F. ELIGIBLE PROJECT CATEGORIES & ACTIVITIES

The State of Alaska CDBG Program may be used to fund projects in three categories: **Community Development, Planning, and Special Economic Development.** The following summary, identifying the common types of eligible activities in each category, is for general reference only. A complete list of eligible and ineligible activities can be found in Title I of the Housing and Community Development Act of 1974, as amended.

Each applicant is expected to consult with CDBG Program staff about project eligibility prior to submission of an application. It is important that applications be submitted under the appropriate category.

Community Development

Under Section105(a)(2),(4),(5),(14)&(15), CDBG grant funds may be used for:

Public Facilities

- ✓ Health Clinics
- ✓ Daycare Centers
- ✓ Homeless Shelters
- ✓ Water & Sewer Systems
- ✓ Solid Waste Disposal Facilities
- ✓ Flood & Drainage Facilities
- ✓ Docks & Harbors
- ✓ Acquisition
- ✓ Construction
- ✓ Reconstruction
- ✓ Installation
- ✓ Improvements
- ✓ Electrical Distribution Lines
- ✓ Fuel & Gas Distribution Systems

Transportation Improvements

- ✓ Local Service Roads
- ✓ Boardwalks
- ✓ Barge Facilities
- ✓ Airports

Access to Public Facilities & Structures

- ✓ Removal of architectural barriers in conjunction with current renovations
- ✓ Improve access for handicapped & elderly persons

Real Property

- ✓ Acquisition
- ✓ Building Removal
- ✓ Improvements
- ✓ Clearance
- ✓ Demolition

Fire Protection Facilities & Equipment

- ✓ Acquisition
- ✓ Design
- ✓ Construction
- ✓ Rehabilitation
- ✓ Purchase

Note: *Community Development activities do not include the purchase of any personal property or any equipment unless it is attached to a facility or building and considered an "integral structural feature." Fire protection equipment is the only exception.*

Planning

Under Section 105(a)(12), CDBG grant funds may be used for:

- ✓ Data Collection
- ✓ Analysis
- ✓ Plan Preparation
- ✓ Marketing Studies
- ✓ Feasibility Studies
- ✓ Community Economic Development Plans
- ✓ Community Land Use Plans
- ✓ Capital Improvement Plans
- ✓ Plan Updates

Note: *Planning activities do not include engineering, architectural, and design costs related to a specific project activity. These activities may be eligible under the Community Development category.*

Special Economic Development

"Special Economic Development," as used in the CDBG Program, must meet the criteria below. See "Unique Requirements of Special Economic Development Projects" on page 9 for more information about the specific requirements for projects under this funding category.

Under Section 105(a)(14) CDBG grant funds may be used for:

- ✓ Commercial or Industrial Improvements
- ✓ Carried out by Grantee or Non-Profit Recipient
- ✓ Involving Commercial or Industrial Buildings, Structures, and Other Real Property Equipment & Improvements

Includes:

- ✓ Acquisition
- ✓ Construction
- ✓ Reconstruction
- ✓ Rehabilitation
- ✓ Installation

Under Section 105(a)(17), CDBG funds may be used for:

- ✓ Assistance (through eligible applicant) to an identified private, for-profit entity or entities

The project must:

- ✓ Create and maintain jobs for low or moderate income persons
- ✓ Assist businesses that provide goods or services needed by and affordable to low and moderate income residents

Special Economic Development Projects must fit under one of those two categories.

If your project is not for the purpose of acquisition, construction, reconstruction, rehabilitation, or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, OR it is not for the purpose of providing assistance to an identified private for-profit entity **IT IS NOT** appropriate to submit it under the Special Economic Development category.

Note: *The examples provided under each of the three funding categories are for general information only and are not intended to be all-inclusive. Each community is encouraged to consult with CDBG Program staff about project eligibility and structure.*

V.

Rating Criteria

As described previously under the Grant Selection process, applications will be reviewed at two stages: threshold review and project rating and selection. During the threshold review process, staff will screen all applications for eligibility without awarding points. An application must meet all of the threshold review requirements in order to qualify for the second stage of the selection process. The project rating and selection process, stage two, will be conducted by the Application Selection Committee (ASC) using the criteria described below.

Applications will be evaluated and assigned points by the ASC based on the following criteria:

CRITERION #1 / Maximum Points Available 15

Project Description & Selection / Citizen Participation Plan

- ✓ Did the applicant describe the existing conditions, the nature of the proposed project, and what needs the project will address in the community? Although not required, did the applicant submit photos that show existing conditions?
- ✓ Did the applicant describe how the community decided on this project and why?
- ✓ Is there evidence of an active citizen participation plan which encourages citizen participation, provides reasonable access to public meetings, and provides technical assistance to low and moderate income citizens in developing proposals?
- ✓ Did the applicant describe the public participation process and explain how low and moderate income residents had the opportunity to comment?
- ✓ Does the applicant demonstrate there is a community consensus about this project?
- ✓ Did the applicant attach minutes of at least one public hearing, held within six months of the submission of this application, which verifies community consensus? Do the public meeting minutes demonstrate that citizens were asked to prioritize potential CDBG requests and that the majority selected this project?
- ✓ Did the applicant submit verification of public notification of the meeting? Were sign-in sheets attached?
- ✓ Does the applicant appear to have adopted a community development plan which identifies the proposed project as a community priority?

CRITERION #2 / Maximum Points Available 25

Project Plan / Readiness

- ✓ Did the applicant provide a clear and reasonable plan for implementing the proposed project?
- ✓ Did the applicant identify specific time lines, goals, objectives, and expected outcomes? Do these appear to be reasonable and achievable?
- ✓ Has the applicant identified and addressed permitting requirements, site control, State Fire Marshal approvals if appropriate, Energy Standards if appropriate, and Cooperative/Joint Agreements if appropriate?
- ✓ Has the applicant identified other agencies which will be or should be involved with this project?
- ✓ Is the applicant ready to proceed with the proposed project upon notification of award?
- ✓ Has the applicant obtained market assurances if appropriate? (Only for Special Economic Development Projects)
- ✓ In this section, does the applicant describe in detail that substantial efforts have been made to identify and seek other resources besides CDBG to support this project?
- ✓ Did the applicant receive CDBG funding within the past two years for project design, engineering, feasibility, and/or planning?

CRITERION #3 / Maximum Points Available 25

Project Impact

- ✓ Does the applicant provide evidence that the proposed activities will provide a substantial or direct benefit to low and moderate income persons?
- ✓ Does the applicant demonstrate that the proposed activities have the potential for long-term positive impact?
- ✓ Does the proposed project support activities that eliminate clear and imminent threats to public health and safety?
- ✓ Does the proposed project support local efforts toward solving public facility problems by constructing, upgrading, or reducing operational/maintenance costs of essential community facilities?
- ✓ Does the applicant document the specific health and safety needs that will be addressed by this proposed project? Does the applicant identify and document how long these health and safety needs have existed and the extent of the need?
- ✓ Does the applicant demonstrate that the proposed project is economically feasible and will have long-term viability?
- ✓ Does the proposed project provide development or encourage development in underdeveloped rural areas?
- ✓ Does the proposed project promote self-sufficiency and diversification in local economies?
- ✓ Does the proposed project make use of local resources and/or improve existing production/delivery capacity?

CRITERION #4 / Maximum Points Available 25

Budget / Match / In-Kind

- ✓ Is the overall Proposed Budget reasonable?
- ✓ Has the applicant clearly identified and submitted its proposed budget according to the four budget components (CDBG Request, Cash Match, In-Kind Contributions, and Total Project Cost)? Has the applicant included a Budget Narrative?
- ✓ Has the applicant secured other funds which are needed to complete this project? Is documentation included?
- ✓ Are matching funds at least 25% of the total project cost and has the applicant documented that this match is committed to the project? Has the applicant identified the source and type of this match?
- ✓ Has the applicant identified and documented all In-Kind Contributions, including their source and type? Does the amount of In-Kind Contribution indicate that the community is committed to making this project happen and willing to contribute significantly to its support? Are the computations for In-Kind Contributions reasonable and supported with documentation?
- ✓ Has the applicant identified whether the proposed project will be Force Accounted or Contracted Out, if appropriate?
- ✓ Has the applicant completed the Labor and Fringe Benefits computation chart contained in the Application Packet? Are the proposed wage rates appropriate and reasonable? Are the Fringe Benefits appropriate and reasonable?
- ✓ Has the applicant identified costs and attached price quotes or cost estimates for materials, freight, equipment rental, equipment purchase, contractual, insurance, administration, and other line items for which CDBG funds are requested? Are the costs reasonable and appropriate?
- ✓ Is no more than 5% in administrative costs requested from the CDBG funds?
- ✓ Does it appear that the applicant can complete this project and provide a benefit to the residents of the area with the funds currently available?

CRITERION #5 / Maximum Points Available 10

Administrative Capabilities

- ✓ Does the Application Packet and information provided therein support that the applicant has the administrative capability to properly manage CDBG funds and comply with all federal and state requirements?
- ✓ Has the applicant identified who will have the day-to-day management responsibility and oversight for this project?
- ✓ Does the applicant have the cash resources to administer a cost reimbursable grant or have they identified an alternative course of action which will allow this project to proceed?
- ✓ Has the applicant successfully administered other federal or state grants which have had similar requirements to the CDBG program? Has the applicant documented that it was successful with those grants?
- ✓ Did the applicant attach a copy of last year's audit or Certified Financial Statement with the Application Packet? Does the audit identify findings? Have those findings been satisfactorily resolved? Did the applicant include management letters and any other reports received with its audit?
- ✓ Has the applicant noted any tax liens or judgments and addressed them?
- ✓ Has the applicant clearly described what Administration costs will be charged to this grant?
- ✓ Did the applicant use the application form provided, adding pages if needed? Was the minimum font size used in the application (at least size 12) and was it easy to read? Was supplemental information (designs, comprehensive plans, etc.) inserted in appendices attached to the back of the application?

Total Maximum Score for all Five Criteria

Project Description & Selection/Citizen Participation Plan	**15**
Project Plan/Readiness	**25**
Project Impact	**25**
Budget/Match/In-Kind	**25**
Administrative Capabilities	**10**
Total Maximum Score	**100 Points**