

**CLARK COUNTY
URBAN COUNTY POLICY BOARD**

APPLICATION AND FUNDING GUIDELINES

The following operating guidelines have been adopted by the Urban County Policy Board (UCPB) to provide direction in the operation of the Clark County Community Development Block Grant (CDBG) and HOME Investment Partnerships programs. The Urban County Policy Board is made up of Mayor/appointed representatives from each city and town in the county, except Vancouver, and is chaired by a County Councilor.

Application Guidelines

1. There is a limit of three applications that may be submitted per eligible entity or jurisdiction per year. Private individuals cannot receive CDBG funds. CDBG Infrastructure project applications shall be limited to one primary and one alternate application submitted per eligible entity. Primary projects will be given priority, scored and awarded first. If available funding remains, alternate projects will be scored and awarded.
2. Project match is required for HOME funded multi-family projects and homebuyer assistance programs. Match is strongly encouraged for CDBG projects and will be used in part to determine the ranking of projects in the analysis of project selection. Match does not need to be cash in hand but should be a commitment from other funding sources.
3. The minimum application request shall be \$50,000 for all application types. Maximum application request shall be:
 - a. \$400,000 for Public Facility and Neighborhood Improvement projects.
 - b. \$400,000 for multi-family construction projects as part of the Affordable Housing and Homelessness application.
 - c. \$300,000 for Tenant-based Rental Assistance programs for rent assistance as part of the Affordable Housing and Homelessness application. Case management assistance will be provided in addition to rent assistance and cannot exceed 30% of the rent assistance request.
 - d. \$300,000 for Asset and Economic Development programs.

Minimum and maximum requests may be waived at the UCPB's option.

4. Project proposals must address a need identified in the Clark County Five-year Consolidated Plan.
5. The proposal submission period shall run from October 1 to October 31 for the pre-application, with the full application due the first Monday in December. Funding recommendations made by the UCPB will be submitted to the County Council in May.

6. Unless otherwise indicated by staff, the deadline for making technical corrections to a project proposal is two weeks before the meeting where the project rating will take place.
7. Projects must meet all federal program requirements to be eligible for review by the UCPB. Completed income surveys must be approved by county staff and submitted with the pre-application, if required.
8. The UCPB shall not fund the following activities:
 - a. Projects that are generally defined as public service projects as per 24 CFR part 570.201(e);
 - b. Infrastructure projects within the city limits of Vancouver; or
 - c. Planning activities.
9. Site control is not required for entities requesting funds for the purchase of a building and/or land.
10. Applicants must pass an administrative review before their application is considered eligible. Agencies who are not able to demonstrate the fiscal capacity for a cost reimbursement contract will not pass the administrative review. Agencies with the following situations may be required to submit additional documentation for review:
 - a. Agencies that have not previously contracted with Clark County Community Services.
 - b. Agencies with recent disciplinary action by a state or federal agency.
 - c. Agencies with lawsuits that went into final disposition and resulted in payment to the plaintiff.
 - d. Agencies that were established less than five years prior to application submission.

Funding Guidelines

- I. The Urban County Policy Board encourages the loaning and repayment of funds to the greatest extent possible, to permit others to utilize the funds. General loan terms are as follows and will be negotiated during the contract process if awarded funding:
 - HOME multi-family construction project loans to be up to 3% interest amortized for the length of the HOME affordability period. CDBG funds will generally carry the same loan terms as HOME funds on combined funded projects.
 - HOME and CDBG funds provided to Tenant-based Rental Assistance programs will be a grant.
 - HOME and CDBG funds provided to Assent and Economic Development programs will be a grant.
 - CDBG funds provided through the Homeowner Rehabilitation Program will be a grant.
 - CDBG funds provided for Neighborhood Improvement infrastructure projects to local government agencies that are part of the Urban County Qualification Interlocal Agreement will be a grant.

- CDBG funds provided for Public Facility projects to local government agencies that are part of the Urban County Qualification Interlocal Agreement will be a forgivable loan with a five-year restricted use period.
 - CDBG funds provided for Public Facility and Neighborhood Improvement projects to entities not included in the Urban County Qualification Interlocal Agreement will be half loan, half forgivable loan. Loan terms will be for at least five years, or the length of the repayment period, whichever is longer. Shelter facilities are exempted from the loan requirement.
2. CDBG and HOME loan terms will depend on the size of the award and the nature of the project. The loan shall be secured by a Promissory Note and Deed of Trust.
 3. The UCPB has designated two categories of CDBG funds: Public Facility and Neighborhood Improvement infrastructure projects. Applications compete against other applications in the same group. Exhibit I: Funding Category Matrix explains which category a particular type of project belongs.
 4. For the county to award funding to a project located within Vancouver city limits, there must be a benefit to Clark County residents. Projects located within the city limits of Vancouver should apply to Vancouver for funding.
 - **Public facility** projects located in the city and serve both county and city residents can be funded in part by the Clark County CDBG program. Funding must be proportional to the persons served in each jurisdiction. Funding representing city residents may be from any source other than county funding. The County's final project commitment must be adjusted based on the percentage of county residents served and the amount of other funding invested into the project.
 - **Multi-family Housing** projects located within Vancouver city limits and serve both county and city residents must be funded jointly by Vancouver and Clark County. There are no proportionality or joint timing requirements for the award.

City/County Joint Funding Table

| | | Location | |
|---------|------------------|---|---|
| | | In Vancouver | In Clark County |
| Funding | City CDBG/HOME | Yes, city can fund | City may fund only if funding is proportional to persons served from each jurisdiction. |
| | County CDBG/HOME | County may fund only if funding is proportional to persons served from each jurisdiction. | Yes, county can fund |

5. Fifteen percent (15%) of the annual HOME allocation will be set-aside for use by eligible Community Housing Development Organizations (CHDO) as required by the HOME regulations. This set-aside is for projects in which the CHDO is a sponsor, developer or owner. The UCPB may award up to an additional five percent of its HOME entitlement amount for operating costs to a CHDO that is also awarded a County CHDO 15% set-aside in the same year.
6. A CDBG project which is not adequately moving forward, including all funding commitments, within nine months of selection by the UCPB shall not receive an executed contract. Awarded funds will be reallocated in the next funding round.
7. HUD HOME regulations require funding commitment within two years and full expenditure of funds within five years. If these deadlines are not met, the HOME funds must be returned to HUD. Because of this, Clark County requires that applicants anticipate all other project funding committed within 18 months and full expenditure of HOME funds within four years of project award. Failure to meet these commitment timelines may result in award cancellation.
8. The UCPB shall set-aside up to \$250,000 in CDBG funds annually for the Clark County Homeowner Rehabilitation Program.
9. The UCPB has adopted the HUD conflict of interest requirements.
10. The UCPB has adopted policies regarding the CDBG Section 108 Loan Guarantee Program. See staff for a copy of these policies.

Contingency Fund Guidelines

1. During the funding selection process the application from each category scored the highest by the UCPB that did not receive funding will be considered a contingency application and included in the Annual Action Plan submitted to HUD. If funding becomes available during the program year, the highest ranked contingency application that meets the funding criteria and can move forward with the funds will be provided funding.
 - If a funded activity is rescinded by the applicant or deemed ineligible to move forward by September 30 of the funding year, staff will move to the eligible contingency application.
 - Funds from funded activities that are rescinded or deemed ineligible to move forward after the September 30 deadline will be included in the next RFA allocation.
2. Any unspent CDBG or HOME funds at project completion will remain with the county for use in the next funding cycle or will be made available for contingency requests.
3. If contingency is available, requests for additional project funding in an amount less than ten percent of the original award can be approved by the Program Manager.

4. Request for additional project funds over ten percent of the original request, will be evaluated by staff before being presented to the Urban County Policy Board.

EXHIBIT I: FUNDING CATEGORY MATRIX

| Eligible Activity | Neighborhood Improvement (Infrastructure) | Public Facility | Asset and Economic Development | HOME Mult-family Construction | HOME TBRA |
|--|--|------------------------|---------------------------------------|--------------------------------------|------------------|
| Acquisition of Real Property ¹ | ✓ | ✓ | | | ✓ |
| Community Centers/Social Service Facilities ² | | ✓ | | | |
| Parks, Recreational Facilities | ✓ | | | | |
| Street and Sidewalk Improvements ³ | ✓ | ✓ | | | |
| Water and Sewer Improvements ³ | ✓ | ✓ | | | |
| Clean Up Contaminated Sites | ✓ | | | | |
| Single-unit Residential Rehabilitation | | ✓ | | ✓ | |
| Multi-unit Residential Rehabilitation | | ✓ | | ✓ | |
| Code Enforcement | | ✓ | | | |
| Historic Preservation | | ✓ | | | |
| Business Technical Assistance | | | ✓ | | |
| Housing New Construction | | | | | ✓ |
| Homeownership Assistance | | | ✓ | ✓ | |
| Tenant-Based Rental Assistance | | | | | ✓ |
| Community Housing Development Organization Operations ⁴ | | | | ✓ | |

Table Endnotes:

¹ For CDBG, the end use of the property determines which category acquisition belongs. For example, property acquired for streets, water lines, sidewalks, parks and other public right-of-way areas would belong in the Neighborhood Improvement category. Property purchased for social service activities such as housing, senior centers, community centers, shelters and counseling centers would belong in the Public Facility category. Property for affordable multi-family or homeowner housing could apply for HOME funds.

² Preservation of a community center or privately owned building would be a Public Facility activity. Any preservation involving a structure with the end use of transitional or permanent housing for families who have low- and moderate-income would also be in the Public Facility category.

³ Improvements for a low- and moderate-income neighborhood are Neighborhood Improvements.

⁴ Agencies applying for CHDO operations must be certified as a CHDO and have a current CHDO eligible, HOME funded project.