

WYOMING BUSINESS COUNCIL
Board of Directors Meeting
Call-In Meeting
January 6, 2012

INDEX

	MINUTES December 1, 2011	A
	COMMUNITY DEVELOPMENT BLOCK GRANTS (CDBG) Memo – RE: Rule Changes	B
	Statement of Principle Reasons	C
	Draft Rules – Strike/Underline Version	D

WYOMING BUSINESS COUNCIL
Board of Directors Meeting
January 6, 2012
Call-In Meeting

TENTATIVE AGENDA

Friday, January ~~6~~, 2012

- 10:00 AM** **Public Board Meeting Call To Order – Dick Bratton, Co-Chair**
Welcome
Roll Call to Establish a Quorum
Minutes Approval – December 1, 2011 Meeting **TAB A**
Roll Call to Vote
- 10:15 AM** **Community Development Sub-Committee – Nathan Bekke, Chair**
CDBG Rules Revision **TAB B**
Roll Call to Vote
- 10:25 AM** **CEO Update – Bob Jensen, CEO**
- 10:40 AM** **Old Business/New Business**
Next Meeting – March 14 & 15 – Douglas, WY
- 10:50 AM** **Adjournment**
DKRW

WBC BOARD OF DIRECTORS

ROLL CALL

Date: 1-6-12

RE: CDBG Rules Adopted

NAME	Present	Yea	Nay	ABSTAIN	Comment
Bekke		✓			
Bratton		✓			
Caller		✓			
Davidson		✓			
Espy		✓			
Law		✓			
Lewis		✓			
Lockhart		✓			
Michelena		✓			
Negich		✓			
Root		✓			
Schmidt		✓			
Shelton		✓			
Walje		✓			
Wandler					

WBC BOARD OF DIRECTORS

ROLL CALL

Date: 1-6-12

RE: Estabish Quorum

NAME	Present	Yea	Nay	ABSTAIN	Comment
Bekke	✓				
Bratton	✓				
Caller	✓				
Davidson	✓				
Espy	✓				
Law	✓				
Lewis	✓				
Lockhart	✓				
Michelena	✓				
Negich	✓				
Root	✓				
Schmidt	✓				
Shelton	✓				
Walje	✓				
Wandler					

Kim Kittle -
Claina Zemer -
Kim Right -

WBC

BOARD MEMBERS PRESENT

Dick Bratton, Nathan Bekke, Cliff Root, Gary Negich, Norma Shelton, Rich Walje, Lee Lockhart, Clarene Law, Pat Schmidt, Larry Caller, Rex Lewis, Mike Wandler, Jim Espy and Lynne Michelena. Chris Davidson joined via phone.

BOARD MEMBERS ABSENT

None

WBC STAFF PRESENT

CEO Bob Jensen, CFO Diane Joyce; Directors Cindy Weibel, Leah Bruscano, Molly Spangler, Ben Avery, Tom Johnson, Kim Rightmer, Elaina Zempel, Dave Spencer and Roger Bower. Other staff present: Mike Martin, Ryan Whitehead, Chava Case, Melinda Johnson, Julie Kozlowski, Sandy Quinlan, Matt Cox, Kim (Sears) Kittle, Dave Simonsen, Heather Tupper, Ben Peterson, and Linda Hollings.

OTHER(S) PRESENT

Jillian Balow, Policy Analyst, Governor's Office

CALL TO ORDER/WELCOME/INTRODUCTIONS

Co-Chair Bratton called the meeting to order at 8:37 a.m. Out-going Board members, Clarene Law and Cliff Root were acknowledged and thanked for their service to Wyoming and its citizens. An individual letter from Governor Mead, thanking them for their service on the Board and their contributions to the State was presented to them. The Governor will appoint two new members, to be confirmed during the upcoming Legislative session, to fill the open seats on the Board.

Board members introduced themselves by telling about their background and where they were from.

MINUTES

Draft minutes from the September 15, 2011 and August 22, 2011 Board meetings were presented for approval. Board members had received the drafts prior to the meeting for review. All suggested edits had been made.

MOTION: Lockhart moved to approve the three sets of minutes as presented. Bekke seconded the motion. All voted in favor; motion passed.

AGRIBUSINESS UPDATE

Cindy Weibel reported on recent agribusiness division activities. She highlighted the Wyoming Business Leadership Institute 2011 Summit Series which was completed in October. The Series was divided into two sections featuring Leadership skills and Marketing techniques. She indicated that feedback continues to be excellent and companies have indicated an interest in sending additional employees to the courses.

Weibel introduced Kim Porter, Farmer's Market and Education Program Manager, who gave a presentation on her programs. Class 12 of the Wyoming L.E.A.D. program had been selected

and had completed their first session. The program continues to be a success and viable tool for the Agribusiness industry.

Porter updated the Board on the successful Farmer's Market program. Many communities have seen Markets increase by two to four. Several communities are starting Winter Farmers Markets and anticipating similar growth patterns.

The Division is assisting in an on-line Farmers Market program which is seeing steady growth.

The Ag Photo Contest had seen an increase in entries this year by 25 – 30%. The winning photos were used to produce an Agribusiness Calendar which had been printed and widely distributed.

BUSINESS & INDUSTRY UPDATE

Ben Avery, Division Director, updated the Board on recent and upcoming activities in his division. His staff had just returned from Data Center World trade show where they unveiled their new trade show booth. The new booth attracted a lot of attention and generated several good recruitment leads. Staff felt it was the most beneficial show they had participated in recently.

Randy Bruns, WY Economic Development Association (WEDA) President, addressed the Board. He spoke of the strength of WEDA's partnership with the WBC. He said he had written a letter to the Board members encouraging consideration of a higher cap on BRC projects and the importance of the program to the communities around Wyoming.

Bruns thanked the WBC for their support with WEDA's Fall Conference. Ed McCallum of McCallum Sweeney Consulting provided a full day of "Boot Camp" Training on site selection process and how to prepare proposals and site visits. McCallum Sweeney is considered one of the top site selection companies worldwide.

It was announced that Senator Enzi and Governor Mead will again be sponsoring the Gro-Biz Idea Expo, February 21 through the 23rd in Laramie at the Hilton Garden Inn.

The contract to assess infrastructure necessary within the state to support data centers is close to completion and a report should be released soon. Another contract with HMC Global is being negotiated. The purpose of the contract is to promote and attract Foreign Direct Investment to the State in the wind energy sector from Europe.

State Energy Office

The US Department of Energy budget for 2012-2013 is in debate. There is no clear direction at this time on funding levels for state programs. Our State Energy Office will assemble a statewide planning team and proceed with a plan development which will include flexibility dependent on funding.

Proposed program: Residential Energy Efficiency Revolving Loan Fund (Residential RLF). Proposed allocation \$650,000. Program under DOE review currently. Community-Utility partnerships may apply with loan funds going directly to the utilities. Utilities provide sub-loans to residents as established by partnership.

Loan/Portfolio Program

A request to write-off the remaining loan balance of \$4,921.15 under the name of Jones Brothers Enterprises was presented. The loan was an economic disaster seed loan. The Jones' are no longer farming and are relying on other sources of income to try to pay off this loan and other farming related debt. Our loan servicing agent, Markee Escrow Services, has remained in contact with the Jones', who indicate they intend to pay off the loan but have federal farm loans that they are repaying first. The original loan was originated in 2000 in the amount of \$124,104.40. WBC has collected \$12,043.22 in interest over the life of the loan.

MOTION: Negich moved to approve the write-off in the amount of \$4,921.15; Shelton seconded the motion. All voted in favor; motion passed.

A report on the Loan Loss Reserve Analysis, Past Due Report and Loan Charge-Off Balances was given. These reports were for information purpose only and no action was required.

Small Business Investment Credit Program

An application for certification as a small business investment company under the SBIC program was presented in behalf of Enhanced Capital Wyoming Fund, LLC, Jackson, Wyoming. The program was established to give small business owners an alternative source for raising capital. Under State Statutes and Rules, the WBC has the charge of conducting due diligence on applicants applying for certification as a small business company and ongoing regulation of the program. The WBC will also be charged to qualify businesses who in turn receive the capital in the form of debt or equity. Staff recommended approval with a contingency to receive recorded amended articles of incorporation for Enhanced Capital Wyoming Fund, LLC.

MOTION: Lockhart moved to issue a letter of certification to Enhanced Capital Wyoming. Walje seconded the motion. All voted in favor; motion passed.

~ Community Development Committee ~

Community Development Block Grant Program (CDBG)

A request was presented to approve the revised rules for the CDBG program. The rule revisions had gone through the necessary procedures including public notice, involvement and a comment period. With Board approval the next step would be to send the revisions to the Management Council of the Legislature and the Governor's office for final approval.

MOTION: Root moved to adopt and approve the CDBG Revised Rules as presented. Schmidt seconded the motion. All voted in favor; motion passed.

Planning Grants

Six applications for planning grants under the CDBG program were presented for Board consideration. The six applicants and amounts were:

Applicant	Project	\$ Requested	\$ Recom.
Sheridan, City	Natl American Indian Education. Deve.	\$15,000	\$15,000
Mills, Town	Water Service Study	\$15,000	\$15,000
Gillette, City	Sr./Medical Neighborhood Plan	\$40,000	\$40,000
Lincoln County	Comprehensive E&CD Master Plan	\$50,000	\$50,000
Glenrock, Town	Bronco Bldg. Feasibility Study	\$11,250	\$11,250
Cody, City	Cody Master Plan Revision	\$50,000	\$50,000

MOTION: Lockhart moved to consider placing all six grant applications on a consent list. Lewis seconded the motion.

DISCUSSION: A Board member indicated that he would like to consider the Sheridan grant separately and asked Lockhart if he would amend his motion to remove Sheridan from the consent list.

AMENDED MOTION: Lockhart moved to place all applications, with the exception of Sheridan, on a consent list. Lewis seconded the motion. All voted in favor; motion passed.

Sheridan Planning Grant

The \$15,000 will be used to develop a National American Indian, Alaskan and Hawaiian Educational Development Center. The headquarters is already located in Sheridan. The funding will be used to provide state-of-the-art professional development for elementary teachers of Native American children in literacy and mathematics with the targeted expectation that Native children will reach, over time, the achievement levels of the majority population.

Approval of these funds will generate a possible request for funding at a later date for an infrastructure extension in the area of the Sheridan High Tech Park.

MOTION: Walje moved to approve the application in the amount requested; Michelena seconded the motion. All voted with one nay being voiced. Motion passed.

MOTION: Caller moved to approve the remaining five projects on the consent list in the amounts requested. Lockhart seconded the motion. All voted in favor of the motion; motion passed.

Community & Economic Development

Five applications were presented for consideration under this category of the CDBG program. The five projects are as follows:

Applicant	Project	\$ Requested	\$ Recom.
Platte County	Memorial Hospital - ADA	\$83,385	\$83,385
Fort Laramie	Sewer Replacement	\$407,058	\$407,058
Albany County	Plains Civic Center	\$275,000	0
Sheridan County	Free Clinic	\$491,700	0
Sheridan, City	YMCA Property Acquisition//Clean-up	\$500,000	0
Carbon County	Renovation of old gas station	\$245,000	\$245,000
Laramie County	Creekside Housing Development	\$500,000	\$500,000

The requests totaled approximately \$2.6M; funding available is \$1.4 M. \$1.3M is the total of staff recommendations which would leave a balance of approximately \$13,135.00.

A request was presented for \$83,385 on behalf of Platte County Memorial Hospital. The funds would be used to update the existing hydraulic passenger elevator, which includes a new edge car, controller, new power unit, track, hanger, clutch, interlocks and drives. The current elevator is 57 years old and replacement parts are no longer available. Without the grant the hospital will not be able to have a certified elevator. Staff recommended funding as requested.

MOTION: Law moved to approve the funds as presented. Wandler seconded the motion. All voted in favor; motion passed.

Ft. Laramie submitted a request for \$407,058 to replace a portion of an old sewer line. The replacement of the sewer pipe is critical for the safety and health of the community. Staff recommended funding.

MOTION: Lockhart moved to approve the funds as presented. Caller seconded the motion. All voted in favor; motion passed.

\$275,000 was requested by Albany County for the Laramie Plains Civic Center to upgrade and install handicap accessible amenities throughout the facility. Staff did not recommend funding due to lack of funds. Staff encouraged the community to reapply in March.

MOTION: Espy moved to accept the staff recommendation to not fund. Root seconded the motion. All voted in favor of the motion; motion passed.

Sheridan County requested \$491,700 to construct a 900 square foot ground floor space and renovate 1,000 square foot in the existing Public Health Building to relocate its Free Clinic. The Clinic is located in the hospital. The hospital has informed the Clinic that they need additional space, and the Clinic will have to relocate elsewhere. Due to lack of funds staff recommended no funding.

MOTION: Schmidt moved to accept the staff recommendation to not fund. Walje seconded the motion. All voted in favor of the motion; motion passed.

The City of Sheridan requested \$500,000 in funds to purchase blighted property adjacent to the Sheridan YMCA. Funds would also be used for demolition of a building and clean up of the property. The project would eliminate blighted property and increase public access to the YWCA and the city's pathway system in addition to providing additional green space in a highly utilized public area of the community. Staff recommended no funding due to lack of available funds. Staff encouraged the city to reapply in March.

MOTION: MOTION: Espy moved to accept the staff recommendation to not fund. Root seconded the motion. All voted in favor of the motion; motion passed.

Carbon County requested \$245,000 to rehabilitate a vacated gas station building at the west entrance of Rawlins. The city will own the building and lease retail space to Union Wireless and a coffee/pastry shop. The location is key to drawing people in from the interstate and providing a service that is not available in that area. Staff recommended funding as requested.

MOTION: Espy moved to accept the staff recommendation to fund in the amount requested. Schmidt seconded the motion. All voted in favor of the motion; motion passed.

\$500,000 was requested by Laramie County for a housing development project. The funds will be used for roadways, water, sewer, and electricity for the development. Laramie County is working on the project in conjunction with Creekside Homes, Cheyenne Housing Authority and Wyoming Family Home Ownership Program. The housing developer will be donating ten lots

that will be purchased by low to moderate income families. Staff recommended funding as requested.

MOTION: Negich moved to accept the staff recommendation to fund in the amount requested. Michelena seconded the motion. All voted in favor of the motion, with the exception of Dick Bratton who abstained. Motion passed.

Business Ready Communities (BRC)

Ten applications under the BRC program were received. Two applications had been withdrawn with the intent to reapply at a later date.

The projects for consideration were the following:

Applicant	Project	\$ Requested	\$ Recom.
Guernsey, Town	Industrial Park Infrastructure Extension	\$1,485,000	\$1,485,000
Gillette, City	Liehberr City Water Line	\$920,885	\$920,885
Sheridan, City	Commercial Park Sewer Infrastructure	\$1,000,000	\$1,000,000
Kemmerer, City	Old Town Hall	\$1,000,000	\$1,000,000
Amoco Reuse JPB	Salt Creek Heights Bus. Center Loop Rd	\$407,000	\$407,000
Buffalo, Town	Crazy Woman Square	\$500,000	\$500,000
Washakie County	Spec. Building Construction	\$618,507	\$618,507
Hulett, Town	Commercial Lot Development	\$302,000	\$302,000

\$1,485,000 was requested by the Town of Guernsey for an infrastructure project. Funds would be used to install entrance signage, sewer, water line, street paving and curb and gutter in the 70 acre Guernsey Industrial Park located on the east side to town. The project will improve the industrial park and allow for the expansion of a new business, John Bunning Transfer Company. The Town's application did include a Revenue Recapture plan. Staff recommended funding in the amount requested.

The WBC Board heard testimony from a city of Guernsey representative and a representative from John Bunning Transfer Company who both spoke in favor of the project. There was discussion on the importance of rail access to this project and the number of jobs that are to be created as a result of the project. The reliance on the Niobrara oil play was identified as a potential concern for the project, however, that was mitigated due to the fact that Guernsey has other potential business opportunities unrelated to the oil shale play. The WBC Board also recognized the importance of retaining and growing the committed business and the opportunities and potential the project will open up for the industrial park and the community.

MOTION: Schmidt moved to accept the staff recommendation to fund the project in the amount requested. Lockhart seconded the motion. All voted in favor of the motion; motion passed.

The City of Gillette requested \$920,885 for a water line extension to Liebherr Group. Liebherr, a world-wide company, manufactures and services large mining hydraulic excavators and large haul trucks from its Gillette facility. The funds would be used to provide water service and fire protection for Liebherr and 19 other commercial and industrial businesses. Staff recommended funding as requested.

MOTION: Root moved to accept the staff recommendation to fund in the amount requested. Wandler seconded the motion. All voted in favor of the motion; motion passed.

The City of Sheridan requested \$1,000,000 for sewer infrastructure into the Sheridan Commercial Park. The project involves the installation of city owned sewer infrastructure to the commercial park to support the expansion of existing businesses and to allow for future development in the park. Staff recommended funding as requested contingent upon receipt of documentation completing the creating of the Special Improvement District.

MOTION: Michelena moved to accept the staff recommendation to fund as presented. Negich seconded the motion. All voted, with the exception of Mike Wandler who abstained, in favor of the motion; motion passed.

\$1,000,000 was requested by the Town of Kemmerer to renovate the Old Town Hall building. The renovation would create three leasable spaces on the mail level and three on the second floor. Also included in the renovation would be a vertical core structure on the exterior of the building to house an elevator, ADA accessible restrooms on both floors and meeting space. Staff recommended funding as requested. A Revenue Recapture plan was included in the application.

MOTION: Espy moved to accept the staff recommendation to fund as presented. Walje seconded the motion. All voted in favor of the motion; motion passed.

Amoco Reuse Agreement Joint Powers Board requested \$407,000 for the construction of a loop road at Salt Creek Heights Business Center. The loop road will provide access to 21 acres of commercial property in Salt Creek Heights. A Revenue Recapture plan was included in the application. Staff recommended funding as requested.

MOTION: Lewis moved to accept the staff recommendation to fund as presented. Lockhart seconded the motion. All voted, with the exception of Dick Bratton who abstained, in favor of the motion; motion passed.

The Town of Buffalo requested \$500,000 for the Crazy Women Square project. The funds would be used to construct a new ADA accessible public restroom and storage facility, construction of 250 LF of ADA sidewalks, curb and gutter and new water and sewer feed mains in addition to new on and off-site parking facilities and the addition of a new ADA accessible trail to tie the project site into the existing Buffalo trail system. Staff recommended funding as requested.

MOTION: Negich moved to accept the staff recommendation to fund as presented. Law seconded the motion. All voted in favor of the motion; motion passed.

\$618,507 was requested by Washakie County for a speculative building in the Fair View Industrial Park. The Washakie Development Association would own the building and lease the facility to prospective businesses. A Revenue Recapture plan was included in the application. Staff recommended funding as requested.

MOTION: Negich moved to accept the staff recommendation to fund as presented. Caller seconded the motion. All voted in favor of the motion; motion passed.

\$302,000 was requested by the town of Hulett. The funds would be used to install a road, sidewalks, and curb, gutter and street lights in the Hulett Business Park. Staff recommended approval of the request.

MOTION: Lockhart moved to accept the staff recommendation to fund as presented. Root seconded the motion. All voted in favor of the motion; motion passed.

Personnel, Budget and Audit Committee

Personnel

Human Resources reported that all positions within the Council were filled. The newest hire was Bree Anderson, as a Multimedia Specialist in the Marketing and Public Relations department.

A summary of the State of Wyoming's Performance Management Initiative (PMI) was given. The three step process will include planning, coaching and reviewing of individual contributions to their respective agencies. Target ranges have been established in order to define the desired behavior within a competency for specific positions. The new performance management process will serve as a reporting tool to inform the Governor, Legislature and Agency Management of the overall performance of State employees.

The WBC has elected to participate along with other State Agencies in the PMI process. WBC has been using a similar performance evaluation for employees for several years.

Financials

CFO Diane Joyce presented the current financials. She indicated that the \$8.6M spent through the end of September was comparable to last year's figures at the same point in time. She reviewed the summary of expenditures, encumbrances, cash accounts, and dues and memberships.

MOTION: Bekke moved to accept the financials as presented; Caller seconded the motion. All voted in favor of the motion; motion passed.

The field work for the independent audit by McGee, Hearne and Piaz has been completed and an exit interview has been completed with the CEO and CFO. The auditors indicated that everything was in order and there were no findings, concerns or exceptions found. The final Board members will receive a copy when the final report is released which should be in mid-December or the first part of January.

REGIONAL DIRECTORS REPORT

Leah Brusino, Northwest Regional and Field Operations Director introduced Tom Johnson, Southeast Regional Director. Johnson's area covers Platte, Albany, Laramie and Goshen Counties. He indicated that the current trend for projects in the area were data centers and rail projects. The Board does not see all the projects that are going on in each region; not all projects use our grant programs. Each region is unique and each region currently is seeing a lot of activity.

Board member Root spoke of the importance of the rail systems in Wyoming and not abandoning the smaller lines around the state. He feels the rail will continue and increase in usage as the economy grows.

CEO REPORT

Jillian Balow, Policy Analyst from Governor Mead's office was introduced. She has been assigned to the WBC as a liaison.

The Governor released his budget recommendations for the upcoming fiscal year. The WBC is looking at an overall reduction of approximately \$9M. The budget will need Legislative approval. The WBC is scheduled to meet with the Joint Appropriation Committee in Cheyenne the morning of January 11, 2012. Board members were encouraged to attend.

CEO Jensen and Board members recognized Mary Randolph, Director, Rural Development and Main Street as being the winner of the 2011 Athena Award. The award is given to recognize women who have inspired women in Laramie County to succeed and reach their full leadership potential in their professional work and service to others. As director of Main Street and the Rural Development, her work has touched nearly everyone in Wyoming.

Jensen thanked staff and Board members for their dedication and hard work. He stated it was a pleasure to work with each one. He spoke of the contributions each person in the organization made daily to ensure the success of WBC and Wyoming.

OTHER BUSINESS

The next meeting will be held in Douglas, March 14 and 15, 2012.

The Nominating Committee will present a new slate of officers at the March meeting. The Committee consists of Cliff Root, Gary Negich and Bob Jensen.

A call was made for other items of business; there being none the meeting was adjourned at 1:17 p.m.

Respectfully Submitted:

Linda Hollings, Recorder

Date

Lee Lockhart, Secretary/Treasurer

Date



BUSINESS COUNCIL

214 W. 15th Street

Cheyenne, WY 82002

Tel: (307) 777-2800 Fax: (307) 777-2837

www.wyomingbusiness.org

To: Wyoming Business Council Board of Directors
From: Julie Kozlowski, CDBG Planning and Program Development
Manager
Subject: Community Development Block Grant (CDBG) Rule Revision
Date: December 1, 2011

Background: The rules governing the Community Development Block Grant (CDBG) program were initially created in 1982. They have been very few changes since that time. Most recently they were amended in 2009 to allow for a tiered system of planning grants, increased grant maximum awards and the creation of a Child Care Facility Loan Program. As funding resources have become more scarce and projects larger and more complex, it has become clear to staff that the ranking and rating system (in the CDBG rules) for evaluating grant applications was dated and required revision to make it relevant and more consistent with other programs and funding sources.

Additionally, the CDBG program is about to undertake a new five year consolidated planning process. Initiating new rules that will take effect with the next five year umbrella plan is good timing. .

At the June Board Meeting, I received your approval to proceed with the rule revision process. Subsequently, the draft rules were submitted to the Governor's Office and were approved to move on to the next step which included a copy of the rules being provided to the Legislative Service Office, the Secretary of State's Office and the Attorney General's Office. Additionally, a notice of intent to revise the rules was published on October 12th and distributed to constituent organizations. The notice also served to announce that the rule revisions constituted a significant amendment to the 2012 Annual Action Plan. Although the WBC is exempt from being required to hold a public hearing that option was offered upon request of twenty (20) persons. No requests were received. The comment period closed on November 11, 2011. Two comments were received which were small editing comments.

Staff Recommendation: Staff recommends the WBC Board adopt the CDBG Rules as proposed (a copy of the Statement of Principle Reasons is attached and the rules are available on the WBC website). Once adopted by the WBC Board, the rules will be delivered to the Management Council of the Legislature and to the Governor's Office for final approval. It is staff's goal to have the rules in place by March 1, 2012.

STATEMENT OF PRINCIPLE REASONS
Community Block Grant Program Rule Change – August 2011

Chapter 1, General Policies

- Section 1. Authority, p. 1-1
 - A. Add homeownership assistance as an eligible grant category.
 - B. Add the HUD requirement that 70% of funds shall be used for the benefit of low to moderate income persons.
- Section 5. Ineligible activities, p. 1-14
 - A. Moved location from Chapter 2 to Chapter 1
- Section 8. Funding Cycles and Application Approval, p. 1-16
 - A. Change application acceptance from quarterly to semi-annually.
 - B. Add submission to Regional Director two weeks prior to submission deadline.
 - C. Add the postmark date as the means of determining timely submittal of an application.
 - D. Add submittal of a digital copy as an application requirement.
- Section 9. Applicant's Contribution, p. 1-16
 - A. Add a sub-agreement or a development agreement as a requirement for any application sponsored by a local government on behalf of a business or non-profit entity.
- Section 11. Citizen Participation, p. 1-17
 - A. Add reasonable accommodation requirements for public comment.
 - B. Change the public involvement language to be consistent with the language of the 2010 Citizen Participation Plan.
 - C. Reference 2010 Citizen Participation Plan as a resource/guide for the public involvement process.
- Section 16. State Historic Preservation Office (SHPO), p. 1-19
 - A. Delete specific situations where SHPO must be consulted making this a requirement for all grant applicants except planning and technical assistance grants.
- Section 18. Lump Sum Drawdown., p. 1-20
 - A. Add sub-agreement/development agreements as a requirement for an applicant wishing to do a lump sum draw down.
- Section 19. Timely Progress, p. 1-21
 - A. Update the procedure required to execute a grant agreement.
 - B. Add HUD timelines for obligating and expending grant funds.
- Section 21. Minority Business Enterprise, p. 1-21
 - A. Change Section title to include women, disadvantaged business entities and Section 3 (outreach to low and moderate income persons).
 - B. Add Section 3 hiring requirements.
- Section 22. Procurement of Professional Services, p. 1-21
 - A. Revise to reflect use of local requirements and no preference for hiring Wyoming contractors. (Federal funds do not allow contractor or geographic preference.)
 - B. Add prequalification requirements for consultants wishing to bid on planning and technical assistance grants.

Chapter 2, Economic Development

- Section 1. Goals, p. 2-1
 - A. Revise Goal 1 to better reflect CDBG intentions of job creation for low to moderate income persons.
- Sections 3-5. moved to Chapter 1, p. 2-1 through 2-2

- Section 3. (formerly Section 6), Downtown Development, p. 2-3
 - A. Revise application requirements
 - B. Revise how the application will be scored
- Section 4. Economic Development Infrastructure p. 2-6
 - A. Revise application requirements
 - B. Revise how the application will be scored
- Section 5. Planning Only Grants, p. 2-10
 - A. Change the match requirement on Community and Economic Development Plans from 20% to 25% for the sake of consistency in the tiers of planning grants
 - B. Clarify match as the percentage of the total project cost
 - C. Revise application requirements
 - D. Revise how the application will be scored
- Section 6. Technical Assistance Grants, p. 2-15
 - A. Revise application requirements
 - B. Revise how the application will be scored
- Section 7. Job Training Grants, p. 2-20
 - A. Revise how the application will be scored

Chapter 3, (REPEALED)

- A. Remove Chapter because it has been repealed. (It was formerly the chapter that included WCDA administration for CDBG Housing.)

Chapter 4, Community Development

- Section 4. Type and Size of Grants, p. 3-2
 - A. Add Homeownership Assistance as an eligible grant type.
- Section 5. Deadlines, p. 3-2
 - A. Delete and move to Chapter 1
- Section 6. Project Categories, p. 3-3
 - A. Add potential uses of Homeownership Assistance grants.
- Section 7. Ranking Criteria, p. 3-4
 - A. Revise how the application will be scored
- Section 8. Minimum Submission Requirements, p. 3-8
 - A. Revise application requirements
- Section 9. Lien Requirement, p. 3-10
 - A. Add consideration for a public service lien waiver

Additionally, rule revisions contain standard formatting and editing corrections

CDBG Rules, ~~As Amended,~~DRAFT

~~Adopted Date: June 3, 2010.~~ September 15, 2011

WYOMING STATE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

~~FINAL~~ DRAFT RULES

Prepared by:

WYOMING BUSINESS COUNCIL
214 West 15th Street
Cheyenne, Wyoming 82002

TABLE OF CONTENTS

CHAPTER 1
GENERAL POLICIES

<u>Section No.</u>	<u>Subject</u>	<u>Page No.</u>
1	Authority.....	1- 1
2	Eligible Applicants.....	1- 1
3	National Objectives.....	1- 2
4	Eligible Activities.....	1- 7
5	Ineligible Activities Eligible Costs	1-123
6	Eligible Costs.....	1-14
67	Ineligible Costs.....	1-14
8	Funding Cycles and Application Approvals...	1-15
9	Applicants Contribution.....	1-16
710	Data Requirements	1-164
811	Citizen Participation.....	1-164
912	Housing and Community Development Plan....	1-16
130	Audit.....	1-186
141	Federal Requirements.....	1-186
152	Program Income.....	1-186
163	State Historic Preservation Office.....	1-187
174	Capitol Recovery Costs	1-197
185	Lump Sum Drawdown	1-198
196	Timely Progress.....	1-2018
2017	Project Completions	1-2018
2118	Minority, Woman Owned, Disadvantaged Business Enterprises & Sec. 3.....	1-218
2219	Procurement of Professional Services	1-219
230	Recapture Provisions	1-2219
241	Unobligated Funds	1-2219
252	Complaint Procedures	1-2219
263	Reallocation of Additional HUD Funds	1-220
274	Program Income Returned to the Business Council.....	1-231

CHAPTER 2

ECONOMIC DEVELOPMENT

1	Goals	2- 1
2	Benefit to Low and Moderate Income	2- 1
3	Funding Cycles & Application Approval.....	2- 1
4	Applicant's Contribution	2- 2
5	Ineligible Activities	2- 2
36	Downtown Development	2- 2
47	Infrastructure Economic Development Grants	2- 65
58	Planning Only Grants.....	2- 98

<u>69</u>	Technical Assistance Grants.....	2-141
<u>710</u>	Job Training Grants	2-195
<u>811</u>	Transfer of Funds	2-2218
<u>912</u>	Float and Section 108 Loan Guarantees ...	2-2218
<u>103</u>	Convertible Loan Program	2-252

~~CHAPTER 3 (REPEALED)~~

CHAPTER 34

COMMUNITY DEVELOPMENT PROGRAM

1	Goals	34- 1
2	Eligible Activities	34- 1
3	Low Priority Activities	34- 2
4	Type and Size of Grants	34- 2
5	Deadlines	4- 2
<u>56</u>	Previous Grantees	34- 2
<u>67</u>	Project Categories	34- 2
<u>78</u>	Ranking Criteria	34- 3
<u>89</u>	Minimum Submission Requirements of all Community Development Applications	34- 87
<u>910</u>	Lien Requirement.....	34- 108

CHAPTER 45

IMMINENT THREAT GRANTS

1	Imminent Threat Grants	45- 1
Appendix "A"	WYOMING LOW TO MODERATE INCOME LIMITS	A- 1
Appendix "B"	FEDERAL REQUIREMENTS	B- 1

This Page Intentionally Left Blank

WYOMING COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

FINAL RULES AND REGULATIONS

**CHAPTER 1
GENERAL POLICIES**

Section 1. Authority.

(a) These rules and regulations describe policies for the Wyoming Community Development Block Grant Program (CDBG) that was assumed by the state of Wyoming from the Department of Housing and Urban Development beginning with the Fiscal 1982 program. Rule-making for this program is the responsibility of the Wyoming Business Council as authorized by W.S. 9-12-104(a)(iv) and W.S. 9-1-216. The Wyoming Business Council will utilize these regulations to select and approve qualified community development grants, homeownership assistance, planning only grants, technical assistance, job training, downtown development, infrastructure applicants, convertible loans, section 108 loans, and float loans. Seventy percent (70%) of CDBG funds shall be used for the benefit of low to moderate income persons. ~~The staff and Board of the Wyoming Community Development Authority (WCDA) will select recipients of housing grants.~~

Section 2. Eligible Applicants.

(a) Only counties and incorporated cities and towns may apply. However, local governments may apply on behalf of other units of governments or special interest groups. The cities of Cheyenne and Casper are not eligible to apply, since funds are available to them under the HUD Entitlement Program. However, Laramie and Natrona counties may apply on behalf of a project located within the municipal boundaries of Cheyenne and Casper respectively, if it can be demonstrated the benefits of the project are available on a countywide basis.

(b) All applicants must certify that each project has allowed citizen comment through the public hearing process before submission to the Wyoming Business Council. (Refer to Section §11, Citizen Participation, for further information).

(c) All applications must be accompanied by a resolution passed by the city or town council or the county commissioners and signed by the chief elected official.

(d) Only one application from each local government will be accepted for the Community Development Program described in Chapter 4. More than one application from each local government will be accepted for the Economic Development Program described in Chapter 2.

(e) Joint applications from two or more eligible applicants are permissible. Applicants as part of a joint project cannot also apply as individual applicants for the Community Development Program described in Chapter 5.

(f) Economic development applications will be considered from counties and incorporated cities and towns on behalf of specific businesses. The sponsoring entity must demonstrate particular benefit accruing to that entity as a result of the grant. This benefit must pertain to one of the three national objectives listed below.

Section 3. National Objectives.

(a) No application will be considered unless it supports at least one of three National Objectives. The application must identify which of the three needs it meets. Not all National Objectives can be applied to all project types. The Division of Investment Ready Communities should be contacted to determine how a particular project might meet a National Objective. The three National Objectives are:

(i) Benefit to low and moderate income families.

(ii) Aid in the prevention or elimination of slums or blight.

(iii) Activities designed to meet community development needs having a particular urgency.

(b) Activities considered to benefit low to moderate income families are divided into four categories.

- (i) Area benefit activities
- (ii) Limited clientele activities
- (iii) Housing activity and

(iv) Job creation or retention activity.

(A) Area Benefit Activity.

(I) An area benefit activity is an activity that meets the identified needs of low to moderate income families residing in an area where at least fifty-one percent (51%) of the residents are low to moderate income persons. The benefits of this type of activity are available to all persons in the area regardless of income. Such an area must be the entire area served by the activity. An activity that serves an area that is not primarily residential in character shall not qualify under this criterion.

(II) To document area benefit the applicant must: (1) define the service area, and (2) collect income characteristics of families and unrelated individuals in the service area. The applicant may use either HUD provided data comparing census data with low and moderate-income levels or locally provided survey data that is methodologically sound.

(B) Limited Clientele Activities.

(I) Limited clientele activity is an activity that benefits a specific group of people rather than all the residents in a particular area, of which at least fifty-one percent (51%) are low to moderate income persons. To qualify under this category, the activity must meet one of the following tests:

(1.) The project must exclusively benefit a clientele who are generally presumed to be principally low and moderate income persons. The following groups are presumed to meet this criterion unless there is evidence to the contrary:

- a. Abused children
- b. Elderly persons
- c. Battered spouses
- d. Homeless persons
- e. Handicapped adults meeting the Bureau of Census' definition of severely disabled adults (See 24 CFR 570.483(b)(2)(ii)(A))
- f. Illiterate adults

- g. Persons living with AIDS, and
- h. Migrant farm workers.

(2.) Require information on family size and income so that it is evident that at least fifty-one percent (51%) of the clientele are persons whose family incomes does not exceed the low and moderate income limits.

(3.) Have income eligibility requirements limit the activity exclusively to low and moderate income persons.

(4.) Be of such a nature and location that it may be concluded that the activity's clientele will primarily be low and moderate income persons.

(II) Limited clientele projects also include special projects directed to the removal of material and architectural barriers in existing buildings restrict the mobility and accessibility of elderly or handicapped persons to publicly-owned and privately-owned non-residential buildings, facilities and improvements, and the common areas of residential structures containing more than one dwelling unit.

(C) Housing Activities.

(I) A low and moderate housing activity is an activity adds or improves permanent residential structures will be occupied by low to moderate income households upon completion. The housing can be either owner or renter occupied units in either one family or multi-family structures. Rental units occupied by low to moderate income households must be occupied at affordable rents and the applicant must have criteria for determining affordable rents for this purpose.

(D) Job Creation and Retention Activity.

(I) A low to moderate jobs activity is one creates or retains permanent jobs, at least fifty-one percent (51%) of which are either taken by low to moderate income persons or considered available to low to moderate income persons. Applies to economic development projects with the purpose of creating/retaining permanent jobs. Does not apply to community development projects with the purpose of providing a service to the community or limited clientele, such as a

community center, child day care facility or a senior center. In counting jobs, the following applies:

(1.) Part-time jobs must be converted to full-time equivalents.

(2.) Only permanent jobs count. Temporary jobs may not be included.

(3.) Seasonal jobs may be counted only if the season is long enough for the job to be considered as the employee's principal occupation.

(4.) All permanent jobs created by the activity must be counted even if the activity has multiple sources of funding.

(5.) Jobs created indirectly by an assisted activity may not be counted.

(6.) As a general rule, jobs from different businesses may not be aggregated. However, in certain cases such as where CDBG funds are used to acquire, develop, or improve real property, (e.g., a business incubator or an industrial park) jobs may be aggregated for all of the businesses locate on the property.

(7.) In any case where CDBG funds are used for public improvements (e.g., economic development infrastructure) jobs to be considered for meeting the job creation/retention requirement shall be all jobs created/retained by the business(es) originally assisted as well as any other business(es) that locates in the area within a period of one year following the completion of the funded activity. Except that, in any case where the amount of CDBG assistance provided for the public improvements in relation to the number of jobs projected to be created/retained by the originally funded business(es) is such that the amount per job does not exceed \$10,000, jobs created by businesses that locate in the area and benefit from the improvements need not be considered.

(II) To qualify for job retention, there must be clear and objective evidence that permanent jobs will be lost without CDBG assistance. In addition, at least fifty-one percent (51%) of the jobs at the time the CDBG assistance is

provided must be held by low to moderate income persons or the job can reasonably be expected to turn over within the following two years and that it will be filled by, or steps will be taken, to ensure that it is made available to a low or moderate income person upon turnover.

(c) Activities aid in the prevention or elimination of slums or blight. To qualify under elimination of slums and blight, an application must demonstrate that the following criteria have been met. An activity may qualify on either an area basis or a spot basis.

(i) Elimination of slums and blight on an area basis:

(A) The area must be designated by the applicant and that area must meet a definition of a slum, blighted, deteriorated or deteriorating area under state or local law. (See Wyoming SS 15-9-101 to 15-9-137).

(B) Throughout the area there is a substantial number of deteriorated or deteriorating buildings or the public improvements are in a general state of deterioration.

(C) The project must address one or more of the conditions contributed to the deterioration of the area.

(ii) Elimination of slums or blight on a spot basis. To comply with the National Objective of slums or blight outside a designated slum or blighted area, a project must meet the following criteria:

(A) The project must be designed to eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area; and

(B) The activity must be limited to acquisition, clearance, relocation, historic preservation or rehabilitation of buildings. Under this criterion rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.

(d) Activities designed to meet community development needs having a particular urgency. An activity will be considered to address this objective if the applicant certifies, and the state determines that:

(i) The activity is designed to alleviate existing conditions pose a serious and immediate threat to the health or welfare of the community. For example, damage to a municipal sewer lagoon due to a flood.

(ii) The threat is one of recent origin or one recently became urgent. A condition will be considered to be of recent origin if it developed or became urgent within eighteen months preceding the certification by the applicant.

(iii) The applicant is unable to finance the activity on their own, and other sources of funding are not available.

(e) To qualify for National Objective #1, at least 51 percent of the persons benefiting from the project must be from low and moderate income households. However, applicants are cautioned that they must show that moderate income families are not being benefited to the exclusion of low income families. The state will use the HUD section 8 limits for each county. (See Attachment A for limits).

(f) The state must show that at least 70 percent of its total federal funds, by activity, benefit low to moderate income families. Therefore, applicants applying under the remaining National Objectives may not be funded if the statewide 70 percent minimum is not met.

Section 4. Eligible Activities.

(a) The eligible activities are restricted to projects meeting the criteria outlined in section 105(a) of the Housing and Community Development Act of 1974, as amended through 1992.

Consistent with section 105(a), the following criteria shall be applied to determine eligible activities:

(i) The acquisition of real property (including air rights, water rights, and other interests therein) that are blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed from the standpoint of sound community development and growth; appropriate for rehabilitation or conservation activities; appropriate for the preservation or restoration of historic sites, the beautification of urban land, the conservation of open spaces, natural resources, and scenic areas, the provision of recreational opportunities, or the guidance of urban development; to be used for the provision of public works, facilities, and improvements eligible for

assistance under this title; or to be used for other public purposes;

(ii) The acquisition, construction, reconstruction, or installation (including design features and improvements with respect to such construction, reconstruction, or installation that promote energy efficiency) of public works, facilities (except for buildings for the general conduct of government), and sites or other improvements;

(iii) Code enforcement in deteriorated or deteriorating areas in which such enforcement, together with public or private improvements or services to be provided, may be expected to arrest the decline of the area;

(iv) Clearance, demolition, removal, and rehabilitation (including rehabilitation promotes energy efficiency) of buildings and improvements (including interim assistance, and financing public or private acquisition for rehabilitation, and rehabilitation, of privately owned properties and including the renovation of closed school buildings);

(v) Special projects directed to the removal of material and architectural barriers restrict the mobility and accessibility of elderly and handicapped persons;

(vi) Payments to housing owners for losses of rental income incurred in holding for temporary periods housing units to be utilized for the relocation of individuals and families displaced by activities under this title;

(vii) Disposition (through sale, lease, donation or otherwise) of any real property acquired pursuant to this title or its retention for public purposes;

(viii) Provisions of public services, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare or recreation needs, if such services have not been provided by the unit of general local government (through funds raised by the such unit, or received by such unit from the state in which it is located) during any part of the twelve-month period immediately preceding the date of submission of the statement with respect to those funds that are to be made available under this title, and are to be used for such services, unless the secretary of HUD finds that the

discontinuation of such services was the result of events not within the control of the unit of general local government, except that not more than 15 percent of the amount of any assistance to a unit of general local government (or in the case of non-entitled communities not more than 15 percent statewide) under this title including program income may be used for activities under this paragraph unless such unit of general local government used more than 15 percent of the assistance received under this title for fiscal year 1982 or fiscal year 1983 for such activities (excluding any assistance received pursuant to Public Law 98-8), in which case such unit of general local government may use not more than the percentage or amount of such assistance used for such activities for such fiscal year, whichever method of calculation yields the higher amount;

(ix) Payment of the non-federal share required in connection with a federal grant-in-aid program undertaken as part of activities assisted under this title;

(x) Payment of the cost of completing a project funded under title I of the Housing Act of 1949;

(xi) Relocation payments and assistance for displaced individuals, families, businesses, organizations, and farm operations, when determined by the grantee to be appropriate;

(xii) Activities necessary (A) to develop a comprehensive community development plan, and (B) to develop a policy-planning-management capacity so that the recipient of assistance under this title may more rationally and effectively (I) determine its needs, (II) set long-term goals and short-term objectives, (III) devise programs and activities to meet these goals and objectives, (IV) evaluate the progress of such programs in accomplishing these goals and objectives, and (V) carry out management, coordination, and monitoring of activities necessary for effective planning implementation;

(xiii) Payment of reasonable administrative costs related to establishing and administering federally approved enterprise zones and payment of reasonable administrative costs and carrying charges related to the planning and execution of community development and housing activities, including the provision of information and resources to residents of areas in which community development and housing activities are to be concentrated with respect to the planning and execution of such activities, and including the carrying out of activities as

described in section 701(e) of the Housing Act of 1954 on the date prior to the date of enactment of the Housing and Community Development Amendments of 1981; and

(xiv) Provision of assistance including loans (both interim and long term) and grants for activities are carried out by public or private nonprofit entities, including (A) acquisition of real property; (B) acquisition, construction, reconstruction, rehabilitation, or installation of (I) public facilities (except for buildings for the general conduct of government), site improvements, and utilities, and (II) commercial or industrial buildings or structures and other commercial or industrial real property improvements; and (C) planning;

(xv) Assistance to neighborhood-based non-profit organizations, local development corporations, non-profit organizations serving the development needs of the communities of non-entitlement areas, or entities organized under section 301(d) of the Small Business Investment Act of 1958 to carry out a neighborhood revitalization or community economic development or energy conservation project in furtherance of the objectives of section 101(c), and assistance to neighborhood-based non-profit organizations, or other private or public non-profit organizations, for the purpose of assisting, as part of neighborhood revitalization or other community development, the development of shared housing opportunities (other than by construction of new facilities) in which elderly families (as defined in section 3(b)(3) of the United States Housing Act of 1937) benefit as a result of living in a dwelling in which the facilities are shared with others in a manner that effectively and efficiently meets the housing needs of the residents and thereby reduces their cost of housing;

(xvi) Activities necessary to the development of energy use strategies related to recipient's development goals, to assure that those goals are achieved with maximum energy efficiency, including items such as --

(A) An analysis of the manner in, and the extent to, energy conservation objectives will be integrated into local government operations, purchasing and service delivery, capital improvements, budgeting, waste management, district heating and cooling, land use planning and zoning, and traffic control, parking, and public transportation functions; and

(B) A statement of the actions the recipient will take to foster energy conservation and the use of renewable energy resources in the private sector, including the enactment and enforcement of local codes and ordinances to encourage or mandate energy conservation or use of renewable energy resources, financial and other assistance to be provided (principally for the benefit of low and moderate income persons) to make energy conserving improvements to residential structures, and any other proposed energy conservation activities.

(xvii) Provisions of assistance to private, for-profit entities, when the assistance is appropriate to carry out an economic development project, (that shall minimize, to the extent practicable displacement of existing businesses and jobs in neighborhoods) that --

(A) Creates or retains jobs for low and moderate income persons;

(B) Prevents or eliminates slums and blight;

(C) Meets urgent needs;

(D) Creates or retains businesses owned by community residents;

(E) Assists businesses that provide goods or services needed by, and affordable to, low and moderate income residents; or

(F) Provides technical assistance to promote any of the activities under subparagraphs (A) through (E);

(xviii) The rehabilitation or development of housing assisted under section 17 of the United States Housing Act of 1937;

(xix) Provision of assistance to facilitate substantial reconstruction of housing owned and occupied by low and moderate income persons (A) where the need for reconstruction was not determinable until after rehabilitation under this section had already commenced, or (B) where the reconstruction is part of a neighborhood rehabilitation effort and the grantee (I) determines the housing is not suitable for rehabilitation, and (II) demonstrates to the satisfaction of the

secretary of the Department of Housing and Urban Development (HUD) that the cost of substantial reconstruction is significantly less than the cost of new construction and less than the fair market value of the property after substantial reconstruction;

(xx) Provision of technical assistance to public or nonprofit entities to increase the capacity such entities to carry out eligible neighborhood revitalization or economic development activities, assistance shall not be considered a planning cost as defined in paragraph (xii) or administrative cost as defined in paragraph (xiii);

(xxi) Housing services, such as housing counseling, energy auditing, preparation of work specifications, loan processing, inspections, tenant selection, management of tenant-based rental assistance, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in housing activities authorized under this section, or under title II of the Cranston-Gonzalez National Affordable Housing Act, except that, activities under this paragraph shall be subject to any limitation on administrative expenses imposed by any law;

(xxii) Provision of assistance by recipients under this title to institutions of higher education having a demonstrated capacity to carry out eligible activities under this subsection for carrying out such activities;

(xxiii) Provision of assistance to public and private organizations, agencies, and other entities (including nonprofit and for-profit entities) to enable such entities to facilitate economic development by;

(A) Providing credit (including providing direct loans and loan guarantees, establishing revolving loan funds, and facilitating peer lending programs) for the establishment, stabilization, and expansion of micro enterprises;

(B) Providing technical assistance, advice, and business support services (including assistance, advice, and support relating to developing business plans, securing funding, conducting marketing, and otherwise engaging in micro enterprise activities) to owners of micro-enterprises and persons developing micro-enterprises; and

(C) Providing general support (such as peer support programs and counseling) to owners of micro-enterprises and persons developing micro-enterprises;

(xxiv) Activities necessary to make essential repairs and to pay operating expenses necessary to maintain the habitability of housing units acquired through tax foreclosure proceedings in order to prevent abandonment and deterioration of such housing in primarily low and moderate income neighborhoods; and

(xxv) Provision of direct assistance to facilitate and expand home ownership among persons of low and moderate income (except that such assistance shall not be considered a public service for purposes of paragraph (viii) by using such assistance to:

(A) Subsidize interest rates and mortgage principal amounts for low and moderate income home buyers;

(B) Finance the acquisition by low to moderate income homebuyers of housing that is occupied by the homebuyers;

(C) Acquire guarantees for mortgage financing obtained by low and moderate income homebuyers from private lenders (except that amounts received under this title may not be used under this subparagraph to directly guarantee such mortgage financing and grantees under this title may not directly provide such guarantees);

(D) Provide up to 50 percent of any down payment required from low or moderate income homebuyers; or

(E) Pay reasonable closing costs (normally associated with the purchase of a home) incurred by a low or moderate income home buyer.

Section 5. Ineligible Activities.

(a) The following activities have been determined to be ineligible for economic development assistance because they have been determined to provide insufficient public benefit:

(i) General promotion of the community as a whole, as opposed to the promotion of specific areas and programs.

(ii) Assistance to professional sports teams.

(iii) Assistance to privately owned recreational facilities that serve a predominately higher income clientele, where the recreational benefit to users and members clearly outweighs employment or other benefits to low and moderate income persons.

(iv) Acquisition of land for which the specific proposed use has not yet been identified.

(v) Assistance to a for-profit business while that business or any other business owned by the same person(s) or entity(ies) is the subject of unresolved findings of noncompliance relating to previous CDBG assistance.

Section 56. Eligible Costs.

Administrative costs incurred in carrying out the program must not exceed 15 percent of the total program or project cost (20 percent for housing rehabilitation). Eligible administrative costs are defined as follows: Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development activities financed in whole or in part with funds from this program. General management, supervision and coordination, reasonable costs of overall program management, coordination, monitoring and evaluation, and similar costs associated with carrying out the overall project. Such costs include but are not limited to: salaries, wages, and related costs of the applicant's staff and the staff of local public agencies engaged in general management, coordination, monitoring and evaluation, travel costs incurred for official business in carrying out the project, administrative services performed under third-party contracts or agreements, including such services as general legal services and accounting services; and other costs for goods and services as rental and maintenance of office space, insurance, utilities, office supplies and rental of office equipment.

Section 67. Ineligible Costs.

(a) No costs may be paid with this program's funds that were incurred prior to the Wyoming Business Council and the

city, ~~town~~ or county signing the grant agreement, including but not limited to: preparing the application, travel, per diem and other expenses related to delivering or preparing the application; architectural engineering or planning costs to prepare specifications, plans, maps, etc.; site work such as soil surveys, surveying, etc.; attending or holding public hearings or workshops.

Section ~~3~~8. Funding Cycles and Application Approval.

(a) Requests for funds ~~planning only grants, technical assistance grants, job training grants, downtown development grants, infrastructure grants, convertible loans, float loans, and Section 108 loans~~ will be accepted semi-annually and scheduled for final review and award by the Wyoming Business Council. ~~The Wyoming Business Council will meet approximately quarterly. If funds from any program year are totally obligated, the Wyoming Business Council may make contingent awards based upon special or emergency circumstances and pending the receipt of future program year funds.~~

(b) A final draft application must be provided to the regional director no later than two (2) weeks prior to the application deadline set by the Wyoming Business Council.

(c) All applications must be postmarked no later than the date the Wyoming Business Council sets for receiving applications.

(d) One copy should be provided to the Regional Director. The original, one copy and one digital copy should be sent to:

Wyoming Business Council
Investment Ready Communities Division
214 West 15th Street
Cheyenne, WY 82002

Section 9. Applicant's Contribution

(a) The sponsoring public entity is responsible for all administrative duties and must provide an individual who will be responsible for seeing all contract agreements are met. If an application has been sponsored on behalf of a non-profit or a for-profit entity, a sub-agreement or development agreement delineating roles and responsibilities must be provided as an attachment to the grant agreement and then finalized upon grant

award as an attachment to the overriding grant agreement between the local government sponsor and any sub-recipients.

Section 710. Data Requirements.

(a) Data used to support an application must be from either federal or state sources to insure consistency among all applicants. The source of the data must be cited in the application. However, applicants may use data derived at the city or county level if they can satisfy staff of the Wyoming Business Council, that the data is accurate and will not give the applicant an unfair advantage over other applicants. The methodology used, sample size, data sources, etc., must be submitted to Wyoming Business Council with the application if other than federal or state information is used.

Section 811. Citizen Participation.

(a) Applicants are required to solicit citizen input through a properly publicized public hearing before submission of an application. For the purposes of this program seven (7) days is the minimum period for notification of a hearing date and notice should be advertised in a legal newspaper with common, local distribution or posted for a minimum of ten (10) calendar days in conspicuous public places if there is no local newspaper available. The hearing must inform citizens of the dollar amount available, dollar amount requested, the range of allowed activities, and other pertinent information. date, time and location of the meeting, type of grant application that will be submitted, amount of the request, name and brief description of the project for which grant funds are being requested, type and amount of matching funds that will be contributed and the CDBG National Objective that will be met. The intent of this process is to obtain citizen input, not to ~~tell the~~ inform the public citizens what the elected officials have already decided. ~~However, the elected officials may inform the public if a specific project is contemplated, such as projects under chapters two and five.~~ Citizens must also be provided an opportunity to comment if they are unable to attend the hearing and reasonable accommodations must be provided for those with disabilities. Minutes of the public hearing must be part of the application. For additional information on the citizen participation requirements, please reference the 2010 Citizen Participation Plan.

A grant may be awarded only if the applicant certifies that it has:

(i) Provided for and encouraged citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which CDBG funds are proposed to be used;

(ii) Provided citizens with reasonable and timely access to local meetings, information, and records relating to the local governments proposed and actual use of funds;

(iii) Provided for 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 grantee;

(iv) Provided for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities, and review of program performance, these hearings shall be held after adequate notice at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;

(v) Provided for a timely written answer to written complaints and grievances, within 15 working days where practicable; and

(vi) Identified how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate. Identified how the needs of handicapped/disabled individuals will be met in the case of public hearings.

Section 912. Housing and Community Development Plan.

(a) The Housing and Urban-Rural Recovery Act requires that grantees will identify their short and long terms goals for housing needs and community development, including low-moderate income needs, and the activities to address those needs, before any funds can be disbursed. Any reasonable plan will be accepted until the state has specific guidelines from HUD. In addition to the above items, the plan must also contain:

(i) A plan to minimize displacement of citizens with CDBG funds;

(ii) A plan to assist displaced persons should there be any;

(iii) A plan to affirm fair housing;

(iv) Data supporting housing needs and goals.

(b) The plan should be simple and reasonable, taking into account the limited resources and personnel available to the cities, towns, and counties. However, it should be a useful document.

Section 130. Audit.

(a) An annual audit is required for review by the Wyoming Business Council and a proportionate share of the cost of the audit may be paid for out of CDBG funds. All audits must follow the "single audit concept" of OMB Circular A-133.

Section 141. Federal Requirements.

(a) Applicants must be aware of all applicable federal requirements before they apply for funding. Attached are regulations may involve your project and with which you will be required to comply. See Attachment B.

Section ~~152~~. Program Income.

(a) All income derived from the program may be re-used by the grantee upon receiving approval of the use of the funds from the Wyoming Business Council **before** disbursement. The Wyoming Business Council shall require each grantee to disburse its program income prior to requesting additional funds from the Wyoming Business Council to finance the same type of project from which the program income was derived.

Section ~~163~~. State Historic Preservation Office (SHPO).

(a) Section 106 of the National Historic Preservation Act requires that cultural resources must be considered when federally funded projects are undertaken. This does not apply to Planning or Technical Assistance grant applications. Only if

~~the following types of projects are being undertaken, must the applicant consult with SHPO prior to submittal of an application:~~

~~(i) Any project located in a National Register Historic District.~~

~~(ii) Buildings over forty years old.~~

~~(iii) Projects involve previously undisturbed land and raw land developments.~~

(b) This provision does not require the applicant to receive SHPO clearance prior to submitting an application, but rather is intended to inform the applicant of the SHPO procedures that will be required if a grant award is made.

Section 174. Capital Recovery Costs.

(a) For public improvement projects, the grantee cannot recover any capital cost by assessing any amount against property owned and occupied by low and moderate income persons, including fees or assessments charged as a condition of obtaining access to such public improvements. This applies to water and sewer tap fees and local improvement district assessments. However, the costs are recoverable if:

(i) The CDBG funds received are used to pay the proportion of such fee or assessment that relates to the capital costs of the public improvements that are financed from revenue sources other than under this title;

(ii) For purposes of assessing any amount against properties owned and occupied by persons of low and moderate income who are not persons of very low income, the grantee certifies to the state that it lacks sufficient CDBG funds to comply with requirements of subparagraph (i).

Section 185. Lump Sum Drawdown.

(a) Lump sum drawdowns, other than for housing rehabilitation programs, cannot be made to any grantee until: (i) applicant has a signed contract with recipient; (ii) applicant has an executed loan agreement including, (if applicable) any sub-agreements or development agreements; and

(iii) funds are actually required by the recipient to meet disbursement needs.

(b) Recipients may not place funds in an interest bearing account for more than three days. This rule applies to all CDBG funds except those placed in a housing rehabilitation construction escrow account. Housing rehabilitation projects using lump sum drawdowns must make substantial disbursements within 180 days of the drawdown.

Section 196. Timely Progress.

(a) Grant agreements must be reviewed and signed Attorney General's Office, the Wyoming Business Council, and the grantee.

(b) HUD requires the state to obligate all funds within 15 months of receipt and to have all funds expended within 18 months of receipt. Therefore, tTimely progress of the project and a good faith effort of the grantee will be required in all contracts. ~~Planning Only and Technical Assistance grant contracts must be signed by the local government within forty-five (45) days of the award. Economic development infrastructure, downtown development and job training contracts must be signed within three (3) months. Community development project contracts must be signed within six (6) months. Failure to comply with these deadlines may result in the termination of the award by the Wyoming Business Council.~~

Section 2017. Project Completions.

(a) If circumstances arise that a project as applied for cannot be completed with available CDBG funds, the grantee will be required to complete the project with its own funds or reimburse the CDBG program.

Section 218. Minority, Woman Owned, Disadvantaged Business Enterprises and Section 3.

(a) The subgrantee must keep a file on its outreach efforts to minority, woman owned, and disadvantaged business entities~~fforts~~, both in trying to attract minority such businesses as bidders and the number of minorities~~low income~~ persons hired on the project. This is not a requirement to hire a minimum number ~~of minorities~~, but an effort to see they have the opportunity to participate.

Section 2219. Procurement of Professional Services.

(a) Federal procurement regulations (24 CFR Part 85) must be followed. If your local requirements are more stringent, please adhere to those.

(b) There is no 5% preference for Wyoming contractors as this is Federal funding.

~~Federal law requires the procurement of professional services be on a competitive basis when procurement is being undertaken by a governmental or non-profit entity. Therefore, grantees will be required to send out a request for proposal (RFP) for professional services. This insures you are paying a competitive price for those services.~~

(~~b~~c) If the CDBG grant is on behalf of a for-profit business, the standard procurement regulations do not apply if the for-profit directly pays for the services. The bidding process for contractors should be encouraged but is not required.

(c) Consultants wishing to ~~bid~~ submit proposals on Planning Only and Technical Assistance projects must be pre-qualified by the WBC. Pre-qualification includes submission of the following information to the WBC staff who will review the information provided and notify the consultant in writing of their eligibility for submitting proposals~~bidding~~. Notification will be provided within sixty (60) days of submission of information. Pre-qualification must be renewed every three (3) years.

(i) Work history: Information on current projects as well as past work for a period of at least ten (10) years.

(ii) References: At least three (3) references able to speak to skills, quality of work product and reputation.

(iii) Financial stability: Three (3) years financials or tax returns and a current business plan.

Section 230. Recapture Provisions.

(a) Funds that are returned to the Wyoming Business Council from contract terminations or that are not expended by a project shall be awarded to new projects that are funded to complete the same type of activity that the original grant was funded to complete. Example: If a community development project does not expend the entire award, the remaining balance will be allocated to a new community development project when the awards for those grants take place. Recaptured economic development funds would be awarded to new economic development grants.

Section 241. Unobligated Funds.

(a), All unobligated funding from previous program year allotments will be allocated to the Community Development Program's allocation.

(b) The Wyoming Business Council may take action to allocate a portion of the unobligated economic development project funds as described in Section V.A.2. Program Budget, of the Wyoming Consolidated Plan, to community development as described in Chapter 4. The amount to be reallocated will be at the discretion of the Wyoming Business Council, based on anticipated demand for Economic Development funds. .

Section 252. Complaint Procedures.

(a) Citizens have the right to offer their views at any point during the development and implementation of a Community Development Block Grant (CDBG) project. Any comments, suggestions, criticisms or complaints made by a citizen must be taken seriously and responded to promptly. Written complaints and grievances should be responded to within fifteen (15) working days of their receipt where practicable. Telephoned or oral complaints should also have a prompt response documented.

(b) When a citizen wishes to voice an opinion concerning a project, they should first voice their comments to the local government. If the local government is prompt with an adequate response, the process usually ends at this point. A slow or inadequate response may result in the complaint being filed with the Wyoming Business Council, the governor, the U.S. Department of Housing and Urban Development, or a member of Wyoming's congressional delegation.

(c) The normal procedure, if a complaint is filed with any of the above referenced entities, is for the staff of the

Wyoming Business Council to refer the complaint back to the local officials for a response. The Wyoming Business Council will not dictate the form or manner of the response to local officials, but will be available to advise the community regarding applicable federal and state requirements that may be at question. In all cases the final resolution of the complaint is the authority and responsibility of the local grant recipient. When the grant recipient has reached a decision as to whether or how the complaint is to be resolved, the Wyoming Business Council will communicate the local government's decision to the agency or office originally referred it to them for action.

(d) Records of all citizen comments, whether in the form of letters or written notes summarizing telephoned or oral comments, should be placed in the citizen participation file for the project, along with the community's letter of reply or notes indicating how the grant recipient responded to the comment. Federal regulations require that the project completion report prepared by the grantee for project closeout include a summary of each citizen comment regarding the project, along with an assessment of the comment and a description of any action taken in response to the comment.

Section 263. Reallocation of Additional HUD Funds.

(a) In the event HUD allocates additional funds to the program, those funds will be split among the grant categories proportionate to the current distribution.

Section 274. Program Income Returned to the Wyoming Business Council

(a) All income derived from the program may be re-used for any eligible activity allowed by the state of Wyoming CDBG program.

This Page Intentionally Left Blank

CHAPTER 2
ECONOMIC DEVELOPMENT PROGRAM

Section 1. Goals.

(a) Goal 1. To provide for the creation and retention of ~~permanent primary jobs that are above the current average wage,~~ available to low and moderate income people and aid in the diversification of the Wyoming economy.

(b) Goal 2. To encourage the leveraging of public and private economic development dollars through the incentive of money available through the CDBG program.

Section 2. Benefit to Low and Moderate Income Individuals.

(a) In order for CDBG funds to be used for any economic development projects wishing to be funded under the national objective of benefit to low and moderate income persons, it must be documented that no fewer than 51 percent of the jobs to be created will be given to individuals from low to moderate income households. Appendix A includes the household income for each county that qualifies a person as low to moderate income. It should be noted that the amounts shown under household size reflect the amount of income from all income-earning members of the household at the time employment begins. For example: If a company in Albany county employs a person from a household of two individuals, it cannot be assumed that as long as they pay the individual less than \$38,500 per year the benefit to low/moderate income individuals has been met. If the other individual inhabiting the household is employed and earning \$20,000/year and the person they wish to hire is also employed and earning over \$18,500 per year, there has not been any benefit to low/moderate income individuals if the individual is hired. If the person the company wishes to hire is unemployed, the total household income is then considered to be \$20,000 and they may hire the individual, pay him or her whatever they wish, and conclude that the benefit to low to moderate income individuals requirement has been met. It is imperative, therefore, that the company carefully screen and document each potential employee to be benefited by CDBG assistance.

~~Section 3. Funding Cycles and Application Approval.~~

~~(a) Requests for planning only grants, technical assistance grants, job training grants, downtown development grants, infrastructure grants, convertible loans, float loans, and Section 108 loans will be accepted and scheduled for final review and award by the Wyoming Business Council. The Wyoming Business Council will meet approximately quarterly. If funds from any program year are totally obligated, the Wyoming Business Council may make contingent awards based upon special or emergency circumstances and pending the receipt of future program year funds.~~

~~Section 4. Applicant's Contribution.~~

~~(a) The sponsoring public entity is responsible for all administrative duties and must provide an individual who will be responsible for seeing all contract agreements are met.~~

~~Section 5. Ineligible Activities.~~

~~(a) The following activities have been determined to be ineligible for economic development assistance because they have been determined to provide insufficient public benefit:~~

~~(i) General promotion of the community as a whole, as opposed to the promotion of specific areas and programs.~~

~~(ii) Assistance to professional sports teams.~~

~~(iii) Assistance to privately owned recreational facilities that serve a predominately higher income clientele, where the recreational benefit to users and members clearly outweighs employment or other benefits to low and moderate income persons.~~

~~(iv) Acquisition of land for which the specific proposed use has not yet been identified.~~

~~(v) Assistance to a for-profit business while that business or any other business owned by the same person(s) or entity(ies) is the subject of unresolved findings of noncompliance relating to previous CDBG assistance.~~

~~Section 36. Downtown Development~~

(a) Funds have been set aside to assist local governments fund projects located in their downtown area. Assistance in the area can be any eligible activity, however, it is anticipated projects will generally include assistance for public facilities, rehabilitation of commercial buildings, historic preservation, and land acquisition and clearance.

(b) Generally, downtown projects will be fundable under the National Objective of elimination of slums and blight and job creation and retention for low to moderate income persons. However, some projects may qualify under another National Objective.

(c) Requirements that must be addressed in the application:

(i) Description of the project including expert and concise cost estimates.

(ii) Detailed project budget.

(iii) Information adequate to demonstrate compliance with a national objective.

(iv) ~~Duration of the p~~Project timeline.

(v) Completeness of the project, including other sources of funding.

(vi) Adequate information to evaluate the project against the numerical rating system.

(vii) ~~When required e~~Evidence that the SHPO was contacted and consulted and a brief narrative of the results of the consultation. (See Chapter 1, Section 13)

(viii) An assessment of probable operation and maintenance costs of the facility or site improvement(s) to be constructed using CDBG funds, and an explanation of how those costs will be funded.

(ix) A narrative explanation of how the project will either directly or indirectly provide for the creation and/or retention of ~~permanent primary~~ jobs that are above the current average wage available to low to moderate income persons and aid in the diversification of the Wyoming economy.

(x) Signed Certification of Applicant and supporting documentation for the citizen participation process including a copy of the public notice, resolution, and a signed copy of the meeting minutes.

(xi) A draft development agreement and three years of financial statements, tax returns, current business plan, and evidence of good standing with the Secretary of State's office if the project involves a sub-recipient.

(xii) Site map and photographs of the project site.

(xiii) If the project involves acquisition it is imperative that the applicant contact the WBC and should not execute any agreements prior to doing so.

In determining the process for selection of projects, the Wyoming Business Council staff will evaluate each application for completeness based upon the requirements listed previously. The application will be rated according to the numerical system below (100 points possible). In order for a project to be considered by the Wyoming Business Council, the application must be rated according to the numerical system below and must receive a minimum of 75 points.

(e) Downtown development numerical rating:

(i) Job creation - Up to 20 points. Emphasis is placed upon projects that create/retain jobs. ~~Projects that propose to create jobs directly shall receive 25 points. A project that can demonstrate the capability for indirect job creation/retention will receive a total of 15 points.~~

(ii) Economic Development Benefit Organization - Up to 30 points. Emphasis will be placed upon how the project will positively impact local, regional, and state economic development efforts. ~~This measures the applicants commitment to downtown development. The application should describe how the community is actively organized to plan and implement downtown development projects. Communities that can demonstrate the existence of a viable downtown organization actively involved in the promotion and development of the downtown shall receive 25 points. Applicants that do not have an active downtown organization shall receive 15 points.~~

- (iii) Integrated Effort - Up to 50 points.
- (A) Partners - Up to 20 points. Are there partners in the project? Please describe them and their contribution.
 - (B) Percentage of CDBG funds - Up to 10 points. What percentage is CDBG of the total project?
 - i. 0-25% - 10 points
 - ii. 26-50% - 5 points
 - iii. 51-100% - 0 points
 - (C) Operations and Maintenance - Up to 10 points. How will operations and maintenance expenses be addressed?
 - (D) Community Readiness - Up to 10 points. Is there community readiness potential in this project?

~~(iv) Projects indicate financial support for the project from other sources will be given preference over those have no other source of financing. Any application that documents financial support (cash) from another source in the amount of twenty five percent (25%) or more of the total project costs shall receive 25 points. An application with less than twenty-five percent (25%) shall receive 15 points.~~

~~(iv) Potential economic benefit -- It is important to demonstrate the overall economic boost that would accrue to a community if the grant is awarded. Special emphasis will be given to those projects located in areas that are severely economically distressed. Applicants, who are located in areas where the current unemployment rate exceeds the state average, shall receive 25 points. Applicants located in other areas shall receive 15 points.~~

~~(f) Other review criteria:~~

~~(i) When reviewing projects the Wyoming Business Council may give favorable consideration to projects can demonstrate, 1) significant private sector investment into the project, 2) additional economic activity in the community, 3) historic value, and 4) broad based participation and support by the community.~~

~~(ii) The Wyoming Business Council may not approve a proposal if the applicant cannot demonstrate how the project would either directly or indirectly create or retain jobs in the community.~~

~~(g)~~ A maximum of \$500,000 per grant will be allowed.

Section 47. Economic Development Infrastructure Economic Development Grants.

(a) Funds have been set aside for economic development infrastructure grants. ~~The Wyoming Business Council will award all grants.~~ Such grants will allow communities to purchase and/or improve sites for the benefit of a specific identified business project.

(b) The primary intent of this program is to provide funds to local governments to pay for services that the entity normally provides to a business at a certain cost. Normally, this involves sewer and water lines, fire protection, power lines, roads, public access, etc. Funding to purchase buildings and/or land is eligible, but only if the local government intends to maintain ownership of the property. The government entity could lease the property to the business for a nominal amount, or could negotiate a lease/purchase agreement with the company. The program does not intend, however, for local government to purchase land and/or a building to give to a business entity.

(c) Requirements that must be addressed in the application:

~~(i) Funds will be used only for site purchase or site improvements.~~ A detailed description of the proposed use of the funds, ~~a map of the site,~~ explanation of ownership, and ~~an~~ expert and concise cost estimates must be provided.

(ii) The business(es) to be benefited must submit a business plan, ~~and current~~ three years financial statements and tax returns to the Wyoming Business Council. The grant may be denied if the business is not determined to be viable.

(iii) In the event that no new jobs are planned to be created, documentation must be provided that demonstrates at least 51 percent of the current employees are from low/moderate income households. If the application is based on job retention, it must also be documented that the existing jobs will be lost if the grant is not approved and the ~~improvement~~ infrastructure not completed.

(iv) If the business is new, there must be a signed commitments by the business that their relocation or expansion will occur, and a ~~A~~ list by job titles and annual income of all new jobs to be created ~~must be submitted.~~

(v) The business must certify that at least 51 percent of all new jobs created will be ~~given~~ made available to low/moderate income individuals.

~~(vi) A copy of the sponsoring applicant's resolution and the certification of citizen participation (see Chapter 1, Section 2 and 8) must be submitted.~~

(vi±) A statement of proposed impact upon the community.

(vii±) Documentation by the community that no other funding source exists.

(viii*) Certification by the local government and the business that in the event the business does not locate on the improved site, all grant funds will be returned to the state.

(ix) ~~When required~~ eEvidence that the SHPO was contacted and consulted and a brief narrative of the results of the consultation. (See Chapter 1, Section 13)

(xi) An assessment of probable operation and maintenance costs of the facility or site improvement(s) to be constructed using CDBG funds, and an explanation of how those costs will be funded.

(xi) A narrative explanation of how the project will either directly or indirectly provide for the creation and retention of ~~permanent primary jobs that are above the current average wage available to low to moderate income persons,~~ and aid in the diversification of the Wyoming economy.

(xii) A detailed project budget.

(xiii) Signed Certification of Applicant and supporting documentation for the citizen participation process including a copy of the public notice, resolution and a copy of the official meeting minutes.

(xiv) A draft development agreement and evidence of the business' good standing with the Secretary of State's office.

(xv) Site map and photographs of the project site.

(xvi) If the project involves acquisition it is imperative that the applicant contact the WBC and should not execute any agreements prior to doing so.

~~(d) Minimum threshold requirements~~

~~(i) In determining the selection of projects, the each application will be reviewed for completeness based upon the requirements listed previously. In order for a project to be considered by the board, the application must be determined to be complete and must receive a minimum of sixty (60) points, of which at least twenty (20) must come from the cost per job category. A total of one hundred (100) points are possible. Each application will be rated to determine the amount of points to be awarded by using the numerical system that follows (100 points possible):~~

(Ai) Cost per job - Up to 20 points. If the CDBG total cost of the project is \$5,000 or less per retained or newly created job, a total of ~~35~~20 points will be awarded. \$10,001 to \$15,000 per job will receive ~~30~~15 points. An expenditure/job ratio between \$15,001 to \$25,000 will be ~~25~~10 points; and \$25,001 to \$35,000 will be ~~20~~5 points. If the total cost of the project exceeds \$35,000 per job, then zero (0) points will be awarded.

(Bii) Potential economic benefit/job creation - Up to 20 points - it is important to demonstrate the overall economic boost that would accrue to a community if the grant is awarded.

~~Special emphasis will be given to those projects located in areas that are severely economically distressed. Applicants who are located in areas where the current unemployment rate exceeds the state average, shall receive 35 points. Applicants located in other areas shall receive 25 points. Emphasis will be placed on documentation of jobs retained (if applicable), job creation, and the positive impact to local, regional, and state economic development efforts.~~

(Eiii) Integrated effort - Up to 50 points.

- (A) Partners - Are there partners in the project? Please describe them and their contribution. Up to 20 points.
- (B) CDBG Percentage - What percentage is CDBG of the total project funding? Up to 10 points.
 - a. 0-25% - 10 points
 - b. 26-50% - 5 points
 - c. 51-100% - 0 points
- (C) Operations and Maintenance - How will maintenance and operational expenses be addressed? Up to 10 points.
- (D) Community Readiness - Is there a community readiness potential in this project? Up to 10 points.

(e) A maximum of \$500,000 per grant will be allowed.

Section 5~~8~~. Planning Only Grants.

(a) Funds have been set aside for planning only grants. Planning grants will be available to local governments and non-profit entities to perform ~~feasibility~~ studies related to increased economic development and community development. However, non-profit start-ups in the very early stages of development may be referred to other programs. ~~To be considered for such a grant, it is necessary to have a resolution of endorsement passed by the sponsoring entity and certification of public participation through the public hearing process. (See Chapter 1, Sections 2 and 8).~~ There are three types of planning grants available:

(i) Community Development and Economic Development plans, \$50,000 maximum award with a cash match of 25% ~~required match~~ of the total project cost. Preference will be given to communities with current plans seven years old or older.

(ii) Housing plans, assessments or development codes which will benefit low and moderate income people, \$20,000 maximum award with a cash match of 25% ~~cash match~~ of the total project cost.

(iii) Feasibility studies and site specific development studies that may create job opportunities or otherwise benefit ~~for~~ low and moderate income people, or otherwise benefit low and moderate income people, \$15,000 maximum award with a 25% cash match

(b) Each APPLICATION must also address the following requirements:

- (i) Description of the project;
- (ii) Impact on the community;
- (iii) ~~Duration of the p~~Project timeline;
- (iv) Number of potential jobs to be created or retained;
- (v) Detailed budget ~~for amount requested~~;
- (vi) Desired results;
- (vii) Principals involved;
- (viii) Which National Objective could be met and the potential for compliance with that National Objective; involved ~~(see Chapter 1, Section 3)~~;
- (ix) Existing non-profits must furnish three years of financial statements and their current business plan;

(x) New non-profits must furnish three years of pro-forma financial information and their business plan;

(xi) Consulting work must be obtained from a qualified, disinterested third party;

(xii) APPLICANT MUST DEMONSTRATE METHODOLOGY FOR FUNDING IMPLEMENTATION OF THE PROJECT.

(xiii) A narrative explanation of how the project will ~~either directly or indirectly provide for the creation and retention of permanent primary jobs that are above the current average wage, and aid in the diversification of the Wyoming economy.~~ positively impact local, regional, and State economic development efforts.

~~(xiv) Planning grants must demonstrate the potential for compliance with a national objective.~~

(c) Ineligible activities for planning grants.

(i) Payment of costs associated with the implementation of:

(A) Marketing studies/strategies.

(B) Feasibility studies.

(C) Targeted industry studies.

(D) Economic development plans.

(ii) Payment of reproduction costs of any promotional materials.

(iii) Payment of salary costs of local government or non-profit organization employees.

(iv) Payment of travel costs for anyone other than consultants.

(e) Grant numerical rating system. In determining the process for selection of the projects, the Wyoming Business Council staff will evaluate each application for completeness based upon the requirements listed previously. ~~In order for a~~

~~project to be considered by the Wyoming Business Council, the application must be determined to be complete and must also receive a minimum of sixty (60) points from a total of one hundred (100) points available. Each application will be rated to determine the amount of points to be awarded by using the numerical system that follows (100 points possible):~~ Please note that housing applications will be scored differently.

(i) Comprehensive Community and Economic Development and Planning only feasibility study application grant numerical rating system.

(A) Job creation - Up to 20 points. Emphasis is placed upon the projected number and type of jobs created/retained should the results of the study prove positive.

~~Projects that propose to create an amount of jobs directly shall receive 35 points. A project that can demonstrate a potential for indirect job creation will receive a total of 25 points.~~

(B) Integrated effort - Up to 50 points.

1. Partners - Up to 20 points. Are there partners in the project? Please describe them and their contribution.
2. CDBG Percentage - Up to 10 points. What percentage is CDBG of the total project funding?
 - a. 0-25% - 10 points
 - b. 26-50% - 5 points
 - c. 51-100% - 0 points
3. Operations and Maintenance - Up to 10 points. How will maintenance and operational expenses be addressed?
4. Community Readiness - Up to 10 points. Is there community readiness potential in this project?

~~Projects that indicate financial support from other sources will be given preference over those that have no other source of financing. Any application that documents financial support (cash) from other sources for a minimum of 40 percent of total eligible project costs shall receive the maximum of 35 points. Applications that document financial support in the amount of 30 percent to 39 percent of the total eligible project costs shall receive 30 points. A project that indicates only the required 25 percent match from other sources, shall receive 25 points.~~

(C) Potential economic benefit - Up to 20 points. It is important to demonstrate the overall economic boost that would accrue to a community or region if the results of the study were implemented. Considerations include: Will jobs be retained and if so, is proper documentation of such provided? Will new jobs be created? How many and what type? What is the current economic condition of the community or surrounding area (i.e. unemployment rate)? What will the overall positive impact be to the local, regional, and State economic development efforts? Special emphasis will be given to those projects located in areas that are severely economically distressed. Applications that document intent to implement a project in areas where the current unemployment rate exceeds the state average, shall receive a maximum of 30 points. Projects located in other areas shall receive 20 points.

(ii) Housing application numerical rating system.

- (A) Housing - Up to 20 points. Considerations include the basis for the housing study to be conducted, how additional units will contribute to the economy of the community.
- (B) Integrated efforts - Up to 50 points.
 - a. Partners - Up to 20 points. Are there partners in the project? Please describe them and their contribution.
 - b. CDBG Percentage - Up to 10 points. What percentage is CDBG of the total project funding?
 - i. 0-25% - 10 points
 - ii. 26-50% - 5 points
 - iii. 51-100% - 0 points

- c. Operations and Maintenance - Up to 10 points. How will maintenance and operational expenses be addressed?
- d. Community Readiness - Up to 10 points. Is there community readiness potential in this project?
- (C) Potential Economic Benefit - Up to 30 points. It is important to demonstrate the overall economic boost that would accrue to a community or region if the results of the study were implemented. Considerations include: Would the addition of housing have an effect on jobs being retained or created? What is the current economic condition of the community or surrounding area (i.e. unemployment rate)? What will the overall positive impact be to the local, regional, and state economic development efforts?

(D) Additional review criteria for all planning grants:

(I) It is important that ~~project developers~~ applicants and (if applicable) sub-applicants have a clear view of how study findings will be implemented and financed. Therefore, when reviewing and approving proposals the Wyoming Business Council will give favorable consideration to projects that: (1) involve municipalities and organizations that have a track record of success, as well as the personnel and resources in place for project implementation, and (2) have funds available and dedicated for implementation of study recommendations, and (3) ~~have identified capable developers committed to implementation of study recommendations.~~

(II) The Wyoming Business Council may not approve a proposal if the applicant cannot demonstrate how the project would either directly or indirectly create or retain jobs in the community.

Section 69. Technical Assistance Grants.

(a) Funds have been set aside for technical assistance grants. Technical assistance grants will be available to for-profit or non-profit enterprises ~~wishing to start, expand, or retain existing businesses. However, business start-ups in the very early stages of development may be referred to other programs.~~ A maximum of \$7,500 per technical assistance grant will be allowed. ~~To be considered for such a grant, it is necessary to have a resolution of endorsement passed by the sponsoring entity and certification of public participation through the public hearing process. (See Chapter 1, Sections 2 and 8).~~

(b) To be eligible for consideration, each technical assistance grant application must demonstrate a 25 percent (25%) ~~"hard dollar cash" match is obligated to eligible project costs.~~ The 25 percent cash match for technical assistance grants must originate from the benefiting business, or a private investor, or the non-profit organization. The 25 percent match will be applied to the total project costs.

(c) Each APPLICATION must also address the following requirements:

- (i) Description of the project;
- (ii) Impact on the community;
- (iii) ~~Duration of the p~~Project timeline;
- (iv) Number of potential jobs to be created or retained;
- (v) Detailed budget for amount requested;
- (vi) Desired results;
- (vii) Principals involved;
- (viii) National Objective involved (see Chapter 1, Section 3);
- (ix) Existing businesses or non-profits must furnish three years of financial statements and their current business plan;

(x) For new businesses, the principals must furnish current financial information on themselves and three years of pro-forma financial statements for the project;

(xi) Consulting work must be obtained from a qualified, disinterested third party. APPLICANTS FOR TECHNICAL ASSISTANCE GRANTS ARE ENCOURAGED TO NAME THEIR CONSULTANT AT THE TIME OF APPLICATION;

(xii) APPLICANT MUST DEMONSTRATE METHODOLOGY FOR FUNDING IMPLEMENTATION OF THE PROJECT.

(xiii) A narrative explanation of how the project will either directly or indirectly provide for the creation and retention of permanent primary jobs that are available to low and moderate income persons above the current average wage, and aid in the diversification of the Wyoming economy or a narrative explanation of how the technical assistance will increase the capacity of the non-profit organization and how that benefits low to moderate income persons.

(d) Eligible activities for technical assistance. The purpose of technical assistance grants are to assist for-profit businesses to conduct project planning and research and to assist non-profit entities with capacity building. Only project development costs are allowed, costs associated with project implementation are not eligible. ~~For example, costs for the preparation of a marketing study are allowed, however, the costs to implement the study are not. Using this example such costs as salespersons salaries or commissions, cost of printing promotional brochures and travel costs associated with selling the product are not allowed.~~ It is not the intent of the Technical Assistance grant program to infuse capital to pay for the costs of selling or manufacturing a new product, but rather to help pay the costs associated with research and development of new products and markets and capacity building.

(i) Payment of costs associated with the development of:

- (A) Business plans.
- (B) Marketing studies/strategies consultation.
- (C) Feasibility studies.

- (D) Prototype development and testing.
- (E) Packaging design consultation.
- (F) Marketing, sales and cash flow management consultation.

(ii) Technical assistance grants must demonstrate the potential for compliance with a national objective.

(e) Ineligible activities for technical assistance Grants.

(i) Payment of costs associated with the implementation of:

- (A) Business plans.
- (B) Marketing strategies.
- (C) Feasibility studies.

(ii) Payment of the salary costs of business principals or their employees.

(iii) Payment of travel costs for anyone other than consultants.

(iv) Payment of patent and copyright fees.

(f) Technical assistance numerical rating. In determining the process for selection of the projects, the Wyoming Business Council staff will evaluate each application for completeness based upon the requirements listed previously. ~~In order for a project to be considered by the Wyoming Business Council, the application must be determined to be complete and must also receive a minimum of sixty (60) points from a total of one hundred (100) points available. Each application will be rated to determine the amount of points to be awarded by using the numerical system that follows (60 points possible). In addition, applications requesting a technical assistance grant must receive at least ten (10) points in the job creation category in order for the application to be considered by the board.~~

(i) Proposed action Up to 20 points. - Emphasis is placed upon the probability of the project's implementation. If businesses or non-profits can demonstrate the commitment of funds from programs whose purpose is to bring new products into the marketplace or demonstrate that increased capacity will increase a programs' beneficiaries, a maximum of 35 20 points will be awarded. Businesses or non-profits that are either already in production operation or (in the case of a manufacturing business) have secured necessary production financing will also receive a maximum of 3520 points. Businesses requiring assistance to retain existing jobs will also be eligible for 3520 points. If the applicant is a private individual, ~~or~~ group, or non-profit intending to start a new business or organization, the sum of 2010 points shall be awarded. Existing ~~businesses~~ entities that desire expansion, but are only in the process of formulating a concept, will ~~also~~ receive 205 points.

(ii) Job creation - Up to 20 points possible. Emphasis is placed upon the projected number of jobs created/retained, or the positive effects of increased capacity should the results of the study prove positive. ~~Projects that propose to create 1 to 4 jobs shall receive 10 points. Projects that propose to create 5 to 10 jobs shall receive 20 points. Projects that propose to create 11 to 15 jobs shall receive 25 points and projects creating over 15 jobs shall receive 35 points.~~ Applicants are requested cautioned to be conservative in estimating job creation since the rationale for the projections will be closely reviewed and actual jobs created or retained will require verification. ~~questioned.~~

(iii) Potential economic benefit - Up to 20 points possible. It is important to demonstrate the overall economic boost that would accrue to a community or region if the results of the study were implemented. Special emphasis will be given to those projects located in areas that are severely economically distressed. ~~Applications that document intent to implement a project in areas where the current unemployment rate exceeds the state average, shall receive a maximum of 30 points. Projects located in other areas shall receive 20 points.~~

(A) Additional review criteria:

(1) It is important that project developers applicants have a clear view of how study findings will be

implemented and financed. Therefore, when reviewing and approving proposals the Wyoming Business Council will give favorable consideration to projects that: (1) involve companies that have a track record of success, as well as the personnel and resources in place for project implementation, and (2) have funds available and dedicated for implementation of study recommendations, and (3) ~~have identified capable developers committed to implementation of study recommendations.~~

(2) The Wyoming Business Council may not approve a proposal if the applicant cannot demonstrate how the project would either directly or indirectly create or retain jobs in the community.

Section 710. Job Training Grants.

(a) Funds have been set aside for job training grants. Job training grants will be available to for-profit and non-profit entities that can demonstrate the need for specially trained employees in their workplace. To be considered for such a grant, it is necessary to have a resolution of endorsement passed by the sponsoring entity and certification of public participation through the public hearing process. (See Chapter 1, Section 2 and 8). Applicants are urged to contact the University of Wyoming or their local community college when preparing the training curriculum to determine ways to utilize resources available at these institutions.

(b) To be eligible for consideration, each grant application must contain the following:

- (i) A detailed budget.
- (ii) Explanation of why specialized training of employees is required.
- (iii) Documentation that qualified workers do not exist in the community.
- (iv) An explanation of why CDBG funds are necessary.
- (v) Complete description of the proposed training curriculum complete with the name(s) of the individuals that

will conduct the training. Resumes or qualifications statements must be included.

(vi) A list of each job classification/position that will require utilization of CDBG training funds that includes:

- (A) Brief job description.
- (B) Educational/job experience requirements.
- (C) Salary range.

(vii) A plan of action by the business for solicitation and validation of low to moderate income workers.

(viii) A narrative explanation of how the project will either directly or indirectly provide for the creation and retention of permanent primary jobs that are above the current average wage, and aid in the diversification of the Wyoming economy.

(c) Eligible expenditures of job training Funds

(i) Instructor salaries. This does not include the salary of the owners or other company personnel.

(ii) Training materials and supplies.

(iii) Tuition costs.

(iv) Travel associated with training.

(v) Training system design.

(vi) Leasing of training equipment.

(d) Ineligible Expenditures of Job Training Funds

(i) Purchase of training equipment.

(ii) Payment of employee salaries that are receiving training.

(e) ~~In determining the process for selection of the projects,~~ The Wyoming Business Council staff will evaluate each application for completeness based upon the requirements listed

previously. In order for a project to be considered by the Wyoming Business Council, the application must be rated according to the numerical system below (100 points possible). ~~and must receive a minimum of 60 points.~~

(f) Job training grant numerical rating system.

(i) Businesses proposing to train for "primary" jobs will receive 250 points. Businesses proposing to train for "secondary" jobs shall receive 10 points. "Primary jobs" are positions that provide goods and services that are primarily exported from the state, that gain market share from imports to the state, or that meet an unmet need in the area and result in the creation of new wealth. Primary jobs are derived from businesses that bring new income into an area, stimulate other local businesses, or assist a community to diversify and stabilize its economy. "Secondary jobs" are those that provide goods and services primarily in their local areas. The jobs created are in response to other business activity in the area, and would be lost if the local population decreased. The jobs do not create new income, but redistribute income in the local area.

- (ii) Integrated effort - Up to 50 points.
 - (i) Partners - Up to 20 points. Are there partners in the project? Please describe them and their contribution.
 - (ii) CDBG Percentage - Up to 10 points. What percentage is CDBG of the total project funding?
 - a. 0-25% - 10 points
 - b. 26-50% - 5 points
 - c. 51-100% - 0 points
 - (iii) Operations and Maintenance - Up to 10 points. How will maintenance and operational expenses be addressed?
 - (iv) Community Readiness - Up to 10 points. Is there community readiness potential in this project?

~~Projects that indicate financial support from other sources will be given preference over those that have no other source of financing. Any application that documents financial support (cash) from other sources for a minimum of 40 percent of total~~

~~eligible project costs shall receive the maximum of 35 points. Applications that document financial support in the amount of 30 percent to 39 percent of the total eligible project costs shall receive 30 points. A project with a 20 percent to 29 percent cash match from other sources, shall receive 25 points. Projects with less than a 20 percent cash match, shall receive zero (0) points.~~

(iii) Potential economic benefit - Up to 30 points. ~~It is important to demonstrate the overall economic boost that would accrue to a community or region if the results of the study were implemented.~~ What will the overall positive impact be to the local, regional and state economic development efforts? Special emphasis will be given to those projects located in areas that are severely economically distressed. ~~Applications that document intent to implement a project in areas where the current unemployment rate exceeds the state average, shall receive a maximum of 30 points. Projects located in other areas shall receive 20 points.~~

(g) A maximum of \$ 100,000 per job training grant will be allowed.

Section ~~811~~. Transfer of Funds.

(a) Should the funding demands from local governments exceed the available funds allocated to each of the economic development funding categories, the Wyoming Business Council may reallocate funds without amending the rules. This rule only applies to reallocating funds between downtown development, infrastructure grants, planning only grants, technical assistance grants and job training grants.

Section ~~912~~. Float and Section 108 Loan Guarantees.

(a) The Wyoming Business Council will accept economic development loan applications from qualified applicants under the CDBG float activity and the HUD administered section 108 loan guarantee program. A business must apply through an incorporated local government for assistance under the float program and the section 108 program.

(b) Float loans involve the use of CDBG funds for an economic development loan that will generate program income in time to carry out other activities listed in these rules. Use

of this procedure is based on the premise that the later activities do not require funds immediately and that the recipient's (state) letter of credit will therefore contain a balance (the "float") that can be used on a temporary basis. Float loans shall be due on demand.

(c) The Section 108 Loan Guarantee program represents an activity where the Wyoming Business Council will accept applications directly from incorporated local governments on behalf of an eligible project. If approved, the Wyoming Business Council will then pledge future CDBG allocations as a guarantee to the loan, and submit the application to HUD for approval. As repayment is made by the borrower to HUD, the Wyoming Business Council's pledge amount will be decreased accordingly. The Wyoming Business Council may pledge up to an amount not to exceed five times the amount of the most recent CDBG grant received by the Wyoming Business Council. If a borrower defaults on a loan, the Wyoming Business Council will forfeit a portion of its future CDBG allocations. The term of a section 108 loan guarantee shall not exceed twenty (20) years.

(d) The minimum amount to be requested for a float or section 108 loan guarantee will be \$350,000 and the maximum will be \$1,500,000. These limits can be modified only in writing by the Chief Executive of the Wyoming Business Council. Interest rates for both will be based on the amount the company is able to pay and the public benefit to be derived.

(e) Applicants for float loans must be able to secure an unconditional and irrevocable letter of credit, drawn against a sound and acceptable financial institution payable to the Wyoming Business Council before CDBG funds will be disbursed. The purpose of the letter of credit is for the Wyoming Business Council to draw against in the event paybacks are delayed or the borrower has defaulted.

(f) Activities that are eligible for payment from either program are:

- (i) Acquisition of real property.
- (ii) Building construction.
- (iii) Site improvements.

(iv) Acquisition or rehabilitation of machinery and equipment necessary for the operation of the project.

(v) Acquisition, rehabilitation and leasehold improvements of an existing facility.

(vi) Payment of professional fees -- surveying, appraising, engineering, architectural, legal, accounting and closing costs. All fees must be determined to be legal and reasonable.

(vii) Working capital needs of the project.

(g) Minimum threshold requirements for applications requesting either a float loan or a section 108 loan guarantee are:

(i) At least 51 percent of the jobs created or retained must be available to low and moderate income persons. Applicants should propose methods to ensure preferential recruitment, hiring and training of Wyoming workers, particularly those of low and moderate income (see Attachment A). Applicants must take into consideration equal opportunity and non-discrimination laws to ensure that women and minorities are not excluded from participation, denied the benefit of or subjected to discrimination under any program or activity funded in whole or in part with CDBG funds. Successful applicants will be required to comply with equal opportunity and non-discrimination laws and regulations. Or,

(ii) The elimination of slum and blight conditions is specified in Title I of the Housing and Community Development Act of 1974, as amended through 1992.

(iii) The use of CDBG funds for economic development loans must be determined to be appropriate to the project. Applicants must clearly demonstrate the need for the CDBG assistance by documenting that a financial gap exists in funding the proposed project. It could also be considered appropriate to invest CDBG funds into a project that can obtain total private sector funding, but the returns to the for-profit are inadequate to motivate an "economic person" to proceed with the project. In either case, it is incumbent upon the applicant to indicate that the project cannot be developed in the absence of federal loan funds.

(iv) Business plan. Applicants must submit a business plan along with their standard application form. The business plan must reflect:

(A) A description of the business;

(B) Qualifications of management;

(C) A market investigation; and other documentation of financial feasibility as appropriate;

(D) Three-year financial statements including balance sheets, income statements;

(E) Cash flow projections for at least three years;

(F) Cost quotes for all project costs.

(v) A list of each job classification/position that will be created by the project that includes:

(A) A brief job description;

(B) Educational/job experience requirements;

(C) Salary range;

(D) Hours worked per week/months worked per year.

(vi) Evidence that the SHPO was contacted and consulted and a brief narrative of the results of the consultation. (See Chapter 1, Section 13)

(h) Potential applicants are requested to contact this office previous to application submission for additional information requirements.

(i) An administrative fee not greater than one percent (1%) of the loan principal may be charged each successful applicant to assist in defraying the local government's expenses of analyzing the loan applications.

Section 103. Convertible Loan Program

(a) The WBC will accept economic development convertible loan applications for businesses only from qualified applicants. Only incorporated cities, towns or counties are qualified applicants. A business must apply through a city, town or county for assistance under the convertible loan program. The WBC will grant funds to the local government who will in turn loan the funds to a for-profit business. A portion of the loan may be converted to a grant, if during a designated period of time, as determined by the WBC, the business creates new jobs. The terms, interest rate, and amount of the loan to be converted to a grant shall be determined by the WBC. Generally the amount converted will be \$500 per each new job created.

(b) No funds are allocated to this program category, but rather funds may be redirected to the convertible loan category upon council approval, from any CDBG economic development category. Maximum amount per each application shall be \$150,000. Minimum amount per each application shall be \$10,000.

(c) Activities eligible for funding from the convertible loan program:

- (i) Acquisition of real property.
- (ii) Building construction.
- (iii) Site improvements.
- (iv) Acquisition or rehabilitation of machinery and equipment necessary for the operation of the project.
- (v) Acquisition, rehabilitation and leasehold improvements of an existing facility.
- (vi) Payment of professional fees -- surveying, appraising, engineering, architectural, legal, accounting and closing costs. All fees must be determined to be legal and reasonable.
- (vii) Working capital needs of the project.

(d) Compliance with national objective: At least 51 percent of the jobs created must be available to low and moderate income persons. Applicants should propose methods to

ensure preferential recruitment, hiring and training of Wyoming workers, particularly those of low and moderate income.

(e) Any application submitted must contain the following information:

(i) Business plan. Applicants must submit a business plan that contains:

(A) A description of the business;

(B) Qualifications of management;

(C) A market investigation; and other documentation of financial feasibility as appropriate;

(D) Three-year financial statements including balance sheets, income statements;

(E) Cash flow projections for at least three years;

(F) Cost quotes for all project costs.

(ii) A list of each job classification/position that will be created by the project that includes:

(A) A brief job description;

(B) Educational/job experience requirements;

(C) Salary range;

(D) Hours worked per week/months worked per year;

(E) Time frame in which the jobs will be created;

(f) Guidelines for evaluating projects.

(i) Project costs and financial guidelines; these guidelines are to insure:

(A) That project costs are reasonable;

(B) That all sources of project financing are committed;

(C) That to the extent practicable, CDBG funds are not substituted for non-federal financial support;

(D) That the project is financially feasible;

(E) That to the extent practicable, the return on the owner's equity investment will not be unreasonably high; and

(F) That to the extent practicable, CDBG funds are distributed on a pro rata basis with other funds provided to the project.

(ii) Public benefit: The grantee is responsible for making sure that a minimum level of public benefit is obtained from the expenditure of CDBG funds under this program. The amount of CDBG assistance cannot exceed \$50,000 per full time equivalent job created.

(g) Management capacity: Applicants must demonstrate capacity to plan, administer, and service the proposed project, manage the budget, maintain adequate financial records, maintain required project records, submit reports, and meet the proposed timetable for completion. Management capacity is important for the success of a program.

(h) Use of program income: All income derived from the program--principle and interest payments--may be retained by the local government, and re-used for any eligible activity allowed by the state of Wyoming CDBG program.

~~CHAPTER 3 (REPEALED)~~

This Page Intentionally Left Blank

CHAPTER 34
COMMUNITY DEVELOPMENT PROGRAM

Section 1. Goals.

(a) Goal 1. To expand housing opportunities for low/moderate income households.

(i) Objective 1. Provide appropriate housing for special population groups such as the frail, elderly and handicapped/disabled, that supports an appropriate level of independent living.

(ii) Objective 2. Provide support for the development of emergency shelters, transitional housing and permanent housing for the homeless.

(b) Goal 2. Improve the condition of low and moderate income groups, especially vulnerable to adverse economic or social conditions.

(i) Objective 1. Provide centers for employment, education, etc., and centers for the elderly.

(ii) Objective 2. Provide operational funds for public services that directly impacts upon economic, housing, and/or social conditions of low/moderate income residents for programs not currently funded by local government.

(c) Goal 3 To improve community infrastructure by eliminating health, safety, and welfare problems.

(d) Goal 4. To allow each local government to determine their own serious problem and to be competitive with all other applicants.

(i) Objective 1. Allow any application eligible under Chapter 1, Section 4. It should be emphasized that the applicants in this category bear the burden of demonstrating to the Wyoming Business Council the seriousness of their selected activity.

Section 2. Eligible Activities.

(a) Any project listed in Chapter 1, Section 4, is eligible

for funding under this portion of the program.

Section 3. Low Priority Activities.

(a) The following activities are considered very low priority under this program, and are not likely for funding.

- (i) Planning not directly part of a CDBG project;
- (ii) Grants for profit-making organizations.

Section 4. Type and Size of Grants.

(a) The maximum grant size for community development public infrastructure and public facilities grant will be \$500,000. The maximum award for public accessibility grants will be \$300,000. The maximum award for Homeownership Assistance will be \$40,000.

~~Section 5. Deadlines.~~

~~(a) All applications must be postmarked no later than the date the Wyoming Business Council sets for receiving applications. One original and two copies must be sent to:~~

~~(i) Wyoming Business Council, Investment Ready Communities Division, 214 West 15th Street, Cheyenne, WY 82002.~~

Section 5~~6~~. Previous Grantees.

(a) Previous grantees must demonstrate that satisfactory performance has been accomplished under previous grants. The Wyoming Business Council will primarily use the HUD Performance Reports or Wyoming Business Council monitoring results in their review.

Section 6~~7~~. Project Categories.

(a) The community development program has ~~three~~four project categories that applicants may apply under. They are:

(i) Removal of architectural barriers that restrict the mobility and accessibility of elderly and handicapped persons to existing publicly-owned buildings, facilities and improvements. Preference will be given to buildings, facilities and improvements that are directly accessed and used by the public.

(ii) Construction, rehabilitation, reconstruction, or installation of public infrastructure such as water and sewer lines and systems, streets, curbs, gutters, and sidewalks. This does not include centers for the elderly, handicapped or developmentally disabled. These projects are to be submitted under the other eligible activities category.

(iii) Homeownership Assistance which may be used to subsidize interest rates and mortgage principle amounts, finance the acquisition of owner-occupied primary residences, provide down-payment assistance or pay reasonable closing costs normally associated with the purchase of a home for low and moderate income homebuyers.

(iv) All other eligible activities as described in Chapter 1, Section 4. Eligible Activities.

(b) Projects will be ranked against one another within each project category. The amount of funds allocated to each project category will be determined based on the dollar amount requested in each category compared to the total dollar amount requested by all grant proposals, with the resulting percentage applied to the funds allocated to the community development portion of the program. For example, if the dollar amount requested under all other eligible activities category represents twenty-five percent (25%) of all funds requested under the community development portion of the program, then twenty-five percent (25%) of all community development funds will be allocated to that project category. Only eligible projects will be considered when making this determination. At the time of final approval, the Wyoming Business Council may reallocate funds to another project category in order to fully fund a proposal.

Section 78. Ranking Criteria -- (Used only in ranking Community Development Projects).

(a) The Wyoming Business Council is required to spend at least 70 percent of its funds for low-moderate income projects (see Chapter 1, Section 3). Only projects that can show that at least 51 percent of the individuals benefiting from the project belong to low-moderate households, can be considered as low-moderate income projects. Conversely, none of the funds in a project that has 50 percent or less direct beneficiaries from low to moderate income households would count toward the state total. The only exception is direct benefit projects such as homeownership assistance using rehabilitation, that count only the actual amount given to low-moderate households.

(b) In an effort to maximize the primary objectives of the program, all applications will be judged against one another, within project category, regardless of which of the objectives in Chapter 1, Section 3 are chosen. Additionally, applications will be ranked together regardless of type of jurisdiction (city, town or county) or size.

~~(c) Consequently, when the final ranking of the projects has been done, the highest ranking low-moderate income projects will be funded until the 70 percent threshold has been achieved. The Wyoming Business Council will then go back to the top of the list and fund the projects that use the other two national objectives.~~

~~(c)~~ The staff of the Wyoming Business Council will be responsible for the ranking process and subsequent recommendations to the Wyoming Business Council. The Wyoming Business Council Board will make the final review and announcement of grant recipients funding determination.

~~(de)~~ The tThree components that will be scored and ranked make up the program factors. They include:

(i) <u>Program assessment.</u>	
(A) Seriousness of problem	<u>1500</u> points
(ii) (B) Urgency of problem	<u>750</u> points
(iii) Integrated effort	<u>50</u> points
	<u>27500</u> total

~~(ef)~~ Seriousness~~Program assessment:~~

~~(i) Program assessment will be divided into two separate parts: need and urgency. Points will be awarded to each part based on the applicant's abilities to document the seriousness of their need(s) and the urgency of the project.~~

Up to 100 points based on description of the need, how the needs were identified, what alternative solutions were explored and an explanation of who the beneficiaries are.

(A) Description of the Need - Up to 30 points.

~~(ii) Applicants will be asked to document their needs (inclusive of quantitative and qualitative) and to describe how well proposed activities will address those needs. In doing so, the applicant should describe the relationship between the needs and the proposed activities in specific measurable terms.~~

(B) Documentation of the Need - Up to 20 points. How was the need identified? For example, was a survey conducted or is it based on an existing wait list?

(C) Alternative solutions - Up to 20 points. What alternative solutions were explored?

(D) Beneficiaries - Up to 30 points. Who are the beneficiaries? How was this determined? What is the long term benefit to the overall community?

~~(iii) In addressing uUrgency - Up to 50 points. This is based on the 7-applicants must be abilitye to verify the immediate need to remedy their problem including concurrence from appropriate sources. Applicants should describe the consequences if proposed activities are not implemented within the stated program timetables.~~

(A) Level of Urgency - Up to 20 points. Describe the level of deterioration or issues with code compliance:

a. Life threatening justification - Up to 20 points.

b. Non-Emergency concern - Up to 10 points.

- c. No existing threat - 0 points.
- (B) Efforts - Up to 20 points. What efforts have been made previously to address the situation and how is it currently being managed?
- (C) Negative Impacts - Up to 10 points. What are the negative impacts if this situation is not addressed?

~~(iv) In evaluating the impact of the above sections on a particular project, consideration will be given to:~~

~~(A) The amount of funds requested in relation to the benefits of the expenditures.~~

~~(B) The results to be achieved.~~

~~(C) Additional actions that may be required to meet identified needs.~~

~~(D) Previous actions taken to address the identified needs.~~

~~(E) Consistency of project with local long range community and economic development plans.~~

~~(v) Points will be awarded under program assessment in the following manner:~~

~~(A) Substantial impact
Need: _____ 130 to 150 maximum
Urgency: _____ 60 to 75 maximum~~

~~(B) Moderate impact
Need: _____ 80 to 100
Urgency: _____ 30 to 50~~

~~(C) Minimal impact
Need: _____ 30 to 50
Urgency: _____ 10 to 25~~

~~(D) Insignificant impact
Need: _____ 0
Urgency: _____ 0~~

~~(vi) Definitions of impact are as follows:~~

~~(A) Substantial impact: The applicant has clearly documented an urgent need that is a very serious one in nature and to which the situation warrants immediate attention. Proposed activities will resolve the problem to a greater extent than other proposals designed to meet similar needs, in relation to the amount requested.~~

~~(B) Moderate impact: The application has documented a less than critical need to which action should be taken sometime in the near future. Activities will have a direct impact on resolving the identified problems that adversely affect the community.~~

~~(C) Minimal impact: The applicant has documented a need, but is less severe and requires action to be taken when appropriate. The activities will help to somewhat alleviate the identified problem.~~

~~(D) Insignificant Impact: The applicant has failed to clearly address a specific need and consequently requires no action to be taken. The activities will fail to solve the problem to any extent.~~

(giii) Integrated Efforts - Up to 50 points.

- (A) Partners - Up to 20 points. Are there partners in the project? Please describe them and their contribution.
- (B) CDBG Percentage - Up to 10 points. What percentage is CDBG of the total project funding?
 - a. 0-25% - 10 points
 - b. 26-50% - 5 points
 - c. 51-100% - 0 points
- (C) Operations and Maintenance - Up to 10 points. How will maintenance and operational expenses be addressed?
- (D) Community Readiness - Up to 10 points. Is there community readiness potential in this project?

~~(i) Applicants will be asked to describe how well their projects are combined with the other programs to solve a specific problem area. Emphasis will be placed on utilization of funds from other sources to combine with CDBG monies, or~~

~~cooperation between various groups. Points will be awarded for integrated efforts in the following manner:~~

~~(A) Substantial impact - 50 points.~~

~~(I) The activities support and are necessary to other activities that, in combination, will have a direct and significant impact in alleviating or eliminating the major problem addressed.~~

~~(B) Moderate impact - 35 points.~~

~~(I) The application supports other activities or programs and evidences some improvement of related problems.~~

~~(C) Minimal impact - 15 points.~~

~~(I) The applicant barely supports other activities or programs.~~

~~(II) Applicants demonstrating no support from other sources will receive zero (0) points.~~

Section 89. Minimum Submission Requirements of all Community Development Applications.

(a) All applications must contain the following:

(i) A cover sheet containing the project title, type name of the applicant information, sub-applicant information (if applicable), grant administration contact information, and project costs. persons, project title, proposed funding level, other sources of funds and expected start-up and completion dates.

(ii) A narrative describing:

(A) The problem to be solved;

(B) The National Objective being supported (See Chapter 1, Section 3);

(C) A description of the proposed project designed to solve the problem, including previous efforts to solve the problem;

(D) The extent to which the proposal constitutes a completed project;

(E) The project location, including a suitable map and photographs of the project;

~~(F) The expected time frame, by phases, necessary to initiate and complete the pProject Timeline; and~~

(G) A statement indicating how the project is consistent with local long range community and economic development plans.

(iii) A detailed budget, including detailed costs estimates prepared by someone with adequate skill to prepare such and the source of all funding.

~~(iv) A preliminary floor plan and cost estimate of the construction to be funded with CDBG funds should be included. The floor plan and cost estimate should be prepared by a person possessing adequate skill to prepare such plans and cost estimates.~~

~~(v) Information concerning how and when the housing and community development plan and other certifications outlined in Chapter 1, Section 9, will be completed.~~

~~(iv*) Certification of Applicant form attesting to knowledge of the rules, proper citizen involvement and appropriate use of funds. public participation through the public hearing process (See Chapter 1, Sections 2 and 8).~~

(vii) ~~When required~~ eEvidence that the SHPO was contacted and consulted and a brief narrative of the results of the consultation. (See Chapter 1, Section 13)

~~(viii) Narrative describing the applicant's grant management experience or how they expect to provide for the management and administration of the grant. if they do not have administrative capacity.~~

(vii*) An assessment of probable operation and maintenance costs of the facility or site improvement(s) to be constructed using CDBG funds, and an explanation of how those costs will be funded.

(viii*) A narrative explanation of how the project will either directly or indirectly provide for the creation and retention of permanent primary jobs that are available to low and moderate income persons and above the current average wage, ~~and~~ aid in the diversification of the Wyoming economy.

(ixi) If the application is being sponsored on behalf of a non-profit entity, that entity~~For non-city, non-town and non-county projects,~~ must submit financial statements covering the most recent three year period and a copy of their current business plan.

(x) For Homeownership Assistance, evidence of training or certification as a site specific environmental review officer and homebuyer education training certification will be required.

(xi) If the project involves acquisition it is imperative that the applicant contact the WBC and should not execute any agreements prior to doing so.

Section 910. Lien Requirement.

(a) A lien in favor of the Grantee (city/town/county) will be placed by the Grantee on any building in an amount equal to the CDBG investment in the building. The lien shall be for a period of five (5) years after the administrative closeout of the grant. No CDBG funds shall be disbursed until a copy of the lien has been properly filed and recorded and a copy of that lien received by the WBC. In the event that a project is considered a public service (as determined by the WBC staff) the requirement to place a lien may be waived.

CHAPTER 45
IMMINENT THREAT GRANTS

Section 1. Imminent Threat Grants

(a) Upon approval and an emergency declaration by the governor, funds may be allocated from any program category at any time to fund eligible activities that will alleviate an imminent threat to public health or safety that requires immediate resolution and that is of recent origin. A condition will be considered of recent origin if it developed or became urgent within 18 months preceding the application by the community. The imminent threat must be a catastrophic or emergency situation that creates an impending or immediate threat, danger or peril to human health and safety. Situations that result from neglect or lack of maintenance or have gradually become urgent are not considered imminent threats. The grant amount shall not exceed \$250,000. Imminent threat grants are funded under National Objective # 3, "Activities designed to meet community development needs having a particular urgency" (See Chapter 1, Section 3) and therefore must meet the criteria of that objective.

(b) Any application submitted under this chapter must contain the following:

(i) A cover sheet containing the name of the applicant, contact person, project title, proposed funding level, other sources of funds, and expected start-up and completion dates.

(ii) Documentation concerning the nature and degree of seriousness of the condition requiring assistance.

(iii) Evidence that the CDBG activity is designed to address the imminent threat.

(iv) Information on the timing of the development of the serious condition.

(v) Evidence confirming that the grantee is unable to finance the project on its own, and that other financial resources to alleviate the problem are not available.

(vi) The project location, including a suitable map.

(vii) A detailed budget, including a cost estimate of the activity to be funded with CDBG funds, and the source of all other funding.

(viii) Certification of public participation through the public hearing process (See Chapter 1, Sections 2 and 8).

(ix) An assessment of probable operation and maintenance costs of the facility or site improvement(s) to be constructed using CDBG funds, and an explanation of how those costs will be funded.

(c) The Wyoming Business Council staff shall review the application and make a recommendation to the Wyoming Business Council that shall review the proposal and make a recommendation to the governor. The governor shall make the final decision whether to approve or deny the application.

APPENDIX "A"

Income limits will be posted annually on the Wyoming Business Council Website.

This Page Intentionally Left Blank

APPENDIX "B"

FEDERAL REQUIREMENTS

If awarded CDBG funds Grantee acknowledges and consents to, and will comply with the following:

A. Grantee is authorized and hereby consents to accept the jurisdiction of the Federal courts for the purpose of enforcement of its responsibilities as such an official and Grantees responsibilities under the Grant Agreement.

B. The Community Development Block Grant program has been developed so as to give maximum feasible priority to activities that will benefit low and moderate income families, or aid in the prevention or elimination of slums or blight.

(The requirement for this certification will not preclude WBC from approving a pre-application where the Grantee certifies, and WBC determines, that all or part of the community development program activities are designed to meet other community development needs having a particular urgency as specifically explained in the pre-application)

C. Grantee will consent to assume the status of a responsible Federal Official under the National Environmental Policy Act of 1969, 42 U.S.C. ' 4321 *et seq.* (NEPA), insofar as the provisions of Act apply to the Wyoming Small Communities Block Grant Program.

D. Grantee will, in connection with its performance of environmental assessments under NEPA, comply with Section 106 of the National Historic Preservation Act of 1966, 16 U.S.C. ' 470); Protection and Enhancement of the Cultural Environment, Exec. Order No. 11,593, 36 Fed. Reg. 8921 (1971), and 36 C.F.R. ' 800.8 by consulting with the Wyoming State Historic Preservation Officer to identify properties listed in or eligible for inclusion in the National Register of Historic Places that are subject to adverse effects by the proposed activity.

E. Grantee will comply with the regulations, policies, guidelines and requirements of 24 C.F.R. ' 85, as they relate to the acceptance and use of Federal funds and will comply with all requirements imposed by WBC concerning special requirements of law, program requirements, and other administrative requirements.

F. Grantee will administer and enforce the labor standards requirements set forth in the Davis-Bacon Act, 40 U.S.C. ' 276a, Contract Work Hours and Safety Standards Act, 40 U.S.C. " 327-32, the Anti-Kickback Act of 1986, 41 U.S.C. " 51-58, and regulations issued to implement such requirements, as each may be amended from time to time.

G. Grantee will comply with the provisions of Floodplain Management, Exec. Order No. 11,988, 42 Fed. Reg. 26,951 (1977), *as amended* by Exec. Order No. 12,148, 44 Fed. Reg. 43,239 (1979), relating to evaluation of flood hazards and floodplain management; and Protection of Wetlands, Exec. Order No. 11,990, 42 Fed. Reg. 26,961 (1977), *as amended* by Exec. Order No. 12,608, 52 Fed. Reg. 34,617 (1987), relating to wetlands protection.

H. Grantee will comply with the flood insurance purchase requirement of Section

102(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. ' 4001 *et seq.*, that requires the purchase of flood insurance in communities where such insurance is available as a condition for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area, that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes this Grant.

I. Grantee will, pursuant to the Architectural Barriers Act of 1968, 42 U.S.C. ' 4151, *et seq.*, require every building or facility (other than a privately owned residential structure) designed, constructed or altered with funds provided under this part to comply with the "American Standard Specifications for Making Buildings and Facilities Accessible to and Useable by the Physically Handicapped", Number A117.1-1961, subject to the exceptions contained in 41 C.F.R. ' 101-17.703. Grantee will be responsible for conducting inspections to insure compliance with these specifications by its contractor(s).

J. Grantee will comply with:

(1) The Civil Rights Act of 1964, 42 U.S.C. 2000 *et seq.*, and the regulations issued pursuant thereto including 24 C.F.R. ' 1, that provides that no person in the United States shall, on the grounds of race, color or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to any discrimination under any program or activity for which the Grantee receives Federal financial assistance and will immediately take any measures necessary to effectuate this assurance. If any real property or structure thereon is provided or improved with the aid of Federal financial assistance extended to the Grantee, this assurance shall obligate and bind the Grantee, or in the case of any transfer of such property, any transferee, to comply with such laws and regulations for the period during which the property or structure is used for the purpose for which the Federal financial assistance is extended, or for other purposes involving the provision of similar services or benefits.

(2) The Civil Rights Act of 1968, 42 U.S.C. ' 3604-3606, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing in the sale or rental of housing, the financing of housing, and the provision of brokerage services.

K. Grantee will:

(1) Comply with Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Pub. L. No. 91-646, 84 Stat. 1894, and HUD implementing regulations at 49 C.F.R. ' 24, and 24 C.F.R. ' 570.606;

(2) Provide relocation payments and offer relocation assistance as described in Section 205 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 to all persons displaced as a result of acquisition of real property for an activity assisted under the Wyoming CDBG Program. Such payments and assistance shall be provided in a fair and consistent and equitable manner that insures that the relocation process does not result in

different or separate treatment of such persons on account of race, color, religion, national origin, sex, or source of income.

(3) Assure that, within a reasonable period of time prior to displacement, comparable decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals and that the range of choices available to such persons will not vary on account of their race, color, religion, national origin, sex or source of income.

L. Grantee will comply with the provisions of the Hatch Act, as amended, which limits the political activity of employees.

M. Grantee will give WBC and HUD, through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the Grant.

N. Grantee will insure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the Project are not listed on the Environmental Protection Agency's (EPA) list of Violating Facilities and that it will notify HUD of the receipt of any communication from the Director of EPA Office of Federal Activities indicating that the facility to be used in the Project is under consideration for listing by the EPA.

O. Grantee will comply with the provisions of 42 U.S.C. ' 4831, regarding the use and removal of lead-based paints.

P. Grantee will, with any housing rehabilitation program, implement the provisions of Section 39, Energy Conservation Standards, of the Housing and Urban Development Act, Pub. L. No. 89-117, 79 Stat. 451 (1965), as is practical and possible in the rehabilitation of any residential structures, and will adopt and implement a housing rehabilitation standard.

Q. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. ' 794 and the regulations issued pursuant thereto 24 C.F.R. ' 8), which provide that "No otherwise qualified individual with disabilities in the United States shall solely by reason of his handicap, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance..."

R. Grantee certifies that the unit of local government participating in this CDBG Agreement and/or Contract for Services is or will be following a detailed citizen participation plan that satisfies the requirements of 24 C.F.R., ' 570.486.

S. Grantee certifies that the unit of local government participating in this CDBG Agreement and/or contract for services has identified its community development and housing needs, including the needs of low and moderate income families, and the activities to be undertaken to meet these needs.

T. Grantee certifies that the unit of local government participating in this CDBG Agreement and/or contract for services will not attempt to recover any capital costs of public improvements assisted with CDBG funds including Section 108 loan guaranteed funds by assessing any amount against properties owned and occupied by persons of low and moderate

income, including any fee charged or assessment made as a condition of obtaining access to such public improvements. However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Grantee will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108, unless CDBG funds are used to pay the proportion of a fee or assessment attributable to the capital costs of public improvements financed from other revenue sources. In this case, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds. Also, in the case of properties owned and occupied by moderate-income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

U. Grantee certifies that the unit of local government participating in this CDBG Agreement and/or contract for services has adopted and is enforcing:

(1) A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and

(2) A policy of 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.

V. Grantee will comply with, certify to, and have a written policy in accordance with the Drug-Free Workplace Act of 1988 (Public Law 100-690), including but not limited to provisions of 24 C.F.R. ' 24(F), "Drug-Free Workplace Requirements", and 48 C.F.R. ' 23.5, "Drug-Free Workplace". Compliance includes, but is not limited to, the publication of a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in Grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition.

W. Grantee certifies that to the best of its knowledge and belief:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the unit of local government participating in this CDBG Agreement, 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 grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) 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, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

(3) It will require that the language of paragraphs 1 and 2 of this certification will be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

X. Grantee certifies that the activities to be undertaken with CDBG funds are consistent with the Strategic Plan incorporated within the State Consolidated Plan for Housing and Community Development.

Y. Grantee will comply with Section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 C.F.R. ' 135, Economic Opportunities for Low and Very Low Income Persons, as each may be amended.