \$750,000, audit requirements, timeframes, and applicable OMB principals.

XVII. CITIZEN PARTICIPATION

The City shall follow its Citizen Participation Plan. Any changes to this plan shall be approved by the City Commission. The City shall hold public hearings at least four times per year and encourage public participation during preparation of the five year Consolidated Plan, Annual Action Plans and the end of year Consolidated Annual Performance Evaluation Reports (CAPER). A copy of the City of Fort Pierce Citizen Participation Plan is attached to this CDBG Policies and Procedures for reference.

XVIII. RECORD RETENTION PERIOD

Under the uniform administrative requirements of the CDBG regulations, the City is required to retain CDBG records for a period of not less than five years. The record retention period begins from the date of submission of the CAPER in which the specific activity is reported on for the final time rather than from the date of submission of the final expenditure report for the award.

To be consistent with Consolidated Plan regulations, which require that grantees maintain information and records relating to the Plan and the use of funds under the programs covered by the Consolidated Plan, record(s) must be maintained for a period of not less than five years.

XIX. INTERNAL CONTROLS

The CDBG program is administered by the Grants Division, located within the Department of Urban Redevelopment. Other individuals and/or departments play a key role in the day to day CDBG program such as the City's Deputy City Manager, Director of Finance, the Chief Accountant, the Director of Purchasing, and the Code Enforcement and Building Departments.

The Grants Administrator serves as the CDBG Administrator. Please see City Organizational Chart. This Grants Administrator is under general direction of the Deputy City Manager. The Grants Administrator, along with support staff, organizes and oversees the programs, services and operations of the Community Development Block Grant Program.

The Grants Administrator is also responsible for obtaining proper documentation for all sub-award programs, set up and management of the IDIS system and a variety of technical tasks relative to CDBG administration.

The Director of Finance and Chief Accountant assist with the management of IDIS by reviewing and approving voucher creation for drawdowns and compiling and maintaining financial records as backup materials for all IDIS activities.

The Director of Purchasing assists in insuring that all bids and contracts are awarded in compliance with the CDBG program.

The Code Enforcement and Building Departments assist with identifying code violations, and if, during the course of the program, rehabilitation or slum and blight activities may disturb lead-based paint, they coordinate with the City Housing Inspector to obtain a sample and complete a test to determine if the sample contains lead based paint. The City Housing Inspector is EPA Lead Certified.

XX. IDIS DRAWS

IDIS drawdowns will be completed at least quarterly, but most preferably monthly, for expenditure of funds completed the prior month.

The following sequence is completed for preparation of a draw from HUD's IDIS system:

1. Each month the Grants Administrator prepares supporting documentation for a CDBG drawdown and creates a voucher in IDIS. Supporting documentation and a copy of the created voucher is filed in a 3-ring binder by program year in the Grants Administration offices.
2. The drawdown and supporting documentation is emailed to the Director of Finance and Chief Accountant, with a copy of the voucher created in IDIS for review and online approval of the voucher.
3. The Chief Accountant notifies the Grants Administrator via email when the IDIS Draw is approved and when funds have been received.

XXI. EQUIPMENT MANAGEMENT AND DISPOSITION

The following items are suggested for management and disposition guidelines for equipment purchased with CDBG funds.

- Maintain property records which contain: property description, serial number or ID number, funding source (grant number), title holder, acquisition date and cost, percentage of Federal participation in original acquisition cost, location, use and condition or property, disposition date, date of disposal and sales prices.
- Take a physical inventory of equipment and reconcile results with property records every two years.
- Establish a control system for adequately safeguarding property against loss, damage, and theft.
- Establish maintenance procedures for keeping property in good condition.
- When selling equipment purchased with CDBG funds, proceeds from sale must be kept as program income.
- Establish proper sales procedures to ensure highest possible return.
- Follow HUD disposition instructions when equipment is no longer needed.

XXII. MONITORING OF SUBRECIPIENTS

The Grants Administrator and staff shall monitor all Subrecipients to ensure program compliance. Staff will utilize both "desk monitoring" and "internal/on-site" monitoring to assess the quality of program performance over the duration of the agreement or contract.

Monitoring of Subrecipients shall concentrate on program, financial and regulatory performance of the Subrecipients. In conducting a monitoring review, program staff will primarily rely on information obtained from the Subrecipient's monthly performance reports, records, audits, allowed costs, review of financial reports, eligibility and number of beneficiaries served, compliance with federal regulations and City program requirements. Staff may also consider relevant information pertaining to a recipient's performance gained from other sources including litigation, citizen comments and other information provided by or concerning the subrecipient.

A Subrecipient's failure to perform under the terms of the agreement with the City of Fort Pierce and/or maintain records in the prescribed manner may result in a finding that the Subrecipient has failed to meet the applicable requirement. If staff finds that a Subrecipient has failed to meet the requirements the following steps will be taken:

1. Issue a letter of warning advising the subrecipient of the deficiency and putting the subrecipient on notice that additional action will be taken if the deficiency is not corrected or is repeated; and/or
2. Recommend or request the subrecipient to submit proposals for corrective actions, including the correction or removal of the causes of the deficiency.

If the subrecipient fails to undertake appropriate corrective actions which resolve the deficiency to the satisfaction of the program staff, the staff may take one or more of the following actions. Such actions shall be designed to prevent a continuation of the performance deficiency; mitigate, to the fullest extent possible, the adverse effects or consequences of the deficiency; and prevent a recurrence of the deficiency. Prior to a reduction, withdrawal or adjustment of a grant or other appropriate action, taken to pursuant to 1, 2 or 3 below, the recipient shall be notified of such action and given an opportunity within a prescribed time period for an informal consultation. These actions may include but are not limited to:

1. Advise the subrecipient in writing that additional assurances are required;
2. Advise the subrecipient to suspend disbursement of funds for the deficient activity; and/or
3. Advise the subrecipient to reimburse the City of Fort Pierce program account in any amounts improperly expended.
4. The City of Fort Pierce shall have the same rights as the Secretary of HUD as to other remedies for noncompliance per 24 CFR 570.912 and 24 CFR 570.913.

Please see attached Subrecipient monitoring forms, including monthly reporting forms.

XXIII. HOMEOWNER SUPPORT PROGRAMS

As funding is available, and when an activity is listed in Action Plan, the City will implement Homeowner Support Programs, which may include Code Deficiency, Energy Efficiency, Emergency Assistance Repairs and Down Payment Assistance. The purpose of the program is to assist low-to-moderate income homeowners with repairs to meet health and safety standards; to provide the opportunity to realize measureable energy savings; assist with emergency repairs and/or provide down payment assistance to first time home buyers.

Code Deficiency: Homeowners who live in single family residence within Fort Pierce City limits that need exterior repairs and that do not meet city code. Maximum assistance per home is \$5,000 no interest loan. Loans will be secured by a deed of

trust. If the owner remains in the property for five years after the repairs are complete, the loan will be forgiven.

Energy Efficiency: Homeowners who live in single family residence within Fort Pierce City limits. Maximum assistance per home is \$5,000 no interest loan. Loans will be secured by a deed of trust. If the owner remains in the property for five years after the repairs are complete, the loan will be forgiven.

Emergency Assistance Repairs: Emergency assistance may be necessary to safeguard against imminent danger to human life, health or safety. Homeowners must live in single family residence within Fort Pierce City limits. Maximum assistance per home is \$5,000 no interest loan. Loans will be secured by a deed of trust. If the owner remains in the property for five years after the repairs are complete, the loan will be forgiven.

A. Eligibility and Assistance Amounts

As funding is available, and when this activity is listed in a yearly Action Plan, assistance may be provided on a "first come, first served" basis to eligible applicants; a limited number will be processed as funding permits. Maximum assistance is \$5,000. If costs exceed this amount, the owner is responsible for the difference.

1. The applicant household must be at or below 80% of the median family income as defined by HUD to participate in any Homeowner Support Programs at the time their application is processed.
2. The property must be a single family residence located within the City Limits and not within a designated floodplain area or on land known to be the site of previous dumping of toxic or hazardous wastes. Mobile homes are not eligible.
3. The property must be owner-occupied and have clear title. If the property is owned by more than one individual, all owners must sign required legal documents relating to the rehabilitation project, including, but not limited to, the deed of trust and rehabilitation contract, even if they do not reside in the property to be rehabilitated.
4. For properties constructed before 1978, the City's approach to Lead Based Paint is to do no harm. Testing may be conducted on surfaces to be disturbed, unless presuming the surfaces contain lead-based paint. Surfaces disturbed during rehabilitation work will be repaired. Safe work practices shall be used on all surfaces.
5. The applicant and/or the structure for which the application is being made cannot previously have received a City of Fort Pierce Homeowner Support Program loan or grant for owner occupied housing rehabilitation within the past 5 years. Participation in the Emergency Assistance or Down Payment Assistance program does not exclude the homeowner from the Code Deficiency or Energy Efficiency program.
6. The applicant must sign a Promissory Note and Deed of Trust for the loan amount.
7. Payment of real-estate taxes must be current and not have any delinquent taxes, liens, assessments or other fees due to the City.
8. The applicant shall have established trash service.

9. If at any point during the steps the applicant does not provide required documentation within requested time frames, he/she shall be notified of inactive status by mail or email.
10. Income qualification is good for six months at which time applicant must re-certify.
11. Projects must be complete in one (1) year or the homeowner will have to reapply for the program.
12. Should a project be determined infeasible for rehabilitation due to a lack of funding or not meeting the eligibility criteria of any of the Homeowner Support Programs, the City reserves the right to reject the owner's application.

B. Household Income

The income of a household includes the gross annual income of all persons 18 or older in the home who are expected to reside in the dwelling at least six months out of the year. The applicant's family includes the applicant and any other person or persons related by blood, adoption, legal guardianship, and/or marriage that share the same dwelling unit. If more than one family resides in a unit or where unrelated individuals are paying rent to the owner occupant, then each family or unrelated individual must qualify as being income eligible.

If there are multiple owners of the property, the applicant is the owner-occupant and his/her family. The annual income of each household is established by projecting income for 12 months from the time applicant's name is reached on the waiting list and includes all sources of income included as Annual Income in the American Community Survey definition of income. Applicants are asked for proof of each source of income listed on their application. This may be accomplished through signing an authorization for third-party verification, by submitting a certified copy of their latest tax information, or by other approved methods acceptable to HUD and the City's Planning & Protective Services staff.

C. Repayment

No repayment of any kind is required as long as the recipient continues to own and occupy the property for 5 years after assistance. In the event that the property receiving assistance is no longer owned or occupied by the recipient within the 5 years, the balance shall be paid in full.

D. Eligible Costs

Funds are to be used for improvements deemed necessary by Code Enforcement and Building Departmental staff, including, but not limited to, one or more of the following:

1. Work necessary to meet code standards for the City of Fort Pierce and HUD.
2. Building permits and related fees.
3. Addressing lead-based paint hazards identified by a risk assessor.
4. HVAC equipment repair or replacement.
5. Energy efficiency improvements.
6. Structural repairs.
7. Emergency health and safety projects.

Note: All materials, fixtures, equipment, or landscaping shall be of a quality customarily used in the neighborhoods for properties of the same general type as the property to be assisted.

E. Ineligible Costs

Except as otherwise provided in this section, funds shall not provide funding for adding rooms, creating finished living space from unfinished areas (i.e., garages and basements), exterior improvements such as fencing and landscaping, replacement of items determined to be in good condition by Code and Building Departmental staff, and purchase and installation of appliances, such as refrigerators, stoves, window air conditioning units.

F. Work Write Up

For the Code Deficiency and/or Emergency Assistance Program the City's Housing Inspector staff shall prepare a deficiency list and work write-up in accordance with the City's Code Standards, to document the work to be assisted with grant and loan funds.

For the Energy Efficiency Program, a Fort Pierce Utilities Authority Certified Energy Auditor will conduct an energy audit of the home. The Energy Auditor will complete a report identifying items or projects to complete in order to make the property more energy efficient. Based on this report a work write-up will be determined.

G. Change Orders

The Grants Administrator, with the consent of the property owner, may approve change orders to the work write-up if the amount of the contract is not increased more than \$1,000. All change orders shall be prepared by the Building Department staff and shall be signed by the property owner, or the designated representative of the property owner, a representative of the Code Enforcement Department, and the contractor.

H. Contractors and Bid Process

The Building Departmental staff will develop a qualified contractor list containing the names of all contractors meeting the eligibility requirements. Minority and female owned contractors will be encouraged to participate.

In order to qualify for the list, contractors must meet the following requirements:

1. Must completely fill out the Contractor Application Form.
2. Must carry Worker's Compensation Insurance for all employees as required by the State of Florida.
3. Must carry liability insurance at the minimum amount of \$100,000.
4. If undertaking lead abatement activities, the general contractor must have a current supervisor's license and abatement contractor's license from the Florida Department of Health.
5. Either have completed an EPA approved Lead Renovator training or hire an individual or company who is EPA Lead Certified before undertaking any job disturbing lead painted surfaces.
6. Be properly licensed by the City.
7. Must be able to supply the tools and materials necessary to complete each job.
8. References may be requested for at least three jobs completed.

I. Non-Performing Contractors

Contractors who consistently exhibit poor workmanship or do not complete contract requirements will be eliminated from the contractor list. Contractors who do not complete their contracts within an allotted time period will not be eligible to submit bids for additional projects until they are in compliance within the appropriate contract time period. Contractors that do not honor the warranty provisions of their contract will be eliminated from the contractor list.

J. Contractor Selection

1. Contractors will be asked to submit an itemized bid containing a firm amount for each item on the work write-up for all housing repair programs. Homeowners are responsible for obtaining at least 3 bids within 30 days. With written permission of the homeowners, the City may mail bids to all contractors on the list.
2. A contractor is limited to three active contracts at a time through the Homeowner Programs. In all cases, the city reserves the right to reject any and all bids and reserves the right to eliminate bid items to meet the maximum loan amounts.
3. Once bids are submitted and obtained, the scope of work is not to be added to in order to make the bid equal \$5,000. The scope of work may only be changed if during the course of the project the contractor uncovers additional work that is required for the original scope to be of quality.

K. Owner-Contractors

Owner-contractor projects are not allowed in the City's Homeowner programs.

L. Time Frames for Contracts

The contract period for Homeowner Program projects shall not exceed 90 days, except as approved by Grants Administrator, and then shall not exceed 180 days without penalty to the contractor. The contract period shall begin when Grants Administrator provides contractor with the Notice to Proceed.

M. Application Procedures

When applications are received, the "Application Response Letter" is sent to notify confirmation of receipt of application. Create file, assign project number and include copy of correspondence letter.

If/when funds are available applicants are contacted within 30 days to schedule an interview appointment to verify income and qualifications.

Income guidelines are updated annually. Income limits may be accessed at <http://www.huduser.org/portal/datasets/il.html>. Each applicant file shall include a print out of the annual Income Limits Summary.

The applicant(s) must provide the following for all adults 18+ years and shall be included in file for compliance:

1. Copy of Social Security Card
2. Picture I.D.
3. Proof of income - use [CPD Income Eligibility Calculator](#) which utilizes American Census Survey worksheet. Must provide copy of past two paystubs and previous year Federal tax returns for all **18+** year olds in household. If on SS or SSI, the determination letter will work. Pension/benefit letters may also be provided.

If there is an adult 18+ in the household who claims no income, the Certification of Zero Income form must be filled out and signed by the individual.

4. Verify age of home through GIS System County Info for the purposes of determining if Lead Based Paint is a concern.
5. Verify ownership via GIS (copy of Deed of Trust) County info.
6. Verify current trash service with City of Fort Pierce's Solid Waste Provider.
7. Applicant(s) must sign and date both Eligibility Review Worksheet and CPD Income Eligibility Calculator forms; a copy is placed in file.
8. For properties constructed prior to 1978, provide applicant copy of Lead Based Paint pamphlet and have Homeowner initial receipt.
9. Sign both forms and turn in to Neighborhood Services Coordinator for approval signature.
10. Send Approval/Denial letter to applicant.

Requests for Code Deficiency and Emergency Assistance program assistance will require an inspection from a City Inspector. If Code violations are found, a Tier II Environmental Report including completing a FEMA floodplain map to ensure that property is not located within a 100 year floodplain, Historic Commission Assessment, SHPO Section 106 Project Information form and Site Assessment form. Once all compliance documents have been compiled, submit Tier II to Grants Administrator for approval. For properties constructed prior to 1978, ensure that results of the Lead Based Paint test(s) are provided to the homeowner.

1. Send draft Agreement to the Legal Department.
2. Using the Inspector's or Auditor's report, fill out the bid form.
3. Give 4 copies to applicant. Applicant must obtain a minimum of 3 bids. Also include lien waivers for subcontractors and suppliers. Must be given to contractor with bid sheet.

Contractor shall be secured within 30 days or applicant will be placed on "inactive" list. If circumstances exist such as inclement weather, additional time shall be allowed.

NOTE: Contractors must be licensed by the City of Fort Pierce and provide a certificate of insurance. If project involves disturbance of lead based paint, a Lead Certified contractor must be used. A lead test prior to rehab, lead safe practices and a lead test post rehab are required.

4. Contractor must be cleared through the following websites. Print off documentation and include in file.
 - a. State's website to check and see if they are registered to do business in the State. For this website you will have to have to know exactly how they registered their company. Sunbiz.org
 - b. HUD's debar website. Click on Limited Denial of Participation list & if nothing shows up for the company they are not debarred with HUD.
http://portal.hud.gov/hudportal/HUD?src=/topics/limited_denials_of_participati_o

- c. Florida Department of Labor Contractor Debarment List
gsaig.gov/index.cfm/suspension-and-debarment-listed-by-state/?LinkServID=C4C89080-D2BE-D29A-96355D44A13E4356
- d. System for Award Management (SAM) sam.gov
5. Type up Tabulation of Bids to include within project file.
6. Submit bids, tabulation, debarment website information to Grants Coordinator for award of bid and contract issuance. The Grants Coordinator will confer with the Building Department Housing Inspector to determine if bids are fair and equal.
7. When the contractor has been chosen, the Applicant(s) must come in to sign the following:
 - Agreement
 - Rehabilitation Contract (between homeowner & contractor)
 - Notice to Proceed
 - Promissory Note (must be notarized)
 - W-9 form (submit signed original W-9 & Vendor Request Form to Administrative Assistant)
8. When work is complete, the City Inspector will return to site to approve/deny completion. When approved, the Inspector will sign the Certificate of Completion and submit to the Grants Coordinator for final signature.
9. The applicant(s) must come in to sign final documents:
 - a. Certificate of Completion
 - b. Deed of Trust
10. Submit check request. Be sure to have check returned to you. Include: Bid summary and bids, Invoice, Certificate of Completion, and Notice to Proceed. Make three copies. Retain one for project files, submit one for Finance Department, and one to Grants Administrator for IDIS drawdown.
11. Contact applicant when check is received. Applicant must come in to endorse check over to contractor.
12. Contact contractor when check is endorsed. Contractor must come in to sign Lien Waiver. Contractor must bring lien waiver from subcontractors and suppliers, if any.
13. Record Deed of Trust and Promissory Note. When returned, make 3 copies; original to Legal Department, copies to file, homeowner, and IDIS files. Close applicant file, update active/close spreadsheet and lien spreadsheet.
14. Grant Administrator staff shall check lien spreadsheet periodically to determine if deed of release is required to be recorded after the completion of the five year requirement has been fulfilled.

XXIV. DOWN PAYMENT ASSISTANCE

A. Down Payment Assistance: As funding is available and as this activity is listed in the yearly Action Plan, first-time homebuyers who agree to acquire and reside in eligible residential properties in Fort Pierce City limits may apply for down payment assistance prior to closing. Maximum assistance per home is \$5,000, no interest loan. Additional \$500 may be available to assist with lead hazard reduction. Anything over

\$500 will be the responsibility of the buyer or seller. Loans will be secured by a promissory note and deed of trust. If the owner remains in the property for five years the loan will be forgiven.

B. Eligibility and Assistance Amounts

Assistance is provided on a "first come, first served" basis to eligible applicants, a limited number will be processed as funding permits. Maximum assistance is \$5,000. If costs exceed this amount, the owner is responsible for the difference.

1. The applicant households must be at or below 80% of the median family income as defined by HUD to participate in the Homeowner Support Programs at the time their application is processed.
2. The property must be a single family residence located within the City limits and not within a designated floodplain area or on land known to be the site of previous dumping of toxic or hazardous wastes. Mobile homes are not eligible.
3. The property must be maintained as an owner-occupied residence. If the property is owned by more than one individual, all owners must sign required legal documents relating to the purchase.
4. The Assistance shall be up to \$5,000, zero interest loan. An additional grant amount of \$500 is also available to offset costs for lead hazard reduction should this become an obstacle to use of home ownership assistance funds.
5. Applicants must be first time homebuyers (an individual and his/her partner/spouse who have not owned a home in the past three years), displaced homemakers, or single parents. A displaced homemaker is defined as an adult who has not worked full time, full year in the labor force for a number of years, but during such years worked primarily to care for his/her home and family, and who is unemployed and experiencing difficulty in obtaining or upgrading employment.
6. The applicant must sign a Promissory Note and Deed of Trust for amount of total assistance.
7. The property to be purchased must be an existing single-family dwelling. The buyer must own and reside in the home as his/her primary residence for a minimum affordability period of 5 years. If the property is sold or rented within the initial 5 year period, the assistance shall be repaid. The buyer must maintain trash service at all times in accordance with City Ordinance.
8. The buyer is required to obtain a home inspection from a certified home inspection firm prior to being approved for assistance. The printed report must include, at a minimum, inspection of the structural, mechanical, electrical, and plumbing components of the dwelling and an inspection for the presence of termites.
9. The City's assistance is to be used for closing costs and down payment assistance only.
10. Participation in a City-approved pre-purchase homebuyer's class must be documented prior to assistance being provided. Internet courses and/or videotapes for individuals viewing cannot be substituted for class attendance.
11. The homebuyer shall authorize the City of Fort Pierce to collect and receive any information needed from the lender or other sources necessary to ensure eligibility and funding amount. Buyers shall authorize the City to be provided the final HUD Settlement Statement and Warranty Deed 24 hours in advance of closing and shall be provided the Buyer's signed copy of both documents immediately after closing.

12. Should a home or applicant be determined infeasible for Down Payment Assistance due to a lack of funding or not meeting the eligibility criteria, the City reserves the right to reject the application.

C. Income

The income of a household includes the gross annual income of all persons 18 or older in the home who are expected to reside in the dwelling at least six months out of the year. The applicant's family includes the applicant and any other person or persons related by blood, adoption, legal guardianship, and/or marriage that share the same dwelling unit. If more than one family resides in a unit or where unrelated individuals are paying rent to the owner occupant, then each family or unrelated individual must qualify as being income eligible. If there are multiple owners of the property, the applicant is the owner-occupant and his/her family. The annual income of each household is established by projecting income for 12 months from the time applicant's name is reached on the waiting list and includes all sources of income included as Annual Income in the American Community Survey definition of income. Applicants are asked for proof of each source of income listed on their application. This may be accomplished through signing an authorization for third-party verification, by submitting a certified copy of their latest tax information, or by other approved methods acceptable to HUD and the City's Planning & Protective Services staff.

D. Repayment

No repayment of any kind is required as long as the recipient continues to own and occupy the property for 5 years after assistance. In the event that the property receiving assistance is no longer owned or occupied by the recipient within the 5 years, the balance shall be paid in full.

E. Lenders Procedure

Families must be approved by a participating lending institution. The lender will be the primary contact with the City of Fort Pierce and will forward copies of required documents to Grants Administrator staff. Lenders must be willing to provide a copy of the Buyer's preliminary HUD settlement statement at least 10 days prior to closing and provide final HUD settlement statement on the day of closing.

F. Property Standards

Upon determining that an applicant meets eligibility criteria, a request for inspection will be submitted to the program's inspector, who will have up to two (2) weeks to schedule an inspection of the property. This inspection must be completed prior to closing to determine if the property meets requirements of the City's Property Maintenance Code. Any defects found must be corrected prior to the release of homeownership assistance funds. A re-inspection of the subject property will be completed to ensure compliance with this requirement. Any code compliant issue that the inspector determines poses a significant health and/or safety risk must be corrected.

Houses built prior to January 1, 1978, must have an inspection to determine if deteriorated paint exists. Should the amount of deteriorated paint be greater than HUD's de Minimis standards (10 square feet of exterior surface, one square foot of interior surface, or 10% of any building component, i.e. window and door trim), samples will be sent to a lab for analysis. If the paint is determined to contain lead above HUD's level of concern, paint stabilization of deteriorated surfaces is required before assistance can be provided. A grant of \$500 is available to participants for lead paint stabilization work.

The stabilization must be completed by an individual or company trained in safe work practices. No assistance will be provided until the house successfully passes a clearance test performed by a certified lead risk assessor. The City will cover the cost of two clearance tests. The cost of subsequent tests will be the responsibility of the buyer or seller.

G. Grant Cancellation

An approved application may need to be canceled because the applicant has requested cancellation or is unwilling or unable to participate in the Homeowner program, or for other reasons. To cancel an approved application, the Grants Administrator shall prepare a letter outlining the reasons for canceling the assistance and distribute the letter to the applicant, CC'ing the Deputy City Manager. A copy of this letter will be maintained in the project file.

H. Appeal and Grievance Procedures

1. Applicants, who are not in agreement with a decision reached by the Communitywide Council, may appeal said decision by filing a written appeal to the Communitywide Council (CWC), within thirty (30) days of receiving notice of the decision. Appeals will be reviewed that relate to application approval/denial, grant cancellation, determination of assistance amount, determination of scope of work, approval of change orders, and selection of contractor.
2. The CWC shall hold a hearing after due notice to the appellant within thirty (30) days of filing said notice of appeal. They may affirm, reverse or modify the decision and notify the appellant in writing of its decision and the reasons thereof. After the hearing, the CWC's decision shall be the final procedure of the committee. The applicant may appeal the CWC's final decision to the City Manager. The City Manager, with the advice of the City Attorney, may reverse or uphold the decision of the CWC.
3. Any person denied assistance by the CWC who does not take exception with the findings, but who believes there are circumstances which, if known and considered, would establish extreme hardship and justify variance from the eligibility standards established herein may file an appeal with the CWC by filing within thirty (30) days of receiving notification. The Grants Administrator shall, depending upon the nature of the exception, forward such request to the Deputy City Manager, whose decision shall be final if the appeal involves an administrative request. Where the change involves a substantial change in a program rule, the request will be forwarded by the Grants Administrator to the Deputy City Manager, as is appropriate. Should the appeal require City Commission action, the Deputy City Manager shall forward such appeal to the Commission for action. Grants Administration staff shall provide assistance to any person filing an appeal.
4. Grievances: The city will not consider any grievance involving rehabilitation work in cases where:
 - a. Staff will assist program participants with grievances involving rehabilitation work within the 1 year warranty period. Assistance will be in the form of access to information regarding warranty, scope of work, and contractor responsibilities. Contractors that do not honor legitimate warranty claims will be removed from the eligible contractor list.

- b. The certificate of acceptance was signed more than one year before the grievance process is initiated; and the aggrieved party has not documented efforts to have the contractor return to resolve the matter within the one-year guarantee period after the certificate of acceptance was signed.
5. Right to Representation: A person has a right to be represented by legal counsel or other representative in connection with his or her appeal, but solely at the person's own expense.
6. Right to Files by Persons Making Appeals: The City will permit a person to inspect and copy all materials pertinent to her or his appeal, except materials that are classified as confidential. The City may, however, impose reasonable conditions on the person's right to inspect which are consistent with applicable laws, such as the cost of copying materials.
7. Scope of Review of Appeal: In deciding an appeal from the Board's decision, the City Manager and/or the City Commission shall consider all pertinent justification and other material submitted by the person, and all other available information that is needed to ensure a fair and full determination of the appeal.
8. Determination and Notification after Appeal: Within thirty (30) days after the receipt of all information submitted by a person in support of an appeal, the Board shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and furnish the person a copy. The City official(s) conducting the appeal determination shall not have been directly involved in the action appealed. If the relief requested is not granted, upon additional request, the City shall advise the person of her or his right to seek Department of Housing and Urban Development review of the City's written determination of the appeal. A person has 45 days after she or he receives the City's written determination of their appeal to file a review appeal with the Department of Housing and Urban Development.

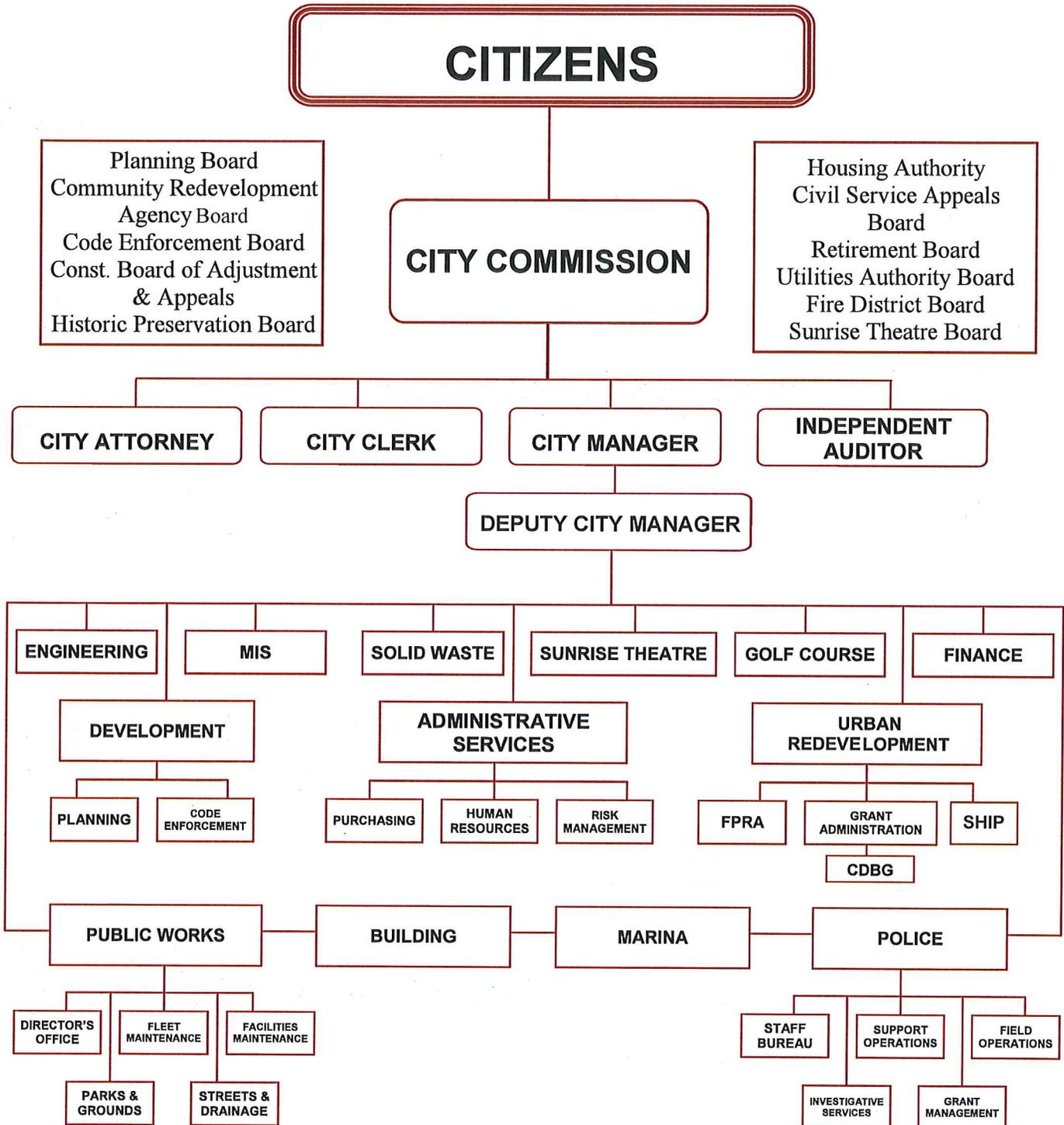
XXV. PROGRAM FILES

Program files are kept for each individual applicant. The files contain applications, income verifications, Tier II Environmental Review, reports, correspondence, contracts, deeds, etc.

As part of the application process, voluntary racial and ethnicity information is collected. The information is entered into IDIS by the time the individual project completes.



CITY OF FORT PIERCE, FLORIDA ORGANIZATIONAL CHART





COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FORMS

Subrecipient Funding Request Checklist

Procedure for Intake of Public Service Subrecipient Applications

Subrecipient Monitoring Checklist

Subrecipient Grant Award Reporting Form

CDBG Direct Benefit Tracking

Certification of Reimbursement Request

Communitywide Council Conflict of Interest Statement for
Grant Application Reviewers



SUBRECIPIENT FUNDING REQUESTS – CHECKLIST

Organization / Subrecipient Name _____ Today's Date _____

	Organizations must hold a current non-profit certificate for charitable organizations. If certificate has not been obtained by the deadline for submitting applications, proof of filing can be submitted, but all funding will be contingent upon receipt of such status.
	Projects must be designed to benefit low and moderate-income persons or aid in the prevention or elimination of slum and blight, and address an urgent community development need.
	Projects that intend to offer professional services such as counseling, construction, education, etc., must have qualified staff holding current applicable state and federal licenses to provide those services.
	Proposed program(s) or project(s) will be considered for funding for upcoming program year only.
	Funds will not be granted to organizations with year end financial deficits, unless evidence of solvency is presented, or for scholarships, entertainment or lobbying expenses.
	Agencies will be required to obtain and execute a contract with the City prior to receiving any approved funds.
	Agencies approved for funding shall provide the City with a Certificate of Insurance in a form acceptable to the City, as required.
	Agency agrees to periodic unannounced site visits.
	Agencies are strongly encouraged to show fund-raising pledges and commitments of at least 30% of CDBG amount requested.
	Applications must be received by the advertised deadline. There will be no exceptions
	Applications must be complete and include all applicable support material. Incomplete applications could be held and not considered until next funding cycle, when all information is included.
	Funding requests must be for specific program(s) or project(s) that serve the general public locally, fill a current unmet need, and/or complement existing programs.
	Proposed program(s) or project(s) may not compete with or duplicate City programs or services provided.
	Project/program goals should be attainable and should achieve measurable results.
	The application should include the number of citizens the program(s) or project(s) are designed to effect. Results will be reviewed monthly through reports submitted to the City in conjunction with pay requests.
	The applicant must demonstrate the existence of adequate fiscal controls with their current operation, which will be reviewed monthly through Board approved financials and updated budgets submitted to the City in conjunction with pay requests.
	CDBG proposed program(s) or project(s) must occur within the City of Fort Pierce.
	Only one application is acceptable per agency, per funding cycle.
	Agency budget with each project application, along with previous year's audited financials. If this is the agency's first year, attach letter from accounting firm you have chosen for the coming year.
	Copies of State and Federal licenses for all professional staff, required under Article I (b)(3) attached.
	3 letters of recommendation from community members not directly involved in the agency or its project attached.

Public Services Agency (PSA) / Sub-Recipient Grant Application Intake Procedures

APPLICANT:

Applicant completes information on log sheet: Agency Name, Name of Individual

STAFF:

- ✓ Immediately place cover page of application into the time stamp machine and log time into the log sheet. Best location for stamp is (see example for placement in machine.)



*Approx. 3.5" inside stamp
to place in Above location*

- ✓ Stamp with "Received" stamp
- ✓ Stamp original with "ORIGINAL" stamp
- ✓ Confirm that there are 7 copies (1 original + 6 copies). If not, applicant must return with the remaining needed; after grant submittal deadline is OK for providing required copies.
- ✓ Time stamp all copies – no need to place the FPDUR received stamp on copies
- ✓ Scan original application and email scanned document to Grants Administrator.
- ✓ Band together documents in preparation for next CWC Meeting where PSA applications will be reviewed and scored.
- ✓ NOTE: If applications come in binders or special folders please ask applicant to remove them and clip together individually w/o the binders/folders. Items are too bulky to incorporate into packages for our files and CWC Agenda packages. This will also save the agency the cost and preparation. Inclusion of these items will not affect the rating of the application.



CDBG Subrecipient Monitoring Checklist

Subrecipient Name _____ Monitoring Date _____

Performance Evaluation Review

1. National Objectives Compliance Yes _____ No _____
Comments: _____
2. Eligible/Ineligible Activities Compliance Yes _____ No _____
Comments: _____
3. Were contract objectives met? Yes _____ No _____
Comments: _____
4. Was contract statement of work performed? Yes _____ No _____
Comments: _____
5. Was contract schedule met? Yes _____ No _____
Comments: _____
6. Was Contract Budget met? Yes _____ No _____
Comments: _____
7. Summary of achievements/accomplishments: _____
8. Technical assistance and training needed: _____
9. Identification of high risk subrecipients: _____

Record-Keeping System

1. Is filing system orderly, comprehensive and up to date?
Yes _____ No _____ Comments: _____
2. Security procedures (office & site) and safety of records: Yes _____ No _____
3. Location and accessibility: _____
4. Documentation (activities & cost) eligible activities, program cost:
Yes _____ No _____ Comments: _____

Financial Management Systems

1. System for internal controls: Yes _____ No _____
Comments: _____
2. Components of financial management system/chart of accounts, journals, ledgers, reconciliation, data processing reporting system: _____

3. Eligible, allocable and reasonable cost/time sheets, cost allocation plan, expense tracking: OMB Circulars A-87, A-122: _____
4. Maintenance of Source Documentation/OMB A-110: _____
5. Loan servicing capabilities/24 CFR 85.20 (b)(3): _____
6. Budget control/actual expenditures match budget: _____



CDBG Subrecipient Monitoring Checklist *(continued)*

Non-discrimination and Actions to Further Fair Housing

1. Equal Employment opportunity/direct benefit activities

2. (Section 3) Opportunities for training & employment for local residents

3. Requirement for disabled person/OMB Circular A-110

4. Women & Minority Business Enterprises: _____

Procurement and Bonding/OMB A-110

1. Procurement procedures/written policies, enforcement, compliance: _____

2. Competitive bids/bid packages and award procedures: _____
3. Use of debarred, suspended or ineligible contractors or subrecipients: _____

4. Small purchases (\$25,000) / purchases orders & petty cash: _____

5. Non-competitive procurement/procedure, limits: _____
6. Conflict of interest provisions: _____

Labor standards monitoring-compliance with Davis-Bacon and Related Acts

Prevailing Wages (applicability)/24 CFR 570.603, handbook 1344.1, rev.1:

Dissemination, notices posted: _____

Documentation in files: _____

Filed inspection/payroll review: _____

Contractor eligibility/24 CFR 570.609: _____

Public Services

National Objectives/24 CFR 570.208: _____

L/M benefit (area)/24 CFR 570.208(a)(1): _____

Presumption of L/M benefit for special needs group; documentation required: _____

Eligible Activities Review

Prohibition against religious activities: _____

Prohibition against political activities: _____

New/increased levels of service: _____

Cap on overall public service activities: _____



CDBG Subrecipient Monitoring Checklist *(continued)*

Public Facilities and Improvements

National Objectives/24 CFR 570.208: _____

Prohibition against political activities: _____

Prohibition against excessive fees: _____

Removal of barriers for disabled persons: _____

Requirement for continuity of use: Requirement for continuity of use (5 years).

Report Date: _____

Reports are due by the 5th of each month, even if there are NO expenditures.

Grant Award Reporting Form

Please retain a copy for your records.

Business/Organization: _____

Grant Award Amount: \$ _____

Amount of *this* Grant Award Paid *before* Today: \$ _____

Today's Grant Award Request: \$ _____

Balance Remaining of Grant Award: \$ _____

Attach copies of invoices, receipts for payment and cancelled checks (fronts and backs) to total the dollar amount listed as "Today's Grant Award Request" above.

Accomplishments:

Description of activities this reporting period	Number of Participants This Report Only	Total Number of Participants (including this report)

Attach copies of Activity Sign-In Sheets to match number in "Number of Participants - This Report Only." Also attach photos taken during this reporting period.

=====

Grantee Certification: I certify to the best of my knowledge and belief, the above is correct and that all expenditures are made in accordance with the grant conditions.

Grantee Authorized Representative Signature _____ Date _____

(typed or printed name and title) _____

Is this your FINAL Project Report ? YES // NO

If YES:

- Please write a few paragraphs to tell us how your project went. Did you expend the grant funds as proposed? What worked, what were the challenges and how has the grant affected your business/organization? Please attach photos, newspaper clippings, etc., relating to the project, if available. Use additional pages as necessary.

By signing this document, the Subrecipient certifies that the conditions of this grant have been met, as stated in the grant agreement. Please provide a signature from an official who is authorized to sign on behalf of the business/organization.

By: _____ Phone: _____ Email: _____
(typed or printed name and title)

Signature Today's Date

Completed Reports and Attachments – Email – ewoodruff@city-ftpierce.com; U.S. Mail – c/o Grants Administrator, Fort Pierce City Hall, P.O. Box 1480, Fort Pierce, FL 34950; Drop Off – Fort Pierce City Hall Planning Department. Call 772-467-3169 for more information.



City of Fort Pierce
CDBG Direct Benefit Tracking

Month / Year _____

Agency Name: _____

Total People Served: ___ #Male ___ #Female Total _____

White: ___

Black/African American: ___

Asian: ___

American Indian/Alaskan Native: ___

Native Hawaiian/Other Pacific Islander: ___

American Indian/Alaskan Native & White: ___

Asian & White: ___

Black/African American & White: ___

American Indian/Alaskan Native & Black/African American: ___

Other Multi-Racial: ___

Asian/Pacific Islander: ___

Hispanic: ___

TOTAL: _____

The above information is true and correct to the best of my knowledge.

Signature

Date

Print Name: _____ Title: _____

Telephone: _____ Email: _____

Note: This form is to be submitted with your monthly report on or before the 5th of every month.

**City of Fort Pierce
Department of Urban Redevelopment**



CERTIFICATION OF REIMBURSEMENT REQUEST

For: _____
(Month/Year)

AGENCY'S NAME: _____

The undersigned certify that the information contained in the attached report is a true and accurate representation of the use of Community Development Block Grant (CDBG) funds as of the date of this report.

Prepared by: _____
Signature Date

Print Title

Approved by: _____
Signature Date

Print Title

COMMUNITYWIDE COUNCIL

CONFLICT OF INTEREST, CONFIDENTIALITY AND NON-DISCLOSURE FOR GRANT APPLICATION REVIEWERS

Reviewers are individually responsible for evaluating their own affiliations and financial interest, and those of their close relatives and professional associates that relate to their duties as reviewers before they review any applications.

Conflict of Interest is defined as: Any action by a reviewer in the grants review or awarding process which would affect, or could appear to affect the reviewer's financial interest, or would cause the reviewer's impartiality in the grants process to be questioned. Specific situations include, but are not limited to, the following.

Please note that a reviewer may not participate in the review or award of a specific grant application in which any of the following has a financial interest:

1. The reviewer, the reviewer's spouse, parent, child, or partner;
2. Any organization (including a parent or subsidiary) in which the reviewer, the reviewer's spouse, parent, child, or partner serves as officer, director, trustee, partner or is otherwise similarly associated;
3. Any organization (including a parent or subsidiary) in which the reviewer, the reviewer's spouse, parent, child, or partner is negotiating for or has an arrangement concerning prospective employment or other similar association; or
4. Any organization (including a parent or subsidiary) in which the reviewer, the reviewer's spouse, parent, child, or partner has an interest with respect to any pending grant application competing under the same program as any other grant application to be reviewed by the same committee or group of field researchers.

I have read and understand the above definition of Conflict of Interest and have examined the attached list of applications to be reviewed, and hereby certify that, based on the information provided to me, I have specified the individual application(s) where I do have a conflict of interest. If, during the review, there is an appearance or actual conflict of interest in any additional applications, I will recuse myself from the review.

In addition, I fully understand the confidential nature of the evaluation and agree: (1) to return all materials related to the evaluation; (2) not to disclose or discuss the materials associated with the review, my evaluation, or the review meeting outside of that meeting or with any other individual except as authorized by the grants management officer; and (3) to refer all inquiries concerning the review to the Director of Urban Redevelopment for the City of Fort Pierce.

Application Reviewer

Signature: _____

Date _____

Printed Name: _____

Attachment: List of applications to be reviewed.