

POLICIES AND PROCEDURES GUIDE
CITY OF LINCOLN PARK
COMMUNITY PLANNING AND DEVELOPMENT

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CITY OF LINCOLN PARK
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT
POLICY GUIDE

EFFECTIVE: November 28, 1990

PURPOSE

The Office of Community Planning & Development was established to accomplish its primary objective which is the development of Lincoln Park as a viable urban community, by providing decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income. All the activities of the department (except program administration and planning) shall be conducted in such a way as to accomplish one or more of the following national objectives:

- 1) Benefit to low and moderate income persons
- 2) Aiding in the prevention or elimination of blight
- 3) Address other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the Community and other financial resources are not available to meet such needs.

In addition to meeting one or more of the national objectives, the activities of this department shall be operated to ensure that at least 70% of the C.D.B.G. funds shall be used to benefit low and moderate-income persons. All activities of this department shall be governed by the federal regulations contained in 24 CFR Part 570, and any additions or changes subsequently made thereto.

DEPARTMENTAL RESPONSIBILITIES

This department generally and more particularly its' Director are responsible for ensuring that C.D.B.G. funds are used in accordance with all program requirements. The department is responsible for determining the adequacy of performance by any sub recipients of these funds and for taking appropriate action when performance problems might arise.

RECORD MAINTENANCE

This department shall maintain all records required under 24 CFR 570.506, this department shall maintain records to ensure all program requirements have been met which provide a full description of each and every activity assisted with C.D.B.G. funds including the location, the amount of funds spent, and a diagram or preferable photographs of the work performed.

The department shall maintain records which demonstrate that every activity undertaken meets one of the national objectives and the criteria contained in 24 CFR 570.208. The department will maintain sufficient information establishing that persons assisted under the residential rehab program or similar programs are in fact low or moderate-income persons and records as to how that determination was made.

When assistance is given to a for-profit entity, the department shall maintain proper documentation establishing each of the following:

1. The national objective met. If the objective is jobs, then there shall be documentation showing that at least 51% or more of those jobs will be available to low and moderate-income persons. Documentation as to the financial condition of the entity and records showing how the determination of amount and interest subsidy was made. The department shall perform, “BEFORE GRANTING THE SUBSIDY OR LOAN” a necessary or appropriate determination as described in Appendix B of the 1988 HUD Guide to C.D.B.G. Eligible Activities.
2. Documentation of exactly how the project addressed the stated national Objective and precisely how the money was spent.
3. A copy of the agreement between the department and the business entity as to repayment by the entity for failure to fully perform the agreement shall also be contained in the file.

When assistance is given to prevent or eliminate blight, the record of the project shall contain the following:

1. The boundaries of the area affected by the project.

2. A description of the conditions which qualify the area as slum or blight influenced per the criteria in 24 CFR 570.208 (b) (10, with photographs if possible.
3. A pre-rehabilitation inspection report which details the work which needs to be done.

When assistance is provided in order to meet a community development need having a particular urgency, the record shall contain the following:

1. Documentation relative to the nature and degree of the seriousness of the condition to be addressed, with photographs if possible.
2. Evidence of how the C.D.B.G. activity will address that condition.
3. A detailed description of what will be done.
4. Documentation which proves that other financial resources to address the need were not available from another source.

This department shall maintain records relative to any citizen comments on any of the department's activities.

CONFLICT OF LAWS

Nothing in this policy and procedures guide shall be construed so as to conflict with any local, state or federal law or regulation in any way. If such a conflict should arise, then that local, state or federal law or regulation shall govern.

CONFLICT OF INTEREST

This conflict of interest provision applies to any person(s) who is an employee, agent, consultant, officer or elected official or appointed official of the City. This provision shall apply to all activities carried on by the Office of Community Development including, but not limited to the acquisition and disposition of real property, the provision of assistance to individuals, businesses and other private entities or rehabilitation, preservation and other improvements to private properties, the making of grants, loan subsidies or other assistance to for-profit and not-for-profit entities.

Except for the use of C.D.B.G. funds to pay salaries and related administrative or personnel costs, no persons who exercise or have exercised any functions or responsibilities with

respect to C.D.B.G. activities assisted or who are in a position to participate in a decision making process or gain inside information with regard to those activities, may obtain a personal or financial interest or benefit from a C.D.B.G. assisted activity, or have an interest in any contract, subcontract or agreement with respect to that activity, or the proceeds of it, either for themselves or those with whom they have family or business ties, during their relationship, without PRIOR HUD APPROVAL.

Chapter four (4) Section Seven (7) of the City Charter shall also govern the activities of the Department relative to elected and appointed officers of the City. Any conflicts of interest which do arise in the course of carrying out these departments activities shall be immediately reported to the department director and the Detroit Office of HUD. When a conflict is discovered, a full public disclosure shall be made at the first available meeting of the City Council. The City Attorney shall then be requested to render a legal opinion as to whether or not the conflict is a violation of State or local law.

If it is determined that the conflict is not a violation of State or local law and that the public interest of best served by allowing the situation to continue, the department director shall make a written request to the Detroit office of HUD for an exception to the federal regulations contained in 24 CFR 570.611 (d) (e). If practical, all questionable activity shall cease while the exception request is pending.

If it is determined that the conflict of interest is a violation of State or local law, HUD disallows the exception request or it is not in the public interest to allow the activity questioned to continue, the department director shall take immediate and appropriate action to cease the activity in question and to recover any and all C.D.B.G. funds expended inappropriately on such activity.

It shall be the stated policy of this department to maintain at all times a “DRUG-FREE WORKPLACE” and the department director shall take steps to assure the office is and remains, drug-free. This department shall not undertake any activity which directly or indirectly contributes to, assists or subsidizes the use of illegal controlled substances in any way. If any activity of this department is discovered to be in violation of this stated policy, said activity shall be halted immediately

The following “AFFIRMATIVE ACTION PLAN” of the City shall also govern the activities of this department.

The Affirmative Action Plan is awareness on the part of the City, that in order to achieve equal employment opportunity – an active, positive approach must be assumed.

The City will continue the self-analysis of all employment policies and practices and seek methods to employ qualified minorities and women and provide fair and equal opportunity for all qualified employees.

INTRODUCTON

Affirmative Action is the result of recent legislation which states that despite equal employment opportunity policy - the fair and equal treatment for all persons regardless of race, color, religion, sex, age, weight, handicap, or national origin in all employment practices – discrimination barriers may still exist.

Affirmative Action is the review of all City employment policies to spot possible discriminatory practices, an analysis of the workforce to determine possible “underutilization” of minorities and women and setting up goals and corrective action to comply with equal employment opportunity in an attempt to achieve parity.

Executive Order 11246 (amended by Executive Order 11375), as relates to Title VII of the Civil Rights Act of 1964, through the Labor Department Office of Federal Contract Compliance gives that agency the authority to require federal contractors, such as the City of Lincoln Park, to develop and implement written affirmative action programs to bring about equal employment opportunity.

An Affirmative Action Plan serves the purpose of eliminating any overt or unintentional employment practices through recruitment, selection, promotions, pay plans, etc., especially as relates to minorities and women. Since Lincoln Park, until recently, has not had any significant, identifiable minority groups, no discrimination issues have arisen. But as qualified minorities and women become more a part of the community workforce, the City does have an obligation to employ minorities and women in all job classifications and they should have fair and equal treatment, as provided for by law, in promotions, transfers, pay rates, layoffs and terminations.

The Affirmative Action Plan for the City should include the Fire and Police Departments, Parks and Recreation, the regular City staff, in addition to all special or federally funded programs, subject to applicable collective bargaining provisions.

GENERAL STATEMENT

The City of Lincoln Park recognizes its commitment to assert an Affirmative Action Plan in relation to aspects of City employment policies and practices. Equal Employment Opportunity, equitable treatment to all persons regardless of race, color, religion, sex, age, weight, handicap, or national origin, has been an accepted procedure in the City. The City's Affirmative Action Plan is a re-emphasis of this policy in addition to a method to discover and remove any obstructions to fair employment treatment, especially in relation to minorities, women and all protected classes. In this plan, the City recognizes the need to actively pursue:

1. The review and elimination of any existing or potential discriminatory barriers, intentional or unintentional, to minorities, women, and all protected classes.
2. To positively encourage minority participation in all aspects of the workforce.
3. To review and evaluate, on a periodic basis, compliance with the Plan.

RESPONSIBILITY FOR THE PLAN

As Chief Executive for the City, the Mayor is responsible for enforcement of the Plan. However, the overall responsibility for administering and coordinating the Plan rests with the heads of the various City departments who will apply the Affirmative Action Plan to all activities of their departments and should work toward obtaining parity. In addition, the Municipal Service Board, as well as the Commission of Public Safety, is expected to comply with the intent of this Plan.

Also, all department heads are responsible for applying the Affirmative Action Plan to all activities of their departments and should work toward obtaining parity.

MINORITIES

Minorities have recently become an available part of the community workforce and have not yet had the opportunity to become assimilated into that workforce. As minorities become established in the community and are available for work, the City needs to make a stronger effort to employ them.

EMPLOYEE DEMOGRAPHICS

The City workforce usually averages approximately 100-111 employees in the broad classification of clerical and non-clerical, in addition to the protective services. In addition, the Parks and Recreation Department employs approximately 80 persons at various times during the year to fill short-term season programs.

A review of employees was made for fiscal year 1981/1982 to determine the number of minorities and women employed by the City. The results are as follows:

A few minorities are employed by the City. Women hold both clerical and administrative positions; and men are in various non-clerical positions. In the Parks and Recreation seasonal programs (staffed primarily by high school and college students) there is a better chance of men and women in the various classifications.

Other than the seasonal employees for Parks and Recreation, the attrition rate in the City workforce has historically been minimal, and, with City budgetary restrictions, it is unlikely that much hiring will occur.

WOMEN IN CITY POSITIONS

The City has traditionally realized the important of placing qualified women in various job classifications. The City has had an appointed female department head since 1967, and in recent years 4 female deputy department heads have been appointed. Also, since 1980, the City has appointed its second female department head and its 5th female deputy department head. Their pay is commensurate with their experience and job duties and responsibilities. These positions are filled by appointive authority and are filled according to the professional expertise required by the department.

Two of the deputies referred to above serve in key roles as deputies to elected officials, i.e. deputy clerk and deputy treasurer. These women have been promoted through the ranks based on their skill and seniority and are in positions demanding a thorough knowledge of City policies and a degree of independence and responsibility.

Under the Affirmative Action Plan, breaking down of job stereotypes will be encouraged. Interested and qualified persons should have full opportunity to apply for any job classification.

PERSONNEL PRACTICES

At the present time, all City union contracts afford all employees equal rights and equal opportunity in regard to promotions, transfers, pay rates, grievance procedures and other personnel practices.

As more minorities and women become employed with the City, supervisors and department heads shall give special consideration to all levels of personnel and work procedures to insure fair treatment regardless of race, color, religion, sex, age, weight, handicap, or national origin.

GOALS

A continuing effort will be made to develop a more cohesive and stronger Affirmative Action Plan. A number of areas still require a more in-depth analysis and other areas need revision and clarification to insure equal employment opportunity.

The following areas will provide immediately attainable goals for the coming year:

1. Recruitment and selection will be a primary concern. The Personnel Office will work cooperatively with the Equal Employment Officer and with City Departments and special programs which are involved in the hiring process to encourage the hiring of qualified minorities and women.
2. All application forms will be review and revised to eliminate any unnecessary and potentially discriminatory information.
3. Contacts will be developed with agencies such as MESC and Downriver Community Conference to receive minority referrals for job applications.
4. Develop a file for minority applicants so that employment, based on present demographics, can be met.
5. Include on any employment advertising "Equal Employment Opportunity Employer-M/F"
6. Work with City unions to have incorporated in all contracts a non-discrimination clause.

7. Develop a policy so that as minorities and women come into or leave the City workforce, they can discuss with the Equal Employment Officer, on an informal basis, discrimination problems before getting into the grievance procedure.
8. Review all employee job descriptions and classifications and make revisions, where necessary, which work toward fair employment treatment and encourage the breakdown of job stereotypes.
9. The present system of employee advancement will be reviewed and discussion with the various unions will begin in an effort to include a merit system.
10. Review promotional opportunities for men, women and minorities and seek to develop upward mobility programs.
11. Review annually the results of stated goals and establish new goals and directions.
12. The Equal Employment Officer will establish a file which contains a statistical analysis of employees in all classifications and a breakdown according to position, sex and race. This file will be maintained and updated quarterly to provide data essential to Affirmative Action compliance.

LONG RANGE GOALS

The City establishes as its long-range goal the elimination of employment discrimination as well as the effects of past discrimination. Further, the Affirmative Action Program seeks representation of each group identified as “under-utilized” in each major job classification in reasonable relation to the overall labor force.

This long-range goal is not intended to be rigid and unchangeable, but rather, to be flexible and based on factors including the availability of job opportunities and other factors beyond the control of the City.

REVIEW & PUBLICATION OF THE AFFIRMATIVE ACTION PLAN

Prior to final adoption of this Plan, all City Council Members and Department Heads shall have the opportunity to review the Plan. A public meeting to discuss the Plan's content, goals, objectives, etc., shall be held during which the Council may take action on adopting the Plan. Other interested parties (such as the Michigan Civil Rights Commission) may review the Plan and comment on its content. However, the adoption of the Plan will not be delayed while

awaiting response from such interested parties. It is recognized though, that legitimate comments that would improve the Plan can be incorporated by amendment, should such comments be received after adoption.

Upon adoption, the Plan shall be printed and distributed to all City Council Members, Department Heads, supervisors and all employees. Copies will be available at the Equal Employment Office for public inspection.

COMPLAINTS OF DISCRIMINATION

Complaints of discrimination in employment practices may be filed by employees with:

The U.S. Department of Housing and Urban Development
Fair Housing and Equal Opportunity Section
477 Michigan Avenue
17th Floor
Detroit, MI 48226
(313) 226-6898

The Equal Employment Opportunity Commission
Detroit Office
231 W. Lafayette
Detroit, MI 48226
(313) 226-7636

Within 30 days of the adopting of this Affirmative Action Plan by the City Council, all municipal employees (including full-time, permanent and temporary, and those currently laid off) shall be informed in writing of the Affirmative Action Plan and shall be given written copies of the three above addresses, contacts, and phone numbers, and informed that complaints may be filed on perceived cases of discrimination in employment practices.

This department shall be responsible for writing the (HAP) Housing Assistance Plan in accordance with 24 CFR 570.306 and making annual reports thereon.

No person shall on the grounds of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under, any program or activity funded in whole or in part with C.D.B.G. funds made available to this department.

All persons employed by contractors or sub-contractors or rehabilitation or construction work financed in whole or in part with assistance received under the C.D.B.G. program shall be

paid wages at rates not less than those prevailing on similar projects in the area as determined in accordance with the Davis-Bacon Act. All activity of this department shall contain evidence in the appropriate file that the Davis-Bacon Act has been complied with.

It shall be the stated policy of this department that separation being necessary to the continued health of both Church and State, no C.D.B.G. funds shall be used to benefit directly or indirectly any religious organization, in accordance with the First Amendment to the U.S. Constitutions' prohibition thereof.

The following section describes generally what activities can be assisted with C.D.B.G. funds and which cannot be. The following activities are not eligible to be assisted with C.D.B.G. funds:

1. Buildings used for the general conduct of government such as City Hall, Court House, Fire Station, Police Station, and D.P.W. facilities, etc.
2. The expense required for the conduct of government and the regular responsibilities of government, such as subsidy to the general fund, salaries for policemen, paving of streets, etc.
3. The financing of facilities or equipment for a political purpose or to engage in other partisan political activities.
4. Any other activity not fulfilling a national objective of the C.D.B.G. program or allowable under a provision of 24 CFR Part 570.

The following activities shall be eligible for C.D.B.G. assistance:

1. The acquisition of real property by purchase, long term lease, donation or otherwise, for a purpose which meets a national objective of the C.D.B.G. program.
2. The disposition of real property and the costs incidental thereto.
3. Public facilities and improvements that meet a national objective such as shelters for the homeless, fire protection equipment, community, senior and health centers, curbs, gutters, sidewalks, parks and playgrounds.

4. Privately owned utilities. The department may use C.D.B.G. funds to acquire, reconstruct, rehabilitate or install the distribution lines and facilities of privately owned utilities, provided such activity meets one of the national objectives of the program

CLEARANCE

C.D.B.G. funds may be used for the clearance, demolition, removal and movement of structures provided such activity meets a national objective.

PUBLIC SERVICES

C.D.B.G. funds may be used to provide public services including labor, supplies and materials provided those services meet a national objective and the project provides a new service or increase in the level of such service. Such funds expended within any one program year shall not exceed 15% of the total grant award.

INTERIM ASSISTANCE

C.D.B.G. funds may be used to provide interim assistance to particular designated areas for repairs of streets, sidewalks, public buildings, parks, etc. This category may also provide for the conducting of special garbage, trash or debris removal, including neighborhood clean-up campaigns.

RELOCATION

C.D.B.G. funds may be used for the relocation of displaced persons, families, businesses and non-profit entities.

LOSS OF RENTAL INCOME

C.D.B.G. funds may be used to pay housing owners for losses of rental income incurred in holding for temporary periods, housing units to be used for the relocation of individuals and families displaced by C.D.B.G. assisted activities. The underlying relocation must of course, meet a national objective of the program.

REMOVAL OF ARCHITECTURAL BARRIERS

C.D.B.G. funds may be used to remove material and architectural barriers which restrict the mobility and accessibility of elderly and handicapped persons to publicly or privately-owned buildings, facilities and improvements, provided such barrier removal meets a national objective of the program.

HOUSING REHABILITATION

C.D.B.G. funds may be used to finance the rehabilitation of any publicly or privately owned residential property, including the conversion of non-residential property to housing, provided such activity meets a national objective.

NEW HOUSING CONSTRUCTION

C.D.B.G. funds may be used to finance or subsidize the construction of new permanent residential structures under limited circumstances, provided such construction meets a national objective.

CODE ENFORCEMENT

C.D.B.G. funds may be used for code enforcement only in deteriorating or deteriorated areas where such enforcement, together with public improvements, rehabilitation and services to be provided, may be expected to arrest the decline of the area and provided the code enforcement itself meets a national objective.

HISTORIC PRESERVATION

C.D.B.G. funds may be used to rehabilitate, preserve and restore historic properties, provided such activities meet a national objective of the program. Such historic properties may be either publicly or privately owned.

COMMERCIAL OR INDUSTRIAL REHABILITATION

C.D.B.G. funds may be used to finance the rehabilitation of commercial or industrial building if such rehabilitation meets one of the national objectives. Such funds may only be disbursed "AFTER" a necessary or appropriate determination has been made by the director.

C.D.B.G. funds may not be used to purchase equipment or furnishings, personal property not an integral structural fixture or for the installation of luxury items.

SPECIAL ECONOMIC DEVELOPMENT

C.D.B.G. funds may be used for the following activities provided they meet a national objective of the program. This department or a non-profit sub-recipient may acquire, construct, reconstruct or install commercial or industrial structures and other real property equipment and improvements. This department may also assist for-profit entities if necessary or appropriate. Such assistance may be in the form of grants, loans, loan guarantees, interest subsidies or subsidies or technical assistance.

SPECIAL SUBRECIPIENT ACTIVITY

C.D.B.G. funds may be used to assist activities which this department could carry of itself but choose to conduct through a sub-recipient. Such sub-recipients would be a neighborhood-based non-profit as described in section 570.204 (c) (1), a small business investment company as described in section 570.204 (c) (2) and a local development corporation as described in section 570.204 (c) (3).

PLANNING ACTIVITY

C.D.B.G. funds may be used for studies, analysis, data gathering, and plan preparation, etc., provided such plans are for an activity which meets one of the national objectives. Such planning may include a comprehensive community development plan, project plans, neighborhood plans, housing plans, historic or environmental plans, etc.

PROGRAM AND ADMINISTRATION COSTS

C.D.B.G. funds may be used to pay reasonable program administration costs and costs related to planning and executing community development plans. No more than 20% of the total annual grant may be used for such costs.

OTHER ACTIVITIES

C.D.B.G. funds may be used to pay for completion of an urban renewal project, the completion of a HODAG housing project or the renovation of a closed school building for use as an eligible public facility, a commercial or industrial building or for housing. Such activity must of course, meet one of the national objectives of the program.

CITY OF LINCOLN PARK
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT
PROCEDURES GUIDE

PROCEDURES

The following guidelines shall constitute the standard procedure of this department. There shall be no deviation whatsoever from these procedures without the express approval of the director of this department. Any deviation from these procedures without prior approval of the director may result in disciplinary action being taken against the offending party(s).

DETERMINING ELIGIBILITY

In general, an activity may be undertaken or assisted in whole or in part with C.D.B.G. funds only if all of the following requirements are met:

1. Each activity must meet the requirements of section 105 of 24 CFR sections 570.
2. Each activity must meet one of the three national objectives of the program.
3. Each activity must be in harmony with the primary objective of the program.
2. Each activity must comply with all environmental review procedures and regulations which are applicable
3. Each activity must be accomplished for a “reasonable” cost for the industry and area it occurs in.

PROCEDURES GOVERNING SUB RECIPIENT ACTIVITIES

The Mayor and City Council may decide to fund certain Sub Recipient activities during any fiscal year and decide not to fund others. Any Sub-recipient activity must fully comply with applicable federal regulations governing the CDBG Program. In order to become an assisted Sub Recipient of the CDBG Program, an applicant shall make written request for such status and funding to the Mayor and City Council during the regular budgeting process for the CDBG fiscal year. Sub Recipients may engage in the providing of public services, economic development or housing activities. If the Mayor and City Council decide to fund a Sub Recipient activity, the

Director of Community planning and Development shall draft a Sub Recipient Agreement which, inter alia, contains statements relative to the following items:

1. Meets National Objective / Eligible Activity
2. Scope of Work
3. Time of Performance
4. Compensation and Method of Payment
5. Program Income
6. Record Keeping Requirements
7. Reporting Requirements
8. Public Access to Program Records
9. Grant Closeout Procedures
10. Uniform Administrative and Program Management Standards
11. Reversion of Assets
12. Real Property
13. Other Program Requirements
14. Termination
15. Compliance with Laws / Regulations
16. Antidiscrimination / Affirmative Action and Equal Employment Opportunity
17. Financial Management
18. Audits
19. Religious and Political Activities
20. Budget Modifications
21. Monitoring
22. Conflict of Interest
23. Procurement Standards and Methods
24. Budget
25. Project Schedule / Milestones
26. Environmental Review
27. Personnel Assigned to Scope of Work

The Director of the Office of Community Planning and Development shall at least one time each year make a monitoring visit to the location where the Sub Recipient is carrying out its activities. The monitoring review shall examine the Sub Recipients progress from the standpoint of Program Performance, Financial Performance and Regulatory Compliance. The monitoring visit shall include the receiving of written documentation that the participants in the Sub Recipients activities meet one or more of the National Objectives of the CDBG Program. The monitoring visit shall be conducted during the applicable fiscal year for which assistance is being provided by the CDBG Program or within 90 days of the end of said fiscal year. The Director of the Office of Community Planning and Development should also make an effort during the year to check in via the telephone with the Sub Recipient at least once in order to obtain assurances that the objectives of the Sub Recipient Agreement are being met.

If the Sub Recipient requests it, the Director of the Office of Community Planning and Development shall provide technical assistance as needed to assist the Sub Recipient in reaching the goals established in the Sub Recipient Agreement. An exit conference shall be held at the conclusion of the monitoring visit to apprise the Sub Recipient of the items reviewed and any problems discovered. The Director of the Office of Community Planning and Development shall also provide a monitoring follow up letter to the Sub Recipient to conclude the process informing said Sub Recipient of any issues rose during the monitoring visit.

If any findings are made as a result of the monitoring visit, the Director of the Office of Community Planning and Development will work with the Sub Recipient in order to clear said finding and to give whatever assistance is needed in an effort to prevent a recurrence of such finding.

If a Sub Recipient receives \$25,000.00 or more in any given fiscal year in CDBG or other federal assistance, said Sub Recipient must have an independent audit conducted of their activities. The Sub Recipient shall be responsible for arranging for any paying for said audit and will provide the Office of Community Planning and Development with a copy of said audit report when it is complete and available.

No lump-sum payments shall be made to any Sub Recipient under the CDBG Program. The Sub Recipient shall provide a written request to the Director of the Office of Community Planning and Development (hereinafter Director) for progress payments on at least a quarterly

basis. The Director must be satisfied that the activities payment is requested for are in conformity with the Sub Recipient Agreement and that they are allowable costs under the CDBG Program. The Sub Recipient must at the time of making a request for funds, provide the Director with sufficient documentation that their activities are eligible under the CDBG Program.

RESIDENTIAL HOUSING REHABILITATION LOAN PROGRAM

Community Development Block Grant (hereinafter CDBG) funds may be used to assist in whole or in part the rehabilitation of any private housing or rental housing unit which is located in the City of Lincoln Park, Michigan. These funds may be used to make low interest loans, no interest loans and deferred loans to eligible property owners. These funds may be used to make regular loans available and also to make such loans available on an “**emergency**” basis with said emergency being described on pages 35 through 37 of these Guidelines. The Mayor and City Council, on an annual basis at the time they make a final determination as to the allocation of CDBG funding for that year, designate the percentage of the total Residential Rehabilitation Loan Program funding that shall be set aside for emergencies, low interest, no interest, deferred and rental loans. Absolutely no CDBG funding shall be obligated or used to pay for any activity wherein a potential or actual “**CONFLICT OF INTEREST**” condition exists as described in 24 CFR 570.611 et.seq., and other applicable federal regulations, unless a formal resolution and public disclosure of said potential or actual conflict of interest has been made a formal exception has been given by the United States Department of Housing and Urban Development (hereinafter HUD). The only exception to said procedure shall be in the case of an emergency situation as herein elsewhere described that requires immediate action to prevent harm to persons and/or property. Under such a condition, the property owner may be assisted while the exemption request to HUD is pending provided that said homeowner is made aware and agrees that in the event said HUD exemption is denied, any and all CDBG funds made available to them must be paid back to the Program immediately.

Any person(s) applying for assistance under this Program must be the fee simple absolute owner of the subject property or be purchasing said property under the term of a recorded mortgage, land contract or other similar method of conveyance. If the applicant is purchasing on a land contract and has not yet paid at least ½ of the purchase price on said property, then the

actual property owner (the seller on the land contract) must sign the lien against said property as well as the applicant in order to secure the repayment of this loan.

No person(s) shall be eligible for a subsequent loan under this Program so long as they still owe money to the Program under the terms of a prior loan. Applicants for this Program shall not have a combined annual income from any and all sources whatsoever, in excess of the low to moderate income guidelines for the Detroit, Michigan MSA median family income as established by HUD. Annual combined income may include but is not limited to the following types of assets; earned income, wages, tips or other compensation, child support, alimony, social security benefits of any kind, other government benefits of any type, rental or other investment type of income, interest received from savings, stock, bonds or other sources.

The City of Lincoln Park shall have the sole discretion to decide whether or not any person(s) shall receive a loan under this Program. The decision of the City regarding the applicant's credit-worthiness shall be final. It is clearly understood that not everyone who applies for this assistance may ultimately receive it. The City is making this assistance available to its citizens on an annual basis and the Mayor and City Council shall have the sole discretion to determine how much, if any, money shall be allocated to the Program each year and the terms and conditions under which any person(s) may be assisted. Under normal circumstance, the City shall not enter into any contract with any building or other type of contractor for the repair and/or renovation of any housing structure using funds allocated to this Program. The contract shall be between the applicant property owner and the contractor. The City shall make a loan to the property owner and it is then that persons responsibility to pay the contractor for all work performed on the property after it is given a final approval from the City Building Department inspector. The City shall not under normal circumstances issue checks to any contractor and is not the guarantor of payment to any such contractor. The City shall not be liable under any such rehabilitation contract.

PROCESSING OF APPLICATIONS FOR ASSISTANCE

Beginning with the first application received and proceeding in sequence thereafter as such applications are received until all available CDBG funds are expended each year, the following procedure will be adhered to by the City:

1. All applicants shall provide sufficient information, documentation and other proof to the City so that a proper determination can be made regarding that applicant's eligibility for this Program. Once eligibility is determined, the Building Department shall be requested to inspect said property and make a written report in detail outlining the items in need of renovation and the suggested method for doing so. If the proposed project is then determined to be feasible given the amount of assistance available and any private sources of funding the applicant may have available to them, the Mayor and City Council shall be asked to authorize said applicant's participation in the Program in accordance with these Policies and Procedures.
2. All homes assisted with CDBG funds shall be required to have lead-based paint hazard testing conducted when applicable and as required by federal regulations. The City CDBG Program shall pay the cost of said testing. If required under said regulations, all testing and renovation work shall be conducted in accordance with all applicable federal regulations governing such activities.
3. If said applicant is determined to be eligible for this assistance, said applicant shall promptly (30 days or less) after being notified of said eligibility prepare a description of the work they wish to have done and submit to the City at least three (3) written estimates prepared on proper estimating forms by contractors licensed by the State of Michigan and properly insured and registered with the Lincoln Park Building Department. The lowest qualified bid received shall be used unless the applicant property owner is willing to and does pay the difference between the lowest qualified bid and any other so selected.
4. The applicant shall execute a contract, promissory note and lien on the property in favor of the City before any funds are allocated for any project whatsoever. The applicant shall complete and execute any and all documentation necessary to effectuate this process when requested to do so by the City.
5. The applicant property owner is solely responsible for selecting their own building or other contractor and the City shall under no circumstances make recommendations relative to such contractors.
6. The applicant property owner and the contractor (with the lowest qualified bid) they have selected must enter into a rehabilitation contract as provided by the City to perform the necessary renovation work. Such selection shall be made by the applicant property

owner within 30 days of their being notified of their eligibility under this Program. All work must be commenced within (5) days of signing the contract and must be completed within 60 days of commencement. The only exception to this rule shall be for work that cannot be performed because climactic conditions do not permit it, but such work shall be promptly completed as soon as weather conditions permit.

7. The contractor shall be responsible for pulling any permits required for such renovation projects and under no circumstances shall the applicant property owner be allowed to pull a homeowners permit to accomplish said renovations.
8. Once the final inspection has been made by the appropriate City Building Department personnel and the work satisfactorily completed, the Director of Community Planning and Development shall request the Mayor and City Council approve the issuance of a check to the applicant property owner and contractor in order to pay for the work performed under this Program.
9. The City shall promptly register their lien against the assisted property to secure the loan made for said renovations. Said lien shall not be discharged until all principal and interest (if applicable) has been fully repaid to the Program.
10. A lien registered under the terms of this Program shall not be subrogated more than one time and only then when the LTV (loan to value) Ratio is no greater than 85% as proven by a certified appraisal of the subject property by an appraiser licensed by the State of Michigan. Said lien shall only be subrogated in order to allow for further renovations to the subject home or in order to obtain a lower interest rate on a home mortgage. Under no circumstances shall the City lien be subrogated to a greater number of creditors than it was originally. Any new mortgage obtained in order to get a lower interest rate must pay off the original mortgage.
11. This Program shall be operated in accordance with all HUD and other applicable federal regulations.

TYPES OF ASSISTANCE AVAILABLE

The following types of assistance shall be made available to eligible and qualified applicant property owners on a first come, first served basis. These types of assistance and the total amount of funding allocated to each group annually shall be at the sole discretion of the

Mayor and City Council of the City of Lincoln Park. Under no circumstances shall the City be obligated to pay funds beyond those allocated annually by said Mayor and City Council. When the annual allocation is exhausted, no further loans shall be made until further funds become available to the Program.

LOW INTEREST RESIDENTIAL REHABILITATION LOAN

The City may make available to eligible low to moderate income applicants a loan of up to \$20,000.00 to be repaid to the Program monthly over a period of up to 10 years at a rate of interest to be set at the beginning of each fiscal year or more frequently if necessary to reflect the current lending rates in the private market. Said loan shall be used to facilitate the renovation of the subject property to bring it into compliance with all applicable codes, regulations and ordinances. The property owner shall be given a copy of the inspection reports of the City Building Department and said renovations shall be conducted in such a way as to ensure that the most serious and necessary repairs are made first. Once the funding allocated to this category is exhausted each year, no further loans of this type shall be made that fiscal year.

DEFERRED RESIDENTIAL REHABILITATION LOANS

The City may make available to very low and low-income property owners a deferred residential rehabilitation loan of up to \$20,000 with no interest being charged. Said loan need not be repaid to the City until the subject property is sold, rented out, leased, destroyed or ownership is in any way transferred from the original applicant property owner or when the subject property ceases to be the primary residence of the original applicant property owner. At that time, the full amount of the loan made to said applicant property owner must be repaid to the Program. Said loan must be used to make necessary renovations to the subject property in order to bring it fully into compliance with all applicable codes, regulations and ordinances. The applicant property owner shall be given a copy of the Building Department inspection reports so as to ensure that the most serious and necessary renovations are performed first. Once the funds allocated to this category are exhausted each year, no further loans shall be made available until additional funding is made available to the Program.

RESIDENTIAL NEIGHBORHOOD IMPROVEMENT PROGRAM LOAN SUBSIDIES

The main objective of neighborhood improvement is revitalization and transformation of neighborhoods by eliminating blight areas throughout the City. This is accomplished through continued code compliance and enforcement, requiring residential owners to maintain their property according to City's Code of Ordinances. CDBG funds may be used by an eligible applicant to correct any code violations they receive parallel to the Residential Housing Rehabilitation Loan Program guidelines. The applicant would be eligible for a minimum of \$1,000 with a maximum of \$5,000 to correct the violations identified by the City. (Refer to the Residential Housing Rehabilitation Loan guidelines.) If the applicant has a Residential Rehabilitation Loan or if they receive the Neighborhood Improvement Loan they would not be eligible for any other CDBG funding until the loan is paid in full.

SEWER LATERAL REHABILITATION AND REPLACEMENT PROGRAM

The goal of the Program is to assist eligible residents in the cost of repairing or replacing decayed sewer leads on private residential properties. The improvements are necessary to reduce the inflow and infiltration of rainfall water as well as surrounding soils into the City of Lincoln Park's sanitary sewer system. Under this Program, the City of Lincoln Park will notify in writing those property owners whose sewer lines are in need of repairs or replacement and provide them with the results of the tests. If the sewer line is in need of repair or replacement, the eligible property owner may apply to the Community Development Department for participation in the program. The Community Development will accept and all applications.

The program will provide funds to eligible participants to repair and/or replace the private sanitary sewer lead from the City of Lincoln Park's main line to the building's edge. These funds are available in the form of a five (5) year forgivable loan and shall be paid directly to the contractor at the time of completion and acceptance of the project by the City. Additional repairs, which are required to complete the work and properly tie-in to the house line, may be possible through this program. There are a few eligibility guidelines to consider when applying: applicant(s) must reside within the city limits of Lincoln Park; applicant must own the home; applicant must occupy the home as his/her primary residence. Additionally, applicant(s) household annual gross income must not exceed eighty percent of the maximum income limits.

Assistance is available on a first come, first served basis to eligible applicants as funds permit. (Adopted 5/21/18, Resolution # 2018-154.)

RENTAL HOUSING REHABILITATION LOANS

The City may make available to property owners of eligible rental housing, a loan of up to \$5,000 per rental unit to be repaid to the Program monthly, over a period of time not to exceed 15 years, at a rate of interest to be determined at the beginning of each fiscal year or more frequently if necessary to reflect current lending rates in the private market. Said funds shall be used to make renovations to rental properties in order to bring them into compliance with all applicable codes, regulations and ordinances. The renovated property must be rented out to low to moderate income persons at a monthly rate established by HUD as appropriate. The applicant property owner shall rent the subject property at such agreed to rate during the course of the repayment of the loan and failure to do so shall cause the loan to be called in and immediately due and payable to the Program in full, plus interest. This assistance is to be made available to individuals only and corporations, joint venture and similar types of legal entities shall not be eligible for such assistance. Once the funds are allocated to this category each year are exhausted, no further such loans shall be made available by the Program until further funding is made available to the Program.

EMERGENCY RESIDENTIAL REHABILITATION LOAN

The City may make available on an emergency basis, residential rehabilitation and deferred residential rehabilitation loans of up to \$20,000. The loans made will be in all other respects the same as those listed above under those particular headings but the applicant shall not be required to wait on a list, if any is then in place, but shall rather be handled on an emergency, immediate basis. Such loans must be used and repaid to the Program in the same manner as previously herein described. Whether or not said applicant is eligible to be handled on an emergency basis shall be determined at the sole discretion of the City and in accordance with the

Policy and Procedures Guidelines found on **page 35**. Once the funds are allocated to this category each year are exhausted, no further loans shall be made available by the Program until further funding is made available to the Program.

EMERGENCY SITUATIONS DEFINED

An emergency situation or condition shall be determined as follows. Such an emergency can be declared by the Director of Community Planning and Development and the Superintendent of the Building and Safety Engineering Department acting jointly. The reasons for the emergency designation shall be stated in writing and signed by the Building Department inspector and maintained in the file established for that project. The following circumstances shall constitute an emergency under this Program.

- A. “EMERGENCY CONDITION” means there is an actual and immediate danger of collapse of any part of a building or structure or failure of any system within a structure which endangers life. Every structure classified as being in an “Emergency Condition” will, at a minimum, require temporary safeguards and immediate or emergency repairs and may very likely need to be temporarily at least, vacated.
- B. “IMPENDING EMERGENCY” means a condition exists, that if left uncorrected, will most likely result in an **“Emergency Condition”** in a short period of time. Every structure classified as an **“Impending Emergency”** will be promptly cited by the Building and Safety Engineering Department for violations which need to be corrected.
- C. “SEASONAL PRIORITY” means a violation(s) exist which should be corrected prior to the onset of inclement weather; and which, if left uncorrected will most likely cause additional deterioration and property damage, but will not likely endanger life.

As an example, a house with leaking basement walls that indicates a failure of foundation drainage and waterproofing system could be classified as a SEASONAL PRIORITY. If these basement walls were severely cracked and horizontally displaced as well, the structure may be classified as an IMPENDING EMERGENCY. If any of those basement walls were displaced to

the extent that they no longer provided reliable bearing, or were in immediate danger of collapse, then the structure would be classified as being in an EMERGENCY CONDITION.

The most important factor to be considered is that an “EMERGENCY” be it actual or impending, requires immediate action to safeguard life. Frequently, an emergency condition can be abated with a minimal amount of work, thus eliminating the immediate danger to life while acknowledging that other code violations which need to be corrected, still exist. For example, a house with numerous electrical violations may be classified as being in an emergency condition because of exposed live wires. Such an “EMERGENCY” must be corrected immediately, while the remaining violations which are not a threat to life, health or safety can be corrected at a later time.

This department will perform the emergency repairs only and the applicant will be placed back on the waiting list for the completion of the non-emergency repairs. It is unfair to the citizens this department serves to make them wait a minute longer than is necessary to obtain the needed repairs. This department shall make every reasonable effort to ensure that six (6) months for the necessary repairs.

If the applicant's case is determined to be an “EMERGENCY CONDITION”, this department shall waive the manual sealed bidding procedure. Rather, the reab specialist shall telephone at least three (3) contractors from the list of registered contractors of this department and obtain cost estimates for the work to be done. The lowest estimate received shall be awarded the job and directed to begin work immediately. If the contractor cannot begin work immediately, then the next lowest estimate shall be given the job. These emergency jobs will be offered to all the qualified contractors on the list on a rotating basis so that over a period of time, all the contractors have an equal chance to participate in the program.

The following items are examples of the type of work which can be performed under this program. C.B.D.G. funds may be used to repair or replace:

1. Structural members;

2. Interior and exterior surfaces such as floors, walls, porches, windows, doors, ceiling, etc.
(Note: lead-based paint shall not be applied to any interior or exterior surfaces)
3. Extermination services necessary to remove or prevent insect, rat or other infestation which could be injurious to human health;
4. Proper light and ventilation in all habitable areas;
5. Water closet and lavatory facilities;
6. Bathtub and/or shower facilities;
7. Kitchen sinks;
8. Necessary plumbing fixtures;
9. Water heating facility;
10. Proper sewage system;
11. Proper storm drainage system;
12. Proper structure heating facilities;
13. Proper climate-control equipment;
14. Proper electrical receptacles (G.F.C.I. where code required)
15. Proper room lighting fixtures;
16. Proper electrical service (minimum 60 ampere, 3 wire service);
17. Proper fire/smoke detection devices;
18. Snaking-out of sewage/water system;
19. Tree removal if interfering with sewage/water system, damaging foundations, basement walls or otherwise affecting the structural integrity of the house.
20. Sidewalks, steps and driveways when necessary;
21. Waterproofing of basement walls where necessary;
22. Items necessary to make the structure habitable by handicapped individuals;
23. All other items determined necessary by the department director;

Repairs or replacement of fences, garages or other structures not connected with the basic dwelling unit shall also be allowed.

In general, a Rehabilitation Loan may be made to cover the cost of rehabilitation necessary to make an owner-occupied one or two dwelling unit residential property conform to local standards for safe, decent and sanitary housing as specifically required by the B.O.C.A.

Codes, (hereafter referred to as “Code”). When rehabilitation work is finished in part or in whole by a rehabilitation loan, such work must as a minimum fully conform to the Code at the time of completion of the work.

In general, C.D.B.G. funds shall not be used for new construction; garages, fences, expansion of the structure or the finishing of unfinished spaces such as basements or attics. The materials used in this program shall be at a minimum, equal to or better than the type customarily used in this area, in quality, for property of the same type as the structure being rehabilitated under this program.

When a citizen makes an application they will be given a case number and informed of the number of cases ahead of them and the approximate length of time they will probably have to wait for the loan. The applicant shall be asked pertinent questions relative to actual or potential conflicts-of-interest and asked to sign the standard affidavit relative to conflicts-of-interest. The rehab clerk shall obtain basic financial information at the time of making the application in order to determine eligibility pursuant to the HUD Section 8 guidelines. If the applicant indicates at the initial consultation that they believe an “EMERGENCY CONDITION” exists in their home; the rehab clerk shall immediately request a Building Department Inspector make an inspection of the home and render a professional opinion in writing as to whether or not the complained of condition is in fact, an “EMERGENCY”.

Once an applicant is eligible for the loan and their case file is at the top of the list to be done, the rehab clerk shall do each of the following:

1. Notify the applicant that they are now eligible for the loan.
2. Obtain any and all information still needed from the applicant to complete the application.
3. Request inspectors of the Building Department to conduct structural, electrical, mechanical and plumbing inspections of the subject house.
4. Request lead based hazard inspection of property if necessary.
5. Write up a set of specifications, based upon the inspections, to be used by the contractors in bidding on the project.

6. Accept the lowest qualified bid for the completion of the project. The rehab specialist shall be responsible for ensuring that the bid accepted is reasonable considering the industry standards in this geographic area.
7. Notify the successful bidder that they have been awarded the contract and that they are requested to begin work immediately. Time shall be considered to be of the essence of said contractors.
8. Notify the applicant that the job has been awarded to a particular bidder and the date the work is scheduled to commence.
9. Upon completion of the work, the rehab clerk shall make a visual inspection of the work done and make a written report as to their findings. The rehab clerk shall also request a final inspection of the work done by all appropriate Building Department inspectors and a clearance test if a lead inspection has been done.
10. Absolutely no C.D.B.G. funds shall be paid out until AFTER both the inspectors have given their final approval on all work performed and the applicant has stated, in writing, that they are completely satisfied with the work performed.
11. All checks made out to pay for the rehabilitation work done on the applicant's home shall be made out in the name of both the applicant and the contractor.
12. This department shall make every effort to give needed assistance to the applicant in resolving any conflict which may arise with the contractor or others as a result of the rehabilitation project.
13. Before and after photographs of the work to be done shall be obtained by the rehab specialist whenever practicable and retained in the file of the project.
14. The rehab clerk shall be responsible for obtaining any necessary historic and/or environmental approvals for the project before work is begun.
15. After completion of all the above steps, the rehab clerk shall meet with the director of this department and together they will review the file for completeness and accuracy. Both parties will then sign-off on the file and the project will be considered complete.

The taxes and water bills on the applicant's home must be fully paid-up before work is commenced on the home. Any particular individual or any particular structure shall only be eligible for a rehabilitation loan once in any given ten (10) year period of time.

In a conflict-of-interest situation should arise in the relation to this departments activities, said situation shall be immediately brought to the attention of the department director. After discovery of the conflict-of-interest problem, the following procedure shall be followed:

1. The director of this department shall make a full investigation of the situation and obtain all available documentation relative to the matter.
2. The director of this department shall then promptly notify the Mayor and the City Council, the office of the City Attorney and the Department of HUD, of the situation
3. If it is determined that a genuine conflict-of-interest exists pursuant to 24 CFR 570.611 and that the situation is not an appropriate one for the use of C.D.B.G. funds the director of this department shall notify the applicant and all other concerned, in writing, that the application is being denied for the reason that said conflict-of-interest exists
4. If the director of this department determines that the public interest is better served by awarding the loan to the applicant, the City Attorney will be requested to render a written opinion that the situation does not violate State of local law. The Mayor and City Council shall announce at a public meeting the situation and why an exception to the regulations is being sought. The director of this department shall then make a written application to the Department of HUD requesting an exception to the federal regulation pursuant to 25 CFR 570.611 (d). No further action on the loan shall be taken until formal approval of the request is received from HUD.

It is the stated position of this department that the employees of the department shall not accept any favors, gratuity, money, gift or anything else of value from any contractor or vendor which is dealing, has dealt or may in the future deal with this department. The employees of this department shall conduct themselves at all times with the utmost regard and consideration for the public trust which has been place in them.

COMMERCIAL REHABILITATION LOAN SUBSIDEIS

The following procedure shall be complied with at all times. Assistance may be given to for-profit, private entities in the form of grants, loans, loan guarantees, interest subsidies,

technical assistance and other support only AFTER this department has made a complete necessary or appropriate determination as described in appendix B of the 1988 Guide to C. B.D.G. Eligible Activities. This department shall not undertake any projects considered ineligible under 24 CFR 570.270 (a).

In order to make certain that the assistance provided under this program does not unduly enrich the for-profit entity being assisted, this department shall conduct a complete analysis of the entity to determine that the amount of any financial assistance given is not excessive, taking into account the actual needs of the entity in making the project financially feasible and the extent of the public benefit expected to be derived from the project. This department shall be careful to complete and maintain documentation of the analysis made as well as any other relevant factors that were considered in making the necessary or appropriate determination. The necessary or appropriate determination must be made in all cases, without exception. Before and after photographs and drawings will be obtained whenever practicable.

When a privately owned for-profit entity makes an application for C.D.B.G assistance, the following procedure shall be followed:

1. Determine the national objective which the proposed project will address, (i.e.) creation or retention of jobs, elimination or prevention of a slum or blighting influence or an urgent community development need. The file must contain information showing specifically how the national objective will be met.
2. Determine the project type of either a real estate project whereby a developer builds or renovates a piece of property in order to rent it out to another; or a user type whereby the entity building or renovating the property also intends to occupy that property itself.
3. Determine the appropriateness of the total project costs taking into consideration the industry average for this area. The file must contain documentation of what sources were consulted and precisely how the reasonableness of the costs was determined.
4. Verify that the C.D.B.G. funds have not been used in place of available private sources of funding. C.D.G.B. funds shall not be committed to a project if other private sources of funding can be possibly and reasonably obtained. The file on the project must documentation which verifies the private sources of funding and the terms and conditions of re-payment.

5. Determine the reason(s) why C.D.G.B assistance is needed to complete the proposed project. There are three (3) generally accepted reasons although others may exist. The project may have a Financing Gap in that the private sector can only raise a portion of the funds needed and therefore a gap is created which only C.D.B.G. funds can fill. The Rate of Return on the project without C.D.B.G. assistance may be so low that an economically motivated entity would not undertake the project. The location of the assisted property is changes from the place the private entity originally wanted it to be to a place the City wants it to be and that location is more costly than the location originally proposed.
6. Determine the minimum amount of C.D.B.G. funds necessary to stimulate the private investment in the project. This analysis will require a five (5) to ten (10) year preformat for the proposed project to be in the project file. The proformas should be analyzed from the perspective of the difference between a 100% privately financed project and a project with the proposed amount of C.D.B.G. funds involved.
7. Determine the interest rate percentage to be subsidized or amount of funds committed to the project. The standard used by this department in the past of granting subsidies of five percent (5%) across the board is to be avoided. The proper amount of funds necessary or appropriate may be as little as one percent (1%) or two percent (2%) or it may be as high as ten percent (10%) or more. This department must make a complete financial analysis of the for-profit entity and then decide the appropriate level of assistance for the proposed project.
8. Maintain contact with the recipient business owner throughout the project and obtain sufficient documentation that the funds are being spent for eligible activities only.

Absolutely no C.D.B.G. funds shall be in any way committed to a project until AFTER all of these determinations are made.

This department shall operate the loan subsidy program through one or two local banks of sufficient size and good reputation as to ensure the long-term health of the program. This department shall only conduct business with such banks as have signed a contract with this department to carry out all program activities in accordance with all applicable rules and regulations of the local, state and federal governments.

PURCHASING PROCEDURES

The following sections shall constitute the official purchasing procurement policy of this department.

The Office of Community Planning and Development shall contact small minority and female owned businesses when soliciting bids for work or services according to the provisions of OMB Circular A-102, Attached "O" and revised Handbook No. 1300.17 issued March 1, 1982, by the Department of Housing and Urban Development and future amendments thereto.

All contracts relating to the Office of Community Planning and Development shall contain all provisions required by the Department of Housing and Urban Development revised Handbook No. 1300.17, issued March 1, 1982 relating to equal opportunity, the Davis Bacon Act, the Clean Air Act, and all other Acts, laws and regulations contained in said Handbook or in future amendments thereto.

The Office of Community Planning and Development shall adhere to Section Three (3) of the Housing and Community Development Act relating to making efforts to deal with local businesses and concerns.

The Director of Community Planning and Development may enter into either competitive negotiation or non-competitive negotiation for the procurement of professional service from architects and other professional persons and any proposed agreements so negotiated shall be submitted to the Mayor and Council for review and action in accordance with Policy 700-8.

The 1978 Community Development Block Grant contains a condition requiring the City of Lincoln Park to adopt a procurement policy specifically maximizing utilization of minority and Section 3 (HUD Act of 1968) businesses.

The following procurement is intended to supplement the existing purchasing procedures of the City of Lincoln Park and is applicable only to purchases involving federal grant funds, as specified in OMB Circular A-102, Attachment "O", revised Handbook No. 1300.17, pages 1-12, issued March 1, 1982 by the Department of Housing and Urban Development and Section 3 in 24 CFR, Chapter I, Subchapter B, part 135.

SECTION O

1. APPLICABILITY

- a. This section establishes standards and guidelines for the procurement of supplies, equipment, construction and services for Federal assistance programs. These standards are furnished to ensure that such materials and services are obtained efficiently and economically and in compliance with the provisions of applicable Federal law and executive orders.
- b. No additional procurement requirements or subordinate regulations shall be imposed upon grantees by executive agencies unless specifically required by Federal law or executive orders or authorized by the Administration for Federal Procurement Policy. This probation is not applicable to payment conditions issued in accordance with Treasure Circular 1075, individual grantee requirements pursuant to Section 10 of the basic circular or the provisions of this or other OMB circulars.
- c. Provisions of current subordinate requirements not conforming to this Section shall be rescinded by grantor agencies unless approved by the Office of Federal Procurement Policy (OFPP).

2. GRANTEE/GRANTOR RESPONSIBILITY

- a. These standards do not relieve the grantee of any contractual responsibilities under its contracts. The grantee is responsible, in accordance with good administrative practice and sound business judgment, for the settlement of all contractual and administrative issues arising out of procurements entered in support of a grant. These include but are not limited to source evaluation, protests, disputes and claims. Executive agencies shall not substitute their judgment for that of the grantee unless the matter is primarily a Federal concern. Violations of law are to be referred to the local, State or Federal authority having proper jurisdiction.
- b. Grantees shall use their own procurement procedures which reflect applicable State and local laws and regulations, provided that procurements for Federal Assistance Programs do not violate standards set forth in this section and applicable Federal law.

3. GRANTEE PROCUREMENT IMPROVEMENT

- a. Executive agencies awarding Federal grants or other assistance which require or allow procurement by the recipients are encouraged to assist recipients in improving their procurement capabilities by providing them with technical assistance training, publication and other aid.

4. PROCUREMENT SYSTEM REVIEWS

- a. Executive agencies are encouraged to perform reviews of their grantees' procurement systems if a continuing relationship with the grantee is anticipated or a substantial amount of the Federal assistance is to be used for procurement and review of individual contracts is anticipated. The purpose of the review shall be to determine:
 1. Whether a grantees' procurement system meets the standards prescribed by this Attachment or other criteria acceptable to the OFPP, such provisions of the Model Procurement Code for State and local government;
 2. Whether the grantee's procurement system should be certified by the reviewing agency. Such a review will also give an agency an opportunity to give technical assistance to a grantee to remedy its' procurement system if it does not fully comply. In addition, such review may provide a basis for deciding whether the grantee's contracts and related procurement documents should be subject to the grantor's prior approval, as provided by Section 6.
- b. In conducting procurement system review, grantor agencies will evaluate a grantees' procurement system in terms of whether it complies with the standards prescribed by this Section and represents a fair, efficient and effective procurement system. To the maximum extent feasible, reviewers will rely upon State or local evaluations and analysis performed by agencies or organizations independent of the grantee contracting activity.
- c. When a Federal grantor agency completes a procurement review, it shall furnish a report to the grantee, with a copy to the OFPP.
- d. All agencies should normally rely upon the resultant findings or certification for a period of 24 months before another review is performed.

- e. Reviews shall be conducted in accordance with standards and guidelines approved or issued by OFPP
- f. The reviews authorized by Section 6 are waived if a grantee's procurement system is certified.

5. PROTEST PROCEDURES

- a. Grantor agencies may develop an administrative procedure to handle complaints or protests regarding grantee contractor selection actions. The procedure shall be limited as follows:
 - 1. No protest shall be accepted by the grantor agency until all administrative remedies at the grantee level have been exhausted.
- b. Review is limited to:
 - 1. Violations of Federal law or regulations. Violations of the state or local law shall be under the jurisdiction of State or local authorities.
 - 2. Violations of grantee's protest procedures or failure to review a complaint or protest.

6. GRANTOR REVIEW OF PROPOSED CONTRACTS

Federal grantor pre-award review and approval of the grantee's proposed contracts and related procurement documents, such as requests for proposal and invitation for bids, is permitted only under the following circumstances:

- a. The procurement is expected to exceed \$100,000 and is to be awarded without competition or only one bid or offer is received in response to solicitation.
- b. The procurement expected to exceed \$10,000 specifies a "brand name" product: or
- c. The grantee's procurement procedures or operation fails to comply with one or more significant aspects of this Section. The grantor agency shall notify the grantee in writing, with a copy of such notification to the OFPP.

7. CODE OF CONDUCT

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

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

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

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

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

8. PROCUREMENT PROCEDURE

The grantee shall establish procurement procedures which provide that proposed procurement action shall be reviewed by the grantee officials to avoid the purchase of unnecessary or duplicative items. Consideration should be unnecessary or duplicative items. Consideration should be given to consolidation or breaking out to obtain a more economical purchase. Where appropriate, an analysis shall be made of lease versus purchase alternatives and any other appropriate analysis to determine which approach would be the most economical. To foster greater economy and efficiency, grantees are encouraged to enter into State and local intergovernmental agreements for procurement of use of common goods and services.

9. CONTRACTING WITH SMALL AND MINORITY FIRMS, WOMEN'S BUSINESS ENTERPRISE AND LABOR SURPLUS AREA FIRMS

a. It is national policy to award a fair share of contracts to small and minority business firms. Accordingly, affirmative steps must be taken to assure that small and minority businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps shall include the following:

1. Including qualified small and minority businesses on solicitation lists.
2. Assuring that small and minority businesses are solicited whenever they are potential sources.
3. When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority business participation.
4. Where the requirement permits, establishing delivery schedules which will encourage participation by small minority business.
5. Using the services and assistance of the Small Business Administration the Office of Minority Business Enterprise of the Department of Commerce and the Community Services Administration as required.
6. If any subcontractors are to be let, requiring the prime contractor to take the affirmative steps 1 through 5 above.
 - a. Grantees shall take similar appropriate affirmative action in support of women's business enterprise.
 - b. Grantees are encouraged to procure goods and services from labor surplus areas
 - c. Grantor agencies may impose additional regulations and requirements in the foregoing areas only to the extent specifically mandated by statute or presidential direction.

10. SELECTION PROCEDURES

a. All procurement transactions, regardless of whether by sealed bids or by negotiation and without regard to dollar value, shall be conducted in a manner that provides maximum open and free competition consistent with this Section. Procurement

procedures shall not restrict or eliminated competition. Example of what is considered to be to be restrictive of competition include but are not limited to:

1. Placing unreasonable requirements on firms in order for them to qualify to do business;
 2. Noncompetitive practices between firms;
 3. Organizational conflicts of interest; and
 4. Unnecessary experience and bonding requirements.
- b. The grantee shall have written selection procedures which shall provide, as a minimum, the follow procedural requirements:
1. Solicitation of offers, whether by competitive sealed bids or competitive negotiation shall:
 - a. Incorporate a clear and accurate description of the technical requirements for the material, product, or service to be procured. Such description shall not, in competitive procurement, contain features when unduly restrict competition. The description may include a statement of the qualitative nature of the material, product or service to be procured and when necessary, shall set forth those minimum essential characteristics and standards to which it is impractical or uneconomical to make a clear and accurate description of the technical requirements, a “brand name or equal” description may be used as a means to define the performance or other salient requirements of a procurement. The specific features of the named brand which must be met by offerors shall be clearly stated.
 - b. Clearly set forth all requirements which offerors must fulfill and all other factors to be used in evaluating bids or proposals.
 2. Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the terms and conditions of a proposed procurement. Consideration shall be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

11. METHOD PROCUREMENT

Procurement under grants shall be made by one of the following methods, as described herein:

- i) Small purchase procedures;
- ii) Competitive sealed bids;
- iii) Competitive negotiation;
- iv) Noncompetitive negotiation

A. Small purchase procedures are those relatively simple and informal procurement methods that are sound and appropriate for a procurement of services, supplies or other property, costing in the aggregate not more than \$10,000.00. Grantees shall comply with State or local small purchase dollar limits under \$10,000.00. If small purchase procedures are used for procurement under a grant price or rate quotations shall be obtained from an adequate number of qualified sources.

B. In competitive sealed bids, sealed bids are publicly solicited and a firm-fixed-price contract (lump sum or unit price) is awarded to the responsible bidder whose bid, conforming to all the material terms and conditions of the invitation for bids, is lowest in price.

1. In order for formal advertising to be feasible, appropriate conditions must be preset, including, as a minimum, the following:
 - a. A complete, adequate and realistic specification or purchase description is available.
 - b. Two or more responsible suppliers are willing and able to compete effectively for the grantee's business.
 - c. The procurement lends itself to a firm-fixed-price contract and selection of the successful bidder can appropriately be made principally on the basis of price.
2. If formal advertising is used for a procurement under a grant the following requirements shall apply:
 - a. A sufficient time prior to the date set for opening of bids, bids shall be solicited from an adequate number of known suppliers. In addition, the invitation shall be publicly advertised.

- b. The invitation for bids, including specifications and pertinent attachments, shall clearly define the items or services needed in order for the bidders to properly respond to the invitation.
 - c. All bids shall be opened publicly at the time and place stated in the invitation for bids.
 - d. A firm-fix-price contract award shall be made by written notice to that responsible bidder who bid, conforming to the invitation for bids, is lowest. Where specified in the bidding documents, factors such as discounts, transportation costs and life cycle costs shall be considered in determining which bid is lowest. Payment discounts may only be used to determine low bid when prior experience of the grantee indicates that such discounts are generally taken.
 - e. Any or all bids may be rejected when there are sound documented business reasons in the best interest of the program.
- C. In competitive negotiation, proposals are requested from a number of sources and the request for Proposal is publicized, negotiations are normally conducted with more than one of the sources submitting offers and either a fixed-price or cost-reimbursable type contract is awarded, as appropriate. Competitive negotiation may be used if conditions are not appropriate for the use of formal advertising. If competitive negotiation is used for a procurement under a grant, the following requirements shall apply:
- 1. Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirements of the procurement. The Request for Proposal shall be made available and reasonable requests by other sources to compete shall be honored to the maximum extent practicable.
 - 2. The Request for Proposal shall identify all significant evaluation factors, including price or cost where required and their relative importance.
 - 3. The grantee shall provide mechanisms for technical evaluation of the proposals received, determinations of responsible offerors for the purpose of written or oral discussions and selection for contract award.

4. Award may be made to the responsible offeror whose proposal will be most advantageous to the procuring party, price and other factors considered.
Unsuccessful offerors should be notified promptly
 5. Grantees may utilize competitive negotiation procedures for procurement of architectural/engineering professional services, whereby competitors' qualifications are evaluated and the most qualified competitors' qualifications are evaluated and the most qualifying competitor is selected, subject to negotiation of fair and reasonable compensation.
- D. Noncompetitive negotiation is procurement through solicitation of a proposal from only one source, or after solicitation of a number of sources, competition is determined inadequate. Noncompetitive negotiation may be used when the award of a contract is infeasible under small purchase, competitive bidding (formal advertising) or competitive negotiation procedures. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:
1. The item is available only from a single source;
 2. Public exigency or emergency when the urgency for the requirement will not permit a delay incident to competitive solicitation;
 3. The Federal grantor agency authorizes noncompetitive negotiation; or
 4. After the solicitation of a number of sources, competition is determined inadequate.
- E. Additional innovative procurement methods may be used by grantees with the approval of the grantor agency. A copy of such approval shall be sent to the OFPP.

12. CONTRACT PRICING

The cost plus a percentage of cost and percentage of construction cost method of contracting shall not be used. Grantees shall perform some form of cost or price analysis in connection with every procurement action including contract modifications. Costs or prices based on estimated costs for contracts under grants shall be allowed only to the extent that costs incurred, or cost estimates included in negotiated prices are consistent with Federal cost principles.

13. GRANTEE PROCUREMENT RECORDS

Grantee shall maintain records sufficient to detail the significant history of procurement. These records shall include but are not necessarily limited to information pertinent to the following: rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for the cost or price.

14. CONTRACT PROVISION

In addition to provision defining a sound and complete procurement contract, any recipient of Federal grant funds shall include the following contract provisions or conditions in all procurement contracts and subcontracts as required by the provision, Federal law or the grantor agency.

- A. Contracts other than small purchases shall contain provisions or conditions which will allow for administrative, contractual or legal remedies in instances where contractors violate or breach contract terms and provide for such sanctions and penalties as may be appropriate.
- B. All contracts in excess of \$10,000 shall contain suitable provisions for termination by the grantee including the manner by which it will be affected and the basis for settlement. In addition, such contracts shall describe conditions under which the contract may be terminated for default as well as conditions where the contract may be terminated because of circumstances beyond the control of the contractor.
- C. All the contracts awarded in excess of \$10,000 by grantees and their contractors or sub-grantees shall contain a provision requiring compliance with Executive Order 11246, entitled "Equal Employment Opportunity", as amended by Executive Order 11375, and as supplemented in Department of Labor regulations (41 CFR Part 60).
- D. All contracts and sub-grants for construction or repair shall include a provision for compliance with the Copeland "Anita-Kickback" Act (18 USC 874) as supplemented in Department of Labor regulations (29 CFR Part 3). This Act provides that each contractor or sub-grantee shall be prohibited from inducing, by any means, any person employed in the construction, completion or repair of public work, to give up

any part of the compensation to which they are otherwise entitled. The grantee shall report all suspected or reported violations to the grantor agency.

- E. When required by the Federal grant program legislation, all construction contracts in excess of \$2,000 awarded by grantees and sub-grantees shall include a provision for compliance with the Davis-Bacon Act (40 USC 276A to A-7) as supplemented by Department of Labor regulations (29 CFR Part 5). Under this Act contractors shall be required to pay wages to laborers and mechanics at a rate not less than the minimum wages specified in a wage determination made by the Secretary of Labor. In addition, contractors shall be required to pay wages not less often than once a week. The grantee shall place a copy of the current prevailing wage determination issued by the Department of Labor in each solicitation and the award of a contract shall be conditioned upon the acceptance of the wage determination. The grantee shall report all suspected or reported violations to the grantor agency.
- F. Where applicable, all contracts awarded by grantees and sub-grantees in excess of \$2,000 for construction contracts and in excess of \$2,500 for other contracts which involve the employment of mechanics or laborers shall include a provision for compliance with Sections 103 and 107 of the Contract Work Hours and Safety Standards Act (40 USC 327-330) as supplemented by Department of Labor regulations (29 CFR Part 5). Under Section 103 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work day of 8 hours and a standard work week of 40 hours. Work in excess of the standard workday or workweek is permissible provided that the worker is compensated at a rate of not less than 1-1/2 times the basic rate of pay for all hours worked in excess of 9 hours in any calendar day or 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous to health and safety as determined under construction, safety and health standards promulgated by the Secretary of Labor. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market or contracts for transportation or transmission of intelligence.

- G. The contract shall include notice of grantor agency requirements and regulations pertaining to reporting and patent rights under any contract involving research, developmental, experimental or demonstration work with respect to any discovery or invention which arises or is developed in the course of or under such contract and of grantor agency requirements and regulations pertaining to copyrights and rights to data.
- H. All negotiated contracts (except those awarded by small purchase procedures) awarded by grantees shall include a provision to the affect that the grantee, the Federal grantor agency, the Comptroller General of the United States or any of their duly authorized representatives, shall have access to any books, documents, papers and records of the contractor which are directly pertinent to that specific contract, for the purpose of making audit, examination, excerpts and transcripts. Grantees shall require contractors to maintain all required records for three years after grantees make final payments and all other pending matters are closed.
- I. Contracts, sub-contracts and sub-grants of amounts in excess of \$100,000 shall contain a provision which requires compliance with all applicable standards, orders or requirements issued under Section 306 of the Clean Air Act (42 USC 1857(h)), Section 508 of the Clean Water Act (33 USC 1368), Executive Order 11738 and Environmental Protections Agency regulations (40 CFR Part 15), which prohibits the use under non-exempt Federal contracts, grants or loans of facilities included on the EPA List of Violating Facilities. The provision shall require reporting of violations to the grantor agency and the USEPA Assistant Administrator for Enforcement (EN-329).
- J. Contractors shall recognize mandatory standards and policies relation to energy efficiency which are contained in the State Energy Conservation Plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163). Grantor agencies are permitted to require changes, remedies, changed conditions, access and record retention and suspension of work clauses approved by the Office of Federal Procurement Policy.

15. CONTRACT ADMINISTRATION

Grantees shall maintain a contract administration system enduring that contractors perform in accordance with the terms, conditions and specifications of their contracts or purchase orders.

This department shall also comply with the City procurement policies if practicable and provided they, in no way, conflict with the above federal requirements.

ENVIRONMENTAL REVIEW AND COMPLIANCE PROCEDURES

It is the stated policy of the City and this Department to fully comply with the National Environmental Protection Act (NEPA) and related regulations of the Environmental Protection Agency (EPA), the Advisory Council on Historic Preservation (ACHP) and the United States Department of Housing and Urban Development (HUD).

Each Program Year, after the required public notices have been issued and during the time period in which public hearings are held and before the Mayor and City Council have determined the final budget for the CDBG Program which they authorize the Director of the Office of Community Planning and Development (hereinafter Director) to submit to HUD, a full Environmental Review Process will be conducted. The Environmental Review Process shall consist of the following procedures:

- A. Determine whether the proposed project is exempt, categorically excluded, requires an environmental assessment or a full blown environmental impact statement in accordance with Part 58 and other applicable environmental regulations.
- B. Prepare an Environmental Review Record (ERR) in writing as outlined in the environmental Review Guide for CDBG Programs (Green book) and forward it to the EPA, HUD, the State of Michigan, Wayne County and other interested entities. The Director shall also correspond with the State Historic Preservation Office prior to publishing the required Notices in the newspaper and receive approval of the proposed projects and programs.
- C. Prepare an Environmental Assessment Checklist for each program / project and develop other appropriate, sufficient and relevant documentation in an individual file for each program / project being undertaken during the subject Program Year.
- D. Publish a Notice of Finding of No Significant Impact (FONSI) combined with a request for Release of Funds (RROF), if appropriate, in the official publication of the

City.

- E. Offer the public at least a fifteen (15) day comment period during which they might raise objections or otherwise comment upon the proposals contained in the public notices, before submitting the Request for Release of Funds to the Detroit Office of HUD.
- F. If the decision is made that an Environmental Impact Statement is necessary, then the Director shall cause to be published a public notice to that effect.
- G. A statutory checklist shall be the minimum required documentation for each and every project undertaken by this Department.
- H. The Director shall make certain that the Environmental Review Record is made available to any interested party and is placed on file for review at the Public Library, City Clerk's Office, the Office of Community Planning and Development and various other public locations designed to make the public aware of these programs and projects.
- I. If a project is found to be inconsistent with the NEPA or other related environmental regulations, the policy of the City shall be to take appropriate actions to sufficiently mitigate such adverse impact or to not undertake the project at all.

Absolutely no federal funds shall be committed to any project until all of the above procedures are complied with fully. No commitment shall be made for the expenditure of Federal funds until after full HUD review and release is requested and received.

HUD Form 7 Environmental Status Sheet shall be completed at the same time each Program Year that the CDBG annual budget is prepared and shall be in conformity with the environmental decisions contained therein. Absolutely no Federal funds shall be expended or even obligated prior to the City receiving the approved Form 7 Environmental Status Sheet back from HUD.

The Director shall retain any experts necessary to ensure full compliance with the NEPA and other related environmental regulations. Any review by such experts must be fully documented with the Environmental Review Record and the file for each applicable project or program.

It is the stated policy of this Department that any public comment period shall not expire on a day when City or HUD offices are not open to the public. If public comments are received,

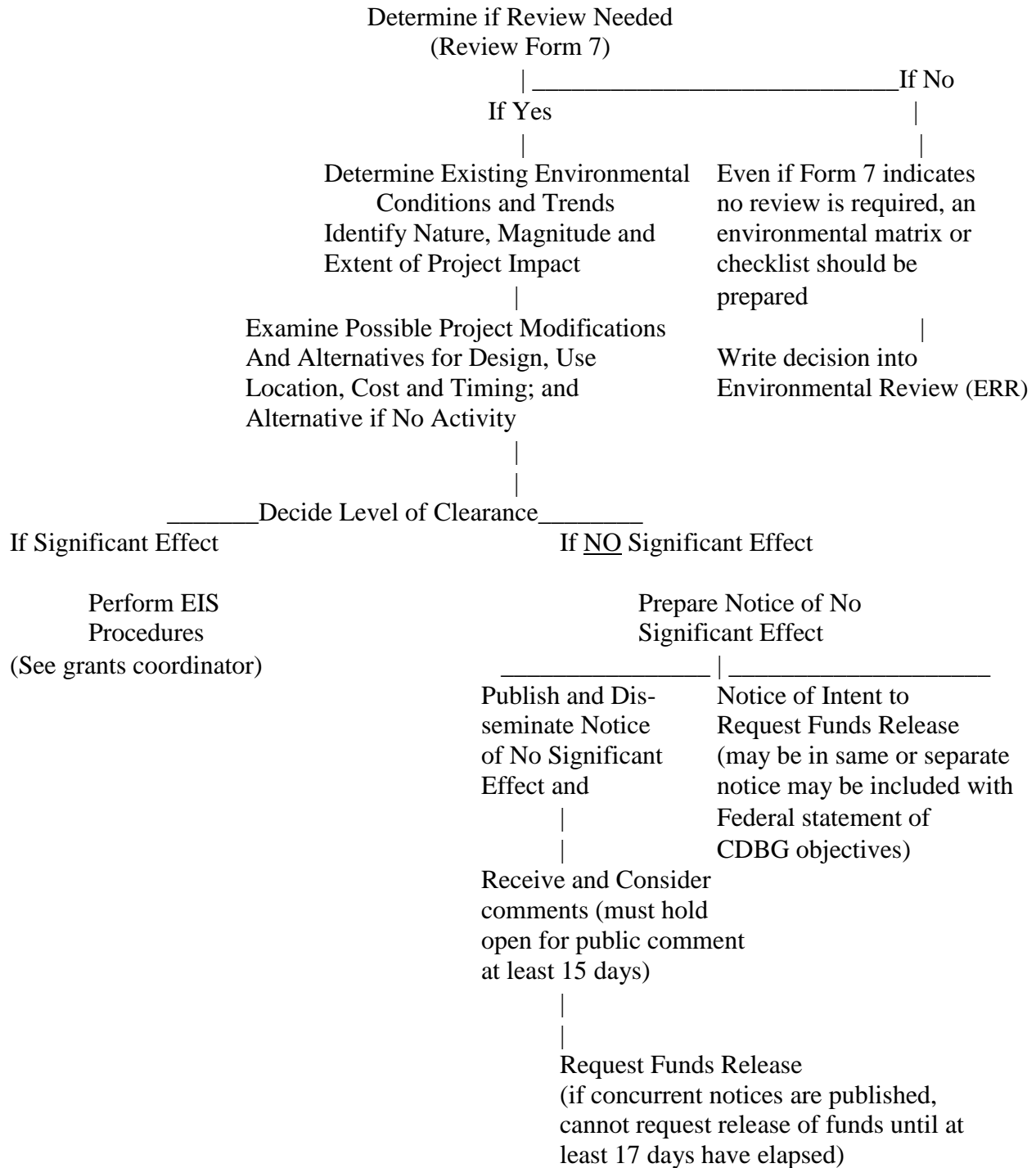
they shall be given the greatest practical consideration under the circumstances and changes will be made to accommodate such comments whenever it is practicable to do so.

CITIZEN PARTICIPATION PLAN FOR THE COMMUNITY DEVELOPMENT BLOCK
GRANT PROGRAM

The following will represent the official Citizens Participation Plan (hereinafter Plan) for the City of Lincoln Park. This Plan will apply to all projects and activities carried out using Community Development Block Grant (hereinafter CDBG) funding. This Plan is designed to ensure that citizens, non-profit organizations, neighborhood, groups, the business community and other interested parties are given adequate notice and an opportunity to review, be heard and to comment upon all proposals relating to the CDBG Program. This Plan is designed to encourage participation by very low, low, moderate and other income residents, minorities, non-English speaking persons and persons with mobility, visual or hearing impairments or any other physical limitation.

CITY OF LINCOLN PARK
Y/E 6/30/91
CDBG

ENVIRONMENTAL REVIEW PROCESS



ACCESS TO MEETINGS

The City will at all times provide adequate, timely notice of all hearings and meetings relating to the CDBG Program. Such notice shall be designed so as to give citizens the ability to attend local meetings and to freely comment upon any and all proposals for the CDBG Program.

ACCESS TO INFORMATION

Citizens of the community, nonprofit groups, neighborhood groups, public agencies and other interested parties, especially those most directly affected by the CDBG Programs and activities, must have the opportunity to receive information, review and submit comments on any proposed submission concerning the amount of funds available, including the estimated amount proposed to benefit low to extremely low income residents. Such persons and groups shall also have access to information relative to any plan the City may have for displacement of individuals and the plans for assistance that may be provided to those so displaced. Citizens and citizen groups and other interested parties shall have access to records for at least five years after the close of the fiscal year for the year they are inquiring about.

TECHNICAL ASSISTANCE

Technical assistance will be made available when possible by the Office of Community Planning and Development Director to any persons or groups requesting same. Technical assistance shall be provided to very low and low income persons and groups in need of same in order to prepare a proposal for the consideration of the governing body of the City

PUBLIC HEARINGS

The City shall provide for at least two public hearings during each program year cycle to consider the proposed submission of the annual budget, amendment to previous budgets, or the Consolidated Plan before said budget, Consolidated Plan or amendment is submitted to the Department of Housing and Urban Development (hereinafter HUD). The public hearings shall be conveniently scheduled for people who might or will benefit from CDBG Program funds, will be accessible to persons with disabilities and will be adequately publicized beforehand. At the very least, the public hearing shall be posted in the various government controlled buildings

located within the City. The public notice may also be placed on the public access channel of the local cable television system; it should be mentioned at the regular meetings of the City Council and should be advertised in such other available forums as may be deemed appropriate by the Mayor and City Council.

Such public hearings should be designed so as to facilitate the obtaining of views of citizens, public agencies, non-profit groups, neighborhood groups and other interested parties. Said public hearings should be designed so as to allow such interested parties to respond to proposals and comment upon all the various stages of the consolidated submission process. This process of public hearings shall be designed so as to assist in identifying housing and community development needs of the community, reviewing proposed use of funds and reviewing the performance of the CDBG Program.

PUBLISHING PROPOSED CONSOLIDATED SUBMISSION

The City shall publish its proposed Consolidated Planning document in such a manner so as to provide affected citizens a sufficient opportunity to review it and to make comments upon it. This requirement may be met by publishing a summary of the proposed Consolidated Planning document in one or more newspapers of general circulation or the official newspaper of the City if there is one at the time. Copies of a summary of the Consolidated Planning document shall be made available to the public in the Office of Community Planning and Development, the Office of the City Clerk, the Public Library, the Lincoln Park Housing Commission office, the Lincoln Park Senior Center and the Lincoln Park Community Center and such other additional locations as may be deemed appropriate by the Mayor and City Council. The summary must include a list of the locations where copies of the entire Consolidated Planning document may be examined.

CITIZEN COMMENTS

The City shall provide a period of time, not less than 30 days, to receive comments from citizens and other interested parties relative to the document proposed for submission. The City shall consider the views of citizens and other interested parties in preparing the final Consolidated Planning or other document. The City shall attach a summary of such comments and why comments, if any, were not accepted. The City must provide timely, written answers to

written complaints and grievances relative to the CDBG Program within 15 working days of receipt of said written comments or grievances, whenever practicable.

**Companion Manual to the
City of Lincoln Park
Community Improvement Department
Policy and Procedures Guide for HOME Program**

Introduction

In 2007 the City of Lincoln Park entered into a HOME Consortium Agreement with Wayne County and the Cities of Livonia and Taylor. This interlocal agreement enables the City of Lincoln Park to receive an annual allocation of HOME funds made available through the HOME Investment Partnerships Act at title II of the Cranston-Gonzales National Affordable Housing Act, as amended.

The City desires to use a portion of these funds to augment the City's existing Residential Rehabilitation Program. The purpose of this Companion Manual is to delineate the program regulations that are required per the HOME Program Final Rule 24CFR Part 92. These are requirements that are in addition to the Residential Rehabilitation Project Procedures as Described in Community Improvement Department Policy and Procedures Guide pages 19-29, as approved on 06/26/2006. The Purchasing Procedures section of the Guide shall also be adhering to as pertinent to the HOME Program.

Within this document, references to C.D.B.G. assistance or C.D.B.G. funds shall also refer to HOME funds for the purpose of the Companion Manual.

Applicant Eligibility

The applicant(s) shall not have an annual gross income as determined by Section 8 of the United States Housing Act of 1937, as amended, at or below eight (80%) percent of the Detroit Metropolitan Statistical Area median income adjusted for family size.

Historical Significance Clearance

Each home that may receive rehabilitation services with HOME funds that is fifty (50) years old or over must be reviewed by the Michigan State Historic Preservation Office (SHPO) and granted historical clearance before **any** rehabilitation work can begin. The City will assist the County in preparing the report for SHPO.

HOME Program Property Standards

Per 24 CFR Part 92.251a.1, housing that is rehabilitated with HOME funds must meet all applicable local codes, rehabilitation standards, ordinances, and zoning ordinances at the time of project completion. The City will enforce written standards for rehabilitation that ensure that HOME-assisted housing is decent, safe, and sanitary. This standard applies to the entire property in addition to the HOME-funded improvements.