

Loudoun County, Virginia  
Community Development Block Grant Program  
(CDBG)



Competitive Grant Application

Program Year Nine  
July 1, 2012 – June 30, 2013

Loudoun County Department of Family Services  
102 Heritage Way N.E., Suite 103  
Leesburg, VA 20176  
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## **PART 1**

### **Introduction to the Federal Community Development Block Grant (CDBG) Program**

**Overview** The Community Development Block Grant (CDBG) program is authorized by Title I of the Housing and Community Development Act of 1974, as amended. The U.S. Department of Housing and Urban Development (HUD) provides annual grants on a formula basis to entitled metropolitan cities and urban counties to implement a wide variety of community and economic development activities directed towards neighborhood revitalization and the provision of improved community facilities and services. CDBG activities are initiated and developed at the local level based upon a community's perceptions of its local needs, priorities, and benefits to the community. Each entitlement grantee (i.e., Loudoun County) receiving CDBG funds is free to determine what activities it will fund as long as certain requirements are met, each activity is eligible and meets one of the following national objectives: benefits persons of low and moderate income, aids in the prevention or elimination of slums or blight, or meets other community development needs of particular urgency.

**National Objectives** The purpose of the CDBG Program is to develop viable communities by providing decent housing and a suitable living environment by expanding economic opportunities, principally for persons of low and moderate income. All projects must meet at least one of the following national objectives:

**1. Projects Providing Primary Benefit to Low and Moderate Income Persons.** Activities that benefit low and moderate income (LMI) persons are divided into four categories:

- a) **Area Benefit Activities** - An area benefit activity addresses the identified needs of LMI persons residing in an area where at least 28.8%\* of the residents are LMI persons. The benefits of this type of activity are available to all persons in the area regardless of income. Examples of potentially eligible activities include street improvements, water and sewer lines, neighborhood facilities and park renovations. Area benefit can be determined based upon census tract data or a neighborhood survey.
- b) **Limited Clientele Activities** - A limited clientele activity benefits a specific group of people (rather than all the residents in a particular area), at least 51% of whom are LMI persons. To qualify under this category, the activity must meet one of the three (3) following tests:
  - Benefit a clientele who are generally presumed to be principally LMI. The following groups are presumed by HUD to meet this criterion:

Abused children	Handicapped persons (adults)
Elderly persons	Illiterate persons
Battered spouses	Migrant farm workers
Homeless persons	

\*Generally, the LMI percentage required for **area benefit** is 51% of residents. However, due to Loudoun County's affluent population, HUD has established an "**exception criteria**" that lowers the LMI percentage requirement to 28.8%.

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- Require information on family size and income so that it is evident that at least 51% of the clientele are persons whose family income does not exceed the LMI limits.
- Have income eligibility requirements, which limit the activity exclusively to LMI persons.

Some examples of limited clientele activities include construction/renovation of senior centers, public services for the homeless, remedial reading for adults and provision of job training activities for the disabled.

- c) **Housing Activities\*** - A housing activity adds or improves permanent, residential structures that will be occupied by LMI persons upon completion. The housing can be either owner or renter occupied. Rental units occupied by LMI persons must be at affordable rents based on established standards.

Occupancy of housing shall be determined using the following rules and shall be maintained for a period of at least fifteen (15) years:

- Residential rehabilitation: Compliance is based upon household income of occupants.
- Housing construction: Compliance is based on the same rules as for residential rehabilitation with the following exception:  
Non-elderly, multi-family rental structures must have at least 20% of the units occupied by LMI persons. Where LMI occupancy is between 20% and 50%, the CDBG portion of the total development cost may not be greater than the portion of units occupied by LMI persons. Total development costs include the cost of all work from design and engineering through completion of the physical improvements and, if integral to the project, the cost of acquisition.
- Acquisition of property or conversion of buildings for permanent housing: Compliance is based on household income of the occupants in the structures, according to the applicable rules listed above for residential rehabilitation and new housing construction.

\*Any residential unit that is to be rehabilitated must, at a minimum, be brought into conformance with HUD Section 8 Housing Quality Standards. Any non-residential structure that is to be rehabilitated must, at a minimum, be brought into conformance with the Building Officials and Code Administrator's (BOCA) minimum property standards. All properties built before 1978 must be evaluated for lead-based paint

- d) **LMI Jobs** - An LMI jobs activity creates or retains permanent jobs, at least 51% of which are either taken by LMI persons or considered to be available to LMI persons.
- Jobs are considered to be "*available to*" LMI persons only when both:  
Special skills that can only be acquired with substantial (i.e., one year or more) training or work experience or education beyond high school are not a prerequisite to fill such job, or the business nevertheless agrees to hire unqualified persons and train them; and  
Local government or the assisted business takes actions that would ensure that LMI persons receive "first consideration" for filling such jobs.
  - Principles involved in providing "first consideration": The business must use a hiring practice that in all likelihood will result in over 51% of persons hired being LMI persons; and the business must seriously consider a sufficient number of LMI jobs applicants to meet this intent; and the distance from residence and availability of transportation to job site must be considered in determining whether a particular LMI person can be seriously considered an applicant for the job.

An example of an eligible activity is: A business incubator which is designed to offer both space and assistance to new firms hiring and/or serving LMI persons to help them become viable small businesses.

**2. Projects Which Aid in the Prevention or Elimination of Slums and Blight.** An activity will be considered to address prevention or elimination of slums and blight in an area if:

- a) The deteriorated area meets the definition of slums, blight, or deteriorated or deteriorating area and is formally designated a slum or blighted area in accordance with State Law. In Virginia, this definition and procedure for designation is available in Title 36, Article 7 of the Code of Virginia, and
- b) It is in an area with a substantial number of deteriorated buildings or improvements, and
- c) It is in an area designated by the local government as in need of physical improvements due to blighted effects, with clearly delineated boundaries, and
- d) It addresses at least one or more of the conditions which contributed to the deterioration.

**3. Projects Which Address An Urgent Community Development Need.** An activity will be considered to address this objective if the following conditions are met:

- a) The activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health, safety or welfare of the community, and
- b) The conditions are of recent origin or recently became urgent. Recent is defined as being within an 18 months period immediately preceding the application deadline, and
- c) There are no other funds available to address the problem, and
- d) There exists a current declaration of emergency by the Governor of Virginia or of a health threat by the State Health Commissioner.

Major catastrophes or emergencies such as floods or earthquakes are examples of urgent needs.

**NOTE: PROJECTS THAT CANNOT DEMONSTRATE THAT AT LEAST ONE OF THE THREE NATIONAL OBJECTIVES OF THE PROGRAM WILL BE MET WILL NOT BE CONSIDERED FOR FUNDING.**

## **PART 2**

### **Introduction to the Loudoun County CDBG Program**

**Entitlement Grantee** In September of 2003, Loudoun County achieved Urban County status with a population exceeding 200,000 and became eligible to receive federal Community Development Block Grant (CDBG) funds as an entitlement grantee. As an entitlement grantee, the County receives an annual allocation of CDBG funds from the U.S. Department of Housing and Urban Development (HUD) to be used primarily for the benefit of low and moderate income residents. The FY 2013 allocation from HUD is expected to be approximately \$870,000. The purpose of the program is to enable entitled communities to develop a wide range of activities and programs geared towards revitalizing neighborhoods, improving community facilities/services and expanding economic development.

**Loudoun County CDBG Goals** In 2009, the Loudoun County Board of Supervisors adopted the five-year Consolidated Plan for FY 2009-2013 (Consolidated Plan). The Consolidated Plan provides a comprehensive approach to the housing and community development needs of Loudoun County, including the seven incorporated towns. The Consolidated Plan's goals were developed after extensive input from numerous stakeholders including county agencies, nonprofit housing developers, human service providers, business groups and interested citizens.

#### **Housing Goals**

- Maintain and increase stock of affordable owner-occupied housing
- Maintain and increase stock of affordable rental housing
- Improve affordable homeownership options for first-time homebuyers
- Assist homeowners to avoid foreclosure

#### **Homeless Goals**

- Increase housing opportunities for the homeless to maximize independence and self-sufficiency
- Encourage and support homeless prevention activities
- Provide emergency shelter services to stabilize individuals and families
- Enhance provision of supportive services to stabilize individuals and families and promote maximum self-sufficiency

#### **Community Development Goals**

- Focus available resources in older existing communities
- Create a suitable living environment by making countywide infrastructure improvements
- Expand public services and employment opportunities
- Preserve, expand and improve accessible public facilities

## **PART 3**

### **Applicant/Project Eligibility**

#### **Eligible Applicants**

- Applicants must be:
  - 1) a governmental entity such as the County of Loudoun or the incorporated towns of Hamilton, Hillsboro, Leesburg, Lovettsville, Middleburg, Purcellville and Round Hill; or
  - 2) a non-profit organization with 501(c) (3) tax-exempt status.
- Applicant's organization must have been in business for at least two (2) years.
- Applicants for the development of new affordable housing construction projects (including design/engineering costs) must meet the requirements of a Community-Based Development Organization (§570.204 (c) (1)). See checklist on page 27.

#### **Eligible Projects/Activities**

- Proposed projects/activities must:
  - 1) occur within Loudoun County or directly serve Loudoun County residents.
  - 1) address one or more of the three HUD national objectives (see pp. 1-3);
  - 2) relate to one or more of the Loudoun County CDBG goals (see p. 4);
  - 3) if an affordable housing development project, relate to one or more County Housing Policies; and
  - 4) be eligible under the following HUD categories of eligible activities.

#### **HUD Eligible Activities**

- **Acquisition of Real Property** To acquire real property in whole or in part by purchase, long-term lease (15 years or more), donation, or otherwise. CDBG funds may be used under this category by the county, another public agency, a public non-profit entity or a private non-profit entity to acquire property for a public purpose.
- **Public Facilities and Improvements** For the acquisition (including long-term leases), construction, reconstruction, rehabilitation or installation of public improvements or facilities (except for buildings for the general conduct of government). Includes all improvements and facilities that are either publicly owned or that are traditionally provided by the government, or owned by a non-profit, and operated so as to be open to the general public.
- **Public Services** To provide public services (including labor, supplies, materials and other costs). **The public service must be either a new service or a quantifiable increase in the level of a service.** The amount of CDBG funds obligated in a program year to support public service activities may not exceed 15% of the total grant award.
- **Rehabilitation** For the rehabilitation of eligible owner-occupied and rental housing units. May include landscaping, sidewalks, garages and driveways when accompanied with other rehabilitation needed on the property. Nonprofit owned, nonresidential buildings and improvements are also eligible under this category.
- **Construction of Housing** CDBG funds may be used to construct permanent new housing if the project is implemented by an eligible Community-Based Development Organization under §570.204 (c) (1) (see CBDO checklist on page 27).

- **Special Economic Development Activities** Commercial or industrial improvements carried out by the County or a non-profit subrecipient that may include acquisition, construction, rehabilitation, reconstruction, or installation of commercial or industrial buildings or structures and other related real property equipment and improvements.
- **Microenterprise Assistance** Facilitates economic development through the establishment, stabilization and expansion of microenterprises. This category authorizes the use of CDBG funds to provide financial assistance to an existing microenterprise or to assist in the establishment of a microenterprise. (Microenterprise: A business having 5 or fewer employees, one or more of whom owns the business.)
- **Special Activities by CBDOs** A Community-Based Development Organization (CBDO) may be designated by the County to carry out a range of activities the County may otherwise not carry out itself. The most frequent use of this provision has been to carry out new construction of housing. An organization must meet certain requirements to be designated a CBDO (see CBDO checklist on page 27).
- **Homeownership Assistance** May provide financial assistance to low and moderate income households to assist them in the purchase of a home.

**Ineligible Activities** Following are examples of activities that may not be assisted with CDBG funds:

- Buildings used for the general conduct of government. (Except removal of architectural barriers).
- General government expenses required to carry out the regular responsibilities of local government.
- Political activities.
- New construction of housing units, except as described above under Special Activities by CBDOs.
- Purchase of construction equipment, fire protection equipment, furnishings and personal property.
- Income payments (exception is emergency payments made over a period of up to three (3) consecutive months directly to the provider of such items or services as food, clothing, housing or utilities on behalf of an individual or family).

This is not an exhaustive list of ineligible activities; eligibility considerations will be made on a project by project basis.

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**Eligible Incomes** CDBG projects generally must benefit at least 51% low and moderate income persons. The exception is for an “area benefit” project that must benefit 28.8% or low/moderate income population. An area benefit project must be substantiated by census tract or other supporting data.

The following table lists current low and moderate income limits by family size. It is the responsibility of the applicant to obtain and provide the necessary information on income eligibility for the proposed CDBG project.

**HUD Area Median Income**

No. of Persons	1	2	3	4	5	6	7	8
Low Income (80% MFI)	59,420	67,900	76,390	84,880	91,670	98,460	105,250	112,040
Very Low Income (50% MFI)	37,140	42,440	47,750	53,050	57,290	61,540	65,780	70,030
Extremely Low Income (30% MFI)	22,280	25,460	28,650	31,830	34,380	36,920	39,470	42,020

Based on Median Income of \$106,100 (HUD effective 5-31-11)

## **PART 4**

### **Application Guidelines**

#### **Applications**

- Applications must be received no later than 4:00 p.m. Thursday, December 15, 2011. **Applications received after the deadline will not be considered for funding.**
- The application cover sheet must be signed and certified. **An application with an unsigned cover sheet will not be considered for funding.**
- **Submissions by facsimile (fax) machine or email will not be accepted.**
- Affordable Housing Development Projects Applicants must complete Parts 6 and 6a. All other applicants complete Part 6 only.
- Applicants should submit an original application and six (6) copies along with a disk containing the document.
- Applications should be prepared on a word processor or typed and should be in a readable type size of 12 point or larger.
- Application bindings should be restricted to a clip or staple to allow for easy copying.

#### **Supplemental application materials**

All applications must provide one set of the following supplemental material as attachments:

- Organization's history, mission and/or strategic plan
- 501(c) (3) Certificate or Letter of Application
- Articles of Incorporation and By-Laws
- Current Board of Directors roster
- 2011 (or most recent) Financial Audit/Statement
- Current organization budget
- Board Resolution authorizing application and match for CDBG funds
- Key Staff Resumes

#### **Important Dates**

- November 3, 2011 (Thursday): Pre-application workshop from 10:00 a.m. to Noon at Department of Family Services; applications available via Loudoun County website [www.loudoun.gov/cdbg](http://www.loudoun.gov/cdbg) or by calling (703)777-0353 V/TTY.
- December 15, 2011 (Thursday): Applications due no later than 4:00 p.m.

**All applications (original and 6 copies, plus disk) are due no later than 4:00 pm on December 15, 2011. Applications received after the deadline will not be considered for funding.**

**Please submit applications to the following address:**

**Jan Boothby  
CDBG Program Manager  
Loudoun County Department of Family Services  
102 Heritage Way, N.E., Suite 103  
Leesburg, VA 20176**

If you require a reasonable accommodation for any type of disability in order to participate in any Department of Family Services programs, please contact Loudoun County Department of Family Services at 703-777-0353 V/TTY or [jan.boothby@loudoun.gov](mailto:jan.boothby@loudoun.gov).

**Part 5**  
**Evaluation Criteria/Scoring**  
**(All Applicants)**

**Evaluation Criteria** Consists of five areas: Project Description, Project Budget, Benefit to Low and Moderate Income (LMI), Relationship to CDBG Goals, and Organizational Capacity.

**Scoring** Applications will be evaluated and ranked (scored) using an objective point system with 100 being the highest number of points possible and 0 being the lowest number of points possible. For each section of the application, evaluation criteria on which scoring will be based is described below.

**1. Project Description** **35 points maximum**

25-35 points: The project is innovative or collaborative and clearly defined with measurable results/outcomes that meet a CDBG national objective and can be completed within the projected timeline.

15-24 points: The project is well-defined, includes measurable results and addresses a national objective.

6-14 points: The project addresses a national objective but lacks a reasonable timeline and/or measurable results.

0-5 points: The project is not well-defined, does not include measurable results and/or a project timeline.

**2. Project Budget** **25 points maximum**

16-25 points: Budget includes at least a 3:1 ratio of non-County cash to CDBG funds, is certified and cost estimates are well documented.

6-15 points: Budget includes at least a 2:1 ratio of non-County cash to CDBG funds, certification and well documented cost estimates.

0-5 points: Budget includes at least a 1:1 ratio of non-County cash to CDBG funds, certification and documented cost estimates.

**3. Benefit to Low and Moderate Income (LMI)** **15 points maximum**

11-15 points: Project serves 51% LMI (28.8% if area benefit project), with priority given to persons at or below 30% AMI, includes methodology and category of benefit.

6-10 points: Project serves 51% LMI (28.8% if area benefit project) with priority given to persons at or below 50% AMI, includes methodology and category of benefit.

0-5 points: Project serves 51% LMI (28.8% if area benefit project) but lacks clear methodology and/or category of benefit.

**4. Relationship to CDBG Goals** **15 points maximum**

11-15 points: Project related to CDBG goals and demonstrates significant impact on identified need.

6-10 points: Project related to CDBG goals and adequately describes need.

0-5 points: Project has minimal to no relationship to CDBG goals and does not adequately describe need.

**5. Organizational Capacity** **10 points maximum**

6-10 points: Staff has experience to implement and manage project and organization has sound financial management system.

0-5 points: Staff project management experience is limited and/or financial management capacity is limited.

**Evaluation Criteria/Scoring  
(Affordable Housing Development Project Applicants)**

**Evaluation Criteria** Consists of five areas: Project Readiness, Project Development Costs/Financing, Benefit to Households at or below 50% AMI, Relationship to County's Housing Policies and Affordable Housing Development Experience.

**Scoring** Applications will be evaluated and ranked (scored) using an objective point system with 100 being the highest number of points possible and 0 being the lowest number of points possible. For each section of the application, evaluation criteria on which scoring will be based is described below.

**1. Project Readiness 35 points maximum**

- 25-35 points: Applicant has evidence of site control (purchase agreement, title or other evidence); appropriate zoning; has completed a market analysis and preliminary site plan.
- 15-24 points: Applicant has evidence of site control; has applied for zoning; has completed market analysis.
- 6-14 points: Applicant has identified site; identified zoning issues; has a reasonable timeline for completion.
- 0-5 points: Applicant has a project concept but no specific site identified.

**2. Project Development Costs/Financing 25 points maximum**

- 16-25 points: Project development costs well defined; at least 70% of financing sources (other than CDBG) are identified; CDBG funds are 30% or less of total financing.
- 6-15 points: At least 50% of financing sources are identified; CDBG funds are 30% or less of total financing.
- 0-5 points: Less than 50% of financing sources are identified; CDBG funds make up over 30% of total financing.

**3. Benefit to Households at or below 50% of AMI 15 points maximum**

- 11-15 points: At least 75% of households served are at or below 50% of AMI.
- 6-10 points: At least 50% of households served are at or below 50% of AMI.
- 0-5 points: Less than 50% of households served are at or below 50% of AMI.

**4. Relationship to County's Housing Policies 15 points maximum**

- 11-15 points: Applicant specifically identifies project relationship to housing policies.
- 6-10 points: Applicant provides some reference to project relationship to housing policies.
- 0-5 points: Applicant does not adequately identify project relationship to housing policies.

**5. Affordable Housing Development Experience 10 points maximum**

- 6-10 points: Applicant has been in business for at least 5 years and has been a principal developer of affordable housing.
- 0-5 points: Applicant has been in business less than 5 years and has limited experience with development of affordable housing

**Part 6**  
**Application Cover Sheet**  
**(for All Applicants)**

Date Submitted: \_\_\_\_\_ Amount of CDBG Funds Requested \$ \_\_\_\_\_  
Amount of Match Funds \$ \_\_\_\_\_  
Amount of Other Funding \$ \_\_\_\_\_  
Total Project Cost \$ \_\_\_\_\_

Project Name: \_\_\_\_\_

Project Description: \_\_\_\_\_  
\_\_\_\_\_

Location of Project: \_\_\_\_\_

Submitted by: \_\_\_\_\_  
*(If applicable indicate whether incorporated, non-profit, or tax exempt)*

Federal Tax ID#: \_\_\_\_\_  
DUNS #: \_\_\_\_\_  
Address: \_\_\_\_\_  
*(City, State, Zip)*

Contact Person: \_\_\_\_\_  
*(Name and Job Title)*

Work Phone: \_\_\_\_\_ Work FAX: \_\_\_\_\_  
E-mail: \_\_\_\_\_

Alternate Contact: \_\_\_\_\_

Work Phone: \_\_\_\_\_ Work FAX: \_\_\_\_\_  
E-mail: \_\_\_\_\_

**SIGN BELOW, AN APPLICATION WITH AN UNSIGNED COVER SHEET WILL NOT  
BE ACCEPTED FOR FUNDING**

I certify that to the best of my knowledge, data in this application are true and correct and the application has been duly authorized for submission by the governing body of the applicant.

Name and Title: \_\_\_\_\_

Signature and Date: \_\_\_\_\_

**Project Description**  
**(35 point maximum, 2 page limit for narrative)**

In narrative form address the following: 1) describe the project, including what the project will do, who it will serve, where it will be located, and the timeline for completion; 2) describe the national objective the project addresses (see pp. 1-3); 3) describe any unique or innovative elements of the project and, if the project duplicates other projects, what sets it apart; 4) describe any cooperative or collaborative efforts to implement the project; and 5) describe what measurable results (outcomes) will be achieved by this project.

**Project Budget**  
**(25 point maximum)**

Utilizing and amending the table below as needed, please provide a line item project budget. Include a cost allocation schedule showing all proposed sources and uses of funds. **Please note that match funds at a minimum of 10% of the total project cost are required from the applicant.\*** The match funds cannot be other federal funds. Attach a Resolution from the applicant's governing body certifying availability of match funds. Indicate the source of cost estimates for any line item amount over \$5,000.

Budget

Amount of CDBG Funds Requested: \$ \_\_\_\_\_  
 Applicant's Match Funds: \$ \_\_\_\_\_  
 Other Funding: \$ \_\_\_\_\_  
 Total Project Cost: \$ \_\_\_\_\_

Project Activities	Requested CDBG Funds	Applicant's Match Funds	Other Funding				Total
			Other Federal	State or Local	Other / In-Kind	Program Income	
<b>A. Acquisition Costs</b>							
1. Land							
2. Existing Structures							
3. Other:							
Appraisals, Soil Tests, Surveys							
<b>B. Arch./Engineering Fee</b>							
1. Architect Fee							
2. Engineering Fee							
3. Other							
<b>C. Construction</b>							
1. Building fee							
2. Infrastructure/On-Site							
3. Landscaping							
4. Labor/Materials							
5. Other							
<b>D. Rehabilitation</b>							
1. Building fee							
2. Infrastructure/On-Site							
3. Landscaping							
4. Labor/Materials							
5. Other							
<b>E. Project Management</b>							
1. Project Management							

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2. Project Operating Expense							
a.							
b.							
c.							
3. Supplies							
a.							
b.							
c.							
4. Audit							
5. Other							
<b>F. Other Activities (specify)</b>							
1.							
2.							
3.							
<b>SUB TOTAL ( A - F only )</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>G. General Administration</b>							
1. Salaried Positions:							
( job titles )							
a.							
b.							
c.							
2. Fringe Benefits: specify							
a.							
b.							
c.							
<b>SUB TOTAL ( G - only )</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>GRAND TOTAL ( A - G )</b>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

1. Provide a Budget Narrative on any line item over \$5,000.
2. Will this project incur ongoing operating costs? \_\_\_\_Yes \_\_\_\_No
3. Describe plans for funding this project in subsequent years.
4. Would you accept partial funding for this project? \_\_\_\_Yes \_\_\_\_No
5. Has your organization received CDBG funding in the past? If so, when, how much, and for what projects (list):

<u>Year</u>	<u>Amount</u>	<u>Project</u>
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\*In-kind donations and volunteer hours may be used for the match funds. The hourly rate for non-professional volunteers is \$21.36 (source: Independent Sector). The hourly rate for professional volunteers is determined by the applicant and must be justified in the Budget Narrative. **Records of the value of in-kind donations and volunteer hours must be maintained by the applicant.**

**Benefit to Low and Moderate Income (LMI)**  
**(15 point maximum)**

Describe the methodology used to determine that at least 51% of the persons benefiting from the project are LMI (at least 28.8% if project provides area benefit). Indicate the total number of persons benefiting from this project and the percent that are low and moderate income. Describe the category of low/moderate income benefit that is addressed by this project (refer to pp. 1-3).

## **Relationship to CDBG Goals** **(15 point maximum)**

In narrative form utilizing the tables below, describe the specific need the project addresses and how the project relates to the CDBG goals. Only address the goal(s) related to the project.

### **Housing Goals**

- Maintain and increase stock of affordable owner-occupied housing
- Maintain and increase stock of affordable rental housing
- Improve affordable homeownership options for first-time homebuyers
- Assist homeowners to avoid foreclosure

*Housing Goals:*

### **Homeless Goals**

- Increase housing opportunities for the homeless to maximize independence and self-sufficiency
- Encourage and support homeless prevention activities
- Provide emergency shelter services to stabilize individuals and families
- Enhance provision of supportive services to stabilize individuals and families and promote maximum self-sufficiency

*Homeless Goals:*

**Community Development Goals**

- Focus available resources in older existing communities
- Create a suitable living environment by making countywide infrastructure improvements
- Expand public services and employment opportunities
- Preserve, expand and improve accessible public facilities

*Community Development Goals:*

**Organizational Capacity**  
**(10 point maximum)**

Utilizing the table below, list key staff that will manage/implement the project.

<b>Job Title</b>	<b>Name</b>	<b>Hours Per Week</b>

In narrative format, 1) describe key staff experience with project management and 2) the organization's financial management system to include: type of accounting records (manual or automated), use of outside accounting and/or payroll services, how CDBG funds will be separately tracked and the number of persons with signature authority.

**PART 6a – Form 1**  
**(Affordable Housing Development Project Applicants)**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
PROJECT SUMMARY AND APPLICANT EXPERIENCE**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**1. Project Address:** \_\_\_\_\_  
\_\_\_\_\_

**Property Identification No.:** \_\_\_\_\_ **County District:** \_\_\_\_\_

**2. Number of Units:** \_\_\_\_\_

**3. Type of Project:** Rental \_\_\_\_\_ Homeownership \_\_\_\_\_

**4. Type of Units: (single family, townhouse, apartments, etc.)**  
\_\_\_\_\_

**5. Type of Development:**  
New Construction \_\_\_ Acquisition \_\_\_ Rehabilitation \_\_\_ Acquisition/Rehab \_\_\_

**6. Relationship to County Housing Policies (Identify policy(ies) project addresses)**

**7. Development Team Experience:**  
Number of years in operation: \_\_\_\_\_ Number of years in housing development: \_\_\_\_\_

Number of affordable housing units produced: \_\_\_\_\_

Name of Project	Location	Number of Units	Type of Units

**Form 2**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
PROJECT READINESS**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**TYPE OF PROPOSED PROJECT: (Check one)**

**Rental** \_\_\_ **Homeownership** \_\_\_

Please check Yes or No as appropriate for the proposed project and provide attachments as indicated in the sequence listed below. Clearly label each attachment.

1. Has a site been identified? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Provide location map for project.
2. Does applicant have site control? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Attach purchase agreement, title or other evidence.
3. Has a feasibility study been completed? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment.
4. Is there a market analysis? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment.
5. Does the project require rezoning/special use permit? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
If so, has request been filed (provide evidence)? Yes \_\_\_ No \_\_\_
6. Are utilities available at the project site? Yes \_\_\_ No \_\_\_ N/A \_\_\_
7. Has an environmental audit of the site been undertaken? Yes \_\_\_ No \_\_\_ N/A \_\_\_
8. Are there schematics and a preliminary site plan? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment.
9. Have detailed cost estimates for rehab work been prepared? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment.
10. Is there an engineering report detailing property condition? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment.
11. Has an appraisal been completed for the property? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment
12. What is the assessed value of the property? \$ \_\_\_\_\_
13. Has total project financing been identified for this project? Yes \_\_\_ No \_\_\_ N/A \_\_\_  
Submit one copy as an attachment
14. Is project ready for implementation, assuming CDBG funding? Yes \_\_\_ No \_\_\_ N/A \_\_\_

**Form 3**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
 DETAILED ESTIMATE OF DEVELOPMENT COSTS  
 (Complete for Rental and Homeownership Projects)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

<b>CONTRACT COSTS (Fill in non-shaded areas only)</b>		<b>SUBTOTAL</b>	<b>TOTAL</b>
1. Land Improvements			
a. Off-Site			
b. On-Site			
c. Landscaping			
d. Engineering Fee (construction)			
<b><i>SUBTOTAL LAND IMPROVEMENTS</i></b>			
2. Structures			
a. Residential			
b. Non-Residential			
<b><i>SUBTOTAL STRUCTURES</i></b>			
3. Other Costs			
a. General Requirements			
b. Builders Overhead			
c. Builders Profit			
d. Developers Fee			
e. Building Permits			
f. Completion Assurance Letter of Credit			
g. Consultant Fee			
h. Other (describe)			
<b><i>SUBTOTAL OTHER COSTS</i></b>			
<b>DEVELOPMENT COSTS</b>			
1. Site Engineering/Survey			
2. Design & Supervising Architect(s)			
3. Soil Borings/Geotechnical			
4. Environmental Phase I			
5. Appraisal			
6. Mortgage Placement Fee			
7. Construction Interest			
8. Taxes during Construction			
9. Insurance during Construction			
10. Recordation and Transfer Taxes			
11. Legal Fees (title, title exam/insurance, mechanical lien coverage and updates)			
12. Cost Certification			
<b><i>SUBTOTAL DEVELOPMENT COSTS</i></b>			
<b>LAND/ACQUISITION/DEVELOPMENT COSTS</b>			
1. Total Improvement Costs			
2. Cost of Land/Acquisition			
3. Other (describe)			
<b><i>SUBTOTAL LAND/ACQUISITION/DEVELOPMENT</i></b>			
<b>TOTAL DEVELOPMENT COSTS</b>			

**Form 4**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
PROJECT COSTS AND FINANCING  
(Complete for Rental and Homeownership Projects)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**TOTAL DEVELOPMENT COSTS (From Form 3):**     \$ \_\_\_\_\_

**TOTAL DEVELOPMENT COST PER UNIT:**         \$ \_\_\_\_\_

**PROJECT FINANCING:**

**Proposed CDBG Program Funds:**             \$ \_\_\_\_\_

**Equity**

Source: _____	Amt: \$ _____	Committed Yes ___ No ___
Source: _____	Amt: \$ _____	Committed Yes ___ No ___
Source: _____	Amt: \$ _____	Committed Yes ___ No ___

**Total Equity:**                                     \$ \_\_\_\_\_

**Loans**

1 <sup>st</sup> Trust \$ _____	at _____ %	for _____ months	Source _____
Committed Yes ___ No ___			
2 <sup>nd</sup> Trust \$ _____	at _____ %	for _____ months	Source _____
Committed Yes ___ No ___			
3 <sup>rd</sup> Trust \$ _____	at _____ %	for _____ months	Source _____
Committed Yes ___ No ___			

**Additional details of project financing, if applicable:**

**Total Loans:**                                     \$ \_\_\_\_\_

**TOTAL PROJECT FINANCING:**                 \$ \_\_\_\_\_

**CDBG AS % OF TOTAL PROJECT FINANCING**     \_\_\_\_\_ %

**Form 5**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
 HOMEOWNERSHIP HOUSING  
 (Homeownership Projects Only)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**DEVELOPMENT DESCRIPTION**

No. of Units	Square Footage	No. of Bedrooms/Baths	Structure <sup>1</sup> Type	Type of <sup>2</sup> Construction	Cost/Unit	Sales Price/Unit
					\$	\$

**TARGETED PURCHASERS**

Number of Purchasers	Income as a % of AMI <sup>3</sup>

**Does the project involve any temporary relocation? Yes \_\_\_\_ No \_\_\_\_**

**PROJECTS REQUIRING PERMANENT RELOCATION WILL NOT BE CONSIDERED**

<sup>1</sup> Single-family attached/detached, multi-family

<sup>2</sup> Stick-built, modular, etc.

<sup>3</sup> Area Median Income

**Form 6**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
PROPOSED OCCUPANCY AND RENT SCHEDULES  
(Rental Projects Only)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**Total Number of Units in Project:** \_\_\_\_\_

**Affordable Units:**

\_\_\_\_\_ # units at or below 30% AMI\*      \_\_\_\_\_ # units at or below 50% AMI

\_\_\_\_\_ # units at or below 80% AMI

**# Market Rate Units:** \_\_\_\_\_

**RENT SCHEDULE**

<b>Unit Type</b>	<b>No. of Units</b>	<b>Rent</b>	<b>Utilities</b>	<b>Income Served as % of AMI</b>

**Does the project involve temporary relocation? Yes\_\_\_ No\_\_\_**

**PROJECTS REQUIRING PERMANENT RELOCATION WILL NOT BE CONSIDERED**

\*Area Median Income

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS – Form 7**  
**DETAILED ESTIMATE OF ANNUAL OPERATING EXPENSES**  
**(Rental Projects Only)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

<b>EXPENSE (Fill in non-shaded areas only)</b>	<b>ANNUAL</b>	<b>SUBTOTAL/TOTAL</b>
<b>ADMINISTRATIVE</b>		
1. Advertising/Marketing		
2. Office Costs		
3. Management Fee %EGI		
4. Salaries		
5. Legal		
6. Auditing		
7. Bookkeeping/Accounting Fees		
8. Telephone		
9. Other Administrative (describe)		
<b>SUBTOTAL ADMINISTRATIVE</b>		
<b>UTILITIES</b>		
1. Fuel Oil		
2. Electric		
3. Water		
4. Gas		
5. Sewer		
<b>SUBTOTAL UTILITIES</b>		
<b>OPERATING &amp; MAINTENANCE</b>		
1. Janitor/Cleaning		
2. Exterminating Cost		
3. Trash Removal		
4. Security		
5. Grounds		
6. Maintenance/Repairs		
7. Elevator Maintenance		
8. Heating/Cooling Repairs & Maintenance		
9. Snow Removal		
10. Decorating		
11. Miscellaneous (describe)		
<b>SUBTOTAL OPERATING &amp; MAINTENANCE</b>		
<b>TAXES AND INSURANCE</b>		
1. Real Estate Taxes		
2. Payroll Taxes		
3. Misc. Taxes/Licenses/Permits		
4. Property & Liability Insurance		
5. Other Insurance		
6. Fidelity Bond		
7. Workers' Compensation		
8. Health Insurance & Employee Benefits		
<b>SUBTOTAL TAXES AND INSURANCE</b>		
<b>TOTAL OPERATING EXPENSES</b>		
<b>REPLACEMENT RESERVES</b>		
<b>TOTAL EXPENSES</b>		

**Form 8**

**AFFORDABLE HOUSING DEVELOPMENT PROJECTS  
 PRO FORMA  
 (Rental Projects Only)**

**PROJECT:** \_\_\_\_\_ **ORGANIZATION:** \_\_\_\_\_

**Provide information for each of the first five full years of stabilized occupancy.  
 Please fill in the blanks with the actual years included in your projection.**

<b>FIVE YEAR PROJECT PRO FORMA</b>	<b>YEAR 1</b>	<b>YEAR 2</b>	<b>YEAR 3</b>	<b>YEAR 4</b>	<b>YEAR 5</b>
<b>ANNUAL REVENUES</b>					
1. Annual Rental Income	\$	\$	\$	\$	\$
2. Other Annual Income (list) _____	\$	\$	\$	\$	\$
3. GROSS INCOME	\$	\$	\$	\$	\$
4. Minus 5% Vacancy Loss	\$	\$	\$	\$	\$
5. EFFECTIVE GROSS INCOME (#3 minus #4)	\$	\$	\$	\$	\$
6. Operating Expenses	\$	\$	\$	\$	\$
7. NET OPERATING INCOME (NOI) = #5 minus #6	\$	\$	\$	\$	\$
8. Debt Service	\$	\$	\$	\$	\$
9. CASH FLOW AFTER DEBT SERVICE (#7 minus #8)	\$	\$	\$	\$	\$
10. DEBT COVERAGE RATIO (#7 / #8)					
11. OPERATING COST per UNIT (#6 / Total # Units)	\$	\$	\$	\$	\$

**Form 9**  
**Community-Based Development Organization**  
**Check List**

**Project:** \_\_\_\_\_ **Organization:** \_\_\_\_\_

*In order to qualify as a Community-Based Development Organization (CBDO), an entity must meet the criteria specified at Section 570.204 (c) (1),(2),or(3) of Community Development Block Grant (CDBG) regulations. Generally, this means the entity must:*

1. Be organized under State or local law to carry out community development activities. For entitled communities (such as Loudoun), the entity must operate primarily within the grantee's (county's) jurisdiction.
2. Maintain at least 51% of its governing body's membership to be made up of any combination of the following:
  - Low and moderate income residents of its area of operation;
  - Owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation; **or**
  - Representatives of low and moderate income neighborhood organizations located in its geographic area of operation.
3. Require that members of the governing body be nominated and approved by the organization's general membership or by its permanent governing body.
4. Have as its primary purpose the improvement of the physical, economic, or social environment of its geographic area of operations, with particular emphasis on the needs of low and moderate income persons.
5. Be either nonprofit or for-profit, but, if for-profit, only incidental monetary benefits to its members are allowed.
6. Not be an agency or instrumentality of the county, and not permit more than one-third of its governing body to be appointed by or consist of elected or other public officials or employees of the county, even if such persons would otherwise meet the requirements described above.
7. Not be subject to the reversion of its assets to the county upon dissolution.
8. Be free to contract for goods and services from vendors of its own choosing (i.e., is not acting as an agent of the county).

**PART 7**  
**APPLICATION CHECKLIST**

- \_\_\_\_\_ Signed Application Cover Sheet
- \_\_\_\_\_ Application Narrative – Part 6 (for all applicants)  
(Includes Project Description, Project Budget, Benefit to Low and Moderate Income, Relationship to CDBG Goals and Organizational Capacity)
- \_\_\_\_\_ Application Supplement – Part 6a  
For Affordable Housing Development Projects – Includes Forms 1 through 9

ATTACHMENTS (One copy of each)

- \_\_\_\_\_ Organization’s history, mission and/or strategic plan
- \_\_\_\_\_ 501 (c) (3) Certificate or Letter of Application
- \_\_\_\_\_ Articles of Incorporation and By-Laws
- \_\_\_\_\_ Current Board of Directors roster
- \_\_\_\_\_ 2011 (or most recent) Financial Audit/Statement
- \_\_\_\_\_ Current Organization Budget
- \_\_\_\_\_ Board Resolution Authorizing Application and Match for CDBG Funds
- \_\_\_\_\_ Key Staff Resumes