



Town of Cicero Department of Housing

Policy and Procedure Manual

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CDBG Administration

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EXECUTIVE SUMMARY

PURPOSE OF POLICY MANUAL

The primary purpose of this manual is to serve as The Town of Cicero Administrative Policy and Procedures for its Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), Emergency Solutions Grant (ESG), and General Administration.

A policy and procedure manual is a blue print or general guidance for action. Often, policy development in organizations is out of date or ad-hoc and not recorded. People agree on policies and try to remember them, but people do not always remember the same things, and unwritten policies often lead to confusion and conflicts. With possible turnover rates, policy information can walk out of the office with personnel.

The Town of Cicero Department of Housing developed a written policy and procedure manual in 2005. This manual is a substantial overhaul of the previous manual. This manual is a written record of the agreed upon policies and procedures involved in the management and implementation of the CDBG/HOME/ESG programs from Administration, Accounting, and Housing Rehabilitation.

The aim of maintaining this Policy and Procedure Manual is to ensure a consistent and high quality service provided by The Town of Cicero Department of Housing, and to maintain a clear set of Internal Controls.

INTERNAL CONTROLS

- Internal Controls encompasses the policies and procedures The Town of Cicero Department of Housing established that it operates in accordance with HUD's intention that accountability is maintained in all transactions. This includes the methods adopted by the Town of Cicero Department of Housing to check accuracy and reliability of its accounting data, to promote operational efficiency, and to encourage adherence to prescribed managerial policies.
- This broad definition of internal controls includes two different aspects of control: Administrative and Accounting.
 - Administrative controls are aimed at improving operational efficiencies or otherwise controlling the activities of the Town of Cicero Department of Housing.
 - Accounting controls are directed at reliable financial reporting.

PURPOSE OF INTERNAL CONTROL

These internal controls are being put into place to both prevent mistakes from being made and to detect problems in a timely manner if they occur. Secondly, the manual was drafted to ensure that all procedures and policies are in writing and made available for reference. This way, in the event of employee turnover or loss, the Town of Cicero Department of Housing retains the knowledge of the policies and procedures, thus transforming the Department into one of QUALITY.

This manual is not meant to be a substitute for CDBG/HOME/ESG regulations, but as a supplement to them. It is not exhaustive regarding all considerations affecting the use of CDBG/HOME/ESG funds.

The Town of Cicero Department of Housing reserves the right to add, remove or change policies, procedures or forms in this manual.

Generally speaking, internal controls are established to provide reasonable assurance that:

1. Transactions are executed in accordance with management's authorization,
2. Transactions are recorded as necessary to permit the preparation of accurate financial statements and to maintain accountability for the organization's assets,
3. Assets are periodically compared with the accounting records, both to determine the accuracy of the records and to account for the assets.

SEPARATION OF DUTIES

The internal control that most effectively assures the secure handling of money and information is separation of duties. Having different people receive information, prepare the transmittal, and reconcile the ledger sheets attains this. This allows each person to serve as a control over the others, catching mistakes and preventing the misappropriation of funds.

THE TOWN OF CICERO DEPARTMENT OF HOUSING STANDARDS

Standards are principles of service delivery, which, if followed, will ensure a consistent quality of service. If standards are fully implemented, consumers will receive the same high quality of service from the agency. Standards also provide a framework to assist agencies and governments to evaluate and review services, and indicate good practice, which agencies can work toward.

The Town of Cicero Department of Housing Standards have been developed with the US Department of Housing and Urban Development Standards in mind. The Town of Cicero Department of Housing Standards is based on two main Objectives:

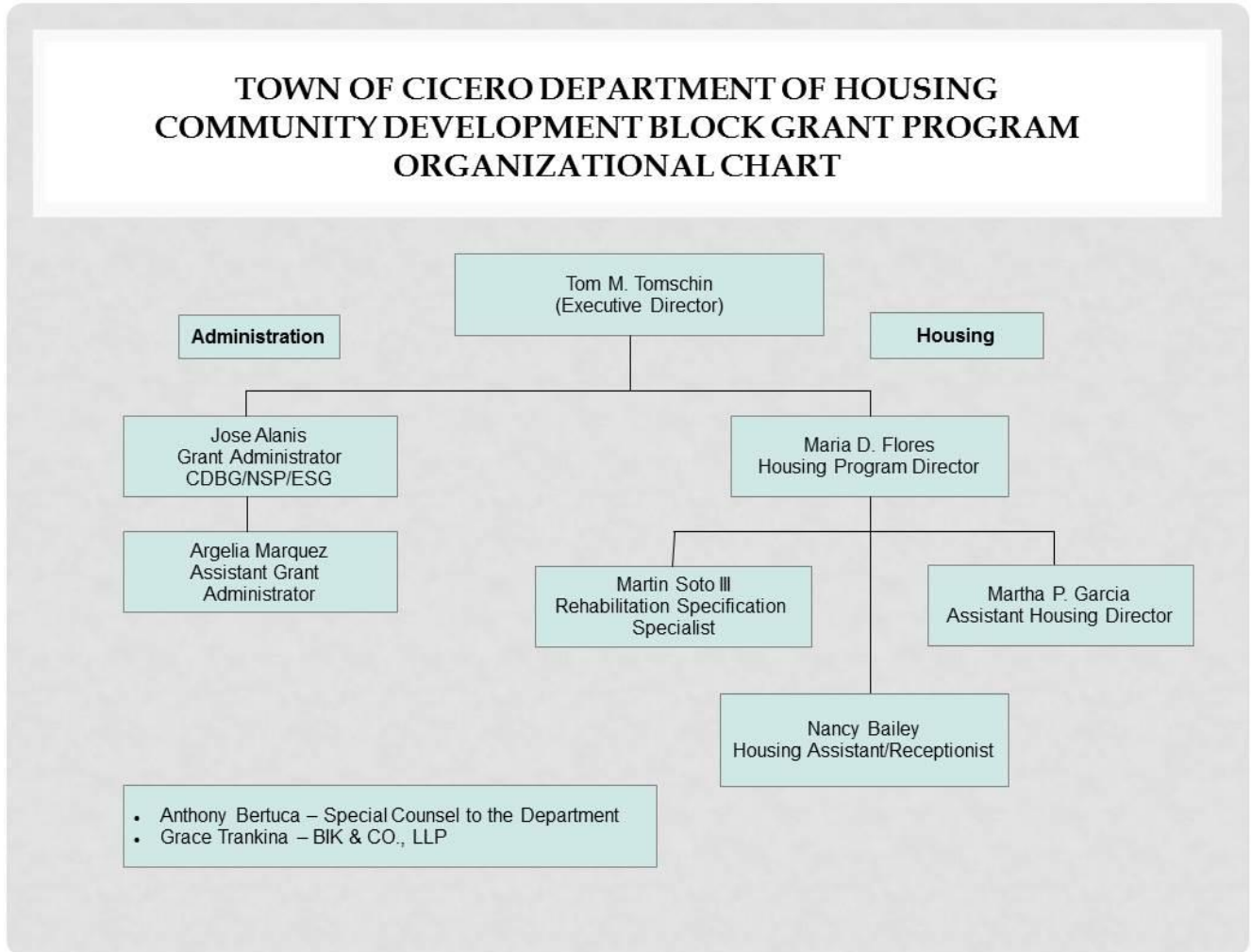
1. Efficient and effective management
2. Coordinated, planned, and reliable service delivery

With this procedure manual in place, the Town of Cicero Department of Housing plans on becoming a QUALITY Department.

Where a conflict of language or omission of requirements occurs, the requirements of Federal Notices and U.S. Department of Housing and Urban Development (HUD) Regulations on CDBG shall prevail.

GENERAL ADMINISTRATION

ORGANIZATION CHART



JOB DESCRIPTIONS

TOWN OF CICERO COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG) JOB DESCRIPTION

EXECUTIVE DIRECTOR

ADMINISTRATIVE

- Compliance with United States Department of Housing and Urban Development (HUD) rules and regulations
- Oversee the Community Development Block Grant Program (CDBG)
- Oversee the Neighborhood Stabilization Program (NSP)
- Oversee the Emergency Solutions Grant (ESG)
- Supervise, coordinate, and assist CDBG, NSP, and ESG staff and programs
- Work with Town of Cicero President and Members of the Board of Trustees
- Work with HUD Representatives
- Work with Town of Cicero Department Heads
- Work and file reports with Human Resources and the Legal Department
- Work with local, state, county, and federal officials pertaining to housing
- File reports as required
- Conduct Public Hearings, bid openings, conferences, etc.
- Fair Housing Compliance Officer
 - Receive allegations of discrimination regarding housing
 - Reference with the Cicero Housing Authority (CHA)
 - Report allegations of discrimination to Department Attorney
 - Maintain a current public listing of available homes and apartments in Cicero
 - Keep abreast of current Fair Housing Regulations
 - Write and maintain reports as required
- Prepare and submit documentation to the Town Board and HUD for approval of the Annual Action Plan(s) (AAP)
- Prepare and submit documentation to the Town Board and HUD for approval of the Consolidated Annual Performance Evaluation Report (CAPER)
- Prepare and submit documentation to the Town Board and HUD for 5-Year Consolidated Plan(s)
- Other duties as deemed necessary by the Town of Cicero President and Members of the Board of Trustees

FINANCIAL MANAGEMENT

- Oversee the Community Development Block Grant Program (CDBG) Entitlement Grant
- Oversee the Neighborhood Stabilization Program (NSP) Grant
- Oversee the Emergency Solutions Grant (ESG) Entitlement Funds
- Consult with contracted Accountant
- Consult with the Chief Executive Officer (CFO)
- Authorize drawdowns and payouts
- Extensive Record Keeping
- Review and approve monthly and yearly financial files

- Review and approve accounts payables and receivables
- Review and approve invoices, bills payable schedule, and Integrated Disbursement Information System (IDIS) voucher(s)
- Review and execute drawdowns on-line using HUD's IDIS system
- Review and monitor financial files
- Review and monitor Home Improvement Loan Program
- Review and approve all reports (monthly, quarterly, and yearly) to HUD, Town of Cicero's Treasurer's Office and any other government entity requiring fiscal reporting
- Reconcile monthly accounts with Treasurer's Office
- Review and monitor all files with HUD, the Town of Cicero's Treasurer's Office, contracted Accountant, and Department Attorney.

PROJECT MANAGEMENT

- Supervision of the following component projects:
 - Community Development Block Grant Program (CDBG)
 - Neighborhood Stabilization Program (NSP)
 - Emergency Solutions Grant (ESG)
 - Home Repair Program
 - Accessibility Grant
 - Emergency Heat Repair Program
 - Code Enforcement/Building Department Coordination System
 - Office of Fair Housing
 - Special Projects (i.e. alley improvements)
 - Subrecipients (i.e. non-profit organizations)
 - Labor Standards (review with Grant Administrator)
 - Environmental Review
 - Oversee Environmental Review Officer and Process
 - 5-Year Consolidated Plan and Annual Action Plan(s)
- Organize special projects as needed
- Outline of a systematic neighborhood improvement needs, including:
 - Housing rehabilitation
 - Public improvements
 - Service components and a description of Cicero neighborhoods
- Program Assessment
 - Budget preparation for CDBG funded activities
 - Scan of physical environment for worst problem spots and likeliest opportunities for future grants
 - Suggest programs and projects for future fiscal year funding including:
 - Housing rehabilitation
 - Coordination with social service agents to provide assistance to their programs with CDBG funds
 - Development of housing for seniors and handicapped residents

**TOWN OF CICERO
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
JOB DESCRIPTION**

GRANT ADMINISTRATOR

ADMINISTRATIVE

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Lead Administrator in the composition/acceptance and mailing of correspondence, answering inquiries, coordination of CDBG activities, and communication with the public
- Lead Administrator in the composition/acceptance and mailing of correspondence, answering inquiries, coordination of Neighborhood Stabilization Program (NSP) activities, and communication with the public
- Lead Administrator in the composition/acceptance and mailing of correspondence, answering inquiries, coordination of Emergency Solutions Grant (ESG) activities, and communication with the public
- Maintain CDBG files/NSP Files/ESG Files
- Prepare documentation for Annual Action Plan(s) (AAP)
- Prepare documentation for Consolidated Annual Performance Evaluation Report (CAPER)
- Prepare documentation for 5-Year Consolidated Plan(s)
- Assist HUD Representative(s) with audits/monitoring
- Conduct annual NSP home inspections
- Attend meetings with management
- Supervise office staff
- Maintain logistics
- Oversee Environmental Review Officer
- Review and prepare payroll authorization
- Prepare purchase requests and acquire price quotes per United States Department of Housing and Urban Development (HUD) procurement requirements
- Document procurement in accordance with HUD guidelines
- Maintain and submit Activity Reports per HUD
- Other duties as deemed necessary by the Executive Director

FINANCIAL RECORDS MANAGEMENT

- Extensive Record Keeping
- Maintain monthly and yearly financial files
- Manage accounts payables and receivables, monitor and pay invoices, prepare bills payable schedule, prepare checks, prepare Integrated Disbursement Information System (IDIS) voucher(s)
- Prepare and execute drawdowns on-line using HUD's IDIS system
- Extensive bookkeeping
- Record Home Improvement Loan Program

- Prepare all reports (monthly, quarterly, and yearly) to HUD, Treasurer's Office and any other government entity requiring fiscal reporting
- Reconcile monthly accounts with Treasurer's Office
- Maintain, record, and reconcile remaining Economic Development Loans
- Maintain, record, and reconcile all files with HUD, the Town of Cicero's Treasurer's Office, contracted Accountant, and Department Attorney.

SUBRECIPIENT PROJECT MANAGEMENT

- Prepare applications for CDBG/ESG funding
- Conduct semi-annual monitoring sessions for CDBG/ESG
- Prepare subrecipient cooperative agreements
- Process requests for funds

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**TOWN OF CICERO
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
JOB DESCRIPTION**

HOUSING PROGRAM DIRECTOR

ADMINISTRATIVE

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Supervise office staff
- Maintain CDBG files
- Assist HUD Representative(s) with audits/monitoring
- Oversee and monitor housing rehabilitation programs and staff
- Coordinate housing activities and projects with housing staff
- Investigate and follow-up on resident requests for service, complaints and general inquiries
- Monitor and update housing forms, applications, and any other documentation necessary
- Maintain and submit Employee Activity Reports per HUD
- Prepare Policy and Procedures for Housing Rehabilitation Programs
- Perform outreach activities to publicize Housing Rehab Programs
- Other duties as deemed necessary by the Executive Director

FINANCIAL RECORDS MANAGEMENT

- Review all calculations/documentation, approval, and monitor program applications
- Conduct Home Improvement Loan closings
- Record Home Improvement Loan Program
- Coordinate subordinations/release of documents for mortgages
- Conduct housing program job cost estimates and bookkeeping
- Monitor loan payments and maturity dates on projects
- Prepare monthly financial reports/loan payment correspondence
- Review Grantee Performance Report (GPR)
- Prepare and execute drawdowns on-line using HUD's IDIS system

PROJECT MANAGEMENT

- Comply with local, state, and federal regulations and building codes
- Construction project management—work closely with Rehabilitation Specification Specialist in approval of contractor bids, specifications, contractors, payouts, progress, and completion of projects
- Execute contracts and project procedures
- Oversee Environmental Review Officer

**TOWN OF CICERO
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
JOB DESCRIPTION**

ASSISTANT HOUSING PROGRAM DIRECTOR

ADMINISTRATIVE

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Counsel housing recipients
- Maintain various checklists
- Extensive record-keeping
- Assist HUD Representative(s) with audits/monitoring
- Maintain and submit Employee Activity Reports per HUD
- Assist Housing Program Director as needed
- Perform outreach activities to publicize Housing Rehab Programs
- Other duties as deemed necessary by the Executive Director, Housing Program Director, and Grant Administrator

FINANCIAL RECORDS MANAGEMENT

- Pre-qualify and screen initial recipients
- Process payouts
- Maintain Grantee Performance Report (GPR)

PROJECT MANAGEMENT

- Schedule inspections
- Verify documentation regarding homeownership, financial eligibility, and any other required documentation
- Verify contractor eligibility
- Monitor progress of projects and report progress to Housing Program Director
- Environmental Review Officer

**TOWN OF CICERO
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
JOB DESCRIPTION**

REHABILITATION SPECIFICATION SPECIALIST

ADMINISTRATIVE

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Screen initial recipients
- Counsel housing recipients
- Compliance of local, county, state, and federal rules and regulations
- Attend HUD trainings and Annual State Lead Certifications
- Extensive record-keeping
- Assist HUD Representative(s) with audits/monitoring
- Maintain and submit Employee Activity Reports per HUD
- Perform outreach activities to publicize Housing Rehab Programs
- Other duties as deemed necessary by the Executive Director, Housing Program Director, and Grant Administrator

FINANCIAL RECORDS MANAGEMENT

- Prepare contracts and all pertinent documents for Housing Rehabilitation Programs
- Process documentation for payouts

PROJECT MANAGEMENT

- Assist in project management for Housing Rehabilitation Programs
- Schedule and conduct inspections
- Verify contracts, plans, work specifications, and all other required documentation
- Verify contractor eligibility
- Maintain extensive project files and checklists
- Process applications and program activities

**TOWN OF CICERO
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
JOB DESCRIPTION**

ASSISTANT GRANT ADMINISTRATOR

ADMINISTRATIVE

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Assist in administering the composition/acceptance and mailing of correspondence, answering inquiries, coordination of Community Development Block Grant Program (CDBG) and Emergency Solutions Grant (ESG) activities and communication with the public
- Maintain all CDBG/ESG files
- Meeting management—Prepare meeting minutes, assemble discussion materials, agendas, post public notices, and any other required documentation
- Prepare correspondence as needed for CDBG/ESG Activities
- Maintain and submit Employee Activity Reports per HUD
- Other duties as deemed necessary by the Executive Director, Grant Administrator, and Housing Program Director

FINANCIAL RECORDS MANAGEMENT

- Extensive Record Keeping
- Maintain monthly and yearly financial files
- Prepare and execute drawdowns on-line using HUD's IDIS system
- Assist in the preparation of all reports (monthly, quarterly, and yearly)

SUBRECIPIENT PROJECT MANAGEMENT

- Prepare applications for CDBG/ESG funding
- Conduct semi-annual monitoring sessions for CDBG/ESG
- Assist in the preparation of subrecipient cooperative agreements
- Assist in the preparation of the processing of requests for funds

**TOWN OF CICERO
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG)
JOB DESCRIPTION**

HOUSING ASSISTANT RECEPTIONIST

ADMINISTRATIVE

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Answer switchboard
- Assist the public
- Maintain and verify contractor information and eligibility
- Record-keeping of recipient applications
- Assist with purchasing (i.e. office supplies)
- Receive messages by phone and walk-ins
- Maintain inventory of office supplies and equipment
- Submit annual inventory
- Other duties as deemed necessary by the Executive Director, Grant Administrator, and Housing Program Director

CDBG PROGRAM OVERVIEW

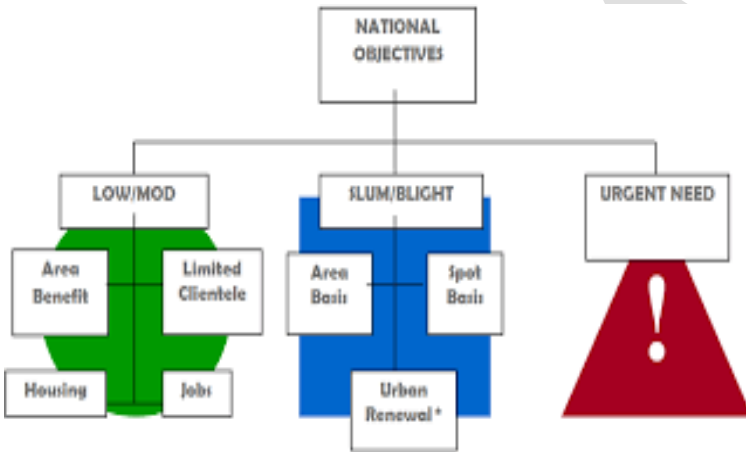


The Town of Cicero is a formula grantee of the Community Development Block Grant (CDBG) entitlement from the U.S. Department of Housing & Urban Development (HUD).

To continue participation in this program, the Town contractually agrees with HUD to implement the Housing & Community Development Act of 1974 and related CDBG program regulations in 24 CFR 570. The Town of Cicero creates, approves, and implements a 5 Year Consolidated Plan (ConPlan), Annual Action Plans (AAP), and Consolidated Annual Performance and Evaluation Reports (CAPER).

All CDBG allocations are subject to the regulations detailed in:

- 2 CFR Part 200
- 2 CFR Part 225
- 2 CFR Part 230
- OMB Circulars A-110 and A-122



NATIONAL OBJECTIVES

LOW/MOD

- At least 70% of the program participants must have low or moderate income as defined by HUD

SLUM/BLIGHT

- The project must eliminate slum and blight as defined by HUD

URGENT NEED

- The project must meet an urgent need designated as an emergency by The Town of Cicero Board of Trustees.

ELIGIBLE ACTIVITIES

1. Acquisition of Real Property of real property for any public purpose other than the general conduct of government.
2. Disposition of property acquired with CDBG funds.
3. Public Facilities and Improvements – whether carried out by the Town of Cicero or other public/private entities.
4. Public Services (limited to a maximum of 15% of The Town of Cicero’s total CDBG entitlement).
 - Removal of architectural barriers, which restrict the mobility of elderly and/or persons with disabilities. All publicly and privately owned buildings and facilities are eligible for funding.
5. Rehabilitation and preservation for:
 - a. Low and moderate-income owner-occupied houses.
 - b. Low and moderate income public housing.

- c. Publicly owned non-residential buildings and improvements otherwise eligible for assistance.
 - d. Publicly or privately owned historic buildings.
 - e. Commercial or industrial facility for job creation or retention.
 - f. Public facilities.
 - g. Affordable housing or mixed-income housing.
 - h. Low and moderate-income senior housing.
6. Program Administration Costs including planning and capacity building.
 7. Clearance and Demolition
 8. Interim Assistance: CDBG funds may be used for certain activities on an interim basis, provided that the activities meet a national objective.
 9. Relocation where required under section 570.606 of the regulations.
 10. Loss of Rental Income: CDBG funds may be used to pay housing owners for the loss of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by CDBG-assisted activities.
 11. Privately-Owned Utilities: To Acquire, Construct, Reconstruct, Rehabilitate, or Install.
 12. Construction of Housing – in very limited circumstances.
 13. Code Enforcement - involves the payment of salaries and overhead costs directly related to the enforcement of state and/or local codes
 14. Special Economic Development Activities.
 15. Microenterprise Assistance.
 16. Businesses that agree to hire, retain and/or serve low and moderate-income persons.
 - a. Activities designed to create or retain jobs. All jobs created within the applicant's program are required to be permanent and at least 51.0% of the total must be for persons of low and moderate income.
 17. Special Activities by Community Based Development Organizations (CBDOs).
 18. Homeownership Assistance - Under the provisions at §570.201(n), grantees and their subrecipients may provide financial assistance to low- and moderate-income households to assist them in the purchase of a home.

INELIGIBLE ACTIVITIES

- Buildings for the general conduct of government.
- General government expenses except to carry out the CDBG program staff.
- Political or religious activities.
- Purchase of equipment, including construction equipment and furnishings and personal property.
- Fire protection equipment unless part of a public facility.
- Operating and maintenance expenses of public facilities.
- New housing construction except for land acquisition and other specific circumstances.
- Income payments and other subsistence payments made to individual or a family.

SPENDING RESTRICTIONS

PUBLIC SERVICE CAP

No more than 15% of the sum of the annual entitlement grant plus any grant program income received in the previous grant year on public service programs. The Town of Cicero calculates this amount when developing the Annual Action Plan. The Town of Cicero will not fund more than 15% of their entitlement grant on Public Service Activities.

PLANNING AND ADMINISTRATION CAP

No more than 20% of the sum of the annual entitlement grant plus any grant program income received in during the grant year may be spent on planning studies or administration. The Town of Cicero calculates this amount when developing the Annual Action Plan. The Town of Cicero will not fund more than 20% of their entitlement grant on General Administration Activities.

LOW AND MODERATE-INCOME BENEFIT REQUIREMENT

At least 70% of The Town of Cicero's non-administration CDBG spending is required to benefit low and moderate income people. The 70% threshold should be exceeded each year to maintain compliance; however HUD rules allow grantees to use spending during a fixed three-year period to calculate. The Town's policy is to only fund activities that benefit low/mod income participants. For Area-Wide determinations, over 51% of the residents in the area must be low/mod.

SPENDING TIMELINESS

HUD requires The Town of Cicero to use the CDBG funds it receives in a timely manner. HUD determines if The Town of Cicero is spending down its CDBG entitlement in a timely manner by checking to see what the unspent balance is each year. HUD requires the amount of unspent funds to be no more than 150% of the entitlement amount for the current year.

The Town of Cicero's policy is to always be in compliance with this requirement, and will perform substantial amendments to re-allocate unspent funds to other eligible activities, by the middle of the next program year.

INCOME RESTRICTIONS

At least 51% of the program's participants must be low and moderate income as determined by HUD income limits for the Chicago-Joliet-Naperville, IL HUD Metropolitan Statistical Area. (<https://www.huduser.gov/portal/datasets/il.html>)

To determine if a client qualifies as low or moderate income, household size must be determined first, followed by the total income of the household.

If the total household income falls below the 80% of median income, the client can be counted towards the 51% required participation of low and moderate income residents. Clients above this threshold may participate in a CDBG funded activity if these participants comprise no more than 49% of the total participants.

However, programs should be designed to ensure the maximum participation by low and moderate income persons.

Household Size	Income Limit
1 Person	\$52,200
2 Person	\$59,650
3 Person	\$67,100
4 Person	\$74,550
5 Person	\$80,550
6 Person	\$86,500
7 Person	\$92,450
8 Person	\$98,450

The CDBG Program recognizes three methods to determine a household’s income:

1. Annual income as defined by 24 CFR Part 5 (Part 5 Annual Income also formerly known as the “Section 8” Income);
2. Annual income as reported under the Census long form for the most recent decennial census; and
3. Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

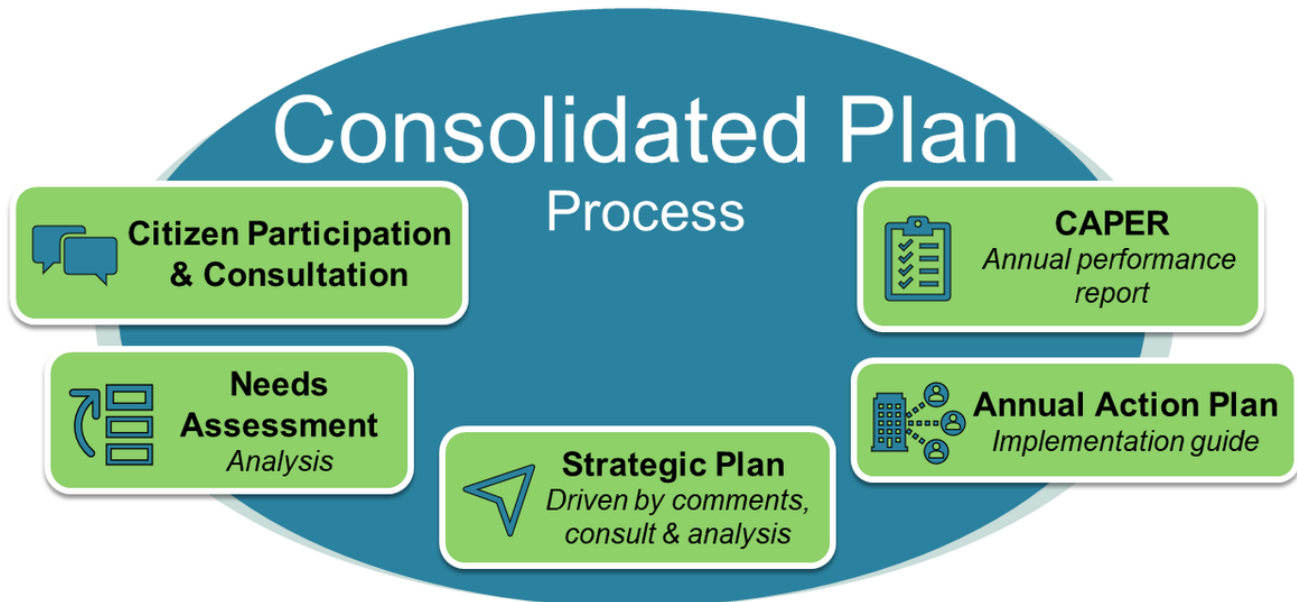
Any one of the three methods can be used for any CDBG funded program and activity, provided that only one (1) method is used exclusively for that program or activity.

The preferred method of determining income eligibility for all Town of Cicero programs is Census Long Form.

- Playing by the Rules - <https://files.hudexchange.info/resources/documents/Playing-By-the-Rules-a-Handbook-for-CDBG-Subrecipients-On-Administrative-Systems.pdf>
- Managing CDBG - https://www.hud.gov/sites/documents/DOC_17086.pdf

PLANNING AND REPORTING

CONSOLIDATED PLAN



CONSOLIDATED PLAN PROCESS

1. Every 5 Years, the Town of Cicero Department of Housing must draft a 5-Year Consolidated Plan, per HUD requirements.
2. In January prior to the Con Plan implementation, the Executive Director publishes a Notice in several local newspapers. The notice explains the Town's citizen participation process, and requests that residents provide comments and feedback of needs in the community. The notice states where the survey can be completed. The notice is also presented on the Town of Cicero webpage with a link to the survey.
3. Per the Town's Citizen Participation Plan, all comments are recorded and taken into consideration for future funding opportunities.
4. A second notice is published, inviting agencies to participate in the development of the Consolidated Plan. The date, time, and location are published in the notice.
5. At the meeting agencies are given the opportunity to discuss needs, successes, failures, as well as other topics.
6. Minutes from the meeting are kept and made part of the record. They are taken into consideration for future funding opportunities.
7. In February, the Executive Director and Grant Administrator generate a list of possible Subrecipients for the next Program Year. This list includes:
 - a. Previous Subrecipients,
 - b. Agencies that inquired about the program during the year.
 - c. Agencies that participated in the Consolidated Plan meeting.
8. In March, the Assistant Grant Administrator sends out all applications to this list. A notice is also published in a local newspaper informing interested agencies that applications are available.

The notices, along with updated application are posted on the department's website. The applicants have until May 15 to submit applications.

9. In April, using the information gathered during citizen participation and agency meeting, and other meetings, coupled with information from other agencies (i.e. Census), The Executive Director, Grant Administrator, and Assistant Grant Administrator draft a proposed Consolidated Plan.
10. The Executive Director submits the draft Consolidated Plan to the Town President for review, comment, or edits.
11. Once the Consolidated Plan is returned to the Executive Director and finalized, the Annual Action Plan process can commence.
12. Once the deadline for submission has passed, the Executive Director, Grant Administrator, and Assistant Grant Administrator review the applications submitted. Applications are reviewed for:
 - a. Program Eligibility
 - b. Meeting a National Objective
 - c. Total Budget of Program
 - d. Total outside funding received
 - e. Past success with CDBG (if applicable),
 - f. Project description,
 - g. Proposed beneficiaries (amount and type),
 - h. Applicability to Consolidated Plan
13. Those applications that do not meet a National Objective or are deemed an ineligible expense are filed, and a letter is sent to the applicant of the denial, and an explanation of said denial.
14. The Grant Administrator calculates the two (2) caps (Administration and Public Services). The Executive Director then calculates a total budget for the Program Year (Administration, Housing Rehab, Lead Hazard Reduction, Public Service and Public Facility).
15. The Executive Director submits the budget allocations by category to the Town President, along with each application, and total funds requested. The Executive Director submits a recommended funding proposal for all applicants.
16. The Town President has the authority to amend the budget recommendation, as long as total funds for a subrecipient are not more than what was requested.
17. The Town President has the authority to reduce or not fund applicants recommended by the Executive Director.
18. The Town President submits final budget to Executive Director.
19. The Executive Director submits the final budget to the Grant Administrator and Assistant Grant Administrator.
20. Annual Action Plan is updated, and published for 30-Day comment Period.
21. Public Hearing is held.
22. Executive Director submits final Annual Action Plan for inclusion on Board Agenda
23. When approved, all Certifications are signed by the Town President.
24. Action Plan is submitted to HUD no later than August 15.

Prior to adoption of a Five Year Consolidated Plan, the Town will make available to interested citizens, agencies, groups and other interested parties the following:

1. Information that includes the amount of grant funds and program income it expects to receive.
2. The range of activities that may be undertaken.

3. The estimated amount that will benefit persons of low and moderate income.
4. Set forth plans to minimize displacement of persons and to assist any person displaced, specifying the types and levels of assistance that will be made to persons displaced and by whom the assistance will come from.
5. Publish the proposed Consolidated Plan or its Summary in the *Lawndale News*. The Summary will describe the contents and purpose of the proposed Consolidated Plan and include a list of locations where copies of the entire proposed Consolidated Plan may be examined.
6. The Town will provide free copies of the proposed Consolidated Plan to citizens and groups that request it.
7. Make copies of the proposed Consolidated Plan and Summary available at:
 - a. The Cicero Public Library
 - b. Town President's Office,
 - c. Town of Cicero Department of Housing,
 - d. Cicero Community Center, and
 - e. Cicero Public Safety Office
 - f. On Town of Cicero website (www.thetownofcicero.com)
8. Provide a thirty (30) day period of review and to receive comments from interested citizens, agencies and/or groups on the proposed Consolidated Plan.
9. The Town shall consider any comments or views of interested citizens, agencies and/or groups received in writing and/or orally at the public hearing, in preparation of the final Consolidated Plan.
10. A summary of comments and views received and a summary of comments and views not accepted and the reasons therefore, shall be attached to the final Consolidated Plan.
11. Public hearings will be held at Cicero Town Hall or Cicero Community Center (depending on availability), which is accessible to those with disabilities.
12. Upon request, non-English speaking residents will be met in the case of a public hearing where a significant number of non-English speaking residents can be reasonable expected to participate, where practical.
13. Provide a copy of the proposed Consolidated Plan and Summary on the Community Development Department's page on The Town of Cicero's website.
14. Provide a copy of the approved Consolidated Plan and Summary on the Community Development Department's page on The Town of Cicero's website.

The Town of Cicero Department of Housing shall conduct public meetings with interested citizens, agencies and/or groups and at least one public hearing prior to the development of the Five Year Consolidated Plan.

1. Meetings shall be held to encourage the submission of views and recommendations prior to the formulation of the Consolidated Plan.
2. There shall be a thirty (30) day review period from the date of notice in the newspaper for interested citizens, agencies and/or groups to submit their comments.
3. Public meetings may be held at selected sites convenient to the residents of The Town of Cicero, including the handicapped, with particular emphasis on participation by low and moderate income residents.

4. Following the conduct of the public hearing on the development of the Consolidated Plan, The Town of Cicero must certify that the following assurances have been met:
 - i. The Town of Cicero has prepared and followed a written Citizen Participation Plan that meets the requirements of the Federal Regulations.
 - ii. The Town of Cicero has provided adequate notices of public hearings as required by the Citizen Participation Plan.
 - iii. The Town of Cicero has held a hearing on the proposed Consolidated Plan before adoption of a resolution by the Town of Cicero Board of Trustees for submission to HUD.
5. The Consolidated Plan must be submitted to the HUD Chicago Office of Community Planning and Development for review and approval at least forty-five (45) days before the start of the **Town's program year**, which is August 15. The Town of Cicero's program year is October 1 to September 30.

ANNUAL ACTION PLAN

ACTION PLAN PROCESS

1. Each Year, in February, the Executive Director and Grant Administrator generate a list of possible Subrecipients for the next Program Year. This list includes:
 - a. Previous Subrecipients,
 - b. Agencies that inquired about the program during the year.
2. In March, the Assistant Grant Administrator sends out all applications to this list. A notice is also published in a local newspaper informing interested agencies that applications are available. The notices, along with updated application are posted on the department's website. The applicants have until May 15 to submit applications.
3. Once the deadline for submission has passed, the Executive Director, Grant Administrator, and Assistant Grant Administrator review the applications submitted. Applications are reviewed for:
 - a. Program Eligibility
 - b. Meeting a National Objective
 - c. Total Budget of Program
 - d. Total outside funding received
 - e. Past success with CDBG (if applicable),
 - f. Project description,
 - g. Proposed beneficiaries (amount and type),
 - h. Applicability to Consolidated Plan
4. Those applications that do not meet a National Objective or are deemed an ineligible expense are filed, and a letter is sent to the applicant of the denial, and an explanation of said denial.
5. The Grant Administrator calculates the two (2) caps (Administration and Public Services). The Executive Director then calculates a total budget for the Program Year (Administration, Housing Rehab, Lead Hazard Reduction, Public Service and Public Facility).
6. The Executive Director submits the budget allocations by category to the Town President, along with each application, and total funds requested. The Executive Director submits a recommended funding proposal for all applicants.
7. The Town President has the authority to amend the budget recommendation, as long as total funds for a subrecipient are not more than what was requested.
8. The Town President has the authority to reduce or not fund applicants recommended by the Executive Director.

9. The Town President submits final budget to Executive Director.
10. The Executive Director submits the final budget to the Grant Administrator and Assistant Grant Administrator.
11. Annual Action Plan is updated, and published for 30-Day comment Period.
12. Public Hearing
13. Executive Director submits final Annual Action Plan for inclusion on Board Agenda
14. When approved, all Certifications are signed by the Town President.
15. Action Plan is submitted to HUD no later than August 15.

CONSOLIDATED ANNUAL PERFORMANCE AND EVALUATION REPORT

The Consolidated Annual Performance and Evaluation Report (CAPER) is a required annual report by the U.S. Department of Housing and Urban Development (HUD). The CAPER is comprised of statistical and financial statements, narratives and maps describing activities carried out during the program year. It is a document used to assess the performance of proposed activities to actual accomplishments.

At each year end, the Town of Cicero Department of Housing generates and drafts a CAPER. The Town follows all HUD's guidelines for preparing an accurate and easy to follow CAPER. All reports are generated in IDIS (PR06, PR26, PR03, and PR10) by the Grant Administrator. The Assistant Grant Administrator or Grant Administrator drafts the accomplishment narratives and compiles the CAPER.

The CAPER must be available for Public View at least 15 days before a Public Hearing. All notices and publication must follow the Citizen Participation Plan.

DEPARTMENT OF HOUSING CALENDAR

Management Schedule					
Program Year Start Date and Orientation	Public Hearing on CAPER	Caper due to HUD	1st Quarter Status Reports Due	Program Year Applications made available	2nd Quarter Status Reports Due
October 1st	December	January 1st	January 15th	March 1st	April 15th
Program Year Applications Deadline	Annual Action Plan Published for Public Comment	3rd Quarter Status Reports Due	Public Hearing on Action Plan	Annual Action Plan Due to HUD	4th Quarter/Annual Status Reports Due
April 30th	June 15th	July 15th	July 15th	August 15th	October 15th

CITIZEN PARTICIPATION PLAN



The Town of Cicero has adopted this Citizen Participation Plan which sets forth the Town of Cicero's policies and procedures for citizen participation.

POLICIES AND PROCEDURES

The Town of Cicero encourages all Town citizens, especially those of low and moderate income, those living in areas where Community Development Block Grant and Emergency Solutions Grant funds are proposed to be used, and by residents of predominantly low and moderate income neighborhoods to participate in the development of the Consolidated Plan and any substantial amendments to the Consolidated Plan. The Town especially encourages minority citizens, non-English speaking citizens, and those citizens with disabilities to participate in the above. The Town, in conjunction and with consultation with the Cicero Housing Authority, also encourages citizens who reside in subsidized housing to participate in the above.

The Town of Cicero will make this Citizen Participation Plan and any substantial amendments to this plan public and accessible prior to adoption by the Town Board. Citizens will be allowed to comment on this plan and any substantial amendments prior to adoption by the Town Board. The Town of Cicero will take into consideration any comments received.

This Citizen Participation Plan will be in a format accessible to persons with disabilities upon request.

Consultation

When preparing the Consolidated Plan, the Town of Cicero will consult with other public and private agencies that provide assisted housing, health services, and social services (including those focusing: on services to children, elderly persons, persons with disabilities).

When preparing the portion of its Consolidated Plan concerning lead-based paint hazards, the Town of Cicero presumes that these properties have lead-based paint in them, due to the age of Cicero's Housing Stock. Local health data shows that children are more at risk of having high levels of lead in their systems as a result of lead based paint. The Town will focus on clearing any surfaces that have been disturbed as a result of any construction project performed using CDBG funds.

When preparing the description of priority non-housing community development needs, a unit of general local government must notify adjacent units of general local governments, to the extent practicable. The non-housing community development plan must be submitted to the State for clearance on projects, and to the County when necessary clearances are needed.

The Town of Cicero will also consult with the Alliance to End Homelessness to develop a homeless needs assessment for the Emergency Solutions Grant that the Town may qualify for.

The Town of Cicero also consults with the Cicero Housing Authority concerning consideration of public housing needs and planned Comprehensive Grant program activities.

HOMELESS PARTICIPATION

When Emergency Solutions Grant (ESG) funds will be awarded to the Town of Cicero, homeless participation in the planning process is required for policies and decisions regarding any facilities, services, or other assistance that receives ESG funding.

The Town of Cicero will hold a minimum of two (2) meetings/focus groups, inviting the homeless or formerly homeless individuals to participate in the planning process.

1. These meetings will be held during the Program Year, and information will be used to make decisions regarding any facility, service, or other assistance that is proposed to receive ESG Funding.
2. These meetings will be advertised through:
 - a. The Town of Cicero website,
 - b. Postings on information boards at Cicero Town Hall, Cicero Public Library, Cicero Police Department
 - c. Invitation information will be shared with current ESG Subrecipients to share, as well as the C.o.C.
3. These meetings/focus groups will be scheduled and held at the Cicero Public Library, which is a central location in Cicero, and accessible via public transportation.
4. Food will be provided at each meeting for those that participate.
5. This plan, and participation outcomes, will be included in the annual action plan required under [24 CFR 91.220](#).

INFORMATION TO BE PROVIDED

Prior to the adoption of the Consolidated Plan by the Town Board, the Town will make available to citizens, public agencies and other interested parties the following information:

1. The amount of funds the Town expects to receive including grant funds and program income.
2. The range of activities that may be undertaken including the estimated amount of funds that will benefit persons of low and moderate income.
3. The anti-displacement and relocation policy as follows:
 - a. It is the policy of the Town of Cicero that no CDBG funds or any funding related to the Consolidated Plan will be spent on activities that will result in the displacement of Cicero residents. The Town plans to carry out this policy by funding only those activities that do not necessitate displacement. However, in the event that displacement does occur, the Town of Cicero will abide by the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended, and by the HUD Handbook 1378 Tenant Assistance, Relocation and Real Property Acquisition.

- b. If displacement does occur, the Town of Cicero or its sub-grantees will assist such households/tenants by replacing on a one-to-one basis all occupied low and moderate income dwelling units demolished or converted to a use other than as low and moderate income housing as a direct result of activities assisted with funds cited above.
- c. All replacement housing will be provided within three years of the commencement of the demolition or rehabilitation relating to conversion. All replacement housing will be allocated within the same community, sufficient in number and size to house at least the number of occupants that could have been housed in the units demolished or converted provided in standard condition designed to remain low/moderate income dwelling units for at least 10 years from the date of initial occupancy of the units.
- d. Before obligating or expending funds that will directly result in such demolition or conversion, the Town of Cicero will make public and submit to the HUD Field Office the following information in writing:
 - 1) Description of the proposed assisted activity
 - 2) The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be demolished or converted to a use other than as low and moderate income dwelling units as a direct result of the assisted activity
 - 3) A time schedule for the commencement and completion of the demolition or conversion
 - 4) The general location on a map and approximate number of dwelling units by size (number of bedrooms) that will be provided as replacement units
 - 5) The source of funding and a time schedule for the provisions of replacement dwelling units
 - 6) The basis for concluding that each replacement dwelling unit will remain a low/moderate dwelling unit for at least 10 years from the date of initial occupancy.
4. The Town will conduct a public hearing directed at those residents affected by the proposed project to review the above and to provide more information on what services, benefits and counseling will be made available to them.
5. The Town of Cicero must conduct at least one public hearing during the development of the Consolidated Plan.
6. The Town of Cicero must make available the proposed Consolidated Plan and Annual Action Plan prior to adoption by the Town Board to allow citizens, public agencies and other interested parties opportunity to examine its contents and submit comments. The Town of Cicero will accomplish this by making available draft copies of the Consolidated Plan and/or One Year Action Plan to the public and individuals. Copies of these Plans are made available to the public at:
 - a. The Cicero Public Library
 - b. Town President's Office,
 - c. Town of Cicero Department of Housing,
 - d. Cicero Community Center, and
 - e. Cicero Public Safety Office

- f. On Town of Cicero website (www.thetownofcicero.com)

PUBLIC HEARINGS

Timing

The Town of Cicero will conduct at least two public hearings per year to obtain citizen's views and to respond to proposals and questions. These hearings must be conducted at a minimum of two different stages of the program year.

- 2) One public hearing must be held before the proposed Consolidated Plan and Annual Action Plans are submitted to HUD in order to obtain views on housing, community development and homeless needs.
- 3) The second public hearing must be conducted to address the housing and community development needs, development of proposed activities, and review program performance at the end of the program year.

Notices

- 1) The Town of Cicero must publish notice of public hearings in at least one newspaper of general circulation at least in compliance with required public comment periods. The notice must include brief description about the subject of the hearings to allow informed comment.
- 2) Public notice will also be posted at government offices, The Town's website, and the Town's Facebook Page.
- 3) The Town will make a reasonable number of free copies of the Consolidated Plan available to citizens and groups that request it.
- 4) The Town will provide a comment period of 30 days prior to signing of the Plans by the Town President and submission to HUD to allow for changes in the document based upon citizen input.
- 5) The Town will consider any comments or views of citizens' received, both written or orally at the public hearings, or received via email or other electronic communication, in preparing the final Consolidated Plan.
- 6) The Town will attach a summary of all comments or views, and a summary of any comments or views not accepted and the reasons therefore, to the final Consolidated Plan.

PERFORMANCE REPORTS

The Town of Cicero will provide citizens with notice and an opportunity to comment on performance reports by doing the following:

1. Publish a notice in a newspaper of general circulation that the performance report is available for comment and the locations at which it is available.
2. Make the performance report available for viewing at the Department of Housing and at the Clerk's Office of the Town of Cicero, and the Town's website.
3. Make the performance report available for viewing in compliance with public comment periods prior to submittal to HUD.
4. Provide citizens at least 15 days to submit comments on the performance report prior to the submission to HUD.

5. Consider any comments or views of citizens received in writing or orally at public hearings in preparing the performance report. A summary of these comments or views will be attached to the performance report.

AMENDMENTS TO THE CONSOLIDATED PLAN

An amendment is a transfer of funds from one line item to another which will increase or decrease a line item by more than 5%. Any lesser change is minor.

A line item change of 6% to 10% only requires submission, review, and approval of the Cicero Town Board of Trustees.

A Substantial Amendment is a transfer of funds from one line to another which will increase or decrease a line item by more than 10%. A Substantial Amendment is also a transfer of funds from one or multiple line items to create and fund a new activity. No Substantial Amendment will be made without first conducting a public hearing regarding that change.

To substantially amend the Consolidated Plan, the Town of Cicero must do the following:

- a. Publish the proposed substantial amendment in a newspaper of general circulation prior to implementation.
- b. Allow a comment period of 30 days prior to the adoption to receive comments on a substantial amendment prior to implementation.
- c. Consider any comments or views of citizens received in writing or orally at public hearings, if any, in preparing the substantial amendment.
- d. Attach a summary of any comments or views and a summary of any comments or views not accepted and the reasons thereof, to the substantial amendment of the Consolidated Plan.

Locations

Hearings will be held at the Cicero Community Center or Town of Cicero Council Chambers which are centrally located in Cicero's low and moderate income neighborhood, convenient to potential and actual program beneficiaries. The building is equipped to accommodate persons with disabilities. Morning, afternoon and/or evening hearings may be held at these locations. If needed, public hearing sites and times may be changed to accommodate those citizens potentially affected. A significant number of non-English speaking citizens are expected to attend. A translator will be provided.

Meetings

Citizens will be provided with reasonable and timely access to all meetings as follows:

- 1) Public notice will be published in a newspaper of general circulation at least one week prior to meeting.
- 2) Public notice will be posted in government offices and the Town's website.
- 3) Meetings will be held at the Cicero Community Center or Town of Cicero Council Chambers which are centrally located in Cicero's low and moderate income neighborhood, convenient to

potential and actual program beneficiaries. The building is equipped to accommodate persons with disabilities.

- 4) When a significant number of Spanish speaking citizens are expected to attend, a translator will be provided.

Availability

The Consolidated Plan, substantial amendments, and performance reports will be available; upon request to the public for viewing at the Town of Cicero Department of Housing, the Town of Cicero's President's Office, The Town of Cicero Community Center and the Cicero Public Library, and digitally on the Town of Cicero's website. These materials will be available upon request in a form that is accessible for persons with disabilities. Records and information relating to the Town of Cicero's Consolidated Plan and the Town's use of assistance under related programs will be retained for the preceding five years. Citizens, public agencies and other interested parties will be provided viewing access to these records upon written request.

Technical Assistance

Technical assistance will be provided to persons of low and moderate income that request such assistance to develop proposals for funding under any program covered by the Consolidated Plan. The assistance may include the provision of copies of Federal Regulations pertaining to the programs covered by the Consolidated Plan. It may also include consultation to determine if a proposed project is eligible for funding by any of the programs covered by the Consolidated Plan.

Complaints

Written citizen complaints related to the Consolidated Plan, Substantial Amendments and Performance Report will be answered in writing from the Town of Cicero within 15 days of the receipt of the complaint.

Use and Responsibility

The Town of Cicero will follow this Citizen Participation Plan. The requirements for citizen participation do not restrict the responsibility or authority of the Town of Cicero for the development and execution of its Consolidated Plan.

ANTI-DISPLACEMENT POLICY

See temporary relocation policy and procedure under the Housing Rehabilitation Programs.

FINANCIAL MANAGEMENT

FINANCIAL MANAGEMENT AND RECORDING SYSTEM

The Town of Cicero Department of Housing follows HUD's Federal Requirements for Financial Management & Recording. Financial management is the process of using funds effectively, efficiently and transparently. It is accomplished through a combination of procedures, methods, rules of conduct and standards. Effective and efficient financial management systems have key characteristics in common.

The critical characteristics of good financial management include:

- Transparency and clear accountability at all levels of operation
- All parties are held accountable for making good financial decisions and following all rules and regulations.
- Expenditures are planned, then checked against the plan (e.g. an approved budget)
- Costs are reasonable, allowable and appropriately allocated to the correct source
- Funds do not sit idle and are protected from misuse
- Records are clearly understood by any accountant
- Reports generated are useful to program managers and agency leadership

HUD expects grantees and Subrecipient financial management systems to include the following key components: budgeting, internal controls, federal cost principles, accounting and record keeping, procurement, reporting and audits. Sound financial management requires that all of these components work properly and in connection to one another.

These requirements include:

- Internal Controls to safeguard cash, inventory and equipment
- A register of cash receipts and disbursements
- A record of all non-cash transactions
- A general ledger showing the status of each Grant Account
- A fixed account ledger
- A record of drawdowns, funds received, and balances of funds

The Town of Cicero Department of Housing will also never request more funds that are needed for payments.

In addition to HUD's Federal Requirements for Financial Management and Recording, the Town of Cicero has maintained the process of having an outside accounting firm that reviews all payables schedules as well as any other financial procedures. Along with the outside accounting firm, the Town of Cicero Department of Housing staff and the Town of Cicero's Treasurer's Office review the financial payables prior from checks being created and disbursed. **The Town of Cicero Department of Housing also follows The Town of Cicero Grant Management Policy, and work in conjunction with the Town of Cicero Department of Financial Affairs. (See Exhibit 17)**

The following is the financial process towards creating, paying and maintaining drawdowns:

- The Grant Administrator reviews any Request for Funds submission from the Subrecipient(s) including the Match Requirement document for eligibility.

- After the information is reviewed, the Grant Administrator creates a payable schedule with the items along with the supporting documentation.
- There are two payouts made per month.
- When the payable schedule is created, the outside accounting firm reviews the schedule as well as the supporting documentation.
- Once approved by the firm, the drawdown request is made in the IDIS system by the Grant Administrator and a copy of the drawdown request voucher is printed and filed with the payable schedule.
- The Executive Director next reviews the payable schedule and supporting documents for approval of the IDIS drawdown voucher.
- The Grant Administrator verifies after 1-2 business days with the bank that the deposit has been made.
- The Grant Administrator prepares the check(s) to be signed by the Town Supervisor.
- The Grant Administrator submits all documentation and bills payable schedule to the Town of Cicero's Accounting Department **and to the Town's Grants Administrator.**
- The Grant Administrator mails checks to the Subrecipients.

PROCUREMENT POLICIES

The procurement of goods and services by government entities at a minimum must follow the standards and procedures set forth in 2 CFR 200, Subpart D: Procurement Standards.

The following regulations must also be followed:

- 24 CFR Part 85: Administrative Requirements for Grants and Cooperative

Agreements to State, Local and Federally Recognized Indian Tribal Governments

- 24 CFR Part 84: Uniform Administrative Requirements for Grants and Agreements

These standards are to ensure that purchases of materials and services are obtained efficiently, economically, and in compliance with the provisions of applicable federal law.

- 1) The procurement of contractors for the Housing Rehabilitation Program shall be completed by the Homeowner, and verified by the Town of Cicero Department of Housing for eligibility.
- 2) The procurement of contractors for Public Facility and Demolition Activities shall be completed by the Town Engineer, with the assistance of the Town of Cicero Department of Housing and shall be completed by a competitive procurement process.
- 3) The selection of public service programs shall be completed through a competitive procurement process through the Community Development Department.
- 4) The procurement of other goods and services, other than office supplies shall be completed by The Town of Cicero Department of Housing with assistance from Legal Counsel as needed.

ADMINISTRATIVE COST ALLOCATIONS

In order to receive federal grant funding, The Town of Cicero must adhere to various local, state, and federal financial principles. The following OMB circulars have been incorporated into the newly adopted 2 CFR 200 and have new regulation numbers.

- A-87: Cost Principles for State, Local, and Indian Tribal Governments
- A-102: Grants and Cooperative Agreements with State and Local Governments
- A-110: Grants and Agreements with Institutions of Higher Education, Hospitals,

and other Non-Profit Organizations

- A-122: Cost Principles for Non-Profit Organizations
- A-133: Audits of States, Local Governments and Non-Profit Organizations

The following regulations must also be followed:

- 24 CFR Part 85: Administrative Requirements for Grants and Cooperative Agreements to State, Local and Federally Recognized Indian Tribal Governments
- 24 CFR Part 84: Uniform Administrative Requirements for Grants and Agreements

The Community Development Block Grant (CDBG) Program incurs administrative costs and must have a plan to pay for those costs.

The full cost of the following expenses is paid by the CDBG Program:

- Office Supplies
- Information Technology
- Postage
- Long Distance Telephone
- Cell Phone
- Advertising
- Legal Fees

The CDBG Program annually pays \$8,000 towards the cost of:

- Single Audit
- Comprehensive Annual Financial Report.

The full cost of the following expenses and services are paid by The Town of Cicero:

- Accounting Department (payroll, accounts payable, finance)
- Building Rent, Maintenance, and Utilities
- Any costs not previously identified
- Any cost that cannot be fully paid by the CDBG program.

The costs associated with the housing rehabilitation program will be paid from the housing rehabilitation program and not CDBG administration.

SHIPPING AND RECEIVING

The Housing Assistant/Receptionist is in charge of creating PO's for the department. Once items are needed for the department, the Housing Assistant/Receptionist is notified. After receiving the list of items needed, the Housing Assistant/Receptionist is responsible on following HUD's rule 200.320

“Methods of procurement to be followed” for purchasing equipment by performing cost comparisons. Prior to the order being placed, the list of items and comparisons are submitted to the Grant Administrator for final approval.

Once the items are approved by the Grant Administrator to be purchased, it is the responsibility of the Housing Assistant/Receptionist to place the order. The Housing Assistant/Receptionist receives all products as they arrive to the office. It is their responsibility to inspect all products prior to signing off on the delivery to ensure accuracy and no damage. The Housing Assistant/Receptionist then disperses the products to the proper recipients and submits the invoice with cost comparisons to the Grant Administrator for review and payment.

INVENTORY

The Town of Cicero Department of Housing inventory is to be used for department business only. This includes, but is not limited to computers & printers, internet access, telephones, paper and envelopes, general office equipment, and all files. Improper inventory usage will result in corrective action up to and including termination.

All property must be documented into an inventory database. Each year (in January) the Assistant Grant Administrator sends an inventory sheet to all staff in the department. Each staff member must conduct an inventory count of all its equipment. This enables the department to track all inventory and maintain accurate counts for the federal government. The inventory count will include:

- Item description
- Item model number (If available)
- Estimate cost
- Total number of the item.

Town of Cicero Department of Housing Inventory Sheet

Staff Name:					
Line	Item Description	Model Number/Color	Qty	Estimated Cost	Status
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
Total				\$0.00	

Once each staff conducts inventory of their own work area, the inventory report is submitted to the Assistant Grant Administrator for filing. The Department staff must take special care in order to have accurate inventory count. The staff must:

- Clean their own area grouping all inventory into countable groups
- Make a list of all disposable inventory
- Separate personal items from department items

It is the Town of Cicero Department of Housing Staff's responsibility to protect all inventories. This includes protection from damage as well as protection from misuse. Protection may include: locking all computers when not in use, treating the equipment as if it were their own, maintain a neat and orderly work environment, and notify their supervisor if they have a problem with the equipment.

INVENTORY DISPOSAL

Before any office equipment is disposed of, notification to the Assistant Grant Administrator with the description or model number of the equipment needs to be made so that the equipment can be removed from the inventory database. The Town of Cicero Department of Housing recycles all old/obsolete computer equipment. Once a computer is deemed to be obsolete, the Town of Cicero IT Department is notified that the equipment is in need of recycling and they are requested to clear all the data off the computers prior to recycling.

Once computer equipment is cleared of data, the equipment is donated to schools and not-for-profit agencies. In order for the equipment to be donated, a list of items needs to be signed by both the Town of Cicero Department of Housing staff as well as the authorized individual of the receiving agency. Once the list is signed, a copy of the list is included in the final inventory report.

IDIS/DRGR SEPARATION OF DUTIES

The Town of Cicero Department of Housing staff has various privileges in the IDIS/DRGR system. The Executive Director and Grant Administrator have the majority of the privileges allowed by the IDIS/DRGR systems; however, the Executive Director is the main person with approval privileges. The Department has added privileges in the past to the Assistant Grant Administrator, Housing Program Director and the Assistant Housing Program Director. These individuals have privileges to view/edit Consolidated Plans, Annual Action Plans and CAPERS, as well as having privileges to create projects and activities. These individuals also have privileges to create drawdown vouchers, but no approval privileges. Those privileges are reserved for the Executive Director and Grant Administrator.

Whenever a staff member needs access and/or changes to their privileges, the Grant Administrator submits the required IDIS/DRGR Access Forms on behalf of the staff member to HUD. Currently these forms are submitted to Candice C. Foster – Senior Financial Analyst in the HUD Chicago Field Office. The Grant Administrator is responsible of keeping all records pertaining to IDIS/DRGR Access for each staff member.

SETTING UP PROJECTS AND ACTIVITIES

The Town of Cicero Department of Housing Grant Administrator and/or Assistant Grant Administrator sets up all projects and activities for the Town of Cicero Department of Housing in HUD's IDIS System. The information needed to properly set up all projects and activities can be located using the information from the approved 5-Year Consolidated Plan or Annual Action Plan. The Department staff sets up projects and activities referencing HUD's rule for setting up projects and activities in IDIS using the following document:

RULES FOR SETTING UP CDBG ACTIVITY AND REPORTING ACTIVITY DELIVERY COSTS

This document provides guidance on how to set up activity and report ADC in IDIS for different types of major CDBG activities.

1. Acquisition and Disposition:

When setting up acquisition and disposition activities in IDIS, grantees should set up one activity for each property assisted. Each activity must have the address of the property assisted. This is how HUD tracks properties that grantees have acquired or disposed of with CDBG funds and determines national objective compliance. ADC for acquisition and disposition activities should be included in the budgets of each activity. Grantees may not set up separate activities for ADC and may only have one property in an activity inclusive of ADC.

2. Public Facility and Improvements:

Grantees may only have one public facility in an activity. Grantees must set up a separate activity for each public facility. This is the only way that HUD can determine national objective compliance for a facility. For instance, the grantee may NOT combine the rehabilitation of five different day care centers in one activity, even if they serve the same neighborhood and/or are managed by the same organization. Each day care center must be reported in a separate activity in order to determine national objective compliance. Activity Delivery Costs: ADC for the public facility and improvements should be included in the budgets of each activity. Grantees may not set up separate activities for ADC. Grantees may only have one public facility in an activity inclusive of ADC. For more information on different types public facility and improvements activities and appropriate matrix codes, check "Matrix Code Definitions."

3. Public Service:

Grantees may only have one public service in an activity. Grantees must set up a separate activity for each public service. This is the only way that HUD can determine national objective compliance for a particular service. For example, the grantee may NOT combine operating costs for CDBG-funded senior meals-on-wheels, child care, and youth programs that are taking place at a community center in one activity. Each program must be in a separate activity to demonstrate that each program has met a national objective. Activity Delivery Costs: ADC for the public services should be included in the budgets of each activity. Grantees may not set up separate activities for ADC. Grantees may only have one public service program in an activity inclusive of ADC. For more information on different types public services activities and available matrix codes, check "Matrix Code Definitions."

4. Housing Rehabilitation:

Single-unit rehabilitation: For single – unit housing rehabilitation activities, grantees have two options to set up activities.

Option 1 (aggregate all units for the same type of rehabilitation): For the same type of single unit housing rehabilitation funded in a program year, all the units can be aggregated and allocated as one activity in IDIS under appropriate matrix code 14A, 14D, 14F, 14G, or 14I. However, grantees are required to enter an address for each assisted unit. (Note: The grantee cannot combine units for different types of rehabilitation. For example, 14A and 14G are two different types of rehabilitation, the grantee must set up two separate activities in IDIS, one for all 14A units, one for all 14G units.)

Activity Delivery Costs: Single-unit administrative rehabilitation costs, deemed as "activity delivery costs." If the grantee used the Option 1 method, then housing administrative costs can be reported in an aggregate amount for expenditures as one activity for a single program year in one of two ways:

- a. 14* series Single-unit rehabilitation: CDBG funds expended for the same type of singleunit rehabilitation administration costs in a program year can be included in the aggregate amount and combined with hard costs in IDIS under appropriate matrix code 14A, 14D, 14F, 14G, or 14I. This means that IDIS does not differentiate between hard costs and activity delivery costs for single-unit rehabilitation. or

- b. 14H Rehabilitation Administration: CDBG funds spent for the same type of single-unit rehabilitation administration costs in a program year can be allocated as one activity under IDIS matrix code 14H. (For example, the grantee funded two types of rehabilitation activities, emergency repairs under matrix code 14A and energy Efficiency Improvements under 14F. The grantee will need to set up two 14H activities, one for the 14A units and one for the 14F units.) The 14H activity should be correlated to those activities entered in IDIS under 14* as hard costs. Under this option, the grantee will only need to report accomplishments under the activities for hard costs. For the 14H activity, the grantee will answer "Yes" to the question "Will accomplishments be reported at another activity?" on the "CDBG Setup Detail" page and enter the correlated 14* IDIS Activity ID. If more than one 14* activities are associated with the 14H activity, the grantee will need to report all the correlated 14* activity IDs in the activity description field. View detailed guidance on how to report accomplishments.

Option 2 (separate each unit): The grantee may set up a separate activity for each housing unit that has been rehabilitated under appropriate matrix code 14A, 14D, 14F, 14G, or 14I.

Activity Delivery Costs: Under Option 2, grantees may report rehabilitation administrative costs in one of two ways:

- a. 14* series Single-unit rehabilitation: The grantee may allocate the rehabilitation administrative costs and combine them with the individual 14* activities. or
- b. 14H Rehabilitation Administration: CDBG funds spent for the same type of single-unit rehabilitation administration costs in a program year can be allocated as one activity under IDIS matrix code 14H. (For example, the grantee funded two types of rehabilitation activities, emergency repairs under matrix code 14A and energy Efficiency Improvements under 14F. The grantee will need to set up two 14H activities, one for the 14A units and one for the 14F units.) The 14H activity ties to the 14* activities for the hard costs. Under this option, the grantee will only need to report accomplishments under the activities for hard costs. For the 14H activity, the grantee will answer "Yes" to the question "Will accomplishments be reported at another activity?" on the "CDBG Setup Detail" page and enter the correlated 14* IDIS Activity ID. If more than one 14* activities are associated with the 14H activity, the grantee will need to report all the correlated 14* activity IDs in the activity description field. View detailed guidance on how to report CDBG accomplishments. Multi-unit Rehabilitation – For multi-unit housing rehabilitation activities, a separate activity needs to be set up for each building under appropriate matrix code 14B-D, 14F, 14G or 14I, unless the buildings are or will be located on the same or contiguous properties under common ownership and management. Activity Delivery Costs: Administrative rehabilitation costs for multi-unit rehabilitation activities can be reported one of two ways: a. 14* series multi-unit rehabilitation: The grantees may combine the rehabilitation administrative costs with hard costs and report them under each individual 14B-D, 14F, 14G, or 14I

activity. or b. 14H rehabilitation administration: Administrative rehabilitation costs for multi-unit housing must be set up as a separate IDIS activity that corresponds with each 14B-D, 14F, 14G, or 14I multi-unit rehabilitation activity. When the grantee sets up a separate activity for activity delivery costs, the grantee will only need to report accomplishments under the activities for hard costs. For the 14H activity, the grantee will answer "Yes" to the question "Will accomplishments be reported at another activity?" on the "CDBG Setup Detail" page and enter the correlated 14B-D, 14F, 14G, or 14I IDIS Activity ID. View detailed guidance on how to report accomplishments.

5. Economic Development Activities:

Each assisted business shall be a separate activity for the purpose of determining national objective compliance. Grantees should set up a separate activity for each business receiving direct economic development assistance under 24 CFR 570.203(b) or 42 USC 5305(a)(17) [use matrix code 18A] or 24 CFR 570.201(o), 42 USC 5305(a)(22) or 24 CFR 570.482(c) [use matrix code 18C]. If the assisted activity is one identified at 570.208(a)(4)(vi) or 570.483(b)(4)(vi), then job aggregation is allowed. Grantees may aggregate jobs created or retained by all businesses for which CDBG assistance is received during each program year under one IDIS activity.

Activity Delivery Costs (ADC):

ADC for the economic development activities should be included in the budgets of each activity. Grantees may not set up separate activities for ADC. Grantees may only have one activity for each business inclusive of ADC, unless the assisted activity is one identified at 570.208(a)(4)(vi)(B) or 570.483(b)(4)(vi)(B). When a grantee uses CDBG funds to Release date: October 2019 pay for the activity delivery but the actual loans to for-profit businesses are exclusively made with non-CDBG funds, then the grantee may aggregate jobs created by all the businesses receiving loans during each program year under one IDIS activity [use matrix code 18A].

6. Homeownership Assistance:

For homeownership assistance, grantees have two options to set up activities.

Option 1 (aggregate all units): The grantee may choose to enter all homeownership activities funded in a program year under one IDIS activity. However, the grantee will need to enter all the addresses for every CDBG-assisted unit.

Option 2 (separate each unit): The grantee may enter each homeowner under a separate IDIS activity.

Activity Delivery Costs: If referral services, homeownership education programs, or general budget/financial counseling is provided to homebuyers in conjunction with homeownership assistance, the services are considered activity delivery costs. ADC for the homeownership assistance activities should be included in the budgets of each activity. The grantee should not set up a separate activity for ADC. However, if Housing Counseling, under 24 CFR 5.100, is provided in conjunction with direct

homeownership assistance, report Housing Counseling under matrix code 13A or 05Y, as a separate activity. For example, Mr. Smith received \$5,000 of downpayment assistance. He also received Housing Counseling service (as defined at 24 CFR 5.100) from a HUD-approved Housing Counseling Agency. The grantee paid \$200 to the Housing Counseling Agency for its service. In IDIS, the grantee should set up an activity with matrix code 13B or 05R for \$5,000 downpayment assistance and a separate activity for the Housing Counseling service with matrix code 13A or 05Y for \$200.

PAYABLE PROCEDURE

The Town of Cicero Department of Housing has in place a 3-step verification process prior to funds being dispersed. The 3-step verification process is 1) an outside accountant, 2) the Department of Housing staff, and 3) the Town of Cicero Treasurer's Office. The following is a step-by-step payable procedure the Department takes:

- Invoices or Request for Funds from Subrecipients are submitted to the department for reimbursement.
- The Grant Administrator reviews the items for accuracy. Once reviewed, the Grant Administrator provides copies of the documentation along with any financial documents to the outside accountant for further review and approval.
- If the documents are deemed accurate for approval by the outside accountant, the accountant signs off on the payable schedule and returns it to the Grant Administrator.
- The Grant Administrator begins the process of requesting the voucher drawdown in the IDIS system.
- Once the drawdown is requested, the payable schedule along with the supporting documentation is provided to the Executive Director for signature and voucher approval.
- Once approved, the Grant Administrator verifies that funds have been deposited in the appropriate account within 1-2 business days.
- Once funds are in the account, the Grant Administrator prepares checks utilizing QuickBooks.
- After checks have been printed, the payable schedule, supporting documentation and the checks are submitted to the Town Treasurer for signature and approval.
- After checks have been signed, the Grant Administrator makes copies of the payable schedule, checks and voucher information and sends it to the Town of Cicero Financial Affairs Department.
- Finally, the Grant Administrator mails out the checks to the respective parties.

WIRE TRANSFERS

Once drawdowns are approved by the Executive Director or Grant Administrator, the Town of Cicero Department of Housing draws down needed funds from IDIS, which wires the money into the Department of Housing CDBG Bank Account. Drawdowns are made on Thursdays, giving time over the weekend for the money to be wired into the account.

Monday morning, the Grant Administrator calls the bank to verify the funds have been wired into the account. Once verified, checks are written out utilizing Quick Books. Checks and the payable schedule are then brought to Town Hall to be verified and signed by the Town Supervisor/Treasurer.

Once checks are signed, copies are made for the Town of Cicero Accounting Department and the Department of Housing internal Check Register. Signed checks are then sent to all necessary parties.

SUBRECIPIENT MAINTENANCE

- Throughout the year, Subrecipients are monitored by the Grant Administrator to ensure compliance with HUD regulations and to ensure timely use of funds. The Grant Administrator contacts the Subrecipients to schedule a date and time for the monitoring session. At the monitoring, the Grant Administrator/Assistant Grant Administrator review the Subrecipients files as well as performs a monitoring checklist to address any findings or concerns during the monitoring session. If concerns or findings are discovered, appropriate corrected action needs to be submitted to the Town within 45 days of the date of the monitoring.
- Subrecipients are required to submit quarterly status reports and an annual status report to the Department of Housing. These status reports contain necessary information to be tracked in the IDIS system.
- When the Subrecipients submit their final request for funds by expending their entire grant, the Grant Administrator “completes” the activity in IDIS to ensure no more drawdowns are allowed for the activity.
- If a Subrecipient does not expend their entire grant in the program year, a letter is sent to the Subrecipient informing them of the money they have lost by not expending their funds in the contracted time period. The Grant Administrator then “completes” the activity in IDIS to ensure no more drawdowns are allowed for the activity.
- The Executive Director then drafts an Annual Action Plan amendment notifying the public of the difference from funds allocated and funds spent. The remaining funds may then be reallocated to a future activity in which another amendment would be made available.

PREPARATION OF FINANCIAL STATUS REPORT

The Town of Cicero Department of Housing is required to submit to HUD Form SF-425, Federal Cash Transaction Report on a quarterly basis. These reports are due by January 15, April 15, July 15, and October 15 of each year. The reports are used to monitor the receipt and disbursement of federal funds only. Grantees must submit these forms when due, whether or not any funds were requested or expended during the reporting period.

All active CDBG or CDBG-CV grants must be listed on the continuation page of the Federal Financial Report. The outside accounting firm for the department is tasked on completing the form on behalf of the department. Once the form has been completed, the Grant Administrator submits all the required information from the report in the IDIS system for HUD’s review and approval.

Below is a sample of the Federal Financial Report used to submit information to HUD.

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)		Page 1	of pages		
3. Recipient Organization (Name and complete address including Zip code)							
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)	6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final	7. Basis of Accounting <input type="checkbox"/> Cash <input type="checkbox"/> Accrual			
8. Project/Grant Period From: (Month, Day, Year)			To: (Month, Day, Year)		9. Reporting Period End Date (Month, Day, Year)		
10. Transactions					Cumulative		
<i>(Use lines a-c for single or multiple grant reporting)</i>							
Federal Cash (To report multiple grants, also use FFR Attachment):							
a. Cash Receipts							
b. Cash Disbursements							
c. Cash on Hand (line a minus b)							
<i>(Use lines d-o for single grant reporting)</i>							
Federal Expenditures and Unobligated Balance:							
d. Total Federal funds authorized							
e. Federal share of expenditures							
f. Federal share of unliquidated obligations							
g. Total Federal share (sum of lines e and f)							
h. Unobligated balance of Federal funds (line d minus g)							
Recipient Share:							
i. Total recipient share required							
j. Recipient share of expenditures							
k. Remaining recipient share to be provided (line i minus j)							
Program Income:							
l. Total Federal program income earned							
m. Program income expended in accordance with the deduction alternative							
n. Program income expended in accordance with the addition alternative							
o. Unexpended program income (line l minus line m or line n)							
11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share
g. Totals:							
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:							
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)							
a. Typed or Printed Name and Title of Authorized Certifying Official					c. Telephone (Area code, number and extension)		
					d. Email address		
b. Signature of Authorized Certifying Official					e. Date Report Submitted (Month, Day, Year)		
					14. Agency use only:		

Standard Form 425
OMB Approval Number: 0348-0061
Expiration Date: 10/31/2011

Paperwork Burden Statement
According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.

PROGRAM INCOME

Program Income received and retained by the Town of Cicero or any Subrecipient before close-out of the grant is treated as additional CDBG funds and is subject to the requirements described by HUD under 200.307.

(a) *General.* Non-Federal entities are encouraged to earn income to defray program costs where appropriate.

(b) *Cost of generating program income.* If authorized by Federal regulations or the Federal award, costs incidental to the generation of program income may be deducted from gross income to determine program income, provided these costs have not been charged to the Federal award.

(c) *Governmental revenues.* Taxes, special assessments, levies, fines, and other such revenues raised by a non-Federal entity are not program income unless the revenues are specifically identified in the Federal award or Federal awarding agency regulations as program income.

(d) *Property.* Proceeds from the sale of real property, equipment, or supplies are not program income; such proceeds will be handled in accordance with the requirements of the Property Standards §§200.311, 200.313, and 200.314, or as specifically identified in Federal statutes, regulations, or the terms and conditions of the Federal award.

(e) *Use of program income.* If the Federal awarding agency does not specify in its regulations or the terms and conditions of the Federal award, or give prior approval for how program income is to be used, paragraph (e)(1) of this section must apply. For Federal awards made to IHEs and nonprofit research institutions, if the Federal awarding agency does not specify in its regulations or the terms and conditions of the Federal award how program income is to be used, paragraph (e)(2) of this section must apply. In specifying alternatives to paragraphs (e)(1) and (2) of this section, the Federal awarding agency may distinguish between income earned by the recipient and income earned by subrecipients and between the sources, kinds, or amounts of income. When the Federal awarding agency authorizes the approaches in paragraphs (e)(2) and (3) of this section, program income in excess of any amounts specified must also be deducted from expenditures.

(1) *Deduction.* Ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.

(2) *Addition.* With prior approval of the Federal awarding agency (except for IHEs and nonprofit research institutions, as described in this paragraph (e)) program income may be added to the Federal award by the Federal agency and the non-Federal entity. The program income must be used for the purposes and under the conditions of the Federal award.

(3) *Cost sharing or matching.* With prior approval of the Federal awarding agency, program income may be used to meet the cost sharing or matching requirement of the Federal award. The amount of the Federal award remains the same.

(f) *Income after the period of performance.* There are no Federal requirements governing the disposition of income earned after the end of the period of performance for the Federal award, unless the Federal awarding agency regulations or the terms and conditions of the Federal award provide otherwise. The Federal awarding agency may negotiate agreements with recipients regarding appropriate uses of income earned after the period of performance as part of the grant closeout process. See also §200.344.

(g) *License fees and royalties.* Unless the Federal statute, regulations, or terms and conditions for the Federal award provide otherwise, the non-Federal entity is not accountable to the Federal awarding agency with respect to program income earned from license fees and royalties for copyrighted material, patents, patent applications, trademarks, and inventions made under a Federal award to which 37 CFR part 401 is applicable.

The process of receipting program income in IDIS is:

- The Grant Administrator identifies the program income from a specific activity and information about the program income is provided in the Annual Action Plan and/or any amendments made to the Annual Action Plan.
- Once the Annual Action Plan and/or Amendment processes are approved, the Grant Administrator documents the program income in the CDBG account and draws on those funds prior to the drawdown of funds from the Entitlement Grant.
- Program Income funds are tracked and used in accordance with program requirements.

AUDITS

Audit reports are critical for determining whether the Town and the Subrecipients have met financial management requirements. Audits should be conducted annually and should be filed for both the Town of Cicero and all Subrecipients. Subrecipients need to submit copies of their agency's annual audits to the Department of Housing for review. The Department of Housing will be required to review said audits for any findings or concerns that would pertain to the Town of Cicero's CDBG funding. Any findings or concerns should be addressed by the agency and a copy of corrected action should be submitted to the Town of Cicero for review and approval.

The Town of Cicero will also contract an auditing firm to perform a single-audit for the Town for all HUD grants. The auditor will follow HUD procedures required under the 2 CFR 200 rules and regulations. Once audits are concluded, any findings will be addressed by the Town prior to the submission of said audit to the Federal Audit Clearinghouse.

ENVIRONMENTAL REVIEW



No project or activity will be initiated until The Town of Cicero Department of Housing completes an environmental review and all necessary approvals have been secured.

Federal regulations require the preparation of a project Environmental Review Record (ERR) and environmental clearance before funds are expended or costs incurred. The Town of Cicero currently administers the Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG), but this policy and procedure will apply all to HUD programming the town may receive. The ERR contains all the environmental review documents, public notices and written determinations or environment findings required by 24 CFR Part 58.

Federal regulations require that Housing and Community Development agencies (HCD) determine if project activities will cause adverse impacts to the human environment. The human environment is defined as the natural and physical environment and the relationship of people with that environment. The overall governing legislation is the National Environmental Policy Act (NEPA). The town must also determine whether the project meets other applicable statutory and regulatory requirements such as those of the Advisory Council on Historic Preservation and the Environmental Protection Agency.

The Town of Cicero Department of Housing staff is responsible for the completion of the Environmental Review, and will notify all applicants, contractors, or others of this responsibility, and the requirement of completion prior to any contracts or agreements being executed. Notification is included in all applications and agreements.

No HUD Funds may be committed to a project until the Environmental Review Process has been completed.

The environmental review process covers all phases of a project, whether the project is funded in whole or in part with HUD funds. The Town of Cicero must prepare and maintain a written record of the environmental review undertaken for each project. This written record or file is called the Environmental Review Record (ERR), and it must be available for public review upon request.

The ERR shall contain all of the environmental review documents, public notices (and proof of their publication if necessary), and written determinations or environmental findings required by 24 CFR Part 58 as evidence of review, decision making and actions pertaining to a particular project.

The document shall:

- Describe the project and each of the activities comprising the project, regardless of individual activity funding source; and
- Evaluate the effects of the project or the activities on the human environment; and
- Document compliance with applicable statutes and authorities; and
- Record the written determinations and other review findings required by 24 CFR Part 58.

The ERR will vary in length and content depending upon the classification level of review required for the classification of activities. The four environmental classification levels are:

- Exempt Activities,
- Categorically Excluded Activities,
- Activities Requiring an Environmental Assessment, or
- Activities Requiring an Environmental Impact Statement.

All activities' ERR must be completed prior to entering into an agreement or contract.

- For public service grant activities, the environmental review record must be completed and placed in the file before a grant agreement may be signed.
- For projects that require the solicitation of bids, the environmental review record must be completed and placed in the file before the bid document(s) are released.

Environmental review records are created through HUD's Environmental Review Online System (HEROS), which is a part of HUD's Integrated Disbursement & Information System (IDIS). All users of HEROS must obtain a user identification and initial password from HUD's Region V Environmental Officer.

All Department of Housing Employees will receive this policy, read this policy, and sign off on acknowledgment of the policy and procedures.

All new Department of Housing Employees will participate in Environmental Review Training as provided on the HUD Exchange. <https://www.hudexchange.info/programs/environmental-review/environmental-review-training/#environmental-review-procedures-and-resources>

All current employees will refresh their training as new guidance is released, or at a minimum once every three (3) years.

If Environmental Review is a documented concern or finding identified through HUD monitoring, all employees will be required to refresh their training.

ENVIRONMENTAL REVIEW RECORD PROCESS

1. The Grant Administrator and/or Assistant Grant Administrator are responsible for creating an Environmental Review for both Subrecipient and Public Facilities Projects.
2. The Housing Program Director and/or the Assistant Housing Program Director are responsible for creating Environmental Reviews for Housing Projects.
3. All Environmental Reviews are recorded and monitored throughout the process by the respective Environmental Review Officers using an Environmental Review Spreadsheet.

IMPLEMENTING THE ENVIRONMENTAL REVIEW PROCESS.

1. Once projects are approved by HUD via the Annual Action Plan (AAP), the Grant Administrator creates the projects and activities in IDIS for the Program Year. (These projects and activities are **NOT** obligated at this point, until an Environmental Review Record is processed and completed for each project and activity.)
2. For Subrecipient and Public Facility projects,
 - a. The Grant Administrator and/or Assistant Grant Administrator perform said Environmental Review prior to any agreement and/or contracts are signed accepted.
 - b. Subrecipients and/or contractors are notified that bidding can take place after receipt of the SHPO clearance and completion of HEROS Environmental Review.
3. For Housing projects,
 - a. Once a homeowner submits an application to the Town of Cicero Department of Housing, the Assistant Housing Director enters information in a spreadsheet shared by all staff of the Department of Housing. All environmental review projects are monitored and recorded from initiation to completion in the spreadsheet. Below is an example of the Spreadsheet:
 - b. The Housing Program Director and/or Assistant Housing Program Director perform the Environmental Review prior to any agreement and/or contracts are signed accepted.
 - c. Owners and/or Contractors are notified that bidding can take place after receipt of the SHPO clearance and completion of HEROS Environmental Review.

4. Bids are awarded and agreements and/or contracts are signed and put on file. Subrecipients and/or contractors can begin providing services or construction respectively.
5. Construction is completed.
6. Payouts are submitted to the Grant Administrator.
7. Grant Administrator obligates the project on IDIS.
8. Grant Administrator makes the drawdown request on IDIS.
9. Project is paid out.

ENVIRONMENTAL ASSESSMENTS

For any activity that is NOT exempt or categorically excluded through the completion of the Statutory Checklist, an Environmental Assessment will be required (24 CFR 58.40).

In preparing an EA for a particular proposed project or other action, the responsible entity must:

- a. Determine existing conditions and describe the character, features and resources of the project area and its surroundings; identify the trends that are likely to continue in the absence of the project.
- b. Identify all potential environmental impacts, whether beneficial or adverse, and the conditions that would change as a result of the project.
- c. Identify, analyze and evaluate all impacts to determine the significance of their effects on the human environment and whether the project will require further compliance under related laws and authorities cited in [§ 58.5](#) and [§ 58.6](#).
- d. Examine and recommend feasible ways in which the project or external factors relating to the project could be modified in order to eliminate or minimize adverse environmental impacts.
- e. Discuss the need for the proposal, appropriate alternatives where the proposal involves unresolved conflicts concerning alternative uses of available resources, the environmental impacts of the proposed action and alternatives, and a listing of agencies and persons consulted.
- f. Complete all environmental review requirements necessary for the project's compliance with applicable authorities cited in [§§ 58.5](#) and [58.6](#).
- g. Based on steps set forth in [paragraph \(a\)](#) through [\(f\)](#) of this section, make one of the following findings:
 - a. A Finding of No Significant Impact (FONSI), in which the responsible entity determines that the project is not an action that will result in a significant impact on the quality of the human environment. The responsible entity may then proceed to [§ 58.43](#).
 - b. A finding of significant impact, in which the project is deemed to be an action which may significantly affect the quality of the human environment. The responsible entity must then proceed with its environmental review under [subpart F](#) or [G of this part](#).
- h. If there is a FONSI, the Grant Administrator or Housing Director will prepare the FONSI Notice, using the current HUD-recommended format, or equivalent.
- i. The Executive Director will review the FONSI and ERR, and if approved, will publish a combined FONSI and Request for Release of Funds (RROF) on the Town of Cicero Website and in a local newspaper, and allow for Public Comment for 15 days.

- j. After the 15-day comment period, the Executive Director will submit to HUD an Authority to Use Grant Funds request (AUGF).
- k. Once the AUGF has been issued, the town will work to obligate funds for the specific activity/project.

Case #	Household Name	Address	Program Type	Heros Entered	SHPO Due Date	COMBITION/MITIGATIONS	SHPO Clearance Date	SHPO DATE >30 DAYS	HEROS completion date	Copy of Environmental Clearance from to Grant
985207B	W3-S-500000K	ENRForHPO-ACCE	985207B		N/A	985207	N/A	665207B		

Figure 1 ERR Tracking Spreadsheet

The information entered in each column includes:

- A., case #,
- B. household name,
- C. address of property,
- D. program type,
- E. date of when HEROS was initiated,
- F. SHPO submission date,
- G. if applicable, information pertaining to conditions/ and or mitigation,
- H. SHPO clearance date,
- I. Date if SHPO exceeded more than 30 days, J. HEROS completion date.

The Housing Program Director holds a copy of a detailed manual with the step-by-step process in performing Environmental Review Records including what websites to access in order to obtain the required information for each Related Federal Laws and Authorities Compliance Factor

SUBRECIPIENTS



APPLICATION AND EVALUATION CRITERIA

The Town of Cicero Department of Housing reviews Applications for the following:

- a. Program Eligibility
- b. Meeting a National Objective
- c. Total Budget of Program
- d. Total outside funding received
- e. Past success with CDBG (if applicable),
- f. Project description,
- g. Proposed beneficiaries (amount and type),
- h. Applicability to Consolidated Plan

Within the application, all applicants must provide their Data Universal Numbering System (DUNS) number, which is assigned by Dun and Bradstreet, Inc.

SUBRECIPIENT AGREEMENTS & REPORTING PROCESS

1. Environmental reviews for each program will be completed before Agreements are signed.
2. Draft Subrecipient agreements will be completed each September.
3. After Action Plan approval, Subrecipients must submit 2 original signed copies of the agreement.
4. Executive Director obtains the Town President's signature on the approved agreements.
5. A Subrecipient Packet is sent to the Subrecipient including:
 - a. One original Agreement
 - b. REQUEST FOR FUNDS SHEET
 - c. Reporting forms (QUARTERLY STATUS REPORTS/ANNUAL STATUS REPORT
 - d. Notice to Proceed
6. One Original Agreement is maintained in the Project File created by the Grant Administrator and/or Assistant Grant Administrator.

MONITORING

As a recipient of federal CDBG funds, The Town of Cicero is responsible for managing the day-to-day operations of all CDBG funded activities and ensuring that CDBG funds are used within all applicable requirements. Monitoring is the primary tool to ensure that this happens.

The three primary goals of monitoring are:

1. Ensure production and accountability.
2. Ensure compliance with CDBG and other federal requirements.
3. Evaluate organizational and project performance.

At the end of every grant year, an outside agency completes an audit of the Town's financial system. As part of the auditing process, a "single audit" is completed per 2 CFR 200 (formerly OMB Circular A-133), for the federal funds that the Town received during the previous fiscal year.

Any outside agency that receives funds through a subrecipient agreement will also be subject to periodic monitoring.

Each social service agency must submit periodic progress reports along with their reimbursement request for a desk-top review before any reimbursement will occur.

Community Development Department staff also conducts an on-site monitoring visit to all social service agencies receiving CDBG funding. This monitoring occurs after the agency submits their first progress report.

SUSPENSION/PROBATION AND TERMINATION

The Town of Cicero may place a subrecipient on probation, suspend, or terminate the agreement as accorded by 24 CFR 85.43 and 24 CFR 85.44.

When minor compliance issues exist, an informal approach via telephone calls and e-mail may occur first and funds may be held until compliance is met. If compliance of the minor issue is not met within ten business days or if another compliance issue exists, a certified letter requiring a Corrective Action Plan will be sent to the Executive Director and/or other contact person shown in the contract. In the case of suspension or probation, depending upon the severity of the compliance problem, town staff shall provide not less than two and not more than ten business days to submit a Corrective Action Plan. If the agency does not implement the Corrective Action Plan according to the approved schedule, that will be grounds for termination.

If a subrecipient fails to fulfill its obligations, the Town President may terminate the contract, in whole or part, by providing written notice of the termination and specifying the effective date, at least five days before the effective date of such termination. If funds were used in a non-eligible manner, the staff liaison will include written documentation of the determination and the sum due for repayment or deduction from undisbursed funds as appropriate.

The subrecipient and the Executive Director may terminate the contract for any reason upon giving at least thirty days written notice prior to the effective date. In the case of partial termination, the portion to be terminated must be specified in the notice. If the Grant Administrator determines that the partial termination will prevent the program from accomplishing the purpose of the contract, the Executive Director may completely terminate the contract.

Subrecipients are required to submit periodic progress reports. The frequency of report submissions will be in the subrecipient agreement.

Subrecipient agencies must be current with their periodic progress reports in order to receive reimbursement of expenses.

An on-site monitoring visit will be completed after the first periodic report is submitted. All major violations must be corrected before the reimbursement is made. A monitoring visit will be based upon HUD's Monitoring Workbook.

REPORTING ACCOMPLISHMENTS

At least 70% of the CDBG funds spent must benefit low-moderate income persons and families. The Town of Cicero and any agency receiving CDBG funds through a subrecipient agreement are required to maintain a system that accurately accounts for and/or fully documents all program activities undertaken with CDBG funds.

Agencies receiving CDBG funds shall submit the reports to The Town of Cicero at the times indicated, and in the format prescribed by the Community Development Department. Deviations from this requirement must be approved by the Community Development Director.

At a minimum, all reporting should be completed quarterly. Data and information from the periodic reporting shall be entered into IDIS by the Community Development Department upon review and acceptance of reports.

Agencies that provide direct individual client services shall keep records on each client served by the project under the agreement. The actual design of the project data system is at the discretion of the Agency. However, the project data system shall include the following at the minimum and be reported to The Town of Cicero as described in the agreement.

PRIMARY RECORDS

Records shall be maintained by the project to record services provided directly to, or on behalf of, the project client. Primary records are typically the client case files. All client case files maintained by the project shall be clearly identified as “CDBG Files” and must not be reported to any other funding source with regard to the services listed in the Town Agreement. All projects providing direct services shall have primary records containing the following information on all clients receiving services:

- Client’s name and identification number assigned by the project
- Referring agency when applicable
- Client’s family size
- Client’s head of household status
- Client’s gender
- Client’s race and ethnic origin
- Client’s parent’s name when applicable
- Client’s address
- Client’s phone number and message number if available
- Client’s age or date of birth
- Client’s annual or monthly income, or that of the family if client is a dependent
- Problem statement
- Proposed description of services to be provided
- Proposed frequency and length of services to be rendered
- Description of actual services rendered
- Date, type and method of all client contacts and contacts made on behalf of the client
- Approximately length of each contact
- Reassessment of client’s problem (halfway through services) to determine how well client is responding to services
- Termination date
- Reason for termination
- Planned follow-up date(s)

- Actual follow-up date(s) and outcomes of follow-up contact (Follow-up shall be attempted on all clients after termination of client services, unless otherwise stipulated in the Scope of Services.)

SECONDARY RECORDS

Examples are project logs, sign-in/attendance sheets, appointment book, etc. Agencies who do not provide direct services to individual clients shall maintain secondary records to document the services provided to the targeted population. Agencies providing services in group settings shall also maintain secondary records. In addition, written records documenting project volunteer activities shall be maintained as secondary records.

DOCUMENTING INCOME

HUD requires documentation to verify income of households served. Different activities and status of income require different documentation standards.

- The Census Long Form income verification method will be used to determine income for the housing rehabilitation programs. Income is based on current income projected for a period of 12 months (annual income).

Census Long Form

Inclusions	Exclusions
<p>Wages, salary, commissions, bonuses and tips from all jobs before deductions for taxes, bonds, dues, or other items. (For minors over the age of 15 and adults.)</p> <p>Self-employment net income (after business expenses) from own non-farm business or farm business, including proprietorship and partnership.</p> <p>Any of the following:</p> <ul style="list-style-type: none"> • Interest received or credited to checking and savings accounts, money market funds, certificates of deposit, mutual funds, individual retirement accounts (IRAs), 401(K) plans, KEOGH retirement plans, and government bonds. • Dividends received, credited, or reinvested from ownership of stocks or mutual funds. • Profit (or loss) from royalties or rental of land, buildings or real estate, or roomers or boarders. (Income received from selfemployed persons whose primary source of income is renting properties or from royalties should be included in number 2, above.) • Income from regular payments from an 	<p>In-kind pay such as food, free rent, etc.</p> <p>Profit (or loss) of incorporated businesses owned by the applicant.</p> <p>Profit (or loss) of incorporated farm businesses owned by the applicant and amounts from land rented for cash.</p> <p>Any of the following:</p> <ul style="list-style-type: none"> • Refunds or rebates of any kind. • Withdrawals from savings of any kind. • Capital gains (or losses) from the sale of homes, shares of stock, etc. • Inheritances or insurance settlements. • Any type of loan. <p>Assistance to pay for heating or cooling costs.</p>

<p>estate and or trust fund.</p> <p>Social security or railroad retirement (before Medicare deductions).</p> <p>Supplemental Security Income (SSI).</p> <p>Any public assistance or welfare payments from the state or local welfare office.</p> <p>Retirement, survivor, or disability pensions from companies and unions; Federal, state and local governments; and the U.S. military. Includes regular income from annuities, IRAs, 401(K)s, or KEOGH retirement plans.</p> <p>Other sources of income received regularly, including Veterans Administration (VA) payments, unemployment compensation, child support or alimony, and all other regular payments (e.g., Armed Forces transfer payments, assistance from private charities, and regular contributions from persons not living in the household)</p>	
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- Public service programs are allowed to have their clients self-certify their income or use the “Section 8” method of verifying income.

DEMOLITION AND AREA BENEFITS

For the purposes of Area Wide Benefits, The Town documents income-eligibility based on Census Block Group Data. Over 50% of the residents in a block group of the activity must be low to moderate income.

OTHER POLICIES AND INFORMATION



DEBARRED CONTRACTOR SEARCH

The U.S. Government provides a list of Parties Excluded from Federal Procurement or Non-Procurement Programs (aka Debarred List) at the following website: www.sam.gov.

Each bidder should be searched and reviewed prior to bid opening. If a bidder is found to be on the debarment list, The Town of Cicero will not open the bid; will not do business with that person or company; and The Town of Cicero will not reimburse the bidder for any costs.

Another search of the debarment list will be conducted before signing the contract.

A copy of each individual search must be printed and saved.

SECTION 3 – WOMEN AND MINORITY OWNED BUSINESSES

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

- Including qualified small and minority/women businesses on solicitation lists.
- Assuring that small and minority/women businesses are solicited whenever they are potential sources.
- When economically feasible, dividing total requirements into smaller tasks or quantities so as to permit maximum small and minority/women business participation.
- Using the services and assistance of the Small Business Administration, Illinois Department of Central Management Services' Business Enterprise Program, Illinois Black Chamber of Commerce, and Illinois Hispanic Chamber of Commerce.
- Establish a project schedule, where the requirement permits, which encourages participation by small and minority business, and women's business enterprises.
- If any subcontracts are to be let, requiring the prime contractor to take affirmative steps 1 through 5 above.

DAVIS-BACON WAGE RATES

The Davis-Bacon Act requires the payment of prevailing wage rates, which are determined by the U.S. Department of Labor, to all laborers and mechanics on Federal government construction projects in excess of \$2,000. Construction includes alterations and/or repair, including painting and decorating of public buildings or public works.

The Davis-Bacon Act applies to CDBG funded housing rehabilitation only if the number of units rehabbed is 8 or more.

1. Obtain wage decision and place in bid documents.
2. If a work classification is needed and is not on the wage decision, it needs to be requested from HUD and/or the US Dept. of Labor.

3. Forward any updates to wage decisions to potential bidders.
4. Award Bid.
5. Wage decision on date of contract signing is final wage rate the contractor must pay.
6. Contractor posts a copy of wage decision and other Davis-Bacon related notices at job site.
7. Contractor must submit weekly certified payrolls to CDD on Department of Labor form WH-347 or equivalent form.
8. Throughout the construction, CDD will conduct on-site interviews with employees.

“No Work” payrolls may be submitted whenever there is a temporary break in the work. If work will not be taking place for an extended period of time, then a short letter can be sent to The Town of Cicero Department of Housing stating when work will halt and when work will resume. The Prime/General Contractor is responsible for subcontractors on the contract and will be held responsible for any wage restitution that may be found due.

All payroll reports and any basic records such as, but not limited to time cards, tax records, fringe benefit payments must be retained for at least 5 years after the project is completed. These records must be made available for review to any authorized representative of HUD or the Department of Labor.

All Davis-Bacon Act requirements must be met before a project can be classified as “completed” and final payments made to the Contractor.

PRECONSTRUCTION MEETINGS

It is the Town of Cicero’s policy to hold pre-construction meetings with all contractors that have been awarded CDBG funding. The following is a list of items needed for the pre-construction checklist:

1. [Contractors Guide to Davis-Bacon](#)

The attached guide fully outlines each step in meeting labor standards responsibilities. First time HUD assisted project contractors will benefit by reading and using this guide to review payrolls.

2. [Summary of Labor Statutes & Rules](#)

An outline of the Davis-Bacon Act, Contractor Work Hours and Safety Standards Act (not applicable on all projects) and the Copeland Act (Anti-Kickback Law) including a summary regarding approved apprenticeship programs is attached.

3. **Labor Standards Provisions**

These labor standards provisions are a part of the construction contract, and by signing the contract the Prime Contractor agrees to abide by them. Be sure to read carefully and ask for an explanation of any parts you do not understand. All contracts between the Prime Contractor and Subcontractors, or Subcontractors and Lower-tier Subcontractors, must contain these provisions together with a copy of the wage rates.

4. **Wage Decision**

All Subcontractors must have a copy of the wage rates as well as the Federal Labor Standards Provisions. These should be a part of all contracts between the Prime Contractor, Subcontractors and Lower-tier Subcontractors.

5. Additional Classifications

Residential wage decisions usually contain only the most commonly used classifications (i.e., Carpenter, Laborer, Electrician, etc.). The criteria for establishing additional classifications and rates are outlined in the attached copy of 29 CFR, Part 5.5(a)(1)(ii). Generally, rates at least equal to the lowest craft rate on the wage decision will be approved for craft additional classifications.

Please submit a signed letter listing additional classifications and rates you will require. Upon review these will be submitted to the U.S. Department of Labor (DOL) for approval. Additional Classification rates are not official until approval is received from DOL. This process takes 30 to 45 days.

6. Subcontractors

The Prime Contractor must furnish a list of all Subcontractors and update it as necessary (form attached). Also attached are guidelines for owner-operator (self-employed) Subcontractors. All Subcontractors and Lower-tier Subcontractors must furnish weekly payrolls.

7. Sample Payrolls and Instructions for Completion

A sample WH-347 and WH-348 and two instructional aids for filling out payrolls and the Statement of Compliance forms are attached.

8. Permissible Payroll Deductions

A memorandum outlining permissible deductions is attached. All other deductions are not acceptable unless approved by U.S. DOL. Voluntary deductions (health insurance, retirement, etc) must be documented with the workers written authorization.

9. Authorization To Sign Payrolls

Unless the owner/corporate officer signs payrolls, all contractors must submit a letter stating who in the firm is authorized to sign the certified payrolls. More than one person in a firm may be authorized. A new letter must be submitted when the authorization changes from one individual to another.

10. [WH-347 Payroll Form](#) and No Work Performed Statement

All original payrolls are to be submitted within seven days of the reporting period to the Prime Contractor. The Prime Contractor submits all payrolls to the agency representative.

Include full name, address, and social security number on the first payroll on which the employee appears. After that, unless there is an address change, only the name and social security number is necessary.

"Work Classification" must be one that is shown on the wage decision or additional classification form.

Show hourly wage paid, daily and total weekly number of hours worked and allowable deductions (FICA, state taxes) on every payroll. If "other" deduction box is used, be sure to describe the deduction in detail on the face of the payroll. (Refer to previous attachment for allowable deductions and INSTRUCTIONS FOR COMPLETING PAYROLL FORM, WH-347, Column 8 & 9.)

Depending on whether fringe benefits are paid into a third-party trust or in cash, check box "a" or "b" on the back of the form. If a combination of "a" and "b" is used, explain in detail in box "c." If these are not checked, we will assume they are paid in cash.

Payrolls must be submitted weekly as employees must be paid weekly. If payrolls are numbered consecutively, "no work" payrolls or letters are not required. Where there are gaps between non-consecutively numbered payrolls, contractors should either state on the first payroll following such a gap that to the best of his/her knowledge, no employee worked on the project during the gap or submit the attached "No Work Performed" statement for each gap. Indicate "initial" on the first payroll and "final" on the last one.

The payroll form may be copied with the repeating information (name of project, names and addresses of employees, name of firm, etc.) entered on the "master." All payrolls submitted must have an **original ink** signature. The signature may **not** be copied or stamped.

For computerized payrolls, make sure all data on the WH-347 is shown on the printout. Often, the trades and days and hours worked are entered by hand. Attach a completed WH-348 or the reverse side of the WH-347, to the computer printout.

11. [Employee Interview Form \(HUD-11\)](#)

This is the form used by the project inspector to make on-the-job interviews. Interviews are compared to payrolls to ensure they match the payroll data. Please alert employees that they may be interviewed. All interviews are confidential.

12. [Poster\(s\)](#)

Post the attached poster(s) on the job site in a conspicuous place along with the wage rates, including any additional classification rates.

13. **Authority Ladder**

The Prime Contractor is responsible for reviewing all payrolls before submitting them to the agency representative. Feel free to use this sample as a guide for reviewing payrolls submitted by Subcontractors and Lower-tier Subcontractors. Please try to submit as correct as possible payrolls by requesting corrections from Subcontractors before submitting to the agency representative. This process may delay submittal to the agency representative; however, late, corrected payrolls are better than timely submitted incorrect ones that will have to be returned for correction. If it becomes apparent to the agency representative that the Prime Contractor is not reviewing payrolls, they may be returned to the Prime Contractor for review and resubmission prior to further scrutiny.

The agency representative contract is with the Prime Contractor. Therefore, Subcontractors should address the agency representative through the Prime Contractor and Lower-tier Subcontractors should go through the respective Subcontractor with whom they have a contractual agreement. Normally, Subcontractors and Lower-tier Subcontractors should not contact the agency representative directly.

AGENCY

Monitor all labor standards
Review payrolls as required
Provide training & assistance
General enforcement

PRIME CONTRACTOR

Distribute all forms
Submit all payrolls to HUD
Review all payrolls
Request additional classifications from the Local Agency
Post wage decision on job site
Post all required posters
General compliance of employees

**SUBCONTRACTORS
(Including Lower Tier)**

Submit weekly payrolls to Prime
Request additional classifications through Prime
General compliance of employees

Once the pre-construction meeting has been held, it is the contractor's responsibility to provide all needed documents to the Department of Housing prior to any work starting. If work is started prior to the submission of the required documents, the contract will be terminated and the contractor can be fined. It is the responsibility of the department staff to oversee that the contractor is submitting all required documentation for reimbursement payments. Any discrepancies need to be corrected prior to funds being dispersed to the contractor.

CONFLICT OF INTEREST

All Town of Cicero Department of Housing staff needs to ensure that a conflict of interest does not exist. A conflict would arise when any of the following has a financial or other interest in a firm selected for a contract:

- An employee, agent or officer of The Town of Cicero;
- Any member of an employee's, agents or officers immediate family;
- Any employee's, agent's or officer's partner; or
- An organization that employs or is about to employ an employee, agent, or officer of The Town of Cicero.

The Town of Cicero Department of Housing will not hire or do business with a person or firm where a conflict of interest exists. Department Legal Counsel can assist whether a conflict of interest exists.

DAVIS-BACON SEMI-ANNUAL REPORT

The U.S. Department of Labor regulations 29 CFR 5.7(b) require Federal agencies administering programs subject to Davis-Bacon and Related Acts (DBRA) and Contract Work Hours and Safety Standards Act (CWHSSA) labor standards to furnish a Semi-Annual Labor Standards Enforcement Report to the Administrator of the Wage and Hour Division. As a HUD entitlement community that completes construction projects over \$2,000 in cost, The Town of Cicero is required so semi-annually submit this report on HUD Form 4710, to HUD's Labor Relations Specialist.

The current specialist is Ms. Deborah Diez, who may be contacted at 312-913-8438 or via e-mail at Deborah.A.Diez@hud.gov.

CONTRACTOR/SUBCONTRACTOR REPORT

This report is to be completed by the Town of Cicero Department of Housing for reporting contract and subcontract activities of \$10,000 or more under the following programs: Community Development Block Grants (entitlement and small cities); Urban Development Action Grants; Housing Development Grants; Multifamily Insured and Noninsured; Public and Indian Housing Authorities; and contracts entered into by recipients of CDBG rehabilitation assistance. This report is submitted on a semi-annual basis to HUD for all contractor/subcontractor who have performed work and received funding through the Town of Cicero’s CDBG grant. The Grant Administrator is responsible on submitting said reports to HUD by April 1 and October 1 of each program year.

Form HUD-2516	U.S. Department of Housing and Urban Development												
Contract and Subcontract Activity													
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.													
Executive Orders 12432 and 11625 requires Federal agencies to promote Minority Business Enterprise (MBE) participation in their programs and prescribes additional arrangements for developing and coordinating a National Program for MBE. Pursuant to Executive Order 12432, the Department of Commerce requires an annual report on MBE achievements, the information provided on Public and Indian Housing Programs will be used to monitor and evaluate HS performance and to develop and submit the Annual Report to the President. Responses to the collection of information requested does not lend itself to confidentiality.													
1. Grantee/Project Owner/Developer/Sponsor/Builder/Agency GRANTEE NAME (City/County)	Check if: PHA IHA CPD			2. Location (City, State, ZIP Code) LOCATION OF GRANTEE									
3a. Name of Contact person NAME		3b. Phone number NUMBER		4. Reporting Period			5. Prog. Code (Not applicable for CPD Programs) See explanation of codes below. Use a separate sheet for each program code.			6. Date submitted DATE			
7a Grant/Project Number or HUD Case Number or other identification of property subdivision, dwelling unit, etc.	7b Amount of Contract	7c Type of Trade Code (see below)	7d Contractor or Subcontractor Business Racial/Ethnic Code (see below)	7e Women owned Business (yes/no)	7f Prime Contractor Identification (ID) Number	7g Sec 3	7h Subcontractor Identification (ID) Number	7i Sec 3	Contractor/Subcontract Name and Address				
									Name	Street	City	St	Zip
GRANT NUMBER													
Total \$0.00													
CPD:	7c: Type of Trade Codes: Housing/Public Housing		7d: Racial/Ethnic Codes:		5. Program Codes (complete for Housing and Public and Indian Housing programs only):								
1= New Construction	1= New Construction	6= Professional	1= White Americans	1= All insured, including Section 8			5= Section 202						
2= Education/Training	2= Substantial Rehab.	7= Tenant Services	2= Black Americans	2= Flexible Subsidy			6= HUD-Held (Management)						
3= Other	3= Repair	8= Educational/Training	3= Native Americans	3= Section 8 Noninsurance, Non-HFDA			7= Public/Indian Housing						
	4= Service	9= Arc/Engrg. Appraisal	4= Hispanic Americans	4= Insured (Management)									
	5= Project Mangt.	0= Other	5 Asian Pacific American										
			6= Hasidic Jews										

SECTION 3 ANNUAL REPORT

Pursuant to 24 CFR Part 135.90, direct recipients of HUD financial assistance should submit reports to HUD for the purpose of determining the effectiveness of Section 3. Direct recipients include public housing authorities, entitlement communities, states, and certain NOFA grantees that utilize HUD funding for construction and rehabilitation activities.

Within 3 months of the end of a fiscal year, The Town of Cicero must annually submit HUD Form 60002 through HUD's on-line system Section 3 – Performance Evaluation and Registry System (SPEARS). A copy of this report must also be included and submitted to HUD CPD with the CAPER.

SPEARS can be access on the following webpage:

http://portal.hud.gov/hudportal/HUD?src=/program_offices/fair_housing_equal_opp/section3/section3/spears

RETENTION OF RECORDS

As a general rule, records are to be retained for at least 5 years after the last expenditure report is submitted (i.e., 5 years after the submission of the CAPER in which activity is reported as complete.

This applies to administrative records, financial records and project records. Records must also be accurate, complete and orderly.

An application for record disposal must be made to the State of Illinois through the Town of Cicero Clerk's Office.

Each activity should have a project or case file that includes:

7. A full description of the activity; including the location; and amount of CDBG funds budgeted, obligated and expended.
8. The provision under which the activity is eligible.
9. Records demonstrating compliance with a national objective.
10. Characteristics and numbers of beneficiaries.
11. Determinations required for eligibility.
12. The amount budgeted for the activities.
13. Compliance with other program requirements, i.e., lead-based paint, fair housing, equal opportunity, etc.
14. Status of case/project.

SECTION 133 AUDIT REQUIREMENTS

The federal government requires entitlement communities to determine if subgrantees are compliant with 2 CFR 200 Subpart F (formerly A-133 Audit requirements).

In order to assess compliance, the following review procedure should be performed before a contract can be executed.

- The Town of Cicero requires a copy of a subrecipient's most recent audit. This document will be reviewed to see if more than \$750,000 in federal funds was expended.
- If the agency did expend more than \$750,000 in federal funds, then the audit will be reviewed to see if it complies with 2 CFR 200 Subpart F (formerly A-133 audit requirements).

PROGRAM INCOME

The Town of Cicero has and can use its CDBG entitlement to fund programs that generate income.

Typically, program income is generated from issuing loans, but sale of real property and rental income are also considered program income.

When income is generated from activities that are only partially funded with CDBG funds, the income must be pro-rated to reflect the percentage of CDBG funds used.

Any activity that will generate program income must stipulate in a written agreement how the program income will be returned to The Town of Cicero or designated representative.

Any income received will be placed back into the CDBG Account. The Town of Cicero Department of Housing will receipt the program income in IDIS. Program income on hand must be used for any authorized activity before drawing down additional grant funds.

FEDERAL CASH TRANSACTION REPORT

The Community Development Department is required to submit HUD Form SF-425, Federal Cash Transaction Report on a quarterly basis.

January 15th – April 15th – July 15th – October 15th

DRAFT



Town of Cicero Department of Housing

Policy and Procedure Manual

Larry Dominick – Town President

Tom M. Tomschin, MPA – Executive Director

HOUSING REHABILITATION PROGRAMS



EXECUTIVE SUMMARY

The Town of Cicero Department of Housing places increased emphasis on housing rehabilitation programs. The Town understands there is a need for decent affordable housing, and by assisting low to moderate income residents maintain their homes, the American Dream can be achieved and avoid nightmares for low to moderate income residents. Homeownership has financial gains and losses, and by improving the chance of success for Cicero’s low to moderate income population, social justice is a step closer.

The Town has designed and offers five (5) rehabilitation programs, each designed to target specific housing-related issues. Each program alleviates the financial burden that is felt by many homeowners when properties fall into disrepair or code violations are present. The goal of each program is to ensure homeowners stay in their homes, have the resources needed to maintain decent housing and a suitable living environment, and to be productive members of Cicero’s community.

Below is a summary chart of all the Housing Rehabilitation Programs the Town offers:

Program	Common Projects	Conditions
Emergency Assistance Program (EAP)	Roof Repair/Replacement	Single Family/2 unit Owner Occupied Only Applicant can participate once Every three (3) years.
	HVAC Repair/Replacement	
	Electrical Hazard Repairs/Plumbing	
Weatherization and Energy Efficiency Program (WEE)	Air Sealing	Single Family/2 unit Owner Occupied Only Minimum \$1,999.00 must Be allocated to Energy Efficiency Maximum \$3,000.00 can be Allocated to Weatherization Applicant can participate once.
	Attic and Wall insulation	
	Door and Window Replacement	
	HVAC Replacement	
	Water Heater Replacement	
	Exterior Insulation and Siding	
	Electric base load reduction	
	Roof Replacement and Ice/Water shield	
	Sewer Check Valve installation	
Emergency	Chair Lift/Ramp Installation	Single Family/2 unit

Access Grant for People with Disabilities (EAG)	Repair/Replacement of Porches and Exterior Stairs	Owner Occupied Only
	Accessibility improvements to interior/exterior.	
Home Repair Program (HRP)	Front Porch/Steps	<p>Single Family/2 unit Owner Occupied Only</p> <p>Single Family/2 unit Owner Occupied Only</p> <p>Applicant can participate once Every three (3) years.</p>
	Window Replacements/LEAD Hazard Reduction	
	General Interior Rehabilitation (Kitchen cabinets/flooring/bathroom)	
	Masonry/Tuck-pointing/Siding/Concrete	
	Roofing/gutters & downspouts	
Home Improvement Program (HIP)	Exterior Rehabilitation Masonry/Siding/Roofing	<p>Single Family/2 unit Owner Occupied Only</p> <p>Lien recorded against property For 5 years – released if owner Maintains residency for 5 years.</p> <p>Applicant can participate once, and Ineligible for other programs.</p>
	Plumbing	
	Carpentry/Concrete	
	Electrical	
	Lead Hazard Reduction	

GENERAL POLICIES AND PROCEDURES FOR ALL REHABILITATION PROGRAMS

While each Town of Cicero Rehabilitation Program is designed to target specific property issues, with different eligible activities and different conditions attached, all Town of Cicero Department of Housing Rehabilitation Programs follow some standard policies and procedures to ensure consistent and accurate homeowner eligibility and performance outcomes.

These policies and procedures are designed to ensure fairness for both homeowners and contractors.

The policies also ensure full information and compliance with CDBG rules and regulations.

RESTRICTIONS/CONDITIONS

- EAP – Applicant can only participate once every three (3) years.
- WEE – Applicant can only participate once.
- HRP – Applicant can only participate once every three (3) years.
- HIP – Applicant can only participate once
 - Conditional Grant. Lien will be recorded against property
 - Lien will be released if owner maintains occupancy and residency in unit for 5 years

ADVERTISEMENT

The Town of Cicero’s Department of Housing advertises for possible applicants through the Town of Cicero webpage and Town of Cicero news in order to inform grant eligible to one (1) or two (2) unit owner-occupied properties where the applicant(s) current total household income is considered to be low to moderate as defined by the United States Department of Housing & Urban Development (HUD).

APPLICATION PROCEDURES

All requests for assistance shall be made on application forms provided by the Department of Housing (DH). A request for assistance will be made effective on the date of receipt of a completed application on a first-come first-serve basis. Applications will be reviewed in accordance with the eligibility criteria. Recommendations from the President’s Office for People with Disabilities will be considered, however, final approval will be made by the DH. The DH will review all applications, determine applicant eligibility and approve or deny financial assistance. Applicants will be notified in writing by the Housing Director of the acceptance or denial of their application within 14 days of receipt of verifications.

ELIGIBILITY CRITERIA

Applicant Eligibility

To be eligible for the Program, the applicant must:

Demonstrate ownership (contract sales are not eligible) and occupancy of the property to be repaired. The applicant must have owned and resided at subject property prior to application submission.

Note: A property where one (or more) owners live in the property and one/or more owners live off the

property, income verification will only be made for residents of the property. However, all owners both on and off property must sign all applicable forms.

The applicant must have a low-to-moderate income household as defined by the Federal Department of Housing and Urban Development. Income and employment will be verified by the Housing Department. This shall include all payments from all sources received by any member of the household who is fifteen years of age or older. Documentation supporting the income of the applicant household will be required, i.e. paycheck stubs, IRS 1040 and W-2 forms, copies of Social Security checks, etc. The Housing Department will verify financial information along with employment.

"Household" consists of all the persons who occupy the dwelling unit. The occupants may be single family, one person living alone, two or more families living together or any group of related or unrelated persons who share living arrangements. Households should include all persons, even if the income of some would not be considered in determining the income status of household.

Applicants must submit the following documentation along with their completed applications

- Copy of Deed (certified trust agreement if in a trust)
- Copy of death or divorce certificate if name is on title
- Copy of recent IRS 1040 form and W-2 (for ALL household members)
- Two recent paycheck stubs (for ALL household members)
- Stubs/receipts from all other income received for ALL household members 15 years of age and older:
- Bank statements for last three (3) months
- Proof of any current income received such as:
 - ✓ social security
 - ✓ pensions
 - ✓ union benefit
 - ✓ veteran benefits
 - ✓ unemployment
 - ✓ worker's comp
 - ✓ public aid
 - ✓ alimony
 - ✓ child support
 - ✓ rents from rental property
 - ✓ part time employment
 - ✓ net income from operation business
 - ✓ interest income
 - ✓ dividends
 - ✓ welfare

Applicants must submit the following documentation along with their completed applications:

- ✓ Temporary Relocation Policy signed by all title holders
- ✓ Disclosure Statement signed by all title holders
- ✓ Indemnification signed by all title holders
- ✓ General Release signed by all title holders

- ✓ Lead Based Paint Pamphlet notification form signed by all title holders
- ✓ Lead Based Paint Pamphlet given to **tenant** & notification signed by tenant (if 2 unit property)
- ✓ Tenant Survey (if 2 unit property)
- ✓ Financial Privacy Notice form (all over 15 must sign)
- ✓ IRS form #4506T (all over 15 must sign)
- ✓ Zero Income Affidavit (all over 15 must sign)

Property Eligibility

- The property must be located in the Town of Cicero.
- The structure must comply with the property zoning standards.
- Properties that are in the process of being sold, that have been identified by the Town for public acquisition, or that have been cited by the Town as being dilapidated, unsuitable for occupancy or not in conformance with zoning are ineligible.
- Property repairs that have funds allocated in a sales escrow account are not eligible.
- The structure must not be scheduled for demolition in the near future.
- All existing citations must be remedied with The Town of Cicero before assistance is granted for citations not pertaining to current assistance requested. If a property owner has been cited by the Town for blight on another property, the violation must be remedied prior to grant approval.
- Properties are eligible to receive assistance once

FUNDING

Lead Hazard Reduction will be in the form of a grant at no cost to the homeowner.

Lead hazard reduction costs are not counted as hard costs for the purposes of determining the level of assistance under 24 CFR Part 35 (the Lead Safe Housing Rule).

PROCEDURES

Client Inquiry

Staff member takes name, phone number, email, and address of interested party and refers them to the Assistant Housing Program Director.

If the Assistant Housing Program Director is available, he/she should take caller to discuss specific questions and needs. Assistant Housing Program Director pre-qualifies the client by obtaining the following information over the phone:

- Address.
- Number of legal units.
- Basic information of work to be done.
- Review Program
- Applicant's income.
- Personal data: # in household, elderly, race.
- Assistant Housing Program Director evaluates information and advises on potential eligibility.. If client is still interested, application is mailed, and or emailed.

First Meeting

1. Applicant contacts Assistant Housing Program Director to schedule application submission & interview.
2. Complete interview.
3. Completed application is submitted.
4. Assign case number.*
5. Heroes process is initiated (See Environmental Policies and Procedures)
6. Project notice sent to building, blight, and legal
7. Assistant Housing Program Director completes all forms where applicable.
8. Verifications are mailed, if verifications are not received in two weeks, a second request is sent. Assign case number (a.k.a. Spec Write-Up#)
9. The date the application is submitted, a case # is assigned to the project with program's initials and program year as follows:

Example: "HIGP2021.00 Home Improvement Grant Program, and 1st application.

PROJECT FINANCIAL ANALYSIS

Within 14 days of *receipt* of verifications, the Town reviews application and verifications

If applicant is ineligible:

- Placed in inactive file and notice of rejection sent to applicant.
- If applicant is eligible: (Once Environmental process is also completed in HEROES)
- Notice of eligibility sent to applicant,
- All applicable inspections are scheduled.

LEAD HAZARD INSPECTION

A State Licensed Paint Inspector/Risk Assessor may conduct a Lead Based Paint Hazard Evaluation of the painted surfaces to be disturbed during rehab. Also, at the completion of the work a Clearance Test will be conducted to certify that no Lead Based Paint Hazards remain as a result of the work completed under the Program.

NOTICE OF LEAD HAZARD ASSESSMENT OR PRESUMPTION

This Notice must be placed in a public area where occupants can read no later than 15 days after the lead hazard assessment/presumption report has been received and lead and lead-based paint or lead-based paint hazards found. A notice of presumption is required if the option of presuming lead-based paint exists is chosen. The Notice must be in primary language of the dwelling.

TEMPORARY RELOCATION POLICY

This policy provides assistance to tenants who must move temporarily while lead-based paint hazards are being reduced as a part of HUD-funded rehabilitation. This policy also covers temporary relocation when other rehabilitation work makes it unsafe or impractical for tenants to remain in their unit.

Note: Under the Uniform Relocation Act the department is not required to provide benefits pertaining to temporary relocation to the owner-occupant who voluntarily applies for rehabilitation assistance.

Temporary relocation is required when it is necessary to protect the health and safety of the occupants and if one (1) of the following situations exist:

- Utilities such as water, electricity, and gas are turned off for periods exceeding eight (8) hours.
- Rehabilitation takes place in the kitchen or available bathroom(s).
- Extensive rehabilitation in several rooms requiring work over several days.
- A child under the age of six (6) occupies the unit.
- Occupants cannot be prevented from entering the work site after hours
- Debris and dust cannot be contained in the worksite and may spread to occupied areas.
- Relocation may last one (1) night to two (2) months.

Owner-Tenant Notification

The occupants will receive the following information prior to and during the relocation period:

Application Stage: When the owner applies for rehabilitation assistance the owner and tenants will receive a “General Information Notice” from the Housing Department. The notice will inform tenants of the potential project and advise them of their protection under the Uniform Relocation Act. The tenant will be advised not to move at this time but may be required to move temporarily when rehabilitation begins. The owner will be informed that they are not protected by the Uniform Relocation Act because they are willing and voluntarily participating in the housing rehabilitation program.

Project Approval: After the project has been approved, and temporary relocation of the occupants will be required and the existing tenants will be able to return to the completed project the owner and tenants will be given a Notice of Non-displacement and Temporary Relocation. This will be sent thirty days prior to the time they will be required to leave.

Unit Clearance: When the unit passes clearance for lead hazards or when rehabilitation is complete the owner and tenant will be sent a Notice of Re-Occupancy within ten (10) working days.

Seniors: HUD has advised that relocation of elderly occupants is not typically required, so long as complete disclosure of the nature of the work is provided and informed consent of the elderly occupant(s) is obtained before commencement of the work.

Temporary Housing

Every attempt will be made to identify temporary housing that is convenient for the tenant regarding employment, school, and transportation. The relocation unit will be identified in the following manner:

- The Housing Department will lease a motel unit that was built after 1978, or
- The tenant may identify a unit. If the tenant locates temporary housing, the Housing Department will inspect the unit to determine if it is decent, safe and sanitary and lead-safe. If the unit passes the inspection, the tenant may live there during the term of the temporary relocation. If the tenant chooses housing that fails to meet temporary housing requirements, only moving and storage expenses will be reimbursed and the tenant must sign a release of liability for the Town of Cicero and owner of the property under rehabilitation.

Reimbursable Expenses

The following is a list of costs that will be reimbursed to the tenants, provided there is appropriate documentation.

Eligible Housing Costs:

- Rent and utilities of the relocation unit. The tenant will be responsible for paying their usual amount of rent to the owner during temporary relocation.
 - Relocation with family or friends, tenant must provide reasonable documentation of expenses that were charged.
 - Documentation could include copies of cancelled checks or receipts from the person receiving payment from the temporarily-relocated tenant.
 - If unit selected has no cooking facilities, there will be an allowance made of \$20 a day for every adult and \$10 for each child under the age of 12.
 - Out-of-pocket costs, including rent or utilities that exceed what was normally the tenant's responsibility will be included in the total project cost.
 - On a project-by-project basis, the Housing Department will set upper limit maximums on what is appropriate to pay under the circumstances for decent, modest housing on a temporary basis.

Eligible Transportation Costs

If there is no temporary housing available near the tenant's permanent address, the program will pay current IRS calculation for reimbursement for documented increased transportation expenses.

Telephone and Cable Costs

If tenant has a telephone or cable television at their permanent unit, costs to connect services during the period of temporary relocation will be paid by the Housing Department. Any re-connection costs after rehabilitation is complete will also be paid on the tenant's behalf.

Moving Expenses and Storage

Moving costs, including packing and unpacking, storage and insurance, will be paid by the Housing Department. These amounts will be based on actual costs, rather than on a fixed per-room rate. The Housing Department must receive at least one bid from a professional moving and Storage Company to establish a basis for paying moving costs based on a low bid. Payment will be made directly to the moving company.

Returning To the Unit

Only when the unit has been cleaned to the federally-mandated standards and passed a clearance examination is it safe and permissible to return to their unit. The Housing Inspector will notify the tenants with an Authorization for Re-occupancy. Sometimes the jobs are completed in stages, with the lead hazard reduction work occurring first and the normal renovation work following. In these cases interim dust lead clearance must be obtained prior to re-occupancy by the tenant and other non-lead related rehabilitation workers. Final lead dust clearance must be repeated following the rehabilitation work to verify that the residence is free of lead hazards.

- Temporary Relocation funding will be in the form of a grant.

BIDDING

If the application is approved a specification write-up and bid package will be prepared. The owner will review and approve these documents. The owner will then call contractors of their choice to bid on the job. A minimum of three sealed bids must be submitted by the contractors to the Housing Department by the due date.

It is the responsibility of the homeowner to obtain a minimum of three bids on their rehabilitation project. The lowest most reasonable and responsible bid chosen must be within 15% of the Department of Housing Inspector's cost estimate.

1. Obtaining Bids

- If one bid is received and it is within 15% of the cost estimate, the contract may be awarded.
- If one bid is received and it is not within 15% of the cost estimate, the homeowner will be allowed:
 - ✓ a two-week time period to rebid the job
 - ✓ to pay the cost difference between the cost estimate and the bid.
- If the homeowner does not receive any bids by the due date, they will be given a two-week extension and then terminated if no more bids are received by the new due date.
- If, after the rebid of the work, three bids are not received and the homeowner is not willing to pay the cost difference, (if applicable) the application will be terminated.

2. Receipt of Bids

Housing Assistant:

- Date stamps envelope.
- Enters it on Log Sheet.
- Gives bid envelope to Housing Director.
- Housing Director keeps all bid envelopes.

3. Bid Opening

At prescribed time and date bid opening takes place.

- Three people must be present.
- Public is welcome.
- Minutes are taken.
- Housing Program Director brings bid envelopes to bid opening.
- Name of contractor is announced.
- Bid is opened.
- Amount of bid is announced
- Bid is date stamped.
- Construction check list is attached.
- Name & amount recorded in minutes.
- After all bids are opened:
- Minutes are signed.
- Bids are given to the Housing Department Rehabilitation Specification Specialist for review.

4. Bid Review/Bid Award

- Department of Housing Rehabilitation Specification Specialist reviews all bids.
- Department of Housing Rehabilitation Specification Specialist indicates on each bid on Construction Checklist accepted or rejected with reason for rejection.
- The job will be awarded to the lowest, most responsive bidder
 - ✓ Under the Home Repair Program, the owner may choose a contractor whose bid is not the lowest, as long as it is within the cost estimate. Per Frank Slezak, HUD 2-23-92.
 - ✓ Under HRP, if the homeowner does not choose the lowest bidder, there must be a valid reason and the homeowner must pay the cost difference between the lowest, most responsible bid and his selected contractor's bid.
 - ✓ Under any program, if a job is to be awarded to a contractor who is not the lowest bidder, written approval of the Housing Program Director or Executive Director will be required prior to award.
 - ✓ If applicant elects not to choose lowest bidder, to obtain approval, applicant must submit written explanation of why the decision was made not to award to the lowest bidder.
- The Housing Department reserves the right to accept or reject any bid.
- Awarded Bid is then given to the Housing Assistant to verify debarred clearance for the contractor and to enclose a copy of the completed Contractor Information Form to the applicants' file.

PRE-CONSTRUCTION

All phases of project will be discussed by the Department of Housing, owner and contractor, i.e. construction schedule, inspections and payouts.

CONTRACTOR QUALIFICATION CRITERIA

The Town of Cicero's Department of Housing has the following standards for the qualification of Contractors:

- The Contractor must provide the Housing Assistant with information by completing the Contractor Information Form (CIF) and attaching all required documentation. If applicable, copies of all Lead Based Paint Certifications.
- The Contractor must provide proof of adequate liability insurance and worker's compensation coverage in the form of a Certificate of Insurance to the limits required by the Department of Housing as listed in the Department of Housing Contractor Manual. All Contractors, prior to doing work in the Town of Cicero must be licensed and bonded with the Town.
- The Contractor must be capable of securing permits as are required.
- The Contractor must be in good standing with all federal, state and local agencies

CONSTRUCTION PHASE

Construction will begin after the following steps have been performed:

- Pre-Construction Conference.
- Assessment/Presumption Notice posted.

- The Department of Housing issues a Notice to Proceed to the Contractor.
- Contractor applies for Building Permit and starts the job.
- Construction begins using Lead Based Paint Safe Work Practices.
- Construction ends.
- Lead Based Paint Clearance Testing.
- Reduction Completion Notice.
- Contractor submits invoice, lien waivers, guarantees/warranties and copy of permit.
- The Rehabilitation Specification Specialist inspects the work.
- The Department of Housing/Owner approve work.

PAYOUTS

One (1) payout will be allowed unless prior approval is given by the Department of Housing. When the contractor requires a payout, the following takes place:

- The contractor contacts Risk Assessor to perform lead-based paint clearance testing. Test results must pass before construction payout is scheduled.
- Test results are forwarded to the Department of Housing.
- The Assistant Housing Program Director contacts the homeowner to schedule a payout inspection. Payout inspections take place approximately on the 10th and the 25th of every month. Notarized final lien waivers, Safe Work Practices Certification, warranty/guarantee's and copy of building permit must be submitted directly to the Department of Housing. If the lien waiver, warranty/guarantee's and building permit are not received prior to the inspection, it will be cancelled and rescheduled after these are received.
- Reduction Completion Notice is posted 15 days after work is completed.
- An inspection is made by the Department of Housing Rehabilitation Specification Specialist and Town Departments, if applicable.
- The homeowner and the Department of Housing approve the work and sign off on the Certification of Payout Inspection Form.
- Payment is sent directly to the contractor within 30 days and escrow if applicable is returned to homeowner.
- Homeowner must personally pickup Escrow return check at the Department of Housing. Owner must provide proof of current ID and sign escrow return receipt documentation.
- Job is complete and closed out.

GRIEVANCE PROCEDURE

If a dispute (related to the work) arises between the homeowner and the contractor, it shall be handled according to the following steps:

- Contractor and owner must attempt to resolve dispute on their own.
- If not resolved contractor and owner meet with the Department of Housing to resolve dispute. (The Department Housing will make an effort to resolve the dispute in a timely fashion.)
- If both parties are still uncooperative, the contractor and owner shall submit all disputes or claims, regardless of the extent of the works progress to an arbitrator from the American Arbitration Association. The award rendered by the arbitrator shall be final and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction.

INELIBILITY DEFINITIONS AND APPEALS PROCESS

If the applicant is denied, he may appeal the denial by requesting a meeting with the Housing Director. At this meeting the following will occur:

Low to Moderate Income Ineligibility

If household income is above HUD low to moderate income allowances applicant is denied. The only situation where an applicant can appeal ineligibility is if applicant feels income documentation is in error. If applicant believes documentation to be in error and that with correction, he would be eligible, he will be instructed to provide corrected verifiable documentation. Once received and verified, eligibility and application process will be reinstated and/or applicant will once again be placed in inactive file.

NOTE: Verification Forms may be verbally reviewed with applicant. No viewing or copying of these forms will be allowed.

Project Ineligibility-Cost Prohibitive

If amount of grant is insufficient to bring property up to minimum health & safety standards, applicant may be denied. If applicant desires, cost estimates and grant amount affordability calculations will be reviewed with applicant.

If applicant believes cost estimates are in error, they will be reviewed with inspector. If error occurred, it will be corrected and applicant will resume process and/or once again be placed in an inactive file.

Situational Changes

If applicant is determined ineligible, and his situation which caused ineligibility changes, he will be allowed to reapply to the housing programs and begin the process anew.

HOME REPAIR PROGRAM

PROGRAM DESCRIPTION

The Home Repair Program (HRP) is administered by the Housing Department. These guidelines as set forth in the following manual provide the eligibility criteria, program design, rules and policies which govern the HRP. The HRP will provide assistance to correct substandard living conditions, address health and safety hazards, and alleviate deficiencies in the structure, heating equipment, plumbing, and electricity.

This assistance will be in the form of a grant with a maximum funding amount of \$4,999.00 and is eligible to one (1) and two (2) unit owner-occupied properties where the current *total* household income is considered to be low-to-moderate as defined by HUD.

ELIGIBILITY CRITERIA

Applicants must submit the following additional documentation along with their completed applications:

- Copy of current homeowner's insurance coverage.
- Copy of mortgage payment book
- Copy of recent tax bill (second installment which lists homeowners' exemption and all other itemizations).
- Copy of current utility bills
- Two recent rent receipts for rental units if 2 unit.

PROPERTY ELIGIBILITY

- One and two unit, owner-occupied homes are eligible.

FUNDING

The funding for the remedy of the situation will be in the form of a grant, with a maximum amount of \$4,999.00 per project. There is no repayment on the grant. Payment will be made directly to the Contractor once the job is complete. If the rehabilitation costs exceed \$4,999.00, the project may be approved if the excess cost is absorbed by the homeowner with a 20% contingency.

For example: If rehabilitation costs plus 20% contingency exceed grant amount of \$4,999.00; The homeowner will have to submit an Escrow in the form of a money order/certified check payable to ***Community Development Block Grant Fund*** submitted to DH *prior* to the project starting. The escrow amount is calculated by the difference between \$4,999.00 grant amount and the total estimated rehabilitation cost. The total estimated rehabilitation cost is the rehabilitation cost plus 20%. Lead Hazard Reduction will be in the form of a grant at no cost to the homeowner.

WORK ALLOWED

The Home Repair Program provides grants to qualified low-to-moderate income homeowners to rehabilitate their homes. The purpose of the program is to correct substandard living conditions, address health or safety hazards and alleviate deficiencies in the structure, heating equipment, plumbing, and electricity. Grants may be used for the following:

- Make essential improvements including energy related repairs and costs to repair or replacing housing systems in danger of failure.
- Incipient Code Violations - An element of the structure which is not in violation of the Housing Code, but which will likely deteriorate into a code violation in the near future.
- Code violations
- Lead hazard evaluation and reduction activities

Carpentry

- Porch or stairway repairs necessary to stabilize and/or repair conditions to sound, safe condition for egress purposes.
- Interior structural members such as floor joists, beams and posts shall be replaced if found in a condition of rot.
- Window Panes and Exterior Doors – Broken window panes and sashes which pose a hazard to children or permit moisture infiltration shall be replaced. Exterior doors are to be replaced only if the door is broken beyond repair or, in some other fashion, presents a hazard to the security of occupants.

Flooring

- The flooring or sections of flooring shall be replaced if found to be in hazardous condition. Floor shall be readily observable in a state of rot, weak or extremely spongy.

Masonry/Concrete

- Chimney in a state of disrepair, which may be considered dangerous, shall be rebuilt from the adjacent solid portion.
- A newly defective section of concrete which supports a structural member may be repaired or replaced.
- Tuckpointing of non-cosmetic nature.

Plaster/Painting

- Repair of broken or deteriorated plaster surfaces and scraping of peeling and flaking paint if poses a Lead Based Paint Hazard.

Note: Lead Hazard Reduction Activities apply if applicable.

SAMPLE LISTING OF WORK NOT ALLOWED

- Incidental costs such as interior redecorating-drywall repairs, paint, carpet and flooring
- Decorative exterior plantings (bushes, trees, plants) and landscape.

ELECTRICAL

- Additional ceiling or wall fixtures
- Outlets

PLUMBING

- Unvented plumbing fixtures (*must be approved by The Department of Housing*)
- Hose bibbs
- Chipped enamel on fixtures
- Air chambers

HEATING

- Replacement of functional units
- Servicing heating unit without due cause
- Fireplace repairs

ROOFING

- Repair/replacement of decorative items
- Replace gutter/downspout (if not broken/missing)
- Garage roofs

MASONRY

- Basement floor defects
- Foundation leakage (*must be approved by the Department of Housing*)
- Foundation repairs (*must be approved by the Department of Housing*)
- Repair or replace public sidewalks (town 50/50 program to fund)
- Driveways/aprons
- Cosmetic tuck pointing
- Cornice repairs
- Decorative/ornamental stone work

CARPENTRY

- Floor covering-decorative
- Worn stair tread that do not present hazard
- Decorating of every type (unless lead hazard reduction)
- General cracked or missing plaster/drywall (unless lead hazard reduction)
- Window repairs- frames, sash, sills, etc. (unless lead hazard reduction)
- Canopy replacement
- Garage repairs
- Kitchen cabinets (starter set only)
- Soffit/Fascia (unless lead hazard reduction)
- Garage repairs
- Interior/exterior paint (unless lead hazard reduction)
- Illegal conversions (de-convert illegal apartments)
- Enclosure of boiler rooms

EMERGENCY ASSISTANCE PROGRAM

PROGRAM DESCRIPTION AND PURPOSE

The Emergency Assistance Program (EAP) is administered by the Department of Housing. These guidelines as set forth in the following manual, provide the eligibility criteria, program design, rules and policies which govern the EAP. The EAP is aimed at providing financial assistance to low income homeowners of the Town of Cicero for the purpose of repairing/replacing an emergency/hazardous housing condition such as a defective heating unit which requires immediate action to restore heat for occupants of the structure, restore air conditioning, plumbing (burst piping), roofing (collapsed), or electrical emergencies. An emergency/hazardous condition is one that requires immediate action to protect the health and safety of the occupants of the structure, thus preventing their homeowner occupied dwelling from being inhabitable (allowable projects dependent upon available pre-qualified trade providers).

The program will provide financial assistance for heating emergencies between October 1st and May 1st, Central air conditioning emergencies between May 1st and September 30th, and for plumbing, roofing, and electrical emergencies between October 1st, and September 30, of each program year. The program will provide financial assistance to owner-occupants of one (1) and two (2) unit residential properties in the form of a grant.

APPLICATION PROCEDURES

The applicant will be pre-qualified by the Department of Housing (DH) and be required to sign an “Emergency Assistance Authorization Form.” DH will then immediately contact the approved contractor to repair if possible or replace defective, heating unit, plumbing, roofing, or electrical deficiency. The homeowner will be given an EAP application to be completed within seven (7) days. All requests for emergency assistance shall be made on application forms provided by the Department of Housing. A request for emergency assistance will be made effective on the date of receipt of a completed application on a first-come first-serve basis. The Department of Housing will review all applications, determine applicant eligibility criteria and approve or deny financial assistance.

PROPERTY ELIGIBILITY

One to two unit owner-occupied residential dwellings will be eligible for emergency assistance. Prior to being approved for repair, the property must be inspected by the Department of Housing Rehabilitation Specification Specialist to determine the general nature of the problem, i.e., plumbing, heating, electrical, or roofing emergency.

FUNDING

The funding for the remedy of the emergency situation will be in the form of a grant, maximum of \$4,999.00 per project, once in a twelve (12) month period. . If they need subsequent assistance, the

repair will be funded through the Home Repair Program or the Home Improvement Grant Program.

If the rehabilitation costs exceed \$4,999.00, the project may be approved if the excess cost is absorbed by the homeowner with a 20% contingency.

For example: If rehabilitation costs plus 20% contingency exceed grant amount of \$4,999.00; The homeowner will have to submit an Escrow in the form of a money order/certified check payable to ***Community Development Block Grant Fund*** submitted to the Department of Housing *prior* to the project starting. The escrow amount is calculated by the difference between \$4,999.00 grant amount and the total estimated rehabilitation cost. The total estimated rehabilitation cost is the rehabilitation cost plus 20%.

Discretionary decisions are to be made on case by case basis. There is no repayment on the grant. Payment will be made directly to the Contractor once the job is complete.

EMERGENCY REPAIRS/REPLACEMENT

The Department of Housing inspector's report will be the principal basis for determining emergency assistance work as listed in the EAP Standards. At the completion of the emergency assistance work specified by the Department of Housing, the building should comply with Minimum Health & Safety Standards. Emergency financial assistance is intended for repair of basically sound residential structures and will be approved only if the repairs will result in the dwelling being safe and livable once the work is completed. The extent of the repair work will be confined to eliminating the direct cause of the hazard, and if possible, the damage resulting from the emergency/hazardous condition.

BIDDING

Emergency Heat Assistance Contract”, Emergency Plumbing Contract, Emergency Electrical Contract, Emergency Roofing Contract

A heating, plumbing, electrical, and roofing contractor, under a separate contract with the Department of Housing, will service emergency heat, plumbing, electrical, and roofing situations. The applicant will be pre-qualified by DH and be required to sign an “Emergency Authorization Form” DH will then immediately contact the approved heating, plumbing, electrical, or roofing contractor to repair if possible or replace defective heating unit, plumbing, roof, or electrical deficiency.

Bidding Process

The DH publishes through the Lawndale News (local news) and The Town of Cicero webpage the “Notice for Bid for the Emergency Assistance Program indicating that The Department of Housing is currently seeking bids for “Emergency Assistance Program”.

The contractor will be required to provide “on call”, 24 hours/7 days per week, emergency service within two (2) hours of notification. Included in the bid must be an hourly rate that will be charged per service call, and a generalized work description.

Contractor shall provide all labor, materials, tools, and equipment to perform repairs if possible or replacements. The work shall include furnishing and installing all materials needed to make the appropriate repairs/replacement.

All work, materials and manner of placing materials are to be in strict accordance with the Department of Housing Contractor Manual (available upon request) and all local, state, and federal laws and ordinances.

Contractor shall be compensated on a time and material basis, in accordance with the rates set forth in the contract. Date of when bids are due is included in the “Notice for Bid”. Bids must be submitted in a sealed envelope by the time and date indicated by DH.

Bid Review/Bid Award

- DH Rehabilitation Specification Specialist reviews all bids.
- DH Rehabilitation Specification Specialist indicates on each bid on the construction checklist accepted or rejected with reason for rejection.
- The trade/jobs will be awarded to the lowest, most responsible bidder one contractor for each specific trade : heating, plumbing, electrical, and roofing contractor
- DH reserves the right to accept or reject any bids
- DH Attorney is contacted to prepare Emergency Assistance Program Contract
- Contractors sign agreement/contract.

CONSTRUCTION PHASE

Construction will begin after the following steps have been performed:

- Contractor is notified of the emergency situation by DH.
- Contractor informs DH of approximate total cost for repairs/replacements and submits a proposal to DH.
- DH reviews proposal and requests Escrow money from applicant (if applicable). (work can not begin unless Escrow money is received).
- Contractor applies for Building Permit, if required.
- Construction begins using Lead Based Paint Safe Work Practices, if painted surface are to be disturbed.
- Construction ends
- Lead Based Paint Clearance Testing. (if applicable)
- Contractor submits invoice, lien waivers, guarantees/warranties and copy of permit application to the DH.
- The DH reviews lien waivers, etc. and inspects the work.
- The DH/Owner approve work.
- Payment is sent to Contractor, and or owner for escrow return if applicable and job is closed out.

STANDARDS

An emergency/hazardous condition is defined as a condition which requires immediate action to protect the health and safety of the occupants of the structure. **See Minimum Health & Safety Standards.**

If the emergency visual inspection of the property reveals numerous code violations and deteriorated conditions, the owner will be referred to the Home Repair Program or the Home Improvement Grant Program. This would address the entire structure and bring the home into compliance with Minimum Health & Safety Standards.

Roofing

- Patch or replacement of roofs that have collapsed, or where visible holes exist.

Plumbing

- Leaking water piping, which requires the disabling water service at the property which if left unattended would substantially add to the deterioration, must be repaired or replaced.
- A missing water closet or non-functional water closet must be repaired or replaced. It is imperative to note that emphasis is placed on missing/non-functional water closets.
- Defective hot water tanks shall be repaired or replaced; age of the tank is not a consideration, and sole criteria for replacement shall be the emergency condition.
- A clogged main sewer from the house to the Town sewer is considered an emergency item. In the event this condition is found, the sewer shall be rodded.
- Collapsed sewer will be replaced with new sewer pipe.
- Improper or defective gas supply piping to heating units, appliances and hot water heaters, leading to disabling appliances to avoid explosion or carbon monoxide poisoning. Gas supply lines will be replaced.

Electrical

- An electrical condition that requires the disconnect of electricity at the main which results in an immediate and serious hazardous condition, all defective circuits, lines, devices, and fixtures shall be replaced.

Heating and Air Conditioning

- An inoperative heating system is considered an emergency. The heating unit may require repair or replacement.
- Flue pipes shall be inspected for pitch and deterioration. Replacement of flues if deficiency is observed
- Removal or encapsulation of broken, loose and flaking pipe insulation where asbestos material may be suspected.
- An inoperative cooling system is considered an emergency during periods of extreme heat. The cooling unit may require repair or replacement.

SAMPLE LISTINGS OF WORK NOT ALLOWED

ELECTRICAL

- Air conditioning circuits
- Blowing fuses because of appliance use
- Distribution of circuits
- New public lighting
- Upgrade existing 60 amp services
- Insufficient receptacles
- 20 amp circuit to kitchen
- Replace pull chains with switches
- Additional ceiling or wall fixtures

PLUMBING

- Inoperative downspout sewers/floor drains
- Iron water service
- Plastic plumbing
- Unvented plumbing fixtures
- Laundry tray (sink)
- Undersized water lines
- Submerged ball cocks/faucet spouts
- Hose bibbs
- Rusted metal sink cabinets (unless lead hazard reduction)
- Chipped enamel on fixtures
- Anti-flood control
- Replace lavatory and bathtubs

HEATING and Cooling

- Steam air vent/replacement
- Additional radiation
- Replacement of functional units
- Inadequate heat ducts/returns
- Furnace filter replacement
- Conversion of fuel source
- Servicing heating unit without due cause
- Installation of fuel saver equipment
- Insulation of heating lines
- Fireplace repairs
- Installation of new, not pre-existing AC Units.

ROOFING

- Exhaust fan replacement (attic ventilation)
- Repair/replacement of decorative items
- Gutter/downspout (if not broken/missing)
- Garage roofs

EMERGENCY ACCESS GRANT FOR PEOPLE WITH DISABILITIES

PROGRAM DESCRIPTION AND PURPOSE

Emergency Access Grant for People with Disabilities (EAG) is administered by the Department of Housing (DH). These guidelines as set forth provide the eligibility criteria, program design, rules and policies which govern the EAG. The EAG is aimed at providing financial assistance to low income homeowners, in order to eliminate physical barriers which inhibit the use of the dwelling unit by a Person with Disabilities. The program will provide financial assistance to owner-occupants of one (1) unit residential properties in the form of a grant.

ELIGIBILITY CRITERIA

Applicants must submit the following additional documentation along with their completed applications:

- Copy of current homeowner's insurance coverage.

Properties are eligible to receive assistance once with a maximum amount of \$24,999.00.

PROPERTY ELIGIBILITY

One (1) unit owner-occupied residential properties will be eligible for assistance. Prior to being approved, the property must be inspected by the DH to determine if general improvements will remove barriers for accessibility by persons with disabilities.

FUNDING

The funding for the remedy of the situation will be in the form of a grant, with a maximum amount of \$24,999.00 per project. There is no repayment on the grant. Payment will be made directly to the Contractor once the job is complete. If the rehabilitation costs exceed \$24,999.00, the project may be approved if the excess cost is absorbed by the homeowner with a 20% contingency.

For example: If rehabilitation costs plus 20% contingency exceed grant amount of \$24,999.00; The homeowner will have to submit an Escrow in the form of a money order/certified check payable to **Community Development Block Grant Fund** submitted to DH *prior* to the project starting. The escrow amount is calculated by the difference between \$24,999.00 grant amount and the total estimated rehabilitation cost. The total estimated rehabilitation cost is the rehabilitation cost plus 20%. Lead Hazard Reduction will be in the form of a grant at no cost to the homeowner.

EMERGENCY ACCESSIBILITY

The DH inspector's report will be the principal basis for determining assistance. Financial assistance is intended for basically sound residential structures and will be approved only if the assistance will result in the dwelling being safe and livable once the work is completed. The extent of the work will be confined to eliminating the barriers for accessibility by persons with disabilities.

LEAD HAZARD REDUCTION GRANT

MISSION

The mission of the Department of Housing Lead Hazard Reduction Grant is to reduce lead exposure to children under the age of six and improve homeowner occupant properties. The Lead Hazard Reduction grant is available to owner-occupants of one (1) or (2) two units residential properties in a form of a grant from the U.S. Department of Housing and Urban Development (HUD), Community Development Block Grant Fund (CDBG). This grant is administered by the Town of Cicero, through our rehabilitation programs such as: Home Repair Program, Emergency Access Grant for People with Disabilities, Home Improvement Program, Emergency Assistance Program, and the Weatherization Energy Efficient Program. Eligibility requirements for enrollment of a property include: pre-1978 construction and low-to-moderate income households. Any homeowner occupant who applies for any of our 5 programs may also be eligible to receive the Lead Hazard Reduction Grant if applicable to the work for which they are applying for where lead is being disturbed or presumed. If homeowners are applying due to a child with elevated lead blood results, or a pregnant women; lead blood testing results are mandatory for participation in the programs. It is the only sure way to determine if a child/pregnant woman is being exposed to too much lead.

IMPORTANCE OF LEAD AWARENESS

Lead safe practices could protect children from becoming lead poisoned. Childhood lead poisoning is the most common environmental disease of children and is entirely preventable. Lead is a metal commonly found in many products in industrialized countries and serves no known function in the human body. Although it is toxic to all systems of the body, the greatest concern is for its effects on the nervous systems of young children, even when levels are low. Young children are particularly vulnerable because they ingest more lead than adults through normal hand-to-mouth and exploratory behaviors, and because their bodies absorb higher rates of the ingested lead than an adult's. In addition, their rapidly-developing nervous systems are more sensitive to adverse effects. Symptoms of lead poisoning, which may not be apparent and may also have other causes, include delayed speech development, hyperactivity, fatigue, restlessness, hearing loss, irritability, poor large and small muscle coordination, poor spacial and conceptual ability and other nervous system manifestations that adversely effect intellectual and behavioral capacity.

HOMEOWNER EDUCATION/INFORMATION

The Department of Housing provides homeowners with “Protect Your Family From Lead In Your Home”, and “Renovate Right” HUD/EPA brochure. Homeowners learn how to identify and control many other non-housing related lead sources in their environment or child's environment including cookware, toys, plastic mini-blinds, traditional remedies and parent occupational exposures. They also learn what constitutes a healthy diet that will help prevent lead poisoning and how to maintain lead painted surfaces in a safe manner.

WORK PLAN PREPARATION

Housing rehabilitation staff, trained to develop lead remediation plans and certified by the IDPH, prepare a plan to make the home lead safe. The goal is not to make the home lead-free but to make the lead inaccessible to children in a cost-effective manner, and perform lead hazard reduction rehabilitations which will improve the homes of our applicants. The plan is specific for that property, based on the risk assessment results or presumption notices.

A Lead Inspection is performed in accordance with the Illinois Department of Public Health Lead Poisoning Prevention Code (Title 77 Part 845) by a Risk Assessor Contractor. The Risk Assessment/Lead Inspection is performed within any of our programs where funding amount will be >\$5,000.00. Please reference to Chart 3 Rehabilitation, and Summary of Lead Based Paint by Activity chart below regarding processes.

A Risk Assessment is performed by a Risk Assessment Contractor and most every surface is tested for the presence or absence of lead. The Risk Assessment includes a summary report displaying all components that tested at or above the current Illinois Department of Public Health (IDPH) regulatory level for Paint, via X-Ray Fluorescence (XRF), of 1.0 mg/cm². A soil sample may also be performed. The Risk Assessor Contractor will recommend at least one preferred Mitigation and Abatement Control Option for each potential hazard identified. The Rehabilitation Specification Specialist/Department of Housing and owner will select hazard control measures all acceptable based on Illinois Department of Public Health Lead Poisoning Prevention Code (Title 77 Part 845).

After the specific work and cleaning activities have been completed, a compliance investigation with dust samples must be conducted IDPH licensed Lead Inspector or Risk Assessor to ensure that the work areas are safe before the family reoccupies the designated work areas.

The project is assigned to a private sector lead contractor, also certified by the IDPH, who enters into a contract with the owner of the property through a bidding process within the specific program for Lead Hazard Reduction activities, and or other work if applicable.

LEAD HAZARD REDUCTION

Lead hazard reduction must be conducted by a contractor who is Lead certified and licensed and bonded by the Town of Cicero. The contractor must monitor work quality and lead safe work practices on site. Examples of work items are stabilization and repainting of lead paint on stable surfaces, replacement of lead-painted components that cannot be stabilized, and protection of friction or impact surfaces that can create lead dust.

When doing a Risk Assessment, the final report will contain a workable lead hazard control plan. The plan will include a list of all the lead hazards found in the dwelling (if any) and the control options that can be used for that specific property.

Interim controls are measures designed to temporarily reduce human exposure or possible exposure to lead-based paint hazards. These measures include specialized cleaning, repairs, maintenance, paint film stabilization, temporary containment, friction and impact reduction treatments, dust removal, and

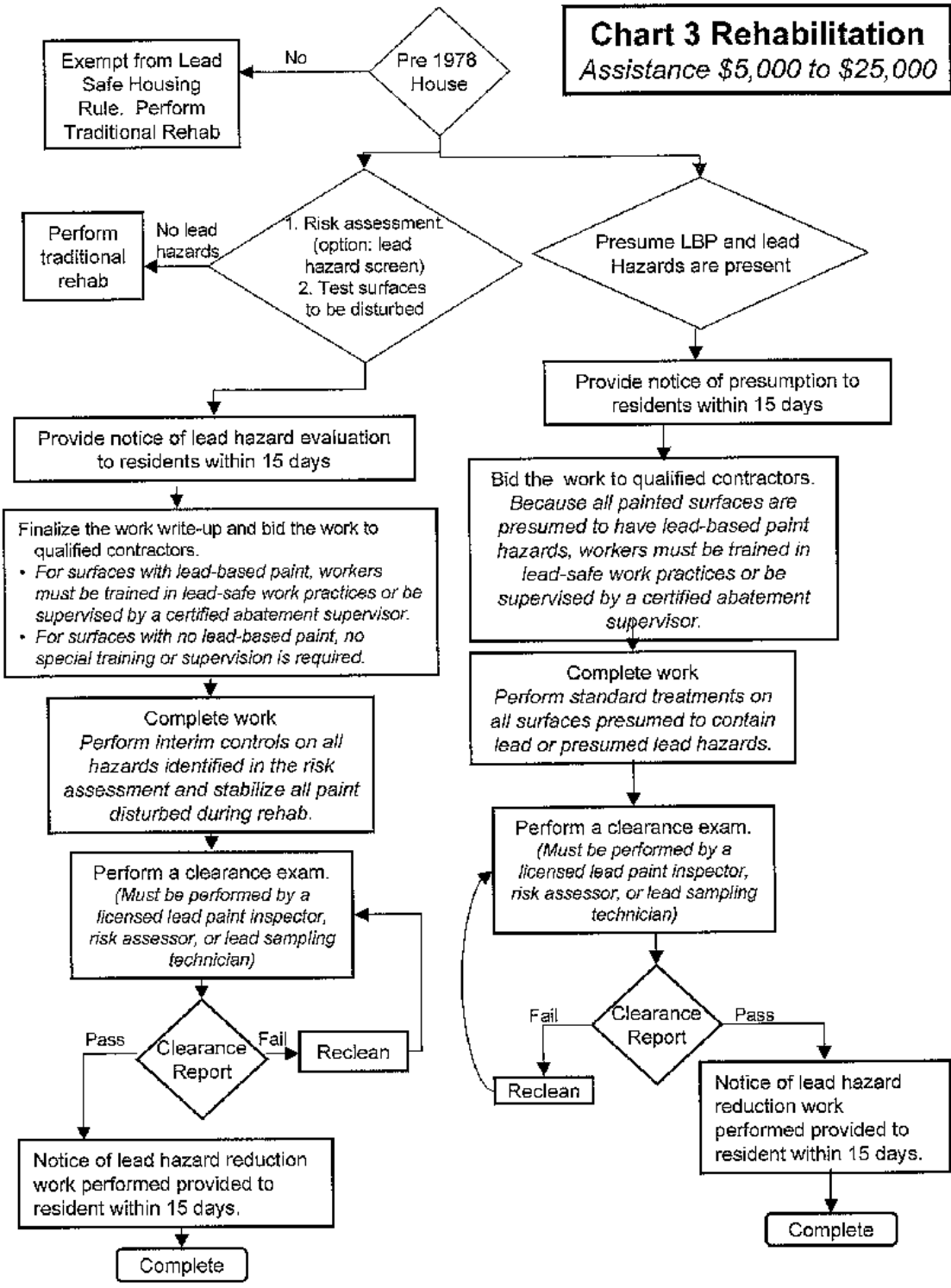
educational programs for management and residents. Interim controls also include all preparation, cleanup, disposal, and post-abatement clearance testing activities associated with such measures.

Note: Clearance is always required after abatement, interim controls, paint stabilization, or standard treatments unless the area is below de minimis levels.

According to Federal (24 CFR Part 35 and 40 CFR Part 745) and State of Illinois (845.25), the Town of Cicero and Current/Future Homeowners shall share the results of this report and any clearance sampling with the family which occupies and/or owns the residence.

DRAFT

Chart 3 Rehabilitation
Assistance \$5,000 to \$25,000



SUMMARY OF LEAD BASED-PAINT REQUIREMENTS BY ACTIVITY

	≤ \$5,000	\$5,000 - \$25,000
Approach to Lead Hazard Evaluation and Reduction	Do no harm	Identify and control lead hazards
Notification	Yes	Yes
Lead Hazard Evaluation	Paint Testing	Paint Testing and Risk Assessment
Lead Hazard Reduction	Repair surfaces disturbed during rehabilitation	Interim Controls
	Safe work Practices Clearance of work site	Safe work practices Clearance of unit
Ongoing Maintenance	For HOME rental only	For HOME rental only
EIBLL Requirements	No	No
Options	Presumed lead-based Use safe work practices on all surfaces	Presume lead Based paint and/or hazards Use standards treatments

WEATHERIZATION AND ENERGY EFFICIENCY PROGRAM (NEW)

The Town of Cicero Weatherization and Energy Efficiency Program (WEE) helps low to moderate income residents and households:

- Conserve fuel,
- Reduce energy costs
- Increase health and safety through renovations designed to keep elements out of homes.

Weatherization and Energy Efficiency services that can be funded through WEE include:

- Air sealing
 - Attic and wall insulation
 - HVAC replacement with High Efficiency Unit
 - Water heater replacement with High Efficiency Unit
 - Electric base load reduction
 - Health and Safety/Moisture Control
 - Roof Replacements/Ice and Water Shield
 - Sewer Check Valve Installation
- **Minimum of \$2,000.00 of assistance must be directed toward Energy Efficiency upgrades.**
 - **Maximum of \$3,000.00 of assistance can be directed toward Health and Safety Measures.**

GOALS OF PROGRAM

- The purpose of the Weatherization Energy Efficiency Program (WEE) is to correct substandard living conditions, address health or safety hazards, and alleviate deficiencies in the structure, heating equipment; plumbing, electrical and sewage systems (flood control).
- Through the Weatherization and Energy Efficiency Program homeowner occupants can apply for flood control assistance, which will help reduce basement backups and property loss. Improve public health protection from mold, bring homes up to code with overhead plumbing, reduce volumes of inflow/infiltration, and improve property value and potentially reduce the likelihood/impacts of future flooding.
- The purpose of providing energy efficiency interventions, weatherization improvements, and general home improvements improving both housing quality and the safety and/or comfort of occupants, through better temperature control and improved ventilation especially for vulnerable populations such as the elderly, disabled, and children.
- This assistance will be in the form of a grant with a maximum funding amount of \$4,999.00 and is eligible to one (1) and two (2) unit owner-occupied properties where the current *total* household income is considered to be low-to-moderate as defined by HUD.

FUNDING

- The funding for the remedy of the situation will be in the form of a grant, with a maximum amount of \$4,999.00 per project. There is no repayment on the grant. Payment will be made directly to the Contractor once the job is complete. If the rehabilitation costs exceed \$4,999.00, the project may be approved if the excess cost is absorbed by the homeowner with a 20% contingency.
- For example: If rehabilitation costs plus 20% contingency exceed grant amount of \$4,999.00; The homeowner will have to submit an Escrow in the form of a money order/certified check payable to ***Community Development Block Grant Fund*** submitted to DH *prior* to the project starting. The escrow amount is calculated by the difference between \$4,999.00 grant amount and the total estimated rehabilitation cost. The total estimated rehabilitation cost is the rehabilitation cost plus 20%. Lead Hazard Reduction will be in the form of a grant at no cost to the homeowner.

WORK ALLOWED

- Make essential improvements including energy related repairs and costs to repair or replace housing systems in danger of failure.
- Incipient Code Violations - An element of the structure which is not in violation of the Housing Code, but which will likely deteriorate into a code violation in the near future. All improvements necessary to bring the property up to Town code
- Code violations.
- Flood control systems
- Window Panes and Exterior Doors – Broken window panes and sashes which pose a hazard to children or permit moisture infiltration shall be replaced. Exterior doors are to be replaced only if the door is broken beyond repair or, in some other fashion, presents a hazard to the security of occupants.
- Chimney in a state of disrepair, which may be considered dangerous, shall be rebuilt from the adjacent solid portions
- Exterior property improvements
- Installation of storm windows : preference of types of windows may include:
 - ✓ Anodized frames (treated with a protective oxide coating)
 - ✓ Baked enamel finish

Please note: Some windows (ex., casements) cannot readily be equipped with storm windows. Applicant should ensure to recaulk storm windows every few years to ensure a good seal, and the tracks should be cleaned occasionally to ensure proper operation.

- Installation of storm doors; preference types
 - ✓ Anodized (treated with a protective oxide coating)
 - ✓ Baked enamel finish
 - ✓ With latches or locks for security
 - ✓ Not installed over primary doors that have foam cores or plastic trim

- Installation/Increase attic insulation (building with attics and/or attics that currently have less than 12 inches of insulation)
- Installation of wall insulation
 - ✓ buildings with uninsulated walls
 - ✓ Buildings located in heating degree day zones 1.5 and above
 - ✓ Sprayed or brown insulation
 - ✓ Rigid Board
 - ✓ Installer must meet all legal and professional standards
 - ✓ Cavity-filled insulation must be compatible with building materials
 - ✓ Cavity-fill insulation should be blown in under pressure or expanded within to insure even distribution and to avoid future settling.
 - ✓ All materials must meet local building and fire codes.
 - ✓ Exterior or interior insulating panels should be protected from impacts, vandalism, and abrasions that could damage them.
 - ✓ Exterior insulation panels should be protected from weather and ultraviolet radiation.
 - ✓ Finish and detailing around doors, windows, and other openings should be considered so as not to detract from building appearance and operation equipment.
- Control air leakage
 - ✓ Weatherstripping
 - ✓ Air sealing
 - ✓ Air sealing performed in conjunction with an assessment of the building's ventilation system to ensure adequate air quality.
 - ✓ Contractor must inspect combustion appliances (such as gas-fired heaters and hot water heaters) before and after air sealing to ensure venting properly
- Installation of roof insulation (Flat or nearly flat, no attics, and buildings with no roof insulation)
 - ✓ All insulation must comply with fire codes
 - ✓ Adding insulation might increase snow build-up in winter because the relatively warm roofs of uninsulated buildings provide for some melting of accumulated snow. The ability of the building structure to accommodate this increased snow load should be analyzed.
- Insulate hot water or steam pipes
 - ✓ Pipes that are designed to provide heat to a space, such as radiators, should not be insulated.
 - ✓ Pipe insulation should be heat resistant and should be able to withstand the maximum temperature of the pipe.
- Seal and insulate ducts
 - ✓ Applicant must change air filters frequently during heating (or cooling) season to maintain adequate air flows.
 - ✓ Done by trained technician, to ensure pressure balances
 - ✓ Ducts sealed with mastic, insulation sealed over the ducts to prevent condensation

- Replacement of inefficient hot water heater
 - ✓ Appropriately sized to ensure both adequate hot water and minimal energy waste

Plaster/Painting

- Repair of broken or deteriorated plaster surfaces and scraping of peeling and flaking paint if poses a Lead Based Paint Hazard.

Note: Lead Hazard Reduction Activities apply if applicable.

SAMPLE LISTING OF WORK NOT ALLOWED

- Incidental costs such as interior redecorating-drywall repairs, paint, carpet and flooring
- Decorative exterior plantings (bushes, trees, plants) and landscape.

ELECTRICAL

- Additional ceiling or wall fixtures
- Outlets

PLUMBING

- Unvented plumbing fixtures (*must be approved by The Department of Housing*)
- Hose bibbs
- Chipped enamel on fixtures
- Air chambers

HEATING

- Servicing heating unit without due cause
- Fireplace repairs

ROOFING

- Repair/replacement of decorative items
- Replace gutter/downspout (if not broken/missing)
- Garage roofs

MASONRY

- Basement floor defects
- Foundation leakage (*must be approved by the Department of Housing*)
- Foundation repairs (*must be approved by the Department of Housing*)
- Repair or replace public sidewalks (town 50/50 program to fund)
- Driveways/aprons

- Cosmetic tuck pointing
- Cornice repairs
- Decorative/ornamental stone work

CARPENTRY

- Floor covering-decorative
- Worn stair tread that do not present hazard
- Decorating of every type (unless lead hazard reduction)
- General cracked or missing plaster/drywall (unless lead hazard reduction)
- Window repairs- frames, sash, sills, etc. (unless lead hazard reduction)
- Canopy replacement
- Garage repairs
- Kitchen cabinets (*starter set only*)
- Soffit/Fascia (unless lead hazard reduction)
- Garage repairs
- Interior/exterior paint (unless lead hazard reduction)
- Illegal conversions (de-convert illegal apartments)
- Enclosure of boiler rooms

**ALL ALLOWANCES WILL BE PROVIDED FOR STANDARD CONSTRUCTION
GRADE SUPPLIES AND EQUIPMENT**

HOME IMPROVEMENT PROGRAM (NEW)

PROGRAM DESCRIPTION AND PURPOSE

The goal of the Home Improvement Program (HIP) is to revitalize and upgrade neighborhoods and make decent, safe and sanitary living conditions. This is achieved by bringing the entire property into code compliance. The HIP is administered by the Housing Department. These guidelines as set forth in the following manual provide the eligibility criteria, program design, rules and policies which govern the HIP. The HIP will provide assistance to correct substandard living conditions, address health and safety hazards, and alleviate deficiencies in the structure, heating equipment, plumbing and electrical systems.

The HIP may be used

- for improvements to bring the property up to code,
- energy conservation improvements,
- code violations,
- incipient code violations,
- weatherization items (including storm windows and doors, weather stripping & insulation),
- non-code violation items that are considered standard in nature i.e., medium grade cabinets, tile, fixtures etc, as based industry standards, and
- Lead hazard evaluation and reduction activities.

Delivery of services achieves cost-effectiveness and better outcomes in improving the safety and energy efficiency of homes. The Home Improvement Program combines distinctly different missions, that target low to moderate income housing for the purpose of providing energy efficiency interventions, weatherization improvements, and general home improvements improving both housing quality and the safety and/or comfort of occupants, through better temperature control and improved ventilation especially for vulnerable populations such as the elderly, disabled, and children. This assistance will be in the form of a conditional grant with a maximum funding amount of \$24,999.00 and is eligible to one (1) and two (2) unit owner-occupied properties where the current *total* household income is considered to be low-to-moderate as defined by HUD, and up to \$24,999.00 in Lead Hazard Reduction funds. Lead Hazard work is qualified separately from renovation work.

ADDITIONAL ELIGIBILITY CRITERIA

A. Applicant Eligibility

The applicant must agree to own/occupy the building for the duration of 5 years after completion of the rehabilitation work. A duly recorded Lien placed on property with a 5 year term period. Payment in full

required if a transfer of Deed or Title occurs prior to the completion of the term.

The applicant's mortgage, utility bills, and tax bills installment payments must be current. If applicant does not have paid-to-date mortgage, taxes, or utilities, application will be denied. If applicant brings bills up to date, and or has made arrangements applicant will be allowed to resubmit application and start process anew.

The applicant must agree to maintain property up to code and allow periodic inspections by the Town of Cicero.

The applicant must demonstrate a need for grant and be able to provide proof of property damage and need, such as pictures.

Applicants must submit the following additional documentation along with their completed applications:

- Copy of current homeowner's insurance coverage.
- Copy of Mortgage payment book.
- Two recent rent receipts for rental units if 2 unit.
- Copy of recent tax bill (Second Installment, which lists homeowners exemption and all other itemizations.
- Copy of current utility bills

Assets are not verified unless it appears on the 1040 that there is a substantial amount of interest that would result in a non-prudent use of CDBG funds.

Excessive Assets: If applicant has assets which are deemed excessive and he/she can rehabilitate the property without CDBG assistance, applicant will be denied, he/she may discuss with the Assistant Housing Program Director. If Assistant Housing Program Director feels applicant may be eligible, she/he will discuss situation with Housing Program Director who will make the final determination.

ADDITIONAL PROPERTY ELIGIBILITY

One and two unit, owner-occupied homes are eligible.

Properties are eligible to receive assistance once with a maximum amount of \$24,999.00 (**subsequent assistance to be approved by The Department of Housing**).

If the grant does not bring the property up to codes, the property is not eligible.

Ineligible Uses

- Conversion to multi-unit properties
- Luxury items
- Items that are considered above standard including whirlpools
- Custom or designer colors

- High grade cabinets, tile, and fixtures
- Renovations started and/or items purchased prior to grant application are not eligible for reimbursement.

Assumability: No loan assumption will be allowed

Priorities: Grant may be used for the following:

- (a). All improvements necessary to bring the property up to Town code, including incipient code items.
- (b). Energy conservation improvements such as insulation, storm windows and doors. Exterior property improvements and general property improvements such as kitchen cabinets, floor & wall finishes (standard grade), etc.

It is mandatory that the grant satisfy priority “a” improvements first. Grant for priority “b” items is dependent upon the amount of funds available. In addition, the Town of Cicero may require other renovations.

FUNDING

Funding for HIGP will be in the form of a grant, maximum of \$24,999.00 per project. There is no repayment on the grant. Payment will be made directly to the Contractor once the job is complete. If the rehabilitation costs exceed \$24,999.00, the project may be approved if the excess cost is absorbed by the homeowner with a 20% contingency.

For example: If rehabilitation costs plus 20% contingency exceed grant amount of \$24,999.00; The homeowner will have to submit an Escrow in the form of a money order/certified check payable to **Community Development Block Grant Fund** submitted to DH *prior* to the project starting. The escrow amount is calculated by the difference between \$24,999.00 grant amount and the total estimated rehabilitation cost. The total estimated rehabilitation cost is the rehabilitation cost plus 20%. Lead Hazard Reduction will be in the form of a grant at no cost to the homeowner.

Prepayment: Prepayment is allowed with no penalty if Deed/Title transfer occurs prior to 5 year term completion. Processing fees for Lien removal will apply and be the sole responsibility of applicant.

PROCEDURES

If client is still interested, a Code Advisory Inspection is scheduled.

During the Code Advisory Inspection, the Rehabilitation Specification Specialist determines feasibility. If feasible, the Rehabilitation Specification Specialist gives owner application packet and advises to call the Assistant Program Director to schedule a meeting to have interview and submit application.

PROJECT FINANCIAL ANALYSIS

First Meeting

Applicant contacts Assistant Housing Program Director to schedule Spec Write-up inspection.
Spec write-up completed

Second Meeting

Owner meets with Assistant Housing Program Director and Rehabilitation Specification Specialist .

- a. The Spec Write-up is reviewed and signed.
- b. Bidding process explained.
- c. Closing process explained.

BIDDING

Rehabilitation Grant Agreement: An agreement will be executed between the Town of Cicero & the recipient. A lien will be placed on property for the whole assistance amount received. Owner must maintain owner-occupied status for 5 years, or the amount of assistance must be repaid to the Town of Cicero Department of Housing. The Town will perform compliance checks annually.

Contract: The rehabilitation contract will be executed between the homeowner and the contractor.

WORK ALLOWED

- Make essential improvements including energy related repairs and costs to repair or replace housing systems in danger of failure.
- Incipient Code Violations - An element of the structure which is not in violation of the Housing Code, but which will likely deteriorate into a code violation in the near future.
- Code violations.
- Exterior property improvements
- General interior property improvements such as kitchen cabinets, floor and wall finishes (standard grade)
- Installation of storm windows : preference of types of windows may include:
 - ✓ Anodized frames (treated with a protective oxide coating)
 - ✓ Baked enamel finish

Please note: Some windows (ex., casements) cannot readily be equipped with storm windows. Applicant should ensure to recaulk storm windows every few years to ensure a good seal, and the tracks should be cleaned occasionally to ensure proper operation.

- Installation of storm doors; preference types
 - ✓ Anodized (treated with a protective oxide coating)
 - ✓ Baked enamel finish
 - ✓ With latches or locks for security
 - ✓ Not installed over primary doors that have foam cores or plastic trim
- Installation/Increase attic insulation (building with attics and/or attics that currently have less

than 12 inches of insulation)

- Installation of wall insulation
 - ✓ buildings with uninsulated walls
 - ✓ Buildings located in heating degree day zones 1.5 and above
 - ✓ Sprayed or brown insulation
 - ✓ Rigid Board
 - ✓ Installer must meet all legal and professional standards
 - ✓ Cavity-filled insulation must be compatible with building materials
 - ✓ Cavity-fill insulation should be blown in under pressure or expanded within to insure even distribution and to avoid future settling.
 - ✓ All materials must meet local building and fire codes.
 - ✓ Exterior or interior insulating panels should be protected from impacts, vandalism, and abrasions that could damage them.
 - ✓ Exterior insulation panels should be protected from weather and ultraviolet radiation.
 - ✓ Finish and detailing around doors, windows, and other openings should be considered so as not to detract from building appearance and operation equipment.
- Control air leakage
 - ✓ Weatherstripping
 - ✓ Air sealing
 - ✓ Air sealing performed in conjunction with an assessment of the building's ventilation system to ensure adequate air quality.
 - ✓ Contractor must inspect combustion appliances (such as gas-fired heaters and hot water heaters) before and after air sealing to ensure venting properly
- Installation of roof insulation (Flat or nearly flat, no attics, and buildings with no roof insulation)
 - ✓ All insulation must comply with fire codes
 - ✓ Adding insulation might increase snow build-up in winter because the relatively warm roofs of uninsulated buildings provide for some melting of accumulated snow. The ability of the building structure to accommodate this increased snow load should be analyzed.
- Insulate hot water or steam pipes
 - ✓ Pipes that are designed to provide heat to a space, such as radiators, should not be insulated.
 - ✓ Pipe insulation should be heat resistant and should be able to withstand the maximum temperature of the pipe.
- Seal and insulate ducts
 - ✓ Applicant must change air filters frequently during heating (or cooling) season to maintain adequate air flows.
 - ✓ Done by trained technician, to ensure pressure balances
 - ✓ Ducts sealed with mastic, insulation sealed over the ducts to prevent condensation
- Replacement of inefficient hot water heater
 - ✓ Appropriately sized to ensure both adequate hot water and minimal energy waste
- Lead hazard evaluation and reduction activities.

ALL ALLOWANCES WILL BE PROVIDED FOR STANDARD CONSTRUCTION GRADE SUPPLIES AND EQUIPMENT

SAMPLE LISTING OF WORK NOT ALLOWED

ELECTRICAL

- Additional ceiling or wall fixtures
- Increased electrical service to building to legalize an additional apartment (new or existing)
- Install additional circuit panel box to legalize an additional apartment (new or existing)
- Designer electrical light fixture

PLUMBING

- Unvented plumbing fixtures (must be approved by The Department of Housing)
- Whirlpool bathtubs
- Custom color bathroom/kitchen fixtures
- Hose bibbs
- Chipped enamel on fixtures
- Air chambers
- Anti-flood control (overhead sewers)

APPLIANCES

- Window air conditioner
- Kitchen stove, dishwasher/refrigerator
- Clothes washer-dryer

HEATING

- Replacement of functional units (unless more energy efficient)
- Servicing heating unit without due cause
- Fireplace repairs

ROOFING

- Repair/replacement of decorative items
- Replace gutter/downspout (if not broken/missing)
- Garage roofs

MASONRY

- Basement floor defects
- Foundation leakage (must be approved by the Department of Housing)
- Foundation repairs (must be approved by the Department of Housing)
- Repair or replace public sidewalks (town 50/50 program to fund)
- Driveways/aprons
- Cosmetic tuck pointing
- Repair or replace public sidewalks (town 50/50 program to fund)

CARPENTRY

- Construct second exit to legalize an additional apartment (new or existing)
- Construct new garage
- Pool decking
- Marble floor tile
- Ceramic floor tile
- Floor covering-decorative
- Worn stair tread that do not present hazard
- Decorating of every type (unless lead hazard reduction)
- Premium kitchen cabinets/countertops (starter set only)
- medicine cabinets/ premium bathroom vanities
- Soffit/Fascia (unless lead hazard reduction)
- Garage repairs
- Interior/exterior paint (unless lead hazard reduction)

MINIMUM HEALTH AND SAFETY STANDARDS

GENERAL

- Dwelling must have a living room, kitchen and bath.
- One-room efficiency with kitchen is acceptable.
- Must be one bedroom for every two family members.
- Ceiling, no large cracks or holes, no flaking and peeling paint.
- Walls, no large cracks or holes, no flaking and peeling paint.
- Electrical:
 - ✓ Living room - At least two outlets or one outlet and one permanent overhead light fixture. In good/safe condition.
 - ✓ Kitchen - At least one outlet and one permanent light fixture.
 - ✓ Bath - At least one permanent overhead overhead or wall light fixture.
 - ✓ Bedrooms - same as living room.
- Floors, in good condition, no large cracks or holes, missing/loose floor coverings.
- Windows, at least one window in working condition in each room.
- Kitchen, if window is present must be in working order.
- Bath, window that opens or exhaust fan.
- Bedroom, at least one window.
- Dwelling is free of immediate lead-based paint hazards.
- Locks, windows and doors in good condition.
- Kitchen, space to prepare food, stove/refrigerator in good condition, sink with hot and cold water.
- Bath, flush toilet, lavatory, tub or shower with hot and cold water (kitchen sink will not satisfy this requirement).

BUILDING - EXTERIOR

- Roof, good condition no leaks, with gutter and down spouts, if present in good condition and securely attached to building.
- Handrails, four or more steps, porches, decks 30" above ground.
- Walls, good condition, no large cracks or holes.
- Foundation, no serious leaks.
- Water supply, an approved public supply system.
- Sewage, approved public sewage disposal system.
- Chimneys, no serious defects or missing bricks.
- Free of immediate lead-based paint hazards.

PLUMBING/HEATING

- Cooling, windows that operate.
- Plumbing, good condition, no leaks and no serious rust.
- Water Heater, good condition installed in safe manner.
- Heat, the heating system shall be able to maintain a temperature of 70 degrees Fahrenheit at minus 10 degrees exterior temp.
- Space heaters, no space heaters not vented to the outside.
- Insulation, removal or encapsulation of broken, loose and flaking.
- Pipe insulation where asbestos material may be suspected.

HEALTH/SAFETY

- Two unobstructed exits from each unit.
- No dangerous places, nearby buildings that are condemned or abandoned, which pose a fire or safety hazard to children.
- Place to store garbage (until pickup).
- Stairs/halls to have light, good condition.
- No sign of rodents and vermin.
- Install check valves on water supply line, hose bib and boiler water inlet.
- Smoke detectors should be located in each living unit within 15' of all rooms used for sleeping, uppermost ceiling of all interior stairwells.

CDBG-CV PROGRAMS

BACKGROUND

The Coronavirus Aid, Relief and Economic Security Act (CARES Act) (Public Law 116-136), signed into law on March 27, 2020, made available \$5 billion in supplemental Community Development Block Grant (CDBG-CV) funding to prevent, prepare for and respond to the coronavirus.

The Town of Cicero performed an initial amendment to their PY2019 Annual Action Plan to fund Town of Cicero Coronavirus Prevention Activities. These activities included:

1. Emergency Operations Committee (EOC)
2. Vaccination Site Conversion
3. Vaccination Site Staffing
4. PPE for Vaccination Site/Town Facilities/First Responders

As time went on, and the fluctuations of the pandemic and infection rates, it was determined to perform another amendment, to open up funding opportunities for other departments, agencies, and the public to apply for assistance through the CDBG-CV Program.

Several Priorities were identified through consultation with town employees and service providers. Some of these priorities include but are not limited to:

1. Emergency Utility Payments,
2. Public Service Activities – Food Distribution Activities,
3. Public Facility Improvements – HVAC and Sanitation Facility Improvements,
4. Any CDBG-CV Eligible Activity.

The policies, programs, and administration of CDBG-CV will be in effect as long as CDBG-CV funding is available.

The Town will follow all CDBG policies and procedures to administer the CDBG-CV program, and add the following:

1. Duplication of benefits verification,
2. Verification all activities are to prevent, prepare for, and respond to the Covid-19 Pandemic,
3. Ensure all activities are CDBG eligible
4. Create CDBG-CV specific applications, agreements, forms, and other documents,
5. Monitor CDBG-CV Subrecipients a minimum of once during their grant agreement.

DUPLICATION OF BENEFITS

Duplication of benefits requirements apply to all CDBG-CV allocations as well as to FY2019 and FY2020 formula CDBG allocations used to prevent, prepare for, and respond to coronavirus.

- Any person or entity receiving CDBG-CV assistance (including subrecipients and direct beneficiaries) must agree to repay assistance that is determined to be duplicative.

- This will be documented through the Subrecipient Agreement for agencies.
- This will be documented through Signed Certification on Application for Individuals

The Town will evaluate the need and the resources available to meet that need.

The Town will evaluate current programs available at the local, county, state, and federal level as well as current and anticipated non-governmental assistance from nonprofits or faith-based groups and establish lines of communication for preventing duplication of benefits. The Town will utilize the HUD-prepared list of active Federal CARES Act and coronavirus response programs and funding sources to help evaluate potential risk for duplication for each activity and applicant.

DETERMINING DUPLICATION OF BENEFITS

- Assess Need: Determine the amount of need (total cost)
- Determine Assistance: Determine the amount of assistance that has or will be provided from all sources to pay for the cost
- Calculate Unmet Need: Determine the amount of assistance already provided compared to the need to determine the maximum CDBG-CV award (unmet need)
- Document analysis: Document calculation and maintain adequate documentation justifying determination of maximum award

CDBG-CV UTILITY ASSISTANCE PROGRAM

PROGRAM DESCRIPTION AND PURPOSE

The Town of Cicero will utilize a portion of their allocation of CDBG-CV funds to make Emergency Payments for Public Utilities for Cicero residents of home-owner occupied single family dwelling units that fell behind on payments. In order to qualify for Emergency Payments, the applicant must:

1. Apply for assistance through Town-provided application forms,
2. Document ownership of the property,
3. Document residency in the property,
4. Document low to moderate income of the household,
5. Document they (the household) were financially impacted by the Covid-19 Pandemic,
6. Be delinquent in their utility (water) bill,
7. Document need for the Emergency Payment, and
8. Provide other information they may feel is relevant.

The CDBG-CV Utility Assistance Program will be administered by the Department of Housing Staff in conjunction with the Town of Cicero Water Department.

- Housing Staff and Assistant Grant Administrator process applications, perform Environmental Review, and Prepare Request for Funds once approved.
- Housing Staff will create and maintain a file for each application received.

- CDBG-CV _ADDRESS
- File contains: Application, Supporting Documentation, Environmental Review, Calculations, Award/Rejection Letter(s), Request For Funds.
- Grant Administration Staff Process Payments through normal CDBG Drawdown Protocols.

This program is designed for low-income households impacted by LOSS OF INCOME DUE TO THE COVID-19 PANDEMIC to assist with water bill payments. These funds may only be used to prevent, prepare for, and respond to coronavirus.

TYPE AND USE OF ASSISTANCE AVAILABLE

The following assistance is available through this program:

1. The funds may only be used for up to six (6) months public utility assistance (Three (3) billing cycles).
2. Assistance is available beginning with April 1, 2020 Utility Bill and nothing prior.
3. Payments will only be made for Water and Sewer Charges on the utility bill.
4. The amount of assistance provided will not exceed the actual amount needed.
5. Applicant(s) will be responsible for any mortgage, rent, and/or utility payments that exceed the time frame. Applicants will need to provide proof that the additional amount has been paid, show proof that other funds are committed, or that a payment plan has been established with the Town of Cicero Water Department.
6. The funds cannot include payments for late fees related to the months during which assistance is received.
7. No utility assistance will be paid out if the amount is under \$100.00.
8. Maximum utility assistance will be \$500.00.

PROCESS FOR ACCEPTING APPLICATIONS

COMPLETE applications will be processed on a first-come, first-served basis, based on the date and time received. Funds will NOT be held for incomplete applications.

APPLICANT REQUIREMENTS

To be considered for assistance under this program the following guidelines shall be met:

ELIGIBILITY DETERMINATION

- Applicant(s) must have experienced/are experiencing a loss of income directly related to COVID-19
 - Qualifying Income reductions attributable to the coronavirus pandemic shall include, but are not limited to:
 - Hours and/or commission/salary reduced, or
 - Position furloughed/laid off or terminated by the employer as a direct result of the corona virus pandemic,

- Losses due to unavailable childcare requiring a parent or guardian to reduce work hours;
 - Individual or family health conditions requiring isolation or a change in working conditions or frequency of work or requiring an individual to otherwise isolate at home;
 - Circumstances that necessitate a reduction or termination of work due to family illness requiring an individual to serve as a caretaker.
 - Other situations will be evaluated and approved on a case by case basis.
- Gross household income shall not exceed, at the initial application, 80% of Area Median Income.
 - Applicant(s) must be a United States citizen or a non-citizen who has Eligible Immigration Status as a Permanent Resident under §249 of INA.
 - Applicant(s) must be a current Town of Cicero resident, and reside in the property requesting assistance

INELIGIBILITY DETERMINATION

The applicant(s) can be denied participation in this program for any of the following reasons:

- Does not meet any of the qualifications listed above.
- Has given false, misleading, or inaccurate statements or information.
- Has changes in circumstances affecting eligibility that occur between the time of application and prior to receiving assistance.

PROPERTY REQUIREMENTS

- The property must be located within the Town of Cicero.
- The residential structure must be a single-family dwelling unit or Owner-Occupied Two Flat.

APPLICATION/ELIGIBILITY DETERMINATION AND VERIFICATION PROCESS

The following steps will be used in the acceptance and processing of applications for participation in these programs:

All applicants will be required to complete an application packet with the Town of Cicero Department of Housing to determine if they meet the requirements of the programs. The application will not be considered complete until the applicant has submitted all the necessary documents needed to complete verification.

The following information will be needed by the household in order to complete the application packet:

INCOME QUALIFICATION

- Copy of recent IRS 1040 form and W-2 (for ALL household members)
- Two recent paycheck stubs (for ALL household members)
- Stubs/receipts from all other income received for ALL household members 15 years of age and older:

- Bank statements for last three (3) months
- Proof of any current income received such as:
 - ✓ social security
 - ✓ pensions
 - ✓ union benefit
 - ✓ veteran benefits
 - ✓ unemployment
 - ✓ worker's comp
 - ✓ public aid
 - ✓ alimony
 - ✓ child support
 - ✓ rents from rental property
 - ✓ part time employment
 - ✓ net income from operation business
 - ✓ interest income
 - ✓ dividends
 - ✓ welfare
 - ✓ Other pandemic-related assistance programs

UTILITY RELIEF QUALIFICATION

- ✓ Copy of Deed (certified trust agreement if in a trust)
- ✓ Copy of death or divorce certificate if name is on title
- ✓ Current Town of Cicero Water Bill in applicant's name.
- ✓ Payment agreement with the Town of Cicero for past due utility bills, if applicable.
- ✓ Copy of Disconnect notice, if applicable.

ELIGIBILITY QUALIFICATIONS

- ✓ Documentation of being negatively affected by the Pandemic
 - Hours and/or commission/salary reduced, or
 - Position furloughed/laid off or terminated by the employer as a direct result of the corona virus pandemic,
 - Losses due to unavailable childcare requiring a parent or guardian to reduce work hours;
 - Individual or family health conditions requiring isolation or a change in working conditions or frequency of work or requiring an individual to otherwise isolate at home;
 - Circumstances that necessitate a reduction or termination of work due to family illness requiring an individual to serve as a caretaker.

BENEFIT CALCULATION

Once an applicant and property have been qualified for the program, the following calculations will be performed to determine Emergency Payment:

- Total Billed Water and Sewer Charges since April 2020 (verify with Water Department)

- Minus Total Payments made since April 2020
- Minus any late Fees
- Minus Garbage Fees
 - **Equals amount in arrears.**

- Determine any outside resources received for same benefit.

- Total Amount in arrears minus other resources = Total Need

- Determine amount to be paid is no greater than three (3) billing cycles (6 months).

- If greater than \$500 – process payment of \$500

- If less than \$500 but greater than \$100 Process payment for amount of need.

- Maintain all documents in applicant file.

- If unmet need is under \$500 no payment can be processed.

Applicant(s) will be notified in writing whether they are determined to be eligible or ineligible. Any changes to the application during the eligibility phase must be reported immediately to the City.

The emergency payment will be made by the Town of Cicero Department of Housing directly to the Bureau of Water and Sewer.



Town of Cicero Department of Housing

Policy and Procedure Manual

Larry Dominick – Town President

Tom M. Tomschin, MPA – Executive Director

EMERGENCY SOLUTIONS GRANT (ESG)

I. GENERAL INFORMATION

A. WHAT IS THE EMERGENCY SOLUTIONS GRANT (ESG)?

The Emergency Solutions Grant (ESG) renames the Emergency Shelter Grant and broadens existing emergency shelter and homelessness prevention activities and adds short and medium-term rental assistance and services to rapidly re-house homeless people. This program places a greater focus on homelessness prevention for persons at risk of homelessness and rapid re-housing assistance for homeless persons.

The intent of ESG is to continue the grant funding for the Emergency Shelter Grant and to implement the expanded program that was temporarily funded as the Homeless Prevention Rapid Re-Housing program whose mission was to provide homelessness prevention assistance to households who would otherwise become homeless— many due to the economic crisis—and to provide assistance to rapidly re-house persons who are homeless.

Program components include (§ 576.100):

- Street Outreach
- Emergency Shelter (including supportive services)
- Homeless Prevention
- Rapid Re-Housing
- HMIS Component
- Administrative Costs

B. PURPOSE OF THIS DOCUMENT

The Emergency Solutions Grant Program Policies and Procedures Manual serves as a guide to the Town of Cicero Department of Housing staff, which is the department in charge of administering HUD's Emergency Solutions Grant (ESG) Program.

This Manual describes the:

- ESG program.
- Requirements of Subrecipients to manage programs using these funds.
- Town of Cicero policies and procedures for administering the program.
- Town of Cicero policies and procedures for financial management of the program.

The Emergency Solutions Grant Program Policies and Procedures Manual will assist the Town of Cicero Department of Housing staff to implement efficient and compliant ESG programs.

The Emergency Solutions Grant Program Policies and Procedures Manual does not replace the regulations contained in 24 CFR Part 576, and subsequent amendments, or any other applicable Federal, State and local laws, ordinances and regulations pertaining to the Emergency Solutions Grant Program. However, it highlights and emphasizes grant requirements. Subrecipients must always refer to the regulations and the grant agreement in determining what is allowable under the ESG program.

Local Continuums of Care and ESG Subrecipients need to work together and need to establish and meet performance standards such as:

- Reducing the average length of time, a person is homeless
- Reducing return to homelessness
- Increasing access to permanent housing
- Reducing the number of homeless individuals and families
- Improving employment rate and income amounts of program participants
- Reducing first time homelessness
- Preventing homelessness and achieving independent living in permanent housing for families and youth defined as homeless under other Federal programs.

C. RESPONSIBILITY FOR GRANT ADMINISTRATION AND OVERSIGHT

In all cases, recipients have responsibility to HUD for the grant, and HUD ultimately holds the recipient accountable if a Subrecipient uses funds in violation of program requirements. Therefore, the recipient is prohibited from assigning certain administrative responsibilities and functions to the Subrecipients. For example:

- The recipient must be the entity that signs the grant agreement with HUD; and
- The recipient must maintain oversight over the funds and activities.

CHARACTERISTICS INDICATIVE OF A SUBRECIPIENT

In general, characteristics whose presence supports the classification of an entity as a Subrecipient are when the entity:

1. Makes determinations about who is eligible to receive what assistance;
2. Has its performance measured in relation to whether objectives of the program were met (e.g. is accountable for meeting HUD-established performance measures);
3. Has responsibility for programmatic decision making;
4. Is responsible for adherence to applicable requirements in the program regulations and HUD's grant agreement with the recipient.

D. USE OF RAPID REHOUSING AND HOMELESSNESS PREVENTION RESOURCES

Although the Town of Cicero understands many Subrecipients have chosen to provide a one-time emergency rent or utility assistance to prevent homelessness in the past, Subrecipients receiving ESG funds should implement activities that will ensure the ongoing housing stability of program participants. The Town of Cicero strongly encourages **each Subrecipient** to focus ESG funding on rapidly rehousing individuals and families living on the streets or in emergency shelters into permanent housing. While both rapid rehousing and homelessness prevention are eligible activities, only rapid rehousing assistance targets those individuals and families living on the streets or in emergency shelters. Effective rapid

rehousing programs help participants to transition out of the homeless assistance system as quickly as possible, decreasing the number of persons who are homeless within a community.

Rapid rehousing also ensures that emergency shelter resources are used to serve individuals and families with the most urgent housing crisis. In contrast, the success of homelessness prevention activities is much more difficult to measure and the prevention assistance is harder to strategically target. These difficulties increase the risk that the use of ESG funds for homelessness prevention assistance will be inefficient at preventing people from going to the streets or shelters. As public and nonprofit resources become increasingly strained, rapid rehousing should be given the highest priority under ESG to help ensure that existing resources-both within and outside the homeless assistance system- are used as efficiently as possible to help those most in need. To help the Town of Cicero achieve the goals and priorities reflected above, Subrecipients should use ESG funds to design and implement programs that will:

- Broaden existing homelessness prevention activities
- Emphasize Rapid Rehousing programs
- Help program participants to quickly regain or obtain stability in permanent housing after experiencing homelessness

E. PLANNING PROCESS

The Town of Cicero Administers the ESG Program with the same timeline as the Consolidated Plan and Annual Action Plan processes. The Town of Cicero also follows the Citizen Participation Plan with specific elements pertaining to ESG (Homeless Participation).

(See Citizen Participation Plan pg. 30-35)

F. TOWN OF CICERO ESG CONTACT INFORMATION

If you have specific program questions, please contact:

Tom M. Tomschin
Executive Director
1634 S Laramie Avenue
Cicero, IL 60804

ORGANIZATIONAL CHART

Tom M. Tomschin
Executive Director

Jose Alanis
Grant Administrator

Argelia Marquez
Assistant Grant Administrator

GRANT ADMINISTRATION, ASSISTANT GRANT ADMINISTRATOR & OTHER REQUIREMENTS

A. JOB DESCRIPTION

Grant Administrator

Administrative

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Lead Administrator in the composition/acceptance and mailing of correspondence, answering inquiries, coordination of ESG activities, and communication with the public
- Maintain ESG files
- Prepare documentation of Annual Action Plan(s) (AAP)
- Prepare documentation for Consolidated Annual Performance Evaluation Report (CAPER)
- Prepare documentation for 5-Year Consolidated Plan(s)
- Assist HUD Representative(s) with audits/monitoring
- Attend meetings with management
- Supervise office staff
- Maintain logistics
- Oversee Environmental Review Officer
- Review and prepare payroll authorization
- Prepare purchase requests and acquire price quotes per United States Department of Housing and Urban Development (HUD) procurement requirements
- Document procurement in accordance with HUD guidelines
- Maintain and submit Activity Reports per HUD
- Other duties as deemed necessary by the Executive Director

Financial Records Management

- Extensive Record Keeping
- Maintain monthly and yearly financial files
- Manage accounts payables and receivables, monitor and pay invoices, prepare bills payable schedule, prepare checks, prepare Integrated Disbursement Information System (IDIS) voucher(s)
- Prepare and execute drawdowns on-line using HUD's IDIS system
- Extensive bookkeeping
- Prepare all reports (monthly, quarterly, and yearly) to HUD, Town of Cicero's Treasurer's Office and any other government entity requiring fiscal reporting

- Reconcile monthly accounts with the Town’s Treasurer’s Office
- Maintain, record, and reconcile all files with HUD, the Town of Cicero’s Treasurer’s Office, contracted Accountant, and Department Attorney.

Subrecipient Project Management

- Prepare applications for ESG funding
- Prepare Subrecipient cooperative agreements
- Process requests for funds
- Conduct semi-annual monitoring sessions for ESG

Assistant Grant Administrator

Administrative

- Compliance of United States Department of Housing and Urban Development (HUD) rules and regulations
- Assist in administering the composition/acceptance and mailing of correspondence, answering inquiries, coordination of Emergency Solutions Grant (ESG) activities and communication with the public
- Maintain ESG files
- Meeting Management – Prepare meeting minutes, assemble discussion materials, agendas, post public notices, and any other required documentation
- Prepare correspondence as needed for ESG activities
- Maintain and submit Employee Activity Reports per HUD
- Other duties as deemed necessary by the Executive Director, Grant Administrator, and Housing Program Director

Financial Records Management

- Extensive Record Keeping
- Maintain monthly and yearly financial files
- Prepare and execute drawdowns on-line using HUD’s IDIS system
- Assist in the preparation of all reports (monthly, quarterly, and yearly)

Subrecipient Project Management

- Prepare applications for ESG funding
- Assist in the preparation of Subrecipient cooperative agreements
- Assist in the preparation of the processing of requests for funds
- Conduct semi-annual monitoring sessions for ESG

B. RECORD KEEPING RESPONSIBILITIES

Section 576.500 describes the record keeping and reporting requirements governing ESG grants. Generally, records including supporting documentation shall be retained for five years from close-out of the grant, unless there are other statutory/regulatory provisions requiring a longer retention period. The Town of Cicero Department of Housing has an internal department policy of retaining record, files, etc. for a period of five years. In addition, sufficient records must be established and maintained to enable the Town of Cicero and HUD to determine whether ESG requirements are being met.

The Town of Cicero's policy for Access to records is in compliance with 2 CFR 200.336. The Town of Cicero also recognizes public rights and reasonable access to records. Any request for records must be processed through the Town of Cicero's Freedom of Information process.

C. FILES AND RECORD MAINTENANCE

The Town of Cicero Department of Housing Administrative staff has a procedure for maintaining files.

- Files are placed in a fire-proof cabinet, which is locked and holds each ESG grant files.
- The Executive Director, Grant Administrator and the Assistant Grant Administrator have access to these files.
- The files contained in the cabinet holds folders for each drawdown.
- Included in the folders will be: the original invoices, the ESG request for funds and the original payable schedule generated by the Grant Administrator.
- The Drawdown vouchers will also be included in the file folders.
- Copies of checks will be kept in the ESG check Register Binder.
- The Grant Administrator maintains the payable file cabinets.

D. SUBRECIPIENT FILE CABINET

- Each Subrecipient needs their own file record for each Program Year
- These files include the following:
 1. Environmental Review
 2. Eligibility Checklist
 3. Annual & Closeout Reporting/Audit
 4. Monitoring
 5. Correspondence
 6. Requests for Funds
 7. Application/Agreement
- As Subrecipients submit information to the Grant Administrator, this information is filed
- The Subrecipient file cabinet is maintained by the Grant Administrator.

E. RECORD RETENTION AND STORAGE

The Town of Cicero Department of Housing has adopted 24 CFR 576.500 as the Record Retention and Storage policy for the ESG Program, as well as requirements of 2 CFR 200.

<https://www.ecfr.gov/current/title-24/subtitle-B/chapter-V/subchapter-C/part-576>

<https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200?toc=1>

- HUD requires record retention for a minimum of 5 years; the Town of Cicero Department of Housing retains records for a minimum of 5 years, depending on the requirements of 24 CFR 576.500
- Storage of files is in a lockable fire-proof cabinet.
- Access to cabinets is limited to specific personnel, based on job description.
- Files that are retained that will not fit in the lockable file cabinets will be boxed up and stored.

Records to be maintained by the Town Subrecipients include (if applicable):

- a. Policies and Procedures – including Confidentiality
- b. Homeless Status
- c. At risk of homeless status
- d. Determinations of ineligibility
- e. Annual Income
- f. Program participant records
- g. Coordinated assessment systems and procedures
- h. Rental assistance agreements and payments
- i. Utility allowance
- j. Shelter and housing standards
- k. Emergency shelter facilities
- l. Services and assistance provided
- m. Coordination with Continuum of Care and other programs
- n. HMIS
- o. Match documentation
- p. Conflict of Interest Documentation
- q. Homeless participation
- r. Compliance with Faith-based activities
- s. Other Federal requirements
- t. Relocation documents
- u. Financial Records
- v. Procurement records
- w. Other records required by HUD

FUNDING PROCESS AND REQUIREMENTS

A. SUMMARY

The Emergency Solutions Grant (ESG) Program was created when the Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act was signed into law on May 20, 2009. The Hearth Act amended and reauthorized the McKinney-Vento Homeless Assistance Act and included major revisions to the existing Emergency Shelter Grant Program. The new Emergency Solutions Grant Program is designed to identify sheltered and unsheltered homeless persons, as well as those at risk of homelessness, and provide the services necessary to help those persons to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.

B. GRANT AWARDS AND SPENDING REQUIREMENTS

The amount of ESG allocation received from the U.S. Department of Housing and Urban Development (HUD) varies each year and is awarded to the Town via an annual Award Notice. Annually the Town of Cicero notifies the Continuum of Care (CoC) of the award amount and requests recommendations on what agencies and/or components should be considered for funding during the program year. Once the information has been received from the CoC, the Town reaches out to potential agencies to be awarded funding. Each potential Subrecipient must complete and return an Application for Funding, along with any required documentation. The Town of Cicero Department of Housing staff has the right to deny funding considerations if all appropriate documentation is not submitted or not submitted in a timely fashion.

The Town of Cicero follows the Consolidated Plan/Annual Action Plan process to solicit ESG projects and ESG Subrecipients (see page 24-28)

DEPARTMENT OF HOUSING CALENDAR

Management Schedule					
Program Year Start Date and Orientation	Public Hearing on CAPER	Capex due to HUD	1st Quarter Status Reports Due	Program Year Applications made available	2nd Quarter Status Reports Due
October 1st	December	January 1st	January 15th	March 1st	April 15th
Program Year Applications Deadline	Annual Action Plan Published for Public Comment	3rd Quarter Status Reports Due	Public Hearing on Action Plan	Annual Action Plan Due to HUD	4th Quarter/Annual Status Reports Due
April 30th	June 15th	July 15th	July 15th	August 15th	October 15th

The Town of Cicero Department of Housing staff reviews the Applications for Funding in order to make a final decision on whom to award the funding and at what amount. Agreements are made between the Subrecipients and the Town of Cicero. The CoC does not contract with the Town of Cicero, unless they are delivering services directly. The Town of Cicero's grant period for the Emergency Solutions Grants Program is 12 months; any funds not expended by the end of contract period will be rolled over into the next fiscal year at the discretion of the Town of Cicero. **Since ESG has a 24-month expenditure requirement, the Town of Cicero uses the Grants Administrator Tracking Form, to ensure any rolled over funds are expended within 24-months of the date HUD signs the Grant Agreement.** The Town of Cicero reserves the right to recapture and/or reallocate ESG funds when Subrecipients do not meet the requirements under the:

1. Contractual Agreement
2. Policies and Procedures Manual (this document)
3. Subsequent instruction, guidance, and Memos from the Town of Cicero and HUD, and
4. ESG regulations outlined in 24 CFR Part 576

C. ELIGIBLE SUBRECIPIENTS

The following entities are eligible to submit an application for funding under ESG:

- 1) **Metropolitan City (MC) /Urban County (UC) Agencies**
- 2) Private Non-Profit Organizations

D. INITIAL BUDGET AND MODIFICATIONS TO BUDGET/MATCH

The Town of Cicero will forward the recommended budget amounts to their respective Subrecipients. At any time that this budget needs to be modified, a Modification Request must be approved by the Town of Cicero Department of Housing. The Town of Cicero reserves the right to approve or deny Modification Requests.

The Town of Cicero will follow the Citizen Participation Policy when considering any budget modifications and/or amendments and will comply with the Substantial Amendment process if applicable (Pages 30-35).

E. MATCH REQUIREMENTS & ELIGIBLE TYPES OF MATCHING CONTRIBUTIONS

An award of ESG funding requires a match with an equal amount of cash or in-kind funds to supplement the ESG program. Matching contributions may be obtained from any source, including any Federal source other than the ESG program, as well as state, local and private sources. **The Town of Cicero passes match requirements to the Subrecipient of an ESG Award. In the event the Town is performing eligible ESG activities, the Town of Cicero is required to provide the required match.**

When determining match eligibility, the Town follows 24 CFR § 576.201 and also incorporates this into any Subrecipient Agreement. Subrecipients must provide the Town with a projection of the sources and uses of match prior to executing a Subrecipient Agreement. The Town will review sources and uses of match during subrecipient monitoring.

However, the following requirements apply:

1. The Town and the Subrecipient must ensure the laws governing any funds to be used as matching contributions do not prohibit those funds from being used to match ESG funds.
2. If ESG funds are used to satisfy the matching requirements of another Federal program then funding from that program may not be used to satisfy the matching requirements under this ESG Grant.
3. The matching contributions must meet all requirements that apply to the ESG program, found at 24 CFR 576, including participant eligibility and cost eligibility.
4. Non-cash contributions must be made within the same period.
5. Contributions used to match a previous ESG grant may not be used to match a subsequent ESG grant.
6. Contributions that have been or will be counted as satisfying a matching requirement of another Federal grant or award may not count as satisfying the matching requirement of the ESG allocation.

Eligible types of matching contributions may be met by one or both of the following:

1. Cash contributions: Cash expended for allowable costs under the ESG program, may be considered. When the source is cash, written documentation should be provided on the source agency's letterhead, signed and dated by an authorized representative, and, at a minimum, should include the following:

1. Amount of cash to be provided to the recipient for the project;
2. Specific date the cash will be made available;
3. The actual grant and fiscal year to which the cash match will be contributed;
4. Time period during which funding will be available; and
5. Allowable activities to be funded by the cash match.

Recipients/Subrecipients must provide HUD with match documentation prior to grant agreement execution.

2. Non-cash contributions: The value of any real property, equipment, goods, or services contributed to the Subrecipient's ESG program, provided that if the Subrecipient had to pay for them with grant funds, the costs would have been allowable. Noncash contributions may also include the purchase value of any donated building. When the source of match is in-kind goods and/or equipment, written documentation must conform to 2 CFR Part 200 and the standards described below.

Written documentation of the donation of in-kind goods and/or equipment must be provided on the source agency's letterhead, signed, and dated by an authorized representative of the source agency, and must, at a minimum, include the following:

1. Value of donated goods to be provided to the recipient for the project
2. Specific date the goods will be made available
3. The actual grant and fiscal year to which the match will be contributed

4. Time period during which the donation will be available
5. Allowable activities to be provided by the donation
6. Value of commitments of land, buildings, and equipment – the value of these items is one-time only and cannot be claimed by more than one project or by the same project in another year

Documentation of match must be provided to The Town of Cicero Department of Housing with Quarterly Status reports and when requesting funds (if applicable), and prior to grant close out. Town of Cicero Department of Housing must verify Match Calculations.

Ineligible types of matching contributions:

1. Examples of ineligible cash match include:

- Mainstream benefits paid directly to program participants
- CoC Program funds
- Match funds already designated for another project
- Program participant savings (belong to participant, not program)
- Funds from other sources that are spent on ineligible CoC activities

2. In-kind match must directly contribute to the project. Examples of ineligible in-kind match include:

- Routine volunteer contributions that would occur whether or not your project existed (e.g., ongoing volunteer gardeners that visit agency weekly)
- Routine operations and activities of program partners (e.g., volunteer contributions for a food pantry that does not provide food for the CoC funded project)
- “Potential” or “estimated” services and donations. The in-kind donation must have been made.
- Services that would otherwise not be eligible costs with CoC program funds such as bed linens or furniture that would become the property of the program participant.
- Services funded by funds that are disallowed from being used as match.

CONTINUUM OF CARE (COC) & SERVICE COORDINATION REQUIREMENTS

A. CONTINUUM OF CARE (COC)

The Continuum of Care (CoC) is a community plan to organize and deliver housing and services to meet the specific needs of people who are homeless as they move to stable housing and maximum self-sufficiency. It includes action steps to end homelessness and prevent a return to homelessness. The US Department of Housing and Urban Development (HUD) initiated the Continuum of Care process in 1994 to encourage a coordinated, strategic approach to planning for programs that assist homeless individuals and families.

This change encouraged communities to develop comprehensive systems to address the range of needs of different homeless populations. To apply for these funds, jurisdictions must submit a Continuum of Care Plan that demonstrates broad participation of community stakeholders and that identifies the

resources and gaps in the community's approach to providing the range of homeless services. These services include: homelessness prevention; outreach; emergency, transitional, and permanent housing; and related services for people who are homeless. Community stakeholders determine local priorities for funding.

B. AREA-WIDE SYSTEMS OF COORDINATION REQUIREMENTS

The Town of Cicero consults with the Alliance to End Homelessness in Suburban Cook County (CoC) to develop:

1. How to allocate ESG funding.
2. Project performance standards, including outcome measures for projects and activities.
3. Funding policies and procedures for administration and operation of HMIS.

Subrecipients requesting ESG funding must demonstrate collaboration and document that proposed activities will assist the CoC in meeting identified outcomes. All Subrecipients must coordinate and integrate, to the maximum extent practicable, ESG-funded activities with other programs targeted to homeless people in the area covered by the CoC or area over which the services are coordinated to provide a strategic, community-wide system to prevent and end homelessness in that area. Subrecipients must document how these and other programs will be used in collaboration with proposed ESG-funded activities.

C. COORDINATED ENTRY SYSTEMS

Once the CoC has developed a centralized entry system in accordance with requirements to be established by HUD, each ESG-funded program or project within the CoC's jurisdiction must participate in that assessment system.

Acceptance of an ESG award means the Subrecipient agrees to participate in the coordinated entry system implemented by the local CoC. All Subrecipients must work with the CoC to ensure that screening, assessment, and referral of program participants are consistent with the written standards required in the next section. A victim service Subrecipient may choose not to use the CoC's centralized or coordinated assessment system, but the information must still be provided using anonymous data via a secure process.

When the Town of Cicero is performing eligible ESG activities, the Town must maintain documentation to show compliance with Coordinated Entry. When Coordinated Entry is passed through a Subrecipient, the Subrecipient must maintain documentation to show compliance with Coordinated Entry (24 CFR 576.500). Town of Cicero Department of Housing staff will verify documentation maintained during monitoring visits, or through formal requests for documentation, per access to records requirements, including documentation evidencing the use of, and written intake procedures for, the centralized or coordinated assessment system(s) developed by the Continuum of Care.

The Town of Cicero will also work with the Alliance to End Homelessness to ensure that ESG recipients are trained on Coordinated Entry policies and procedures.

The Town of Cicero will seek written confirmation from the Alliance to End Homelessness in Suburban Cook County (the collaborative applicant for Suburban Cook County Continuum of Care IL-511) of a subrecipient's participation and good standing in Continuum of Care processes including HMIS and Coordinated Entry.

D. WRITTEN STANDARDS REQUIREMENTS

The Town of Cicero follows Written Standards to be compliant in all grants awarded by HUD. At a minimum, the ESG Written Standards includes:

- Standard policies and procedures for evaluating individuals' and families' eligibility for assistance under ESG;
- Standards for targeting and providing essential services related to street outreach;
- Policies and procedures for admission, diversion, referral and discharge by emergency shelters assisted under ESG, including standards regarding length of stay, if any, and safeguards to meet the safety and shelter needs of special populations, e.g., victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing and are likely to be homeless the longest;
- Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter;
- Policies and procedures for coordination among emergency shelter providers, essential services providers, homelessness prevention, and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers (see §576.400(b) and (c) for a list of programs with which ESG-funded activities must be coordinated and integrated to the maximum extent practicable);
- Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive rapid re-housing assistance;
- Standards for determining what percentage or amount of rent and utilities costs each program participant must pay while receiving homelessness prevention or rapid re-housing assistance;
- Standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time; and
- Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum 5 amount of assistance; maximum number of months the program participant may receive assistance; or the maximum number of times the program participant may receive assistance.
- **Written Standards are incorporated into this document as Exhibit 16.**

The Written Standards must also include collaboration with the Continuum of Care (CoC), process of making sub-awards, homeless participation requirements and performance standards for evaluating ESG activities. These standards are explained throughout this Policy and Procedure Manual.

ELIGIBLE & INELIGIBLE ACTIVITIES

There are six major eligible activities under ESG:

1. Street Outreach,
2. Emergency Shelter (includes supportive services),
3. Rapid Rehousing,
4. Homelessness Prevention,
5. HMIS, and
6. Administration

Participant eligibility for each activity is specific, and is detailed in the chart below:

ESG Component	Eligible Categories of “Homeless” ¹	Eligible if Meet “At-Risk” Definition ²
Street Outreach	Category 1 OR Category 4; AND must be living on the streets (or other places not meant for human habitation) and be unwilling or unable to access services in emergency shelter	
Emergency Shelter	Categories, 1, 2, 3 or 4	
Rapid Re-Housing	Category 1 OR Category 4 and live in an emergency shelter or other place described in paragraph (1) of the “homeless” definition	
Homelessness Prevention	Categories 2, 3 or 4 AND have an income below 50% Area Median Income	Any category of the At-Risk definition

A. STREET OUTREACH

- Essential Services include street outreach services for:
 1. Engagement
 2. Case Management
 3. Emergency health and mental health services
 4. Transportation
 5. Services to a special population**

**Special Populations include Homeless Youth, Homeless Persons with HIV/AIDS, Homeless Victims of Domestic Violence, Sexual Violence, and Stalking.

Ineligible Costs for Street Outreach:

- Services performed in a building or not on the street.
- Motel/Hotel Vouchers
- Any activities not explicitly detailed in the regulations

¹ https://files.hudexchange.info/resources/documents/HomelessDefinition_RecordkeepingRequirementsandCriteria.pdf

² https://files.hudexchange.info/resources/documents/AtRiskofHomelessnessDefinition_Criteria.pdf

- Any other ineligible expenses listed in the ESG regulations/manuals/program notices.

B. EMERGENCY SHELTER

- Essential Services include:
 1. Case management
 2. Child care, education, employment, and life skills services
 3. Legal services
 4. Health, mental health, and substance abuse
 5. Transportation services
 6. Services for special populations
- Shelter activities include:
 1. Renovation (including major rehab or conversion)
 2. Operations (e.g., maintenance, utilities, furniture, food)

Street outreach and emergency shelter expenditures are capped. Combined street outreach and emergency shelter expenditures from each fiscal year's ESG grant cannot exceed 60% of that fiscal year's total ESG grant award.

Ineligible Costs for Emergency Shelter:

- Services performed on the street (those should be offered under Street Outreach).
- Any activities not explicitly detailed in the regulations
- Any other ineligible expenses listed in the ESG regulations/manuals/program notices.

C. RAPID RE-HOUSING

- Can be used to help a homeless individual or family move into permanent housing and achieve housing stability
- Eligible Activities:
 1. Housing Relocation and Stabilization Services
 2. Short-and Medium-Term Rental Assistance

Ineligible Costs for Rapid Re-Housing:

- Services to program participants who are not Literally Homeless under HUD's definition.
- Motel/Hotel Vouchers
- Travel costs, car repair or transportation costs for participants
- Medical or dental care and medicines
- Clothing, grooming, or pet care
- Home furnishings
- Work or education related materials
- Payment of temporary storage fees in arrears
- Any activities not explicitly detailed in the regulations
- Any other ineligible expenses listed in the ESG regulations/manuals/program notices.

D. HOMELESS PREVENTION

- Can be used to prevent an individual or family from becoming homeless
- To help an individual or family regain stability in current housing or other permanent housing
- Eligible Activities:
 1. Housing Relocation and Stabilization Services
 2. Short and Medium Rental

Allowable activities for both Homelessness Prevention and Rapid Re-housing components includes: moving costs, housing search/placement, rent application fees, housing stability case management, security deposit, last month's rent, and mediation and legal services.

Ineligible Costs for Homeless Prevention:

- Services to program participants who are not at imminent risk or at risk of HOMELESSNESS under HUD's definition.
- Motel/Hotel Vouchers
- Travel costs, Car repair or transportation costs for Participants
- Medical or dental care and medicines
- Clothing, grooming, or Pet care
- Home furnishings
- Work or education related materials
- Payment of temporary storage fees in arrears
- Any activities not explicitly detailed in the regulations
- Any other ineligible expenses listed in the ESG regulations/manuals/program notices.

E. HMIS

Eligible costs for recipients that are HMIS Lead Agencies:

- Hosting and maintaining software or data
- Backing up, recovering, or repairing software or data
- Upgrading, customizing, and enhancing the HMIS
- Integrating and warehousing data
- Administering the HMIS Reporting
- Conducting training on using the HMIS
- Computer hardware, software, and software licenses
- Office space, utilities, and equipment
- Obtaining technical support
- Salaries for HMIS operation
- Staff travel (training and program participant intake)
- Participation fees charged by the HMIS Lead

Ineligible Costs for HMIS:

- Any activities not explicitly detailed in the regulations
- Any other ineligible expenses listed in the ESG regulations/manuals/program notices.

When the Town of Cicero is performing eligible ESG activities, the Town must maintain documentation to show compliance with HMIS, by keeping records of the participation in HMIS or a comparable database.

When HMIS is passed through a Subrecipient, the Subrecipient must maintain documentation to show compliance with HMIS (24 CFR 576.500), by keeping records of the participation in HMIS or a comparable database. Town of Cicero Department of Housing staff will verify documentation maintained during monitoring visits, or through formal requests for documentation, per access to records requirements.

LEAD-BASED REQUIREMENTS

The lead-based paint requirements exist to protect vulnerable families from potential health hazards. To prevent lead-poisoning in young children, ESG Subrecipients must comply with the Lead-Based Paint Poisoning Prevention Act of 1973 and its applicable regulations found at 24 CFR 35, Parts A, B, H, J, K, M, and R.

Under ESG, the rule is that a lead-based paint visual assessment must be completed for all units that meet the three following conditions:

- The household living in the unit is being assisted with ESG financial assistance (rent assistance, utilities assistance, utility/security deposits, or arrears),
- The unit was constructed prior to 1978, AND
- A child under the age of six is or will be living in the unit.

Under ESG, the lead requirements apply regardless of whether a household is remaining in an existing unit or moving to a new unit. The visual assessment must be completed prior to ESG assistance being provided, and annually thereafter.

Subrecipients are responsible for ensuring that property owners and managers meet the lead-based paint requirements. It may be helpful for Subrecipients to think about the requirements in two categories:

DISCLOSURE REQUIREMENTS:

Disclosure requirements are triggered for ALL properties constructed prior to 1978. These requirements require that lessors (property owners or managers) provide tenants with:

- HUD's disclosure form for rental properties disclosing the presence of known and unknown lead-based paint; AND
- A copy of the "Protect Your Family from Lead in the Home" pamphlet. Both the disclosure form and pamphlet are available at:

<http://www.hud.gov/offices/lead/enforcement/disclosure.cfm>

As explained, this requirement actually relates to property owners/managers, but sharing this information with your participants (or ensuring they have received it) is an easy thing to do and will make your job easier.

THE VISUAL ASSESSMENT

A visual assessment for ESG funded units are only triggered under certain circumstances:

- The leased property was constructed before 1978; AND
- A child under the age of six will be living in the unit occupied by the household receiving ESG assistance.

Staff may become a HUD-Certified Visual Assessor by successfully completing a 20-minute online training on HUD's website at:

<http://www.hud.gov/offices/lead/training/visualassessment/h00101.htm>

Depending on the results of the visual assessment, additional steps may be required before assistance can be provided for that unit, as the unit needs to be brought into compliance. There are certain exceptions to the rule. Visual assessments are not triggered under the following circumstances:

- It is a zero-bedroom or single room occupancy (SRO-sized) unit;
- X-ray or laboratory testing of all painted surfaces by certified personnel has been conducted in accordance with HUD regulations and the unit is officially certified to not contain lead-based paint;
- The property has had all lead-based paint identified and remove in accordance with HUD regulations;
- The participant is receiving Federal assistance from another program, where the unit has already undergone a visual assessment within the past 12 months – e.g., if the participant has a Section 8 voucher and is receiving ESG assistance for a security deposit or arrears (note, in such cases, ESG staff are required to obtain documentation that a visual assessment has been conducted from the Subrecipient administering the other form of assistance for the ESG case file); or
- It meets any of the other exemptions described in 24 CFR Part 35.115(a).

If any of the conditions outlined above are met, staff simply needs to document the condition and place a copy in the case file.

F. ADMINISTRATION

Salaries, wages, and related costs of the Town of Cicero Department of Housing staff, the staff of Subrecipients, or other staff engaged in program administration can be paid using ESG funds. In charging costs to this category, the Town may either include the entire salary, wages, and related costs allocable to the program of each person whose *primary* responsibilities with regard to the program

involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes *any* program administration assignments.

Eligible Administrative costs include:

- Providing management, oversight, and coordination
- Monitoring programs and evaluating performance
- Training on ESG requirements
- Preparing ESG & homelessness-related sections of the Plan
- Carrying out environmental review responsibilities
- Up to 7.5% of grant may be used for administrative costs

Ineligible Costs for Administration:

- Any activities not explicitly detailed in the regulations
- Any other ineligible expenses listed in the ESG regulations/manuals/program notices.

ADMINISTRATION OF THE ESG PROGRAM

A. FUNDING ALLOCATION PROCEDURE

Each year, the Town of Cicero Department of Housing Develops an Annual Action Plan based on the funding allocations of all Department Programs and must be submitted to HUD by August 15th.

The Town of Cicero follows the Consolidated Plan/Annual Action Plan process for solicitation of projects and Subrecipients (see pages 24-28).

The following is the process the Town undertakes to comply with each ESG grant.

- To determine funding allocations for ESG Subrecipients, individual applications for each Subrecipient are reviewed by the department and consulted with the Town of Cicero's President's Office. This review process determines if the proposed activities from the Subrecipient are eligible or not, for funding.
- Review of applications includes:
 - ESG Eligibility
 - Eligible recipient
 - Eligible beneficiary
 - Eligible program components
 - Activities benefit homeless as defined in 24 CFR 576.2
 - Capacity of the applicant
 - Past experience with the applicant (if applicable)
- Once all applications have been reviewed and discussed by the department staff and the President's Office, the President of the Town of Cicero makes the final decision on the funding allocations for all Subrecipients. All applicable HUD regulations are followed, and all applicants are given an equal chance in obtaining funds.

- Once the Town of Cicero Department of Housing drafts the Annual Action Plan, it submits the plan to HUD by August 15th for review with comments received from the required Public Hearing.
- Once HUD approves the plan, the formal agreement is sent to the Town President for review and signature. The Department of Housing then sends a scanned copy of the signed agreement to HUD. This formal agreement is then filed in the Annual Action Plans binder.
- The Grant Administrator/Assistant Grant Administrator starts the environmental review process through the HEROS database.
- Once the Environmental Review is completed, an orientation meeting is set up between the Town of Cicero and the awarded Subrecipients, where they are given the required documents that will need to be used and submitted for compliance with the program. The documents include the Agreement, the Notice to Proceed, the Request for Funds sheet, the Quarterly Status Reports and the Annual Status Reports. The Subrecipients are notified of the process required to get reimbursed for their incurred costs. They must submit the Request for Funds sheet and all supporting documentation (payroll time sheets, copies of paid checks, activity sheets, copies of bills/invoices, etc.). All other documents must be submitted in a timely manner or reimbursements will not be processed.
- Once formal agreements between the Town of Cicero and the Subrecipient(s) are signed, the Grant Administrator creates all of the proposed activities in the IDIS system and obligates said activities.

B. PAYABLE PROCEDURE

- As requests for payments are submitted, the Grant Administrator begins to maintain a file for the drawdowns. The Grant Administrator will review all documents to ensure accuracy and eligibility with ESG guidelines. The Grant Administrator also ensures the accuracy of the request for funds and the accuracy of the remaining balance. Once the request is reviewed by the outside Accountant, the Grant Administrator will drawdown the requested amount from the IDIS system. The Executive Director will then review said request and approve the drawdown.
- Once the drawdown is completed, the Grant Administrator creates the checks and gets the checks signed by the Town Supervisor. Once the checks have been dispersed the Grant Administrator files the documents in their proper file cabinet. Copies of checks are made and maintained in the Department's Check Register binder. Copies of the payout are also submitted to the Town's Accounting Department.

C. SUBRECIPIENTS

Attached (Attachment 1) is the Town of Cicero's ESG Subrecipient Application. Potential ESG Subrecipients need to submit an application in order to be considered for ESG funding. Once applications are submitted, they are reviewed for accuracy and eligibility by the department staff and the President's Office. The Town President makes the final determination on the funding allocations for all Subrecipients.

After HUD approves the Annual Action Plan, the Grant Administrator/Assistant Grant Administrator starts the environmental review process through the HEROS database. ***(No projects can be bid out, no contracts can be signed and no activities can be obligated until the Environmental Review process is completed.)***

Once the Environmental Review is completed, an orientation meeting is set up between the Town of Cicero and the awarded Subrecipients, where they are given the required documents that will need to be used and submitted for compliance with the program. The documents include the Agreement, the Notice to Proceed, the Request for Funds sheet, the Quarterly Status Reports and the Annual Status Reports. The Subrecipients are notified of the process required to get reimbursed for their incurred costs. They must submit the Request for Funds sheet and all supporting documentation (payroll time sheets, copies of paid checks, activity sheets, copies of bills/invoices, etc.). All other documents must be submitted in a timely manner or reimbursements will not be processed.

Finally, the Grant Administrator creates all of the proposed activities in the IDIS system and obligates said activities.

In order for Subrecipient(s) to be compliant, the Town of Cicero Department of Housing will hold annual monitoring sessions with the Subrecipient(s) in order to determine if the Subrecipient(s) are in compliance and following HUD rules and regulation pertaining to the ESG program.

Once the monitoring session is held, the Department of Housing staff will determine if any concerns or findings were discovered. If concerns or findings are discovered, appropriate corrected action needs to be submitted to the Town within 45 days of the date of the monitoring.

In order to be compliant, Subrecipients need to:

- Submit all required documentation to comply with the ESG program guidelines. ***(Checks will not be dispersed if the required documentation is not submitted in a timely manner.)***
- Maintain their ESG files in a lockable fire-proof cabinet.
- Maintain ESG files for a period of 5 years.

D. ADMINISTRATION PROCESS

- Grant Administrator creates a file for all ESG Subrecipients.
- The Grant Administrator reviews all invoices and documentation verifying HUD guidelines.
- The Grant Administrator creates a Bills Payable Schedule form.
- The Grant Administrator submits all documentation to the outside accountant and the Executive Director for review and approval.

- The Grant Administrator creates the drawdown in the IDIS system.
- The Grant Administrator verifies after 1-2 business days with the bank that the deposit has been made.
- The Grant Administrator prepares the check(s) to be signed by the Town Supervisor.
- The Grant Administrator submits all documentation and bills payable schedule to the Town of Cicero’s Accounting Department.
- The Grant Administrator mails checks to the Subrecipients.

E. WIRE TRANSFERS

Once drawdowns are approved by the Executive Director or Grant Administrator, the Town of Cicero Department of Housing draws down needed funds from IDIS, which wires the money into the Department of Housing ESG Bank Account. Drawdowns are made on Thursdays, giving time over the weekend for the money to be wired into the account.

Monday morning, the Grant Administrator calls the bank to verify the funds have been wired into the account. Once verified, checks are written out utilizing Quick Books. Checks and the payable schedule are then brought to Town Hall to be verified and signed by the Town Supervisor/Treasurer.

Once checks are signed, copies are made for the Town of Cicero Accounting Department and the Department of Housing internal Check Register. Signed checks are then sent to all necessary parties.

F. Check Signing Authority

The Town of Cicero Department of Housing submits all checks to the Town of Cicero Treasurer for signing. The Treasurer’s Office is the only authority allowed to sign the Department of Housing checks. The Housing Director or Grant Administrator submits the checks to the Treasurer’s office.

G. Subrecipient Maintenance

- Throughout the year, Subrecipients are monitored by the Grant Administrator and Assistant Grant Administrator to ensure compliance with HUD regulations and to ensure timely use of funds. The Grant Administrator contacts the Subrecipients to schedule a date and time for the monitoring session. At the monitoring, the Grant Administrator/Assistant Grant Administrator review the Subrecipients files as well as performs a monitoring checklist to address any findings or concerns during the monitoring session. If concerns or findings are discovered, appropriate corrected action needs to be submitted to the Town within 45 days of the date of the monitoring.
- Town of Cicero Department of Housing utilizes a “monitoring checklist” to monitor all Subrecipients of ESG consistently (see Exhibit 7).
- Subrecipients are required to submit quarterly status reports and an annual status report to the Department of Housing. These status reports contain necessary information to be tracked in the IDIS and the HMIS systems.
- When the Subrecipients submit their final request for funds by expending their entire grant, the Grant Administrator “completes” the activity in IDIS to ensure no more drawdowns are allowed for the activity.

- If a Subrecipient does not expend their entire grant in the program year, a letter is sent to the Subrecipient informing them of the money they have lost by not expending their funds in the contracted time period. The Grant Administrator then “completes” the activity in IDIS to ensure no more drawdowns are allowed for the activity.
- The Executive Director then drafts an Annual Action Plan amendment notifying the public of the difference from funds allocated and funds spent. The remaining funds may then be reallocated to a future activity in which another amendment would be made available.

H. INTEGRATED DISBURSEMENT AND INFORMATION SYSTEM (IDIS)

The Integrated Disbursement and Information System (IDIS) is an integrated financial and programmatic information system designed to provide up-to-date information for HUD and the grantees on Subrecipients and activities funded and disbursement of grant funds for these activities. HUD staff will be able to use IDIS to obtain reports on activities funded in a specific program year and funds expended for these activities.

The Town of Cicero Department of Housing follows HUD’s requirement of tracking all expenditures and benefits of our Emergency Solutions Grant (ESG) through IDIS.

Basic Knowledge required of IDIS is:

1. Setting up Programs and activities
2. Funding Activities
3. Drawing Down Funds

I. AUDITS

Audit reports are critical for determining whether the Town and the Subrecipients have met financial management requirements. Audits should be conducted annually and should be filed for both the Town of Cicero and all Subrecipients. Subrecipients need to submit copies of their agency’s annual audits to the Department of Housing for review. The Department of Housing will be required to review said audits for any findings or concerns that would pertain to the Town of Cicero’s ESG funding. Any findings or concerns should be addressed by the agency and a copy of corrected action should be submitted to the Town of Cicero for review and approval.

The Town of Cicero will also contract an auditing firm to perform a single-audit for the Town for all HUD grants. The auditor will follow HUD procedures required under the 2 CFR 200 rules and regulations. Once audits are concluded, any findings will be addressed by the Town prior to the submission of said audit to the Federal Audit Clearinghouse.

MONITORING

As a recipient of federal ESG funds, The Town of Cicero is responsible for managing the day-to-day operations of all ESG funded activities and ensuring that ESG funds are used within all applicable requirements. Monitoring is the primary tool to ensure that this happens.

The three primary goals of monitoring are:

1. Ensure production and accountability.
2. Ensure compliance with ESG and other federal requirements.
3. Evaluate organizational and project performance.

At the end of every grant year, an outside agency completes an audit of the Town's financial system. As part of the auditing process, a "single audit" is completed per 2 CFR 200 (formerly OMB Circular A-133), for the federal funds that the Town received during the previous fiscal year.

Any outside agency that receives funds through a subrecipient agreement will also be subject to periodic monitoring.

Each ESG Subrecipient must submit quarterly progress reports. When submitting reimbursement requests, supporting documentation must be submitted for review before any reimbursement will occur.

Town of Cicero Department of Housing staff also conducts an on-site monitoring visit(s) to all ESG funding. This monitoring occurs after the agency submits their first progress report. The Town of Cicero utilizes a checklist (Exhibit 7) at monitoring sessions, and also reviews documentation per 2 CFR 200 subpart D.

Monitoring will focus on, but not limited to:

1. Program Requirements
2. Financial Management Systems
3. Homeless Prevention Programs
4. Rapid Rehousing Programs
5. Participant Files
6. CoC Participation
7. HMIS
8. Homeless Activities

FINANCIAL MANAGEMENT

The Town of Cicero Department of Housing follows HUD's Federal Requirements for Financial Management & Recording. Financial management is the process of using funds effectively, efficiently and transparently. It is accomplished through a combination of procedures, methods, rules of conduct and standards. Effective and efficient financial management systems have key characteristics in common.

The critical characteristics of good financial management include:

- Transparency and clear accountability at all levels of operation
- All parties are held accountable for making good financial decisions and following all rules and regulations.
- Expenditures are planned, then checked against the plan (e.g. an approved budget)
- Costs are reasonable, allowable and appropriately allocated to the correct source
- Funds do not sit idle and are protected from misuse
- Records are clearly understood by any accountant
- Reports generated are useful to program managers and agency leadership

HUD expects grantees and Subrecipient financial management systems to include the following key components: budgeting, internal controls, federal cost principles, accounting and record keeping, procurement, reporting and audits. Sound financial management requires that all of these components work properly and in connection to one another.

These requirements include:

- Internal Controls to safeguard cash, inventory and equipment
- A register of cash receipts and disbursements
- A record of all non-cash transactions
- A general ledger showing the status of each ESG account
- A fixed account ledger
- A record of drawdowns, funds received, and balances of funds

The Town of Cicero Department of Housing will also never request more funds that are needed for payments.

In addition to HUD's Federal Requirements for Financial Management and Recording, the Town of Cicero has maintained the process of having an outside accounting firm that reviews all payables schedules as well as any other financial procedures. Along with the outside accounting firm, the Town of Cicero Department of Housing staff and the Town of Cicero's Treasurer's Office review the financial payables prior from checks being created and disbursed. **The Town of Cicero Department of Housing also follows The Town of Cicero Grant Management Policy, and work in conjunction with the Town of Cicero Department of Financial Affairs. (See Exhibit 17)**

The following is the financial process towards creating, paying and maintaining drawdowns:

- The Grant Administrator reviews any Request for Funds submission from the Subrecipient(s) including the Match Requirement document for eligibility.
 - Request for Funds must be on a Town of Cicero approved form
 - Supporting documentation must be attached for each cost requested, in a clear and concise manner, to allow for eligibility and allocability determination.
 - Supporting documentation will be determined based on cost requested, for example:
 - Salary reimbursement
 - Copies of payroll documentation
 - Signed Time Sheets
 - Signed Activity Sheets
 - Signed Time Allocation Sheets
 - Fringe Benefits (if applicable)
 - Rental payments
 - Copies of paid rents
 - Copies of lease agreement
 - Copies of intake sheets and rental calculation determination
- After the information is reviewed, the Grant Administrator creates a payable schedule with the items along with the supporting documentation.
- There are two payouts made per month.
- When the payable schedule is created, the outside accounting firm reviews the schedule as well as the supporting documentation.
- Once approved by the firm, the drawdown request is made in the IDIS system by the Grant Administrator and a copy of the drawdown request voucher is printed and filed with the payable schedule.
- The Executive Director next reviews the payable schedule and supporting documents for approval of the IDIS drawdown voucher.
- The Grant Administrator verifies after 1-2 business days with the bank that the deposit has been made.
- The Grant Administrator prepares the check(s) to be signed by the Town Supervisor.
- The Grant Administrator submits all documentation and bills payable schedule to the Town of Cicero's Accounting Department.
- The Grant Administrator mails checks to the Subrecipients.

Below is the Chapter in the Playing by the Rules handbook, which describes HUD's Record Keeping and Reporting Requirement.

<https://www.hudexchange.info/resource/687/playing-by-the-rules-a-handbook-for-cdbg-subrecipients-on-administrative-systems/>

VIII. ESG-CV

EMERGENCY SOLUTIONS GRANT CARES ACT

During FY 2020 the Town of Cicero was awarded Emergency Solutions Grant CARES ACT (ESG-CV) funding to prevent, prepare for and respond to the Coronavirus. To assist recipients in ensuring that an activity being paid for with ESG-CV funds is eligible, the Town and Subrecipients should consider the following:

1. Prevent...coronavirus means an activity designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents. This includes providing Personal Protective Equipment to staff and program participants, paying for non-congregate shelter options such as hotels and motels, paying for handwashing stations and portable toilets for use by people living in unsheltered situations, and providing rapid re-housing or homelessness prevention assistance to individuals and families who are homeless or at risk of homelessness (as applicable) to reduce their risk of contracting or further spreading the virus.
2. Prepare for...coronavirus means an activity carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction to plan to keep people healthy and reduce the risk of exposure to coronavirus and avoid or slow the spread of the disease. This includes updating written standards to prioritize people at severe risk of contracting coronavirus for shelter and housing consistent with fair housing and nondiscrimination requirements, adapting coordinated entry policies and procedures to account for social distancing measures or increased demand, developing a strategy and recruiting landlords to provide housing to people experiencing homelessness or at risk of homelessness, training homeless providers on infectious disease prevention and mitigation, and implementing a non-congregate shelter strategy to reduce the spread of coronavirus.
3. Respond to coronavirus means an activity carried out once coronavirus has spread to people experiencing homelessness, provider staff, or once individuals and families lose or are at risk of losing their housing as a result of the economic downturn caused by coronavirus. This includes transporting individuals and families experiencing homelessness to medical appointments, paying for shelter to isolate individuals who have contracted coronavirus from other program participants and people experiencing homelessness, providing rental assistance to those who are at risk of losing their housing, have already become homeless, or continue to experience homelessness due to the economic downturn caused by coronavirus, and providing hazard pay to recipient or subrecipient staff who put their own health at risk to continue to provide necessary services to individuals and families experiencing homelessness or at risk of homelessness.

The Administration, Financial and Oversight process for the ESG-CV are based on these policies and procedures, excluding match requirements, and adding PPR requirements.

EXHIBITS

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Town of Cicero Community Development Block Grant CARES Act (CDBG-CV) Funds Proposal Overview

Introduction

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development (HUD) has allocated Community Development Block Grant CARES ACT (CDBG-CV) funding to the Town of Cicero. The Town has budgeted funds to support COVID-related expenses incurred by public services providers to prevent, prepare for, and respond to COVID-19. The CDBG-CV funds were authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) announced last year.

Per the expedited amendment process approved by HUD, the Town amended its Citizen Participation Plan, 2015-2019 Consolidated Plan, and 2019 Annual Action Plan to enable use of the CDBG-CV funds. The amended plans serve as the Town's budget and formal application to HUD for the CDBG-CV funds.

After careful consideration of the CDBG-CV guidelines, the Town identified the following priority activities to meet the needs of the community with this application:

- Shelter
- Community Integrated Living Arrangement (CILA) Group Homes
- Meals
- Other Health and Human Services

The Town may consider funding other activities as long as they meet CDBG-CV eligibility requirements.

See the [Quick Guide to CDBG Eligible Activities to Support Coronavirus and Other Infectious Disease Response](#) and [Guide to National Objectives and Eligible Activities for CDBG Entitlement Communities](#) for more information on eligible activities.

Please note that HUD has removed the 15% cap on funding for increased public services in order to prevent, prepare for, and respond to COVID-19.

Application Materials

The application form on the pages that follow was developed to establish a uniform proposal for organizations requesting the Town of Cicero's CDBG-CV funds. Each question must be fully addressed

and further details of an applicant's operations may be attached. If an applicant is requesting funding for more than one project, a separate grant proposal must be submitted for each program or service.

Application deadline:

Date and Time

- **Proposals will not be accepted after this date and time, and incomplete applications may be rejected.**
- **Submit 1 copy of your application to ttomschin@thetownofcicero.com, or**

Town of Cicero – Department of Housing

Attn: Tom Tomschin – Executive Director

1634 S Laramie Avenue, Cicero, Illinois 60804

If you have any questions about program eligibility or the application form, please contact Tom Tomschin at ttomschin@thetownofcicero.com or 708-656-8223.

Vision and Goals of the Town of Cicero’s CDBG-CV Program

The Town of Cicero’s CDBG program will provide a better quality of life for low/moderate-income residents through projects and service activities. Cicero’s CDBG-CV programs will support a COVID-19 pandemic response with a focus on supporting low/moderate-income residents and businesses through public service and economic development activities. The Town’s goals to achieve this vision are to:

- Ensure housing is affordable, accessible, and sustainable,
- Provide financial assistance for programs and services, and
- Conduct planning and administration activities

Review of Applications

The Town of Cicero will review the completed applications using the following criteria:

1. Eligibility: The proposal meets all six (6) of the requirements for CDBG-CV funding:
 - a. Meets immediate community need,
 - b. Eligible activity according to CDBG categories,
 - c. Fulfills at least one CDBG national objective,
 - d. Benefits low/moderate-income persons or households,
 - e. Ensures non-duplication of benefits
 - f. Prevents, prepares for, or responds to the Coronavirus
2. Effectiveness: The number of Cicero residents assisted per dollar of funding.

3. Capacity: Agency's history and capacity to meet administrative requirements.
4. Duplication: Avoids duplication of services with existing programs.
5. Alignment: The proposal meets the spirit and intent of the Town's 2015-2019 Consolidated Plan and Annual Action Plan for Program Year 2019, as amended to support CDBG-CV activities.

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Town of Cicero

CDBG-CV CARES ACT – Application

Contact Information

Organization Name: [Click here to enter text.](#)

DUNS (Dun and Bradstreet) Number: [Click here to enter text.](#)

(A DUNS Number is required to receive federal funding)

<https://www.dnb.com/duns-number/get-a-duns.html>

Contact Name: [Click here to enter text.](#)

Title: [Click here to enter text.](#)

Signature: _____

The information on this application is accurate to the best of my knowledge. Inaccurate, missing, or misleading information may cause this application to be rejected.

Mailing Address 1: [Click here to enter text.](#)

City, State, Zip: [Click here to enter text.](#)

Telephone Number: [Click here to enter text.](#)

Fax Number: [Click here to enter text.](#)

Email Address: [Click here to enter text.](#)

A. Project / Activity

1. Project Description

Describe the project / activity for which funds are requested, including the purpose, clientele, duration, and goals. Explain any new or increased levels of service of the project/activity. If the project/activity has several components, please prioritize the key elements of the proposal.

[Click here to enter text.](#)

2. CDBG-CV Requirements

Explain how the project/activity will fulfill each of the requirements for CDBG-CV funds:

- a) Meets immediate community need,
- b) Eligible activity according to CDBG categories,
- c) Fulfills at least one CDBG national objective,
- d) Benefits low/moderate-income persons or households,
- e) Ensures non-duplication of benefits, and
- f) Prevents, prepares for, or responds to Coronavirus

[Click here to enter text.](#)

B. Service Area

1. Describe your agency's service area.

[Click here to enter text.](#)

2. Does this project/activity serve only residents of the Town of Cicero?

[Click here to enter text.](#)

3. Are there other agencies in the same service area that provide the same service? If so, what agency or agencies provide(s) similar services?

[Click here to enter text.](#)

4. Explain why this project does not duplicate the efforts of other public service agencies in the Town of Cicero.

[Click here to enter text.](#)

C. Project/Activity Client Statistics

- 1. List services provided to clients (meals served, shelter, counseling, day care, purchasing equipment and supplies, rent assistance, etc.):**

[Click here to enter text.](#)

- 2. Complete the following table for low- and moderate-income persons assisted for the primary purpose of the project/activity, excluding complimentary services such as referrals:**

Activity	Total Persons Served	Total Cicero Residents Served	Total Cicero Residents Served by CDBG-CV Funds
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.

FY 2021 Income Limit Area	Medium Family Income	FY 2021 Income Limit Category	1	2	3	4	5	6	7	8
Chicago - Joliet - Naperville, IL		Very Low (50%) Income Limits (\$)	\$32,650.00	\$37,300.00	\$41,950.00	\$46,600.00	\$50,350.00	\$54,100.00	\$57,800.00	\$61,550.00
HUD Metro Area	\$93,200.00	Extremely Low Income Limits (\$)	\$19,600.00	\$22,400.00	\$25,200.00	\$27,950.00	\$31,040.00	\$35,580.00	\$40,120.00	\$44,660.00
		Low (80%) Income Limits (\$)	\$52,200.00	\$59,650.00	\$67,100.00	\$74,550.00	\$80,550.00	\$86,500.00	\$92,450.00	\$98,450.00

NOTE: Household income is the *total income* of all household members 18 years old or older who contribute to the household. The extremely low, very low, and low income limits are based on Median Family Income, in which a householder has one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption.

3. How will you meet your CDBG-CV goals for the residents of the Town of Cicero identified above?

[Click here to enter text.](#)

4. Would this project/activity exist without CDBG-CV funding?

(Select one)

Yes

No

D. Staff for Funded Project/Activity

1. Total number of staff employed by the agency for this project/activity:

a. Full-time [Click here to enter text.](#)

b. Part-time [Click here to enter text.](#)

c. Volunteers [Click here to enter text.](#)

2. Provide the name of the staff member who will be coordinating the CDBG-CV grant with the Village (i.e. completing reports, submitting invoices, monitoring visits, etc.):

Name, Title: [Click here to enter text.](#)

Phone Number: [Click here to enter text.](#)

Email Address: [Click here to enter text.](#)

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E. Fees and Funding Sources

1. Describe any client fees collected*:

[Click here to enter text.](#)

** Any client fees collected must be used for program costs.*

2. Describe how client fees are used:

[Click here to enter text.](#)

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3. List all other funding sources received for this project/activity and the portion allocated for Cicero residents:

Source	Total Funds	Amount Utilized for Cicero Residents
Section 108 Loan Guarantee	\$ Click here to enter text.	\$ Click here to enter text.
HOME Funds	\$ Click here to enter text.	\$ Click here to enter text.
ESG Funds	\$ Click here to enter text.	\$ Click here to enter text.
HOPWA Funds	\$ Click here to enter text.	\$ Click here to enter text.
Appalachian Regional Commission	\$ Click here to enter text.	\$ Click here to enter text.
Other Federal Funds	\$ Click here to enter text.	\$ Click here to enter text.
State / Local Funds	\$ Click here to enter text.	\$ Click here to enter text.
Private Funds	\$ Click here to enter text.	\$ Click here to enter text.
Program Income	\$ Click here to enter text.	\$ Click here to enter text.
Other Funding	\$ Click here to enter text.	\$ Click here to enter text.
Please specify: Click here to enter text.		

4. Does your agency receive more than \$750,000 in federal funds?

(Select one)

Yes

No

F. Budget

1. Please complete the following table:

Project	Agency Budget	Project/Activity Budget	Cicero - CDBG-CV Portion
CDBG-CV	\$ Click here to enter text.	\$ Click here to enter text.	\$ Click here to enter text.
Other sources of funding for this project/activity	\$ Click here to enter text.	\$ Click here to enter text.	\$ Click here to enter text.

2. Indicate how CDBG-CV funds are proposed to be used:

Use of CDBG-CV Funds	CDBG-CV Amount
Direct Client Service Costs (ex. enrollment fee, scholarship, fee per night of service, rent assistance, etc.)	\$ Click here to enter text.
Payroll of Employees Providing Direct Client Service*	\$ Click here to enter text.
Materials / Office Supplies	\$ Click here to enter text.
Other Administrative Costs	\$ Click here to enter text.
Construction / Rehabilitation	\$ Click here to enter text.
Other, Please Specify: Click here to enter text.	\$ Click here to enter text.
Total CDBG-CV Request	\$ Click here to enter text.

* Payroll time sheets documenting staff hours and pay rates will be required with invoices.

G. Performance Measurement Systems

1. Project Objectives

Please check one of the following to identify your agency's proposed objectives.

(The selection should reflect the purpose of your agency's proposed program.)

Creating a Suitable Living Environment

This objective relates to activities that are intended to address a wide range of issues faced by low/moderate-income persons, from physical problems with their environment, such as poor quality infrastructure, to social issues such as crime prevention, literacy, or elderly health services. This includes activities that are designed to benefit communities, families, or individuals, by addressing issues in their living environment.

Providing Decent Housing

This objective focuses on housing activities whose purpose is to meet individual family or community housing needs. It does not include programs where housing is an element of a larger effort to make community-wide improvements, since such programs would be more appropriately reported under Suitable Living Environments.

Creating Economic Opportunities

This objective applies to activities related to economic development, commercial revitalization, or job creation.

2. Project Outcomes

Please check one of the following to identify your agency's proposed outcomes.

(The selection should reflect the result your agency would like to accomplish.)

Availability/Accessibility

This outcome applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to low/moderate-income people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to low/moderate-income people where they live.

Affordability

This outcome applies to activities that provide affordability in a variety of ways to low/moderate-income people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household. Example #1: A low interest loan program might make loans available to low/moderate-income microenterprise businesses at 1% interest, which is far below the market rate. This program lowers the cost of the loan, enabling entrepreneurs to start businesses. As a result, the program makes financing more affordable. Example #2: A subsidized day care program that provides services to low/moderate-income persons/families at lower cost than unsubsidized day care.

Sustainability

This outcome applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of low/moderate-income or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

H. Other Information

1. Mission Statement for your agency:

[Click here to enter text.](#)

2. The following documents **must be included** with your application:

- Proposed agency budget for the next fiscal year, including proposed funding sources
- Current agency budget, including proposed funding sources
- Most recent audit (one hard copy only)
- Proof of non-profit determination
- Organizational chart
- Program fee schedules, if applicable (ex. client fee schedule, etc.)
- Other (please describe) [Click here to enter text.](#)

Please note that additional documentation may be requested of the applicant to ensure CDBG-CV program compliance.

Town of Cicero Emergency Solutions Grant (ESG) Funds Proposal Overview

Introduction

The U.S. Department of Housing and Urban Development (HUD) has allocated Emergency Solutions Grant (ESG) funding to the Town of Cicero for Program Year . The Town has budgeted funds to support the homeless community in the Town of Cicero with various homelessness components.

Application Materials

The application form on the pages that follow was developed to establish a uniform proposal for organizations requesting the Town of Cicero's ESG funds. Each question must be fully addressed and further details of an applicant's operations may be attached. If an applicant is requesting funding for more than one project, a separate grant proposal must be submitted for each program or service.

Application deadline:

Date and Time

- **Proposals will not be accepted after this date and time, and incomplete applications may be rejected.**
- **Submit 1 copy of your application to ttomschin@thetownofcicero.com, or**

Town of Cicero – Department of Housing

Attn: Tom Tomschin – Executive Director

1634 S Laramie Avenue, Cicero, Illinois 60804

If you have any questions about program eligibility or the application form, please contact Tom Tomschin at ttomschin@thetownofcicero.com or 708-656-8223.

Review of Applications

The Town of Cicero will review the completed applications using the following criteria:

- ✓ Eligibility: The proposal meets all five (5) of the requirements for ESG funding:
 - ✓ Meets immediate community need,
 - ✓ Eligible activity according to ESG categories,

- ✓ Fulfills at least one ESG national objective,
 - ✓ Benefits homeless persons or households,
 - ✓ Ensures non-duplication of benefits
-
- ✓ Effectiveness: The number of Cicero residents assisted per dollar of funding.
 - ✓ Capacity: Agency's history and capacity to meet administrative requirements.
 - ✓ Duplication: Avoids duplication of services with existing programs.
 - ✓ Alignment: The proposal meets the spirit and intent of the Town's 2015-2019 Consolidated Plan and Annual Action Plan for Program Year 2021, as amended to support ESG-CV activities.

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Town of Cicero

ESG Application

Emergency Solutions Grant as funded and governed by the U.S. Department of Housing and Urban Development (HUD).

Part 1: Applicant Information

Legal Name of Applicant:	
DUNS Number:	
Mailing Address: (include 9-digit zip code)	
Address for Reimbursement (check payable to):	
Individual Authorized to Sign Grant Agreement (Name and Title):	

Primary Agency Contact and Title:	
Contact Phone Number:	
Contact Email Address:	

All Counties Served:	
Name of local Continuum of Care (if applicable):	

Official Authorized to Commit Applicant Organization to this Agreement

Print Name & Title _____

Signature & Date _____

Part 2: Funding Request

Eligible Activities	Activity	Amount
Emergency Shelter		
Homelessness Prevention		
Rapid Re-Housing		
Street Outreach		
Temporary Emergency Shelter		
Administration (max 7%)		

Total Funding Requested: _____

Part 3: Project Design

Agency Name	
Project Name	
Service Area	

Describe the project for which funding is being requested. Include project details and how funding will be used.

What population(s) will be served by this project? What eligibility criteria will be used?

Please provide a timeline of your expected expenditures and describe how you will ensure all funds are expended by that date.

Month/Year	Anticipated Accomplishments/Results

Please provide a detailed explanation on how the agency will avoid the Duplication of Benefits to an individual or family using ESG funding.

Part 4: Questions

Describe your agency's organizational capacity to administer this project and your history with operating this type of activity.

Describe your agency's previous performance in providing housing, shelter, or services to individuals and families experiencing or at risk of homelessness, especially your experience serving populations at severest risk of complications from coronavirus (e.g., individuals experiencing homelessness over age 50, having particular health issues, minority and indigenous populations).

What is the unmet need being addressed by this project? Use data to demonstrate unmet need(s).

Describe how this project promotes independent living, self-sufficiency, and/or housing stability. Provide data on successful outcomes from similar projects you administer.

Coordinated Entry (CE) is required for ESG funds. Describe your experience with CE and how this project will comply with CE requirements. (*Note: A victim service provider may choose not to use the coordinated assessment system.*)

The use of the HMIS system is required for ESG funds. Is your agency a current user of HMIS? If no, describe how HMIS will be implemented for this project.

Attachment A - Definitions

Temporary Emergency Shelter means any structure or portion of a structure, which is used for a limited period of time because of a crisis, such as a natural disaster or public health emergency, to provide shelter for individuals and families displaced from their normal place of residence or sheltered or unsheltered locations. Examples of temporary emergency shelters include:

- i. an overnight, daytime, or 24-hour shelter in which program participants are only provided a safe place to sleep, rest, bathe, and eat;
- ii. a shelter where one or more services are made available on-site, whether by shelter staff or contractors or through a memorandum of understanding with another subrecipient or service provider; and
- iii. a shelter designed to facilitate the movement of homeless individuals and families into permanent housing within a fixed period of time (e.g., within 12 months) and employs or contracts with one or more case managers or service providers to provide services.

ESG Certifications

In accordance with the applicable statutes and regulations governing the Emergency Solutions Grant (ESG) the applicant certifies the following:

ESG Certifications	Initial
<p>Affirmatively Further Fair Housing – It will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the entity, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.</p>	
<p>Anti-displacement and Relocation Plan – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.</p>	
<p>Anti-Lobbying – To the best of the entity's knowledge and belief:</p> <ol style="list-style-type: none"> 1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and 3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly. 	
<p>Authority of Entity – The consolidated plan is authorized under State and local law (as applicable) and the entity possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.</p>	
<p>Confidentiality – It has established procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under ESG programs, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.</p>	
<p>Consolidated Plan – All activities the entity undertakes with assistance under ESG are consistent with the jurisdiction's Consolidated and Annual Plans.</p>	
<p>Consumer Participation – To the maximum extent practicable, the entity will encourage the participation of individuals and families who are homeless in maintaining and operating their facilities and programs.</p>	
<p>Coordinated Entry – It participates in the use of coordinated entry established by the area's Continuum of Care. <i>(does not apply to victim service agencies)</i></p>	
<p>Debarment – It will not employ, award contracts to, or otherwise engage the services of any contractor or Sub-recipient during any period of debarment, suspension, or placement of ineligibility status.</p>	

Discharge Policy – It will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.	
Drug-Free Workplace – It will continue to provide a drug-free workplace by complying with the implementation of rules around drug prohibition, notification to employees of the rules, and disclosure of violations in accordance the rule.	
Equal Access and Gender Identity – It ensures equal access of participants to ESG programs and shelters regardless of sexual orientation, gender identity, or marital status.	
Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the entity will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the entity serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.	
Faith-Based Activities – All eligible activities are administered in a manner which is free from religious influences and does not discriminate or give preference on the basis of religion.	
Financial Management – It is compliant with regulations and requirements pertaining to the following areas of financial management: allowable costs, source documentation, internal controls, budget controls, cost allocation plans, cash management, accounting records, procurement, and audits. Program funds are used only for eligible activities and in accordance with the Division of Energy, Housing and Community Resources approved budget. The entity is capable of providing adequate documentation to support costs listed on reimbursement requests. There is a policy manual covering basic accounting procedures and specifying approval authority for financial transactions (no one individual has control over an entire financial transaction).	
Good Standing – It is either a nonprofit qualified for tax exemption under 501(c)(3) of the internal revenue code or a unit of government. The agency is an equal opportunity employer in accordance with all federal regulations. If applicable, a financial audit was conducted in compliance with OMB A-133 standards and submitted to the Department of Administration. There was no finding in this audit in which funds were requested to be returned because of misappropriation, ineligible expenses or any other issue. In the prior two years, no fines or liens have been levied against the agency (example: a fine for not paying payroll tax).	
Grant-Funded Time – It uses employee timesheets that allow employees to track grant funded time spent on ESG related activities separately from time spent and funded from other resources.	
HMIS Participation – It fully participates in HMIS, or if the agency is a victim services agency, a HUD-compliant, HMIS-comparable database.	
Homeless Persons Involvement – To the maximum extent practicable, the entity must have representation of a person who is homeless or was formerly homeless on the board of directors or policymaking entity directly responsible for making policy for the project(s) for which funding is being requested.	
Major Rehabilitation/Conversion – If an emergency shelter’s rehabilitation or conversion costs exceed 75 percent of the value of the building before rehabilitation or conversion, the entity will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed project. In all other cases where ESG funds are used for renovation, the entity will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation. <i>Does not apply to Temporary Emergency Shelters.</i>	
Monitoring – It will participate in the monitoring processes conducted by the Town of Cicero and/or HUD.	

Non-Discrimination – It shall not discriminate against any employee, applicant for employment, program participant, or program applicant because of age, race, religion, color, handicap, sex, physical condition, developmental, sexual orientation, or national origin.	
Organization and Staffing – There is an organizational chart showing titles and lines of authority, and there are written position descriptions describing the responsibilities of key employees. Hiring policies ensure that staff qualifications are equal to job responsibilities and that individuals hired are competent to do the job.	
Point-in-Time – It participates in the annual point-in-time overnight street count in January.	
Program Manual – It will comply with all rules and requirements listed in the EHH Program Manual.	
Prohibition Against Involuntary Family Separation and Discrimination – It serves clients regardless of gender identification and sexual orientation, family status, religious belief, or the age of anyone in the household. The agency does not require documentation of family status, gender identification, or sexual orientation (Example: requiring birth certificates, marriage certificates to enter a project). The agency does not require participation in inherently religious activities, such as worship, religious instruction, or proselytization as part of the projects or services funded under ESG.	
Provision of Supportive Services. Although the use of supportive services is encouraged when necessary, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, rental assistance, or other services provided with ESG funds.	
Renovation – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.	
Section 3 – It will comply with Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 135.	
Sub-recipient Agreements – It will execute a subcontract or agreement with all Subrecipients of ESG funds, if applicable.	
Supportive Services – It will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.	
VAWA – It complies with the Violence Against Women Act.	
WBE/MBE – It will utilize small businesses and women- and minority-owned firms to the greatest extent practicable.	
Written Standards – It complies with the applicable written standards established for the area.	

Agency

Printed Name and Title of Authorized Official

Signature of Authorized Official

Date

Town of Cicero Emergency Solutions Grant CARES Act (ESG-CV) Funds Proposal Overview

Introduction

In response to the Coronavirus Pandemic (COVID-19), the U.S. Department of Housing and Urban Development (HUD) has allocated Emergency Solutions Grant CARES ACT (ESG-CV) funding to the Town of Cicero. The Town has budgeted funds to support COVID-related expenses incurred by homeless providers to prevent, prepare for, and respond to COVID-19. The ESG-CV funds were authorized by the Coronavirus Aid, Relief, and Economic Security Act (CARES ACT) announced last year.

Per the expedited amendment process approved by HUD, the Town amended its Citizen Participation Plan, 2015-2019 Consolidated Plan, and 2019 Annual Action Plan to enable use of the ESG-CV funds. The amended plans serve as the Town's budget and formal application to HUD for the ESG-CV funds.

Application Materials

The application form on the pages that follow was developed to establish a uniform proposal for organizations requesting the Town of Cicero's ESG-CV funds. Each question must be fully addressed and further details of an applicant's operations may be attached. If an applicant is requesting funding for more than one project, a separate grant proposal must be submitted for each program or service.

Application deadline:

Date and Time

- **Proposals will not be accepted after this date and time, and incomplete applications may be rejected.**
- **Submit 1 copy of your application to ttomschin@thetownofcicero.com, or**

Town of Cicero – Department of Housing

Attn: Tom Tomschin – Executive Director

1634 S Laramie Avenue, Cicero, Illinois 60804

If you have any questions about program eligibility or the application form, please contact Tom Tomschin at ttomschin@thetownofcicero.com or 708-656-8223.

Review of Applications

The Town of Cicero will review the completed applications using the following criteria:

- ✓ Eligibility: The proposal meets all six (6) of the requirements for ESG-CV funding:
 - ✓ Meets immediate community need,
 - ✓ Eligible activity according to ESG categories,
 - ✓ Fulfills at least one ESG national objective,
 - ✓ Benefits homeless persons or households,
 - ✓ Ensures non-duplication of benefits
 - ✓ Prevents, prepares for, or responds to the Coronavirus
- ✓ Effectiveness: The number of Cicero residents assisted per dollar of funding.
- ✓ Capacity: Agency's history and capacity to meet administrative requirements.
- ✓ Duplication: Avoids duplication of services with existing programs.
- ✓ Alignment: The proposal meets the spirit and intent of the Town's 2015-2019 Consolidated Plan and Annual Action Plan for Program Year 2019, as amended to support ESG-CV activities.

Town of Cicero

ESG-CV CARES ACT – Application

Emergency Solutions Grants Coronavirus Program as funded by the CARES Act and governed by requirements HUD establishes in accordance with that Act.

Part 1: Applicant Information

Legal Name of Applicant:	
DUNS Number:	
Mailing Address: (include 9-digit zip code)	
Address for Reimbursement (check payable to):	
Individual Authorized to Sign Grant Agreement (Name and Title):	

Primary Agency Contact and Title:	
Contact Phone Number:	
Contact Email Address:	

All Counties Served:	
Name of local Continuum of Care (if applicable):	

Official Authorized to Commit Applicant Organization to this Agreement

Print Name & Title _____

Signature & Date _____

Part 2: Funding Request

Eligible Activities	Activity	Amount
Emergency Shelter		
Homelessness Prevention		
Rapid Re-Housing		
Street Outreach		
Temporary Emergency Shelter		
Administration (max 7%)		

Total Funding Requested: _____

Part 3: Project Design

Agency Name	
Project Name	
Service Area	

Describe the project for which funding is being requested. Include project details and how funding will be used.

What population(s) will be served by this project? What eligibility criteria will be used?

How does this project prevent, prepare for, or respond to the coronavirus? See Attachment A for definitions.

Please provide a timeline of your expected expenditures and describe how you will ensure all funds are expended by that date.

Part 4: Questions

Describe your agency’s organizational capacity to administer this project and your history with operating this type of activity.

Describe your agency’s previous performance in providing housing, shelter, or services to individuals and families experiencing or at risk of homelessness, especially your experience serving populations at severest risk of complications from coronavirus (e.g., individuals experiencing homelessness over age 50, having particular health issues, minority and indigenous populations).

What is the unmet need being addressed by this project? Use data to demonstrate unmet need(s).

Describe how this project promotes independent living, self-sufficiency, and/or housing stability. Provide data on successful outcomes from similar projects you administer.

Coordinated Entry (CE) is required for ESG-CV funds. Describe your experience with CE and how this project will comply with CE requirements. (Note: A victim service provider may choose not to use the coordinated assessment system.)

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The use of the HMIS system is required for ESG-CV funds. Is your agency a current user of HMIS? If no, describe how HMIS will be implemented for this project.

Attachment A - Definitions

Prevent...coronavirus means an activity designed to prevent the initial or further spread of the virus to people experiencing homelessness, people at risk of homelessness, recipient or subrecipient staff, or other shelter or housing residents. This includes providing Personal Protective Equipment to staff and program participants, paying for non-congregate shelter options such as hotels and motels, paying for handwashing stations and portable toilets for use by people living in unsheltered situations, and providing rapid re-housing or homelessness prevention assistance to individuals and families who are homeless or at risk of homelessness (as applicable) to reduce their risk of contracting or further spreading the virus.

Prepare for...coronavirus means an activity carried out by a recipient or subrecipient prior to or during a coronavirus outbreak in their jurisdiction to plan to keep people healthy and reduce the risk of exposure to coronavirus and avoid or slow the spread of disease. This includes updating written standards to prioritize people at severe risk of contracting coronavirus for shelter and housing consistent with fair housing and nondiscrimination requirements, adapting coordinated entry policies and procedures to account for social distancing measures or increased demand, developing a strategy and recruiting landlords to provide housing to people experiencing homelessness or at risk of homelessness, training homeless providers on infectious disease prevention and mitigation, and implementing a non-congregate shelter strategy to reduce the spread of coronavirus.

Respond to coronavirus means an activity carried out once coronavirus has spread to people experiencing homelessness, provider staff, or once individuals and families lose or are at risk of losing their housing as a result of the economic downturn caused by coronavirus. This includes transporting individuals and families experiencing homelessness to medical appointments, paying for shelter to isolate individuals who have contracted coronavirus from other program participants and people experiencing homelessness, providing rental assistance to those who are at risk of losing their housing, have already become homeless, or continue to experience homelessness due to the economic downturn caused by coronavirus, and providing hazard pay to recipient or subrecipient staff who put their own health at risk to continue to provide necessary services to individuals and families experiencing and risk of homelessness.

Temporary Emergency Shelter means any structure or portion of a structure, which is used for a limited period of time because of a crisis, such as a natural disaster or public health emergency, to provide shelter for individuals and families displaced from their normal place of residence or sheltered or unsheltered locations. Examples of temporary emergency shelters include:

- iv. an overnight, daytime, or 24-hour shelter in which program participants are only provided a safe place to sleep, rest, bathe, and eat;

- v. a shelter where one or more services are made available on-site, whether by shelter staff or contractors or through a memorandum of understanding with another subrecipient or service provider; and
- vi. a shelter designed to facilitate the movement of homeless individuals and families into permanent housing within a fixed period of time (e.g., within 12 months) and employs or contracts with one or more case managers or service providers to provide services.

ESG-CV Certifications

In accordance with the applicable statutes and regulations governing the Emergency Solutions Grant-Coronavirus (ESG-CV) the applicant certifies the following:

ESG-CV Certifications	Initial
COVID-19 – As a condition of the use of the funds, the grantee agrees to use the ESG-CV funding provided to prevent, prepare for, and respond to the coronavirus pandemic (COVID-19) among individuals and families who are homeless or receiving homeless assistance; and to support additional homeless assistance and homelessness prevention activities to mitigate the impacts of COVID-19.	
Affirmatively Further Fair Housing – It will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the entity, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.	
Anti-displacement and Relocation Plan – It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential anti-displacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.	
Anti-Lobbying – To the best of the entity's knowledge and belief: 1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement; 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and 3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all Subrecipients shall certify and disclose accordingly.	
Authority of Entity – The consolidated plan is authorized under State and local law (as applicable) and the entity possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.	

Confidentiality – It has established procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under ESG-CV programs, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.	
Consolidated Plan – All activities the entity undertakes with assistance under ESG-CV are consistent with the jurisdiction’s Consolidated and Annual Plans.	
Consumer Participation – To the maximum extent practicable, the entity will encourage the participation of individuals and families who are homeless in maintaining and operating their facilities and programs.	
Coordinated Entry – It participates in the use of coordinated entry established by the area’s Continuum of Care. <i>(does not apply to victim service agencies)</i>	
Debarment – It will not employ, award contracts to, or otherwise engage the services of any contractor or Sub-recipient during any period of debarment, suspension, or placement of ineligibility status.	
Discharge Policy – It will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.	
Drug-Free Workplace – It will continue to provide a drug-free workplace by complying with the implementation of rules around drug prohibition, notification to employees of the rules, and disclosure of violations in accordance the rule.	
Equal Access and Gender Identity – It ensures equal access of participants to ESG-CV programs and shelters regardless of sexual orientation, gender identity, or marital status.	
Essential Services and Operating Costs – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the entity will provide services or shelter to homeless individuals and families for the period during which the ESG-CV assistance is provided, without regard to a particular site or structure, so long the entity serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.	
Faith-Based Activities – All eligible activities are administered in a manner which is free from religious influences and does not discriminate or give preference on the basis of religion.	
Financial Management – It is compliant with regulations and requirements pertaining to the following areas of financial management: allowable costs, source documentation, internal controls, budget controls, cost allocation plans, cash management, accounting records, procurement, and audits. Program funds are used only for eligible activities and in accordance with the Division of Energy, Housing and Community Resources approved budget. The entity is capable of providing adequate documentation to support costs listed on reimbursement requests. There is a policy manual covering basic accounting procedures and specifying approval authority for financial transactions (no one individual has control over an entire financial transaction).	
Good Standing – It is either a nonprofit qualified for tax exemption under 501(c)(3) of the internal revenue code or a unit of government. The agency is an equal opportunity employer in accordance with all federal regulations. If applicable, a financial audit was conducted in compliance with OMB A-133 standards and submitted to the Department of Administration. There was no finding in this audit in which funds were requested to be returned because of misappropriation, ineligible expenses or any other issue. In the prior two years, no fines or liens have been levied against the agency (example: a fine for not paying payroll tax).	
Grant-Funded Time – It uses employee timesheets that allow employees to track grant funded time spent on ESG-CV related activities separately from time spent and funded from other resources.	
HMIS Participation – It fully participates in HMIS, or if the agency is a victim services agency, a HUD-compliant, HMIS-comparable database.	

Homeless Persons Involvement – To the maximum extent practicable, the entity must have representation of a person who is homeless or was formerly homeless on the board of directors or policymaking entity directly responsible for making policy for the project(s) for which funding is being requested.	
Major Rehabilitation/Conversion – If an emergency shelter’s rehabilitation or conversion costs exceed 75 percent of the value of the building before rehabilitation or conversion, the entity will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed project. In all other cases where ESG-CV funds are used for renovation, the entity will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation. <i>Does not apply to Temporary Emergency Shelters.</i>	
Monitoring – It will participate in the monitoring processes conducted by the Town of Cicero and/or HUD.	
Non-Discrimination – It shall not discriminate against any employee, applicant for employment, program participant, or program applicant because of age, race, religion, color, handicap, sex, physical condition, developmental, sexual orientation, or national origin.	
Organization and Staffing – There is an organizational chart showing titles and lines of authority, and there are written position descriptions describing the responsibilities of key employees. Hiring policies ensure that staff qualifications are equal to job responsibilities and that individuals hired are competent to do the job.	
Point-in-Time – It participates in the annual point-in-time overnight street count in January.	
Program Manual – It will comply with all rules and requirements listed in the EHH Program Manual.	
Prohibition Against Involuntary Family Separation and Discrimination – It serves clients regardless of gender identification and sexual orientation, family status, religious belief, or the age of anyone in the household. The agency does not require documentation of family status, gender identification, or sexual orientation (Example: requiring birth certificates, marriage certificates to enter a project). The agency does not require participation in inherently religious activities, such as worship, religious instruction, or proselytization as part of the projects or services funded under ESG-CV.	
Provision of Supportive Services. Although the use of supportive services is encouraged when necessary, individuals and families experiencing homelessness must not be required to receive treatment or perform any other prerequisite activities as a condition for receiving shelter, rental assistance, or other services provided with ESG-CV funds.	
Renovation – Any renovation carried out with ESG-CV assistance shall be sufficient to ensure that the building involved is safe and sanitary.	
Section 3 – It will comply with Section 3 of the Housing and Urban Development Act of 1968 and implementing regulations at 24 CFR Part 135.	
Sub-recipient Agreements – It will execute a subcontract or agreement with all subrecipients of ESG-CV funds, if applicable.	
Supportive Services – It will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals.	
VAWA – It complies with the Violence Against Women Act.	
WBE/MBE – It will utilize small businesses and women- and minority-owned firms to the greatest extent practicable.	
Written Standards – It complies with the applicable written standards established for the area.	

Agency

Printed Name and Title of Authorized Official

Signature of Authorized Official

Date

DRAFT

EXHIBIT 2 – SUBRECIPIENT AGREEMENT (CDBG, ESG, CDBG-CV, ESG-CV)

DRAFT

* NOTICE TO PROCEED *

HOUSING REHABILITATION PROGRAMS

_____/_____/_____
DATE

CONTRACTOR'S NAME

PROPERTY OWNER

CONTRACTOR'S ADDRESS

REHAB PROJECT ADDRESS

CITY, STATE ZIP CODE

SPECIFICATION WRITE-UP #

ATTENTION CONTRACTOR:

This is your official notification that you are authorized to proceed with the rehab work at the above project address. The contract amount is for \$ _____

JOB MUST BE COMPLETED BEFORE : ____/____/____

Upon receipt of this Notice to Proceed, you are responsible for obtaining the necessary permits. All permits must be obtained from the Cicero Building Department located at 4949 W. Cermak Rd, (708) 656-3600. Exterior painting does not require a building permit unless there will be construction or rehab included in this project.

All work must comply with all local codes and ordinances and must comply with the Department of Housing Contractor Manual. A copy of the Department of Housing Contractor Manual is available at the office. Feel free to pick up a copy or call and we will send you one.

The work must be completed by the date cited above. If it is not completed we may cancel your contract.

After the work is completed according to the Specification Write-Up you may request a payout. Notify the homeowner to contact this department to schedule a payout inspection. Payout inspections take place twice every month, approximately on the 10th and the 25th.

Prior to the inspection taking place, you are to supply this department with an invoice, Safe Work Practices Certification (attached), copy of building permit, warranty/guarantee and a notarized final lien

waiver. All documentation is due at least *48hours* prior to inspection. If these documents are not received the inspection will be canceled and rescheduled after they are received. *Please call our department if you would like the exact due date for invoices.*

After the inspection, if satisfactory, your payment will be mailed directly to you within 30 days.

Contact this department if an inspection is required during any phase of the rehab process. If a deviation in the scope of work or the Spec Write-Up must be made, you are to contact this department immediately.

Change orders will not be paid for by this Department. They are solely the responsibility of you the contractor and the homeowner.

If you have any questions regarding these procedures or about any of the Housing Rehab Programs administered by this Department, please feel free to contact me at (708) 656-8223 or any of the rehab staff.

Sincerely,

Maria D. Flores
Housing Program Director

EXHIBIT 4 – REQUEST FOR FUNDS FORMS

CDBG Request For Funds
Section 1: Subrecipient Information

Name of Subrecipient: _____

CDBG Grant Amount: _____

Period of Contract: _____

Project #: _____

Type of Cost	CDBG Budget	Prior Expense Year-to-Date	Expenditures This Period	Year-to-Date Totals
TOTALS				

Section 2: Summary of Funds Requested

Note: All applicable copies of paid invoices/receipts, time sheets, checks, etc., must be attached.

PLEASE submit one original & one copy of your entire request for funds packet.

Annual Status Report needs to be included with your final request for funds.

CDBG Project Budget \$ _____ Prior Expenditures Year to Date \$ _____

Expenditures this Period \$ _____ Expenditures to Date \$ _____

Remaining CDBG Balance \$ _____

Section 3: Authorized Signatures

Subrecipient Approval: _____

Town of Cicero Approval: _____



TOWN OF CICERO

Department of
Housing
1634 S. Laramie Avenue
Cicero, Illinois 60804

Larry Dominick
TOWN PRESIDENT

ESG Request For Funds
Section 1: Subrecipient Information

Name of Subrecipient: _____

ESG Grant Amount: _____

Period of Contract: _____

Project #: _____

Type of Cost	ESG Budget	Prior Expense Year-to-Date	Expenditures This Period	Year-to-Date Totals
TOTALS				

Section 2: Summary of Funds Requested

*Note: All applicable copies of paid invoices/receipts, time sheets, checks, etc., must be attached.
PLEASE submit one original & one copy of your entire request for funds packet.
Annual Status Report needs to be included with your final request for funds.*

ESG Project Budget \$ _____ Prior Expenditures Year to Date \$ _____

Expenditures this Period \$ _____ Expenditures to Date \$ _____

Remaining ESG Balance \$ _____

Section 3: Authorized Signatures

Subrecipient Approval: _____

Town of Cicero Approval: _____

EXHIBIT 5 – MONITORING LETTER



TOWN OF CICERO

Department of
Housing
1634 S. Laramie Avenue
Cicero, Illinois 60804

Larry Dominick
TOWN PRESIDENT

Dear Subrecipient,

The Town of Cicero Department of Housing is the designated lead agency responsible for administering the Community Development Block Grant Program (CDBG) funded by the United States Department of Housing and Urban Development (HUD). The CDBG Entitlement Grant, funds a number of Subrecipients, particularly agencies that administer public service projects serving Cicero's low-moderate income population.

Subrecipients of CDBG funding are required to adhere to the same rules and regulations HUD imposes on Entitlement Grantees and one way to ensure Subrecipients are in compliance with HUD rules and regulations is through monitoring. The CDBG Subrecipients are monitored regularly during the program year with a minimum of two on-site visits. However, due to Covid-19, the first monitoring session will be a virtual monitoring session.

Your organization has been selected to have a virtual monitoring session on <Date> at <Time>. Please schedule all necessary individuals to be present at the time of the monitoring session. In addition, please make sure you email any and all corresponding documents your organization has acquired to date, for the current Program Year, to the Department of Housing. This may include your organizations Application, Agreement, Quarterly Reports, any Requests for Funds, correspondences, etc. **Please make sure you include a copy of your organizations most recent audit.**

The Town of Cicero Department of Housing Subrecipient monitoring session addresses the five following components:

- Compliance with Eligible Activities and National Objectives
 - The Town of Cicero Department of Housing verifies that the Subrecipient has documentation showing that the funded activity is HUD eligible and meets one of the prescribed national objectives.
- Progress against Production Goals stated in the Written Agreement.
 - The Town of Cicero Department of Housing reviews the Subrecipient's production goals to determine if they are achieved and on time.
 - If the production goals were not met, the Town of Cicero Department of Housing determines whether the Subrecipient took all reasonable actions and steps to try to meet their production goals on time.

- The Town of Cicero Department of Housing determines whether or not the Subrecipient has the capacity to meet production goals.
- Compliance with CDBG Program Rules and Administrative Requirements.
 - The Town of Cicero Department of Housing determines if the Subrecipient selected households/individuals who were income eligible and if income was verified correctly.
 - The Town of Cicero Department of Housing determines if requirements regarding conflict of interest and religious organizations are being met.
- Timely use of Funds
 - The Town of Cicero Department of Housing determines if the subrecipient uses funds in a timely manner, and if there is program income. The Town of Cicero Department of Housing verifies whether program income was used before additional funds were requested.
 - If the Subrecipient has program income, the Town of Cicero Department of Housing determines if the Subrecipient is tracking its receipt and if the funds were expended before requesting CDBG funds from The Town of Cicero Department of Housing.
- Prevention of Fraud and Abuse of Funds
 - The Town of Cicero Department of Housing determines if the Subrecipient's financial management system prevents fraud and mismanagement of funds.

The monitoring session also includes a review of all financial records associated with the CDBG grant, income/racial verification procedures, visual audits of items purchased, inventory schedules, salary documentation, labor standards, EEO compliance, fair housing literature, procurement, and etcetera.

Following this monitoring session, The Town of Cicero Department of Housing will provide you with formal written notification of the results of the monitoring review and identify problem areas, as well as recognize successes. The notification will also outline specific corrective actions for the Subrecipient to follow.

The goals of The Town of Cicero Department of Housing monitoring policy is to ensure HUD's Rules and Regulations, in particular to the CDBG program to ensure they are being met and to ensure Subrecipients are fulfilling their pledge to achieve the goals in their respective agreements with the Town of Cicero. The Town of Cicero Department of Housing also uses the monitoring process to determine whether or not the goals stated in the 1-Year Action Plan and the 5-year Consolidated Plan are consistent and accomplished.

Thank you for your cooperation in this matter.

Respectfully,
Executive Director

EXHIBIT 6 – SUBRECIPIENT MONITORING FORM (CDBG)

SUBRECIPIENT MONITORING REVIEW FORM

PART 1: GENERAL INFORMATION

CDBG Subrecipient:

Person Completing Form:

Date:

On-site monitoring visit Conducted On:

Monitoring Letter Sent On:

Start & End Date of Project:

Contract Amount: \$ _____

Type of Project:

Public Service Housing Economic Development Slum / Blight Clearance

Subgrantee Representative(s) in attendance: _____

PART 2: National Objective and Eligibility

1. Which National Objective does this project meet (570.208)?

- Benefit to Low-Moderate-Income Persons
 - Low/Mod Area Benefit
 - Limited Clientele Benefit
 - Low/Mod Housing Benefit
 - Job Creation or Retention

- Aid in the Prevention or Elimination of Slums or Blight
 - On an Area Basis
 - On an Spot Basis

- An Urgent Need
 - Needs having a Particular Urgency

PART 3: PROGRAM OVERVIEW

1. Identify the anticipated goals of this project.

Proposed Scope of Service:

Number of People to be served:

Other Comments:

2. What were the actual measurable accomplishments of this project to date?

Actual Scope of Services:

Actual Number Served:

Other Comments:

3. Did the project provide the full scope of services proposed? If not, please explain.

4. Who was your intended client group?

Did you serve that Group?

Yes

No (explain):

5. Was your project on schedule? Explain reasons for any delays.

Yes

No (explain):

6. Did the project operate with the approved CDBG budget?

Yes

No (explain):

7. Did the project conform to any additional or special terms of the CDBG Contract?

Yes (explain):

No

8. If employees worked on both CDBG eligible and non-CDBG eligible activities, were appropriate time distribution records kept?

Yes

No (explain):

9. Did your agency contract out any of the work that was completed under this project (Rehab Projects Only)?

Yes

No

If yes, please provide a list of the contractors used:

10. Did your agency use CDBG funds to secure supplies for the project?

Yes

No

If yes, explain your procurement procedures.

11. Does your agency maintain client files in a lockable, fire-proof cabinet?

Yes

No

If yes, please describe the type of information maintained.

If no, please explain why you do not keep a client file, or explain other record keeping methods utilized by your agency.

12. Who serves as the Project Manager for this project?

13. Is the Project Manager familiar with the basic requirements established by HUD and the grantee for the use of CDBG funds?

Yes

No (Explain):

14. Is the Project Manager located on-site and running the day-to-day operation of the program?

Yes

No (Explain):

15. Do you feel this program accomplished what it was originally designed to accomplish?

Yes

No (Explain):

PART 4: REVIEW OF FINANCIAL RECORDS

1. Explain how your agency records and tracks the use of CDBG funds.

 2. Does your agency record encumbrances or obligations against CDBG funds when contracts and purchase orders are executed?
 Yes
 No (Explain):

 3. Are your accounting records supported by source documentation such as invoices, contracts, and purchase orders?
 Yes (Ask to review documents)
 No (Explain):

 4. Has your agency requested reimbursement for CDBG expenses in excess of immediate needs?
 Yes (Explain):
 No

 5. Are there revenue accounts to support any program income generated through CDBG?
 Yes (Explain):
 No (Explain):
 Not Applicable

 6. What is the latest date of your agency's last audit? *
- * Agencies with budgets \$500,000 or greater must provide a copy of their audit to the Town.*

Were any outstanding findings resolved?

Yes (Explain):

No (Explain)

Not Applicable

If a government entity, does the audit comply with OMB Circular A-122?

Yes

No

Not Applicable

If a nonprofit entity, does the audit comply with OMB Circular A-110?

Yes

No

7. Does the agency have a written policy and procedure manual for financial transactions, and personnel policies?

Yes

No

If yes, request a copy for review.

If no, explain why and when a manual will be in place.

1. General Questions:

Have any disallowable costs been incurred?

Entertainment

Yes

No

Cost related to political activities

Yes

No

Cost related to religious activities Yes No

Contributions/donations Yes No

Fines & Penalties Yes No

Has the agency purchased any personal property with CDBG funds (over \$250)?

YES NO

If any portion of a salary is paid with CDBG funding, is there any evidence of payment for time spent on other than the CDBG activity funded?

YES NO

PART 5: RECORD KEEPING

1. Are record keeping requirements of the program being met?

Yes

No (Explain):

2. Did your agency submit its quarterly reports to the Town in a timely manner? (verify date of delivery prior to monitoring session)

Yes

No (Explain):

3. Does your agency maintain records that identify the following: (review files to verify)

a. Income verification of clients	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
b. Female headed household	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
c. Race	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
d. Ethnicity	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
e. Disability Status	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
f. Payroll / Timesheets	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
g. Procurement	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
h. Progress	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

PART 6: ORGANIZATION INFORMATION:

Employees and Board Member Records:

Identify employees working on this activity, verifying that time logs are maintained and correspond with the hours claimed. (Ask to view Activity Sheets... most current)

1. Are employee's activity time logs current? YES NO
2. Are there any staffing issues? YES NO
3. Are there staff turnover concerns? YES NO
4. Are employees' taxes paid? YES NO
5. Is there any evidence of nepotism or conflicts of interest? YES NO
6. Were any board members / employees assisted under this? YES NO

If so, list board members assisted:

If yes, was a public notice filed? YES NO

If not, was an exception from HUD granted? YES NO

PART 7: LEVERAGE

Please identify the sources and actual amounts of other funding received in the last year to support this CDBG project: (use back of sheet if necessary).

PART 8: SUMMARY & FEEDBACK

1. Please identify any areas related to CDBG where you would like technical assistance.
2. Please describe your agency's greatest successes and challenges this program year.
3. Please provide any additional feedback about your agency, the town, or your program that you would like noted this program year.

4. Were there any concerns/findings brought up from previous monitoring sessions?

Yes

No

If yes, were they corrected?

Yes

No

If No, explain.

5. Were there any concerns/findings brought up at this monitoring session?

Yes

No

If yes, list

EXHIBIT 7 – SUBRECIPIENT MONITORING FORM (ESG)

DRAFT

TOWN OF CICERO

**Emergency Solutions Grant Program
Compliance Review Checklist**

In accordance with program regulations reflected at 24 CFR Part 576, and the ESG Compliance Monitoring Guidelines implemented by HUD, Subrecipients will be monitored to review program compliance; performance in meeting goals; identifying of program deficiencies; and enhancing management capacity through technical assistance or other corrective actions if needed. This checklist will be used as the tool to determine Subrecipient compliance with ESG Program regulations.

Organization		
Person(s) Interviewed		
Grant Number(s)	Grant begin date	Grant end date

1. Who is in charge of the day-to-day administration of the program?	
---	--

2. Last Monitoring/Date	
Summary of Previous Findings/Concerns:	

3. Current Monitoring/Date	
Summary of Current Findings/Concerns:	

4. Does Agency provide sufficient oversight of the ESG Program? Yes <input type="checkbox"/> No <input type="checkbox"/> (If no indicate next steps):

4. Finding's Letter Mailed	5. Response from Agency/date	6. Response is accepted as submitted
		Yes <input type="checkbox"/> No <input type="checkbox"/>

Reviewer's Signature:	Date:

Guide for Review of ESG Program

PROGRAM REQUIREMENTS AND RESPONSIBILITIES

1. Subrecipient has a copy of the current executed ESG Agreement, budgets, and other related documents.	Yes <input type="checkbox"/> No <input type="checkbox"/>
2. Subrecipient has written Policies and Procedures for ESG program(s) which include allrequired elements as reflected in ESG Agreement, and 24 CFRPart 576. Program staff has been provided copies of completed Policies and Procedures.	Yes <input type="checkbox"/> No <input type="checkbox"/>
3. Subrecipient submits ESG Request for Funds monthly and/or quarterly. Agency is meeting expenditure timelines	Yes <input type="checkbox"/> No <input type="checkbox"/>
4. Subrecipient has remained consistent in number of households served, according tooutcomes projected in the ESG Agreement.	Yes <input type="checkbox"/> No <input type="checkbox"/>
5. Subrecipient has Written Standards that reflect all required components, including clienteligibility, which are made available to the public and program staff.	Yes <input type="checkbox"/> No <input type="checkbox"/>
6. Subrecipient has written Termination and Grievance Policies, which includes appeals procedures, that are provided to clients who have been denied and/or been accepted into the ESG Program. Policies have also been provided to program staff.	Yes <input type="checkbox"/> No <input type="checkbox"/>
7. Subrecipient has a written Privacy Policy which reflects the Agency's policy for protecting client personal information and other confidential information, including victims of domestic violence, which is made availabletoclients. The Policy has also been provided to program staff.	Yes <input type="checkbox"/> No <input type="checkbox"/>
8. Agency complies with the nondiscrimination and equal opportunity requirements of 24 CFR part 5.105(a) and 576.407(a) and (b).	Yes <input type="checkbox"/> No <input type="checkbox"/>
9. To the maximum extent practicable, the Subrecipient has involved through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities; in providing services assisted under the ESG program; and in providing services for occupants of facilities assisted with ESG funding.	Yes <input type="checkbox"/> No <input type="checkbox"/>
10. Subrecipient has adopted a Conflict of Interest Policy which has been shared withprogram staff.	Yes <input type="checkbox"/> No <input type="checkbox"/>
11. Subrecipient meets the Drug-Free Workplace requirements.	Yes <input type="checkbox"/> No <input type="checkbox"/>
12. Subrecipient participates in local Workforce Investment Boards or local CommunityCoalition Meetings.	Yes <input type="checkbox"/> No <input type="checkbox"/>
13. Subrecipient has developed, or is in the process of developing, a community widedischarge planning process.	Yes <input type="checkbox"/> No <input type="checkbox"/>
14. Subrecipient is collaborating with other funding sources to enhance opportunities for clients served. Documentation of referrals to other mainstream resources is locatedin client records.	Yes <input type="checkbox"/> No <input type="checkbox"/>

Guide for Review of ESG Program

15. Subrecipient has documentation of all match funds and is meeting match requirements.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
16. Subrecipient provides ESG Quarterly and Annual Reports when requested by the Town.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
17. Subrecipient is assisting homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal, State, local, and private assistance available for such individuals.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
18. Subrecipient maintains files of clients denied services, including reason for denial, and are given a referral to other available resources.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
19. Does Subrecipient provide services to households with children?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
If answer above is "yes" Subrecipient has identified a staff person responsible for coordinating a child's access to education if the agency services households with children; and	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Subrecipient ensures that discrimination does not occur if child is under 18 years of age.	Yes <input type="checkbox"/>	No <input type="checkbox"/>
20. Does the Subrecipient conduct follow-up interview with clients who have exited the program to ensure long-term stability? If so describe (not required but encouraged)	Yes <input type="checkbox"/>	No <input type="checkbox"/>
21. Is the Subrecipient on target to meet Performance Standards for programs administered through the ESG grant (homeless shelter/essential services; street outreach; homeless prevention; and rapid re-housing programs)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Comments or Concerns:

EVIDENCE OF ADEQUATE FINANCIAL MANAGEMENT SYSTEMS

1. Did the Subrecipient provide a copy of most recent audit, if applicable?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2. Does the Subrecipient have written financial management policies and procedures for ESG program?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3. Does the Subrecipient have written policies and procedures for purchasing/competitive procurement, if applicable?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
4. Does the Subrecipient have written policies and procedures related to internal controls and separation of duties?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
5. Is there a reasonable system for tracking payables to assure that reimbursements from funding sources are not duplicated?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
6. Did the Subrecipient provide a copy of current year's operating budget, general ledger.	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Guide for Review of ESG Program

7. Does the Subrecipient have invoices and canceled checks on file for expenses submitted for reimbursement?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
8. Are ESG records maintained for a period of five (5) years after each annual grant close-out?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
9. Has the Subrecipient justified how time/expenses are separated between Cicero's ESG activities and non-Cicero ESG?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
10. Does the Subrecipient store all ESG documents in a locked fire-proof cabinet?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
11. If equipment has been purchased with ESG funds, has the agency maintained the following: <ul style="list-style-type: none"> • Property Inventory Records identifying information on the equipment; • Acquisition date; • Amount paid; • Purchase source; • Percentage of price was paid for by ESG funds; • Subrecipient conducted a physical inventory (required every 2 years); • Reconciled the inventory with the property records; • Maintains a control system to protect the property against loss, damage, and theft; and • Has kept property in good condition through a maintenance program 	Yes <input type="checkbox"/>	No <input type="checkbox"/>
12. Were any other areas of concern brought forth by the Financial Auditor? (Explain below)	Yes <input type="checkbox"/>	No <input type="checkbox"/>

Comments or Concerns:

Guide for Review of ESG Program

HOMELESS PREVENTION AND RAPID RE-HOUSING PROGRAMS

If Subrecipient provides Homeless Prevention Assistance, has the following requirements been met for all clients receiving assistance:

1. Initial assessment to determine the appropriate type of assistance to meet the needs of the clients occurred, based on Written Standards for the program;
2. Household income was *below* 30% of AMI at program entry;
3. MOU's between agency and landlords were executed prior to assistance;
4. Copy of leases under the name of the clients were obtain prior to assistance;
5. Documentation was obtained to show that the client was at imminent risk of homelessness and met the following criteria: (A) There was no appropriate subsequent housing options available; AND (B) the households the financial resources and support networks needed to remain in housing;
6. Case records demonstrated that households selected to receive assistance were likely to have an outcome of "stably housed" following assistance,
7. Households were recertified within 3 months of assistance and documentation of recertification was maintained in files;
8. Assistance was not provided until after clients were successfully recertified;
9. All forms were executed by clients and staff, if applicable; and
10. Assistance did not exceed 24 months within 3 years, including a maximum of 6 months of rental or utility arrears.

Yes No

If Subrecipient provides Rapid Re-housing Assistance, has the following requirements been met for all clients receiving assistance:

1. Initial assessment to determine the appropriate type of assistance to meet the needs of the clients occurred, based on Written Standards for the program;
2. MOU's between agency and landlords were executed prior to assistance;
3. Copy of leases under the name of the clients were obtain prior to assistance;
4. Documentation was obtained to show that clients met the definition of homeless and met the following criteria: (A) There was no appropriate subsequent housing options available; AND (B) the households the financial resources and support networks needed to remain in housing;
5. Case records demonstrated that households selected to receive assistance were likely to have an outcome of "stably housed" following assistance,
6. Households were recertified annually and documentation of recertification was maintained in files;
7. Assistance was not provided until after clients were recertified;
8. All forms were executed by clients and staff, if applicable; and
9. Assistance did not exceed 24 months within 3 years, including a maximum of 6 months of rental or utility arrears.

Yes No

Comments or Concerns:

PARTICIPANT FILES

Guide for Review of ESG Program

			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>

Comments or Concerns:

CONTINUUM OF CARE PARTICIPATION

1. The Subrecipient has completed the HMIS Self-Assessment tool. Are there any issues or concerns with the response?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does the Subrecipient enter client data within 1 week of services, and data quality meets or exceeds CoC standards?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. If Agency is a Domestic Violence shelter, has a comparable database been implemented?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Is there a Release of Information on file for clients entered in HMIS?	<input type="checkbox"/> Yes <input type="checkbox"/> No

HMIS SECURITY AND TECHNICAL STANDARDS

	<input type="checkbox"/> <input type="checkbox"/>
5. Is there a Refusal of Authorization on file for anyone not entered into HMIS?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Guide for Review of ESG Program

6. How long after intake or discharge does it take to enter client information into HMIS?	____ days
7. How many clients have been discharged but are still on the program roster?	____ clients
8. Does the Subrecipient have a bed inventory in the Housing Inventory Chart	Yes <input type="checkbox"/> No <input type="checkbox"/>
If yes, are there issues with bed coverage?	
Summarize any corrective action needed	

HOMELESS ACTIVITIES (SHELTER OPERATIONS/ESSENTIAL SERVICES/STREET OUTREACH)

Shelter Operations/Type of Shelter	Indicate all services provided	
<input type="checkbox"/> Beds/Cots: # available _____	<input type="checkbox"/> Needs Assessment/Referrals	<input type="checkbox"/> Life Skills Training
<input type="checkbox"/> Mats on Floor: _____	<input type="checkbox"/> Access to indoor restrooms	<input type="checkbox"/> Meals/Soup Kitchen
<input type="checkbox"/> Apartment	<input type="checkbox"/> Showers	<input type="checkbox"/> Food Bank
<input type="checkbox"/> Mobile Home/Trailer	<input type="checkbox"/> Potable Water	<input type="checkbox"/> Case Management
<input type="checkbox"/> Hotel/Motel Vouchers	<input type="checkbox"/> Personal hygiene items	<input type="checkbox"/> Street Outreach
<input type="checkbox"/> Group Home	<input type="checkbox"/> Emergency Health Services	<input type="checkbox"/> Other:
Essential Services Offered		
<input type="checkbox"/> Case Management	<input type="checkbox"/> Education Services	<input type="checkbox"/> Employment Assistance/Job Training
<input type="checkbox"/> Child Care	<input type="checkbox"/> Transportation Services	<input type="checkbox"/> Life Skills Training
<input type="checkbox"/> Outpatient Health Services	<input type="checkbox"/> Legal Services	<input type="checkbox"/> Mental Health
<input type="checkbox"/> Street Outreach Services : List type of services provided:		

Shelter Operation Project Requirements:	Comments/Concerns
Procedure for determining headcount is adequate and consistently carried out	<input type="checkbox"/> Yes <input type="checkbox"/> No
Rules and Infractions of Rules are Clearly Posted in Area Accessible by participants:	<input type="checkbox"/> Yes <input type="checkbox"/> No
Security measures are in place to ensure client safety:	<input type="checkbox"/> Yes <input type="checkbox"/> No
To the maximum extent possible, homeless participants are involved in constructing, renovating, maintaining or operating the facilities used by the Program, or in providing services for occupants of these facilities	<input type="checkbox"/> Yes <input type="checkbox"/> No
A formal process exists to terminate assistance to a participant who violates shelter requirements	<input type="checkbox"/> Yes <input type="checkbox"/> No
No religious instruction or counseling is provided as part of ESG-funded activities	<input type="checkbox"/> Yes <input type="checkbox"/> No

Guide for Review of ESG Program

Participation in religious worship or services is not required of guests	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Habitability/Safety inspections are conducted regularly	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Record keeping and filing system identifies operating costs per facility address	<input type="checkbox"/> Yes <input type="checkbox"/> No	
All clients receiving shelter or services paid for using ESG funds are entered into HMIS	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Essential Services Requirements		
If Essential Services funding is provided, client files contain documentation of services provided; referrals to other resources; case management notes; and other documents needed to demonstrate client received assistance for programs and services billed to the ESG grant.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Client information and services provided has been entered into HMIS.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Street Outreach Requirements:		
If Street Outreach is provided, agency has documentation of services provided to clients; case management notes, etc.	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Client information and services provided has been entered into HMIS	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Comments or Concerns:		

EXHIBIT 8 - HUD FORM 2516 AND 4710

Form HUD-2516													U.S. Department of Housing and Urban Development																	
Contract and Subcontract Activity																														
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.																														
Executive Orders 12432 and 11625 requires Federal agencies to promote Minority Business Enterprise (MBE) participation in their programs and prescribes additional arrangements for developing and coordinating a National Program for MBE. Pursuant to Executive Order 12432, the Department of Commerce requires an annual report on MBE achievements, the information provided on Public and Indian Housing Programs will be used to monitor and evaluate HS performance and to develop and submit the Annual Report to the President. Responses to the collection of information requested does not lend itself to confidentiality.																														
1. Grantee/Project Owner/Developer/Sponsor/Builder/Agency GRANTEE NAME (City/County)													Check if: PHA IHA CPD		2. Location (City, State, ZIP Code) LOCATION OF GRANTEE															
3a. Name of Contact person NAME					3b. Phone number NUMBER			4. Reporting Period					5. Prog. Code (Not applicable for CPD Programs) See explanation of codes below. Use a separate sheet for each program code.					6. Date submitted DATE												
7a	7b	7c	7d	7e	7f	7g	7h	7i	Contractor/Subcontract Name and Address																					
Grant/Project Number or HUD Case Number or other identification of property subdivision, dwelling unit, etc.	Amount of Contract or Subcontract	Type of Trade Code (see below)	Contractor or Subcontractor Business Racial/Ethnic Code (see below)	Women owned Business (yes/no)	Prime Contractor Identification (ID) Number	Sec 3	Subcontractor Identification (ID) Number	Sec 3	Name	Street	City	St	Zip																	
GRANT NUMBER	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Total													\$0.00																	
CPD: 1= New Construction 2= Education/Training 3= Other													7c: Type of Trade Codes: Housing/Public Housing 1= New Construction 2= Substantial Rehab. 3= Repair 4= Service 5= Project Mangt.						7d: Racial/Ethnic Codes: 1= White Americans 2= Black Americans 3= Native Americans 4= Hispanic Americans 5 Asian Pacific American 6= Hasidic Jews						5: Program Codes (complete for Housing and Public and Indian Housing programs only): 1= All insured, including Section 8 2= Flexible Subsidy 3= Section 8 Noninsurance, Non-HFDA 4= Insured (Management) 5= Section 202 6= HUD-Held (Management) 7= Public/Indian Housing					

Semi-Annual Labor Standards Enforcement Report - Local Contracting Agencies (HUD Programs)

**U.S. Department of Housing and Urban Development
Office of Labor Relations**

HUD FORM 4710
OMB Approval Number 2501-0019
(Exp. 09/30/2010)

Agency Name:	Agency Type: <small>(e.g., CDBG, FHA, TDHEIHA)</small>	State:	LR2000 Agency ID #: <small>(HUD Use Only)</small>
Period Covered: Check One and Enter Year(s)			
<input type="checkbox"/> Period 1: October 1, ____ to March 31, ____		<input type="checkbox"/> Period 2: April 1, ____ to September 30, ____	
Agency Contact Person:		Agency Contact Phone/E-mail:	

PART I - CONTRACTING ACTIVITY*
Pertains ONLY to projects awarded during the reporting period.

1. Number of prime contracts subject to the Davis-Bacon and Related Acts (DBRA) and/or the Contract Work Hours and Safety Standards Act (CWHSSA) awarded this period
- Note: Do not include contracts included in previous semi-annual reports

a

2. Total dollar amount of prime contracts reported in item 1 above

\$

3. List for each contract awarded this period:

Project Name/Number	Contract Amount	Wage Decision Number	Wage Decision Lock-In Date
EXAMPLE: "Boy's Club Renovation # CD54005-65"	"\$0,000,000.00"	"FL040001/Mod 3, 6/25/04, Building"	"07/02/04 bid open date" ◀Lock

*Use additional pages if necessary

WHAT IS THE LOCK-IN DATE? For contracts entered into pursuant to competitive bidding procedures, the bid opening date "locks-in" the wage decision **provided** that the contract is awarded within 90 days. If the contract is awarded more than 90 days after bid opening, the contract award date "locks-in" the wage decision. For contracts, purchase orders or other agreements for which there is no bid opening or award date, use the construction start date as the lock-in date. However, for projects receiving assistance under Section 8 of the U.S. Housing Act of 1937 or contracts involving a project wage determination, the lock-in rules may vary from above. See Department of Labor Regulations, 29 CFR, Part 1, Section 1.6 and/or HUD Handbook 1344.1, or consult the HUD Labor Relations staff.

WHAT IT ISN'T: Do not use the wage decision publication date, unless that happens to correspond to one of the trigger events described above. If you are not sure about any of this, please feel free to contact the Labor Relations staff in your state or region.

Semi-Annual Labor Standards Enforcement Report - Local Contracting Agencies (HUD Programs)	U.S. Department of Housing and Urban Development Office of Labor Relations	HUD FORM 4710 <small>OMB Approval Number 2501-0019 (Exp. 09/30/2010)</small>
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Agency Name:	Agency Type: <small>(e.g., CDBG, PMA, TDHEIHA)</small>	State:	LR2000 Agency ID #: <small>(HUD Use Only)</small>
Period Covered: Check One and Enter Year(s)			
<input type="checkbox"/> Period 1: October 1, ____ to March 31, ____		<input type="checkbox"/> Period 2: April 1, ____ to September 30, ____	
Agency Contact Person:		Agency Contact Phone/E-mail:	

PART II - ENFORCEMENT ACTIVITY*

Pertains to all projects, not just contract(s) awarded during the reporting period.

4. Number of employers against whom **complaints** were received (list employers and projects involved below):

Employer	Project(s)
-----------------	-------------------

5. (a) Number of cases (employers) referred to HUD Labor Relations for investigation or §5.11 hearing (list referrals below):

(b) Number of cases (employers) referred to the Department of Labor (DOL) for investigation or §5.11 hearing (list referrals below):

Employer	Project	HUD or DOL	Invest. Or Hearing
-----------------	----------------	-------------------	---------------------------

6. (a) **Number of workers for whom wage restitution was collected/dispursed:**
Report only once; if you previously reported workers for whom restitution was collected, do not report the same workers when funds are dispursed. Include workers to whom restitution was paid directly by the employer.

(b) **Total amount of straight time wage restitution collected/dispursed during this period:** \$
Report only once; if you report funds collected, do not report the disbursement. Include restitution amounts paid directly by the employer as reported on correction certified payrolls.

(c) **Total amount of CWHHSA overtime wage restitution collected/dispursed during this period:** \$
Report only once; if you report funds collected, do not report the disbursement. Include restitution amounts paid directly by the employer as reported on correction certified payrolls.

(d) **Total amount of liquidated damages collected:** \$

* Use additional pages if necessary

EXHIBIT 9 – SECTION 3 ANNUAL REPORT

Section 3 Summary Report

U.S. Department of Housing

OMB Approval No: 2529-

0043

Economic Opportunities for

and Urban Development

(exp. 8/13/20XX)

Low – and Very Low-Income Persons

And Eligible Businesses

Office of Fair Housing

And Equal Opportunity

Public Reporting Burden statement printed below

1. Recipient Name & Address: (street, city, state, zip)	2. Tax Identification Number (TIN):	3. Total Amount Expended:
	4. Contact Person	5. Telephone Number: (Include area code)
	6. Start Date of Reporting Period:	7. End Date of Reporting Period:
8. Program Code and Name: (A separate report must be submitted for each source of covered funding)		9. Date Report Submitted:

Part I: Employment and Training Opportunities (Columns B, C and F are mandatory fields. Only include New Hires in these fields)**

A Job Category	B Number of New Hires	C Number of New Hires that are Section 3 Residents	D Aggregate Number of all Staff Hours Worked (Optional)	E Total Staff Hours Worked by all Section 3 Employees (Optional)	F Percentage of Staff Hours Worked by Section 3 Employees Column E/ Column D (Optional, but must be completed if columns D & E are completed)	G Number of Section 3 Trainees
Professionals						

Clerical						
Administrative						
Case Management						
Facilities Management						
Technical (Bookkeeping, IT, etc.)						
Carpentry						
Painting						
Masonry						
Plumbing						
Electrical						
Janitorial						
Security						
Other: Describe						

Total						

DRAFT

Part II: Contracting Opportunities

1. Construction Contracts	HUD Amount	Leveraged Amount	Total (HUD Amount + Leveraged Amount)
A. Total dollar amount of construction contracts awarded with covered funds expended during the reporting period			
B. Total dollar amount of contracts awarded to Section 3 businesses during the reporting period			
C. Percentage of the total dollar amount of construction contracts that were awarded to Section 3 businesses during the reporting period (i.e., Item B/ Item A= %)			
D. Total number of Section 3 businesses receiving construction contracts during the reporting period			
2. Non-Construction Contracts			
A. Total dollar amount of non-construction contracts awarded with covered funds expended during the reporting period			
B. Total dollar amount of non-contracts awarded to Section 3 businesses during the reporting period			
C. Percentage of the total dollar amount of non-construction contracts that were awarded to Section 3 businesses during the reporting period (i.e., Item B/ Item A= %)			
D. Total number of Section 3 businesses receiving non-construction contracts during the reporting period			

Part III: Summary of Efforts

Indicate the efforts made to direct the employment and other economic opportunities generated by HUD financial assistance for housing and community development programs, to the greatest extent feasible, toward low-and very low-income persons, particularly those who are recipients of government assistance for housing. (Check all that apply and maintain copies of all documentation as evidence of the actions checked below)

- Attempted to recruit low-income residents through: local advertising media, signs prominently displayed at the project site, contracts with the community organizations and public or private agencies operating within the metropolitan area (or nonmetropolitan county) in which the Section 3 covered program or project is located, or similar methods.
- Participated in a HUD program or other program which promotes the training or employment of Section 3 residents.
- Participated in a HUD program or other program which promotes the award of contracts to business concerns which meet the definition of Section 3 business concerns.
- Coordinated with Youthbuild Programs administered in the metropolitan area in which the Section 3 covered project is located.
- Entered into "first source" hiring agreements with organizations representing Section 3 residents.
- Established training programs, which are consistent with the requirements of the Department of Labor.
- Posted job postings within public housing developments(s) for employment opportunities available which identify the positions to be filled, the qualifications required, and where to obtain additional information about the application process.
- Advertised and/or issued print or electronic notices of employment opportunities to Section 3 residents.
- Advertised the jobs to be filled through the local media, such as community television networks, newspapers of general circulation, and/or radio advertising.
- Contacted public housing resident councils, resident management corporations, or other resident organizations, to request the assistance of these organizations in notifying Section 3 residents of the training and employment positions to be filled.
- Provided contractors a list of Work force development, social service, community based organizations, etc. that the recipient contacted to assist them with notifying Section 3 residents about employment and training opportunities.
- Initiated targeted community group meetings and mailings to recruit/attract Section 3 residents and Section 3 businesses.
- Conducted speaking presentations and or trainings to Section 3 residents and/or businesses.
- Employed Section 3 residents directly on either a permanent or a temporary basis to perform work generated by Section 3 assistance ("force account labor").
- Maintained a file of eligible qualified Section 3 residents for future employment positions.
- Utilized Payroll Certification, Worker Utilization Forms, and other types of data to identify potential employment and contracting opportunities.
- Maintained documentation of training provided to Section 3 residents.
- Provided contractors a list of Section 3 Residents that applied for jobs that were advertised (name, address and phone numbers).
- Contacted business development agencies, minority contractors associations, chambers of commerce, local Small Business Administration (SBA) and/or other similar community organizations to request their assistance in identifying section 3 businesses to be notified about HUD funded contracts.
- Used HUD's Section 3 Business Registry to locate local Section 3 businesses.
- Advertised and/or issued print or electronic notices of contracting opportunities to prospective Section 3 businesses.
- Provided contractors a list of Section 3 businesses to be notified about subcontracting opportunities (names, address and phone numbers).
- Advertised contracting opportunities by posting notices, which provide general information about the work to be contracted and where to obtain additional information at job sites.
- Initiated targeted community business group meetings and mailings to notify Section 3 business of contracting opportunities.
- Other efforts to achieve compliance (Please describe below).

Describe other Efforts to achieve compliance:

Covered Recipients are required to either meet all three minimum numerical goals for employment and contracting (see below), or provide a description of the steps taken to meet the goals, barriers encountered, and actions that will be taken to address them. If your agency failed to meet all three Section 3 minimum numerical goals, please provide an explanation:

NOTE: The Section 3 minimum numerical goals are as follows:

Employment Opportunities:

30% of the aggregate number of **new hires** shall be Section 3 Residents

Contracting Opportunities:

Construction contract—10% of the aggregate dollar amount of **construction** contracts shall be awarded to Section 3 Businesses

Construction contract—3% of the aggregate dollar amount of **non-construction** contracts shall be awarded to Section 3 Businesses

Please review the Section 3 FAQs for definitions of Section 3 Residents and Business Concerns.

Public reporting for this collection of information is estimated to average 8 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB number.

Section 3 of the Housing and Urban Development Act of 1968, 12 U.S.C. 1701u, and the implementing regulation at 24 CFR § 135 mandates that HUD shall ensure that employment,

training, contracting, and other economic opportunities generated by its housing and community development assistance programs are directed toward low- and very-low income persons, particularly those who are recipients of government assistance housing and businesses that substantially employ these persons. Please visit www.hud.gov/section3 to learn more about the regulatory requirements of Section 3.

The information will be used by the Department to monitor program recipients' compliance with Section 3, to assess the results of the Department's efforts to meet the statutory objectives of Section 3, to prepare reports to Congress. The report may also be used by recipients as self-monitoring tool. The data shall be entered into a database and will be analyzed and made available to the public by HUD staff. The collection of information is restricted to direct recipients of Federal financial assistance for housing and community development programs covered by Section 3. The information will be collected annually to assist HUD in meeting its reporting requirements under Section 3 of the Housing and Urban Development Act and Section 916 of the HCDA of 1992. An assurance of confidentiality is not applicable to this form. The Privacy Act of 1974 and OMB Circular A-108 are not applicable. The reporting requirements do not contain sensitive questions. Data is cumulative; personal identifying information is not included.

Instructions:

This form is to be used to report annual accomplishments regarding employment, training, contracting, and other economic opportunities provided to low- and very low-income persons, and the businesses that substantially employ them pursuant to Section 3 of the Housing and Urban Development Act of 1968. The Section 3 regulations apply to any *public and Indian housing programs* that receive: (1) development or capital fund assistance pursuant to Section 5 of the U.S. Housing Act of 1937; (2) operating assistance pursuant to Section 9 of the U.S. Housing Act of 1937; or (3) modernization grants pursuant to Section 14 of the U.S. Housing Act of 1937; and to **Recipients of housing and community development assistance in excess of \$200,000** expended for: (1) housing rehabilitation (including reduction and abatement of lead-based paint hazards); (2) housing construction; or (3) other public construction projects; and to their *contractors and subcontractors that receive awards in excess of \$100,000* for Section-3 covered activities.

Form HUD-60002 is only to be submitted by direct recipients of HUD funding (i.e., Public Housing Agencies (PHAs), municipalities, Participating Jurisdictions (PJs), property owners, recipients of competitive grant awards, etc.). This form is **NOT** to be submitted to HUD by contractors, developers, subrecipients, or other entities that do not receive funds directly from HUD. Additional information about Section 3 and reporting requirements can be found at: www.hud.gov/section3.

Form HUD-60002 has three parts, which are to be completed for all programs covered by Section 3. Part I relates to new *Employment and Training* opportunities created by recipients and their contractors. Part II of the form identifies covered *Contracting* opportunities generated by HUD funding, and Part III summarizes recipients' *Efforts* to comply with the regulatory requirements of Section 3, which includes either meeting the minimum numerical goals for employment and contracting, or providing an explanation of why the goals were not met.

Recipients or contractors subject to Section 3 requirements must maintain appropriate documentation to establish that HUD financial assistance for housing and community development programs were directed toward low- and very low-income persons. A recipient of Section 3 covered assistance shall submit one copy of this report to HUD Headquarters, Office of Fair Housing and Equal Opportunity. Where the program providing assistance requires an annual performance report, this Section 3 report is to be submitted at the same time the program performance report is submitted. Where an annual performance report is not required, this Section 3 report is to be submitted by January 10 and, if the project ends before December 31, within 10 days of project completion.

1. Recipient: Enter the name and address of the recipient submitting this report.
2. Tax Identification Number (TIN): Enter the tax identification associated with the recipient listed in item #1.
3. Dollar Amount of Award: Enter the dollar amount, rounded to the nearest dollar, received by the recipient.
 4. Contact Person/: Enter the name of the person with knowledge of the award and the recipient's implementation of Section 3.
5. Telephone Number: Enter the office telephone number for the person listed in item #4.
6. Start Date of Reporting Period: Indicate the start date for the time period (month/day/year) that this report covers.
7. End Date of Reporting Period: Indicate the end date for the time period (month/day/year) that this report covers.

8. Program Code and Name: Enter the appropriate program code and name for the type of funds associated with this report. A separate report must be submitted for each program code.
9. Date Report Submitted. Enter the date that the report was submitted to HUD.

Part I: Employment and Training Opportunities

Column A: Lists various job categories for persons employed in connection with this report. The category of "Other" includes occupations such as service workers.

Column B: (Mandatory Field) Enter the number of new hires for each job category or trade identified in **Column A** in connection with this report. New hire refers to a person who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column C: (Mandatory Field) Enter the number of Section 3 new hires for each category of workers identified in **Column A** in connection with this report. Section 3 new hire refers to a Section 3 resident who is not on the contractor's or recipient's payroll for employment at the time of selection for the Section 3 covered award or at the time of receipt of Section 3 covered assistance.

Column D: Enter the aggregate number of staff hours of new hires (Section 3 residents) in connection with this report.

Column E: Enter the total amount of staff hours worked by persons that meet the definition of Section 3 residents (including new hires) connected with this report. Include staff hours for part-time and full-time positions.

Column F: Calculate the percentage of staff hours worked by Section 3 employees (i.e., staff hours worked by Section 3 Employees/aggregate number of staff hours worked).

Column G: (Mandatory Field) Enter the number of Section 3 residents that were trained for each job category or trade identified in **Column A** in connection with this report.

Part II: Contracting Opportunities

Block 1: Construction Contracts

Item A: Enter the total dollar amount of all construction contracts awarded during the reporting period. Include both HUD and Leveraged Amounts, which should be equal to the total (Item A + Item B = Total)

Item B: Enter the total dollar amount of construction contracts connected that were awarded to Section 3 businesses during the reporting period. Include both HUD and Leveraged Amounts, which should be equal to the total (Item A + Item B = Total)

Item C: Enter the percentage of the total dollar amount of construction contracts awarded to Section 3 businesses during the reporting period. Indicate HUD and Leveraged percentages. (Item B/ Item A = %) The total amount should be 100%

Item D: Enter the number of Section 3 businesses receiving construction contracts during the reporting period.

Block 2: Non-Construction Contracts

Item A: Enter the total dollar amount of all non-construction contracts awarded during the reporting period. Include both HUD and Leveraged Amounts, which should be equal to the total (Item A + Item B = Total)

Item B: Enter the total dollar amount of non- construction contracts t awarded to Section 3 businesses during the reporting period. Include both HUD and

Leveraged Amounts, which should be equal to the total (Item A + Item B = Total)

Item C: Enter the percentage of the total dollar amount of non-construction contracts awarded to Section 3 businesses. Indicate HUD and Leveraged percentages. The total amount should be 100%

Item D: Enter the number of Section 3 businesses receiving non-construction contracts.

Part III: Summary of Efforts

1. Check all appropriate actions that describe efforts taken by the recipient to meet the regulatory requirements of Section 3. Recipients are required to maintain copies of all documentation as evidence of the actions that are checked.
2. Describe other efforts to achieve compliance. A list of some possible actions is provided at 24 CFR § 135.40 or in the Section 3 FAQs at www.hud.gov/section3.
3. Recipients that failed to meet all three Section 3 minimum numerical goals for employment and contracting, are required to provide an explanation of why it was not feasible to do so. Such explanations may describe the steps taken to meet the goals, barriers encountered, and actions that will be taken to address them in the future.

EXHIBIT 10 – FEDERAL CASH TRANSACTION REPORT

FEDERAL FINANCIAL REPORT

(Follow form instructions)

1. Federal Agency and Organizational Element to Which Report is Submitted		2. Federal Grant or Other Identifying Number Assigned by Federal Agency (To report multiple grants, use FFR Attachment)			Page	1	of	
pages								
3. Recipient Organization (Name and complete address including Zip code)								
4a. DUNS Number	4b. EIN	5. Recipient Account Number or Identifying Number (To report multiple grants, use FFR Attachment)			6. Report Type <input type="checkbox"/> Quarterly <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Annual <input type="checkbox"/> Final		7. Basis of Accounting <input type="checkbox"/> Cash <input type="checkbox"/> Accrual	
8. Project/Grant Period From: (Month, Day, Year)				To: (Month, Day, Year)		9. Reporting Period End Date (Month, Day, Year)		
10. Transactions						Cumulative		
<i>(Use lines a-c for single or multiple grant reporting)</i>								
Federal Cash (To report multiple grants, also use FFR Attachment):								
a. Cash Receipts								
b. Cash Disbursements								
c. Cash on Hand (line a minus b)						0.00		
<i>(Use lines d-o for single grant reporting)</i>								
Federal Expenditures and Unobligated Balance:								
d. Total Federal funds authorized								
e. Federal share of expenditures								
f. Federal share of unliquidated obligations								
g. Total Federal share (sum of lines e and f)						0.00		
h. Unobligated balance of Federal funds (line d minus g)						0.00		
Recipient Share:								
i. Total recipient share required								
j. Recipient share of expenditures								
k. Remaining recipient share to be provided (line i minus j)						0.00		
Program Income:								
l. Total Federal program income earned								
m. Program income expended in accordance with the deduction alternative								
n. Program income expended in accordance with the addition alternative								
o. Unexpended program income (line l minus line m or line n)						0.00		
11. Indirect Expense	a. Type	b. Rate	c. Period From	Period To	d. Base	e. Amount Charged	f. Federal Share	
g. Totals:								
12. Remarks: Attach any explanations deemed necessary or information required by Federal sponsoring agency in compliance with governing legislation:								
13. Certification: By signing this report, I certify that it is true, complete, and accurate to the best of my knowledge. I am aware that any false, fictitious, or fraudulent information may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 18, Section 1001)								
a. Typed or Printed Name and Title of Authorized Certifying Official					c. Telephone (Area code, number and extension)			
					d. Email address			
b. Signature of Authorized Certifying Official					e. Date Report Submitted (Month, Day, Year)			
					14. Agency use only:			

Standard Form 425
OMB Approval Number: 0348-0061
Expiration Date: 10/31/2011

Paperwork Burden Statement
According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is 0348-0061. Public reporting burden for this collection of information is estimated to average 1.5 hours per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0060), Washington, DC 20503.

EXHIBIT 11 – HOUSING PROGRAM APPLICATIONS

**TOWN OF CICERO
DEPARTMENT OF HOUSING
EMERGENCY ASSISTANCE PROGRAM APPLICATION**

DATE: _____

CASE # _____

General Information

Applicant: _____ Phone #: _____

Address: _____ Birthdate: _____ SS#: _____

Co-Applicant: _____ Relationship: _____

Birthdate: _____ SS#: _____

Total household members #: _____

of persons disabled living in household: _____ Is the head of household female: Yes or No

Are homeowners 62 years of age or older? Yes or No

Type of structure: Single Family 2 unit (circle one) List monthly rent: \$ _____

Race/Ethnicity of head of household: (must choose one)

- White Asian Native Hawaiian Asian & White Native Hawaiian & White Black/African American
 Black/African American & White American Indian/Alaskan Native American Indian/Alaskan Native & White
 Other

Are you also Hispanic? Yes No

Property built prior to 1978: Yes No

Have your children been tested for lead-based paint? Yes No (if yes please attach results)

Have you ever had a lead hazard evaluation? Yes No (if yes please attach)

Type of work requested: _____

APPLICANT

CO-APPLICANT

Employer: _____

Employer: _____

Address: _____

Address: _____

Phone #: _____ Length of employ _____

Phone #: _____ Length of employ: _____

Position: _____

Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

HOUSEHOLD MEMBER INFORMATION

Name: _____

Name: _____

Relationship: _____ Birthdate: _____

Relationship: _____ Birthdate: _____

Social Security #: _____

Social Security #: _____

Employer: _____

Employer: _____

Address: _____

Address: _____

Work phone #: _____ Position: _____

Work phone #: _____ Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

Name: _____

Name: _____

Relationship: _____ Birthdate: _____

Relationship: _____ Birthdate: _____

Social Security #: _____

Social Security #: _____

Employer: _____

Employer: _____

Address: _____

Address: _____

Work phone #: _____ Position: _____

Work phone #: _____ Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

Name: _____

Name: _____

Relationship: _____ Birthdate: _____

Relationship: _____ Birthdate: _____

Social Security #: _____

Social Security #: _____

Employer: _____

Employer: _____

Address: _____

Address: _____

Work phone #: _____ Position: _____

Work phone #: _____ Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____

COPIES OF THE FOLLOWING MUST BE ATTACHED TO YOUR COMPLETED APPLICATION:

- Most current Recorded Deed or Title (death certificates of non-living property owners / divorce certificate and name change proof if name on Deed/Title differs than current name. If Deed is in trust a current Certified Trust Agreement is required.
- Bank Statements for last three (3) months of all accounts for all household members
- Two current monthly recent rent receipts for all rental units if applicable
- Copy of most current IRS 1040 form, State and Federal; with all attachments; W-2, 1099's; Schedules (for ALL household members)
- Two recent paycheck stubs (for ALL household members)
- Current monthly stubs/receipts/statements from all other income received from income source (for ALL household members)

COMPLETE AND ATTACH THE FOLLOWING DOCUMENTS TO YOUR COMPLETED APPLICATION:

- Temporary Relocation Policy Agreement signed by all title holders
- Disclosure Certification signed by all title holders
- Indemnification Agreement signed by all title holders
- General Release signed by all title holders
- Written Acknowledgment of receipt of pamphlet "Renovate Right" signed by all title holders
- Written Acknowledgment of receipt of pamphlet "Protect Your Family From Lead in Your Home" signed by Tenant(s)
- Certificate of attempted Delivery of Pamphlet
- Tenant Survey (If applicable)
- Financial Privacy Notice (all over 15 must sign)
- IRS 4506-T form (all over 15 must sign)
- Zero Income Affidavit (all over 15 must sign)
- Elderly Homeowners Informed Consent Notice signed by all title holders

CERTIFICATION BY APPLICANTS

The Applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining a loan/grant and is true and complete to the best of the applicant's knowledge and belief.

The applicant further certifies that he/she is the owner and resides in the property described in this application, and that the rehabilitation loan/grant proceeds will be used only for the work and materials necessary to meet the rehabilitation or code standards, as applicable, which are prescribed for the property described in this application.

I hereby authorize the Town of Cicero to perform the service and/or repair requested. I understand that the Town of Cicero shall not be responsible for the necessity or adequacy of such service and/or repair. The Town of Cicero shall have no liability due to the disruption or discontinuance of electrical, gas, water or any other liability necessitated by such service and/or repair or by a dangerous or hazardous condition discovered by it.

Verification of any of the information contained in this application may be obtained from any source named therein.

We reserve the right to verify any and all information given in this application, whatever the source. All information derived from such verification will be kept confidential and limited to the Department of Housing.

The Town of Cicero Department of Housing will make the determination if the application meets the requirements to qualify for this loan/grant.

Grants/loans are awarded without regard to race, sex, age, ethnic or religious background.

Racial data is obtained for statistical information only. Data is not compulsory and will not be considered by any local or federal official in determining applicant(s) eligibility.

PENALTY FOR FALSE OR FRAUDULENT STATEMENT: U.S.C. TITLE18, SECTION 1001, PROVIDES: "WHOEVER, IN ANY MATTER WITHIN THE JURISDICTION OF ANY DEPARTMENT OR AGENCY OF THE UNITED STATES KNOWINGLY AND WILLFULLY FALSIFIES OR MAKES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENT OR ENTRY, SHALL BE FINED NOT MORE THAN \$10,000.00 OR IMPRISONED NOT MORE THAN FIVE YEARS, OR BOTH."

AFFIDAVIT

I hereby affirm that the answers given in this application are true and correct and made for the purpose of obtaining assistance under the Department of Housing Rehabilitation Programs administered by the Town of Cicero. I further understand that any fraudulent representations made in this application will result in the denial of assistance under this program and possible criminal prosecution. For purposes of verifying the information given in this application, I authorize the Town of Cicero, or its representatives, to communicate with any person, firm, or corporation it desires, and obtain such information as it may require concerning statements made in this application. I agree that this application shall remain the property of the Town of Cicero whether or not rehabilitation assistance is granted.

Check One:

- I further understand that my property is only eligible to receive Emergency Assistance under the Emergency Assistance Program (EAP) once every three (3) years.**
Homeowner(s)' Initials: _____, _____

Signature

Date

Signature

Date

TOWN OF CICERO
DEPARTMENT OF HOUSING GRANT APPLICATION (Check one)

- HOME REPAIR PROGRAM (HRP)
- HOME IMPROVEMENT PROGRAM (HIP)
- EMERGENCY ACCESS GRANT FOR PEOPLE WITH DISABILITIES PROGRAM (ACCESS)
- WEATHERIZATION AND ENERGY EFFICIENCY PROGRAM (WEE)

DATE: _____

CASE # _____

General Information

Applicant: _____ Phone #: _____

Address: _____ Birthdate: _____ SS#: _____

Co-Applicant: _____ Relationship: _____

Birthdate: _____ SS#: _____

Total household members #: _____

of persons disabled living in household: _____ **Is the head of household female:** Yes or No

Are homeowners 62 years of age or older? Yes or No

Type of structure: Single Family 2 unit (circle one) List monthly rent: \$ _____

Race/Ethnicity of head of household: (must choose one)

- White Asian Native Hawaiian Asian & White Native Hawaiian & White Black/African American
- Black/African American & White American Indian/Alaskan Native American Indian/Alaskan Native & White
- Other

Are you also Hispanic? Yes No

Property built prior to 1978: Yes No

Have your children been tested for lead-based paint? Yes No (if yes please attach results)

Have you ever had a lead hazard evaluation? Yes No (if yes please attach)

Type of work requested: _____

APPLICANT

CO-APPLICANT

Employer: _____

Employer: _____

Address: _____

Address: _____

Phone #: _____ Length of employ _____

Phone #: _____ Length of employ: _____

Position: _____

Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

HOUSEHOLD MEMBER INFORMATION

Name: _____

Name: _____

Relationship: _____ Birthdate: _____

Relationship: _____ Birthdate: _____

Social Security #: _____

Social Security #: _____

Employer: _____

Employer: _____

Address: _____

Address: _____

Work phone #: _____ Position: _____

Work phone #: _____ Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

Name: _____

Name: _____

Relationship: _____ Birthdate: _____

Relationship: _____ Birthdate: _____

Social Security #: _____

Social Security #: _____

Employer: _____

Employer: _____

Address: _____

Address: _____

Work phone #: _____ Position: _____

Work phone #: _____ Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Source: _____

Source: _____

Name: _____

Name: _____

Relationship: _____ Birthdate: _____

Relationship: _____ Birthdate: _____

Social Security #: _____

Social Security #: _____

Employer: _____

Employer: _____

Address: _____

Address: _____

Work phone #: _____ Position: _____

Work phone #: _____ Position: _____

Gross income: \$ _____ monthly \$ _____ yearly

Gross income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____ yearly

Other income: \$ _____ monthly \$ _____

COPIES OF THE FOLLOWING MUST BE ATTACHED TO YOUR COMPLETED APPLICATION:

- Most current Recorded Deed or Title (death certificates of non-living property owners / divorce certificate and name change proof if name on Deed/Title differs than current name. If Deed is in trust a current Certified Trust Agreement is required.
- Mortgage payment statement
- Current Homeowner's Insurance Policy Agreement
- Bank Statements for last three (3) months of all accounts for all household members
- Most current Second Installment Property Tax Bill
- Two current monthly recent rent receipts for all rental units if applicable
- Copy of most current IRS 1040 form, State and Federal; with all attachments; W-2, 1099's; Schedules (for ALL household members)
- Two recent paycheck stubs (for ALL household members)
- Copy of all most current utility bills (gas, electric, phone and water)
- Current monthly stubs/receipts/statements from all other income received from income source (for ALL household members)

COMPLETE AND ATTACH THE FOLLOWING DOCUMENTS TO YOUR COMPLETED APPLICATION:

- Rehab coordinator/Owner Interview signed by all title holders
- Temporary Relocation Policy Agreement signed by all title holders
- Disclosure Certification signed by all title holders
- Indemnification Agreement signed by all title holders
- General Release signed by all title holders
- Written Acknowledgment of receipt of pamphlet "Renovate Right" signed by all title holders
- Written Acknowledgment of receipt of pamphlet "Protect Your Family From Lead in Your Home" signed by Tenant(s)
- Certificate of attempted Delivery of Pamphlet
- Tenant Survey (If applicable)
- Financial Privacy Notice (all over 15 must sign)
- IRS 4506-T form (all over 15 must sign)
- Zero Income Affidavit (all over 15 must sign)
- Elderly Homeowners Informed Consent Notice signed by all title holders

CERTIFICATION BY APPLICANTS

The Applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining a loan/grant and is true and complete to the best of the applicant's knowledge and belief.

The applicant further certifies that he/she is the owner and resides in the property described in this application, and that the rehabilitation loan/grant proceeds will be used only for the work and materials necessary to meet the rehabilitation or code standards, as applicable, which are prescribed for the property described in this application.

I hereby authorize the Town of Cicero to perform the service and/or repair requested. I understand that the Town of Cicero shall not be responsible for the necessity or adequacy of such service and/or repair. The Town of Cicero shall have no liability due to the disruption or discontinuance of electrical, gas, water or any other liability necessitated by such service and/or repair or by a dangerous or hazardous condition discovered by it.

Verification of any of the information contained in this application may be obtained from any source named therein.

We reserve the right to verify any and all information given in this application, whatever the source. All information derived from such verification will be kept confidential and limited to the Department of Housing.

The Town of Cicero Department of Housing will make the determination if the application meets the requirements to qualify for this loan/grant.

Grants/loans are awarded without regard to race, sex, age, ethnic or religious background.

Racial data is obtained for statistical information only. Data is not compulsory and will not be considered by any local or federal official in determining applicant(s) eligibility.

PENALTY FOR FALSE OR FRAUDULENT STATEMENT: U.S.C. TITLE18, SECTION 1001, PROVIDES: "WHOEVER, IN ANY MATTER WITHIN THE JURISDICTION OF ANY DEPARTMENT OR AGENCY OF THE UNITED STATES KNOWINGLY AND WILLFULLY FALSIFIES OR MAKES ANY FALSE, FICTITIOUS OR FRAUDULENT STATEMENT OR ENTRY, SHALL BE FINED NOT MORE THAN \$10,000.00 OR IMPRISONED NOT MORE THAN FIVE YEARS, OR BOTH."

AFFIDAVIT

I hereby affirm that the answers given in this application are true and correct and made for the purpose of obtaining assistance under the Department of Housing Rehabilitation Programs administered by the Town of Cicero. I further understand that any fraudulent representations made in this application will result in the denial of assistance under this program and possible criminal prosecution. For purposes of verifying the information given in this application, I authorize the Town of Cicero, or its representatives, to communicate with any person, firm, or corporation it desires, and obtain such information as it may require concerning statements made in this application. I agree that this application shall remain the property of the Town of Cicero whether or not rehabilitation assistance is granted.

Check One:

- Under the Home Repair Program, I further understand that my property is only eligible to receive Home Repair Program (HRP) assistance once every three (3) years.**
Homeowner(s)' Initials: _____, _____

- Under the Home Improvement Program (HIP) I agree to own/occupy the building for the duration of 5 years after completion of the rehabilitation work. A duly recorded Lien will be placed on my property with a 5 year term period. I understand that payment in full is required if a transfer of Deed or Title occurs prior to the completion of the term.**
I agree to maintain property up to code and allow periodic inspections by the Town of Cicero if required. I further understand that I can only participate once in the Home Improvement Program and am ineligible for other programs through the Department of Housing.

Homeowner(s)' Initials: _____, _____

- Under the Emergency Access Grant For People with Disabilities, I further understand that my property must be a single family one (1) unit property and homeowner occupied to receive assistance.**
Homeowner(s)' Initials: _____, _____

- I further understand that my property is eligible to receive Weatherization and Energy Efficiency assistance once with a minimum of \$2,000.00 directed toward Energy Efficiency upgrades and a maximum of \$3,000.00 directed toward Health and Safety Measures.**
Homeowner(s)' Initials: _____, _____

Signature

Dat

EXHIBIT 12 – HOUSING PROGRAM INDEX OF DOCUMENTS

Application Stage

Contact Pre-Qualification Form
Walk Thru Inspection Form/Form 5.1
Lead Hazard Requirements Screening Worksheet
Previous Paint Testing Report
Application Cover Letter
Program Guidelines
Application
Zero Income Affidavit
Financial Privacy Notice
4506 – Request for Copy of Tax Form
Tenant Survey
“Protect Your Family From Lead In Your Home” – Pamphlet
Written Acknowledgment of Receipt of Pamphlet (Protect Your Family)
Certification Of Attempted Delivery Of Pamphlet
Renovate Right-Pamphlet
Written Acknowledgment of Receipt of Pamphlet(Renovate Right)
Temporary Relocation Policy Agreement
Disclosure Certification
Disclosure – Seller’s
Disclosure – Lessor’s
General Release
Indemnification Agreement
Documents Still Needed Letter
Checklist
Housing Project Data Form
Elderly Homeowners Informed Consent Notice

Relocation

Relocation Checklist
General Information Notice
Relocation Screening Sheet
Notice of Non Displacement
Record of Advisory Assistance & Other Contacts
Temporary Relocation Notice
Residential Relocation Information
Summary of Relocation Assistance
Decent Safe and Sanitary Inspection
Temporary Relocation Claim
Re-Occupancy

Verification

Anticipated Annual Income Calculations
Memo to Bldg. Dept. Requesting Citations, etc.

Environmental Review Request
When to Consult With Tribes PDF
Environmental Conditions Agreement Request
Environmental Compliance/clearance Form
Employer Verification
Acceptance Letter
Denial Letter
Environmental Review Cancellation

Risk Assessor Documents

Component Type Report
Testing Data Sheet
Calibration Check Test Results
Substrate Correction Values
Selection of Housing Units
Risk Assessment – Resident Questionnaire - Form 5.0
Risk Assessment – Building Condition Form – Form 5.1
Risk Assessment – Paint Conditions on Selected Surfaces – Form 5.2
Risk Assessment – Field Sampling Form for Deteriorated Paint – Form 5.3
Risk Assessment – Field Sampling Form for Deteriorated Paint – Form 5.3a
Risk Assessment – Field Sampling Form for Dust – Form 5.4
Risk Assessment – Field Sampling Form for Dust – Form 5.4a
Risk Assessment – Field Sampling Form for Soil – Form 5.5
Risk Assessment – User Instructions for Form 5.6
Risk Assessment – Mgmt. Data of LBP Hazards in Rental Dwellings – Form 5.6
Risk Assessment – Maintenance Data for Rental Dwellings – Form 5.7

Pre-Construction

Lead Based Paint Evaluation Authorization
Assessment Notice
Presumption Notice
Authorization to Accept Specs
Owner Instructions for Bidding
Contractor Cover Sheet
Contractor Instructions for Bidding
Additional Bid Instructions
Contractor Bid Sheet
Evaluating the Job Worksheet
Contractor Response Listing
Bid Opening Minutes
Construction Checklist
Contractor Inhouse Checklist
Contractor Information Form
Calculating Rehabilitation Hard Costs Worksheet

Escrow Statement
Pre-Construction Conference Checklist
Contractor Certification to Deliver LBP Pamphlet to Owner
10 Day State Notification
OSHA Written Compliance Plan

Construction

Building Department Approved Contractor
Notice to Proceed
Addendum & Change Order
Clearance: Lead Hazard Control Visual Clearance – Form 15.1
Clearance: Lead Hazard Control Clearance Dust Sampling(S.S.)Form 15.2
Clearance: Lead Hazard Control Clearance Dust Sampling (Comp.)-Form 15.2a
Clearance: Lead Hazard Control Clearance Soil Sampling (Comp.)–Form 15.3
Safe Work Practices Certification
Certification of Payout
Final Lien Waiver
Waiver of Lien to Date
Written Acknowledgment of Receipt of Reduction Notice & Clearance Test
Reduction Completion Notice
Contractor/Subcontractor Reporting Form

EXHIBIT 13 - CHAPTER 5.0: RECORD-KEEPING AND REPORTING REQUIREMENTS

Accurate record keeping and reporting are crucial to the successful management of your CDBG-funded activities. The *failure to maintain* adequate documentation of CDBG-funded activities continues to be one of the most serious administrative issues undermining program performance and regulatory compliance of Subrecipients in the CDBG Entitlement program. Without adequate record keeping, you and your grantee cannot track performance against your contract goals and your grantee cannot provide adequate management support in its oversight of your activities. Insufficient documentation and reporting on your part leads to serious monitoring findings, and those findings are likely to be much more difficult to resolve in cases where records are missing, inaccurate, or otherwise deficient. It is very important, therefore, that you adhere to the record-keeping and reporting requirements of the Entitlement program and other pertinent regulations. Adequate documentation means knowing:

- What information needs to be collected and why.
- When that information should be collected (and how often).
- How the information should be acquired, organized, and stored.
- How the information should be reported.
- The required retention period for records.

This chapter addresses the minimum standards for documentation with respect to general record-keeping requirements, file organization and maintenance, retention of records, access to records, and reporting requirements. The end of the chapter contains a comprehensive chart identifying key records for each of three record types: administrative records, financial records and project records.

AS YOU READ THIS CHAPTER, THINK ABOUT ...

1. Whether your agency has a *clearly defined process* for acquiring, organizing, storing, retrieving, and reporting information, especially about your CDBG-funded activities.
2. How you can *strengthen your documentation and reporting systems* to meet the requirements outlined in this chapter.
3. *Who in your agency is responsible* for the majority of record-keeping and reporting tasks, and whether they are properly trained and supported.
4. How you can *streamline your record-keeping and reporting procedures* by standardizing the process and removing duplication of records from your system.
5. How your agency might begin to automate (computerize) some of the record-keeping and reporting tasks if it has not already done so.

5.1 General Record-Keeping Requirements

Every subrecipient is required to establish and maintain at least three major categories of records:

- **Administrative records:** These are files and records that apply to the overall administration of the Subrecipient’s CDBG activities. They include the following:
 - Personnel files.
 - Property management files.
 - General program files: files relating to the Subrecipient’s application to the grantee, the Subrecipient Agreement, program policies and guidelines, correspondence with grantee and reports, etc.
 - Legal files: articles of incorporation, bylaws of the organization, tax status, board minutes, contracts and other agreements.
- **Financial records:** These include the chart of accounts, a manual on accounting procedures, accounting journals and ledgers, source documentation (purchase orders, invoices, canceled checks, etc.), procurement files, bank account records, financial reports, audit files, etc.
- **Project/case files:** These files document the activities undertaken with respect to specific individual beneficiaries, property owners, and/or properties.

Since previous chapters of this handbook have provided information about the elements necessary for financial and general administrative records, this chapter focuses primarily on CDBG requirements as they relate to project files or case files. Exhibit 5-1 at the end of the chapter provides a checklist of the most important files that should be maintained by both Subrecipients and grantees for monitoring purposes.

The **general CDBG standard for record keeping** is that records must be *accurate, complete and orderly*. A grantee must establish the specific requirements for record keeping in its Subrecipient Agreement (24 CFR 570.503(b)(2)). Grantees frequently specify record keeping requirements for their Subrecipients that are very similar to those found in 24 CFR 570.506, so that for the activities undertaken by Subrecipients, the grantee will be able to demonstrate compliance with all applicable program requirements. Therefore, a subrecipient should anticipate having to maintain records sufficient to:

Provide a **full description of each activity** assisted with CDBG funds, including the location where the activities occur, the amount of CDBG funds budgeted, obligated, and expended for the activity and the regulatory provision under which the activity is eligible.

- Demonstrate that each activity undertaken meets one of the **National Objectives** for the CDBG program (24 CFR 570.208 and particularly the record-keeping requirements at 570.506(b)(1) - (12)).
- Show that the subrecipient has made all necessary **determinations required for the eligibility of certain activities** under the CDBG program, including but not limited to 24 CFR 570.201(f) **for interim assistance**, 570.201(i)(2) **for relocation**, 570.201(p) **for technical assistance**, 570.202(b)(3) **for loans to refinance existing indebtedness secured by a property being rehabilitated**, 570.204 **for activities carried out by CBDOs**, and 570.206(f) **for the preparation of applications for other Federal programs**, and 570.209 **for special economic development activities**.
- Document compliance with the program rules regarding **any change of use of real property** acquired or improved with CDBG assistance (24 CFR 570.505 and 570.503(b)(7)(i) and (ii)).
- Demonstrate compliance with the program requirements regarding **acquisition, displacement, relocation, and replacement housing** (24 CFR 570.606).
- Detail the subrecipient's **fair housing** activities and **equal opportunity** compliance.
- Maintain all necessary information relative to the other program requirements specified in Subpart K of 24 CFR Part 570 (which includes **labor standards; national flood insurance; employment and contracting opportunities; lead-based paint; use of debarred, suspended, or ineligible contractors or subrecipients; and conflict of interest**).

It should be noted that subrecipients are not responsible for providing documentation for the initial environmental review of an activity, because they cannot assume the grantee's environmental responsibilities (24 CFR 570.503(b)(5)). However, actions that a subrecipient provides to the grantee in order for it to carry out these responsibilities and other actions the subrecipient takes to abate or address environmental findings must be documented.

5.2 File Organization and Maintenance

A subrecipient should structure its project/case files and other records to comply with the general requirements specified in the preceding section and to facilitate preparation of progress and other reports, including all submissions necessary for the grantee's input into the Integrated Disbursement and Information System (IDIS) and its Consolidated Annual Performance and Evaluation Report (CAPER).

In setting up (or reviewing the adequacy of) its record-keeping system, a subrecipient should use this handbook to develop a list of all the items for which it must maintain documentation on a case/project basis and/or an activity basis. For example, if a subrecipient is carrying out a housing rehabilitation program using private contractors, **each project case file** should contain appropriate records, including:

- The owner's application for assistance, including the address of the property.
- Household size and income documentation for the owner and other households in the structure (if a multi-unit building) and other information to determine program eligibility and the appropriate level of financial assistance (underwriting).
- Other demographic information on the anticipated and actual beneficiaries of the activity for this project/case.
- The work write-up on the property.
- Evidence of any required owner contribution or private loan match.
- The financial assistance agreement between the subrecipient and owner (specifying levels of assistance, intended uses for funds, matching requirements, general program requirements, repayment and recapture procedures, requirements for occupancy by low- and moderate-income households if rental property, etc.).
- Evidence of liens to secure loan.
- Documentation of contractor solicitation and selection.
- Documentation of rent affordability, where applicable.
- A copy of executed construction contract, with all necessary provisions.
- Documentation of compliance, as applicable, with historic preservation, flood insurance, lead-based paint, Davis-Bacon, relocation/anti-displacement, and other relevant program rules.

- Evidence of the subrecipient’s periodic on-site inspection and sign-off on rehabilitation work, including final inspection.
- Copies of all change orders, with proper authorization.
- Records of disbursements made for completed and approved work. (In regard to this last item, a subrecipient must ensure that the data in its project files agree with its financial records.)

For each type of activity undertaken, a subrecipient in consultation with the grantee should determine the comparable data that must be maintained in the individual case files and establish a system for ensuring that every file contains the necessary information. Although the list will vary from activity to activity, each project or case file should include documentation of the **National Objective** being met, the **characteristics and location of beneficiaries**, the **eligibility of the activity**, the **compliance with special program requirements**, the **allowability of the costs**, and the **status of the case/project**.

A subrecipient must also devote attention to implementing an efficient method for compiling **cumulative data** on its activities **for inclusion in periodic reports** required by the grantee. The subrecipient should develop **logs for recording and totaling programmatic data** (by type of activity, for units of service, numbers of beneficiaries, etc.) as cases are initiated and as they progress to avoid searching through all of its individual case files to obtain aggregate statistics every time a progress report is due. The establishment of such logs at the commencement of a CDBG activity, based on the reporting requirements specified by the grantee (see **Section 5.5** in the following section), can save a subrecipient considerable time and effort over the course of the activity.

With an automated reporting system, it is critical to structure the computer database to permit the collection and manipulation of all data elements (i.e., characteristics of projects and beneficiaries) necessary for the production of currently required reports and reports that may be desired in the future. This requires a careful appraisal of current and anticipated future operations and an assessment of the “interface” between the computer system and the individuals who will input the data and those who will use the generated reports.

5.3 Retention of Records

To avoid monitoring findings and facilitate audit reviews, Subrecipients are required to retain their records for extended periods of time, even though an activity may be completed for some time:

- **For all Subrecipients:** 24 CFR 85.42 as modified by 570.502(a)(16), or 24 CFR 84.53(b) as modified by 570.502(b)(3)(ix) (A) and (B), as appropriate:

In general, **records are to be retained for 4 years** from the date of submission of the grantee’s CAPER in which the specific activity is reported for the last time, unless there is

litigation, claims, audit, negotiation, or other actions involving the records, which has started before expiration of the 4-year period. In such cases, the records must be retained until completion of the action and resolution of all issues which arise from it or the end of the regular 4-year period, whichever is longer.

5.4 Access to Records

- Representatives of the grantee, HUD, the Comptroller General of the United States, or of other authorized governmental agencies have the right of access to any pertinent records of a subrecipient to make audits, examinations, excerpts, and transcripts. (24 CFR 85.10 (e) and 84.53 (e))
- Consistent with applicable state and local laws regarding privacy and obligations of confidentiality, the subrecipient also must provide citizens with reasonable access to records on the past use of CDBG funds (24 CFR 570.508).

5.5 Reporting Requirements

A Subrecipient's reporting requirements must be specified by the grantee in the Subrecipient Agreement (24 CFR 570.503(b)(2)). These reporting requirements must be consistent with the provisions of 24 CFR 85.40(a) and (e) and 85.41 (c) and (d) for governmental Subrecipients or 24 CFR 84.51(a) for non-profit Subrecipients.

Although it has broad discretion over the type and frequency of reports, **a typical grantee is likely to request three kinds of reports** from its Subrecipients: information on drawdown requests, regular progress reports, and CAPER data.

- As part of a Subrecipient's periodic **drawdown requests**, all grantees should require the subrecipient to provide information on the financial status of the latter's operations, which should include (for each activity) the amount of:
 - Funds budgeted.
 - Funds received in drawdowns to date.
 - Funds obligated in most recent period and to date.
 - Funds expended in most recent period and to date.
 - Cash on hand (including program income identified as such).
 - Previous drawdowns requested but not yet received.

- Most grantees will also require regular **progress reports** from Subrecipients. These reports generally will be required monthly or quarterly and will usually be designed to **track actual project accomplishments, obligations, and spending patterns against planned operations and accomplishments** as specified in the project schedule and budget portions of the Subrecipient Agreement.
- In addition, grantees will need information from their Subrecipients **in connection with the grantee’s input to IDIS and for preparation of its CAPER**, which it must submit to HUD. Although for some grantees the information contained in the subrecipient progress reports may be sufficient to satisfy their CAPER needs, others may need to supplement these regular reports with requests to their Subrecipients for special reports. In IDIS and in its CAPER, the grantee must provide the following information on each CDBG activity funded:
 - The activity’s name, matrix code, description, and location.
 - The National Objective being met.
 - The amount expended during the program year.
 - The total cost of each multi-unit housing and 570.203(b) economic development activity.
 - The amount of unliquidated obligations for each public service and planning and administration activity if CDBG funds are not disbursed during the 90 days after the end of the grantee’s program year.
 - Activity status and specific units of accomplishments, including compliance with the applicable National Objective, during each program year.
- For rehabilitation activities, the CAPER also requires information (organized separately for single-units and each multi-unit property) on:
 - Activity delivery costs expended in carrying out rehabilitation may be included as part of the cost of the rehab activity or may be reported as a separate activity.
 - Number of units proposed and completed.
 - Number of units in each multi-unit structure initially occupied by low- and moderate-income households following rehab.

- For multi-unit properties, the amount proposed and expended from CDBG, other public, and private sources.
- The CAPER also requires data on:
 - The characteristics of beneficiaries of direct benefit activities (expressed in total households/persons assisted, number of extremely low-income, low-income, and moderate-income households/persons, and ethnic characteristics of beneficiaries).
 - The source and amount of program income received during the program year.
 - Number and total dollar amount of loans outstanding.
 - CDBG-acquired parcels of property to be sold.
 - Households displaced in connection with CDBG activities.

As mentioned in **Section 5.2 in the preceding section**, a subrecipient should **carefully identify its complete CDBG reporting responsibilities as part of the process of designing its record-keeping system** for CDBG-funded activities.

A final area of reporting not discussed in this chapter concerns **annual audits**. This subject is addressed in detail in **Chapter 7.0**.

EXHIBIT 14: RECORD-KEEPING CHECKLIST FOR TRACKING ACTIVITIES

- This form should be initiated when grantee awards a subgrant to a subrecipient.
- The date at the top should indicate the last time the checklist was updated.
- This form should be updated after internal project review, after monitoring visits by the grantee, or when key documents are modified or received from/sent to the grantee.

Date Checklist Last Updated: _____

Documents to be Maintained	Document Source		Status		Location
	Source	Date	Complete?		
Project Application			Y	N	
<input type="checkbox"/> Original Application	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Amendments to Application	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Approval of Amendments	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Notice of Award	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Pre-Award Documentation			Y	N	
<input type="checkbox"/> Articles of Incorporation/Bylaws	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Non-profit Determination	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> List of Board of Directors	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Authorization to Request Funds	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Authorized Official	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Organizational Chart	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Résumés of Chief Admin. and Chief Fiscal Officers	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Financial Statement and Audit	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Conflict of Interest Statement	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Plan for Compliance with National Objectives	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Lobbying Statement	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Subrecipient Agreement			Y	N	
<input type="checkbox"/> Subgrant/Subaward Amount	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Date of Subgrant/Subaward	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Statement of Work	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Budget by Task/Activity	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Schedule by Task/Activity	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Standard Provisions Included?	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
<input type="checkbox"/> Amendments (Dates)	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/>	<input type="checkbox"/>	_____
Financial Records			Y	N	

Documents to be Maintained	Document Source		Status	
	Source	Date	Complete?	Location
<input type="checkbox"/> Current Approved Budget	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Authorization Letter/Signatures	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Financial Management Systems (accounting books, software, reporting systems)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Chart of Accounts	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> List of Source Documents to be Maintained	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Financial Status Report (total budget, amount expended, unliquidated obligations, unobligated balance)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Drawdown Request Forms	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Drawdown Request Reports	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Executed Contracts/Bid Docs	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Board Minutes for Approval of Contracts or Bids	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Copy of Most Recent Audit Report	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Certification of Insurance Coverage/Bonding	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> CDBG Payroll Records	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Certified Construction Payroll Records (Davis-Bacon applicable)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Approved Cost Allocation Plan	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Relevant Financial Correspondence	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
Project Monitoring and Control			Y N	
<input type="checkbox"/> Completed Monitoring Reports	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> National Objectives Documentation	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Eligible Activities Documentation	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Activity Status Report (scope, cost, schedule/actual vs. agreement)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Drawdown Requests/Reports	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Subrecipient Staffing	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Meeting Minutes	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Telephone Log/Notes	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Correspondence	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____

Regulatory Compliance File			Y N	
<input type="checkbox"/> HUD Monitoring Results	<input type="checkbox"/> HUD/Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Real Property Inventory, Management and Change of Use	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Anti-discrimination, Fair Housing, EEO, ADA/504 Certifications	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____

Documents to be Maintained	Document Source		Status	
	Source	Date	Complete?	Location
<input type="checkbox"/> Procurement, Bonding, Insurance	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Labor Standards	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Acquisition, Displacement, Relocation, Replacement Housing	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Environmental Review	<input type="checkbox"/> Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Loan Status Reports (Economic Development, Rehabilitation)	<input type="checkbox"/> Subrecipient/Grantee	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Administrative Activities	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Flood Insurance Purchase	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
Other Project/Activity Files			Y N	
<input type="checkbox"/> Plans and Specs (rehabilitation, historic preservation)	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Orientation and Training	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____
<input type="checkbox"/> Special Case Records	<input type="checkbox"/> Subrecipient	_____	<input type="checkbox"/> <input type="checkbox"/>	_____

EXHIBIT 15 - EXERCISE FOR RECORD-KEEPING AND REPORTING REQUIREMENTS

Review the following examples and indicate whether the approach being taken is adequate or inadequate. Where you feel the approach is “inadequate,” explain why and what might be done differently.

1. John Smith, the program director for the CDBG-funded housing rehabilitation activities of Housing Alliance, Inc., worked diligently with his staff to ensure that every case file contained the information specified in the Subrecipient Agreement for necessary records. As a result, in preparing periodic progress reports, Mr. Smith was able to review each case file and be confident of finding all the data necessary to be included in the reports.

- Adequate?
- Inadequate? Comment: _____

2. Four years had passed since the submission of the grantee’s final Consolidated Annual Performance and Evaluation Report detailing Family Support, Inc.’s counseling services. The independent public accountant (IPA) audit performed for Family Support for the time period in question had not included any findings or questioned costs relating to this project. Joanne White, the executive director of Family Support, Inc., consequently directed her staff to discard the records of this CDBG-funded activity.

- Adequate?
- Inadequate? Comment: _____

3. Delroy Blaise wanted his subrecipient agency to take advantage of the efficiencies of automated data processing for its record-keeping and reporting functions but did not have anybody on his staff with computer expertise. Therefore, he hired a computer consultant who assisted the agency in purchasing a microcomputer, wrote specific software for entering data and generating reports for all the information currently required by the grantee, and trained the staff in its use.

- Adequate?
- Inadequate? Comment: _____

The answers are on next page.

Answers to questions from preceding page

Each of the three cases on the previous page is an example of a situation where the subrecipient in all probability is in *technical compliance with the requirements* for record keeping and reporting but may not be taking sufficient action to maximize the efficiency of its operations or to avoid future problems.

1. Although John Smith has taken pains to ensure that his agency could provide the grantee with the required report data, the necessity of having to search through each case file each time a report is due might be not an efficient use of his agency's personnel resources. Mr. Smith's organization should also have developed summary sheets of the case files and chronological program logs with key characteristics, from which periodic aggregate tallies could be derived much more efficiently.
2. The 4-year retention rule for records might best be viewed as a *minimum*. It is always theoretically possible that an entity like the HUD Office of the Inspector General (OIG) or the General Accounting Office (GAO) may show up to perform an audit after the 4 years have elapsed and request access to such records in support of some questionable costs. Therefore, even after the 4 years, for your own protection, it is probably best to place the records in storage for a year or so rather than to discard or destroy them.
3. When automating record-keeping and reporting functions, a key consideration is **ongoing flexibility**. In this case, because the software was designed specifically for the *current* records/reporting requirements, if the data desired by either the subrecipient or the grantee changed, it is not clear whether the agency had the technical capacity to modify its computer system accordingly. The agency may have been better served if it had purchased a more "user friendly" generic software package that its own staff could learn to modify.

These examples have been included to remind the reader that the requirements contained in this handbook represent **minimum standards** for administrative, financial, and management systems. These minimums should not automatically become your maximums. Although HUD cannot *require* grantees and Subrecipients to go beyond these regulatory standards, it is often in your agency's interest to strive for the "best management practice" possible, or to build an extra margin into your systems, in recognition of the fact that there will always be some unexpected demand on these systems or other problems that will arise over time.

EXHIBIT 16 – ESG WRITTEN STANDARDS

STANDARDS FOR THE PROVISION OF ESG ASSISTANCE

The Town of Cicero, in accordance with the U.S. Department of Housing and Urban Development (HUD) guidelines, developed standard policies and procedures for evaluating individuals' and families' eligibility for Assistance under the Emergency Solutions Grant (ESG).

Evaluations - Per 24 CFR 576.401 the Town and the ESG Subrecipients must conduct an initial evaluation to determine each individual or family's eligibility for ESG assistance and the amount and types of assistance the individual or family needs to regain stability in permanent housing. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under §576.400(d).

Re-evaluations - The Town and ESG Subrecipients must re-evaluate the program participant's eligibility and the types and amounts of assistance the participant needs; not less than once every 3 months for program participants receiving homeless prevention assistance and not less than once annually for program participants who are receiving Rapid Re-Housing assistance. At the Town and Subrecipient's discretion, re-evaluations may be conducted more frequently than required by 24 CFR 576.401 and may also be incorporated into the case management process for homeless prevention and Rapid Re-Housing participants – See 24 CFR 576.401(e)(i). Regardless of which timeframe is used, re-evaluations, must at minimum, establish that:

The program participant does not have an annual income that exceeds 30 percent of median family income for the area, as determined by HUD; and the program participant lacks sufficient resources and support networks necessary to retain housing without ESG assistance. To determine if an individual or family is income eligible, the Town or Subrecipient must examine an individual or family's annual income to ensure that it does not exceed the most current area income limits posted on the Department of Housing and Urban Development's webpage "ESG: Emergency Solutions Grants Program" <https://www.hudexchange.info/resource/4018/2014-hud-median-income-limits-30/>.

RAPID RE-HOUSING AND HOMELESS PREVENTION

ESG funds may be used to provide housing relocation and stabilization services and short-and/or medium term rental assistance as necessary to help a homeless individual or family move as quickly as possible into permanent housing and achieve stability in that housing. This assistance is referred to as Rapid Re-Housing assistance.

ESG funds may be used to provide housing relocation and stabilization services and short-and/or medium term rental assistance as necessary to prevent an individual or family from moving into an emergency shelter or another place described in paragraph (1) of the homeless definition in 24 CFR 576.2.

Policies and procedures for determining and prioritizing which eligible families and individuals will receive homelessness prevention assistance and which eligible families and individuals will receive Rapid Re-Housing assistance will consist of a waiting list for potentially eligible clients and those who most likely benefit from the program.

Through the use of a screening and assessment process, program eligibility will be assessed by thoroughly exploring a family's or individual's situation and pinpointing their unique housing and service needs. Based upon the assessment, families and individuals should be referred to the kinds of housing and services most appropriate to their situations and need (i.e. access all available services to increase self-sufficiency).

Once in place, a centralized or coordinated assessment system will help to better match individuals and families with the most appropriate assistance. Under homelessness prevention assistance, funds are available to persons below 30% of Area Median Income (AMI), who are homeless or at risk of becoming homeless. ESG funds can be used to prevent an individual or family from becoming homeless and/or regain stability in current housing or other permanent housing. Rapid Re-Housing funding will be available to those who are literally homeless to ultimately move into permanent housing and achieve housing stability. Homeless Prevention and Rapid Re-Housing assistance must be provided in accordance with the housing relocation and stabilization services requirements in 24 CFR 576.105, and the short-and-medium-term rental assistance requirements in 24 CFR 576.106.

The amount each program participant must pay will be based on the following:

- Rental assistance cannot be provided for a unit unless the rent for that unit is at or below the Payment Standard, established by HUD's published Fair Market Rents for the Cicero region. A complete listing of the Fair Market Rent for the Cicero area can be found at the following website: <http://www.huduser.org/portal/datasets/fmr.html>
- The rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units. See 24 CFR 574.320.
- The rental unit must meet minimum habitability standards found at 24 CFR 576.403.
- There must be a rental assistance agreement and lease between property manager and tenant(s) as well as the owner of the property and the ESG Subrecipient.
- No rental assistance may be made to an individual or family that is receiving rental assistance from another public source for the same time period.
- Rental assistance may not be provided to a participant who is currently receiving replacement housing payments under Uniform Relocation Assistance.
- Rental assistance may be available for Project Based Rental Assistance, based on availability of funding and vacant units.

Short-term and medium-term rental assistance – (24 CFR 576.106 (e) Rental assistance agreement) The Town or its ESG Subrecipients may make rental assistance payments only to an owner with whom the sub-recipient has entered into a rental assistance agreement. The rental assistance agreement must set forth the terms under which rental assistance will be provided, including the requirements that apply under this section. The rental assistance agreement must provide that, during the term of the agreement, the owner must give the Subrecipient a copy of any notice to the program

participant to vacate the housing unit, or any complaint used under state or local laws to commence an eviction action against the program participant. In the event of project based assistance, the payments would go directly to the property owner with a rental assistance agreement in place.

The Town and its Subrecipient(s) must maintain standards for determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time. Currently, the period is up to 12 months.

Homelessness prevention and Rapid re-housing component – (24 CFR 576.103 and 24 CFR Part 576.104) The Town and its Subrecipient(s) may provide an ESG program participant with up to 24 months of rental assistance during any 3-year period. The Town is providing a maximum of up to 12 months of rental assistance that can be in the form of short-term rental assistance (for up to 3 months of rent) or medium term rental assistance (assistance that is for more than 3 months) but not more than 12 months of rent. However, at the Town’s and Subrecipient’s discretion, rental assistance will be provided in a reasonable timeframe as evaluated by the Town and its program participant within HUD regulations.

The maximum amount of rental assistance provided, or family’s level of responsibility for rent payments, over time, shall be determined by the Town and its Subrecipient and shall be reflective of the individual or family’s need for rental assistance and the level of financial resources available to the ESG program participant.

Standards for determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the Homelessness Prevention or Rapid Re-Housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participants receives assistance, or the maximum number of times the program participants may receive assistance.

Subject to the general conditions under 24 CFR 576.103 and 24 CFR Part 576.104, Subrecipients may use ESG funds to pay housing owners, utility companies, and other third parties for some or all of the following costs, as allowed under 24 CFR 576.105:

- Security deposits
- Last month's rent
- Utility deposits
- Utility payments
- Moving costs

Housing relocation and stabilization costs - 24 CFR 576.105 (c). ESG Subrecipients shall determine the type, maximum amount and duration of housing stabilization and/or relocation services for individuals and families who are in need of Homeless Prevention or Rapid Re-Housing assistance through the initial evaluation, re-evaluation and ongoing case management processes.

EMERGENCY SHELTER

The term Emergency Shelter per 24 CFR Part 576.2 means “any facility, the primary purpose of which is to provide a temporary shelter for the homeless in general or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements.” This definition excludes transitional housing.

Admission, Diversion, Referral and Discharge - ESG Subrecipients must conduct an initial evaluation of all individuals or families to determine if they should be admitted to an emergency shelter, diverted to a provider of other ESG funded components (e.g. Rapid Re-Housing or Homeless Prevention assistance) and/or referred for other mainstream resources.

ESG Subrecipients must determine that individuals and families meet criteria including the Homeless Definition and rate the individual or family’s vulnerability to ensure that only those individuals or families that have the greatest need for emergency shelter assistance receive ESG funded assistance.

ESG Subrecipients must also reassess emergency shelter participants, on an ongoing basis, to determine the earliest possible time that they can be discharged to permanent housing.

Safety and Shelter Needs of Special Populations - ESG funds may be used to provide services for homeless youth, victim services, and services for people living with HIV/AIDS, so long as the costs of providing these services are eligible under the regulations for the emergency shelter component found at 24 CFR Part 576.102.

Consistent with ESG recordkeeping and reporting requirements found at 24 CFR Part 576.500, ESG Subrecipients must develop and apply written policies to ensure the safety of program participants through the following actions:

- All records containing personally identifying information (as defined in HUD’s standards for participation, data collection, and reporting in a local HMIS) of any individual or family who applies for and/or receives ESG assistance will be kept secure and confidential.
- The address or location of any domestic violence, dating violence, sexual assault, or stalking shelter project assisted under the ESG program will not be made public, except with written authorization of the person responsible for the operation of the shelter.
- The address or location of any housing of a program participant, including youth, individuals living with HIV/AIDS, victims of domestic violence, dating violence, sexual assault, and stalking; and individuals and families who have the highest barriers to housing will not be made public, except as provided under a preexisting privacy policy of the Subrecipient and consistent with state and local laws regarding privacy and obligations of confidentiality.
- ESG Subrecipients must adhere to the following ESG shelter and housing standards found at 24 CFR Part 576.403 to ensure that shelter and housing facilities are safe, sanitary, and adequately maintained.

Lead-Based Paint Requirements - The Lead-Based Paint Poisoning Prevention Act applies to all shelters assisted under the ESG program and all housing occupied by program inspection on all units

receiving assistance under the Rapid Re-Housing AND Homelessness Prevention components if the unit was built before 1978 and a child under age of six or a pregnant woman resides in the unit.

Structure and Materials -The shelter building shall throughout be structurally sound to protect residents from the elements and not pose any threat to health and safety of the residents.

Access - The shelter must be accessible, and there shall be a second means of exiting the facility in the case of an emergency or fire.

Space and Security - Each resident shall have adequate space and security for themselves and their belongings. Each resident must have an acceptable place to sleep.**Interior Air Quality** - Each room or space within the shelter/facility must have a natural or mechanical means of ventilation. The interior air should be free of pollutants at a level that might threaten or harm the health of residents.

Water Supply - The shelter's water supply shall be free of contamination.

Sanitary Facilities - Each resident shall have access to sanitary facilities that are in proper operating condition. These facilities shall be able to be used in privacy, and be adequate for personal cleanliness and the disposal of human waste.

Thermal Environment - The shelter/facility must have any necessary heating/cooling facilities in proper operating condition.

Illumination and Electricity - The shelter/facility should have adequate natural or artificial illumination to permit normal indoor activities and support health and safety. There should be sufficient electrical sources to permit the safe use of electrical appliances in the shelter.

Food Preparation - Food preparation areas, if any, should contain suitable space and equipment to store, prepare and serve food in a safe and sanitary manner.

Sanitary Conditions - The shelter should be maintained in a sanitary condition.

Fire Safety-Sleeping Areas - There shall be at least one working smoke detector in each occupied unit of the shelter facility. In addition, smoke detectors should be located near sleeping areas where possible. The fire alarm system should be designed for a hearing- impaired resident.

Fire Safety-Common Areas - All public areas of the shelter must have at least one working smoke detector.

Policies and procedures for assessing, prioritizing, and reassessing individuals' and families' needs for essential services related to emergency shelter 24 CFR 576.102.

- ESG funds may be used to provide essential services to individuals and families who are in an emergency shelter. Essential services for participants of emergency shelter assistance can include case management, child care, education services, employment assistance and job training, outpatient health services, legal services, life skills training, mental health services, substance abuse treatment services, transportation, and services for special populations.
- ESG Subrecipients are responsible to assess an individual or family's initial need for emergency shelter and must re-assess their need on an ongoing basis to ensure that only those individual or families with the greatest need receive ESG funded emergency shelter assistance.
- Based on the CoC's centralized or coordinated assessment system, ESG recipients shall be required to use that system to help determine an individual or family's need for emergency shelter or other ESG funded assistance.
- CoC's Policies and Procedures is encouraged for coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing

assistance providers, other homeless assistance providers, and mainstream services and housing providers.

- Coordination to assist the homeless and prevent homelessness will come from the leadership of the Continuum of Care. The Town will maintain active engagement and membership in the CoC. The CoC will further engage and coordinate resources amongst other entities to improve current programs and funding.

STREET OUTREACH

Per 24 CFR 576.401 and 24 CFR 576.500 the Town and the ESG Subrecipients must conduct an initial evaluation to determine each individual or family's eligibility for street outreach essential services. These evaluations must be conducted in accordance with the centralized or coordinated assessment requirements set forth under §24 CFR 576.400(d).

Street outreach costs are limited to the costs of: providing essential services necessary to reach out to unsheltered homeless people; connecting unsheltered homeless people with emergency shelter, housing, or critical services; and providing urgent, non-facility-based care to unsheltered homeless people who are unwilling or unable to access emergency shelter, housing, or an appropriate health facility 24 CFR 576.101(a).

Engagement - The costs of activities to locate, identify, and build relationships with unsheltered homeless people and engage them for the purpose of providing immediate support, intervention, and connections with homeless assistance programs and/or mainstream social services and housing programs.

These activities consist of making an initial assessment of needs and eligibility; providing crisis counseling; addressing urgent physical needs, such as providing meals, blankets, clothes, or toiletries; and actively connecting and providing information and referrals to programs targeted to homeless people such as mainstream social services and housing programs, including emergency shelter, transitional housing, community-based services, permanent supportive housing, and rapid re-housing programs. 24 CFR 576.101(a)(1).

Case Management - The Town or its Subrecipient are limited to the cost of assessing housing and service needs, arranging, coordinating, and monitoring the delivery of individualized services to meet the needs of the program participant. Eligible services and activities related to case management are as follows: using the centralized or coordinated assessment system as required under 24 CFR 576.400(d); conducting the initial evaluation required under 24 CFR 576.401(a), including verifying and documenting eligibility; counseling; developing, securing and coordinating services; obtaining Federal, State, and local benefits; monitoring and evaluating program participant progress; providing information and referrals to other providers; and developing an individualized housing and service plan, including planning a path to permanent housing stability, 24 CFR 576.101(a)(2)

Emergency Health Services – The use of ESG funds for emergency health services costs are limited to direct outpatient treatment of medical conditions (as listed under 24 CFR 576.101(a)(3)) that are provided:

- a. by licensed medical professionals operating in community-based settings, including streets, parks, and other places where unsheltered homeless people are living, and
- b. only to the extent that other appropriate health services are inaccessible or unavailable within the area

Emergency Mental Health Services – The use of ESG funds for emergency mental health services are limited to the costs associated with direct outpatient treatment (as listed under 24 CFR 576.101(a)(4)) that is provided:

- a. by licensed professionals of mental health conditions operating in community-based settings including streets, parks, and other places where unsheltered people are living, and
- b. only to the extent that other appropriate health services are inaccessible or unavailable within the area

Eligible costs are the direct outpatient treatment by licensed professionals of mental health conditions operating in community-based settings, including streets, parks, and other places where unsheltered people are living. ESG funds may be used only for these services to the extent that other appropriate mental health services are inaccessible or unavailable within the community.

Mental health services are the application of therapeutic processes to personal, family, situational, or occupational problems in order to bring about positive resolution of the problem or improved individual or family functioning or circumstances [4 CFR 576.101(a)(4)] (iv). Eligible treatment consists of crisis interventions, the prescription of psychotropic medications, explanation about the use and management of medications, and combinations of therapeutic approaches to address multiple problems.

Transportation - Where ESG funds are used for transportation the costs are limited to the following eligible costs:

- a. The transportation costs of travel by outreach workers, social workers, medical professionals, or other service providers, that travel took place during the provision of services eligible under this section; and the costs of transporting unsheltered people to emergency shelters or other service facilities are also eligible. The costs include the following:
 - The cost of a program participant's travel on public transportation;
 - If service workers use their own vehicles, mileage allowance for service workers to visit program participants;
 - The cost of purchasing or leasing a vehicle for the recipient or Subrecipient in which staff transports program participants and/or staff serving program participants, and the cost of gas, insurance, taxes and maintenance for the vehicle; and
 - The travel costs of a recipient or Subrecipient staff to accompany or assist program participants to use public transportation.

Minimum Period of Use - Per 24 CFR 576.101(b) the Town or its ESG Subrecipient will ensure that outreach services are provided to unsheltered homeless individuals and families for at least the period during which ESG funds are provided (e.g., the length of the subrecipient agreement).

Maintenance of Effort: The Town or its Subrecipient will not use ESG funds to replace local government funding of street outreach services unless HUD determines that the unit of general purpose was in a severe financial deficit according to the guidelines 24 CFR 576.101(c).

Upon the City's request, HUD will determine whether the unit of general purpose local government is in a severe financial deficit, based on the City's demonstration of each of the following:

- The average poverty rate in the unit of general purpose local government's jurisdiction was equal to or greater than 125 percent of the average national poverty rate, during the calendar year for which the most recent data are available, as determined by the information from the U.S. Census Bureau.
- The average per-capita income in the unit of general purpose local government's jurisdiction was less than 75 percent of the average national per capita income, during the calendar year for which the most recent data are available, as determined by the information from the Census Bureau.
- The unit of general purpose local government has a current annual budget deficit that requires a reduction in funding for services for homeless people. The unit of general purpose local government has taken all reasonable steps to prevent a reduction in funding of services for homeless people. Reasonable steps may include steps to increase revenue generation, steps to maximize cost savings, or steps to reduce expenditures in areas other than services for homeless people.

EXHIBIT 17 – TOWN OF CICERO GRANTS ADMINISTRATION POLICY