

STATE OF GEORGIA

COMMUNITY DEVELOPMENT BLOCK GRANT

EMPLOYMENT INCENTIVE PROGRAM

(E I P)

APPLICATION MANUAL

December, 2010

Office of Economic Development
Community Development and Finance Division
Georgia Department of Community Affairs
60 Executive Park South, N.E.
Atlanta, Georgia 30329

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an Equal Opportunity Employer

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INTRODUCTION

This packet contains the information and forms needed by a local government to complete and submit an Employment Incentive Program (EIP) application.

The Employment Incentive Program is a flexible economic-development financing tool. This manual should clearly define the role of the EIP as:

- 1) a financing mechanism which seeks to create employment opportunities for rural Georgia's low- and moderate-income population;
- 2) a method of assisting those businesses that cannot raise all of their financing needs through conventional private sources; and
- 3) a provider of infrastructure funding to local governments with projects that will create the necessary job opportunities, but cannot proceed because of a lack of sufficient infrastructure funding.

Due to the specialized nature of the program's low- and moderate-income hiring requirement, we encourage potential applicants to contact us to discuss their projects. You may contact the Employment Incentive Program Managers, Brock Smith at (404) 679-1589 (e-mail: brock.smith@dca.ga.gov) for infrastructure projects or Nyanza Duplessis at (404) 679-0668 (e-mail: nyanza.duplessis@dca.ga.gov) for loan projects, or by writing:

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NOTE: Because of the time and staff limitations within the Office of Economic Development, it is essential that applicants prepare application documents in accordance with the instructions contained herein and as outlined in the regulations. Applications should be clear, thorough and sufficiently detailed so as to provide all information required. *This is the responsibility of the applicant whether the applicant prepares the application or whether the application is prepared by a representative, agent or designee.*

GENERAL INFORMATION

Before You Submit Your EIP Application

Because economic development projects often run on schedules that are time-sensitive, CDBG and DCA regulations allow potential applicants to request “pre-agreement cost approval” (PACA) from DCA that authorizes the potential applicant and beneficiary business to commence project activities and maintain project timetables while applying for EIP assistance. Upon DCA’s issuance of pre-agreement cost approval, a project may move forward prior to submission of an application or award of funds while maintaining the eligibility of the job-creation and private investment that takes place prior to submission of an application and receipt of a grant award.

In no event will issuance of PACA ensure funding for a proposed project. PACA does not increase an application’s competitiveness. All costs incurred by applicants prior to an EIP award are at the applicant’s own risk. Please plan your financing accordingly.

As part of the PACA process, and in order to engage communities considering EIP as early as possible, DCA has developed an Initial Project Assessment (“IPA”) to determine if projects may be eligible for EIP funding as well as how competitive the proposed project is based on the rating and selection criteria. DCA strongly recommends that potential applicants contact DCA (through our Office of Economic Development in Atlanta or the DCA Economic Development Field Representatives) to schedule an IPA meeting prior to submitting a formal EIP application. If a project appears to be eligible for EIP financing, submission of an IPA will result in DCA issuing pre-agreement cost approval (PACA). Applicants will generally have ninety (90) days from the date of DCA’s pre-agreement cost approval letter to submit an EIP application.

Applications

Applications are eligible for funding only if they meet the application threshold requirements outlined in the State of Georgia’s EIP Regulations. In order to meet the EIP threshold requirements, an application must receive at least 300 points under the EIP Rating and Selection System. Furthermore, the application’s review must ensure that all appropriate funding criteria have been considered, and that the project conforms to the objectives of Title I of The Housing and Community Development Act of 1974, as amended, and can be carried out in compliance with all applicable federal, state, or local laws, regulations or requirements.

The locality submitting the EIP application, prior to the obligation of any project construction, must document that an Environmental Assessment has been completed for the project and the project has met (or will meet) the requirements of the National Environmental Policy Act (NEPA) as specified in Georgia’s CDBG Program Regulations and CDBG Recipient’s Manual. (*Refer to Chapter 2, Section 2: ERR (Environmental Review Requirements) in the most recent CDBG Recipient’s and “Appendix I: Forms 15 – 24” for the Environmental Assessment, Statutory Checklist and other related forms.*)

In cases where fundable applications exceed available funds, the application with the highest number of jobs benefiting low- and moderate-income persons will be given priority.

The locality submitting the EIP application must hold a public hearing and comply with the requirements of the State's CDBG and EIP program regulations and guidelines for "Citizen Participation". The public notice and minutes of the hearing should accompany the application. (See "Citizen Participation Requirements" below for details).

In order to meet federal funding requirements, various forms, certifications and documents are required to be submitted with an EIP application. Therefore, applications for the EIP program must be submitted in conformance with the format and applicable instructions specified by the Department of Community Affairs. To be considered complete, an application must contain all the appropriate elements listed on the EIP Application Completeness Checklist including all supplemental documentation requested for the appropriate project type (either public infrastructure or direct assistance to a private, for-profit business) and must include original signatures of the applicant's certifying representative on the EIP Application Summary Form (Form DCA-1EIP), the Certified Assurances Form (Form DCA-10) and the CDBG/EIP Disclosure Report (Form DCA-13). All forms and checklists are included in this packet.

An application must include a discussion in DCA-5 of plans for implementing Section 3 requirements along with other applicable laws and regulations, e.g., the Uniform Act, that may affect program implementation and administration. "First source" hiring agreement(s) will be emphasized as a good way to implement Section 3 requirements. Note that Section 3 requirements are available as an Appendix of the most current year CDBG Applicants Manual at the DCA website link - <http://www.dca.ga.gov/communities/CDBG/programs/CDBGforms.asp>

Grant awards will be made to those applications that receive a funding recommendation until all available funds are exhausted.

Maximum Assistance and Annual Set-Aside Amount

Grant amounts under this special program will generally not exceed \$500,000 per award. The maximum grant amount may be increased if warranted by extraordinary public benefit to be achieved by a particular project. Eight (8) million dollars or eleven percent (11%), whichever is greater, from each federal fiscal year's allocation to the Department of Community Affairs for the Community Development Block Grant Program will be set-aside for this program.

Eligible Applicants

Eligible applicants include units of general-purpose local government that are not metropolitan cities, urban counties and other units of government eligible to participate in HUD's urban counties, or metropolitan cities program.

Ineligible Applicants

- The cities of Acworth, Albany, Alpharetta, Atlanta, Auburn, Austell, Ball Ground, Berkeley Lake, Brunswick, Buford, Canton, Chamblee, Chattahoochee, Clarkston, College Park, Dacula, Dalton, Decatur, Doraville, Duluth, East Point, Fairburn, Forest Park, Gainesville, Grayson, Hapeville, Hinesville, Holly Springs, Johns

Creek, Jonesboro, Kennesaw, Lake City, Lawrenceville, Lilburn, Lithonia, Lovejoy, Macon, Marietta, Milton, Mountain Park, Norcross, Palmetto, Pine Lake, Powder Springs, Rest Haven, Riverdale, Rome, Roswell, Sandy Springs, Savannah, Smyrna, Sugar Hill, Suwanee, Union City, Valdosta, Waleska, Warner Robins and Woodstock.

- Cherokee County, Clayton County, Cobb County, DeKalb County, Fulton County and Gwinnett County.
- The consolidated governments of Athens-Clarke County Unified Government, Augusta-Richmond County and Columbus Consolidated Government.
- Any incorporated city within a HUD Entitlement Urban County that has chosen to participate through a Cooperating Agreement with the Urban County in the HUD Entitlement Program or any other community designated by HUD as an entitlement community.

Restrictions on Eligibility for Competition

Local governments with outstanding CDBG monitoring, audit, and/or other CDBG program exceptions that involve a violation of federal, state or local law or regulation are ineligible for EIP financing. In addition, applicants must be in compliance with their reporting under the Georgia Planning Act, the Georgia Solid Waste Management Act, the Local Governments Audit Act, the Service Delivery Strategy Act and the DCA Local Government Finance Report requirements. (Applicant should report status of conformance with the reporting requirements in the EIP application). *It should also be emphasized, that to be eligible as a sub-recipient of EIP funding, the business and principals must not appear on the Georgia Department of Revenue's delinquent tax list.*

Joint Applications

An application may be submitted individually by one unit of general-purpose local government, or jointly, by two (2) or more units of general-purpose local government. Joint applications are usually required when less than 51 percent of the beneficiaries are located within the jurisdiction of the applicant unit of general-purpose local government. Activities may serve beneficiaries outside the jurisdiction of the applicant, provided the unit of general-purpose local government has identified such a need as an overall community-wide economic development need and 51 percent or more of the beneficiaries are within the applicant's jurisdiction. **Please consult DCA for guidance concerning the need for joint applications and requests for exceptions.**

Joint applications must include:

- *A copy of the Cooperating Agreement* entered into by the cooperating units of government. This agreement should designate the unit of local government that will serve as lead applicant. A sample cooperating agreement DCA-11 is included in this Application Packet;
- Separate "Certified Assurances" (form DCA-10) for each jurisdiction; and
- Joint applications must also contain evidence of separate public hearings for each jurisdiction. A single public hearing, however, may serve the needs of each jurisdiction, provided that (a) each jurisdiction shares a central location and (b) the hearing is clearly publicized by both (or jointly publicized by each) jurisdictions. If

a single hearing is proposed, please contact DCA for guidance. For further information, please refer to "Citizens Participation Requirements" further outlined in this manual.

Special Provisions for the Employment Incentive Program

The following excerpts are taken from the State of Georgia Community Development Block Grant (CDBG) Regulations. These regulations also implement the provisions of Resolutions adopted 2/16/83 and 1/8/92 by the Board of Community Affairs and further implement various administrative and regulatory changes mandated by the federal government. The incorporated provisions that affect the Employment Incentive Program (EIP) are as follows:

1. Federal

Title I of The Housing and Community Development Act of 1974, as amended (42 U.S.C. 5300-5320), and those parts of the federal implementing regulations applicable to the State Community Development Block Grant Program (24 CFR Part 570).

2. State

The Department of Community Affairs' Program Regulations for the Georgia Community Development Block Grant Program, as amended.

The Board of Community Affairs' Resolution dated February 16, 1983 which created the Employment Incentive Program.

The Board of Community Affairs' Resolution dated January 8, 1992 which modified certain aspects of the rating and review system, application submission deadlines, and procedures for dealing with program revenue held at the local level.

Program Definition

The Employment Incentive Program (EIP) is intended to facilitate and enhance job creation and/or retention, principally for low- and moderate-income persons, by providing a flexible and expedient funding cycle that is more responsive to expanding or retaining economic opportunities at the local level. To be considered, potential projects must address the creation and/or retention of jobs or employment opportunities, a minimum of 51% of which must be for persons of low and moderate income.

Eligible Activities

Eligible activities are identified in Section 105 of the Housing and Community Development Act of 1974, as amended. For purposes of the Employment Incentive Program, activities are eligible only to the extent that the funded activity creates tangible employment or employment training/education principally for low- and moderate-income persons. In addition, proposed activities must be based on firm written commitments from eligible subrecipients and/or businesses. The proposed activity may not be speculative in nature. *NOTE:* For purposes of the EIP program, the term "subrecipient" should generally be interpreted as "business." However, in some cases where EIP funds are to be passed

through a local development authority, the development authority itself would also be a “subrecipient” subject to the same rules and regulations as the benefiting business.

Examples of eligible activities which may be funded include, but are not limited to, the following:

1. Activities carried out by units of general local government and/or other local public authorities including: a) acquisition of real property; b) acquisition, construction, reconstruction, rehabilitation, or installation of public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and c) commercial or industrial buildings, structures and other real property improvements.
2. Provision of direct assistance to private for-profit entities, when the assistance is appropriate to carry out an economic development project. However, unless such assistance has been approved by DCA for use in or in conjunction with a DCA approved “secondary market” program that would fund CDBG eligible activities with private rather than public funds, such assistance may not be in the form of outright grants, guarantees, or technical assistance. In addition, financial assistance to private for-profit entities must be made contingent upon firm commitments of financial participation from other private sources such as banks or the private for-profit entities themselves. Such assistance must also create or retain permanent jobs principally for low- and moderate-income persons.
3. Provision of assistance to local governments and/or other local public authorities to fund facilities that assist low- and moderate-income persons to acquire employment, the employment skills, and/or basic educational training to become more effective participants in the local economy. Eligibility for such activities will be limited to "new" activities that have not previously been undertaken by the unit of general local government or local development entity.

Definition of Low- and Moderate-Income Person

A low- and moderate-income person is defined as a member of a family having a combined gross family income (i.e., the full amount of gross income, before deductions, of all family members residing in the household) equal to or less than the Section 8 Housing Assistance Program “lower income limit” established by the U.S. Department of Housing and Urban Development (HUD). Unrelated individuals are considered as separate families.

The Section 8 income guidelines are available for each county and are based on 80 percent of the county's median income or 80 percent of the statewide non-metropolitan median income, whichever is greater, with adjustments for family size. Income guidelines are published each spring and are distributed by HUD and the Department of Community Affairs (DCA). Copies of the guidelines for your county may be obtained by contacting DCA at (404) 679-1589 or <http://www.dca.ga.gov/communities/CDBG/programs/CDBGforms.asp> or HUD’s website at <http://www.huduser.org/portal/datasets/il/il10/index.html> . A link to the current version of the HUD family income limits table is found in Appendix D of this manual.

Low-and Moderate-Income Jobs Criteria

With the exception of certain training activities described above in example 3 of Section H “Eligible Activities,” for each activity funded under the Employment Incentive Program, at least 51% of all jobs to be created or retained as a result of the EIP project must be documented to be created for and/or retained by persons defined as low and moderate income by DCA.

For an activity or project that retains jobs, the unit of local government and proposed subrecipient(s) must document that jobs would actually be lost without the EIP assistance and that at least 51% of the total existing jobs are currently held by low- and moderate-income persons.

For employment skill enhancement and/or basic educational training activities/services, at least 51% of the recipients of such services must be documented to have been low- and moderate-income persons at the time such services were provided.

The application is **required** to contain a list of prospective full-time permanent jobs along with a breakout of those positions that involve the employment of low- and moderate-income persons. The jobs to be created or retained should be listed by job title, salary or wage scale, and skill requirements.

Limitation on Administration and Professional Fees

Note: DCA reserves the right to reduce the overall level of administrative or professional fees depending on the scope of the proposed project.

Administrative and closing costs paid with EIP funds shall be limited to six percent (6%) of the grant award amount. The 6% administrative cost limitation is applicable whether costs are paid directly to the recipient or financed as a portion of an EIP subrecipient loan.

EIP engineering and/or architectural cost is limited based on construction cost paid for with EIP funds. Contingency line items are not considered construction costs and may not be included in the calculation of maximum engineering and architectural fees. Engineering fees are up to twelve percent (12%) maximum of the EIP construction cost. Architectural fees are up to ten percent (10%) maximum of the EIP construction cost.

It should be noted that any assistance provided to private businesses must be "recaptured" by the local government and shall be considered Program Income. (See Section II. D below). In cases of loan foreclosures, DCA may, on a case-by-case basis, allow for additional administrative and legal expenses to be paid out of the loan and/or foreclosure proceeds.

Procurement for Application Development and other Professional Services

Note that this process is not required when contracting with RCs. These provisions apply, typically, to contracts with private consultants, engineers and architects.

Applicants are advised that CDBG/EIP payments for professional services are subject to the “competitive negotiation” requirements of 24 CFR, Part 85 (the "Common Rule").

The following standards have been developed by DCA to assist applicants meet HUD compliance standards. To comply, the applicant government (not the individual or firm proposing to provide services) should:

- ◆ Develop a Request for Proposal (RFP), suitable for any professional services, or a Request for Qualifications (RFQ), suitable for Engineering and/or architects. The RFP/RFQ must include a description of the Scope of Work, “evaluation factors” selected by the applicant to rate the proposals, and explanation of the factors and their relative importance in the process. Geographic location of a service provider may not be a deciding factor. Contact DCA for assistance;
- ◆ Publicize the RFP and/or RFQ. This is most often accomplished by publishing it in the applicant's "legal organ." Allow at least thirty (30) days for response to the advertisement for proposals;
- ◆ Send letter with copy of RFP/RFQ to a number of "known providers". Do not limit the providers just to those that do both grant administration/engineering. When soliciting firms to develop applications/administer projects, RFP's should be sent to at least seven (7) known providers. When soliciting engineering/architectural services, RFQ's should be sent to at least ten (10) known providers. As a service to applicants, recipients and others, DCA maintains a list of professionals who have expressed an interest in proposing on CDBG projects. This is not an "approved" list. DCA does not approve or disapprove professionals. This is the applicant or recipient's responsibility;
- ◆ RFP's/RFQ's should be evaluated by committee;
- ◆ Negotiate with (preferably with at least two) respondents to the RFP/RFQ;
- ◆ Prepare documentation (file memo, etc.) which evaluates proposals and establishes reasons (based on criteria in RFP/RFQ) for contractual recommendations;
- ◆ Consult city or county attorney with above recommendations and proposed contract; and
- ◆ Based upon established reasons and attorney's recommendation, obtain full council/commission approval and execute contract. Letter(s) thanking unsuccessful respondents for making a proposal should then be sent. Based on evaluation criteria contained in the RFP/RFQ, this letter should state reasons why the respondent was not hired.

Applicants may (or may not at their discretion) use this procurement process to select professionals for the preparation of an application. Applicants are cautioned, however, only to obligate CDBG/EIP funds after a grant is awarded. Initial contracts should only obligate the applicant to compensate for costs of application development. (Note that the cost of application preparation is not eligible for reimbursement under the CDBG/EIP Programs.) If the professional is selected to prepare the application and provide additional services upon award, then the procurement process designed above must be utilized.

Also, if any time in the past two years a provider has been selected through the proper procurement process for a CDBG funded project, the grant applicant/recipient may select the same grant administrator for an EIP project without repeating the process. The applicant/recipient may select the same other professional services provider(s) if the project is similar and the activity(ies) are the same (ex: sewer for CDBG and sewer for EIP, but not building for CDBG and sewer for EIP).

See Chapter III, Section 4: Procurement Standards in most recent CDBG Recipient's Manual.

For procurement processes that result in requests for sole source approval from DCA, the procurement process must be fully documented to DCA's satisfaction before DCA will grant approval, including but not limited to the following: 1) a description of the procurement process; 2) a tear sheet of the Request for Proposals; 3) a list of the active, qualified consultants or engineers/architects that were mailed the Request for Proposals; and 4) certified return receipt documentation that the Request for Proposals was mailed to the required number of active, qualified consultants or engineers/architects.

Citizen Participation Requirements

The Housing and Community Development Act places emphasis on efforts to involve citizens, especially low- and moderate-income citizens, in all aspects of the CDBG Program.

As required by the Act, the Georgia Department of Community Affairs has adopted a written Citizen Participation Plan which can be found in Section 13 of the State CDBG Program Regulations as adopted by the Board of the Department of Community Affairs on February 17, 1988, as amended.

Applicants for and recipients of CDBG funds certify that they will follow this plan which requires that local units of government will provide for and encourage participation in the planning, implementation, and assessment of their CDBG program. In order to meet these goals, applicants must, at a minimum, meet the following requirements:

1. Hold at least one (1) public hearing in the locality prior to submission of an application to DCA. The purpose of the hearing will be to obtain citizens' views and to respond to proposals and questions concerning previous CDBG/EIP funded projects (if any) and to obtain citizen participation in the development of proposals including identification of community needs and proposed activities. The hearing must include the estimated amount of funds proposed to be used for activities benefiting low- and moderate-income persons and plans to minimize displacement and assist displaced persons.
2. Hold at least one (1) public hearing to discuss the approved activities within sixty (60) days after acceptance of the grant award; the hearing must include the estimated amount of funds proposed to be used for activities benefiting low- and moderate-income persons and plans to minimize displacement and assist displaced persons.
3. Hold at least one (1) public hearing if a grantee proposes a substantial amendment to the program, as defined in the Recipient's Manual published by DCA.

4. At the completion of the project, the recipient shall hold a public hearing on its performance and accomplishments of the project. The recipient shall make the report available to the public and solicit comments on performance prior to grant close out.
5. A notice of publication advertising each public hearing must be published not less than five (5) days prior to the date of the hearing in the **non-legal** section of a local newspaper of general circulation. (A sample public hearing notice follows.) Local governments are encouraged to take other actions to provide adequate notice to potentially interested persons.
6. A copy of the application as submitted to DCA must be available for public review and the public must be notified of its availability for review.
7. Hearings must be held at times and locations convenient to potential or actual beneficiaries and with accommodations for the needs of the disabled.
8. The needs of non-English-speaking residents must be met in the case of public hearings where a significant number of non-English-speaking residents can be reasonably expected to participate.
9. Applicant/recipient files must contain evidence that the actions listed in this section have been taken, including copies of actual notices and minutes of hearings.
10. Applicants and recipients must provide technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals, with the level and type of assistance to be determined by the local unit of government.
11. Citizens must be provided with reasonable and timely access to local meetings, information and records relating to the local government's proposed and actual use of CDBG/EIP funds as required by HUD regulations and state law.
12. This section may not be construed to restrict the responsibility or authority of the local government for the development and execution of its community development program.
13. The applicant must certify in the Certified Assurances component of the application (Form DCA-10) that requirements under items 1 through 12 have been met.

SAMPLE PUBLIC HEARING NOTICE

The (City or County) of _____ is considering applying to the Georgia Department of Community Affairs (DCA) for an Employee Incentive Program Grant of up to \$ _____ (amount) _____. These funds must generally be used for the following purpose:

1. to benefit low- and moderate-income persons; or
2. to aid in the prevention or elimination of slums or blight; or
3. to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. The applicant must certify and the Georgia DCA must concur that such conditions exist.

The activities for which these EIP funds may be used are in the area of economic development. More specific details regarding eligible activities, plans to assist displaced persons and the estimated amount of funds proposed to be used for activities to benefit low- and moderate-income persons, and the rating system will be provided at a public hearing which will be held at _____ (place/address) _____ on _____ (date) _____, at _____ (time) _____.

The purpose of this hearing will be to inform citizens regarding the development of the application and to review progress on the previous CDBG/EIP grant(s) (if applicable). Persons with special needs relating to handicapped accessibility or foreign language shall contact _____ (name/phone) _____ prior to _____ (date) _____. This person can be located at _____ (complete address) _____ between the hours of _____, Monday through Friday, except holidays.

NOTE: *The applicant shall maintain detailed minutes of this hearing, a "tearsheet" or affidavit pertaining to the public notice and documentation as to whether or not "special needs" were required and, if applicable, addressed.*

Residential Antidisplacement Provisions

The Housing and Community Development Act of 1987 contained new provisions concerning displacement and relocation assistance that will be effective with respect to any grants made by the State after October 1, 1988. Most economic-development program strategies will not be impacted by this rule; however, DCA will provide detailed guidance at the request of EIP Applicants. The 1987 Act also provides that a grantee receiving a CDBG or EIP grant must certify that it is following a residential antidisplacement and relocation assistance plan. This certification will be required although no residential displacement would normally occur as a result of an EIP program strategy.

Open Records Statute

Georgia Law requires that “all state, county, and municipal records, except those which by order of a court of this state or by law are prohibited from being open to inspection by the general public, shall be open for a personal inspection of any citizen of this state at a reasonable time and place, and those in charge of such records shall not refuse this privilege to any citizen.” (O.C.G.A. § 50-18-70). This means that past and current records on the use of CDBG/EIP funds are required to be open for public inspection.

However, certain proprietary information which is required by DCA to be included in an economic development application and must be supplied by a business in order to compete and which constitutes a "trade secret" (O.C.G.A. § 10-1-740 et seq.; 16-8-13(a)(4)) is exempt from disclosure under O.C.G.A. § 50-18-70.

RATING AND REVIEW OF EIP APPLICATIONS

Rating and Review Procedures

Upon receipt of an Initial Project Assessment (IPA) under this program, staff will review the IPA for eligibility and basic threshold criteria and notify the potential applicant regarding general eligibility and perceived competitiveness based on the information provided.

Upon receipt of an application, the rating and selection factors shall be those specified below, using any additional and/or supplemental information, data, analyses, documentation, commitments, assurances, etc. as may be required or requested by DCA for purposes of evaluating, rating, and selecting applicants under this program. Applications that contain insufficient information or documentation to be evaluated and rated may be returned to the locality for further information. DCA will send a “completeness letter” to the Applicant within ten (10) days of receipt of the application, requesting additional items or indicating the application is complete.

Once an application is complete, DCA staff will evaluate the application against the various rating and selection factors set forth in this application packet and the EIP regulations. For purposes of this program, the rating and selection factors shall be those specified under Section II.B (below), and any additional and/or supplemental information, data, analyses, documentation, commitments, assurances, etc. as may be required or requested by the Department for purposes of evaluating, rating, and selecting applicants under this program.

The staff may conduct site visits and hold discussions with applicants and proposed subrecipients and/or beneficiaries for the purposes of confirming and evaluating information contained in the application. The staff may consult with other appropriate government and private entities in the course of reviewing and evaluating information contained in applications.

The scores obtained for the various selection factors will be totaled. Applications/projects with scores of at least 300 points will be funded, unless funding has been exhausted. Applications/projects must also meet all appropriate funding criteria, conform to the objectives of Title I of the Housing and Community Development Act of 1974, as amended, and be able to be carried out in compliance with all applicable federal, state or local law, regulations or requirements.

Grant commitments will be forwarded to local units of government whose applications are approved for funding. In general, EIP funding announcements will be made within approximately 45 days from receipt of a complete application. In cases where fundable applications exceed available funds, the applicant with the highest number of jobs benefiting low- and moderate-income persons will be given priority.

Rating and Selection Criteria

The scores obtained for the various selection factors will be totaled and applicants with scores of at least 300 points will be awarded grants. In cases where fundable applications exceed available funds, the applicant with the highest number of jobs benefiting low- and moderate-income persons will be given priority.

EIP applications will be rated and scored based on the following factors:

<u>Review Factor</u>	<u>Maximum Points Available</u>
Demographic Need	120 points
Program Feasibility	110 points
Program Impact	110 points
Program Strategy	110 points
Bonus (for Return of RLF Assets)	<u>25 points</u>
Total Available Points	475 points

1) Demographic Need (120 points)

a) Absolute Number of People in Poverty (40 points)

Applicants will be compared in terms of the absolute number of people in the entire jurisdiction whose incomes are below the poverty level. Scores will be obtained by dividing each government/applicant's absolute number of persons in poverty by the greatest number of persons in poverty of any eligible local government/applicant and multiplying by 40.

b) Percent of People in Poverty (40 points)

Applicants will be compared in terms of the percentage of population below the poverty level in the entire jurisdiction. Scores will be obtained by dividing each

government/applicant's percentage of persons in poverty by the highest percentage of persons in poverty of any eligible local government/applicant and multiplying by 40.

c) Per Capita Income (40 points)

Applicants will be compared in terms of their per capita income for the entire jurisdiction. Scores will be obtained by dividing each government/applicant's per capita income into the lowest per capita income of any eligible local government/applicant and multiplying by 40.

Note: Demographic scores are calculated by DCA based on county data.

2) Program Feasibility (110 points)

The following factors will be considered:

- a) Organizational status of development agency or sub-recipient business
 - i) Reputable history for business and all related entities
 - ii) Credit history
 - iii) Litigation
 - iv) Government findings, sanctions, etc.
- c) The proposed business or development concept/product/service is proven and does not represent an untried business model.
- d) (as applicable) The development agency's or sub-recipient business' historical performance and standing is secure in the following areas: capital management, debt capacity, management character and experience, collateral value, economic and market conditions.
- e) (as applicable) The development agency's or sub-recipient business' proposed development or business plan is reasonable and uses reasonable assumptions in the following areas: capital investment, debt service capacity, management ability, collateral value, industry analysis, response to future economic and market conditions.
- f) (real-estate projects) The proposed development team has a successful record of accomplishment. (i.e. Developer, Contractor, Architect, Leasing Agent, Property Manager, Syndicator, Construction Manager, Interim and Permanent Lenders)
- g) (as applicable) The proposed project complies with the CDBG regulations and guidelines for "appropriateness", underwriting, and public benefit.
- h) All project costs are verified through original source documents, architectural and engineering reports, or a MAI or other certified appraisal acceptable to DCA.
- i) The balance of all financing sources is verified and committed in writing, with supporting documentation.
- j) (as applicable) All required real estate is available, has clear title, and is under proper option or control.
- k) The development agency and sub-recipient's investment and job commitment letter is in the proper format.
- l) All needed architectural plans, engineering reports, plans and specifications are completed and approved by appropriate authorities.

- m) The project can be carried out in accordance with all applicable federal, state, and local law, regulation and permitting requirements.

A staff review panel will award points for feasibility in accordance with the criteria above, based on how well the applicant addresses the feasibility factors.

Level One: Poor	00.0
Level Two: Below Average	27.5
Level Three: Average	55.0
Level Four: Good	82.5
Level Five: Excellent	110.0

3) Program Impact (110 points)

The following factors will be considered:

- a) Number of jobs/beneficiaries created and/or retained;
- b) EIP/CDBG cost per job/beneficiary;
- c) Availability of jobs or benefit to low/mod income persons;
- d) (as applicable) Quality of jobs and employee benefits (health insurance, retirement, leave, etc.); and
- e) Project's impact on local unemployment rates.
- f) (as applicable) Project's impact on blighting conditions that threaten public health and safety or impede economic development.

A staff review panel will award points for impact, in accordance with the criteria above, based on how well the applicant addresses the impact factors.

Level One: Poor	00.0
Level Two: Below Average	27.5
Level Three: Average	55.0
Level Four: Good	82.5
Level Five: Excellent	110.0

4) Program Strategy (110 points)

The following factors will be considered:

- a) The ratio of private funds to EIP funds (To receive maximum points a minimum ratio of at least 1 to 1 is generally required);
- b) (if applicable) Local government's financial condition and ability to participate in project costs;
- c) Documentation that the public benefits to be achieved are reasonable and to the extent practicable EIP funds will not substitute for other available funds;
- d) (if applicable) Reasonableness of financing strategy (adequacy of equity injection, collateral, and loan terms);
- e) (if applicable) Relationship between the sub-recipient's infrastructure needs and the size and capacity of any infrastructure to be provided;

- f) Validity of sub-recipient's commitment to fulfill hiring and investment commitments (has sub-recipient agreed to provide acceptable surety to "bond" its performance);
- g) As applicable for direct loans, the severity of the business' or subrecipient's need for financial assistance;
- h) As applicable, project's utilization of existing land and/or buildings already served by public infrastructure;
- i) Utilization of available funds within local revolving loan funds capitalized by CDBG;
- j) Project's conformance to local planning and service delivery strategy and compliance with the Georgia Planning Act;
- k) Project's conformance to federal, state, and local laws and regulations; and
- g) Relationship to overall objectives of the EIP and CDBG Program, including the extent of benefit to persons of low and moderate income.

A staff review panel will award points for strategy, in accordance with the criteria above, based on how well the applicant addresses the strategy factors.

Level One: Poor	00.0
Level Two: Below Average	27.5
Level Three: Average	55.0
Level Four: Good	82.5
Level Five: Excellent	110.0

5) Bonus for Return of RLF Assets (25 points)

Localities which have a local Revolving Loan fund (RLF) or loan receivable capitalized with EIP or CDBG proceeds may, at their discretion, return the RLF assets to the State in exchange for greater consideration and access to future EIP financing for eligible projects. The consideration will consist of an extra 25 points for use in any one EIP funding decision. In order to receive the points, a locality must return all RLF assets to the state to remove itself from the administrative requirements of the RLF program. This will generally require that a locality "sell" its loan receivable and return all cash on hand to DCA. For projects that would otherwise not score sufficient points to be funded, Bonus Points may be awarded at the discretion of the EIP application review panel.

Any assets returned to the state will be added to the state's existing CDBG allocation, or used to capitalize a statewide revolving loan fund and used to fund additional economic development projects.

Site Visits

The Department of Community Affairs may make site visits of applicants' projects during the application review process. Due to time and staff limitations, all applicants may not be visited. The purpose of the visits will be to verify information contained in the application.

Special Provisions for EIP Capitalized Local Revolving Loan Funds (RLFs)

1. The Department may permit localities that have or will receive revenue (or “program income,” i.e., principal, interest or other payments) from EIP or other CDBG loans or leases to retain that revenue so long as it is used for an eligible CDBG activity and is also used in accordance with the requirements of this regulation and any other applicable federal, state, or local laws, regulation, contract, guidance manual or memoranda.
2. For localities that will retain program income, the Department will require that such revenue be deposited into a separate revolving loan fund (RLF) and used to carry out specific Title I eligible activities. The RLF must be created by a local resolution and implemented by local policies and procedures approved by the Department.
3. In order to assist local governments in creating and maintaining a local RLF, the Department publishes regulations and an RLF manual (“Guidelines for the Administration of Local Revolving Funds”) which contains detailed information on the creation and management of an EIP-capitalized RLF.
4. If a locality is successful in obtaining an EIP grant that will generate program income, the locality will be required to formally adopt RLF policies and procedures prior to drawing down any EIP funds. The locality will also be responsible for completing a semi-annual report that notifies DCA of the current RLF fund balance and specific uses on which RLF monies have been spent. Recipients will be provided copies of the report format and instructions at the time of grant award.
5. Localities that are allowed to retain program income must ensure that the RLF is adequately managed. The Department will categorize the RLF as being adequately managed so long as the following responsibilities are being met:
 - a. maintenance of an accounting and financial management system that complies with generally accepted accounting principals and the Department's guidelines for RLF financial management systems;
 - b. compliance with the Department's reporting requirements for local RLFs;
 - c. operation of the local RLF in accordance with DCA-approved policies, procedures, and federal, state, and local law, regulation, contracts, guidance manuals and memoranda;
 - d. maintenance of an application review and selection committee which has the capacity to review and analyze funding requests and determine whether such requests represent prudent investments as defined by generally accepted underwriting criteria;
 - e. maintenance of a loan or grant packaging and structuring capacity which meets appropriate underwriting standards for security and documentation;
 - f. maintenance of a loan servicing and monitoring capacity which ensures that loan payments are collected, that loan covenants are enforced, and that loan security is maintained;
 - g. maintenance of a loan portfolio which represents investments in businesses

engaged in sound business purposes that have demonstrated tangible employment of low- and moderate-income persons as defined by DCA; and

- h. attendance at DCA sponsored training workshops that will be held periodically for purposes of training local RLF administrators.
6. In order to assist with the financing of a local RLF program's administrative cost, DCA will allow (on an annual basis) the greater of 5% or \$2,500 of interest earned by the RLF to be used for administration and audit costs. In certain foreclosure and/or hardship situations, DCA may allow additional amounts to be expended for administrative, audit or legal costs.
 7. Localities that are allowed to retain program income must also ensure that the RLF is utilized in a timely and efficient manner. The Department will categorize an RLF as being adequately utilized so long as the following criteria are met:
 - a. The RLF is used only for eligible CDBG economic development activities described in 42 U.S.C. 5305(a) sections: (1), (14), (17), (22) or other code section as may be specifically approved by DCA; and
 - b. The RLF's cash assets (on average) do not exceed 30% of total RLF assets or \$125,000, whichever is more.

Should a locality be unable to utilize the RLF in accordance with 7a and 7b above, the locality may request the DCA to waive the 7a and 7b provisions. The Department may grant waivers when it is determined that sufficient future activity is probable or the locality is taking steps to ensure future activity. However, in general a locality may not retain unused revenue any longer than the full term of the original EIP loan.

NOTE: Please refer to the current Consolidated Plan of the State of Georgia for the Special Provisions for EIP Capitalized Local RLFs. The RLF Guidelines will be available upon request, but normally provided with a grant award package involving a direct loan.

Compliance Requirements (Schedule of Applicable Laws and Regulations)

It is the responsibility of the Applicant's certifying official to ensure that the proposed program, activities, goals, and timetables are in compliance with all applicable Federal and State laws, regulations and executive orders. The major applicable laws, regulations and executive orders include, but are not limited to those on the following list:

GENERAL:

1. The Housing and Community Development Act of 1978, as amended and as implemented by the most current HUD regulations (24 CFR, Part 570).
2. State of Georgia Community Development Block Grant Program Regulations.
3. Title 50, Chapter 18, Article 4, Official Georgia Code, Georgia Open Records Act.
4. Program Regulations Georgia EIP Program - Small Cities - Non-Entitlement Program, published by the Georgia Department of Community Affairs.

FINANCIAL MANAGEMENT:

5. 24 CFR, Part 85 ("Common Rule").

6. Federal OMB Circular A-133.
7. Federal OMB Circular A-87.

CIVIL RIGHTS:

8. Title VI - Civil Rights Act of 1964.
9. Section 109 - Title I - Housing and Community Act of 1974.
10. Title VIII of the Civil Rights Act, 1968.
11. Section 504 of the Rehabilitation Act of 1973.
12. Executive Order 11246 - Equal Employment Opportunity, as amended by Executive Order 11375, Parts II and III.
13. Executive Order 11063 - Equal Employment Opportunity, as amended by Executive Order 12259.
14. Section 3 of the Housing and Development Act of 1968, as amended Section 118 of Title I, Community Development and Housing Act, 1974.
15. Georgia Department of Community Affairs Civil Rights Compliance Certification.
16. Age Discrimination Act of 1975.
17. Executive Order 12432: National priority to Develop Minority and Women Owned Businesses.

LABOR STANDARDS:

18. The Contract Work Hours and Safety Standards Act (40 U.S.C. 327-330) as supplemented by Department of Labor regulations.
19. The Davis-Bacon Act (40 U.S.C. 276(a) to (a-7), as supplemented by Department of Labor regulations.
20. The Copeland "Anti-Kickback" Act (18 U.S.C. 874) as supplemented by Department of Labor regulations.

ACQUISITION/RELOCATION:

21. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. (46 U.S.C. 4601) and regulations at 24 CFR, Part 42.
22. The Georgia Relocation Assistance and Land Acquisition Policy Act of 1973.
23. The Georgia Urban Redevelopment Law (OCGA, Section 36-61-1, et. seq.).

HOUSING:

24. The Truth in Lending Act (Regulation Z).
25. Title I Consumer Protection Act (P.L. 90321).
26. The Lead Base Paint Poisoning Prevention Act (42 CFR, Parts 35 & 570 as amended September 15, 1999 and effective September 15, 2000).
27. Construction Industry Licensing Board Act (O.C.G.A. Section 43-14-1, et. seq.).
28. Georgia Industrial Building Act of 1982, as amended (O.C.G.A. Title 8, Chapter 2, Article 2, Part 1 "Industrialized Buildings;" Part 2 "Manufactured Housing (Mobile Homes)).
29. Mandatory State Construction Codes, as well as the Georgia State Energy Code.

ENVIRONMENTAL:

30. The National Environmental Policy Act (NEPA) of 1969 implemented by Executive Order 11514 of March 5, 1970, as amended by Executive Order 11991 of May 24, 1977

and the Council on Environmental Quality's (CEQ) NEPA Regulations, 40 CFR, Parts 1500-1508.

31. Environmental Review Procedures for the EIP Program, HUD, (24 CFR, Part 58).
32. The National Historic Preservation Act of 1966 as amended; particularly Section 106 and the Regulations of the Advisory Council on Historic Preservation.
33. Executive Order 11593, Protection and Enhancement of the Cultural Environment, May 13, 1971; particularly Section 2(c).
34. The Reservoir Salvage Act of 1960; particularly Section 3, as amended by the Archeological and Historic Preservation Act of 1974.
35. Flood Disaster Protection Act of 1973 as amended; particularly Sections 102(a) and 202(a).
36. Executive Order 11988, Floodplain Management, May 24, 1977 (42 FR 26951 et. seq.) particularly Sections 2 and 5.
37. Executive Order 11990, Protection of Wetlands, May 24, 1977 (42 FR 56961 et. seq.) particularly Section 2(a).
38. Georgia Air Quality Act of 1978 (O.C.G.A. Section 12-9-1, et. seq.) to regulate air pollution and protect air quality.
39. Shore Assistance Act of 1977 (O.C.G.A. Section 12-5-230, et. seq.).
40. Georgia Hazardous Waste Management Act (O.C.G.A. 12-8-60, et. seq.).
41. Georgia Health Code (O.C.G.A. 31-3-1, et. seq.) regulates individual sewerage treatment systems.
42. The Coastal Zone Management Act of 1972 as amended; particularly Section 307(c) and (d).
43. The Safe Drinking Water Act of 1974 as amended; particularly Section 1424(e).
44. The Endangered Species Act of 1973 as amended; particularly Section 7.
45. The Archeological and Historic Preservation Act of 1974.
46. The Coastal Resources Barriers Act of 1982, as amended.
47. The Wild and Scenic Rivers Act of 1968 as amended; particularly Section 7(b) and (c) (16 U.S.C. 1278(b) and (c)).
48. The Clean Air Act Amendments of 1970 (P.L. 91-604, 42 U.S.C. 7401 et. seq.) as amended, particularly Section 176(c) and (d) (42 U.S.C. 7506(c) and (d)).
49. HUD Environmental Standards (24 CFR, Part 51) Environmental Criteria and Standards (44 FR 40860-40866, July 12, 1979).
50. Georgia Coastal Marshlands Protection Act of 1970 (O.C.G.A. Section 12-5-280, et. seq.) to protect the ecology of marshlands/wetlands.
51. Georgia Groundwater Use Act of 1972 (O.C.G.A. Section 12-5-170, et. seq.).
52. Georgia Safe Drinking Water Act of 1977 (O.C.G.A. Section 12-7-1, et. seq.).

Conflict of Interest Prohibitions

In general, no person who is an elected or appointed official, employee, agent, consultant, officer or any person serving in a similar capacity with any participating public agency, that exercises or has exercised any functions or responsibilities with respect to any CDBG/EIP activities can benefit from a local CDBG/EIP project. Those persons who are in a position to participate in a decision-making process or gain inside information regarding CDBG/EIP proposed or related activities, who may obtain a personal financial interest, or benefit from the project, or have any interest in any contract, subcontract or agreement with respect to

any CDBG/EIP project are also prohibited from benefiting from an EIP project. The prohibitions against benefiting from a CDBG/EIP project would apply to the covered individuals or those with whom they have family or business ties, for one (1) year following their tenure in the covered position.

The general conflict of interest prohibition rule at 24 CFR Part 570.489(h)(2) states that:

(2) *Conflicts prohibited.* Except for eligible administrative or personnel costs, the general rule is that no persons described in paragraph (h)(3) of this section who exercise or have exercised any functions or responsibilities with respect to CDBG activities assisted under this subpart or who are in a position to participate in a decision making process or gain inside information with regard to such activities may obtain a financial interest or benefit from the activity, or have an interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

(3) *Persons covered.* The conflict of interest provisions for paragraph (h)(2) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the state, or of a unit of general local government, or of any designated public agencies, or subrecipients which are receiving CDBG funds.

The Department of Community Affairs (DCA) interprets this regulation in its broadest sense. DCA applies the ordinary meaning of the term “family or business ties” as follows:

- **Family:** “A group of people related by ancestry or marriage; relatives.”
- **Business:** “The buying and selling of commodities and services; commerce, trade.”
- **Ties:** “Something that connects, binds or joins; bond; link.”

In any situation arguably falling within the conflicts prohibited under 24 CFR Part 570.489(h)(2), as interpreted by DCA, the CDBG/EIP Recipient should immediately contact DCA for guidance.

DCA will make every effort to grant exceptions to the general conflict of interest prohibition, within the authority of 24 CFR Part 489(h)(4) and (h)(5), where prior public disclosure has occurred.

In accordance with 24 CFR Part 489(h)(5), DCA must consider the cumulative effect of the following factors, where applicable, in determining whether to grant an exception:

- (i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
- (ii) Whether an opportunity was provided for open competitive bidding or negotiation;
- (iii) Whether the person affected is a member of a group or class of low- or moderate-income persons intended to be the beneficiaries of the assisted

activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;

- (iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process with respect to the specific assisted activity in question;
- (v) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (h)(3) of this section;
- (vi) Whether undue hardship will result either to the State or the unit of general local government or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- (vii) Any other relevant considerations.

However, it should be noted that exceptions are not always granted. To avoid the risk of having to make reimbursements to DCA, CDBG/EIP Recipients are advised that requests for exceptions should be submitted and considered by DCA **before** federal funds are expended.

To seek such an exception, a written request for an exception must be submitted by the unit of local government which:

- Fully discloses the conflict or potential conflict of interest, prior to the unit of government undertaking any action which results or may result in a conflict of interest, real or apparent; and
- The request must be accompanied by a description as to how the conflict of interest was publicly disclosed and a written opinion of the local government's attorney that the interest for which the exception is sought would not violate state or local law.

**APPLICATION FORMS
AND
INSTRUCTIONS**

**Georgia Department of Community Affairs
CDBG/Employment Incentive Program
EIP Application Summary**

Application is hereby made for an Employment Incentive Program (EIP) award under the Housing and Community Development Act of 1974, as amended, and the Georgia CDBG Program regulations of 1982, as amended.

Leave Blank – DCA use only

Date Received	Application Number

Legal Applicant/Recipient	Implementing Agency	Proposed Subrecipient/Business
1. Name of Applicant: 2. Address: 3. Telephone #: Fax #: Email: 4. County: 5. State House District(s): 6. State Senate District(s):	7. Name of Agency: 8. Contact Person: 9. Address: 10. Telephone #: Fax #: Email:	11. Name of Business: 12. Contact Person: 13. Address: 14. Telephone #: Fax #: Email: Census: Tract Number _____ Block Group_____

15. Brief Title and Description of Program	<table style="width: 100%;"> <tr> <td style="text-align: center;">Type of Applicant</td> <td style="text-align: center;">(Check One)</td> </tr> <tr> <td>16. City Applicant</td> <td style="text-align: right;">[]</td> </tr> <tr> <td>17. County Applicant</td> <td style="text-align: right;">[]</td> </tr> <tr> <td>18. Joint Applicant</td> <td style="text-align: right;">[]</td> </tr> <tr> <td>19. Regional Application</td> <td style="text-align: right;">[]</td> </tr> <tr> <td colspan="2"> If this is a submission by a joint or regional applicant, please attach a copy of your cooperating agreement. </td> </tr> <tr> <td>20. Location Map: Enclosed</td> <td style="text-align: right;">(check) []</td> </tr> <tr> <td>21. Program Duration:</td> <td style="text-align: right;">Months</td> </tr> </table>	Type of Applicant	(Check One)	16. City Applicant	[]	17. County Applicant	[]	18. Joint Applicant	[]	19. Regional Application	[]	If this is a submission by a joint or regional applicant, please attach a copy of your cooperating agreement.		20. Location Map: Enclosed	(check) []	21. Program Duration:	Months
Type of Applicant	(Check One)																
16. City Applicant	[]																
17. County Applicant	[]																
18. Joint Applicant	[]																
19. Regional Application	[]																
If this is a submission by a joint or regional applicant, please attach a copy of your cooperating agreement.																	
20. Location Map: Enclosed	(check) []																
21. Program Duration:	Months																

22. Program Period: Month Day Year to Month Day Year	23. CDBG/EIP Funding Requested: \$
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Program Category: Economic Development
 * **Note: This Form, DCA-1EIP, is for use with Employment Incentive Program (EIP)***

I, the undersigned, authorized representative of the applicant, certify that to the best of my knowledge and belief, data in this application is true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached certifications and assurances, if assistance is provided.

24. Signature of Authorized Representative	25. Name & Title of Authorized Representative	26. Date Signed

Form DCA-1EIP -- Application Summary and Completeness Checklist

Item(s)

1, 2, & 3: Enter name, official mailing address, telephone number and fax number of the city or county who is making application. If this is a joint application, the lead applicant's name should be entered.

4: Enter the name of the county, even if the legal or lead applicant is a city.

5 & 6: Enter the State House and Senate District(s) of the locality.

7, 8, 9 & 10: Enter the name of the agency which will actually administer and implement the program, if known at time of application.

11, 12, 13 & 14: Enter the name of the proposed subrecipient business of the application. This business may be contacted during the review process to answer direct questions or to provide additional information regarding the application. *Identify the numbers of the Census Tract and Block Group in which the business is located or locating.*

15: Briefly title the program (i.e. "Widget, Inc. Expansion Project", etc.) and provide a brief description of project activities. Please **include all activities** and briefly quantify. A needs description is not necessary in this place. An example of a "brief title and description" might be:

Widget, Inc. Expansion Project - Timbuktu County requests \$200,000 in EIP funds to provide a loan to Widget, Inc. The loan funds will be used along with a private investment of \$800,000 to add a 15,000 square foot facility and purchase new machinery and equipment to add two new production lines. The project will support the creation of 100 new jobs at the facility, 83 of which will be available to low and moderate income persons. The loan will be secured by a second lien on the new facility and a first lien on the machinery and equipment and repaid to Timbuktu County.

16, 17, 18, & 19: Please check the appropriate box. If this is a joint or regional submission, attach a copy of a properly executed cooperating agreement between **all** applicants. Refer to Part I, Section C of this manual for further instructions about preparing Joint or Regional Applications.

20: An unscheduled visit to the project site may be conducted by DCA staff on all applications that **may** be funded. Maps should be designed so that this site visit team can locate the proposed target area and identify existing conditions and all activities. If an architectural project is proposed, the existing building site and the new building site should be shown.

21 & 22: Enter the number of months that you anticipate implementation will require, together with beginning and ending dates for the program. A start date 30 days from the date of submission of the EIP application may be used. **Please note that CDBG/EIP regulations generally require completion of all projects within 24 months.**

23: Enter the amount of EIP funding requested. This amount must match of the amounts on forms DCA-7 and DCA-8.

24, 25 & 26: Application must be executed by chief elected official or other person authorized by resolution to submit the application. Attach resolution. Type the name and title of the certifying representative, and date the page when signed.

ATTACHMENT TO FORM DCA-1EIP
APPLICANT COMPLETENESS CHECKLIST

This checklist is designed to assist applicants in completing the application package, and to prevent delays in DCA review. To assist the applicant and DCA, please check the appropriate box.

<u>YES</u>	<u>NO</u>	<u>N/A</u>	<u>GENERAL</u>
___	___	___	Grant request is within the limits established
___	___	___	If joint or regional application, cooperating agreement executed and attached
___	___	___	Original signatures included on at least one original (with original pictures) copy of "Application Summary", "Certified Assurances" and "CDBG Disclosure Report"
___	___	___	Activity(s) meet the minimum benefit threshold requirement of 51%
<u>YES</u>	<u>NO</u>	<u>N/A</u>	<u>SPECIFIC</u>
___	___	___	Form DCA-1EIP " <u>Application Summary</u> "
___	___	___	Form DCA-2 " <u>Proposed Accomplishments</u> "
___	___	___	Form DCA-3 " <u>Community-wide Needs Assessment</u> "
___	___	___	Form DCA-4 " <u>Description of Needs to be Addressed</u> "
___	___	___	Form DCA-5 " <u>Description of Activities</u> "
___	___	___	Form DCA-6 " <u>Low and Moderate Income Benefit Calculation</u> "
___	___	___	Form DCA-7 " <u>Budget Summary</u> "
___	___	___	Form DCA-8 " <u>Budget Analysis</u> "
___	___	___	Form DCA-9 " <u>Environmental Review Information</u> "
___	___	___	Form DCA-10 " <u>Certified Assurances</u> "
___	___	___	Form DCA-11 " <u>Cooperating Agreement</u> "
___	___	___	Form DCA 12 " <u>Maps</u> "
___	___	___	Form DCA-13 " <u>CDBG Disclosure Report</u> "
___	___	___	Supplemental Documentation for Infrastructure <u>or</u> Direct Loans
___	___	___	Economic Development and EIP Supplemental Information and Documentation
___	___	___	Public Hearing Notice (from newspaper) and Minutes
___	___	___	Original and five (5) copies

Georgia Department of Community Affairs CDBG/EIP Program Proposed Accomplishments		1. Applicant: 2. <input type="checkbox"/> Original <input type="checkbox"/> Amendment, Dated: Grant No.:
<i>Activity</i>	Measure	Proposed Accomplishments
Economic Development	# of Businesses Assisted	
	# of Loans	
	# of Jobs Created	
	# of New Jobs for Low/Mod Persons	
	# of Jobs Retained	
	# of Retained Jobs for Low/Mod Persons	
	Funds Leveraged - Private	
	Funds Leveraged - Public	

DCA-2 9/07

Form DCA-2 -- Proposed Accomplishments

The purpose of this form is to provide a quantified summary of the accomplishments proposed by the applicant to be undertaken with EIP funds. Note that a similar form will be used at project completion to collect data on actual accomplishments. **Be sure to make an entry for all proposed EIP funded (Economic Development) activities.**

- ◆ **Header:** Indicate the name of the jurisdiction for which the application has been prepared. Check whether this is an Original Application form or an Amended form. Include date of amendment if applicable. DCA will write in the project number if funded. This number should be included on any amended forms.
- ◆ **Activity and Measure Columns:** The column labeled "Activity" is a list of various possible CDBG funded activities. The column labeled "Measure" is the corresponding units of measurement used to quantify proposed accomplishments.

Proposed Accomplishments: Here the applicant must enter the actual data corresponding to the EIP (**Economic Development**) funded activity and corresponding measure.

For example, if an applicant proposes to request either a grant for public infrastructure or a loan to directly assist the business, the following entry would be made based on the business committing to create 100 new jobs and make a private investment of \$5,000,000 (see form DCA-2):

Activity	Measure	Accomplishments
Economic Development	# of Businesses Assisted	1
	# of Loans	1
	# of Jobs Created	100
	# of New Jobs for Low /Mod Persons	51
	# of Jobs Retained	
	# of Retained Jobs for Low /Mod Persons	
	Funds Leveraged - Private	\$5,000,000
	Funds Leveraged – Public	\$ 750,000

Georgia Department of Community Affairs
CDBG/EIP Program
Description of Needs to be Addressed

Applicant:
 Original
 Amendment, Dated:
Grant No.:

(Check here if continued on additional page(s) and attach)

Form DCA-4 -- Description of Needs to be Addressed

This form asks you to describe the needs being addressed by your grant request. The next form, DCA-5, is where you describe how those needs will be addressed through the activities funded by the grant. Please keep this distinction in mind when filling out these two forms.

- ◆ **Header:** Indicate the name of the jurisdiction for which the application has been prepared. Check whether this is an Original Application form or an Amended form. Include date of amendment if applicable.

- ◆ For single-activity applicants, describe the specific needs around which the program is designed within one of the following three problem areas:
 - √ **Housing Needs – NA**

 - √ **Public Facilities Needs**

 - √ **Economic Development Needs**

Georgia Department of Community Affairs
CDBG/EIP Program
Description of Activities

Applicant:
 Original
 Amendment, Dated:
Grant No.:

(Check here if continued on additional page(s) and attach)

Form DCA-5 -- Description of Activities

General Requirements

- ◆ **Header:** Indicate the name of the jurisdiction for which the application has been prepared. Check whether this is an Original Application form or an Amended form. Include date of amendment if applicable. DCA will write in the project number if funded. This number should be included on any amended forms.
- ◆ **Do not repeat information included on form DCA-4.** Describe in detail the activity(s), identifying each activity by name and number, to be undertaken with CDBG/EIP funds. This description should be specific and provide sufficient detail concerning the nature, scope, location and purpose of activities and how they are designed in accordance with applicable law, regulation and relation to each other.
- ◆ Applicants are instructed to list administration as the last activity. No description is necessary for contingencies. Architectural design or engineering, and related activities should be considered as a component of each activity and not as a part of the program's administrative costs. Please refer to the description of eligible activities in Part I of this manual and/or contact DCA staff for further guidance.
- ◆ DCA will consider activity line item (not administrative) budget requests for "extraordinary compliance measures" when the applicant can demonstrate that administrative allowances are insufficient to adequately compensate for costs such as archeological surveys, archival photographs or other unforeseen costs of complying with the Programmatic Agreement on Historic Preservation, environmental impact statements, etc., or other compliance or administrative measures necessary due to a high number of complex and complicated cases relative to property that must be acquired in order for the project to proceed.
- ◆ Applicants should be aware that DCA may request reviewing comments from State, Federal and other agencies involved financially or with any other interest in the proposed project. Any comment with significant adverse impact upon project feasibility or strategy may reduce the score. Applicants may choose, therefore, to solicit reviewing agency comments at the outset, and as necessary, incorporate reviewing comments into application narratives, engineering reports, etc. prior to application submission.
- ◆ Applicants are further advised to discuss the impact that proposed activities will have upon the needs identified in DCA-4. Applicants are encouraged to meet 100% of the needs identified in form DCA-4.

Applicants must include a project implementation schedule with the description of activities. The following example is included for guidance:

<u>Activity</u>	<u>Initiate</u>	<u>Completion date</u>
Award	N/A	January 2010
Complete environmental, incl. floodplains & historic assm't.	January 2010	March 2010
Design water extension	January 2010	April 2010
Design approvals	April 2010	June 2010
Bidding	June 2010	July 2010
Award and Construction	August 2010	November 2010
Count jobs and investment	November 2010	November 2011
Initiate & complete close-out	November 2011	December 2011

Conformance with **Georgia Planning Act**: One of the review factors considered as a project strategy question is the conformance of the proposal with the locally adopted Comprehensive Plan, as approved by DCA. In order to demonstrate conformance, applicants should discuss on Form DCA-5 how the proposal conforms with the Plan including citations or quotes from pertinent pages of the Plan.

In addition, state law requires that all projects funded demonstrate that the project is not inconsistent with the community's adopted **Service Delivery Strategy (O.C.G.A. §36-70-20)**. The appropriate citation of the Strategy along with any attachments and service area maps should be included in the application, along with a signed Certification that the project is not inconsistent with the Strategy. If the project is not covered by the adopted Strategy, a statement to that effect should be included in the Certification.

Also, status with regard to Financial Survey, Solid Waste Plan, State Audit and any other reporting requirements to State and/or Federal Agencies.

Notes on Activity Numbering System

The activity numbering system has been completely revised by DCA due to implementation of new HUD reporting and disbursement codes.

The activity number is used in this application on the Description of Activities (DCA-5), Low- and Moderate-Income Benefit and Civil Rights Data Calculation (DCA-6), the Budget Summary (DCA-7), and the Budget Analysis (DCA-8). In all instances, the activity should be referred to both by the activity number and activity name, as it appears on the Budget Summary (DCA-7).

The activity number system has two components:

- The prefixes indicate the purpose of the activity as follows:
 - A = Administration
 - C = Contingencies
 - E = Economic Development
 - T = Engineering
 - S = Architectural

- The second component is the activity code. The codes can be found on the Budget Summary Form (DCA-7). Every code is comprised of three (3) alpha or numeric characters followed by a hyphen and then two (2) additional numeric characters. This code indicates the type of activity.

For example:

- E-17B-00 = Public Facilities and Improvements
- E-18A-00 = Assistance to Private For-Profit Entities
- A-21A-00 = Grant Administration for any CDBG/EIP project
- C-022-00 = Contingencies for any CDBG/EIP project grants
- T-17B-00 = Engineering fees for Public Facilities and Improvements
- S-17B-00 = Architectural fees for Public Facilities and Improvements

Georgia Department of Community Affairs
CDBG/EIP Program
Low and Moderate Income and Civil Rights Benefit Calculation

Applicant:
 Original
 Amendment, Dated:
 Grant No.:

1	2	3	4	5	6	7	8
CDBG Activity Number	Total Number of Persons that the Activity will serve	Total Number of Minorities that the Activity will serve	Total Number of Non-Minorities that the Activity will serve	Number of Low and Moderate Income Persons that the Activity will serve	Percent of Persons who have Low and Moderate Incomes	Amount of CDBG Funds requested for the Activity	Amount of CDBG Funds to benefit Low and Moderate Income Persons

Describe Methodology (See Instruction for Required Information. Attach Additional Sheets, if needed, and a copy of the Survey Form if one is used.)

9 TOTAL BENEFIT

$\frac{\text{Sum of Column 8}}{\text{Sum of Column 7}} \times 100 = \quad \%$

Form DCA-6 -- Low and Moderate Income Benefit Calculation

All EIP applications are required to have at least a 51% benefit to low- and moderate-income persons for each activity (administrative and contingency budgets are excluded). **The applicant may request median income levels adjusted for family size by SMSA and/or county from DCA.**

Each step of the calculation is described below. Applicants must use Form DCA-6 for display of the information.

- In column 1, list each EIP funded activity number. **Do not include administration or contingency.**
- In column 2, show the total number of persons that the activity will serve.
- In column 3, provide the total number of minorities who will be served by the activity. “Minority” is defined as any non-white (including Hispanic) person.
- In column 4, provide the total number of non-minority persons who will be served by the activity. A “non-minority” is defined as a white person. The sum of columns 3 and 4 should equal column 2.
- In column 5, show the number of low- and moderate-income persons that the activity will serve.
- In column 6, divide column 5 by column 2 to show the percent of low- and moderate-income persons that the activity will serve.
- In column 7, show the amount of EIP funds requested for the activity.
- In column 8, multiply column 7 by column 6 to show the amount of the funds for the activity that will be used to benefit low- and moderate-income persons.
- At the bottom of column 7 show the total amount of funds requested by adding up the amounts for each activity.
- At the bottom of column 8 show the total amount of funds that will benefit low- and moderate-income persons by adding up the amount of funds to benefit low and moderate income persons for each activity.
- In box 9 determine the overall benefit to low and moderate income persons by dividing the total of column 8 by the total of column 7 and enter the percent in the “Total Benefit”.
- Describe the methodology used to determine the number of minorities/non-minorities and the number of low- and moderate-income persons to be served by each activity.

Applications will be considered ineligible for competition without a complete, appropriate and acceptable description of the method used and will not be funded.

JOB CREATION AND RETENTION METHODOLOGY FOR EIPs

Requesting the newly hired employees to complete a certification form is the easiest method to obtain required income information. The form on the following page will provide sufficient documentation on a person's low/mod status to fulfill the EIP program's requirements.

Completion of the form must be voluntary and cannot be a pre-requisite of employment. In addition, to protect the privacy of the new employee, the forms must be kept separate from the job recipient's personnel file. The local government should also keep a copy of each form.

Contact the EIP staff if you have questions on how the certification form is to be completed or if you need the low/mod income thresholds for your county.

**(EMPLOYER CONFIDENTIAL INFORMATION RELEASE FORM SUMMARY)-FFY 2009 Income Limits
EMPLOYMENT INCENTIVE PROGRAM – (CITY/COUNTY NAME)**

(City/County Name) is required by Federal regulation according to the terms of an Employment Incentive Program (EIP) grant agreement to document certain statistical data of persons employed during **(Business Name)**'s participation with the (City/County)'s Employment Incentive Program (EIP). This form is used to compile statistical data only.

Self-Certification Results

How many employees belong to the following groups (Category)?

(Required)

Category	#Employees
Hispanic	
Non-Hispanic	
Total	

(Required)

Category	#Employees
Asian	
Asian-Black	
Asian-Pacific Islander	
Asian-White	
Black	
Black-White	
Native American	
Native American-Black	
Native American-White	
Pacific Islander	
White	
Other Multi-Racial (specify)	
Total	

(If applicable)

Category	#Employees
Disabled	
Female Head of Household	

Number of jobs with employer sponsored health care benefits: _____

Number unemployed prior to taking jobs created by this Company: _____

AUTHORIZED COMPANY OFFICIAL AND (IF APPLICABLE) GOVERNMENT AGENCY EMPLOYEE ASSISTING WITH CERTIFICATION:

Authorized Company Official:

Date _____ Signature _____ Title _____

(If Applicable)

Authorized Government Agency/Educational Institution _____

(Required)

Category (Jobs)	#Employees	Total Hours/Week
Full-time		NA
Full-time LMI		NA
Part-time		
Part-time LMI		

(Required)

Category (LMI status as a % of Median Income)	#Employees
Extra Low Income (30% or less)	
Low Income (31%-50%)	
Moderate Income (51%-80%)	
Non-LMI (80% or greater)	
Total	

(Required)

Category	#Employees
Officials/Managers	
Professionals	
Technicians	
Sales	
Office/Clerical	
Craft workers	
Operatives	
Laborers	
Service workers	
Total	

**EMPLOYEE CONFIDENTIAL INFORMATION RELEASE FORM SUMMARY – FFY2009 Income Limits
EMPLOYMENT INCENTIVE PROGRAM – (CITY/COUNTY NAME)
(20% or greater Population in Poverty – Census Tract and/or Block Group)**

(City/County Name) is required by Federal regulation according to the terms of an Employment Incentive Program (EIP) grant agreement to document certain statistical data of persons employed during **(Business Name)**'s participation with the (City/County)'s Employment Incentive Program (EIP). This form is used to compile statistical data only.

Name or Employee Number: _____ Date of Employment _____

Address: _____

Employee Signature: _____

Self-Certification

The following information is not required by law, but required by HUD for statistical purposes:

- Unemployed prior to employment with Company: Yes _____ No _____
- Hispanic: Yes _____ No _____
- Disabled: _____
- Female Head of Household: _____

(Please check all applicable spaces related to your race or ethnic heritage)

- _____ Asian
- _____ Asian-Black
- _____ Asian-Pacific Islander
- _____ Asian-White
- _____ Black
- _____ Black-White
- _____ Native American
- _____ Native American-Black
- _____ Native American-White
- _____ Pacific Islander
- _____ White
- _____ Other Multi-Racial (Specify) _____

**(EMPLOYER CONFIDENTIAL INFORMATION RELEASE FORM SUMMARY)–FFY2009 Income Limits
EMPLOYMENT INCENTIVE PROGRAM – (CITY/COUNTY NAME)
(20% or greater Population in Poverty – Census Tract and/or Block Group)**

(City/County Name) is required by Federal regulation according to the terms of an Employment Incentive Program (EIP) grant agreement to document certain statistical data of persons employed during **(Business Name)**'s participation with the (City/County)'s Employment Incentive Program (EIP). This form is used to compile statistical data only.

Self-Certification Results

How many employees belong to the following groups (Category)?

(Required)

Category	#Employees
Hispanic	
Non-Hispanic	
Total	

(Required)

Category	#Employees
Asian	
Asian-Black	
Asian-Pacific Islander	
Asian-White	
Black	
Black-White	
Native American	
Native American-Black	
Native American-White	
Pacific Islander	
White	
Other Multi-Racial (specify)	
Total	

(If applicable)

Category	#Employees
Disabled	
Female Head of Household	

(Required)

Category (Jobs)	#Employees	Total Hours/Week
Full-time LMI		NA
Part-time LMI		

(All jobs presumed to be held by LMI persons)

(Required)

Category	#Employees
Officials/Managers	
Professionals	
Technicians	
Sales	
Office/Clerical	
Craft workers	
Operatives	
Laborers	
Service workers	
Total	

Number of jobs with employer sponsored health care benefits: _____

Number unemployed prior to taking jobs created under this activity: _____

AUTHORIZED COMPANY OFFICIAL AND (IF APPLICABLE) GOVERNMENT AGENCY EMPLOYEE ASSISTING WITH CERTIFICATION:

Authorized Company Official:

Date _____ Signature _____ Title _____

(If Applicable)

Authorized Government Agency/Educational Institution _____

Date _____ Signature _____ Title _____

Georgia Department of Community Affairs CDBG/EIP Program Budget Summary		Applicant: <input type="checkbox"/> Original <input type="checkbox"/> Amendment, Dated: Grant No.:
Part A: CDBG/EIP Budget Amount		
Code	Activity	Total
17C-00	Acquisition	
17B-00	Public Facilities and Improvements	
14E-00	Commercial and Industrial Facilities	
18A-00	Assistance to Private For-Profit Entities	
X00-00	Other (list as an attachment	
	Subtotal	
	Engineering fees	
	Architectural fees	
020-00	Planning	
21A-00	General Administration	
022-00	Contingencies (Not to exceed 10% of Subtotal)	
	Total EIP Program Costs (Sum of the above)	
Part B: Total Resources for Program Costs		
1 EIP Grant Amount: (same as Total EIP Program Costs)		
2 Program Income		
3 Other Federal Funds (Please Identify)		
4 Applicant Funds		
5 State Funds		
6 Private Lender Funds		
7 Other Private Funds (Please Identify)		
8 Total Program Costs (Sum of Lines 1 through 7)		

Form DCA-7 -- Budget Summary

Part A

Part A of this form should include an assessment of EIP funds (and only EIP funds) budgeted for the project. Please review the "Eligible Activities" section in Part I of this manual for guidance on budgeting within appropriate line items. It is also important that each activity budget on form DCA-7 be consistent with activity and cost summaries outlined on forms DCA-5 (activities summary) and DCA-8 (budget analysis).

In the Total column, enter the amount allocated for each type of activity being undertaken to deal with the economic development (EIP project) need(s). Be sure to enter the sum of amounts in the Total column for the Subtotal and Total Program Costs rows.

Please refer to the "Eligible Activities" section (Part I) and Appendix A for assistance in determining the eligibility of specific activities. Common economic development (or EIP) activities are shown. All regular round CDBG categories have been eliminated from this form.

Part B (Budget Summary)

Part B of this form is used to identify other public and private resources which will be used to complete the proposed program (**other debt and equity financing instruments only please! Non-cash items and in-kind contributions may be shown at the bottom of form DCA-8**).

Line 1: Enter the EIP grant amount requested from DCA.

Line 2: Enter the amount of program income expected to be applied to program activity costs. This would include any EIP Revolving Loan Funds (RLF) income or assets that are available for investment into the project. Please contact DCA for guidance.

Line 3: Enter the amount of other Federal grants or loans, such as Rural Development or ARC funds which will be provided in support of the program. Provide documentation of commitment from Federal agency whenever possible to assure competitiveness.

Line 4: Enter the amount of local funds to be provided by the applicant in support of the program. Provide documentation of commitment.

Line 5: Enter the amount of other State funds to be provided in support of the program. Provide documentation of commitment from State agency whenever possible to assure competitiveness.

Lines 6 & 7: Enter and identify private lender contributions and private equity, respectively, that will be used in support of the program. Provide documentation of private commitment whenever possible to assure competitiveness and for verification of the "private leverage" requirement. If numerous financing sources are used, please attach a schedule which lists each individual source.

Georgia Department of Community Affairs CDBG/EIP Program Budget Analysis			1. Applicant: 2. <input type="checkbox"/> Original <input type="checkbox"/> Amendment, Dated: Grant No.:	
3	4	5	6	7
Name/Number	Itemized Unit Cost	CDBG Funds (EIP Amount)	Other Funds (Amount & Source)	Total Cost
8. TOTAL ON LAST PAGE		\$	\$	\$
9. Narrative About Support Efforts:				
<input type="checkbox"/> Check here if continued on additional page(s) and attach				

Form DCA-8 -- Budget Analysis

General Information

The purpose of this form is to allow applicants to describe, in detail, the resources available, or to be made available for each activity. Applicants are encouraged to provide sufficient quantifiable data and supporting efforts for the proposed program. Form DCA-8 should be backed-up by credible estimates of program cost prepared by individuals and agencies qualified to provide them.

Line item instructions

In column 3, list the activity name and number.

In column 4, briefly itemize EIP funds allocated for each activity, consistent with "Section A" of the Budget Summary (form DCA-7). **These brief summaries can reference additional detail which may be attached to form DCA-8.** The applicant should separate EIP vs. non-EIP costs, and include the budget detail on an attached cost estimate. If cost estimates are included in reports included with the application, please duplicate the pages which include cost detail and attach them to this form.

Applicants should note that preliminary (pre-award) fees and project costs are not reimbursable. Also, **fees paid for the preparation of an application are not eligible reimbursement.**

In column 5 reference the EIP cost, if any, for each item shown in column 4. If the item in column 4 will not be paid for with EIP funds, indicate by placing a -0- in column 5.

In column 6 show the amount and source of "other funds" (**non- EIP**) that will be used to pay for itemized costs. For competitive reasons, applicants are encouraged to obtain credible estimates for all costs. Examples of "other funds" could be: a) local government; b) federal agency; c) private sector; d) program income; or e) state agency.

In block 7, enter the total amount of funds available to carry out the proposed activity. For each activity add across rows 5 and 6. On the bottom DCA-8 use block 8 to total columns 5, 6, and 7.

For contributions or other actions in support of the project please use block 9 (the space at the bottom of form DCA-8). Be specific. Attach clear commitment from appropriate sources. Examples could be local government supplied site preparation, or other applicant in-kind efforts. Be sure to be specific in this description.

FORM DCA-9
ENVIRONMENTAL REVIEW INFORMATION

General Instructions:

If funded, all CDBG and CHIP Projects will be subject to a local environmental review process that must be completed **prior to the obligation of any funds** for the project.

This form identifies environmental compliance issues requiring special attention by the applicant. Detailed instructions concerning the review process is provided at the Recipients Workshop.

Compliance with the environmental review process (especially floodplain, wetland and historic preservation compliance requirements) should be reflected in the Description of Activities (DCA-5), the Budget Summary (DCA-7) and Budget Analysis (DCA-8).

Floodplain and Wetland Compliance:

Applicants must determine if the project is located in or will affect a floodplain or wetland area. Applicants may consult local FEMA floodplain maps, Georgia Department of Natural Resources Floodplain Section (404-656-6382), the US Fish and Wildlife Service (404-331-3580), your local RC or DCA for assistance in identification of floodplains or wetlands.

- (Circle Response)*
- | | | |
|---|-----|----|
| 1) Is the project located within a designated floodplain? | YES | NO |
| 2) Is the project located within a designated wetland? | YES | NO |
| 3) Is the community participating in the FEMA National Flood Insurance Program? | YES | NO |
| 4) List activities to be carried out in the floodplain or wetland: | | |

Cultural Resources:

The following information will be used by the Historic Preservation Division (HPD) of the Department of Natural Resources to make a preliminary assessment of any project effects on historical, architectural, and/or archaeological resources that are listed or eligible for listing on the National Register of Historic Places. This review is required for compliance with Section 106 of the National Historic Preservation Act of 1966, as amended.

DCA encourages applicants to complete an early review by HPD to identify compliance issues. Since compliance with Section 106 of the NHPA may affect project schedules and budget, the applicant is advised to address this factor on forms DCA-5, DCA-7 and DCA-8.

The questions on the following two pages should be answered after defining the project's area of potential effects, that is, "the geographic area or areas within which an undertaking may cause changes in the character or use of historic properties, if any such properties exists" [36 CFR 800.16(d)].

Archaeological Information:

1) Does the project include any ground disturbing activities (i.e. ditching, cut and fill, excavations, utility burial, grading, landscaping, etc.)?

YES NO If NO, continue on to the next section.

2) Are there any known or suspected archaeological or "Indian" sites in the project area?

YES NO If YES, explain:

3) In the past, the property has been used for (circle all that apply):

- Farming
- Pasture
- Mining
- Timbering
- Road construction
- Housing
- Landfill
- Commercial
- Other (explain)

4) Describe the condition of the soil (i.e. inundated, saturated, graded, cultivated, eroded, undisturbed, etc.):

Building and Structure Information:

1) Is the project located within or adjacent to a National Register listed or eligible historic district?

YES NO DO NOT KNOW

If YES, the name of the district is:

[Note: The National Register of Historic Places is maintained by the U.S. Department of the Interior, and administered in Georgia by HPD.]

2) Are there any other buildings or structures 50 years of age or older presently in the project area?

YES NO

3) Are there any other buildings or structures 50 years of age or older in the immediate vicinity (within 400 feet or visual distance) of the project area?

YES NO

4) Are any of the buildings or structures identified above listed or eligible for listing in the National Register?

YES NO DO NOT KNOW

Photographs, maps and other information requested:

If the answer to 2 and/or 3 under Buildings and Structures Information is YES, the applicant should include photos (35mm) of the resources in their settings, keyed to a map or site plan, as well as additional information (if available) such as an assessment of their historical or architectural importance, estimated date of construction and the source of this information. If this information has already been provided to HPD, please indicate the status of their review and include any correspondence you have received. This may be provided in lieu of the photos and other information.

If Assistance is needed:

Many Regional Commissions have preservation planners who may be able to assist in gathering appropriate information. Contact your RC for assistance. For further information, applicants may also contact the Historic Preservation Division prior to submittal of the application to DCA. Their phone number is 404-656-2840.

GEORGIA DEPARTMENT OF COMMUNITY AFFAIRS

EIP PROGRAM

Form DCA-10 -- CERTIFIED ASSURANCES

This Certified Assurances form must be completed and signed by the Applicant's Certifying Representative. It must be included in the Application submission.

ASSURANCES

The Applicant hereby certifies and assures that:

1. (a) It possesses legal authority to apply for the grant, and to execute the proposed program.
 - (b) Its governing body has duly adopted or passed as an official act, a resolution, motion, or similar action, authorizing the filing of an application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application, and to provide such additional information as may be required. Evidence of this action by its governing body is maintained in the Applicant's files.
2. It has provided citizens an adequate opportunity to participate in the development of the application by:
 - (a) holding at least one public hearing in the locality prior to submission of the application. The previous EIP program's activities were discussed, and public input into the development of the subject application was obtained at the public hearing; information was provided on the estimated amount of funds proposed to be used for activities benefiting low and moderate income persons, and plans to minimize displacement as a result of activities and plans to assist displaced persons were discussed;
 - (b) maintaining files which contain documentary evidence that the hearing was held. The evidence includes a copy of the actual notice of public hearing.
 - (c) the citizen participation process meets the requirements of the Georgia DCA Citizen Participation Plan as outlined in the DCA, CDBG regulations.
3. Its chief executive officer, or other officer of applicant approved by DCA:
 - (a) Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 (NEPA), and other provisions of Federal law, as specified in 24 CFR Part 58 and 40 CFR Part 1500-1508, which further the purposes of NEPA insofar as the provisions of such Federal law apply to this Part:
 - (b) Is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his responsibilities as such an official.
4. (a) The Community Development Program has been developed so as to give maximum feasible priority to activities which will benefit low and moderate income families, or aid in the prevention or elimination of slums or blight
 - OR
 - (b) The Community Development Program has been designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs.

5. The applicant further certifies and assures that:
 - (a) If the proposed application is funded, it will comply with all applicable laws and regulations as prescribed in Program Regulations for the Georgia CDBG programs, effective March 24, 1982, as amended.
 - (b) It understands that certain laws may be applicable, though not specifically listed in the Georgia CDBG or EIP Program Regulations, by virtue of being applicable under their own terms, such as the Hatch Act (U.S.C. Section 1501, et. seg.) which limits the political activities of the employees funded through receipt of Federal assistance.
 - (c) If the proposed application is funded, it assures and will comply with Section 504 of the Rehabilitation Act of 1973 and the HUD implementing regulations (24 CFR Part 8), Title I of the Housing and Community Development Act of 1974, as amended, Title VI of the Civil Rights Act of 1964, Title VIII of the Civil Rights Act of 1968, the Fair Housing Act (42 USC 3601-20), Executive Orders 11246 and 11063, and Section 3 of the Housing and Urban Development Act of 1968 and will administer and conduct its program in conformance with them. Also, that it will affirmatively further fair housing.
 - (d) The applicant has prepared a plan to minimize displacement as a result of activities assisted with CDBG or EIP funds and to assist persons actually displaced as a result of such activities.
 - (e) It will not attempt to recover any capital costs of public improvement assisted in whole or part with CDBG or EIP funds by assessing any amount against properties owned or occupied by persons of low/mod income including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
 - i. CDBG or EIP funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than CDBG and EIP; or
 - ii. For purposes of assessing any amount against properties owned and occupied by persons of low/mod income who are not persons of very low income, unless the Recipient certifies that it lacks sufficient EIP funds to comply with the requirements of paragraph i.
 - (f) At least 51% of each EIP activity cost will benefit low/mod income persons. Low/mod income persons are defined as persons whose family income does not exceed 80% of the median family income for the County or metropolitan area in which they reside, adjusted for family size, as established by HUD.
 - (g) It will provide reasonable benefits to those persons involuntarily displaced as a result of CDBG or EIP assistance to acquire or rehabilitate property.
6. Except for approved eligible administrative or personnel costs, **no person who is an elected or appointed official, employee, agent, consultant, officer or any person serving in a similar capacity with any participating public agency or subrecipient, who exercise or have exercised any functions or responsibilities with respect to the CDBG or EIP activities proposed herein, or who are in a position to participate in a decision making process or gain inside information regarding CDBG or EIP proposed activities or related activities, may obtain a personal or financial interest or benefit from the project, or have any interest in any contract, sub contract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.**

(The Applicant is instructed to follow State law and review appropriate Federal requirements and to consult with its local attorney and/or DCA, as appropriate to guard against prohibited conflicts of interest.)

For any situation that is or may appear to be a conflict of interest under the assurance, a complete description and explanation must be attached.

7. To the best of his or her knowledge and behalf:
 - a) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal loan or grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instruction.
 - c) The undersigned shall required that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements, and that all subrecipients shall certify and disclose accordingly.
This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction by Section 1352, Title 31, U. S. Code. Any person who fails to file the required certification shall be subject to a penalty to a penalty of not less than \$10,000 and not more than \$100,000 for each failure.
8. It will comply with the requirements of Section 104(d) of the Housing and Community Development Act of 1974, as amended, and HUD implementing regulations (24 CFR Part 570.496a), including the following (page 4 of DCA-10) Residential Antidisplacement and Relocation Assistance Plan. If an award of funds is made, the Recipient will make public its plan providing for one-for-one replacement units and relocation assistance, and the steps it will take to minimize displacement of persons as a result of assisted activities.

Residential Antidisplacement and Relocation Assistance Plan:

- a) The local government recipient of EIP funds will replace all occupied and vacant occupiable low and moderate income dwelling units demolished or converted to use other than as low and moderate income housing in connection with an activity assisted with funds provided under the Housing and Community Development Act of 1974, as amended, as described at 24 CFR Part 570.496a(c).
- b) All replacement housing will be provided within three years after the commencement of the demolition or conversion. Before entering into a contract committing the Recipient local government to provide funds for an activity that will directly result in such demolition or conversion, the Recipient local government will make public and submit to the Department of Community Affairs the following information in writing:

- i) A description of the proposed assisted activity;
 - ii) The location on a map and the number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low/moderate income dwellings units as a direct result of the assisted activity;
 - iii) A time schedule for the commencement and completion of the demolition or conversion;
 - iv) The location on a map and the number of dwelling units by size (number of bedrooms) that will be provided as replacement dwelling units;
 - v) The source of funding and a time schedule for the provision of replacement dwelling units;
 - vi) The basis for concluding that each replacement dwelling unit will remain a low/moderate income dwelling unit for at least 10 years from the date of initial occupancy.
 - vii) Information demonstrating that any proposed replacement of dwelling units with smaller dwelling units (e.g., a 2 bedroom unit with two 1 bedroom units) is consistent with the housing needs of lower income households in the jurisdiction.
- c) The Recipient local government is responsible for tracking the replacement of housing and ensuring that it is provided within the required period.
 - d) The Recipient local government is responsible for ensuring requirements are met for notification and provision of relocation assistance, as described in 24 CFR Part 570.496a(c)(2), to any lower income person displaced by the demolition of any dwelling unit or the conversion of a low and moderate income dwelling unit to another use in connection with an assisted activity.
 - e) Consistent with goals and objectives of activities assisted under the Act, Recipient will take the additional steps, if any, listed on an attachment to these Assurances, to minimize the displacement of persons from their homes.
9. If a grant is awarded, the applicant will adopt and enforce a policy of prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations; and enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.

CERTIFICATION:

The undersigned certifies on behalf of the Applicant that he/she has been authorized to sign this certification, the information presented in this application is correct, and that the applicant will comply with the assurances listed above.

Submitted on behalf of the Applicant by:

Attest:

By:

By:

(signature of chief elected official)

(signature of clerk or other authorized official)

(type name and title of chief elected official)

(type name and title)

(seal)

FORM DCA-11 -- COOPERATING AGREEMENT
Sample Format

COOPERATING AGREEMENT
(For joint or regional applications only)

This Agreement, entered into between (name of jurisdiction) and (name of jurisdiction), does hereby provide for said jurisdiction to jointly apply for a Georgia Small Cities grant from the Department of Community Affairs.

The (name of jurisdiction) and (name of jurisdiction) do mutually agree that (name of jurisdiction) is hereby authorized to act as the lead agency, and thereby responsible for compliance with applicable State and Federal requirements of the Georgia Small Cities CDBG/EIP program.

Adopted by the (name of jurisdiction)
on (date):

(signature of chief elected official)
By: _____
(type name and title of chief elected official)

Attest:

(signature of clerk or other authorized official)
By: _____
(type name and title)
(seal)

Adopted by the (name of joint applicant)
on (date):

(signature of chief elected official)
By: _____
(type name and title of chief elected official)

Attest:

(signature of clerk or other authorized official)
By: _____
(type name and title)
(seal)

Form DCA-12 -- Maps

Applicants must submit map(s) which are clearly legible and will enable the DCA staff to find the proposed activity site(s) without local assistance during a site visit.

All Map(s) must include a scale, north arrow and legend. More than one scale of map may be used to show detail but both scale(s) must be indicated on the respective maps. The larger community-wide map should indicate the boundary of the area represented by the more detailed map. More than one type of requested information can be included on the map if it is clearly legible. A legend must be included to indicate what different colors or patterns represent.

NOTE : U.S.G.S. 7.5 minute topographic maps are an excellent resource to use for the larger community-wide maps.

Maps must include the following information:

- Project activity location(s). Show the locations of facilities proposed, together with the location(s) of facilities to be replaced. For relocations, show existing and proposed locations;
- Project activity service area(s) for public facilities activities;
- Location of areas of concentration of low- and moderate-income persons, including number and percentage, if available;
- Locations of areas of concentrations of minorities, including number and percentage, if available; and
- Location of areas of concentration of substandard and deteriorated housing, including number and percentage, if available.

If the community has low- and moderate-income persons, substandard housing units and/or minority people dispersed throughout the community, indicate this on the map's legend; and 1) display the location of the proposed activity(s) and its service area; 2) indicate the number and percent of low/moderate-income families, minorities and substandard housing, as appropriate, located within the jurisdiction making application; and 3) provide the same data for the EIP service area(s).

In order for review panels to assess feasibility, strategy and compliance with floodplain and wetland requirements, applicants are encouraged to submit with their applications USGS topographic maps from the 7.5 minute, 1:24,000-scale quadrangle series.

Form DCA-13 – CDBG/EIP Disclosure Report

All applicants must complete and submit Parts I and II of the Disclosure Report. At the completion of Part II of the report, some applicants will find that they must complete Parts III, IV, V, and VI of the report.

Part I requires the applicant's name, address, phone number, indication as to whether this is an initial report or an update, the amount of CDBG / EIP funds being requested, the amount of any CDBG / EIP program income that will be used with the CDBG / EIP grant, and the total amount of CDBG / EIP assistance.

Part II asks two questions. If the answer to both questions is "no," the applicant must provide the certification at the end of Part II, but is not required to complete the remainder of the report. If the answer to either question is "yes," then the applicant must complete the remainder of the report.

Part III requires information on any other Federal, State, and/or local assistance that is to be used in conjunction with the CDBG / EIP project.

Part IV requires the identification of interested parties. Interested parties are persons and entities with a reportable financial interest in the project. If an entity (such as a corporation, partnership, etc.) is being disclosed, the disclosure in Part IV must include an identification of each officer, director, principal stockholder or other official of the entity. Please indicate if the person or entity is a "sole proprietorship." All consultants, developers, or contractors involved in the application for CDBG / EIP assistance, or in the planning, development, or implementation of the project, must be identified as an interested party. Also, any other person or entity that has a pecuniary interest in the project that exceeds \$50,000 or 10 (ten) percent of the CDBG / EIP assistance, whichever is lower, must be listed as an interested party. Pecuniary interest means any financial involvement in the project, including (but not limited to) situations in which a person or entity has an equity interest in the project, shares in any profit on resale or any distribution of surplus cash or other assets of the project or receives compensation for any goods or services provided in connection with the project. (The following are not considered interested parties: local CDBG / EIP administrative staff, recipients of housing rehabilitation assistance, and rehabilitation contractors as long as the rehabilitation agreement is between the property owner and the contractor.)

Part V requires applicants to identify the sources and uses of all funds to be used in conjunction with the CDBG / EIP funded project. The sources and uses must include all the other assistance identified in Part III as well as the CDBG / EIP funds identified in Part I, items 3a and 3b.)

Part VI requires the certification of the Chief Elected Official.

DCA FORM 13, CDBG/EIP DISCLOSURE REPORT

PART I – RECIPIENT INFORMATION

1. **CDBG/EIP Recipient Name:**
2. **Indicate whether this is:** **Initial Report** [] **Updated Report** []
3. **Grant Number:**
4. **Project Funding:**
 - a. **CDBG/EIP amount requested/received:** \$
 - b. **Program Income to be used with CDBG/EIP:** \$
 - c. **Total CDBG/EIP assistance:** \$

PART II – THRESHOLD DETERMINATIONS

1. **Is the amount listed above at 4c. more than \$200,000?** **YES** [] **NO** []
2. **Have you received or applied for other HUD assistance** **YES** [] **NO** []
which when added to 4c. above amounts to > \$200,000?

If the answer to either 1. or 2. of part II is “YES”, then you must complete the remainder (Part III – VI) of the Disclosure Report. (You do not need to sign below, signature in this case is in Part VI)

If the answer to both 1. and 2. of part II is “NO”, then you do not need to complete the remainder of this Report, BUT you must sign the following Certification and include the Report in you Application for EIP assistance.

I hereby certify that this information is true:

_____ **(Signature of Certifying Official)**

_____ **(Date)**

Typed or printed name and title: _____

If this is an Updated Report:
 1. Check here []
 2. Provide CDBG/EIP Recipient
 Name:
 Grant #:
 3. Certifying Official must sign below
 Provide only updated information on this page

PART III – OTHER GOVERNMENT ASSISTANCE PROVIDED/APPLIED FOR

Provide the requested information for any other Federal, State and/or local government assistance, on hand or applied for, that will be used in conjunction with the CDBG/EIP grant. (See instructions)

Name and Address of Agency Providing or to Provide Assistance	Program	Type of Assistance	Amount Requested or Provided

I hereby certify that this information is true: (Sign ONLY if this is an Updated Report)

 (Signature of Certifying Official)

 (Date)

Typed or Printed Name and Title:

If this is an Updated Report:

1. Check here []
2. Provide CDBG/EIP Recipient
Name:
Grant #:
3. Certifying Official must sign below
4. Provide only updated information on this page

PART IV – INTERESTED PARTIES

Alphabetical List of All Persons with a Reportable Financial Interest in the Project	Social Security # or Employer I.D. Number	Type of Participation in the Project	Financial Interest in Project \$ and %

I hereby certify that this information is true: (Sign ONLY if this is an Updated Report)

(Signature of Certifying Official)

(Date)

Typed or Printed Name and Title:

If this is an Updated Report:

1. Check here []
2. Provide CDBG/EIP Recipient
Name:
Grant #:
3. Certifying Official must sign below
4. Provide only updated information on this page

PART V – EXPECTED SOURCES AND USES OF FUNDS

This part requires that you identify the sources and uses of all assistance, including CDBG, that have been or may be used in the Project.

Source	Use

PART VI – CERTIFICATION

I hereby certify that the information provided in this disclosure is true and correct and I am aware that any false information or lack of information knowingly made or omitted may subject me to civil or criminal penalties under Section 1001 of Title 18 of the United States Code. In addition, I am aware that if I knowingly and materially violate any required disclosure of information, including intentional nondisclosure, I am subject to a civil money penalty not to exceed \$10,000 for each violation.

(Signature of Certifying Official)

(Date)

Typed or Printed Name and Title:

APPENDIX A

Exhibits

**EIP APPLICATION SUPPLEMENTS
FOR PUBLIC INFRASTRUCTURE PROJECTS**

EXHIBITS WHICH SHOULD BE INCLUDED:

- A. Local Government's Most Recently Audited Financial Statement.**
- B. Source and Use Statement** (see sample format).
- C. Design Development Report and/or Plans and Specifications** (as applicable).
Approved by DNR/EPD, DOT and/or other permitting agency and certified by engineer or architect.
- D. Cost Estimate** certified by engineer or architect.
- E. Commitment Letters** **1)** from business(es) indicating the number of full-time jobs to be created/retained, the percentage of jobs that will be held for low and moderate income persons and the private investment; **2)** from participating financial institution(s) indicating the amount, rate, term, and any contingencies associated with financing being made available to the participating business; and **3)** from any other financing source(s) indicating funds available for the balance of the infrastructure cost (if any). (see sample formats)
- F. Business Synopsis**
Provide a brief history and description of the business that will benefit from the project. Also, indicate: *who* will receive benefits from the infrastructure; *what* endeavors the business will undertake as a result of the provision of the infrastructure; *where* it will undertake the endeavor; *when* it will undertake the project; and *how* it will finance the project.
- G. Description of New Jobs** created by salary range and skill level required (include benefits available, such as health, retirement, leave, etc.).
- H. Documentation** that the business has control of all real estate needed for the implementation of the project (i.e., Purchase Options or Sales Agreement, etc.).

NOTE:

If ultimately funded, private for profit businesses that will benefit from an EIP financed public facility or infrastructure investment will be required to purchase and have issued to DCA an irrevocable letter of credit (L/C) or some other instrument of surety acceptable to DCA, which will warrant the businesses' commitments to invest and create employment opportunities. The L/C or surety amount will be equal to the EIP grant amount and will collateralize an economic development agreement which will be required if the project is funded. For further information on the requirement, contact the Employment Incentive Program Manager at (404) 679-1589.

ECONOMIC DEVELOPMENT PROGRAM
SAMPLE COMPANY COMMITMENT LETTER FOR PUBLIC
INFRASTRUCTURE

COMMITMENT TO CREATE/RETAIN JOBS
(to be completed on company letterhead and addressed to applicant)

DATE

Dear _____:

Contingent only upon the receipt of a grant award under the Employment Incentive Program and availability of the same to (developer, industry, company, business, corporation, etc.) as provided for in the application of (local government applicant) the (developer, industry, company, business, corporation, etc.) hereby commits to the (local government applicant) to (describe proposed project, specify construction, expansions, etc.) at a total investment cost of approximately \$ (amount). The proposed financing sources are (name each source and dollar amount). The \$ (amount) in EIP Funds will be used to (describe use of funds) as provided for in the application.

(Developer, industry, company, business, corporation, etc.) further commits (select one: to create, to retain, or to create and retain) (number; if both new and retained jobs are involved, please specify the number of each) full-time (or full-time equivalent) permanent jobs, (number) of which will be available to low and moderate income persons. We will initiate project activities on or about (date) and complete the same on or about (date). We will provide the applicant with a construction schedule upon initiation of project activities and documentation of hiring, including evidence of low and moderate income hiring within ninety (90) days of project completion.

(Developer, industry, company, business, corporation, etc.) also hereby commits, as beneficiary of an EIP financed public facility or infrastructure, to provide (an Irrevocable Standby Letter of Credit (L/C) or Surety/Performance Bond) in the amount of the grant award, should the public infrastructure project be funded. We understand that the purpose of the (L/C or Surety) is to warrant our commitments to invest and create employment opportunities.

Sincerely,

(signature of official or officer
authorized to make commitment)

EIP APPLICATION SUPPLEMENTS FOR DIRECT LOANS

EXHIBITS WHICH SHOULD BE INCLUDED:

- A. Synopsis of Project** Indicate: *who* will receive benefits of EIP financing; *what* the EIP proceeds will be used for; the amount of financing needed to implement the total project; *where* the project will take place; *when* the project will be implemented; and *how* the EIP financing will be packaged and administered.
- B. Business Plan** Provide a business plan and brief history and description of the business. Include information concerning: the type of business, products, marketing information, major customers, competitive position in the industry, size of the market, primary competitors, stability of the market, seasonality of the market, price/quality of product, major distribution channels, etc.
- C. Source and Use Statement** (see sample format).
- D. Purchase Option or Sales Agreement** on any real estate needed to undertake the project.
- E. Appraisal(s)** of any real estate to be financed.
- F. Plans, Written Cost Estimates and Proposals** on all proposed construction, renovation. For machinery & equipment purchases include **Price Quotes** from appropriate vendors.
- G. Financial Commitment Letter(s)** from participating financial institution(s). The letter(s) should indicate the amount, rate, term, and any contingencies associated with the financial institution's loan. (see sample format)
- H. Commitment Letter(s)** from participating business(es). The letter(s) should indicate the number of full-time jobs that will be created/retained and the percentage of the jobs that will be held for low- and moderate-income persons. (see sample format)
- I. Description of New Jobs** by salary range and skill level required (include benefits available, such as health, retirement, leave, etc.).
- J. List of Available Collateral** with prior liens and mortgages noted.
- K. Financial Statements** Provide balance sheets and income statements for the past three years. Also provide a pro-forma balance sheet and projected income statements for one year or until break even point is achieved. If financial statements are unaudited, also provide copies of company's federal tax returns and related schedules.
- L. Interim Financial Statements** (less than 90 days old).
- M. Cash Flow Projections.**
- N. List of Affiliates or Subsidiaries** Organizational documents for applicant company and Certificate of Existence on corporations from Secretary of State's Office.
- O. Resumes of Principals & Key Management Personnel** (include Social Security Number(s)).
- P. Personal Financial Statement** of the owner or each partner or stockholder owning 20% or more of the voting stock in the corporation.
- Q. Schedule of Existing Debt** (see sample format).

ECONOMIC DEVELOPMENT PROGRAM
SAMPLE COMPANY COMMITMENT LETTER FOR DIRECT LOAN

COMMITMENT TO CREATE/RETAIN JOBS
(to be completed on company letterhead and addressed to applicant)

DATE

Dear _____ :

Contingent only upon the receipt of a grant award under the Employment Incentive Program and availability of the same to (developer, industry, company, business, corporation, etc.) as provided for in the application of (local government applicant) the (developer, industry, company, business, corporation, etc.) hereby commits to the (local government applicant) to (describe proposed project, specify construction, expansions, etc.) at a total investment cost of approximately \$ (amount). The proposed financing sources are (name each source and dollar amount). The \$ (amount) in EIP Funds will be used to (describe use of funds) as provided for in the application.

(Developer, industry, company, business, corporation, etc.) further commits (select one: create, retain, or create and retain) (number; if both new and retained jobs are involved, please specify the number of each) full-time (or full-time equivalent) permanent jobs, (number) of which will be available to low and moderate income persons. We will initiate project activities on or about (date) and complete the same on or about (date). We will provide the applicant with a construction schedule upon initiation of project activities and documentation of hiring, including evidence of low and moderate income hiring within ninety (90) days of project completion.

(Developer, industry, company, business, corporation, etc.) also hereby commits to repay the \$(amount) in EIP funds as provided for in the application.

Sincerely,

(signature of official or officer
authorized to make commitment)

ECONOMIC DEVELOPMENT PROGRAM
SAMPLE LENDER COMMITMENT LETTER

(to be completed on the letterhead of the lending institution and addressed to the developer, industry, company, business, corporation, etc.)

DATE

Dear _____:

Please be advised that we have reviewed your financial statements and project proposal regarding financing for (describe proposed project, specify construction, expansion, etc.) in (location). It is our understanding that (applicant) has applied for \$ (amount) in Community Development Block Grant funds (under the "Employment Incentive Program") to (describe use of funds) as part of the project.

Based on the financial and project feasibility information provided, we feel the CDBG funds for (describe project) would make this a viable project and hereby commit to provide (describe amount and type of financing) for (describe purpose of financing). This commitment has been approved by our (loan committee board, etc.) and is subject to the following terms and conditions: (specify terms and conditions: receipt of the grant award can be a condition).

Sincerely,

(signature of official or officer
authorized to make commitment)

Schedule of Existing Debt

Creditor	Original Date	Original Amount	Present Balance	Interest Rate	Monthly Payment	Maturity Date	Collateral	Status (Current, Delinquent)
Totals								

Comments:

Signature: _____

Date: _____

**ECONOMIC DEVELOPMENT AND EMPLOYMENT INCENTIVE PROGRAM
SUPPLEMENTAL INFORMATION AND DOCUMENTATION**

Applicant: _____

CDBG Amount Requested: \$ _____

Total Project Cost: _____

-
1) JOB CREATION/RETENTION

- total number of existing jobs: _____
- total number of jobs to be created: _____ *
- total number of jobs to be retained: _____ **
- number of jobs created for low/mod income persons: _____ ***
percent of total: _____ %
- number of jobs retained for low/moderate income persons: _____ ***
percent of total: _____ %
- CDBG dollars per job created: \$ _
- CDBG dollars per job retained: \$ _

Describe the methodology to be utilized for ensuring the number of jobs listed above for low and moderate income persons: (provide documentation where applicable). Applicants should note that jobs paying minimum wage do not necessarily qualify as low and moderate income jobs. Individual family income levels adjusted for family size at the time of application for employment determine qualification.

* permanent full-time positions of at least one year's duration (except in certain cases of agricultural businesses whose operations are necessarily seasonal, DCA will consider as permanent any full-time job of at least twelve (12) consecutive weeks' duration, and will count it as the equivalent of one-fourth (1/4) of a permanent job).

For example, if an agricultural business proposed to employ 100 persons, each for twelve (12) full-time consecutive weeks, the number of jobs created would be counted as 25. Likewise if 100 persons were to be employed each for 24 full-time consecutive weeks, the number of jobs created would be counted as fifty (50).

** For retained jobs, the application should contain summary information on the number and percent of the retained jobs which are held by low and moderate income individuals. This would normally require that workers be surveyed prior to the application being submitted.

*** Should meet the 51% minimum benefit to low and moderate income persons (i.e., at least 51% of the jobs created or retained must be for low and moderate income persons).

2) UNEMPLOYMENT DATA*

- number of persons in the workforce unemployed: _____
- percent of persons in workforce unemployed: _____%
- source of data _____ (provide documentation)

Analyze and describe the impact on unemployment, both in actual numbers and percentages, of the proposed project:

*This data should be for the applicant's jurisdiction. If other, please note and explain.

3) PRIVATE INVESTMENT*

- dollar amount of private investment: \$_____
- source(s): _____

- private investment as percent of total project: _____%
- private to CDBG funds leverage ratio: _____
- private to CDBG/other public funds leverage ratio: _____

*private investment must be documented by letters of commitment.

4) OTHER PUBLIC INVESTMENT*

- amount: \$_____
- source(s): _____

- other public investment as percent of total project: _____%

*other public investment must be documented by grant awards, grant commitments or letters of commitment.

5) ESTIMATED TAX REVENUE

- total estimated taxes to be generated (for one year)

Local taxes: \$ _____
State taxes: \$ _____
Federal taxes: \$ _____

- taxes generated per CDBG dollar requested: \$ _____

Describe the methodology for calculating the estimated tax from each source:

6) RECAPTURE PROVISIONS

Describe the rate, terms, period and other applicable elements of the grant repayment (be specific and detailed); also describe what entity will be responsible for servicing the EIP/CDBG loan:

Any direct assistance to private for profit entities must be "recaptured".

7) USE OF PROGRAM INCOME ("Recaptured Funds")

Describe the proposed use of the program income (be specific and detailed); also describe what local agency, staff member, or department will have oversight responsibilities for recaptured funds.

8) COMMITMENT LETTERS

All applications must be accompanied by letters of commitment from participating financing entities, other participating agencies and the private sector partner (developer, industry, company, business, corporation, etc.).

Appendix B

Conflict of Interest Regulations

Excerpt from 24 CFR, Part 85, Section 85.36(b)(3), "Code of Conduct":

Grantees shall maintain a written code of standards of conduct which shall govern the performance of their officers, employees or agents engaged in the award and administration of contracts supported by Federal funds. No employee, officer or agent of the grantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when:

- a. The employee, officer or agent;
- b. Any member of his immediate family;
- c. His or her partner; or
- d. An organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.

The grantee's officers, employees or agents shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to subagreements.

Grantees may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value.

To the extent permitted by State or local law or regulations, such standards of conduct shall provide for penalties, sanctions, or other disciplinary actions for violations of such standards by the grantee's officers, employees, or agents, or by contractors or their agents.

HUD Regulations, Section 570.489(h), "Conflict of Interest"

(a) Applicability -

- (1) In the procurement of supplies, equipment, construction, and services by recipients, and by subrecipients (including those specified at Section 570.204(c)), the conflict of interest provisions in 24 CFR, Part 85, Section 85.36(b)(3) (the above provisions), shall apply.
- (2) In all cases not governed by 24 CFR, Part 85, Section 85.36(b)(3), the provisions of this section shall apply. Such cases include the acquisition and disposition of real property and the provision of assistance by the recipient by its subrecipients, or to individuals, businesses and other private entities under eligible activities which authorize such assistance (e.g., rehabilitation, preservation, and other improvements of private properties or facilities pursuant to Section 570.202, or grants, loans and other assistance to businesses, individuals and other private entities pursuant to Sections 570.203, 570.204 or 570.455).

(b) Conflicts prohibited -

Except for approved eligible administrative or personnel costs, the general rule is that no persons described in paragraph (c) of this section who exercise or have exercised any functions or responsibilities with respect to EIP activities assisted under this Part or who are in a position to participate in a decision making process or gain inside information with regard to such activities may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter.

Appendix B, Conflict of Interest, continued

(c) Persons covered -

The conflict of interest provisions of paragraph (b) of this section apply to any person who is an employee, agent, consultant, officer, or elected official or appointed official of the recipient, or of any designated public agencies, or subrecipients under Section 570.204, which are receiving funds under this part.

(d) Exceptions: threshold requirements -

Upon the written request of the recipient, HUD may grant an exception to the provisions of paragraph (b) of this section on a case-by-case basis when it determines that such an exception will serve to further the purposes of the Act and the effective and efficient administration of the recipient's program or project. An exception may be considered only after the recipient has provided the following:

- (1) A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made; and
- (2) An opinion of the recipient's attorney that the interest for which the exception is sought would not violate State or local law.

(e) Factors to be considered for exceptions -

In determining whether to grant a requested exception after the recipient has satisfactorily met the requirements of paragraph (d) of this section, HUD shall consider the cumulative effect of the following factors, where applicable:

- (1) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the program or project which would otherwise not be available;
- (2) Whether an opportunity was provided for open competitive bidding or negotiation;
- (3) Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- (4) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question;
- (5) Whether the interest or benefit was present before the affected person was in a position as described in paragraph (b) of this section;
- (6) Whether undue hardship will result either to the recipient or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- (7) Any other relevant considerations.

APPENDIX C

GEORGIA CODE OF ETHICS FOR GOVERNMENT SERVICE

§ 45-10-1. Establishment and text of code of ethics for government service generally: There is established for and within the state and for and in all governments therein a code of ethics for government service which shall read as follows:

CODE OF ETHICS FOR GOVERNMENT SERVICE

Any person in government service should:

- I. Put loyalty to the highest moral principles and to country above loyalty to persons, party, or government department.
- II. Uphold the Constitution, laws, and legal regulations of the United States and the State of Georgia and of all governments therein and never be a party to their evasion.
- III. Give a full day's labor for a full day's pay and give to the performance of his duties his earnest effort and best thought.
- IV. Seek to find and employ more efficient and economical ways of getting tasks accomplished.
- IV. Never discriminate unfairly by the dispensing of special favors or privileges to anyone, whether for remuneration or not, and never accept, for himself or his family, favors or benefits under circumstances which might be construed by reasonable persons as influencing the performance of his governmental duties.
- VI. Make no private promises of any kind binding upon the duties of office, since a government employee has no private word which can be binding on public duty.
- VII. Engage in no business with the government, either directly or indirectly, which is inconsistent with the conscientious performance of his governmental duties.
- VIII. Never use any information coming to him confidentially in the performance of governmental duties as a means for making private profit.
- IX. Expose corruption wherever discovered.
- X. Uphold these principles, ever conscious that public office is a public trust.

APPENDIX D

CDBG/EIP Program: Family Income Limits

FISCAL YEAR 2009

<http://www.huduser.org/portal/datasets/il/il10/index.html>