



Sub-Recipient Handbook

City of Thornton Community Development Block Grant (CDBG)

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INTRODUCTION

The City of Thornton has developed this Community Development Block (CDBG) Handbook to assist sub-recipients in the project delivery of the CDBG program. This document applies to all CDBG program grants in the areas of public services, public facilities and improvements, safe, affordable and sanitary housing, capital improvements and development, planning & administration, and CDBG HUD approved projects and activities designed to improve the quality of life for low- and moderate-income persons. This document will be revised as needed.

CDBG PROGRAM OVERVIEW

Thornton's Community Development Program was established to address local housing and community development needs. Funds are provided through the Community Development Block Grant (CDBG) program. First created by Congress in 1974, block grant funds are provided by the U.S. Department of Housing and Urban Development (HUD) and are used to support a wide range of housing and community development initiatives. The purpose of the CDBG program is to develop and support healthy communities by providing housing and economic development opportunities that support and serve Thornton residents earning very low to moderate incomes.

The CDBG program provides uniquely flexible resources for community development. Beginning in 2010, the City of Thornton became its own CDBG entitlement, enabling the City to receive an annual allocation of CDBG funds directly from HUD. The City is now working to use these funds to help build and strengthen our community, particularly those neighborhoods with a high number of residents living in poverty. The intent of the CDBG program is to support efforts that improve the quality of life for low and moderate-income persons.

The Community Connections Division has been designated to administer the CDBG programs in the areas approved under the City's Consolidated Plan and its on-going Annual Action Plans. Community Connections works with other divisions to ensure that all City-related policies and procedures are also followed. This includes but is not limited to Contracts, Finance, Legal, and Accounts Payable. One of the missions of Community Connections is to preserve healthy neighborhoods, revitalize neighborhoods that have lost vibrancy, and empower individuals to maintain and enhance the quality of life in their neighborhood. Community Connection's primary role is to ensure that the CDBG program finances the development and preservation of affordable housing, improves the local environment, rehabilitates community facilities, and offers programs and services to improve the lives of low- and moderate-income residents in Thornton.

Community Connections guides and coordinates the City's CDBG Program and administers a variety of projects with non-profit and for-profit organizations (sub-grantees, sub-recipients and/or contractor and sub-contractors) to meet the City's mission to strengthen the social, physical, and economic infrastructure of Thornton's low-income neighborhoods and communities in need.

The Community Connections Division has several positions that are directly (and indirectly responsible) for the administration of the CDBG program. The positions include:

CDBG Coordinator – This position is the primary contact for CDBG sub recipients. For invoice and draw-down reviews, this person is responsible for ensuring that all applicable CDBG regulations and City based processes are met before any invoice is passed on for approval. The CDBG Coordinator also collects and reviews quarterly reports, assists with ensuring compliance with Davis Bacon, schedules and conducts monitorings, and submits or assists with HUD reports such as MBE/WBE, Davis Bacon, Section 3, and CAPER. The CDBG Coordinator provides technical assistance as needed to all sub recipients. This position also works with other city departments to create contracts/agreements, budget transfers, and review financial audits. In addition, this person is responsible for administering all activities related to Fair Housing and ensuring the City’s overall housing mission is met. Many of these activities are related to affordable housing.

Grant and Housing Supervisor – This person is responsible for the oversight of the City’s CDBG and Housing related programs.

Community Connections Manager – This person is responsible for management duties for the entire division.

This manual is intended to provide information for use by sub recipients in the management of their Community Development Block Grant projects. Information in this manual has been simplified and updated to reflect the latest changes in Federal regulations and City of Thornton policies. If a staff member or sub recipient is unsure how to proceed after reading the manual, they are encouraged to call Community Connections Division for direction.

APPLICATION ELIGIBILITY AND PROCESSES

The U.S. Department of Housing and Urban Development (HUD) provides CDBG funds to the City of Thornton on an annual basis. CDBG funds are intended to create and foster viable urban communities by providing decent housing and suitable living environments through the expansion of economic opportunities for low and moderate- income persons and by funding public services. The City of Thornton seeks to maximize the benefits of these funds by partnering with local organizations to conduct eligible activities.

National Objectives Compliance

Community Development Block Grant (CDBG) Program regulations require all activities meet at least one of three national objectives. A national objective is considered to be met ONLY if it can be determined and documented that the program:

1. Provides direct benefit to low and moderate-income persons:

- Area Benefit Activities - Available to all the residents in a particular area, where at least 51% of the residents are low and moderate income persons.
- Limited Client Activities - Benefits limited clients, at least 51% of whom are low and moderate income persons.

- Housing activities - Activity carried out for the purpose of providing or improving permanent resident structures which, upon completion, will be occupied by low- and moderate-income persons.
- Job Creation or Retention Activities - Designed to create or retain permanent jobs where at least 70% of the jobs, computed on a full-time equivalent basis, involve the employment of low and moderate-income persons.

2. Prevention or Elimination of Slum or Blight:

- Activities on an Area Basis - Activity addresses one or more conditions that contribute to the deterioration of a specific area that meets the definition of slum and blight and has one or more buildings deteriorating.
- Spot Basis Activity - Eliminate specific conditions of blight or physical decay on a spot basis located in a slum or blighted area, which meet this objective.

3. Urgent Need:

- Eliminate conditions that threaten the health and welfare of the community or address conditions that recently occurred; reserved for natural disasters and extraordinary circumstances.

City of Thornton Priorities and Goals

Proposed projects must also be in compliance with the City of Thornton's Consolidated Plan, Prioritization of Housing and Community Development Needs Table and Objectives:

Goals:

Affordable Housing Goal: Expand and improve available housing options to meet the needs of low-to-moderate income residents.

- Develop and maintain quality, affordable housing for owners and renters that is geographically dispersed throughout the City.
- Increase and retain affordable units, improve existing owner-occupied units, expand home ownership opportunities.

Public Facilities and Infrastructure Goal: Support and enhance public facilities and infrastructure that benefits low-to-moderate income residents.

- Support public infrastructure efforts that will revitalize communities such as parks, public facility improvements, and neighborhood service centers.
- Support the acquisition, rehabilitation, or construction of public facilities.

Public Services Goal: Increase essential public services for low-to-moderate income residents.

- Support endeavors to address basic needs of low-to-moderate income residents or assist them in becoming self-sufficient.
- Support programs that serve special needs populations, including seniors, individuals with disabilities, victims of domestic violence, people with substance abuse issues, abused and neglected children.

Homeless Services: Provide homeless prevention and supportive services.

- Support programs and services for persons experiencing homelessness or at risk of homelessness.

Priority Needs

Table 15 – Priority Needs Summary

1	Priority Need Name	Affordable Housing
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly
	Geographic Areas Affected	N/A
	Associated Goals	Increase and retain affordable units Improve existing owner-occupied units Expand home ownership opportunities
	Description	Thornton plans to use CDBG and the city's allocation of HOME Consortia funds to expand affordable housing choices for its residents.
	Basis for Relative Priority	Data from the Needs Assessment and Market Analysis portions of this plan, as well as the 2019 Housing Needs Assessment and public/stakeholder input, repeatedly indicates that there is a shortage of affordable housing units for low to moderate income households and a great need for increased affordable housing choices throughout Thornton.

2	Priority Need Name	Non-Housing Community Development
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly
	Geographic Areas Affected	N/A

	Associated Goals	Provide improvements to public facilities
	Description	Thornton recognizes the importance of non-housing community development in revitalizing communities and intends to use a portion of CDBG funds for eligible activities in this category.
	Basis for Relative Priority	Eligible non-housing community development projects such as parks, public facilities improvements, and neighborhood service centers are an important part of comprehensive community revitalization efforts.

3	Priority Need Name	Homeless Services
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Public Housing Residents Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Persons with HIV/AIDS Victims of Domestic Violence Unaccompanied Youth
	Geographic Areas Affected	N/A
	Associated Goals	Provide homeless prevention and supportive service
	Description	Thornton is committed to addressing the issue of homelessness and utilizes CDBG funds to provide housing and supportive services for persons experiencing homelessness or at risk of homelessness..
	Basis for Relative Priority	Data from the Needs Assessment and Market Analysis portions of this plan, along with public and stakeholder input repeatedly indicates that there is a pressing need to address and prevent homelessness in Thornton.

4	Priority Need Name	Non-Homeless Special Needs
	Priority Level	High
	Population	Extremely Low Low Moderate Large Families Families with Children Elderly Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development
	Geographic Areas Affected	N/A
	Associated Goals	Provide increased public services
	Description	Support programs that serve special needs populations including: - Seniors - Individuals with Disabilities - Victims of Domestic Violence - People with Substance Abuse Issues - Abused and Neglected Children
	Basis for Relative Priority	Data from the Needs Assessment and Market Analysis portions of this plan indicate a need to address the special needs of persons with disabilities, seniors, victims of domestic violence, abused or neglected children, and people with substance abuse issues.

Eligible Applicants

Applicants must be a duly registered government agency, quasi-governmental agency, a housing authority, or a non-profit 501(c)(3) organization.

Additional information reviewed for applicants:

- Tax status - The tax status of the organization refers to the current Internal Revenue Service (IRS) determination of the organization type (i.e. 501(c) 3). To be eligible for funds, an organization has to be a nonprofit, housing authority, quasi-governmental organization, Community Based Development Organization, or governmental organization. The organization will include its IRS Determination letter in the application. To verify if an organization is still an active nonprofit, search the Internal Revenue Service's (IRS) database at: <http://apps.irs.gov/app/eos/>. Private entities are eligible to apply for funds primarily under economic development activities; the only exception to this is the rehabilitation of privately owned buildings to address code violations, health concerns, and/or façade improvements.
- Debarment – An organization needs to be and remain in good standing with the federal government, to be eligible to receive funds. To verify that an organization is in good standing with the federal government the organization's information needs to be entered into the System for Awards Management (SAM) prior to awarding funds. SAM is an online database system managed by the federal government. The database system tracks entities that have been debarred from using federal funds. A printout of the search conducted in SAM needs to be included in the project file. A "No Records Found" result in the SAM system does **not** constitute an adequate debarment check. If the organization is not currently enrolled in the SAM system, it **must** enroll and be clear of any debarments prior to any awards being made. The directions on how to enroll in the SAM system are located at: <https://sam.gov/content/home>
- Secretary of State – The Secretary of State maintains records on the status of the organization, financial information for the organization, and if the organization is eligible to receive charitable donations. A copy of the Secretary of State certification of good standing should be included in the application, if applicable. A copy of the certification can also be obtained from the Secretary of State's website (<http://www.sos.state.co.us/biz/BusinessEntityCriteriaExt.do>).
- Financial Status – The most recent internal financial audit for the organization is required to be included with the application. The financial audit summarizes the organization's financial information, including assets, liabilities, and long-term obligations. Organizations that expend more than \$750,000 in federal grants in a year are required to have a single financial audit completed annually (see 2 CFR 200). For these organizations, that audit is required to be submitted with the application as well. Otherwise, the organization only needs to provide its internal end-of-year audit that addresses the above areas. The review of the organization's financial information should include the assets, liabilities, long-term obligations, large or unanticipated expenditures, and compliance with accounting principles. The goal of the review is to determine compliance with accounting principles, the need for assistance, and the financial stability of the program and the organization as a whole. If the audit found a deficiency or a material weakness, a response and plan of action to correct the deficiency/material weakness should be

included. If the deficiency/material weakness directly relates to the CDBG funding the City will require either an updated clear financial audit or a formal response showing the actions taken by the organization to address the audit findings before a project can be considered for funding. CDBG staff may also consult with the City's Finance Department to review the financial audit. Copies of the financial audit for organizations awarded funds should be provided to the City Accountant responsible for CDBG.

- **Code Violations** – If an organization is requesting housing or facility repairs or upgrades, the housing development or facility must follow City code enforcement requirements. CityView is the system currently used by the City to track code violations and remediation. A search of the CityView system should be conducted and included in the project file to ensure that the organization follows city codes. If an organization, development, or facility is not in compliance with the City Code, the organization must correct the code violations prior to awarding funds.
- **Ability to Administer the Project Effectively and Efficiently** – This can be determined based on past funding received, a review of the narrative included in the application, and a review of previous monitoring conducted on the organization, which must be included in the application. The City will also have a conversation with the applicant regarding the requirements of the specific program. Often, the organization is unaware of the reporting and administrative requirements for the program and may not have the capacity or capability of accurately capturing data or obtaining supporting documentation. This most often occurs with public service projects.
- **Previously Conducted Monitoring or Reviews** – The applicant is asked to include copies of any reviews, audits, or monitoring conducted by either a federal organization or grant administrator on federal grants received within the past three years. The goal of the review is to determine if the organization has had any issues in administering federal funds and if those issues have since been resolved.
- **Conflicts of Interest** – The application requests the organization identify any potential conflicts of interest with organization staff, organization board members, City staff, or City Council members. If a conflict of interest is identified, mitigation measures must be taken to ensure that the conflict is addressed. An example of this may be to request a City Council member with a conflict regarding a specific project to abstain from the discussion and vote on the allocation of funds to projects. A conflict of interest does not disqualify an organization from applying for or receiving funds, it merely requires that measures be taken to reduce or eliminate the conflict.

Eligible CDBG Activities

CDBG staff will determine eligibility of a proposed project based on the following list. The list below includes the types of projects that may be eligible under the CDBG program, provided that the activity falls into one of the national objective categories and the City's goals and priority needs, as previously described. The activity must also meet a HUD-eligible activity matrix code to be eligible. The code defines the type of projects eligible to receive assistance under CDBG and clarifies what national objectives are appropriate to use to verify a project serves the needs of low and moderate-income individuals. The current matrix code list is available online at HUD Exchange: [CDBG Matrix Code Definitions \(hudexchange.info\)](http://hudexchange.info).

- Acquisition of real property
- Relocation and demolition
- Rehabilitation of residential and non-residential structures
- Construction of public facilities and improvements
- Activities relating to energy conservation and renewable energy resources
- Provision of assistance to profit-motivated businesses to carry out economic development and job creation/retention activities
- Public services (limited to no more than 15% of the total annual allocation, unless restriction lifted due to special circumstances)

For more information regarding program eligibility requirements, please visit HUD's website: [CDBG Entitlement Program Eligibility Requirements - HUD Exchange](#)

Additional Eligibility Requirements

- For any public facility improvements, the facility must be located within Thornton.
- For any public service projects, the service must be new, or the agency must be able to demonstrate a measurable increase in that service (more families served or longer service period).
- For housing related activities, the applicant must provide proof of the Uniform Relation Act compliance.

Application Process

The City publishes a notice of funding availability each year on the City's website. The notice is also emailed to a list of interested parties, which is maintained and updated regularly. Additionally, the notice is placed in the Community Connections' monthly newsletter and distributed to over 400 non-profit partners, organizations, and interested residents. The City may solicit additional applications outside of the annual application process in the event more funding becomes available or it is determined that additional projects are necessary to meet the community's needs.

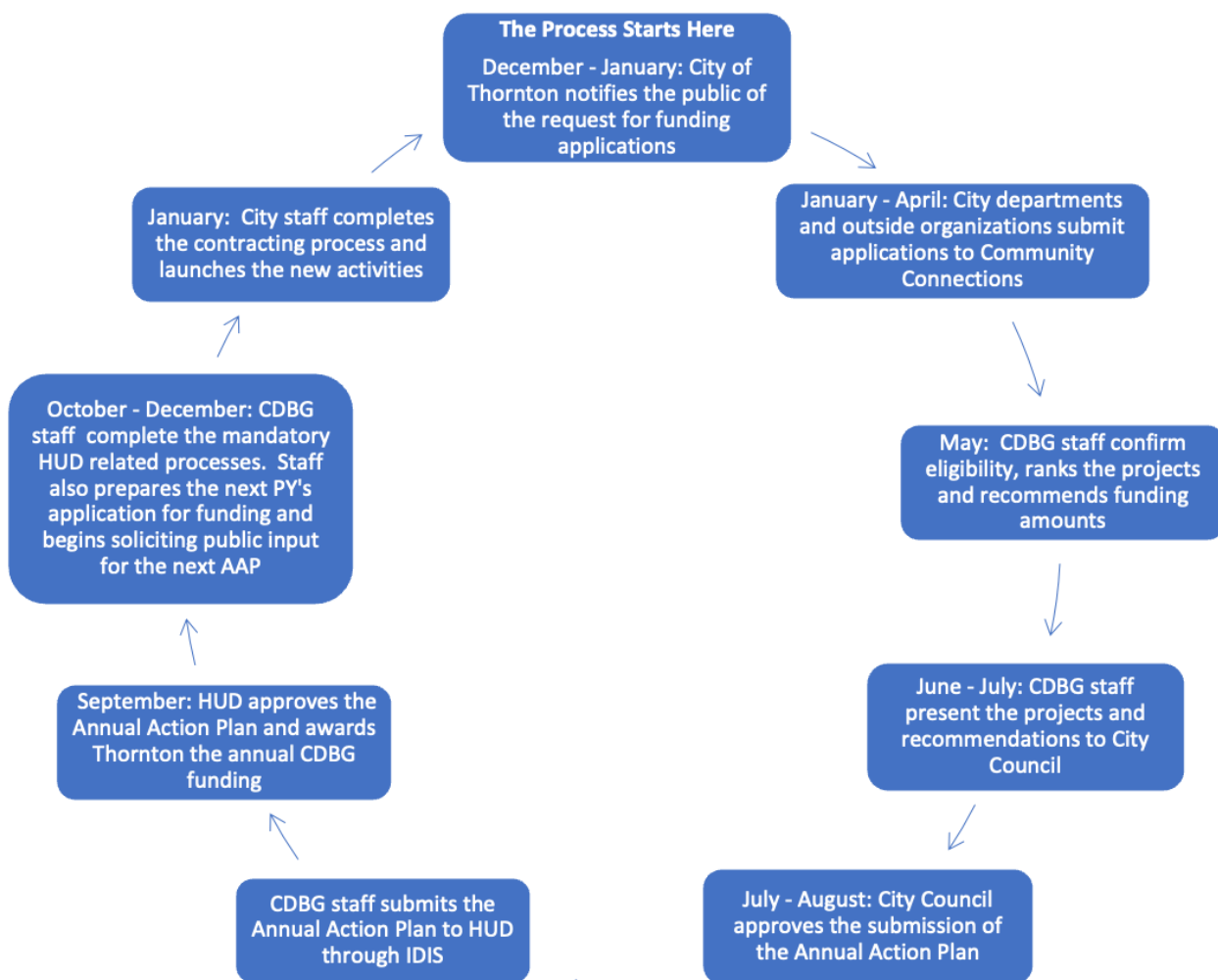
All application proposals will become part of the City of Thornton's official files and are subject to the Open Records Act, as applicable.

All applications are reviewed to ensure compliance with federal and City regulations and policies. Once projects are determined to be eligible, CDBG staff will conduct a risk assessment of the organization and application to determine the riskiness of the project and the need for technical assistance and monitoring. Once the review and risk assessments are completed, staff will present the information to City Council for their review. City Council officially approves the projects and allocations via a resolution authorizing the submission of the Annual Action Plan. A 30-day public comment period will be held before the public hearing for residents and community members to provide feedback and comments.

Application Timeline

Usually, applications are accepted starting in January and running through March for the upcoming program year. The timeline and the process will be available on the City's CDBG webpage. The timeframe and process description for intake of applications will be emailed to organizations that have expressed interest, requested the information, and/or have applied in the past. The application will be available online and a Word version available on request. The timeline described below outlines the process for the annual request for applications. However, the City also has the option to solicit additional applications throughout the year when additional funding becomes available or it is determined additional projects are necessary to meet the community's needs. Because this process can happen at any time, the timeline for the additional solicitation is not included below.

The entire process from application acceptance to funding usually takes a year. The CDBG program year runs from October 1 – September 30th. Below is a timeline of the application process from the first acceptance of applications to the final allocation of funds.



In the winter prior to the program year, the City of Thornton sends out an email notification and posts a notification on the City's website as to when the City will accept applications for the upcoming program year – usually this is January into March. The email notification is sent to relevant internal departments and all the organizations listed on the Combined Mailing List. Although the length of the acceptance period for applications can vary from year to year, it lasts a minimum of 30 days. The application is posted on the CDBG website and explains the grant, eligible uses of the funds, the process, the application acceptance period, links to related documents, and pertinent information. Although the application remains relatively the same from year to year, annually CDBG staff will review the funding application (prior to sending out the notification) to make adjustments based on new HUD information, provide clarifications, and update deadlines.

The coordinator reviews all the submitted applications to determine if information is missing or incomplete. The coordinator will review to see if the projects are eligible or if clarification is needed. Staff will create a summary of eligible projects for the City Council. Staff presents an overview of the CDBG program and discusses the eligible applications submitted at a City Council Planning Session, Public Hearing, and a City Council Regular Session. The goal of the presentation is to educate the public and receive feedback on the Annual Action Plan (AAP). The specific items examined at each stage of the review process are addressed below.

Based on the eligibility of the projects, the recommendations from staff, residents, and the City Council, staff drafts the AAP in IDIS and creates a .pdf version for the website, comment period, on-site hardcopy review, and the Council's public hearing. The AAP outlines the goals and activities for the upcoming program year, including the projects that are anticipated to be funded.

The AAP is presented to City Council at least 60 days prior to the start of the program year. Once approved by City Council, staff adds the public comments from the public hearing to the AAP and submits them to HUD for final approval.

The notice of allocation is not the official contract between HUD and the City of Thornton. The City will receive three original signed copies of the Funding Approval/Agreement (HUD Form 7082) from HUD that will need to be executed and two will need to be returned to HUD. There are four conditions for HUD sending the Funding Approval/Agreement to the City:

1. The allocation amount must be determined,
2. Congressional release must have occurred,
3. The executed 424, 424D, and Certification forms must have been submitted along with the AAP to HUD; and
4. The AAP must be approved by HUD

The originals of the Certifications and Application for Federal Assistance must be mailed to the City's HUD Representative 45 days prior to the start of the program year. Upon HUD's receipt of the executed Funding Approval/Agreement, the CDBG funds will be made available for drawdown in IDIS.

The Application for CDBG Funding

The annual Funding Application Forms are regularly updated. The application provides:

- Overview and Instructions
- Application Submission Directions
- Links to Associated Regulations and Guides
- HUD's Current Income Limits for LMI Households
- Requested Documentation Attachment Checklist
- A Map of the City

The application requests:

- General Information
- Compliance Information with National Objectives and Consolidated Plan
- Project and Service Levels Descriptions
- Description of the Organization
- Demonstrated Need for the Project
- Project Description
- Target Population
- Current and Anticipated Service Levels
- Organizational Capacity
- Project Outcomes
- Project Timelines
- Funding and Resources
- Project Challenges
- Policies and Procedures
- Certification of Adherence to the City's Conflict of Interest Policy

Application Review Process

There are several stages to determine the eligibility of projects and allocation of funds each year. Each stage includes a different entity reviewing the applications and focuses on different aspects of eligibility.

1. Application is reviewed by CDBG staff to determine the eligibility the of project. A Checklist is used (Appendix H)
2. Risk assessment is performed for the organization (Appendix I)
3. Eligible projects listed on the website with a brief description ([CDBG & HOME Updates and Notifications \(thorntonco.gov\)](http://thorntonco.gov))

4. A Public Input Meeting is prior to starting the draft AAP to obtain project ideas, current needs, and other input from the community.
5. AAP or Substantial Amendment (SA) created and posted to the website: [CDBG & HOME Updates and Notifications \(thorntonco.gov\)](http://thorntonco.gov/CDBG_HOME/Updates_and_Notifications)
6. A 30-day public comment period is conducted, which is formally noticed in the newspaper. It also may be “opened” at a televised City Council meeting.
7. During the public comment period, projects are presented at a City Council Planning Session
8. Public comments are collected and entered into the AAP or the SA
9. AAP or SA is presented at a public hearing and to the City Council for approval and submission to HUD

Staff Review of the Applications

The coordinator accepts the applications and reviews them to ensure they are complete. She/he uses an application checklist to perform this task. Then he/she performs the remainder of the eligibility review of CDBG project applications. A risk assessment form is filled out by both the Coordinator and their Supervisor. If a portion or entire application is deemed ineligible by CDBG staff, then staff will inform the organization or City department. If a portion of the application is ineligible, the activities deemed ineligible can be removed from the application and the funding request can be reduced to reflect the change. Prior to making this change, CDBG staff will confirm with the organization or department that they would like to proceed with the changed or reduced funding request. If an entire application is deemed ineligible, the application will not continue in the review process and will not be considered for public input. Specifically, CDBG staff are responsible for the following actions during the application and review process:

- Providing technical assistance to the applicant regarding the application and project proposal.
- Determining if any clarifying questions to the applicant are warranted or if the information is missing from the application.
- Reviewing the project, organization, and clientele for eligibility.
- Completing a risk analysis. Staff shall request the organization provide information if missing from the application.
- Presenting the applications to the community and City Council.
- Asking for and gathering public input on the projects and the plan/amendment
- Making recommendations on the amount of funding to allocate to each project.
- Completing the AAP and submitting the plan by HUD’s official deadline.

CDBG staff review each project, the population served by the project, and the organization proposing the project to determine project eligibility. To be eligible, an application must be eligible in all three areas. If one area is deemed ineligible, a portion of the project or the entire application may be deemed ineligible.

City Council Review

Staff must present the AAP to City Council on two occasions:

1. The first presentation is conducted at a Planning Session where CDBG staff provide the City Council with a summary of the eligible applications received. The feedback provided at the planning session and through other community outreach help gauge which projects to fund and in what amount.
2. The second presentation to City Council is conducted at a public hearing, where CDBG staff present to Council the Final AAP draft. The plan outlines the use of CDBG funds for the upcoming year, including the projects to receive funding, and the proposed amounts. The AAP is based on the eligibility of projects, priority needs for the City as outlined by the Consolidated Plan, and recommendations and comments made by the advisory committee and the public, as applicable. City Council is responsible for reviewing and approving the submission of the AAP to HUD after holding a public hearing.

Citizen Participation

All residents and the general public are offered the opportunity to provide comments and feedback on projects and community needs. Public notices are published in advance of all public comment opportunities in accordance with the Citizen Participation Plan (CPP). The CPP describes the minimal time to allow residents to review potential projects and the AAP. Notices of the public comment period, public input meetings, and public hearings are published in the Thornton/Northglenn Sentinel's weekly newspaper, La Prensa de Colorado in Spanish, and the draft AAP is posted on the City's website at the beginning of the noticed public comment period. All notifications for the Sentinel are posted weekly on Thursday. A hard copy is also provided to review the AAP in accordance with the CPP. A public hearing is held to allow City Council to vote on the approval of the AAP.

Residents are encouraged and welcome to provide comments and ask questions regarding the potential use of CDBG funds during the public comment periods, public meetings, and all year round.

HUD Review

HUD reviews the AAP to ensure compliance with federal regulations and that the AAP addresses the goals and needs identified in the Consolidated Plan. The AAP must be submitted to HUD either 45 days prior to the start of the program year or within 45 days of receiving notification of the annual allocation amount (but no later than August 16th), depending on when appropriations are determined. Once submitted, HUD has 45 days to review the AAP and inform the City of approval or request additional information. Once the City receives notification from HUD of the approval of the AAP, the review process is concluded. However, the City must wait for the Funding Approval/Agreement to be fully executed before starting projects.

The City is a member of the Adams County HOME Consortium; therefore, the Adams County, Westminster, Commerce City, and Thornton's Actions Plans are linked in the IDIS system. Adams County is the Administrator of HOME funds. Adams County is the only entity with authorization to submit the AAPs through the IDIS system.

Notice of Award/Non-Award

CDBG staff may informally notify subrecipients if their project is included in the Annual Action Plan once the AAP is submitted to HUD for review. CDBG staff can inform applicant organizations/departments verbally or by email as to whether their project has been approved by City Council. This is a good time to explain the next steps in the process and clarify the scope of work.

CDBG staff send a formal award letter after HUD approves the AAP. This letter will note whether there is a change in funding, the process, the project, or the required information. Staff will send letters to all applicants explaining whether their proposed project was approved for funding, a reserve project, or not funded at this time.

Re-Allocating Funds

Previous AAP funding may need to be re-allocated from what was originally approved if any one of the following occurs:

- A project does not spend its entire allocation;
- A project is canceled after being approved for funds;
- A project needs more funds than originally approved through the AAP; or
- A new project is identified that was not included in the AAP.

Re-allocated funds may require a substantial amendment as indicated by the CPP. With each substantial amendment the guidelines and public input process must be followed as indicated by the CPP. Note: The spending timeline will be elongated and passing the Timeliness Test should be considered. This will impact the timing and process for reallocating funds as a public comment period and a public hearing will need to be conducted to approve the reallocation of funds.

ENVIRONMENTAL REVIEW

Community Development Block Grant regulations require the preparation of an Environmental Review (ER) and the environmental clearance before funds can be expended or costs can be incurred. The Environmental Review is required by the Federal government to 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. In essence, the environmental review process must consider the ultimate effect of the entire proposed project, not just the portion being paid for with CDBG funds. In addition to overall governing legislation for CDBG Environmental Reviews, Thornton will also determine whether projects meet other applicable statutory requirements.

Environmental reviews must identify and address physical, social, and economic impacts of each proposed activity prior to taking any choice-limiting action on an activity. No work may be done on site until the environmental review has been completed and cleared by CDBG program staff.

CDBG staff will complete the ER in accordance with all federal statutory requirements and procedures including 24 CFR Part 58. The time required for completion of the ER can vary from several weeks to several months.

The information obtained through the ER will help CDBG staff determine the impact the project may have on the environment and whether the project site is in close proximity to any adverse environmental conditions. Based on this information CDBG staff can make one of three conclusions; there is no environmental impact or hazards and the project can proceed as proposed; there are some environmental impacts and/or hazards and the project can proceed with mitigation measures; there are significant adverse environmental impacts and/or hazards and the project cannot proceed. If CDBG staff determines there are no impacts or hazards the City will send the sub-recipient an agreement with written notice to begin the project. However, if CDBG staff have determined that mitigation measures are needed but there are no significant impacts to the environment or people, CDBG staff will publish a notice in the Northglenn-Thornton Sentinel declaring the intent to request the release of project funds from HUD. After the release of the funds by HUD, the City will send the subrecipient the contract to execute. Sub-recipients shall not implement any project activities or incur any project costs until receipt of the Notice to Proceed.

Depending on the type of project (such as home rehab), it may be required that individual projects have a separate ER conducted (Tier II) by the City of Thornton prior to any work taking place. In such cases, the sub-recipient and the City of Thornton will work together to ensure the ER are conducted and approved in a timely manner.

TECHNICAL ASSISTANCE

Community Connections CDBG staff will provide free technical assistance to any interested agencies both pre and post award. The following topics are often reviewed with the agency after funding has been awarded and before or after the execution of the contract/agreement, these are also included in the contract/agreement:

- Introduction to CDBG Program guidelines and requirements
- Compliance with HUD's National Objectives
- Five Year and Annual Consolidated Plan goals, objectives and funding priorities
- Methods of collecting required information from program participants
- Project and activity eligibility requirements
- Applicable Federal, State and Local regulations for projects and activities
- Reports required for matching funds, if applicable
- Compliance with Environmental Review and clearance requirements
- Appropriate indicators to measure outcomes and performance
- Audit requirements as well as long-term compliance monitoring
- Application deadlines and completeness requirements

PROCUREMENT

To achieve the objectives of the Federal regulations, the following is required by sub-recipients:

1. Incorporate a clear and accurate description of the technical requirements for the material, product, or services to be procured;
2. Clearly set forth all requirements which sub-contractors must fulfill and all other factors to be used in evaluating bids or proposals. The requirements include all federally required contract language including but not limited to Equal Employment Opportunity, Davis-Bacon wage rates and Section 3, as applicable;
3. Awards shall be made only to responsible contractors that possess the potential ability to perform successfully under the term of conditions of a proposed procurement.

Consideration shall be given to contractor integrity, compliance with public policy, record of past performance, cost of service and financial and technical resources, as well as ability to work with Federal funds;

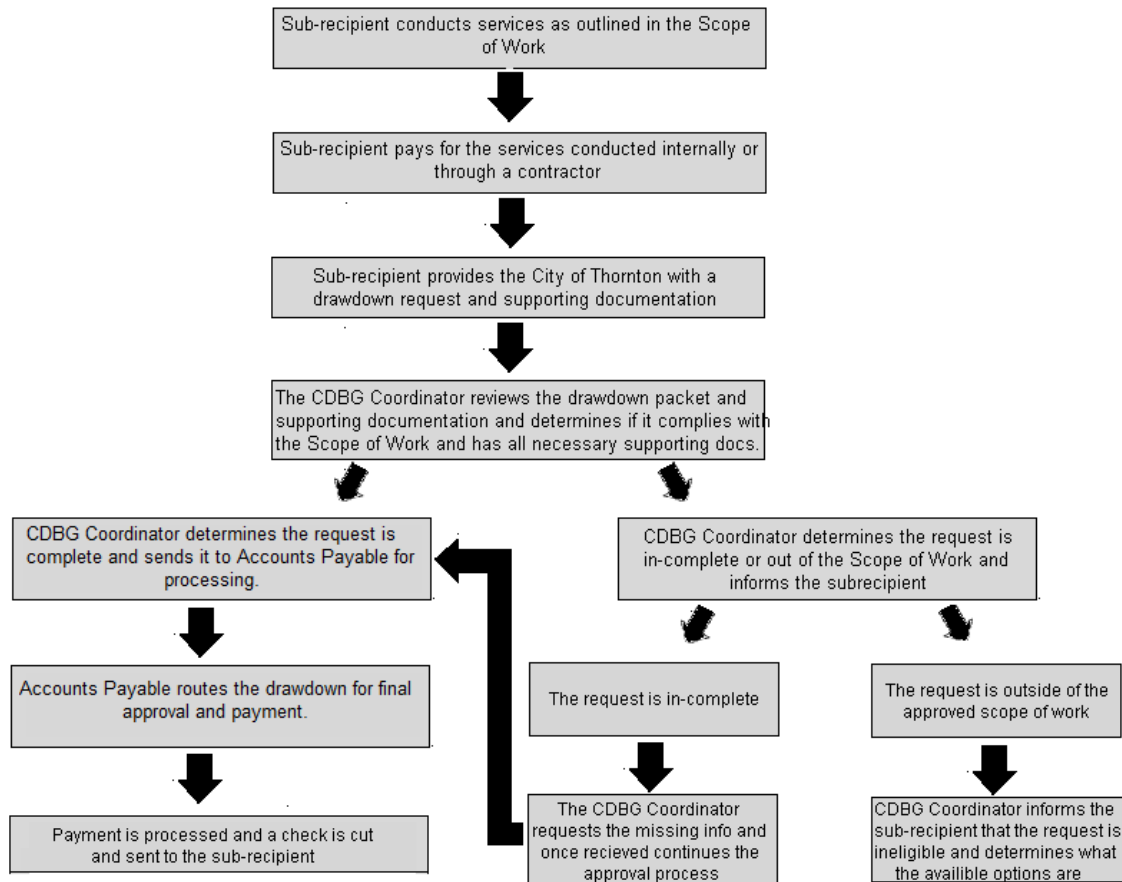
4. Any and all bids may be rejected when sound documented business reasons exist;
5. All sub-recipients must have written procurement procedures for the purchase of goods and services; and
6. Sub-recipients must comply with procurement requirements found at 2 CFR 200 and with any other applicable conflict-of interest provisions.

Regulations governing purchase and procurement with CDBG funds must be followed to ensure:

1. Procurement transactions are conducted in a manner that provides maximum free and open competition by sub-contractors;
2. National Goals (Equal Employment Opportunity, participation of Minority Business Enterprises (MBE's), and Fair Labor Standards) are adhered to throughout the procurement process;
3. Small, minority-owned businesses, women's business enterprises, and project area firms have an opportunity to bid on CDBG funded projects; and,
4. Unnecessary or duplicate purchases are not made.

Chapter 3 of HUD's Guidebook "[Playing by the Rules: A Handbook for Subrecipients on Administrative Systems](#)" provides a comprehensive overview of federal procurement regulations and requirements.

DRAWDOWN PROCESS



*A sample of a drawdown request is included under Appendix C.

MONITORING

The primary monitoring objective is to ensure that Federal funds received are used only for approved activities and are administered according to all applicable statutory and regulatory requirements. This established monitoring approach provides an early indication of problems or potential problems in meeting applicable requirements.

All applicants who are awarded CDBG funds should understand that their organization is subject to the monitoring policies set forth in this document. It is not intended to provide a negative outcome on any one organization, but to provide the City with a fair assessment of potential risks, at all levels, of any project. Monitoring by the City is not just a regulatory process or a fact-finding mission, rather, it involves effective communication and cooperative, problem-solving relationships between the City and its sub-recipients.

To achieve this monitoring objective, the City will use an interactive, ongoing process. This approach includes instructional training, ongoing technical assistance, site visits, quarterly reporting, drawdown reviews, and annual monitoring. Thornton promotes efficient and effective sub-recipient performance.

TYPES OF MONITORING

To achieve the stated objective, the City's staff conduct thorough financial and programmatic monitoring of sub-recipients. The monitoring process is designed to incorporate a variety of monitoring techniques and tools into a coordinated effort, which ensures that all funded activities receive an appropriate level of review. The following types of monitoring techniques are incorporated into the City's comprehensive approach:

1) Individual Project Monitoring – Conducted As Needed

This is the primary technique used for monitoring and reviewing funded activities implemented by the City and its sub-recipients. City staff will conduct comprehensive reviews of either active or completed projects. Regular contacts, as often as weekly or monthly, may be required to deter potential issues and assure compliance with regulations.

2) Desk-Top Monitoring – Conducted Quarterly

This monitoring technique is used on a quarterly and annual basis and provides staff with an effective tool for examining ongoing project activities. Through this process, agencies are required to submit quarterly reports to identify ongoing activities. CDBG staff will analyze this information and make decisions regarding the need for additional technical assistance or future on-site visits, including an analysis of an agency's accomplishments-to-date and rate of expenditures. Desk-Top reviews will also include an analysis of the agency's financial audit records and annual reports (if applicable).

*A sample of an Outcome report is included under Appendix B of the subrecipient agreement.

3) On-Site Visits – Conducted Annually

At a minimum at least one on-site visit will occur with each sub-recipient. In certain situations, additional visits will be conducted to discuss issues. This monitoring technique is used to assist agencies with ongoing projects. If an agency is encountering project implementation issues, the City staff will visit the agency and conduct a comprehensive review of programmatic and financial records.

Based on a review of the records and an examination of the program, technical assistance is provided, and a follow-up letter may be sent to the agency. The issues addressed during the on-site visit are maintained in the City's project files and the information is used as reference material during future monitoring visits.

The City will work with sub-recipients to schedule a monitoring date and time and a minimum of 15 days written notice will be given to a sub-recipient prior to an on-site monitoring visit and a copy of the monitoring tool will be provided. The sub-recipient will be informed of the particular project(s) to be monitored. The on-site visit will consist of interviews with key personnel as well as

a review of pertinent records. The monitoring tool will be completed, and a copy maintained in each file. A letter regarding the results of the monitoring will be sent to the sub-recipients Chief Official within 45 days of receipt of all documentation. The letter will outline any concerns or findings and the necessary steps to take to remedy such matters. Any findings or concerns that are identified will require subsequent follow-up, either onsite or via correspondence, and will be specifically addressed in the letter. If the sub-recipient is required to submit additional information or disagrees with the results of the monitoring, they will have 30 days to respond in writing.

4) Davis-Bacon – Conducted as Needed

Construction projects requiring compliance with the Davis-Bacon Act will be monitored to assure payment of prevailing wage rates. Monitoring will involve on-site employee interviews and review of payrolls. All contractors and subcontractors will submit employee payroll forms per HUD requirements which will be reviewed for accuracy by the coordinator. Labor relations compliance is also included within the scope of Davis-Bacon monitoring. See the Davis Bacon section for details.

5) Drawdown Requests – Conducted as Requests Are Submitted

To assure the validity of requests to draw down funds, back up documentation is required with each request. Both the Coordinator and Finance staff review this information. The request must clearly describe the expenditure and should be reviewed for eligibility, consistency with approved project expenses, verification of remaining balance, proof of expense (i.e., invoice, timesheet), proof of payment (i.e., cancelled check) as well as compliance with the scope of work.

FREQUENCY OF MONITORING

The City of Thornton staff will conduct monitoring on a monthly and annual basis for all new sub-recipients. If a sub-recipient has previously received funds from the City and received an acceptable monitoring report, the City will have the option to conduct on-site monitoring every two years.

The coordinator will complete monitoring visits with the sub-recipients based upon the schedule of frequency shown above.

Frequency of monitoring may be increased if the following **risk factors** are identified:

- The rate of project expenditures is not timely;
- The financial stability of sub-recipient changes;
- A project has recently been completed;
- A project has received complaints or had problems identified;
- The project has been recommended for monitoring by HUD; and/or
- The projects is complex in nature.

DOCUMENTATION AND REPORTING REQUIREMENTS

24 Code of Federal Regulations Part 570 Overview and Documentation Requirements		
Eligible Activities		
*NOTE: This is not an all-inclusive list of documentation, but rather the minimum standards for all programs. Depending on the program there may be additional required documentation.		
CFR	CFR Category Title	Minimum Documentation Standards
570.200	General Policies	Program maintains adequate documentation to demonstrate: • The area of service is in a low to moderate area census tract. An example would be a map of the census tract being served to show that at least 51% of the area is low to moderate income. • 51% or more participants meet low/moderate income criteria. Programs can verify income eligibility through copies of participant paystubs, tax returns and government assistance or through self-certification from each participant. (Appendix A contains 2012 income limits chart) • Participants meet presumed benefit criteria. Programs that exclusively serve any of the following individuals can presume that 51% or more of their participants are low to moderate income. ○ Abused children; ○ Battered spouses; ○ Elderly persons; ○ Adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled"; ○ Homeless persons; ○ Illiterate adults; ○ Persons living with AIDS; and/or ○ Migrant farm workers All participant files must meet the minimum documentation requirements to demonstrate participants meet the eligibility requirements.
570.208	Criteria for National Objectives	
570.201	Basic Eligible Activities	CDBG funds can be utilized for many different uses. Below is a list of the most common categories CDBG funds are used for: • Acquisition of Real Property • Disposition • Public Facilities and Improvements • Clearance • Public Services (Restricted to 15% of total funds dispersed to all agencies) • Interim Assistance • Relocation • Privately-Owned Utilities • Rehabilitation • Construction of Housing • Special Economic Development Activities • Microenterprise Assistance • Homeownership Assistance
570.202	Eligible Rehab & Preservation Activities	
570.203	Special Economic Development Activities	
570.207	Ineligible Activities	

		CDBG funds however, cannot be used for the following categories: • Buildings or portions for the general conduct of government • General government expenses • Political activities • Purchase of equipment • Operating and maintenance expenses • Income payments
570.309	Restrictions on Locations of Activities	All participants benefitting from the CDBG funds must be Thornton residents. Program files must demonstrate participants are residents of the City of Thornton. An example would be copies of state issued identification or income verification with a Thornton address listed. If a participant is homeless and resides at a Thornton facility the individual is deemed a Thornton resident.
*NOTE: Although a project may be eligible per the code of federal regulations it may not be a priority or need for the City of Thornton. In addition to a project being eligible it must also meet the identified needs of the City.		
Administration		
CFR	CFR Category Title	Minimum Documentation Standards
570.502	Applicability of Uniform Administrative Requirements	Sub-recipients must comply with applicable OMB Super Circular requirements and standards outlined in 2 CFR 200. Although 24 CFR 570.502 refers to 24 CFR parts 84 and 85, those regulations were replaced with 2 CFR 200 in December 2013. Furthermore, in December 2013 the following OMB Circulars were consolidated and replaced with the OMB Super Circular. • OMB Circular No. A-21, "Cost Principles for Educational Institutions," as applicable; • OMB Circular No. A-50, "Audit Follow-up"; • OMB Circular No. A-87, "Cost Principles for State, Local, and Indian Tribal Governments"; • OMB Circular No. A-89, "Catalog of Federal Domestic Assistance"; • OMB Circular A-102, "Administrative Requirements for State and Local Governments"; • OMB Circular A-110, "Administrative Requirements for Non-Profits"; • OMB Circular No. A-122, "Cost Principles for Non-profit Organizations"; and • OMB Circular A-133, "Audits of Institutions of Higher Education and Other Nonprofit Institutions". All sub-recipients must also provide the City of Thornton with their annual financial audit for review. Sub-recipients must keep adequate records that comply with the applicable requirements of 2 CFR 200 and the OMB Super Circulars. The financial records that must be maintained include: • A chart of accounts that lists all the names and numbers assigned to each account; • Accounting journals and ledgers • Source documentation that costs were eligible and paid (invoices, purchase orders, canceled checks, etc.)

		• An inventory of real property • Bank account records • Records regarding revolving loan fund activities • Drawdown requests • Payroll records and reports • Documentation of other administrative costs charged • Financial reports • Audit files • Financial correspondence
570.507	Reports	The City of Thornton is required to submit numerous reports to the Federal government and may request information from programs to complete the reports. The information may include but is not limited to, minority business information, Section 3 information, outcomes achieved, financial audits and funds leveraged. The specific reports that will be required from each agency will be outlined in the Contract between the City and the agency and in the specific Outcome Report template provided to the agency.
Record Retention and General Records		
CFR	CFR Category Title	Minimum Documentation Standards
570.506	Records to be Maintained	• Records must be kept for five years after project completion. • Experienced administrators keep some records indefinitely if they have long-term liability concerns, for example, on projects involving lead-based paint hazard control. • HUD does not specify who must keep the records, but the grantee is responsible for having someone keep them for the required period of time. The Type of Records to Maintain for an Activity or Project • Description of each project, location, amount of CDBG assistance budgeted, obligated and expended. • Sources and uses of funds, including CDBG, and all others. • Compliance with Eligibility and National Objectives under 570.208. The Type of Records to Maintain for a Community Based Development Organization (CBDO) • Evidence that CBDOs meet designation requirements during the period when they are receiving an allocation of CDBG funds to undertake special activities.
Timely Expenditure of Funds		
CFR	CFR Category Title	Minimum Documentation Standards
570.902	Review to determine if CDBG-funded activities are being carried out in a timely manner.	• Prior to issuing the next year's Entitlement grant, HUD performs an annual assessment of each grantee's performance. One of the performance factors examined is "timeliness" of program expenditures. • When sub-recipients fail to show that are funds are expended in a timely manner, HUD's corrective action will consider the following: 1. The likelihood that the sub-recipient will spend enough funds during the next program year to reduce the amount to an

		acceptable level; and 2. The extent to which funds on hand have been obligated by the grantee and its sub-recipients for specific activities; and other relevant information.
*NOTE: Sub-recipients are encouraged to download the “CDBG Timeliness Bulletin” from HUD’s website for tips and recommendations to avoid or solve problems with timely use of funds.		

Documenting Income Eligibility

Subrecipients are responsible for maintaining the appropriate income documentation for their CDBG-funded program. Only public service activities are eligible to use a standard CDBG Income Self-Certification form, Appendix E.

Rent, mortgage, and utility assistance programs, housing rehabilitation programs, and other non-public service programs require more in-depth documentation of participant income to confirm eligibility. See the individual program manuals for a more detailed process for documenting client income. Subrecipients are required to maintain complete documentation of participant income. The City reserves the right to spot-check client files to confirm that income is properly documented.

There are certain programs that consider participants to be a presumptive benefit group. For those groups income verification may not be required. Please speak with a CDBG staff member if you have questions regarding your program and what will need to be collected to remain in compliance with income verification guidelines.

APPENDIX A

Income Limits Chart Example

2023 Low/Moderate Income Limits for Adams County

CDBG 2023 Income Limits

FY 2023 Income Limit Area	FY 2023 Income Limit Category	Persons in Family							
		1	2	3	4	5	6	7	8
Denver-Aurora-Lakewood, CO MSA	Extremely Low (30%) Income Limits (\$)								
		26,100	29,800	33,550	37,250	40,250	43,250	46,200	49,200
	Very Low (50%) Income Limits (\$)								
		43,450	49,650	55,850	62,050	67,050	72,000	76,950	81,950
	Low (80%) Income Limits (\$)								
		66,300	75,750	85,200	94,650	102,250	109,800	117,400	124,950

Source: 2023 Denver-Aurora-Lakewood, CO MSA, CDBG Income Limits, HUD (effective 6/15/2023)

APPENDIX B

Sample Outcome Performance Report

*NOTE: Depending on the type of project the Outcome Report may look slightly different. All of the highlighted areas are to be filled out by the sub-recipient. All other areas will be pre-populated on the template given to the sub-recipient. All the areas that are highlighted with a blue border should total the same and all the areas highlighted with a green border should total the same.



Public Service Outcome Performance Measurement Report Community Development Block Grant

Name of Organization: Thornton Senior Program

Project Name: Senior Support

City Contract Number: 12-140

Project Year: 2012

Matrix Code: 05A

IDIS #: 7/12

Reporting Period: **Second Quarter**

National Objective: LMC

COMMON INDICATORS

MONEY LEVERAGED	
CDBG Allocated to Project	\$ 20,000
Estimated Amount of Money to be Leveraged	\$ 50, 000
Actual Amount of Money Leveraged During the Reporting Period	\$ 15,000
Break out the amount and source of funding: In-kind (\$5,000) DHS (\$8,000) Fundraising event (\$2,000)	
Total Amount of Money Leveraged	\$ 25,000

The total amount of \$ leveraged should equal the amount of \$ leveraged this period plus all previous periods

OVERALL OUTCOMES		
	During Reporting Period	Cumulative Total
Proposed Number of Individuals Served	25	100
Actual Number of Individuals Served	30	50

The following tables should have the same totals:

Overall Outcomes
Access to Services
Demographic Info
Race and Ethnicity

(i.e. if the Overall Outcomes table has 30 people this period and 50 people cumulative, the other tables should also total 30 people this period and 50 people cumulative.

ACCESS TO SERVICES		
The Type of Access to Services Received	During Reporting Period	Cumulative Total
Now have <u>new access</u> to this service or benefit	20	30
Now have <u>continuing access</u> to this service or benefit	0	0
Now have <u>improved access</u> to this service or benefit	10	20
Now receive a service or benefit that is <u>no longer sub-standard</u>	0	0
Total	30	50

DEMOGRAPHIC INFORMATION		
Income Level of Individuals	During Reporting Period	Cumulative Total
Extremely low-income (equal or less than 30% AMI)	10	30
Low/Mod-income (31-50% AMI)	20	20
Moderate income (51-80% AMI)	0	0
Non-Low Moderate (more than 80% AMI)	0	0
Total	30	50

RACE AND ETHNICITY INFORMATION		
Race	Number of People During Reporting Period	Number of People Cumulatively
White	20	30
Black/African American	5	10
Asian	0	2
American Indian/Alaskan Native	0	0
Native Hawaiian/ Other Pacific Islander	0	0
American Indian/Alaskan Native & White	0	0
Asian & White	2	3
Black/African American & White	2	3
American Indian/Alaskan Native & Black/African American	0	0
Other multi-racial	1	2
Asian & Pacific Islander	0	0
Total	30	50
Ethnicity	Number of People During Reporting Period	Number of People Cumulatively
Hispanic or Latino	20	35
Non-Hispanic or Latino	10	15
Total	30	50
Household Composition	Number of People During Reporting Period	Number of People Cumulatively
Female Head of Household	15	25
Disabled	15	30

SPECIFIC INDICATORS

OUTCOMES			
Outcome Description	Proposed Goal	Total During Reporting Period	Cumulative Total
Increase daily activity programs	10	2	4
Increase education presentations	10	5	6

Specific indicators are additional goals CDBG will help the agency accomplish in addition to the overall goals. An agency is not required to have specific indicators

The purpose of this report is to document Outcomes and measure Outcome Indicators as prescribed by Housing and Urban Development. Complete the report with numerical outcomes for both the reporting period and the cumulative totals. Below, include any successes/opportunities or challenges/obstacles that may impact the ability to achieve the agreed upon outcomes. The information provided throughout this report will be recorded in IDIS (Integrated Disbursement and Information System) and reported to HUD.

QUALITATIVE INDICATORS OF SUCCESS, OPPORTUNITIES, CHALLENGES, LESSONS LEARNED AND/OR SIGNIFICANT CHANGES (Narrative section)

Mr. Jones was diagnosed with cancer a year ago and recently lost his wife who was his primary caregiver. Because of his health concerns and lack of resources he began to experience signs of depression and isolation. He was referred to the agency by another client and began partaking in socialization activities, meal services and health screenings. Since becoming connected to the agency a few months ago his health and mood have improved.

The narrative section talks about individual stories or projects completed because of CDBG funds.

I verify the information provided in this report is true and correct to the best of my knowledge.

Jane Smith _____ Authorized Representative (please print)	Senior Coordinator _____ Title
<i>Jane Smith</i> _____ Signature	7/2/12 _____ Date

It is important to have an authorized representative sign and date all outcome reports.

APPENDIX C

Sample Drawdown Request

*NOTE: All of the highlighted areas are areas that are to be filled out by the sub-recipient. Areas that are not highlighted are either pre-populated or auto-populate once the highlighted areas have been completed. Two samples have been included to show the difference between and initial and subsequent draw requests.

Sub Recipient Draw-Down Request		
City of Thornton, Colorado Community Development Block Grant Program		
Agency Name: Agency X	Program Year: 2014	
Address: 1234 W 123rd Street, Thornton, CO 80229	Drawdown Number: 1	
Phone Number: 303-123-4567	Reporting Period: Quarter 1 2015	
Contact Person: Jane Smith	Activity Name: Facility Improvements	
DESCRIPTION	AMOUNT	
Line 1: Original Activity Budget	\$50,000.00	
Line 2: Net Budget Amendments for Program Year	\$0.00	
Amendment #1	\$0.00	
Amendment #2	\$0.00	
Line 3: Revised Budget (Line 1 + Line 2)	\$50,000.00	
Line 4: Total Previous Draws to Date	\$0.00	
Line 5: Available Draw Down Amount (Line 3 - Line 4)	\$50,000.00	
Line 6: Total Amount of Expenditures Eligible for Reimbursement	\$15,000.00	
Line 7: Total Program Income Received	\$0.00	
Line 8: Current Draw Down Request (Line 6 - Line 7)	\$15,000.00	
Line 9: Total Expenditures to Date After Draw Down (Line 4 + Line 8)	\$15,000.00	
Line 10: Remaining Balance (Line 3 - Line 9)	\$35,000.00	
I hereby certify that, to the best of my knowledge, this request for payment represents a true and correct statement of the work performed and costs incurred and is in conformance with the contract terms.		
 Subrecipient/Contractor Signature	Program Manager	2/10/2015 Date

Sub Recipient Draw-Down Request		
City of Thornton, Colorado Community Development Block Grant Program		
Agency Name: Agency X	Program Year: 2014	
Address: 1234 W 123rd Street, Thornton, CO 80229	Drawdown Number: 2	
Phone Number: 303-123-4567	Reporting Period: Quarter 1 2015	
Contact Person: Jane Smith	Activity Name: Facility Improvements	
DESCRIPTION	AMOUNT	
Line 1: Original Activity Budget	\$50,000.00	
Line 2: Net Budget Amendments for Program Year	\$0.00	
Amendment #1	\$0.00	
Amendment #2	\$0.00	
Line 3: Revised Budget (Line 1 + Line 2)	\$50,000.00	
Line 4: Total Previous Draws to Date	\$15,000.00	
Line 5: Available Draw Down Amount (Line 3 - Line 4)	\$35,000.00	
Line 6: Total Amount of Expenditures Eligible for Reimbursement	\$5,000.00	
Line 7: Total Program Income Received	\$0.00	
Line 8: Current Draw Down Request (Line 6 - Line 7)	\$5,000.00	
Line 9: Total Expenditures to Date After Draw Down (Line 4 + Line 8)	\$20,000.00	
Line 10: Remaining Balance (Line 3 - Line 9)	\$30,000.00	
I hereby certify that, to the best of my knowledge, this request for payment represents a true and correct statement of the work performed and costs incurred and is in conformance with the contract terms.		
 Subrecipient/Contractor Signature	Program Manager	3/7/2015 Date

APPENDIX D **Example of a Timesheet for Staff Paid Partially Out of CDBG**

Monthly Time Sheet

EMPLOYEE NAME: ✓

DATE: January 2013 ✓

	1/1	1/2	1/3	1/4	1/5	1/6	1/7	1/8	1/9	1/10	1/11	1/12	1/13	1/14	1/15	Total
CDBG Time:																
Assessments																0
Check-Ins																0
Client Correspondence										0.25	0.25					0.5
Travel																0
Case Development			0.5					0.5		0.75	1.5			0.5		3.75
Report Writing																0
Administrative			1.5					0.5								2
Total CDBG Time	0	0.25	2	0	0	0	0	1	0	1	1.75	0	0	0.5	0	6.25
Holiday	8															8
Non-CDBG Time	0	8	6	8			8	7	8	7	6.25			7.5	8	73.75
Totals by Day	8	8.25	6	8	0	0	8	7	8	8	7.75			7.5	8	82
Percentage CDBG Time	0%	0%	25%	0%	0%	0%	0%	13%	0%	15%	22%	0%	0%	16%	0%	16%
CDBG Mileage																0

	1/16	1/17	1/18	1/19	1/20	1/21	1/22	1/23	1/24	1/25	1/26	1/27	1/28	1/29	1/30	1/31	Mo Total
CDBG Time:																	
Assessments																	0
Check-Ins																	0
Client Correspondence													0.25				0.75
Travel																	0
Case Development	0.25																0
Report Writing													0.75	1	0.75	0.5	7
Administrative													1	0.25			3.25
Total CDBG Time	0.25	0	0	0	0	0	0	0	0	0	0	0	2	1.25	0.75	0.5	11
Holiday						8											16
Non-CDBG Time	7.75	8	8				8	8	8	8			6	6.75	7.25	7.5	157
Totals by Day	8	8	8	0	0	8	8	8	8	8			8	8	8	8	164
Percentage CDBG Time	3%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%	18%	9%	6%	14%
CDBG Mileage																	0

EMPLOYEE SIGNATURE: ✓

DATE: 3/6/13

SUPERVISOR SIGNATURE: ✓

DATE: 3/6/2013

APPENDIX E

Sample Income Self Certification for Clients (only available for Public Service activities)

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM 2015 SELF-CERTIFICATION FORM

Information on annual family income is required to determine participant eligibility for public services funded by the City of Thornton through the Community Development Block Grant (CDBG) program. Each participant must indicate the number of persons in their family, and then circle the box that contains the amount of their annual family income level. Information provided is subject to verification by the agency providing services, the U.S. Department of Housing and Urban Development (HUD), and/or the City of Thornton.

NOTE: "Income" is the total annual income of all family members as of the date that federal-funded assistance is provided. All income for all persons in the family must be included in calculating family income whether or not a family member receives assistance. Additional expected sources of income and the amount expected during the period of federal assistance must be included in this calculation of annual family income.

2015 CDBG Income Guidelines Circle family size and appropriate income level:

Family Size	Total Annual Family Income Is			
1	\$0 - \$16,800	\$16,801 - \$28,000	\$28,001 - \$44,750	\$44,751 +
2	\$0 - \$19,200	\$19,201 - \$32,000	\$32,001 - \$51,150	\$51,151 +
3	\$0 - \$21,600	\$21,601 - \$36,000	\$36,001 - \$57,550	\$57,551 +
4	\$0 - \$24,250	\$24,251 - \$39,950	\$39,951 - \$63,900	\$63,901 +
5	\$0 - \$28,410	\$28,411 - \$43,150	\$43,151 - \$69,050	\$69,051 +
6	\$0 - \$32,570	\$32,571 - \$46,350	\$46,351 - \$74,150	\$74,151 +
7	\$0 - \$36,730	\$36,731 - \$49,550	\$49,551 - \$79,250	\$79,251 +
8	\$0 - \$40,890	\$40,891 - \$52,750	\$52,751 - \$84,350	\$84,351 +

Race (check one of the following 10 categories):

American Indian or Alaskan Native	☐	American Indian or Alaskan Native AND White	☐
Asian	☐	Asian AND White	☐
African American	☐	African American AND White	☐
Native Hawaiian or Other Pacific Islander	☐	American Indian or Alaskan Native AND African American	☐
White	☐	Other	☐

Ethnicity (check one):

Hispanic or Latino	☐
Not Hispanic or Latino	☐

Do you consider yourself disabled? Yes ☐ No ☐

Are you part of a female head of household? Yes ☐ No ☐

APPLICANT STATEMENT: I certify that the information provided on this form is accurate and complete, and that I am a resident of the City of Thornton. I further acknowledge that eligibility for services funded through the CDBG program is based upon having a qualifying annual family income level or belonging to a group that is presumed to be low- or moderate- income, and that the income levels and/or status I have indicated in this self-certification may be subject to further verification by the agency providing services, the City of Thornton and/or HUD. I acknowledge that providing false information shall be grounds for termination from the program. I therefore authorize such verification, and will provide supporting documents if requested.

Participant Name (Please Print): _____ Age _____

Address _____ City _____ Zip _____

Participant or Parent/Guardian Signature _____ Date _____

APPENDIX F

Acronyms

AAP – Annual Action Plan
ADA – Americans with Disabilities Act
AI - Analysis of Impediments to Fair Housing
CAPER - Consolidated Annual Performance Evaluation Report
CBDO - Community-based development organizations
CC- Community Connections
CDBG – Community Development Block Grant
CDFI - Community Development Financial Institutions
CFR – Code of Federal Regulations
CHDO – Community Housing Development Organization
ConPlan – Consolidated Plan
CPP – Citizen Participation Plan
CPR – Certified Payroll Report
DBRA – Davis Bacon and Related Acts
DOL – Department of Labor
FEMA – Federal Emergency Management Agency
FHEO - Fair Housing and Equal Opportunity
FLSA – Fair Labor Standards Act
FONSI - Finding of No Significant Impact
HUD – US Department of Housing and Urban Development
IDIS - Integrated Disbursement & Information System
LMA – Low to moderate income area
LMC – Low to moderate income clientele
LMH – Low to moderate income households
MBE - Minority-owned Business Enterprise
NOFA – Notice of funding availability
NSP – Neighborhood Stabilization Program
OMB – Office of Management and Budget
PI - Program Income
RFP – Request for proposals
RLF - Revolving Loan Fund
RROF - Request for Release of Funds
UFAS – Uniform Federal Accessibility Standards
URA - Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
WBE - Woman-owned Business Enterprise

APPENDIX G

Other Federal Requirements

CDBG projects and programs must comply with all Federal and State regulations as identified in 24 CFR Part 570 and may also be subject to the following:

- Fair housing, equal opportunity, and equal employment opportunity: Discrimination based on race, color, national origin, religion, sex or age is prohibited.
- Handicapped accessibility: Generally, federally-assisted buildings and facilities must be accessible to handicapped persons.
- Employment and contracting: Grantees may not discriminate in employment and must make efforts to provide training and employment opportunities to low income residents.
- Environmental review: Grantees must undertake environmental reviews in accordance with 24 CFR Part 58.
- Flood insurance: CDBG funds may not be provided in a Federal Emergency Management Agency (FEMA) designated special flood area unless specific precautions are undertaken.
- Lead-based paint: CDBG rehabilitation and construction activities must comply with 24 CFR Part 35 and Section 401(b) of the Lead-Based Paint Poisoning Prevention Act.
- Uniform Relocation Act: Compliance with 49 CFR Part 24 Uniform Relocation Assistance and Real Property Acquisition for Federal and Federally-Assisted Programs.
- Labor standards: Construction activities may be required to comply with the Davis Bacon Act and the Contract Work Hours and Safety Standards Act.
- Debarred, suspended and ineligible contractors and sub-recipients: CDBG funds cannot be provided to debarred, suspended, or ineligible contractors, subcontractors or sub-recipients.
- Minority and Women's Business Enterprises (MBE and WBE): Thornton applicants shall maintain documentation of their efforts to assure MBE and WBE are considered and used where possible.
- Affordable Housing: The Affordable Housing Act set the goal that every American family be able to afford a decent home in a suitable environment. Each participating jurisdiction must annually review and report, on the progress it has made in carrying out its housing strategy.
- Conflicts of Interest: Grantees and sub-grantees will maintain a written code of standards of conduct governing the performance of their employees engaged in the award and administration of contracts. No employee, officer or agent of the grantee or sub-grantee shall participate in selection, or in the award or administration of a contract supported by Federal funds if a conflict of interest, real or apparent, would be involved
- Drug Free Workplace: Requires all Federal grantees to agree that they will provide drug-free workplaces as a precondition of receiving a contract or grant from a Federal agency

APPENDIX H

Sample of the Checklist

Community Development Block Grant (CDBG) Application Completion Check Sheet

Agency Name: _____ Project Name: _____

Project Address: _____

Program Year: _____ Amount Requested: _____

Review of Application Received:

☐ Original Copy ☐ Original Signature ☐ Soft Copy ☐ Conflict of Interest

Completed by CDBG Staff	General Attachments – Required for All Projects		
	Document	Included (Y or N)	Comments/Questions
	IRS Determination Letter		
	Colorado Secretary of State Registration		
	List of Staff for Project		
	List of Current Board Members		
	Adopted Anti-discrimination Statement		
	Current Financial Audit		
	Year-to-Date Financial Statements		
	Current Year's Budget for Agency		
	Next Year's Budget for Agency		
	Project/Program Budget		

Completed by CDBG Staff	Specific Attachments – Required Only if Applicable to the Project		
	Document – When is it Required	Included (Y, N, N/A)	Comments/Questions
	Annual Report – Required if a report is completed		
	Audit/Monitoring from HUD, OIG, Entitlements – Required if any audits were conducted in the past 3 years		
	Capital Needs Assessment – Required if an existing housing or public facility project		
	Proof of ownership– Required if a housing or public facility project		
	Environmental Assessments and Reviews– Required if any have been conducted and the project is a housing or public facility project		
	Photographs/Plans– Required if a housing, public facility or infrastructure project		
	Policies and Procedures – Required if a public service program		
	Partnerships – Required if the agency is partnering on the project		
	Brochures – Required if a public service program		
	Notice of Uniform Relocation Act Compliance – Required if a housing or acquisition project		

Completed by CDBG Staff	Additional Verification Conducted by the City		
	Document	Result (Y, N, N/A)	Comments/Questions
	Does the site have code violations or issues?		
	Is the property/facility located in Thornton?		
	Is the agency currently registered in System of Award Management (SAM)?		
	Is the SAM registration active and does it show no active exclusions?		
	Does Adams County Records show proof of ownership?		

Completed by the CDBG Staff	Review of Project Eligibility		
	Eligibility Criteria	Result (Y or N)	Comments/Questions
	Does the application clearly show what the funds will be used for?		
	Is the requested use of funds eligible?		
	If a housing, public facility or infrastructure project is it located in Thornton?		
	Does the project fit into a matrix code?		
	Does the application show how the project meets a national objective?		
	Can the national objective be used for the matrix code?		
	Does the application clearly show how the project fits into Consolidated Plan goals and priority needs?		
	Does the application clearly state the number of clients to be served?		
	Does the application clearly state the number of unduplicated Thornton residents to be served?		
	Does the timeline of the project coincide with the timing of CDBG funds?		

Other Comments/Questions		
Section	Page	Comments/Questions

APPENDIX I

Sample of the Risk Assessment



Community Development Block Grant (CDBG) Eligibility & Risk Assessment Sheet 2023 Program Year

Applicant Name: _____ **Activity Name:** _____

Amount Requested: \$ _____ **Breakdown of Request:** _____

Suggested Matrix Code: _____ **Reviewer:** _____

National Objective Category:

- ☒ Benefit Low to Moderate Income Persons
- ☐ LMA ☒ LMC ☐ LMH ☐ LMJ
- ☐ Elimination of Slums/Blight
- ☐ Urgent Needs

Consolidated Plan Priority Need Category:

- ☐ Affordable Housing ☒ Non-Housing Community Development
- ☐ Homeless Services ☐ Non-Homeless Special Needs

Specific Priority Need(s): [See Priority Needs Table starting on Pg. 64] _____

Does the activity provide new or expanded services? ☐ Yes ☐ No



Activity Evaluation Higher the Risk, Higher the Score		
Criteria	Score 0 to 5	Comments
Activity Complexity Davis-Bacon Required = 2 CEST-X or Greater = 1 Dependent Upon Other Funding = 1 Funding Several Activity Components (ie: staff+supplies+outreach+equipment) = 1		
Is this the first year the agency received CDBG funds from the City? Yes = 5 No = 0		
Does the activity plan to generate program income? Yes = 5 No = 0		
Is this a new activity for the applicant? Yes = 5		

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No = 0		
Does the applicant provide a detailed activity description, with specifics on how the activity will serve city residents? Yes = 0 No = 5		
Will the activity serve (but not fund) non-city residents? Yes = 5 No = 0		
TOTAL SCORE OUT OF 30		

Agency Evaluation Higher the Risk, Higher the Score		
Criteria	Score 0 to 5	Comments
Length of time the agency has been operating Less than 1 year = 5 1 - 4 years = 3 5 + years = 0		
Does the agency have an established method to track outcomes, demographics, and national objectives? Yes = 0 No = 5		
Has the agency been able to comply with Federal regulations on other activities? Yes = 0 No = 5		
Applicant's does not have: Grant management experience = 1 Dedicated activity manager = 1 A CFO = 1 Experience managing this activity = 1 Experience managing a similar activity = 1		
Does the agency have prior experience with using CDBG or similar federal funds? Yes = 0 No = 5		
Were any issues identified during previous monitoring or audits? Findings = 5 Concerns = 3 None = 0		
If issues, were identified during previous monitoring, has the agency adequately resolved the issues? Yes = 0 No = 5		
If issues, were identified during previous monitoring, would the issues impact this activity?		

Yes = 5 No = 0		
TOTAL SCORE OUT OF 40		

Fiscal Evaluation Higher the Risk, Higher the Score		
Criteria	Score 0 to 5	Comments
Are other grant funds required for this activity? Yes = 5 No = 0		
Are all of the other grant funds already committed to the activity? Yes = 0 No = 5		
Fiscal strength of agency? Low = 5 High = 0		
Budget review of the activity Incomplete = 1 Vague = 1 Unrealistic costs = 1 No contingency options = 1 No quantitative details = 1		
TOTAL SCORE OUT OF 20		

Timeline Evaluation Higher the Risk, Higher the Score		
Criteria	Score 0 to 5	Comments
Does the activity have a clear and concise timeline? Yes = 0 No = 5		
Amount of funds to be spent by Timeliness? 0% - 20% = 5 20% - 40 % = 4 40% - 60% = 3 60% - 80% = 1 >80% = 0		
TOTAL SCORE OUT OF 10		

Number of Residents Served _____ % LMI Served _____ Total Number of Households Served _____ Notes:
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TOTAL SCORE: _____

Low risk: 0 – 25 ☐
Medium risk: 26– 50 ☐
High risk: 51 – 100 ☐