

**2015 APPLICATION FOR THE NEBRASKA
NEBRASKA AFFORDABLE HOUSING PROGRAM**

Nebraska Department of Economic Development (DED)

PART I. GENERAL INFORMATION

Pre-application Number: 15-HO-3375

TYPE OR PRINT ALL INFORMATION

DED USE ONLY	
Date Stamp Below	Application Number
	15-

<p>1. APPLICANT IDENTIFICATION</p> <p>Name: <u>City of Lexington</u></p> <p>Contact person: <u>Joe Peplitsch</u></p> <p>Address: <u>406 E 7th Street</u></p> <p>City/State/Zip: <u>Lexington, NE 68850</u></p> <p>Phone: <u>308-324-2341</u></p> <p>Fax: <u>308-324-4590</u></p> <p>Email: <u>jpepp@cityoflex.com</u></p> <p>Tax ID: <u>47-6006255</u></p> <p>Duns #: <u>156284986</u></p>	<p>4. APPLICATION PREPARER INFORMATION</p> <p>Name: <u>Dawson Area Development</u></p> <p>Contact person: <u>Suzanne Brodine</u></p> <p>Address: <u>1501 Plum Creek Parkway #2B</u></p> <p>City/State/Zip: <u>Lexington, NE 68850</u></p> <p>Phone: <u>308-217-0005</u></p> <p>Fax: _____</p> <p>Email: <u>sue@dawsonareadevelopment.com</u></p> <p>Application Preparer (check one)</p> <p><input type="checkbox"/> Local Staff <input type="checkbox"/> Out-of-State Consultant</p> <p><input type="checkbox"/> In-State Consultant <input checked="" type="checkbox"/> Non-Profit Organization</p> <p><input type="checkbox"/> Economic Development District</p> <p><input type="checkbox"/> Other _____</p>
<p>2. HOUSING ACTIVITIES</p> <p><input checked="" type="checkbox"/> Owner Occupied Rehabilitation</p>	<p>5. DISTRICT INDICATOR-(Select only ONE)</p> <p><input type="checkbox"/> Congressional District 1</p> <p><input type="checkbox"/> Congressional District 2</p> <p><input checked="" type="checkbox"/> Congressional District 3</p>
<p>3. HOUSEHOLD BENEFICIARIES</p> <p># _____ at or below 50% of the Area Median Family Income</p> <p># <u>10</u> at or below 80% of the Area Median Family Income</p> <p># <u>10</u> Total</p>	<p>6. SERVICE AREA</p> <p>Area to be served [each municipality and each county]. Please list: Lexington, Dawson County</p> <p>Nebraska Legislative District(s) <u>36</u></p> <p>Nebraska Congressional District(s) <u>3</u></p>
<p>8. CERTIFYING OFFICIAL:</p> <p><i>To the best of my knowledge and belief, data and information in this application is true and correct, including any commitment of local or other resources. The governing body of the applicant has duly authorized this application. This applicant will comply with all Federal and state requirements governing the use of NAHP funds.</i></p> <p>Signature in blue ink: _____</p> <p>Typed Name and Title: <u>Joe Peplitsch, City Manager</u> Date Signed: <u>July 14, 2015</u></p> <p>Address/City/State/Zip: <u>PO Box 70, Lexington, NE 68850</u></p>	<p>7. TYPE OF APPLICANT</p> <p><input checked="" type="checkbox"/> Unit of Local Government</p>
<p>9. SUBMIT THE ORIGINAL FULL APPLICATION TO:</p> <p>Nebraska Department of Economic Development Housing Application Coordinator Housing and Community Development 301 Centennial Mall South- PO Box 94666 Lincoln, NE 68509-4666</p>	<p>UPLOAD THE SCANNED COPY of FULL APPLICATION TO:</p> <p>https://neded.sharefile.com/r/r0f77686a58e46f9a</p> <p><i>Individuals, who are hearing and/or speech impaired and have a TTY, may contact the Department through the Statewide Relay System by calling (800) 833-7352 (TTY) or (800) 833-0920 (voice). The relay operator should be asked to call DED at (800) 426-6505 or (402) 471-3111.</i></p>

**OWNER OCCUPIED REHAB PROGRAM
PART II. FUNDING SUMMARY**

Code	Activity	NAHP Funds	Matching Funds ¹	Other Funds ²	Total Funds	Source(s) of Other Funds
0523	Relocation ³					
0530	Housing Rehabilitation	\$250,000			\$250,000	
	Subtotal	\$250,000			\$250,000	
0580	Housing Management ⁴	\$9,000	\$500	\$15,500	\$25,000	City
0580a	Hsg. Mgt.: Paint Testing / Risk Assessments/ Clearance Testing ⁵		\$15,000		\$15,000	
	Subtotal	\$9,000	\$15,500	\$15,500	\$40,000	
0181	General Administration ⁶	\$20,000			\$20,000	
1000	TOTAL PROGRAM COSTS	\$279,000	\$15,500	\$15,500	\$310,000	

Clarification for the above activities should be directed to DED.

NOTE: Requests for additional funds (over the recommended maximums) for Housing Management or General Admin must be requested and documented within the final application.

<i>Budget Calculator for OOR Projects</i>	
Number of Units (Enter # in Project)	10
Maximum \$ amount for rehab	\$25,000
Total amount of NAHP funds for rehab [530]	\$250,000
Lead Based Paint \$1,500 per unit [580a]	\$15,000
Housing Management maximum 10% of NAHP hard costs [580]	\$25,000
General Administration maximum 8% of NAHP hard costs [181]	\$20,000
Total Program Costs	\$310,000

¹ Nebraska Affordable Housing Program Funds cannot be matched with any other form of Nebraska Affordable Housing Program Funds, including Program Income.

² Other funds cannot include mortgages.

³ Relocation is a support activity and must be done in conjunction with another housing activity.

⁴ Paint testing, risk assessments and clearance testing are limited to \$1,500 per unit.

⁵ Housing management recommended maximum is 10% of total NAHP hard costs.

⁶ General Administration recommended maximum is 8% of the total amount of NAHP hard costs.

NOTE: Requests for additional funds (over the recommended maximums) for Housing Management or General Admin must be requested and documented within the final application.

PART III. Project Budget and Financing

The 2015 Lexington Owner Occupied Rehabilitation Program has a total proposed budget of \$310,000. Although no match is required of the City for this funding category, the City has a vested interest in the creation of quality residential structures for the local workforce, many of whom are low-to-moderate income. The City has committed an in-kind contribution for a portion of housing management and will perform initial inspections and minor housing management tasks with existing staff; this commitment equates 5% of the total project cost, or \$15,500. The City will also contribute \$15,500 in a cash match towards Housing Management and Paint Testing/Risk Assessments/ and Clearance Testing, which equates 5% of the total project cost.

Budget Calculator for OOR Projects	
Number of Units (Enter # in Project)	10
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Total amount of NAHP funds for rehab [530]	\$250,000
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Total Program Costs	\$310,000

Program Costs

Please see Table 1.

Administration Costs - Housing Management (activity number 0580)

The City of Lexington will contribute to the project with both in-kind and cash matches for Housing Management. The City will provide \$500 towards promotion of the project, and \$15,000 towards project related costs such as paint testing, risk assessments, and clearance testing. Staff time for inspections will be utilized as a \$15,500 in-kind match from the City. The cost per unit for Housing Management 0580 activities is \$2,500; per unit project-related soft costs, Housing Management 0580a activities, are \$1,500.

Administration Costs - General Administration (activity number 0181)

The total cost for general administration is \$20,000, or \$2,000 per unit. This cost may decrease, depending on contract award for services and actual work performed as applications are processed and projects completed, but will not exceed \$20,000.

Proposed Funding Source

Please see Table 1.

Table 1

<u>Code</u>	<u>Activity</u>	<u>NAHP Funds</u>	<u>Matching Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>	<u>Per Unit Cost</u>	<u>Sources of Other Funds</u>
0523	Relocation						
	Housing						
	Rehabilitatio						
0530	n						
	Demolition and Removal	\$ 20,000.00					
	Construction	\$ 230,000.00					
	Subtotal	\$ 250,000.00			\$ 250,000.00	\$25,000	
	Housing						
0580	Management						
	Program						
	Design	\$ 2,000.00					
	Program						
	Promotion	\$ 4,000.00	\$ 500.00				
	Application						
	Review	\$ 3,000.00					
	Home						
	Inspections	\$ -		\$ 15,500.00			City
	Subtotal	\$ 9,000.00	\$ 500.00	\$ 15,500.00	\$ 25,000.00	\$2,500	
	Housing						
0580a	Management						
	Paint Testing		\$ 5,000.00				
	Risk						
	Assessments		\$ 7,000.00				
	Clearance						
	Testing		\$ 3,000.00				
	Subtotal	\$ -	\$ 15,000.00		\$ 15,000.00	\$1,500	
	General						
	Administrati						
0181	on						
	Environment						
	al Review	\$ 6,500.00					
	Audits	\$ 4,000.00					
	Labor						
	Standards						
	Enforcement	\$ 1,500.00					
	Required						
	Reports and						
	Draws	\$ 8,000.00					
	Subtotal	\$ 20,000.00	\$ -		\$ 20,000.00	\$2,000	
	TOTAL PROGRAM COSTS	\$ 279,000.00	\$ 15,500.00	\$ 15,500.00	\$ 310,000.00	\$31,000	

CITY OF LEXINGTON, NEBRASKA
POLICIES AND GUIDELINES
FOR
CDBG OWNER-OCCUPIED HOUSING REHABILITATION PROGRAM

Approved:

John Fagot, Mayor
City of Lexington

Date

I. PROGRAM GUIDELINES

Application Process

a. Applicant Eligibility

Applicant eligibility depends on several basic criteria that include income and assets. Applicants assisted with NAHP homebuyer funds must have incomes at $\leq 80\%$ AMI. Only owner-occupied units will be eligible for rehabilitation assistance. Both units of a duplex are eligible for assistance if the one is an owner-occupied unit and the second unit is occupied by a member(s) of the owner's family. Single family and duplexes are eligible.

b. Anticipated Gross Annual Income (CFR 5.609)

Anticipated Gross Annual Income shall be calculated using HUD methodology outlined in 24 CFR 5.609 included in these guidelines as Income Limits (Exhibit 1) for housing rehabilitation for forgivable loans are the same as the income limits established by the U.S. Department of Housing and Urban Development (HUD) for the county, under the Section 8 Housing Assistance Payments Program. Only applicants at or below 80% of the area median income for the county of residence will be eligible for participation in the program. These limits will be updated within 30 days of HUD notification.

2015 Income Limits for Dawson County (Lexington)									
Persons in Family	1	2	3	4	5	6	7	8	
80% of AMI	\$34,000	\$39,050	\$43,950	\$48,800	\$52,750	\$56,650	\$60,550	\$64,450	

c. Formal Notification of Selection and Non-selection Policy

One initial application cycle will be held after marketing of the program in the community. All applications received during the application period will be reviewed together and rated on the priority scale (Exhibit 2). In cases in which this rating yields equivalent scores, priority will be determined in accord with those exemplifying worst case housing need. All applicants at this time will be notified in writing if selected or not selected. If an application is not selected it will be noted in the letter the reasons for non-selection. If remaining funds exist after initial application cycle, applications will be accepted until all funds are obligated and eligible households will be selected on a first-come first serve basis. Non-eligible households will again be notified in writing of non-selection.

d. Application Review Process

An application will be reviewed and processed by:

- i. Family survey and finding of applicant income eligibility; and
- ii. Proof of homeowners insurance documented and verified.
- iii. Title search showing clear title to property in homeowner's name.
- iv. Notification from the Nebraska State Historical Society of no historical impact.
- v. Proof of payment of current property taxes.
- vi. Work write-up/cost estimates to determine property eligibility. This will be done only for income eligible households.
- vii. Applicants will be reviewed and approved or denied until all program funds are obligated.

e. Priority Ranking System

A priority ranking system will be used for all applications. (Exhibit 2) Factors taken into consideration for priority ranking:

Points	INCOME	Points
1	Less than 100% of the maximum income level for program	
1	Less than 90% of the maximum income level for program	
1	Less than 80% of the maximum income level for program	
1	Less than 60% of the maximum income level for program	
1	Less than 70% of the maximum income level for program	
	HOUSEHOLD CHARACTERISTICS	
1	Handicapped/Disabled	
1	Elderly (62 and over)	
	IMPROVEMENT IMPACT	
1	Eliminate Hazardous Conditions	
1	Eliminate Housing Overcrowding	
1	Eliminate Isolated Incidence of Deterioration	
1	Substantial Energy Conservation Improvements	

Demonstrated Efforts Toward Proper Maintenance
More than 50% of Monthly Income Spent on Housing Costs

f. Conflict of Interest Clause

No member of the City Council of the City of Cozad or, employee or agent of the City of Cozad who exercises policy, decision-making functions or responsibilities in connection with the planning and implementation of the NAHP Housing Rehabilitation Program shall directly or indirectly be eligible for the Program. This prohibition may be waived on a case by case exemption made upon consultation and approval of the Nebraska Department of Economic Development.

Grievance Procedures

- g. Complaints concerning the CDBG OOR Program shall be submitted in writing and addressed to the program Administrator. The program Administrator will contact the complainant and attempt to resolve the problem. A written response will be made within thirty (30) working days. If the response is not satisfactory, a complaint may be filed with the Lexington City Manager. His/her response will be in writing and will be made within forty-five (45) working days. NDED will be notified of all grievances received. The grievance procedure outlined here will be included in all homeowner funding contracts.

Guideline Amendment Process

- h. These policies and procedures may be amended at any time at the discretion of the Lexington City Manager with approval from the Nebraska Department of Economic Development.

Assistance

i. Types of Assistance Provided

i. Allowable Improvements

Any improvement required to bring the unit up to Nebraska Department of Economic Development OOR Standards at the completion of rehabilitation are allowable. Any improvements resulting in substantial weatherization, exterior painting/siding are allowable. All improvements must be physically attached to the property and permanent in nature.

ii. Non-Allowable Improvements

General property improvements are the improvements in excess of Nebraska Department of Economic Development OOR Standards or local code requirements and are specifically prohibited. Improvements of this type include but are not limited to additions for family rooms or dens, carports, spare bedrooms and the installation or upgrade of existing building components only for the purpose of esthetic/monetary gain. They are not eligible improvements for the OOR Housing Rehabilitation Program.

j. Amount of Assistance Allowed

Financial assistance through the City of Lexington Housing Rehabilitation Program will be provided through a 100% forgivable loan. All applicants must be at or below 80% of the area median income which shall be determined from the most recent 12 months of data available and calculated using the Technical Guide for Determining Income and Allowances for the HOME Program, Chapter III.

MAXIMUM FORGIVABLE LOAN = \$25,000

k. Assistance does not exceed NAHP maximum per unit subsidy.

HOME Homeownership Sales Price Limits - FY 2015				
(Data through June 2014; New limits posted March 2015)				
Existing Homes HOME Purchase Price Limit				
	1-unit	2-unit	3-unit	4-unit
Dawson County, NE	\$124,000	\$158,000	\$191,000	\$237,000

l. Unit must be located within the corporate limits of Lexington.

HUD and DED Compliance Policies

m. Lead Based Paint Regulations

All homes constructed before 1978 will be tested to determine if they contain lead based paint. All rehabilitation work to be completed will comply with HUD’s lead-based paint regulation requirements, and the City of Lexington’s Lead-Based Paint Procedures. (Exhibit 3)

n. Policy for compliance with DED Rehab standards

The City of Lexington has adopted the Nebraska Department of Economic Development OOR Housing Quality Standards as the standard to be used by the Housing Rehabilitation Program Manager. NDED Standards provide rules and criteria for keeping housing sound and sanitary, equipped with basic facilities and not overcrowded.

Another standard to be used in this program is the Work Standard Specifications for Property Rehabilitation. This standard refers to certain details regarding the types of materials and how they are to be used insofar as housing rehabilitation itself is concerned. It is a practical standard with which both the Rehabilitation Manager and the Contractor must be thoroughly familiar.

o. Post-Rehab Valuation for Existing Housing

The new HOME homeownership value limits for existing HOME units is 95 percent of the median purchase price for the area based on Federal FHA single family mortgage program data for existing housing and other appropriate data that are available nation-wide for sale of existing housing in standard condition. The City of Lexington is within the North Platte area.

HOME Homeownership Value Limits				
Existing Housing				
Effective April 13, 2015				
	Mortgage Amount per Family Unit			
	1-unit	2-unit	3-unit	4-unit
Dawson County, NE	\$ 124,000	\$ 158,000	\$ 191,000	\$ 221,834

p. Home Ownership

A title search shall be performed prior to award to ensure clear title and determine if there are any outstanding liens on the property.

q. Infeasibility

If the cost to rehabilitate the home to DED Rehab standards exceeds \$25,000 it shall be considered infeasible. The owner shall be directed to alternative agencies that may be able to provide necessary assistance. No alternative assistance shall be provided through this program.

r. Occupancy Requirements

If the assistance is between \$1-\$25,000 owners must reside in the residence for a period of five years after the final date of the completed and approved rehabilitation. Renting the unit is not permitted.

s. Method of Ensuring Affordability Period

The City of Lexington will file a deed restriction on said property during the period for which occupancy is required. The loan will be forgiven on a pro-rated scale, with 20% of total assistance forgiven every twelve months. Upon successful completion of occupancy period, the City of Lexington will release said Deed Restriction. Upon vacation of property, sale of property, or foreclosure, The City of Lexington will require payment due of outstanding loan amount.

t. Relocation Policy

No anticipated voluntary or involuntary relocations will be caused by the City of Lexington's OOR program, however in the event a temporary relocation is necessary the City of Lexington will follow 49.CFR.24.101 and DED will be contacted prior to any action.

u. N/A

v. Beneficiaries from previous years may not receive additional rehabilitation assistance on the same property for which they initially received assistance.

w. Fair Housing Act

The program will be in compliance with the Fair Housing Act, and more particularly with Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, Section 109 of Title I of the Housing and Community Development Act of 1974, Title II of the Americans with Disabilities Act of 1990, the Architectural Barriers Act of 1968, the Age Discrimination Act of 1975 and Executive Orders 11063 and 13166. The City of Lexington will not discriminate because of race, color, national origin, religion, sex, disability and the presence of children.

Affirmative Marketing Procedures

x. The owner-occupied housing rehabilitation will be marketed in Lexington through the following methods:

- i. Press Release to local English and Spanish newspapers.
- ii. Notification to patrons of Grand Generation Center
- iii. Notification of programs to Lexington Housing Authority.
- iv. Notification of program to all local churches in Lexington.
- v. Notification of program to Community Action Partnership of Mid-Nebraska.

- vi. Notification of program to SUDA-Rural Development.
- vii. Public Services Announcements on local radio station, in English and Spanish.
- viii. Fliers placed in municipal building, courthouse, and banks in Lexington in both English and Spanish.
- ix. Letters sent to all utility customers in Lexington.
- x. Notification to Somali elders and clergy at Tyson and Lexington Somali Community Center.

Those households least likely to apply have been identified as those of new immigrants and individuals with Limited English Proficiency. To ensure that these households are made aware of the program, several marketing methods will utilize Spanish. A significant Somali population has been identified in the LEP Plan adopted by the City of Lexington. That Plan also identifies effective methods of communicating with individuals and households that may have low literacy rates in their primary language, in addition to limited English proficiency. Communication to Somali elders and clergy who are proficient with English and are respected within their community is an established method for reaching that population group.

PROGRAM INCOME REUSE PLAN

- a. The City of Lexington wishes to retain program income funds and reuse those funds for additional housing related activities.
- b. Income Reuse Plan for the City of Lexington CDBG OOR Program:
 - 1. The City of Lexington (City) will use program income directly generated from the use of HOME or NAHTF funds to further affordable housing programs eligible under the Nebraska Affordable Housing Act.
 - 2. Program Income funds are those funds returned to the City during the Affordability Period when the property is sold or is no longer the initial and subsequent homebuyer's principal residence.
 - 3. Program Income funds must be utilized for the Lexington CDBG OOR Program, if it has not been completed at the time that Program Income is received. Such funds will be applied to the Lexington CDBG OOR Program prior to requesting additional HOME or NAHTF funds.
 - 4. If program income is utilized for another housing related activity, other than the Lexington CDBG OOR program, then the City will develop and utilize new Program Guidelines for the new eligible activity, with approval from NDED.
 - 5. Up to 10% of program income may be utilized for General Administration expenses.
 - 6. If program income is received through resale provisions, then the subsequent purchasers of each unit will be eligible homebuyers and the original homebuyer will receive a fair return on investment.

7. If program income is received through recapture provisions, then the amount recaptured cannot exceed the net proceeds. Net proceeds are the sales price minus superior loan repayment (other than NAHP funds) and any closing costs.
8. All program income will be returned to DED for reuse unless DED offers the option to the City to retain the program income or DED approves the grantee's Program Income Reuse Plan prior to receiving Release of Funds.

**RESOLUTION AUTHORIZING CHIEF ELECTED OFFICIAL TO SIGN
AN APPLICATION FOR CDBG FUNDS**

Whereas, the City of Lexington, Lexington, Nebraska, is an eligible unit of a general local government authorized to file an application under the Housing and Community Development Act of 1974 as Amended for Small Cities Community Development Block Grant Program, and, Cranstron-Gonzalez National Affordable Housing Act of 1990 (HOME Program) funds distributed by the Department of Economic Development through the Nebraska Affordable Housing Program; and

Whereas, the City of Lexington, Lexington, Nebraska, has obtained its citizens' comments on community development and housing needs; and has conducted public hearing(s) upon the proposed application and received favorable public comment respecting the application for an amount of \$310,000 for an Owner-Occupied Rehabilitation Program; and,

NOW, THEREFORE, BE IT RESOLVED BY

Lexington City Council of the City of Lexington, that Joe Pepplichtsch, City Manager, be authorized and directed to proceed with the formulation of any and all contracts, documents or other memoranda between the City of Lexington and the Nebraska Department of Economic Development so as to effect acceptance of the grant application.

John Fagot

Mayor, City of Lexington

Title

July 14, 2015

EXHIBIT C-1

APPLICANT'S STATEMENT OF ASSURANCES AND CERTIFICATIONS

The City of Lexington (Applicant) hereby assures and certifies to the Nebraska Department of Economic Development regarding an application for Community Development Block Grant (CDBG) funds, the following:

THRESHOLD CERTIFICATIONS

1. There are no significant unresolved audit findings relating to any prior grant award from the federal and/or state government that would adversely affect the administration of this grant.
2. No legal actions are underway or being contemplated that would significantly impact the Applicant's capacity to effectively administer the program, and to fulfill the CDBG program; and
3. No project costs have been incurred that have not been approved in writing by the Department.

FEDERAL COMPLIANCE CERTIFICATIONS

4. It will adopt and follow a residential anti-displacement and relocation assistance plan that will minimize displacement as a result of activities assisted with CDBG funds.
5. It will conduct and administer its programs in conformance with:
 - a. Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), and the regulations issued pursuant thereto (24 CFR Part 1).
 - b. Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing, and will take action to affirmatively further fair housing in the sale or rental of housing, the financing of housing and the provision of brokerage services.
 - c. The Fair Housing Act of 1988 (42 USC 3601-20) and will affirmatively further fair housing.
6. It will not attempt to recover any capital costs of public improvements assisted in whole or part by assessing any amount against properties owned and occupied by persons of low- and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless (1) grant funds are used to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than grant funds, or (2) for purposes of assessing any amount against properties owned and occupied by persons of LMI who are not persons of very-low income, the recipient certifies to the state that it lacks sufficient grant funds to comply with the requirements of clause (1).
7. It will comply with all provisions of Title I of the Housing and Community Development Act of 1974, as amended, which have not been cited previously as well as with other applicable laws.

CITIZEN PARTICIPATION PLAN CERTIFICATION

8. It certifies that a detailed citizen participation plan is on file which includes:
 - a. Providing and encouraging citizen participation with particular emphasis on participation by lower income persons who are residents of slum and blight areas in which funds are proposed to be used to include target areas as identified in the application.
 - b. Providing citizens with reasonable and timely access to local meetings, information, and records relating to the Applicant's proposed and actual use of CDBG funds.
 - c. Furnishing citizens with information, including but not limited to, the amount of CDBG funds expected to be made available for the current fiscal year, including CDBG funds and anticipated program income; the range of activities that may be undertaken with CDBG funds; the estimated amount of CDBG funds to be used for activities that will meet national objective of benefit to low- and moderate-income people, and the proposed CDBG activities likely to result in displacement and the grantee's anti-displacement and relocation plans.
 - d. Providing technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals. The level and type of assistance is to be identified within the plan.
 - e. Providing for public hearings at different stages of the program, for the purpose of obtaining citizen's views and responding to proposals and questions. The hearings must cover community development and housing needs, development of proposed activities and review of program performance. The hearing to cover community development needs must be held before submission of an application to the state. The hearing

- on program performance must be held during the implementation of the CDBG awarded grant. There must be reasonable notice of the hearings and they must be held at times and locations convenient to potential or actual beneficiaries, with accommodations for the handicapped. Public hearings are to be conducted in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can be expected to participate.
- f. Providing citizens with reasonable advance notice of, and opportunity to comment on, proposed activities in the application to the state and for grants already made, activities that are added to, deleted or substantially changed from the application to the state. Substantially changed is defined in terms of purpose, scope, location or beneficiaries defined by the state established criteria.
 - g. Providing citizens the address, phone number and acceptable hours for submitting complaints and grievances and providing timely written responses to written complaints and grievances within 15 working days where practicable.

SPECIAL REQUIREMENTS AND ASSURANCES.

- 9. The Applicant will comply with the administrative requirements of the program, those applicable items in the 1995 Consolidated Plan, Title I of the Housing and Community Development Act of 1974, Public Law 93-383, as amended, and 24 CFR Part 570 (including parts not specifically cited below), and the following laws, regulations and requirements, both federal and state, as the pertain to the design, implementation and administration of the local project, if approved:

CIVIL RIGHTS AND EQUAL OPPORTUNITY PROVISIONS

- ! Public Law 88-352, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000(d), et. seq.) (24 CFR Part 1)
- ! Section 109 of the Housing and Community Development Act of 1974, As Amended
- ! Age-Discrimination Act of 1975, As Amended (42 U.S.C. 6101, et. seq.)
- ! Section 504 of the Rehabilitation Act of 1973, As Amended (29 U.S.C. 794) and the Americans with Disability Act
- ! Executive Order 11246, As Amended
- ! Executive Order 11063, As Amended by Executive Order 12259 (24 CFR Part 107)

ENVIRONMENTAL STANDARDS AND PROVISIONS

- ! Section 104(f) of the Housing and Community Development Act of 1974, As Amended
- ! Title IV of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4831) and the Implementing Regulations found at 24 CFR Part 35
- ! The National Environmental Policy Act of 1969 (42 U.S.C. Section 4321, et. seq., and 24 CFR Part 58)
- ! The Clean Air Act, As Amended (42 U.S.C. 7401, et. seq.)
- ! Farmland Protection Policy Act of 1981, (U.S.C. 4201, et. seq.)
- ! The Endangered Species Act of 1973, As Amended (16 U.S.C. 1531, et. seq.)
- ! The Reservoir Salvage Act of 1960 (16 U.S.C. 469, et. seq.), Section 3 (16 U.S.C. 469 a-1), As Amended by the Archaeological and Historic Preservation Act of 1974
- ! The Safe Drinking Water Act of 1974 [42 U.S.C. Section 201, 300(f), et. seq., and U.S.C. Section 349 as Amended, particularly Section 1424(e) (42 U.S.C. Section 300H-303(e)]
- ! The Federal Water Pollution Control Act of 1972, As Amended, including the Clean Water Act of 1977, Public Law 92-212 (33 U.S.C. Section 1251, et. seq.)
- ! The Solid Waste Disposal Act, As Amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. Section 6901, et. seq.)
- ! The Fish and Wildlife Coordination Act of 1958, As Amended, (16 U.S.C. Section 661, et. seq.)
- ! EPA List of Violating Facilities
- ! HUD Environmental Standards (24 CFR, Part 51, Environmental Criteria and Standards and 44 F.R. 40860-40866, July 12, 1979)
- ! The Wild and Scenic Rivers Act of 1968, As Amended (16 U.S.C. 1271, et. seq.)
- ! Flood Insurance
- ! Executive Order 11988, May 24, 1978: Floodplain Management (42 F.R. 26951, et. seq.)
- ! Executive Order 11990, May 24, 1977: Protection of Wetlands (42 F.R. 26961, et. seq.)
- ! Environmental Protection Act, NEB. REV. STAT. 81-1501 to 81-1532 (R.R.S. 1943)
- ! Historic Preservation

LABOR STANDARDS AND PROVISIONS

- ! Section 110 of the Housing and Community Development Act of 1974, As Amended
- ! Fair Labor Standards Act of 1938, As Amended, (29 U.S.C. 102, et. seq.)

- ! Davis-Bacon Act, As Amended (40 U.S.C. 276-a - 276a-5); and Section 2; of the June 13, 1934 Act., As Amended (48 Stat. 948.40 U.S.C. 276(c), popularly known as The Copeland Act
- ! Contract Work Hours and Safety Standards Act (40 U.S.C. 327, et. seq.)
- ! Section 3 of the Housing and Urban Development Act of 1968 [12 U.S.C. 1701(u)]

FAIR HOUSING STANDARDS AND PROVISIONS

- * Section 104(a)(2) of the Housing and Community Development Act of 1974, As Amended Public Law 90-284, Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601, et. seq.). As Amended by the Fair Housing Amendments Act of 1988
- * Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, As Amended (42 U.S.C. 4630) and the Implementing Regulations Found at 49 CFR Part 24
- * Relocation Assistance Act, NEB. REV. STAT. 76-1214 to 76-1242 (R.S. Supp. 1989)
- * Nebraska Civil Rights Act of 1969 20-105 to 20-125, 48-1102 and 48-1116
- * Uniform Procedures for Acquiring Private Property for Public Use, NEB. REV. STAT. 25-2501 to 25-2506 (R.R.S. 1943)

ADMINISTRATIVE AND FINANCIAL PROVISIONS

- * 78 FR 78589 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards "Cost Principles"
- * 78 FR 78589 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards "Administrative Requirements"
- * 24 CFR 570.503 - Grant Administration Requirements for Use of Escrow Accounts for Property Rehabilitation Loans and Grants
- * 24 CFR 570.488 to 570.499a - States Program: State Administration of CDBG Nonentitlement Funds
- * Community Development Law, NEB. REV. STAT. 18-2101 to 18-2144 (R.S. Supp. 1982)
- * Public Meetings Law, NEB. REV. STAT. 18-1401 to 18-1407 (R.R.S. 1943)
- * 24 CFR Subtitle A (4-1-98 Edition) – 85 Administrative requirements for grants and cooperative agreements to State, local and federally recognized Indian tribal governments

MISCELLANEOUS.

- * Hatch Act of 1938, As Amended (5 U.S.C. 1501, et. seq.)

The Applicant hereby certifies that it will comply with the above stated assurances.

Signed _____

Subscribed in my presence and sworn to before me.

City Manager
Title

July 14, 2015
Date

Notary Public (Not required if on letterhead)

February 2015 Revised

EXHIBIT C-2

Citizen Participation Plan

City of Lexington Nebraska

A. Participation by Citizens

All citizens, including low- and moderate-income citizens, shall be requested and encouraged to participate in the assessment of community issues, problems and needs; the identification of potential solutions; and priority to such issues, problems and needs, as follows:

1. All citizens shall be periodically requested to complete a community needs survey to identify community and neighborhood issues, problems and needs.
2. All citizens shall be notified by publication and posting of all meetings to discuss the identified needs, potential solutions and solution priorities.
3. All citizens, particularly low and moderate-income citizens, shall be afforded the opportunity to serve on various community improvement task forces established by the City of Lexington

B. Access to Meetings, Information and Records

Notice of public meetings conducted by the City of Lexington shall be published or posted within a reasonable number of days prior to such meetings.

Agendas of all such meetings shall be available at City Hall for public inspection.

All meetings where CDBG projects or applications are to be discussed shall be published or posted 10 days prior to such meetings and all information and records concerning such CDBG projects or applications shall be available for public inspection at City Hall.

All meetings will be held at a time and location convenient to potential or actual beneficiaries which will be accessible to all citizens. The building and site will also be accessible to persons with disabilities.

C. Specific CDBG Project Information

All citizens shall be provided with information regarding specific CDBG projects through public meetings and publication of notices which provide all pertinent information regarding any CDBG project including, but not limited to:

1. The amount of CDBG funds expected to be made available to the City of Lexington for the current fiscal year, including CDBG funds and anticipated program income;
2. The specific range of activities that may be undertaken with CDBG funds;
3. The estimated amount of CDBG funds to be used for activities that will meet the national objective of benefit to low-and moderate-income persons, and;
4. A description of any proposed CDBG funded activities that are likely to result in displacement of persons along with the City of Lexington anti-displacement and relocation plans.

D. Provisions for Technical Assistance to Citizens

The City Clerk shall maintain current information of available resources for community improvement efforts and CDBG programs available and provide such information upon request by any citizen or group representing any citizen or group of citizens and the City Clerk shall provide assistance in developing proposals to address issues, problems and needs identified by such citizen or citizens.

E. Public Hearing on CDBG Activities

The City of Lexington shall enact a minimum of two (2) public meetings or hearings to be conducted with regard to any CDBG application. At least one meeting or hearing shall be conducted prior to the submission of any such application and a second public hearing shall be held near the completion of any CDBG funded activity to obtain citizen input, comments or opinions with regard to such application(s) and to program or project performance.

The City Clerk shall act as the contact person for all questions, comments or concerns expressed by any citizen with regard to any CDBG program or project and shall forward any such questions, comments or concerns to the City of Lexington at the next regular meeting of the City of Lexington immediately following expression of such questions, comments or concerns. The City Clerk shall also be responsible for transmitting the City of Lexington's response to any such question, comment or concerns to the citizen or citizens expressing the same.

F. Needs of Non-English Speaking Citizens

The City of Lexington shall conduct the public hearings in a manner to meet the needs of non-English speaking residents where a significant number of non-English speaking residents can reasonably be expected to participate, the City of Lexington shall arrange for oral or written translation of information regarding any CDBG program, application or project upon request by such non-English speaking persons or representatives of such persons.

G. Compliance/Grievance Procedures

The City Clerk shall post a notice at City Hall that provides name, telephone number, address and office hours of the City Clerk for citizens who wish to file a complaint or grievance regarding any CDBG program, project or application.

Individuals wishing to submit a complaint or file a grievance concerning activities, of or application for, CDBG funds may submit a written complaint or grievance to the City Clerk.

The City Clerk shall present such complaint or grievance at City Hall at the next regular meeting of the City Council where it be reviewed by the Board members. The individual submitting such complaint or grievance shall be notified of such meeting and shall be given the opportunity to make further comments at such meeting. The City of Lexington shall issue a written response to any complaint or grievance within fifteen (15) days following the meeting at which a response is formulated. Such response shall be mailed to the individual citizen(s) submitting the complaint or grievance by the City Clerk to the last known address of said citizen(s).

In the event that the nature of the complaint or grievance is determined to be a matter requiring immediate action, a special meeting of the City Council shall be called to review the matter within ten (10) days of receipt of such complaint or grievance.

H. Adoption

This Citizen Participation Plan is hereby adopted by action of the City Council of the City of Lexington, Nebraska.

Joe Peplitsch, City Manager

Attest: (Name of local representative), (Title)

July 14, 2015

Date

EXHIBIT L

FFATA REPORTING FORM/CERTIFICATION – CDBG & CDBG HOUSING

The Federal Funding Accountability and Transparency Act (FFATA) seeks to provide the public with greater access to Federal spending information. Due to FFATA requirements, you are required to provide the following information, which may be used by the Department of Economic Development (“Department”) to comply with federal reporting requirements. Please fill out the following form accurately and completely, have it signed by an authorized official, and submit to the Department along with your application for funding.

Name of Applicant: City of Lexington			
Applicant Address: 406 E 7 th Street			
City: Lexington	State: NE	Zip: 68850-2175	Congressional District: 3
Applicant DUNS number: 156284986			
Principal Place of Performance of Proposed Project: Various Residences			
City: Lexington, NE	State: NE	Zip: 68850-2175	Congressional District: 3
Brief Project Description: Rehabilitation, consisting primarily of energy efficiency and ADA improvements, of 10 owner-occupied homes within Lexington, Nebraska.			
If certain conditions are met, Applicant must provide names and total compensation of Applicant’s top five highly compensated Executives to the Department. Please answer question number 1, and follow the instructions. If directed to answer question 2, please answer question 2 and follow instructions.			
<p>1. In Applicant’s previous fiscal year, did Applicant receive (a) 80 percent or more of Applicant’s annual gross revenues in U.S. federal contracts and subcontracts and other federal financial assistance subject to the Transparency Act, as defined in 2 C.F.R. 170.320; AND (b) \$25,000,000 or more in annual gross revenues from contracts and subcontracts and other federal financial assistance subject to the Transparency Act, as defined in 2 C.F.R. 170.320?</p> <p>Yes <input type="checkbox"/> If yes, answer question 2 below. No <input checked="" type="checkbox"/> If no, stop, you are not required to report names and compensation. Please sign and submit form to the Department.</p>			
<p>2. Does the public have access to information about the compensation of Applicant’s senior executives through periodic reports filed under section 13(a) or 15(d) of the Security Exchange Act of 1934 (15 U.S.C. 78(m)(a), 78o(d)), or section 6104 of the Internal Revenue Code of 1986?</p> <p>Yes <input type="checkbox"/> If yes, stop, you are not required to report names and compensation. Please sign and submit form to the Department. No <input type="checkbox"/> If no, you are required to report names and compensation. Please fill out the remainder of this form.</p>			
Please provide the names and Total Compensation of the top five most highly compensated Executives in the space below.			
<small>(NOTE: Executive means officers, managing partners, or any other employees in management positions. Total Compensation means the cash and noncash dollar value earned by the Executive during the Applicant’s preceding fiscal year and includes salary and bonus, awards of stock, stock options, and stock appreciation rights; earnings for services under non-equity incentive plans, change in pension value, above market earnings on deferred compensation which is not tax-qualified; and other compensation exceeding \$10,000 as defined in</small>			
Name:		Total Compensation:	
Name:		Total Compensation:	
Name:		Total Compensation:	
Name:		Total Compensation:	
Name:		Total Compensation:	

<p>The Applicant certifies that the information contained on this form is true and accurate.</p> <p>Signed: _____</p> <p>Title: <u>City Manager</u></p> <p>Date: <u>July 14, 2015</u></p>	<p><i>DED USE</i></p> <p>_____</p> <p>_____</p>
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EXHIBIT K

WAIVER OF PROCUREMENT PROCESS DUE TO OFFICIALS OF THE GRANTEE ACTING IN THEIR OFFICIAL CAPACITY

The City of Lexington (Applicant) hereby assures and certifies to the Nebraska Department of Economic Development (the Department) regarding an application for Community Development Block Grant (CDBG) funds, the following:

1. The City of Lexington has reviewed 24 CFR Part 85 Chapter 36 which sets forth the standards that are applicable to procurement for Federal grants and cooperative agreements and sub-awards to the State, local and Indian tribal governments.
2. In each of the last three consecutive years, the City of Lexington has appointed Miller & Associates to act in the official capacity of City Engineer.
3. The City of Lexington can document three consecutive years of annual appointment with minutes of annual reorganization meeting.
4. The project activity directly relates to the official capacity of the appointee as described below:

Should any applicant homes provide cause for concerns as to structural integrity, Miller & Associates may be directed by the City of Lexington to assess such concerns and provide mitigation options.

The Applicant hereby certifies that it will comply with the above stated assurances.

Signed _____
City Manager

Date July 14, 2015

EXHIBIT O

ERR GRANT# 15-HO-33075

Project Name: Lexington CDBG OOR Program Year: 2015

Project Location: Lexington, NE

Project Description (*Attach additional descriptive information, as appropriate to the project, including narrative, maps, photographs, site plans, budgets and other information.*):

Rehabilitation of owner-occupied residential structures of not more than four units without increasing density or changing land use, or increasing building footprint in a floodplain or wetland.

The subject project has been reviewed pursuant to HUD regulations 24 CFR Part 58, "Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities," and the following determination with respect to the project is made:

- Exempt** from NEPA review requirements per 24 CFR 58.34(a)(_____)
- Categorically Excluded NOT Subject** to §58.5 authorities per 24 CFR 58.35(b)(_____)
- Categorically Excluded SUBJECT** to §58.5 authorities per 24 CFR 58.35(a)(_____)
(A Statutory Checklist for the §58.5 authorities is attached.)
- An **Environmental Assessment** (EA) is required to be performed. (An Environmental Assessment performed in accordance with subpart E of 24 CFR Part 58 is attached.)
- An **Environmental Impact Statement** (EIS) is required to be performed.

The ERR (see §58.38) must contain all the environmental review documents, public notices and written determinations or environmental findings required by Part 58 as evidence of review, decision making and actions pertaining to a particular project. Include additional information including checklists, studies, analyses and documentation as appropriate.

Suzanne Brodine	
Preparer Name	Signature
Community Development Coordinator	
Title	Date

Joe Peplitsch	_____
Responsible Entity Certifying Officer	Signature
City Manager	July 14, 2015
Title	Date

July 14, 2015

**Nebraska Department of Economic Development
Housing and Community Development
301 Centennial Mall South
PO Box 94666
Lincoln, NE 68509-4666**

RE: CDBG OOR Application #15-HO-33075 – Appendix F, Exhibit 104

Dear Sir or Madam,

The City of Lexington is committed to the success of Owner Occupied Rehabilitation for low- to moderate-income households. On July 14, 2015 the City Council voted to contribute financially to the project to further leverage CDBG funding. The City will provide \$15,500 in a cash match to the housing Management Activity. This equals 5% of the total project costs.

Sincerely,

CITY OF LEXINGTON
Joe Peplitsch,
City Manager

July 14, 2015

**Nebraska Department of Economic Development
Housing and Community Development
301 Centennial Mall South
PO Box 94666
Lincoln, NE 68509-4666**

RE: CDBG OOR Application #15-HO-33075 – Appendix F, Exhibit 105

Dear Sir or Madam,

The City of Lexington is committed to the success of Owner Occupied Rehabilitation for low- to moderate-income households. On July 14, 2015 the City Council voted to contribute staff time to provide initial structure inspections for the OOR program at \$37.40 per hour. The City will provide \$15,500 in an in-kind match to the housing Management Activity. This equals 5% of the total project costs.

Sincerely,

CITY OF LEXINGTON
Joe Peplitsch,
City Manager

July 14, 2015

**Nebraska Department of Economic Development
Housing and Community Development
301 Centennial Mall South
PO Box 94666
Lincoln, NE 68509-4666**

RE: CDBG OOR Application #15-HO-33075, Appendix F, Exhibit 107

Dear Sir or Madam,

The City of Lexington is committed to the success of Owner Occupied Rehabilitation for low- to moderate-income households. In order to ensuring that contractors will receive timely payment and projects will progress efficiently, the City will pay construction invoices from the municipal General Fund as they are received. CDBG funds will be utilized to reimburse the City for these expenditures.

Sincerely,

CITY OF LEXINGTON
Joe Peplitsch,
City Manager

Exhibit 107

Appendix F

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