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AGENDA CAMBRIDGE, MASS.

INITIAL HEARINGS

FIFTH YEAR BLOCK GRANT APPLICATION PROCESS

CITY OF CAMBRIDGE

Wednesday, November 29, 1978 7:30 PM

Thursday, November 30, 1978 7:30 PM

City Council Chambers

- 7:30-7:45 Opening Remarks-David Vickery, Assistant City Manager for Community Development.
- 7:45-8:45 Explanation of Block Grant Program, Fifth Year Application Process, and project submittal procedures.
- 8:45-9:15 Review of Draft Citizen Participation Plan; Testimony on Draft Citizen Participation Plan.
- 9:15-10:00 Review of, and testimony on, Assistant City Manager's Initial Priorities for Block Grant Allocations.
- 10:00-10:30 Testimony on Cambridge's Community Development Needs

PLEASE NOTE:

These two hearings are duplicates. You need only attend one.

We will begin and end the hearing as scheduled. If the agenda has not been completed, the hearing will be continued at a subsequent evening convenient to the most people.



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

City Hall Annex Inman & Broadway EXTENSION 344

To Block Grant Advisory Committee

From Peter Helwig

Date November 20, 1978

Subject Fifth Year Block Grant Program - Human Services

New Block Grant Regulations generally prohibit the use of funds for human services, except under circumstances which are not applicable to Cambridge. In the face of this situation, the City has committed itself to maintaining approximately the same level of human services which has been funded by Block Grant during the last several years. Operationally, we propose commitments both to specific projects and to functional categories of services. In the case of the latter, there must be a procedure for developing and reviewing proposals. This memo outlines the specific commitments and project proposal procedures.

First, the means of funding these programs is not finalized, and probably will not be clear until late Spring. Obviously, a variety of sources will be involved. However, some funds may be from Block Grant, and thus be subject to Block Grant administrative regulations. Therefore we have decided to include the human service project proposals covered in this memo within the Fifth Year Block Grant application process. The specific commitments are as follows:

Just-A-Start Youth Employment	\$150,000
Public Housing Tenant Services	52,000
Cambridge Organization of Portuguese Americans	25,000
Common Place Community Center (St. Mary's Gym)	48,000
Child Care Resource Center	30,000
Elderly Services (Exclusive of Planning)	57,000
Community Arts Projects	30,000

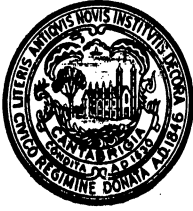
The first five are specific projects. Their sponsors should submit project proposals, as in past years, in accordance with appropriate procedures (see Application Packet)

The latter two are functional categories. Project proposals are invited which fall within one of these two categories. Proposals are due by December 20. Project review and recommendation will be performed by the Cambridge Arts Council and the G-30 Committee (Elderly Resources Advisory and Planning Committee) for their respective project categories. These organizations performed similar functions in last year's process. The Arts Council and G-30 Committee will review projects in early to mid January, and project sponsors will be afforded an opportunity to argue their cases before each committee.

**Fifth Year
Block Grant Program**

Application Packet

**City of Cambridge, Ma.
November 1978**



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT
City Hall Annex Inman & Broadway EXTENSION 344

To BLOCK GRANT ADVISORY COMMITTEE
From Peter Helwig, Deputy Block Grant Coordinator ^{PRH} **Date** Nov. 17, 1978
Subject Fifth Year Block Grant Application Packet

1. I transmit herewith a packet of materials which will hopefully assist your participation in the Fifth Year Block Grant Application process. The Table of Contents is listed below. The Fifth Year Application process will differ in significant ways. We are operating under a complete revised set of federal regulations. Please review this material carefully.
2. Please note: The Initial Block Grant Hearings will be held Wednesday, November 29 and Thursday, November 30, at 7:30 p.m. in the City Council Chamber. (Agenda enclosed) These are duplicate hearings. You need only attend one of them.
3. The City's phone system is undergoing major changes. Your patience is requested as you try to reach me or another staff person in the Community Development. Through November 24, the Community Development Department's number remains 876-6800, ext. 344. Beginning November 27, the City's phone number will change to 498-9000, which you should call to find out the Community Development Department's temporary number, Good luck!
4. **IMPORTANT:** This mailout is going to everyone on the Block Grant Advisory Committee. To continue on the Advisory Committee, you must let us know your intention by mail or phone. (Please call Jean Ahonen, Block Grant Project Assistant) If you attend the Initial Hearing or any other Block Grant meeting or workshop, you will automatically be added to the Advisory Committee and Mailing List.

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ASSISTANT CITY MANAGER FOR COMMUNITY DEVELOPMENT
STATEMENT ON THE FIFTH YEAR BLOCK GRANT APPLICATION
AND TENTATIVE PRIORITIES

During the application processes of the past two years, the City Manager has provided the Block Grant Advisory Committee with his initial thinking with regard to the allocation of Block Grant funds. This year he has requested that I continue this procedure on his behalf.

My statement of initial priorities is grounded in the following. First, the procedure was originally requested by the Block Grant participants three years ago because they appreciated the difficulty of developing clear consensus among a heterogeneous group, within severe time constraints; further, since the City Manager holds final responsibility for approving a Block Grant program to the participants felt that knowing the Manager's general thinking would ultimately result in recommendations to the Manager that were more influential.

Secondly, after four years the Block Grant program has reached both maturity and considerable predictability. There is a tendency for the program to become, in general terms, more and more fixed. We feel, and your responses have indicated, that the Block Grant program is indeed meeting a good cross-section of the diverse community development needs which face Cambridge. There is a natural tendency for the City to continue programs and projects which have demonstrated their effectiveness and public support in the past. Another aspect is that certain projects—particularly in the area of open space development—are sufficiently large to require multi-year funding particularly in the face of inflationary pressures. Thus, a relatively stable Block Grant program demonstrates both a level of continual, steady progress and evidence of the citizens general support. At the same time, we solicit your re-examination of our basic Block Grant program structure. If we're getting off track from your point of view, we want to know about it.

Another reason for outlining initial priorities relates to new application requirements. While in the past our projects were identified by major functional titles (such as "street improvements - \$100,000"), we must now restate our projects in terms of individual neighborhood stabilization programs with allocations for streets, sidewalks, open space, etc., attached to each Block Grant neighborhood. The difficult task of developing these neighborhood allocations—and I most definitely need your help on this—will be somewhat easier if we begin the process with a relatively firm block of money for the various functional areas, such as streets, housing rehab, open space.

My initial priorities are listed at the end of this statement. There will be an opportunity to discuss them at the Initial Hearings. Further, we stand ready to schedule an additional meeting to continue discussions should you so desire.

Some additional comments on the Fifth Year program:

1. As Block Grant regulations have evolved over the years, they have become both more restrictive and clearer. Except for programs which have

enforceable income guidelines for recipients, such as housing rehab programs, projects are limited to the seven neighborhoods in which a majority of families are low or moderate income: East Cambridge, Neighborhood 3, Neighborhood 4, Cambridgeport, Riverside, North Cambridge, and the Haggerty Neighborhood.

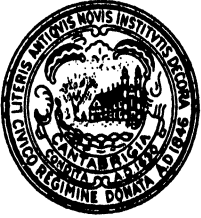
This situation raises the serious issue of funding sources for public improvements in non-Block Grant neighborhoods. The City Manager and myself are committed to developing long-term solutions to this problem. Obviously, we must vigorously pursue a variety of alternative non-City funding sources. In addition, local tax dollars must be committed where no alternative exists.

2. It appears we cannot fund most human services with Fifth Year funds with a few minor exceptions. However, on behalf of the City Manager, I am committing the City to make every possible effort to maintain the same level of human service funding as is currently funded by the Block Grant Program. While I cannot make an "iron-clad guarantee," I can state that we feel we have found means to continue funding the Block Grant human services for another year. We feel that most of these services have proved their worth and make important contributions to the quality of life for many lower income Cambridge residents. These services deserve an additional year of funding, and the additional transition time will hopefully permit their operating agencies to secure alternative sources of funding. A separate handout will further elaborate on the continued funding of these services.
3. We are compelled, under the new regulations, to realistically program Block Grant funds for the next three years. Since our program has achieved a measure of stability, this task should not be as difficult as it at first seems. Since our Block Grant funding will not change significantly over the three year period, my listing of initial priorities should serve effectively as a guide for discussion of general funding allocations in each of the next three years.

ASSISTANT CITY MANAGER FOR COMMUNITY DEVELOPMENT

INITIAL PRIORITIES

Private Housing Rehabilitation	\$1,000,000
Public Housing Modernization	200,000
Open Space Acquisition/Development	300,000
Open Space Renovation	100,000
Street Improvements	100,000
Sidewalk Improvements/Trees	200,000
East Cambridge Stabilization (UDAG)	250,000
Economic Development	100,000
Code Enforcement	50,000
General Management (Includes Section 312 Loan Program Administration - \$150,000)	520,000
Planning/Zoning	130,000
Contingency/unallocated	<u>323,000</u>
TOTAL	\$3,413,000



CITY OF CAMBRIDGE

CAMBRIDGE, MASSACHUSETTS 02139
Tel. 876-6800

EXECUTIVE DEPARTMENT
JAMES L. SULLIVAN
City Manager

CITIZEN PARTICIPATION PLAN
FIFTH YEAR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
CITY OF CAMBRIDGE, MASSACHUSETTS

The Citizen Participation Plan for the development of the Fifth Year (FY79-80) Block Grant Application and for implementation of the Fourth and Fifth Year program has several objectives: (1) maximize opportunities for participation of and contributions by the citizens of Cambridge, particularly those of low-and moderate-income; (2) build constructively on the extensive participation processes of the past three years; and (3) focus efforts on the development of programs and projects which respond effectively and innovatively to the needs of low-and moderate-income persons and physical blight and deterioration in low-and moderate-income neighborhoods.

THE FIFTH YEAR PROGRAM

Anticipated funding level for the Fifth Year Block Grant Program is \$3,413,000. This is an increase of about \$70,000 over current year's funding. However, an adjusted figure is due from HUD in January, 1979, and past experience points to a modest decrease of perhaps \$30,000 to \$50,000, leaving a total slightly larger than the Fourth Year.

The federal policies and regulations which guide the operation of the Community Development Block Grant program have changed considerably over the last year. The gist of these changes are as follows:

- a) Benefit to Lower Income Persons. For practical purposes, Block Grant expenditures are limited to the City's predominately low and moderate income neighborhoods: East Cambridge, Neighborhood 3, Neighborhood 4, Riverside-Cambridgeport, North Cambridge and the Haggerty Neighborhood. This restriction does not apply to programs for which clients can be specifically identified and limited by income guidelines; thus the Housing Rehabilitation program will continue to operate on a city-wide basis.

However, the City will do all it can to honor past commitments which may not comply with the now stricter federal policy.

- b) Limitation on Public Services. Public and social services are, as a general rule, no longer eligible for Block Grant funds in Cambridge. Services are eligible only in designated "Neighborhood Strategy Areas (NSA's)." Cambridge has chosen not to designate any NSA's because such a designation would require the concentration of nearly all Block Grant expenditures in only two or three neighborhoods.

There are a few exceptions to this limitation on services. The most significant is as follows: Neighborhood-based non-profit corporations may operate public services in one neighborhood, after specific HUD approval.

- c) Three Year Plan. The Year Five Application includes a three-year Community Development Plan which will subsequently be resubmitted every fourth year. The plan will include identification of needs, strategies for community improvement, and objectives. More specifically, one principal aspect will involve redesignating most of our activities on a neighborhood basis. Thus, our major projects will no longer be, for example, "sidewalk improvements", but rather "East Cambridge Revitalization," "Riverside Neighborhood Revitalization," etc. Each neighborhood revitalization project will encompass specified expenditures for streets, open space, housing, etc., for a three-year period. Although the three-year plan is not "cast in stone," year to year revisions will be relatively limited.

AN OVERVIEW OF THE APPLICATION TIMETABLE

- a. Mid-November - Mail out of materials to Block Grant Advisory Committee, including draft of Community Development Strategy, draft Citizen Participation Plan, Application Schedule, Manager's Statement on Priorities. Initiate project solicitation and development process.
- b. Late November - Two public hearings covering: Block Grant Program generally; Fifth Year Application process; testimony on community development needs and draft of Citizen Participation Plan.
- c. Late November to December 20 - Project proposal development.
- d. Mid-December - Workshops on Private Housing Rehabilitation; Open Space and Renovation; and street and sidewalk renovation. Will concentrate on allocation among the seven Block Grant neighborhoods.
- e. Early January - Workshop(s) to review and develop recommendations on project proposals.
- f. December-Mid-January - Prepare Three Year Community Development Plan. Workshop, if requested.
- g. Late January - Public Hearing on first Draft of Application. Revise application as appropriate.
- h. Early February - Send final draft Application to City Council for review.
- i. Late February - Finalize Application. Send to Office of State Planning and to Metropolitan Area Planning Council for required A-95 (State and Regional Clearinghouse) Review.
- j. Early April - Revise application per A-95 Review Results.
- k. Mid-April - Submit application to HUD for 75-day Federal review.
- l. April-May - Commence environmental clearance procedures per Federal requirements.

BLOCK GRANT ADVISORY COMMITTEE

The Block Grant Advisory Committee is composed of all Cambridge residents who wish to participate in the application process and/or who desire to keep informed of Block Grant activities through receipt of all materials. At the beginning of the Fifth Year application process, the Advisory Group will consist of all persons who participated in last year's application process — over 350 persons. Any citizen not a member will be added through his or her request, by phone or in writing. Last year's members wishing to continue participating should so indicate by phone or mail. Any citizen attending a mailing or hearing will automatically be added to the Block Grant Advisory Committee.

If formal voting is required, committee membership will be available to one representative of each organization or agency which demonstrates that its orientation is predominately toward serving the needs of the city's low-and moderate-income residents.

GENERAL ADVERTISING AND NOTIFICATION PROCEDURES

Initial Block Grant hearings in November will be advertised in the Cambridge Chronicle during each of the two preceding weeks. All other scheduled meetings and hearings will be advertised in the Cambridge Chronicle in each of the two preceding weeks. Any hearing or meeting notice appearing in the Cambridge Chronicle will also appear in El Mundo.

All Block Grant Advisory Committee members will receive notification of hearings and meetings by mail. An effort will be made to similarly notify other organized community and neighborhood groups and appropriate public officials.

Meeting notices will be posted in the City Clerk's office and other public bulletin boards in City Hall, City Hall Annex and 51 Inman Street Municipal Building.

The formal notification procedures above will be supplemented if necessary through the use of other media such as radio spots and posters.

Notice of the availability of the Citizen Participation Plan will be published in the Cambridge Chronicle in early December.

If a particular hearing or meeting concludes with a consensus on the part of participants or staff that a follow-up meeting or hearing is desirable, but within a time period which precludes formal newspaper advertising or mail notification, staff will make a maximum effort to notify by telephone as many Advisory Committee members as possible.

AVAILABILITY OF TECHNICAL ASSISTANCE

Block Grant staff will be available to respond to any inquiries concerning the Block Grant Program generally, the Fifth Year Application process, or any other Block Grant matter. Further, staff will provide assistance in the development of any project proposal, by any group or individual, including cost estimation, conformance with eligibility requirements, and technical issues. Staff assistance will be provided in accordance with the following guidelines:

- a. Inquiries related to a particular type of project or a particular neighborhood should be addressed to the appropriate Lead Person or Neighborhood Planner.
(See attached listing of Block Grant staff)
- b. Inquiries concerning Block Grant program or application process generally should be addressed to the Deputy Block Grant Coordinator.
- c. All Block Grant materials prepared for public distribution are available and all Block Grant Files are open to inspection at any time, between 8:30 a.m. and 5:00 p.m. at the Department of Community Development, First Floor 51 Inman Street.
- d. Citizens desiring to meet with a particular staff person should telephone prior to the visit to insure the availability of that staff member.
- e. Staff members will participate to the fullest possible extent in neighborhood and organization meetings involving Block Grant matters. However, availability of staff for these purposes is necessarily limited by the unusually high demands on Block Grant staff during the application process, and will be determined by such factors as the timing of the meeting, availability of the particular staff person at a particular time, the objectives of the meeting, and anticipated attendance. In any case, responsibility for organizing the meeting and notifying potential participants must generally be assumed by the particular individual or group initiating the meeting. Requests for staff participation should be made in conformance with paragraphs a. and b. above, and any staff commitment pursuant thereto must be approved by the Deputy Block Grant Coordinator.

INITIAL HEARINGS

The Fifth Year application process will begin in Mid-November with a mailout to the Advisory Committee of an Application Packet which will include: basic Block Grant Program information; draft Citizen Participation Plan;

; lists of eligible activities; and a statement of the City Manager's initial Block Grant priorities.

In late November, an initial public hearing will be held. Duplicate hearings will be held on successive evenings.) This hearing will include the following: Explanation of the Fifth Year application process; review and testimony on the draft Citizen Participation Plan; review of the City Manager's initial Block Grant priorities; and testimony on the city's community development needs.

CITIZEN PARTICIPATION IN THE DEVELOPMENT OF PROJECT PROPOSALS AND THE APPLICATION

The proposal development process will begin with the initial mail-out in mid-November. Any individual or organization may propose a project, utilizing the standard format provided and staff technical assistance as necessary. Proposals may be mailed to the appropriate Lead Person of the Community Development Department, or delivered in person. Those making proposals should adhere carefully to eligibility requirements, and proposals must conform to the community development strategy. It is important to note that proposals can be for any or all of the next three years.

However, in the interest of efficient utilization of citizens' time and the realistic recognition of the patterns of project expenditures during the last three years, the following guidelines for the submittal of projects are strongly recommended:

- 1) Open Space Acquisition and Renovation; Streets and Sidewalk Renovation and Tree Planting; and Private Housing Rehabilitation. Workshops on these three areas will be held in mid-December. The primary task of these workshops will be the allocation of funds for each of the categories among the seven Block Grant eligible neighborhoods, for a three-year period. It is anticipated that this task will be sufficient to absorb most of the time available to each workshop. Where necessary, additional neighborhood meetings will be held in the spring of 1979 to develop more specific projects.

Thus it is suggested that specific open space, street and sidewalk, and housing rehab projects not be proposed. Instead, any person interested in these particular improvements is urged to attend the appropriate December workshop.

- 2) Services of any type are generally ineligible for Block Grant funding, except those which meet the following criteria:
 - a) The service is provided by a neighborhood based nonprofit organization.
 - b) The organization is "neighborhood-based" if a majority of its membership or clientele are residents of the neighborhood in which the service is provided.
 - c) The service is provided only in one neighborhood, as defined by the City's existing neighborhood classifications.
 - d) The service contributes to the overall objectives for neighborhood stabilization in that neighborhood.

Formal submittal of project proposals will be closed on December 20. Proposals will be organized, packaged and mailed to committee members in preparation for workshop(s) in January. The type and number of workshops held will reflect the nature of the proposals submitted.

Workshops will develop neighborhood allocation and/or specific project recommendations. These recommendations will be aggregated and submitted for review by the City Manager. Project proposals will be revised in accordance with the Manager's review. A draft application will be prepared, and mailed to Advisory Committee members prior to a public hearing in late January. A newspaper advertisement will notify the general public of the availability of the draft application.

During the application process, staff will develop drafts of required Three Year Plan documents, including statements of needs, community development objectives and strategies, and anticipated accomplishments. These drafts will be mailed to Advisory Committee members in January for review and comment. A meeting for discussion of the Three Year Plan will be held upon the request of five committee members.

Final revisions to the Application will be made based on the January hearing testimony. The final draft application will be submitted to City Council for review and comment in early February.

OBJECTIONS TO APPLICATION

Any person has the right to object to the approval of the application by HUD. Such objections are governed by specific regulations which may be obtained from the Block Grant Coordinator.

BILINGUAL SERVICES

Notices of meetings, public hearings, and workshops, as well as summaries of basic Block Grant information, shall be prepared in Portuguese and Spanish, and distributed through appropriate organizations. Translation services at hearings and meetings will be provided upon request.

PARTICIPATION OF THE HANDICAPPED

Any person who, by virtue of a physical handicap, requires any type of assistance in order to attend and participate in any Block Grant meeting, hearing, or workshop shall contact the Block Grant Coordinator so that appropriate arrangements can be made.

CONTINUING CITIZEN PARTICIPATION DURING IMPLEMENTATION OF FOURTH AND FIFTH YEAR PROGRAMS

- a) The implementation of all Block Grant Projects and the operation of all Block Grant programs shall provide for maximum involvement of interested citizens. Appropriate participation mechanisms shall be guaranteed in the City's contractual arrangements with operating agencies. Construction projects shall include opportunities for citizen participation in the design process.
- b) Members of the Advisory Committee will receive at least quarterly a status report on Block Grant activities. Questions and comments on Block Grant activities are encouraged on a year round basis.
- c) Prior to the final decision to fund a new project through the use of contingency or reprogrammed funds, notice of such proposed projects will be mailed to the Advisory Committee for review and comment within a fifteen day period.

- d) A formal Advisory Committee meeting on any issue will be convened upon the request of five Advisory Committee members. All members will receive notice of the meeting by mail and the meeting will be advertised in the Cambridge Chronicle. The Block Grant staff may also convene a meeting or series of meetings of the Advisory Committee if it is deemed necessary to address a particular problem or finalize a particular project.
- e) During Fifth Year Program implementation, Environmental Reviews will be conducted on all projects, exclusive of several types of projects which are exempt. Notice of the availability of the reviews will be published in the Cambridge Chronicle. Citizens will then have 15 days to file comments with the Department; these comments will be attached to the reviews for forwarding to HUD. After the 15-day period a second notice will be published in the Cambridge Chronicle announcing a 15-day period in which citizens may file comments with HUD, prior to action by HUD on the City's "Request for Release of Funds". Members of the Advisory Committee will be notified by mail as each project in the environmental clearance process reaches the point of first advertisement.
- f) Complaints. The Block Grant Staff will respond in a timely manner to all complaints. Written responses will be provided if requested; such responses will be made within fifteen days.
- g) A formal hearing on Block Grant performance shall be held in early September, 1979. This hearing will provide interested persons an opportunity to comment upon any aspect related to the implementation of the Fourth or Fifth Year Block Grant Programs.

PROJECT DEVELOPMENT PROCEDURES
FIFTH YEAR BLOCK GRANT APPLICATION PROCESS

NOTE ON PHONE NUMBERS: The City's phone system is undergoing change. You must call the new main city number, 498-9000 (after Nov. 27) to find out the number of the Community Development Department.

- A. TIME AVAILABLE - Individuals or groups interested in submitting a project proposal for the Fifth Year Block Grant Program should begin work as soon as possible after receipt of the Fourth Year Block Grant Application Packet. The final proposals must be received no later than 5 p.m., Wednesday, December 20.
- B. WHERE TO SEND PROPOSAL - Please send project proposals to Jean Ahonen, Block Grant Project Assistant, Community Development Department, 51 Inman Street, Cambridge, Mass. 02139 — or deliver by hand.
- C. TECHNICAL ASSISTANCE - Call the appropriate Lead Person directly for technical assistance. (See list of Block Grant staff — Attachment in the Application Packet). If you cannot determine appropriate Lead Person, contact Peter Helwig, Deputy Block Grant Coordinator, at the Community Development Department. Within the limits of time available, your Lead Person will make a maximum effort to help with the preparation of the description in writing (i.e. per the 8-point format provided below).
- D. Under recently revised regulations, eligibility is, in most cases, quite clear. Keep in mind the following general rules:
- 1) All projects must principally benefit low-and moderate-income persons. This means either that project recipients are governed directly by income limits (such as housing rehab programs) or that the project location is in one of the following neighborhoods: East Cambridge, Neighborhood Three, Neighborhood Four, Cambridgeport, Riverside, North Cambridge, or the Haggerty Neighborhood.
 - 2) Services are generally ineligible, except when they are provided by an organization based in one neighborhood, and the service is delivered primarily in that same neighborhood. See Application Packet attachment for detailed eligibility regulations.

- E. HOW PROJECT PROPOSAL WILL BE PROCESSED - As soon as received, the proposal will be reviewed for eligibility. The staff determines the project eligible; it will then be summarized and included in a report on project proposals received. In the event the project is found ineligible, the individual or group responsible for the project will be notified in writing, and the Lead Person involved will be prepared to help rework the project to achieve eligibility, if possible. The proposal will be reviewed at the workshop meetings covering the applicable Block Grant category. The workshop will review, amend, and alter project proposals as appropriate, or develop new project proposals as necessary. At the conclusion of the workshops, the project will be reported on to the City Manager by the Block Grant staff.
- F. PROJECT PROPOSAL FORMAT - The 8-point format given below should be used in presenting projects. Information under each of the right headings should include only as much detail as necessary to understand the project. Information should be submitted in typed form. Attachments may be used where this will eliminate extensive retyping. KEEP IT SIMPLE. THERE IS RARELY A NEED FOR MORE THAN ONE PAGE, SINGLE SPACED.

1. Project Title
2. Project Proposed by _____(include address and telephone number)
3. Project would be executed by _____(name of organization)
4. Project Description
5. How does the project principally benefit low-and moderate-income persons?
6. What need does the project address? (Quantify if possible)
7. Project Budget - submit as much detail as is useful, but including, if applicable, all non-Block Grant funding and anticipated sources.
8. If project is to render a service (including Human Services), demonstrate that the service will be provided by a non-profit organization based in the one neighborhood where the service will be delivered. (See p. of the Citizen Participation Plan. (Elderly Services and Community Arts programs do NOT have to meet this requirement.)

ELIGIBLE ACTIVITIES

grant funds to purchase houses in a non-impacted suburban jurisdiction in order to provide a wider choice of housing opportunities for central city lower-income residents.

(b) *Disposition.* Disposition, through sale, lease, donation, or otherwise, of any real property acquired with block grant funds or its retention for public purposes, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in § 570.506. Further information regarding disposition is set forth in § 570.613.

(c) *Public facilities and Improvements.* Acquisition, construction, reconstruction, rehabilitation, or installation of certain publicly owned facilities and improvements. This may include the execution of architectural design features, and similar treatments intended to enhance the esthetic quality of facilities and improvements receiving block grant assistance, such as decorative pavements, railings, sculpture, pools of water and fountains, and other works of art. Public facilities and improvements eligible for assistance under this paragraph include:

(1) *Senior centers*, but excluding any facility whose primary function is to provide residential accommodations or care on a 24-hour day basis (such as a group home).

(2) *Parks, playgrounds and other recreational facilities* which are designed for participation, but not spectator facilities such as stadiums.

(3) *Centers for the handicapped.* The term "center for the handicapped" means any single or multipurpose facility which seeks to assist persons with physical, mental, developmental and/or emotional impairments to become more functional members of the community by providing programs or services which may include, but are not limited to, recreation, education, health care, social development, independent living, physical rehabilitation and vocational rehabilitation; but excluding any facility whose primary function is to provide residential care on a 24-hour a day basis (such as a group home or halfway house). For example, a sheltered workshop would be a single purpose center for the handicapped, and a facility providing several services for the handicapped would be a multipurpose center for the handicapped, both of which are eligible for assistance.

(4) *Neighborhood facilities.* Such facilities may be of either a single purpose or multipurpose nature and be designed to provide health, social, recreational or similar community services primarily for residents of the neighborhood service area which is either:

(i) A geographic location within the jurisdiction of a unit of general local

government (but not the entire jurisdiction) designated in comprehensive plans, ordinances or other local documents as a neighborhood or, in a new community as defined in § 570.403(a), a neighborhood, village or similar geographical designation; or

(ii) An entire unit of general local government or a new community as defined in § 570.403(a) which is under 25,000 population, with the exception of a facility which is designed solely as a communitywide facility in a new community with a currently projected population in excess of 25,000.

(5) *Solid waste disposal facilities*, which are defined as those physical parts of solid waste management systems commencing at and including the site or sites at which publicly or privately owned collection vehicles discharge municipal solid wastes, through the point of ultimate disposal including necessary site improvements and conveying systems, including appropriate fixed and movable equipment including vehicular containers used after the first stage of disposal at transfer stations, but not including the final collections. (i) Such facilities or equipment must be located in or serve areas where other activities included in the Community Development Program are being carried out, such as a NSA. (ii) Equipment and appurtenances used in the initial collection of solid waste are not included among those solid waste disposal facilities eligible for assistance under this Part.

(6) *Fire protection facilities and equipment.* Such facilities and equipment must be located in or serve areas where other activities included in the Community Development Program are being carried out, such as a NSA.

(i) Fire protection facilities are defined as the land and necessary improvements thereto which are necessary for properly housing and storing fire protection equipment and personnel by a fire protection organization, but not including fire fighting schools and their appurtenances.

(ii) Fire protection equipment is defined as the appropriate equipment and apparatus which a fire protection organization requires for carrying out a program for protecting property and maintaining the safety and welfare of the public, including emergency medical aid, from the dangers of fire.

(7) *Parking facilities.* Such facilities must be located in or serve areas where other activities included in the Community Development Program are being carried out, such as a NSA.

(8) *Public utilities*, other than water and sewer, which include:

(i) Facilities necessary for distribution of the utility (but not production or generation, such as electrical generation plants);

(ii) Buildings and improvements that are an integral part of the utility and

§ 570.201 Basic eligible activities.

Grant assistance may be used for the following activities:

(a) *Acquisition.* Acquisition in whole or in part by a public agency, by purchase, lease, donation or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) which is:

(1) Blighted, deteriorated, deteriorating, undeveloped or inappropriately developed from the standpoint of sound community development and growth, as determined by the recipient pursuant to State and local laws;

(2) Appropriate for rehabilitation or conservation activities;

(3) Appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources and scenic areas, the provision of recreational opportunities or the guidance of urban development;

(4) To be used for the provision of public works, facilities and improvements eligible for assistance under this subpart; or

(5) To be used for other public purposes, including the conversion of land to other uses where necessary or appropriate to the community development program. Examples include an applicant purchasing land to be used for the development of housing for low- and moderate-income persons, and an applicant which is a central city of a metropolitan area using block

ELIGIBLE ACTIVITIES

are of such a nature that the utility will not function without them; and

(iii) The placing underground of existing or new distribution facilities. Further information regarding the eligibility of assistance to privately owned utilities is set forth in § 570.201(1).

(9) *Street improvements.* Streets, street lights, traffic signals, signs, street furniture, trees, bridges, culverts, causeways, curbs, gutters, sidewalks, and other normal appurtenances to streets and structures facilitating the passage on, or usage of, streets, but excluding expressways and other limited access ways and their appurtenances.

(10) *Water and sewer facilities,* including storm sewers, except for sewage treatment works and interceptor sewers which are described as in § 570.206(a)(6). The term "storm sewers" means sewers or other conduits, open or closed, or their appurtenances which collect, transport and dispose of storm waters, surface water, street wash, other wash and ground water or drainage into an existing water course, but excluding domestic waste water and commercial and industrial wastes.

(11) *Foundations and platforms for air rights sites.*

(12) *Pedestrian malls and walkways.*

(13) *Flood and drainage facilities,* in cases where assistance for such facilities has been determined to be unavailable under other Federal laws or programs pursuant to the provisions of § 570.607. The term "flood and drainage facilities" means those undertakings designed to influence or affect the flow in a natural water course (such as a river, stream, lake, estuary, bay, ocean or intermittent stream) and excludes storm sewers.

(14) *Other public facilities and improvements,* not listed in this paragraph, except those described in §§ 570.207 (a)(1) and (f), which are necessary and appropriate to the implementation of the applicant's strategy for neighborhood revitalization or housing.

(i) The applicant shall provide HUD with a description of the proposed facility or improvement and the relationship to applicant's strategy for neighborhood revitalization or housing.

(ii) Among the factors HUD will take into account in authorizing assistance under this paragraph are the amount of benefit to low- and moderate-income persons, the degree of impact on the identified needs of the applicant, and the availability of other Federal funds for the activity.

(d) *Clearance activities.* Clearance, demolition and removal of buildings and improvements, including movement of structures to other sites. Demolition of HUD assisted housing

units may be undertaken only with the prior approval of HUD.

(e) *Public services.* Provision of public services (including labor, supplies and materials) which are directed toward improving the community's public services and facilities, including those concerned with employment, crime prevention, child care, health, drug abuse, education, welfare or recreational needs, and which are directed toward coordinating public and private development programs. Such services may be provided by State or local governments, quasi-public, private or nonprofit agencies, including, but not limited to, HUD-approved counseling agencies, selected by the applicant for funds provided under this Part. In order to be eligible for block grant assistance, public services must meet each of the following criteria:

(1) Public services are to be provided for residents of neighborhood strategy areas in which block grant assisted physical development activities are being carried out in a concentrated manner. Such public services may be supported with block grant funds during the period which block grant assisted physical development activities are being carried out in a concentrated manner, and may be continued for no more than three years after the completion of such physical development activities. For the purpose of this paragraph:

(i) Physical development activities include only those described in § 570.201 (a) through (d), (f) through (h), and (k), and § 570.202 through § 570.203.

(ii) The phrase "concentrated manner" shall mean that the block grant assisted physical development activities are being carried out within an area in a coordinated manner to serve a common objective or purpose pursuant to a locally developed plan or strategy.

(2) Such services must be directed toward meeting the needs of residents of such areas. Block grant assistance may incidentally be provided for such services only for those who are not residents of areas of concentrated physical development.

(3) A public service must be either (i) a new service, or (ii) a quantifiable increase in the level of a service above that which has been provided by or in behalf of the applicant from local revenue sources or State funds received by the applicant in the twelve calendar months prior to submission of the block grant application. (An exception to this requirement with regard to State-funded services may be made if HUD determines that the decrease in the level of a service was the result of events not within the control of the applicant.)

(4) Federal assistance in providing or securing such public services must

have been applied for and denied or not made available pursuant to the provisions of § 570.607.

(5) Public services must be determined by the applicant to be necessary or appropriate to support the physical development activities to be carried out within Neighborhood Strategy Areas. For example, the provision of job training for area residents working on neighborhood revitalization projects would be appropriate to support a concentration of block grant assisted physical development activities being carried out in the area. (i) The specific determination of support for each proposed public service is not required to be included in the application, but the applicant must briefly describe the relationship of the public service to the physical development activities. (ii) HUD will accept the applicant's determination that a public service is necessary and appropriate to support the physical development activities unless there is substantial evidence to the contrary, in which case additional information or assurances may be requested from the applicant prior to a determination of eligibility.

(f) *Interim assistance.* Interim assistance to alleviate harmful conditions where immediate public action is determined by the applicant to be necessary.

(1) The following activities may be undertaken as a prelude to more comprehensive treatment in areas where activities included in the Community Development Program are to be carried out, such as an NSA, in order to hold the area from further deterioration during the interim period:

(i) The repairing of streets, sidewalks, parks, playgrounds, publicly owned utilities and public buildings;

(ii) The improvement of private properties to the extent necessary to eliminate immediate dangers to public health, safety or welfare;

(iii) The establishment of temporary public playgrounds on vacant land; and

(iv) The execution of special garbage, trash, and debris removal, including neighborhood clean up campaigns, but not the regular curbside collection of garbage or trash in an area.

(2) The following activities may be undertaken to the extent necessary to alleviate emergency conditions threatening the public health and safety in areas where the chief executive officer of the applicant determines that an imminent threat to the public health and safety exists requiring immediate resolution of emergency conditions:

(i) the improvement of private properties;

(ii) the repair of streets, sidewalks, utilities, and other public facilities and improvements; and

(iii) the removal of trash and debris, unsafe structures, clearance of streets

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including snow removal, and other similar activities.

The chief executive officer, or his designee, shall notify the appropriate HUD Area Office within seven days of determining that a situation exists which poses an imminent threat to the public health and safety and that block grant funds will be used to alleviate the emergency conditions.

(g) *Payment of the non-Federal share* required in connection with a Federal grant-in-aid program undertaken as part of the block grant activities, *Provided*, That such payment shall be limited to activities otherwise eligible under this subpart.

(h) *Urban renewal completion.* Payment of the cost of completing an urban renewal project funded under Title I of the Housing Act of 1949 as amended. Further information regarding the eligibility of such costs is set forth in § 570.801.

(i) *Relocation.* Relocation payments and assistance for individuals, families, businesses, nonprofit organizations, and farm operations displaced by activities assisted under this Part. Further information regarding the eligibility of relocation costs is set forth in § 570.602.

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

(k) *Removal of architectural barriers.* Special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly or handicapped persons to publicly owned and privately owned buildings, facilities, and improvements. Further information regarding the removal of architectural barriers is available in publication ANSI A117.1-1961 (R. 1971) of the American National Standards Institute, Inc.

(l) *Privately owned utilities.* Acquisition, construction, reconstruction, rehabilitation, or installation of distribution facilities and lines of privately owned utilities where necessary and appropriate to implement the applicant's strategy for neighborhood revitalization or housing. Activities may include the placing underground of new or existing distribution facilities.

(1) The applicant shall provide HUD with a description of the proposed activity and the relationship to the applicant's strategy for neighborhood revitalization or housing.

(2) Among the factors HUD will take into account in authorizing such activities are:

(i) The degree of benefit to low- and moderate-income persons;

(ii) The degree of impact on the identified needs of the applicant; and

(iii) The availability of other Federal funds for the activity.

§ 570.202 Eligible rehabilitation and preservation activities.

Grant assistance may be used for the following activities for the rehabilitation of buildings and improvements:

(a) *Rehabilitation of public residential structures.* Rehabilitation of publicly owned or acquired properties for use or resale in the provision of housing, including:

(1) *Permanent housing units*, both single family and multifamily, for rental or sale; and

(2) *Residential facilities*, including group homes, halfway houses, and emergency shelters. For example, a group home for the handicapped or a temporary shelter for battered women may be provided through acquisition and rehabilitation of properties for those purposes.

(b) *Public housing modernization.* Modernization and modernization planning of publicly-owned low-income housing (excluding, the new construction of office facilities for such public housing).

(N.B. block grant funds may also be provided by an applicant to a public housing agency to be used for otherwise eligible activities, e.g., public services such as security and day care meeting the requirements of § 570.201(e) and planning and policy-management activities under § 570.205 related to public housing improvements.)

(c) *Rehabilitation of private properties.* Block grant assistance may be used for the rehabilitation of privately owned properties. Assistance may consist of:

(1) *Acquisition for the purpose of rehabilitation.* Block grant funds may be used to assist private entities, including those organized for profit and on a not-for-profit basis to acquire, for the purpose of rehabilitation, and rehabilitate properties for use or resale in the provision of housing which, upon completion of rehabilitation, at a minimum will meet the Section 8 Existing Housing Quality Standards set forth in 24 CFR § 882.109, including:

(i) *Permanent housing units*, both single family and multifamily, for rental or sale; and

(ii) *Residential facilities*, including group homes, halfway houses, and emergency shelters;

(2) *Rehabilitation financing.* Block grant funds may be used to finance the rehabilitation of privately owned residential, non-residential (excluding industrial properties), and mixed use properties either within areas where activities included in the Community Development Program are being carried out, such as a NSA, or on a spot basis throughout the jurisdiction of the applicant for low- and moderate-income persons. Block grant funds

may be used directly to finance rehabilitation, including settlement costs, through the direct use of block grant funds in the provision of assistance, such as grants, loans, loan guarantees and interest supplements, for:

(i) Costs of rehabilitation of properties, including, repair directed toward cure of an accumulation of items of deferred maintenance, replacement of principal fixtures and components of existing structures, and renovation through alteration, additions to, or enhancement of existing structures, which may be undertaken singly, or in combination;

(ii) Refinancing existing indebtedness secured by a property being rehabilitated if such refinancing is necessary or appropriate to the execution of a Community Development Program;

(iii) Measures to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, and conversion, modification or replacement of heating and cooling equipment, including the use of solar energy equipment;

(iv) Financing of costs associated with the connection of residential structures to water distribution lines or local sewer collection lines; or

(v) Costs of initial homeowner warranty premiums for rehabilitation carried out with block grant assistance.

(3) *Materials.* Block grant funds may be used to provide materials, including tools, for use in the rehabilitation of properties either by the property owner or tenant, or where arrangements have been made for the provision of labor, such as through a CETA grant.

(d) *Temporary relocation assistance.* Block grant funds may be used for temporary relocation payments and assistance to individuals, families, businesses, non-profit organizations, and farm operations displaced temporarily by rehabilitation activities assisted under this part. Further information regarding the eligibility of relocation costs is set forth in § 570.602.

(e) *Code enforcement.* Code enforcement in areas where activities included in the Community Development Program are being carried out, such as an NSA, which is deteriorating or deteriorated in which such enforcement together with public improvements, rehabilitation assistance, and services to be provided, may be expected to arrest the decline of the area.

(f) *Historic preservation.* Rehabilitation, preservation, restoration and acquisition of historic properties, either publicly or privately owned, which are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, listed in a State or local Inventory of Historic Places, or designated as a State or local landmark or histor-

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ic district by appropriate law or ordinance.

Publicly owned historic properties may be assisted, including those properties which are otherwise ineligible for assistance under this subpart. However, eligibility is limited only to those costs necessary for rehabilitation, preservation or restoration of the property and not for conversion or expansion of the property for any ineligible use. For example, a city museum serving low- and moderate-income persons, and listed in the National Register may be restored, but the addition of a new wing on the museum could not normally be assisted, unless it were otherwise eligible for assistance pursuant to § 570.203(b).

§ 570.203 Eligible economic development activities.

Grant assistance may be provided for the following development activities which are not otherwise eligible for block grant assistance, which are directed toward the alleviation of physical and economic distress, or the economic development of a new community as described in § 570.403(a) through stimulation of private investment community revitalization, and expansion of economic opportunities for low- and moderate-income persons, and handicapped persons, and which are necessary and appropriate to implement the applicant's strategy for economic development.

The applicant shall provide HUD with a description of the activity, and of the relationship to the applicant's strategy for economic development. In authorizing activities, HUD will take into account the amount of long-term employment to be generated by the activity accessible to low- and moderate-income persons, the necessity of the activity to stimulate private investment, the degree of impact on the economic conditions of the applicant, and the availability of other Federal funds.

(a) *Acquisition.* Acquisition of real property for economic development purposes;

(b) *Public facilities and improvements.* Acquisition, construction, reconstruction, rehabilitation, or installation of public facilities and improvements not otherwise eligible for assistance, except buildings and facilities for the general conduct of government which are excluded by § 570.207(a)(1).

For example, in an area with an unemployment rate in excess of the national rate, a manpower training center which is designed to prepare for the work force low- and moderate-income persons who are unemployed or underemployed, may be assisted where it is determined by the applicant that such a facility is necessary and appropriate to support its economic development strategy.

(c) *Commercial and industrial facilities.* Acquisition, construction, reconstruction, rehabilitation or installation of:

(1) Commercial or industrial buildings and structures, including:

(i) Purchase of equipment and fixtures which are part of the real estate, but not personal property; and

(ii) Energy conservation improvements designed to encourage the efficient use of energy resources (including renewable energy resources or alternative energy resources);

(2) Commercial or industrial real property improvements (including railroad spurs or similar extensions).

§ 570.204 Eligible activities by private nonprofit entities, neighborhood-based nonprofit organizations, local development corporations, or small business investment companies.

(a) *General.* Grant assistance may be used by applicants to provide block grant funds for activities designed to implement the applicant's strategies for economic development and neighborhood revitalization set forth in this section to be carried out by a private nonprofit entity, a neighborhood-based nonprofit organization, local development corporation, or Small Business Investment Company (SBIC). (1) *Applicant Responsibilities.* Applicants are nonetheless responsible for ensuring that block grant funds are utilized by such entities in a manner consistent with the requirements of this Part and other applicable Federal, State, or local law. Specific requirements governing the administration of the use of block grant funds by such entities are set forth in § 570.612. Applicants will also be responsible for the carrying out of applicable environmental review and clearance responsibilities.

(2) *Eligible Entities.* Entities eligible to receive block grant funds under this section are: (i) A private non-profit entity which is any organization, corporation, or association, duly organized to promote and undertake community development activities on a not-for-profit basis, including new community associations as defined in § 570.403(b);

(ii) A neighborhood-based nonprofit organization which is an association or corporation, duly organized to promote and undertake community development activities on a not-for-profit basis within a neighborhood as defined pursuant to § 570.201(c)(4). An organization is considered to be neighborhood-based if the majority of either its membership, clientele, or governing body are residents of the neighborhood where activities assisted with block grant funds are to be carried out;

(iii) A Small Business Investment Company (SBIC) which is an entity

organized pursuant to section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)), including those which are profit making; and

(iv) A local development corporation which is an entity organized pursuant to Title VII of the Headstart, Economic Opportunity, and Community Partnership Act of 1974 (42 U.S.C. 2981); an entity eligible for assistance under section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696), a State development entity eligible for assistance under section 501 of the Small Business Investment Act of 1958 (15 U.S.C. 695), or other similar entity incorporated pursuant to Federal, State, or local law.

(b) *Activities eligible under §§ 570.201-570.203, and § 570.205 and § 570.206.* Grant assistance may be provided by an applicant to be utilized by private nonprofit entities, neighborhood-based nonprofit organizations, SBIC's, or local development corporations for activities otherwise eligible for block grant assistance pursuant to §§ 570.201-570.203, § 570.205, and § 570.206. Where such entities use block grant funds to acquire title to facilities, including those described in § 570.201(c) or § 570.203(b), they shall be operated so as to be open for use by the general public during all normal hours of operation. Reasonable fees may be charged for the use of facilities acquired by such entities, but charges, such as excessive membership fees, which will have the effect of precluding low- and moderate-income persons from using the facilities are not permitted.

(c) *Community economic development or neighborhood revitalization activities.* Grant assistance may be provided by an applicant to be used by neighborhood-based nonprofit organizations, SBIC's or local development corporations, but not private nonprofit entities as defined in § 570.204(a)(2)(i), for community economic development or neighborhood revitalization activities which are not otherwise eligible for assistance under this subpart and which are determined by the applicant to be necessary or appropriate to the accomplishment of its Community Development Program. Such activities may include the provision of block grant assistance for use by neighborhood-based nonprofit organizations, SBIC, or local development corporations for:

(1) Assistance through grants, loans, guarantees, interest supplements, or technical assistance to new or existing small businesses, minority businesses and neighborhood nonprofit businesses for

(i) Working capital or operational funds and

(ii) Capital for land, structures, property improvements, and fixtures;

(2) Capitalization of a SBIC or local development corporation required to

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qualify for assistance under other Federal programs;

(3) Assistance to minority contractors to obtain performance bonding; or

(4) Other activities, excluding those described as ineligible for block grant assistance in §§ 570.207(a)(1) and (e), appropriate for community economic development or neighborhood revitalization. Where an applicant proposes to fund such entities to undertake activities pursuant to this paragraph, the applicant shall:

(i) Provide HUD with a complete description of the proposed activity;

(ii) Provide HUD with a description of the relationship of the proposed activity to the applicant's strategy for neighborhood revitalization or economic development; and

(iii) Receive specific authorization from HUD to undertake the activity.

§ 570.205 Eligible planning, and urban environmental design costs.

Grant assistance may be used for the following planning, design, and environmental costs:

(a) *Development of a Comprehensive Community Development Plan.* For the purpose of this section, the term "Comprehensive Community Development Plan" means a statement or statements (in words, maps, illustrations or other methods of communication) which identify the present conditions, needs and major problems of the applicant's jurisdiction relating to the specific objectives of the Community Development Program as set forth in § 570.2(a) and set forth objectives, policies and standards to guide the development and implementation of such Community Development Program. Activities necessary to develop a Comprehensive Community Development Plan may include:

(1) *Data gathering and studies necessary for the development of the Plan or its components, including the production of base mapping and aerial photography in coordination with the U.S. Geological Survey, and gathering information from citizens, but excluding the gathering of detailed data and preparing of analyses necessary for the engineering and design of facilities or activities ineligible for block grant assistance pursuant to § 570.207;*

(2) *Development of statements of objectives, policies and standards regarding proposed or foreseeable changes in the present conditions or problems affecting the applicant's jurisdiction that are to be addressed by the Community Development Program, including policies which will affirmatively further fair housing;*

(3) *Development of a three-year Community Development Plan which identifies the community development, housing, and economic conditions and needs, demonstrates a comprehensive strategy for meeting those needs and*

specifies both short- and long-term objectives to guide the applicant's Community Development Program;

(4) *Related planning and urban environmental design activities including the preparation of communitywide plans for land use, housing, open space, recreation, utilities, historic preservation, including surveys of historic properties, economic development, neighborhood preservation, removal of architectural barriers to the elderly and handicapped, and environmental assessment;*

(5) *Collection of detailed data, preparation of analyses, engineering and design of facilities eligible for assistance which can be constructed with block grant funds; and*

(6) *Development of codes, ordinances and regulations, necessary for the implementation of the plan, including local fair housing ordinances.*

(b) *Development of a policy-planning-management capacity so that the applicant may:*

(1) Set long-term and short-term objectives related to the community development and housing needs of its jurisdiction;

(2) Devise programs and activities to meet these goals and objectives;

(3) Establish an urban environmental design administrative capacity to use a systematic, interdisciplinary approach to the integrated use of natural and social sciences and environmental design arts in planning and decision making;

(4) Evaluate the progress of such programs and activities and the extent to which the goals and objectives have been accomplished; and

(5) Carry out the management, coordination and monitoring of the activities and programs that are a part of the applicant's Community Development Program.

(c) *Comprehensive planning activities.* In addition to the planning activities otherwise eligible for assistance under this section, assistance may be also provided for comprehensive planning activities eligible for assistance under the section 701 planning assistance program pursuant to 24 CFR Part 600 provided that such additional planning activities are necessary or appropriate to meeting the needs and objectives of the applicants' Community Development Program. The applicant shall submit a description of the activity to HUD. Among the factors HUD will take into account in authorizing activities will be the impact of the activity on the needs and objectives identified by the applicant, and the availability of other Federal funds.

§ 570.206 Eligible Administrative Costs.

Payment of reasonable administrative costs and carrying charges related to the planning and execution of com-

munity development activities financed, in whole or in part, with funds provided under this Part and housing activities covered in the applicant's Housing Assistance Plan (HAP). Costs incurred in carrying out the program, whether charged to the program on a direct or an indirect basis, must be in conformance with the requirements of Federal Management Circular (FMC) 74-4, "Cost Principles Applicable to Grants and Contracts with State and Local Governments." All items of cost listed in Attachment B, Section C of that Circular (except Item 6, preagreement cost, which are eligible only to the extent authorized in § 570.301(c) are allowable without prior approval to the extent they constitute reasonable costs and are otherwise eligible under this subpart.

(a) *Eligible program administration costs.* Reasonable administrative costs and staff expenses include necessary expenditures for the following:

(1) Salaries, wages and related costs of the applicant's staff and the staff of local public agencies engaged in carrying out the program;

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

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

(4) Other costs for goods and services required for administration of the program, including such goods and services as rental and maintenance of office space, insurance, utilities, office supplies and rental or purchase of office equipment;

(5) Costs associated with the administration of individual program activities; and

(6) Reasonable administrative costs relating to the provision of rehabilitation loans under Section 312 of the Housing Act of 1964, as amended, and, where appropriate, administration of an urban homesteading program pursuant to section 810 of the Housing and Community Development Act of 1974, as amended, in accordance with the Community Development Program or housing assistance plan.

(b) *The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of activities being carried out with block grant funds.* This may include assistance to neighborhood organizations in areas of concentrated activities or to city-wide organizations conducting training or other activities designed to increase the capability of low- and moderate-income persons to be involved effectively in the development and planning and design of a community development program consistent with the applicable citizen participation requirements set forth in this Part.

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(c) *Provision of fair housing counseling services* and other activities designed to further the fair housing provisions of § 570.307(k) and the housing objective of promoting greater choice of housing opportunities and avoiding undue concentrations of assisted persons in areas containing a high proportion of lower-income persons. For example, activities may include informing members of minority groups, and the handicapped, of housing opportunities in non-traditional neighborhoods and providing information about such areas, and assisting members of minority groups, and the handicapped, through provision of escort services to brokers offices in non-traditional neighborhoods.

(d) *Provision of assistance to facilitate performance and payment bonding* necessary for contractors carrying out activities assisted with block grant funds including, payment of bond premiums in behalf of contractors.

(e) *Property management.* Reasonable costs of managing properties acquired with block grant funds.

(f) *Applications for Federal programs,* including the block grant program and UDAG program, may be prepared with block grant funds where necessary and appropriate to implement the applicant's comprehensive strategy for community development. Special provisions regarding letter to proceed for small city applicants are contained in Subpart F.

(g) *Activities to facilitate the implementation of a housing assistance plan* for necessary expenses, prior to construction, in planning and obtaining financing for the new construction or substantial rehabilitation of housing for lower-income persons. Activities may include:

(1) The costs of conducting preliminary surveys and analyses of market needs;

(2) Site and utility plans, narrative descriptions of the proposed construction, preliminary cost estimates, urban design documentation, and "sketch drawings," but excluding architectural, engineering, and other details ordinarily required for construction purposes, such as structural, electrical, plumbing, and mechanical details;

(3) Reasonable costs associated with development of applications for mortgage and insured loan commitments, including commitment fees, and of applications and proposals under the Section 8 housing assistance payments program pursuant to 24 CFR Parts 820 883; and

(4) Fees associated with processing of applications for mortgage and insured loan commitments under programs including those administered by HUD, Farmers Home Administration (FmHA), Federal National Mortgage Association (FNMA), and the Government National Mortgage Association (GNMA).

The new construction or direct financing of new construction of housing is not eligible for assistance under this Part, except as described in § 570.207(f).

(h) *Environmental Studies.* The reasonable costs of environmental studies, including historic preservation clearances, necessary to comply with 24 CFR Part 58, including project specific environmental assessments and clearances for activities eligible for assistance under this Part.

COMMUNITY DEVELOPMENT STAFF MEMBERS
PARTICIPATING IN
FIFTH YEAR BLOCK GRANT APPLICATION PROCESS

NEIGHBORHOOD PLANNERS:

Pat Centanni	East Cambridge
Ellen Beatrice:	Neighborhood 3, Neighborhood 4
Chris Dame:	Cambridgeport
Peter Helwig:	Riverside
Betty Desrosiers:	North Cambridge
Peter Hahn:	Neighborhood 13

LEAD PERSONS:

David Vickery:	Economic Development	
Charles Sullivan:	Historic Preservation	498-904
Walter Little:	Housing Rehab - Private Sector	
Betty Hepner/ Betty Desrosiers:	Public Housing Rehab	
Jill Herold:	Human Services	
Peter Hahn:	Open Space, Streets/Sidewalks, Trees	
Peter Hahn:	Neighborhood Facilities	
Dick Easler:	Transportation	
Ellen Beatrice:	Planning/Zoning	

MANAGEMENT STAFF:

Ned Handy:	Block Grant Coordinator
Peter Helwig:	Deputy Block Grant Coordinator
Jean Ahonen:	Block Grant Project Assistant

NOTE ON PHONE NUMBERS: The City's phone system is in the midst of changeover. Call the main city number - 498-9000 to find out the number of the Community Development Department.

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