



**Item:** Resolution No. 10007, Authorizing Participation in the Montana Department of Commerce HOME Investment Partnership (HOME) Program

**From:** Planning and Community Development Department

**Initiated By:** Wendy Thomas, AICP, Deputy Director, Planning and Community Development

**Presented By:** Mike Haynes, AICP, Director, Planning and Community Development

**Action Requested:** Adopt Resolution No. 10007

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**Suggested Motion:**

1. Mayor calls for discussion on Resolution No. 10007

Commissioner moves:

“I move that the City Commission adopt Resolution No. 10007, Authorizing Participation in the Montana Department of Commerce HOME Investment Partnership (HOME) Program.”

2. Mayor calls for a second, discussion, public comment, and calls the vote.
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**Staff Recommendation:**

Staff recommends the City Commission adopt Resolution No. 10007 authorizing the City Manager to submit an application to the Montana Department of Commerce (MDOC) enabling the City to compete for State of Montana U.S. Department of Housing & Urban Development (HUD) HOME Investment Partnership (HOME) Program funds.

As the administrator of the state HOME Program funds, the Montana Department of Commerce requires: 1) passage of a resolution by the governing body authorizing the submission of an application for these funds, 2) disclosure of all forms of governmental assistance requested or provided for this project in the application Sources of Funds Statement (see attachment), and 3) compliance with the HOME Program requirements, regulations, statutes, terms and conditions described in the HOME Certifications for Application found within the FFY 2012 HOME Application Guidelines (see attachment).

## **Background:**

Over the period of the past two years HOME funding to the City has been reduced by 48%. Meanwhile, the Montana Department of Commerce HOME program has been unable to allocate all of its available HUD HOME funding during the past year. As a result, MDOC is seeking applications for State HOME funds to construct affordable multi-family rental projects to the three entitlement cities: Billings, Great Falls and Missoula. The situation presents an opportunity enables the City to apply for \$750,000 of State HOME funds that may be used by Accessible Space, Inc. (ASI), in conjunction with other funding sources, to develop quality affordable rental units for seniors in Great Falls.

The City of Great Falls has been approached by ASI, one of the nation's premier nonprofit developers and operators of accessible, affordable, service-enriched housing for people with physical disabilities, including the frail elderly, for the past three years to facilitate development of a fourth ASI rental property in Great Falls. The following properties are existing ASI developments within the city:

- Meadow Lark Apartments, 1701 1<sup>st</sup> Street NW
- The Portage, 1521 23<sup>rd</sup> Street S.
- Southwinds Estates, 1615 Oasis Court

During focus groups held to assess community housing needs for the Consolidated Plan, numerous participants commented that the city needs additional affordable senior housing. Subsequently, staff asked ASI if they would consider developing another property in Great Falls. Their response was positive and since that time ASI has worked to put together a viable funding package for such a project. By combining funding sources including Low Income Housing Tax Credits (LIHTC), Montana State HOME Program funds, and City HOME funds (\$350,000) the \$7.4 million project will help to fill the housing need identified in the Consolidated Plan.

### Significant Impacts

The proposed housing development is a 38-unit accessible, affordable senior rental to be located on a 2.4 acre parcel of land situated on the west side of Division Road, north of 16<sup>th</sup> Avenue NW. The site is located adjacent to the Great Falls Medical Clinic Northwest and the parcel's west boundary line abuts ASI's Meadow Lark Apartments. The apartment complex will be restricted to residents age 55 and above. Thirty-seven units (37) will be affordable to seniors having incomes at or below 60 percent of Area Median Income. Seven (7) of the units (22 percent) will be fully wheelchair accessible for low and very low-income seniors including frail elderly with physical disabilities. One unit will be set aside for on-site management.

The proposed financing for the project will include equity from the sale of 2013 9% Low Income Housing Tax Credits, HOME funds from the Montana Department of Commerce, HOME funds from the City of Great Falls, Federal Home Loan Bank Affordable Housing Program funds and conventional construction and permanent debt financing. The estimated total development cost is \$7.4 million or about \$195,000 per unit. Based upon successful applications for funding in 2013, construction of the development would begin in October 2013 with construction completed in October 2014 and 100% lease-up in March 2015.

### Citizen Participation

The Montana Department of Commerce requires each applicant for HOME funds hold a minimum of one public hearing prior to submitting an application to the MDOC, and prior to passage of a resolution by the governing body authorizing the submission of the application. The public hearing was held by the City Commission on December 18, 2012, in conjunction with the CDBG Needs Public Hearing.

### Workload Impacts

Not applicable

### Purpose

A resolution adopted by the local governing body authorizing submission of a grant application is required by MDOC.

### Project Work Scope

Not applicable

### Evaluation and Selection Process

Not applicable

### Conclusion

Adoption of Resolution No. 10007 will enable the City to submit an application for HOME funds to the Montana Department of Commerce to create housing for our growing senior population. Quality affordable housing for this burgeoning demographic will be an asset to the City housing inventory and the construction of the units will have a positive effect on the local economy.

**Concurrences:** Not applicable

**Fiscal Impact:** A successful application for MDOC HOME Program grant funds will bring \$750,000 to the City to help in development of much needed affordable senior housing. Additionally, the project would create construction and construction-related jobs.

**Alternatives:** Adopting a resolution authorizing submission of a grant application is a pre-condition for the City to apply for MDOC HOME grant funds from the Montana Department of Commerce.

### **Attachments/Exhibits:**

Resolution No. 10007

Sources of Funds Statement

MDOC HOME Certifications for Application

## RESOLUTION 10007

### RESOLUTION AUTHORIZING SUBMISSION OF AN APPLICATION AND AGREEMENT TO CERTIFICATIONS FOR APPLICATION FOR MONTANA DEPARTMENT OF COMMERCE HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM

**WHEREAS**, the City of Great Falls recognizes the importance of decent affordable rental housing for low to moderate income senior citizens; and

**WHEREAS**, applying to the Montana Department of Commerce for a HOME Investment Partnerships Program (HOME) Grant for funding would allow the City of Great Falls' sub-recipient Accessible Space, Inc. in conjunction with other funding sources to construct a 38-unit accessible, affordable senior rental development to be located on the west side of Division Road, north of 16<sup>th</sup> Avenue NW in Great Falls, Montana; and

**WHEREAS**, the City of Great Falls certifies that it has disclosed all forms of governmental assistance requested or provided for this project in the application Sources of Funds Statement, and that if additional governmental assistance is sought in the future, the HOME Program shall be notified promptly; and

**WHEREAS**, if selected for funding, the City of Great Falls agrees to comply with the HOME Program requirements, regulations, statutes, terms and conditions described in the HOME Certifications for Application (pages 12-2 through 12-13) found within the FFY 2012 HOME Application Guidelines; and

**WHEREAS**, the City of Great Falls has conducted a public hearing in conformance with HOME requirements to obtain the views of citizens regarding community housing needs and proposed activities to address these needs, and the use of HOME funds and other HUD funding to meet housing needs.

**NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF GREAT FALLS, MONTANA:**

That the Commission of the City of Great Falls authorizes Gregory T. Doyon, Great Falls City Manager, to submit the Uniform Housing Application to the Montana Department of Commerce for a HOME Investment Partnerships Program Grant on behalf of the City of Great Falls, to act on behalf of the City of Great Falls and to provide such additional information as may be required.

PASSED AND ADOPTED by the City Commission of the City of Great Falls, Montana, on this 15<sup>th</sup> day of January, 2013.

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Michael J. Winters, Mayor

ATTEST:

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Lisa Kunz, City Clerk

(SEAL OF CITY)

APPROVED FOR LEGAL CONTENT:

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David L. Nielsen, Interim City Attorney



**MONTANA DEPARTMENT OF COMMERCE  
MONTANA HOME INVESTMENT PARTNERSHIPS (HOME) PROGRAM**

The applicant hereby certifies that:

**ACCEPTANCE OF HOME PROGRAM REQUIREMENTS**

It will comply with all applicable parts of the National Affordable Housing Act of 1990, which have not been cited herein, as well as with other applicable federal laws and regulations.

It will comply with all requirements established by the Montana Department of Commerce and applicable state laws, regulations, and administrative procedures.

It accepts the terms, conditions, selection criteria, and procedures established by the Montana HOME Investment Partnerships (HOME) Program and expressly waives any statutory or common law right it may have to challenge the legitimacy and propriety of these terms, conditions, criteria, and procedures in the event that it is not selected for an award of HOME funds.

**ACQUISITION, DISPLACEMENT AND RELOCATION**

It will minimize displacement as a result of activities assisted with HOME funds and assist persons actually displaced.

It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (The Uniform Act - URA), 42 U.S.C. 4201-4655, as amended (including Section 104(d) the Barney Frank Amendment), and the implementing regulations in 49 CFR Part 24, *Uniform Relocation Assistance and Real Property Acquisition for Federal And Federally Assisted Programs*, and 24 CFR Part 42, *Displacement, Relocation Assistance, and Real Property Acquisition for HUD and HUD-Assisted Programs*. These laws and accompanying regulations require the grantee to provide relocation payments and offer relocation assistance to all persons displaced as a result of an activity assisted under the HOME Program. Such payments and assistance must be provided in a fair, consistent and equitable manner that ensures that the relocation process does not result in a different or separate treatment of such persons on account of race, color, religion, national origin, sex, source of income, age, handicap, or familial status (families with children). The grantee must assure that, within a reasonable period of time prior to displacement, decent, safe and sanitary replacement dwellings will be available to all displaced families and individuals, and that the range of choices available to such persons will not vary on account of their race, color, religion, national origin, sex, source of income, age, handicap, or familial status (families with children); that such individuals or families are reimbursed for all reasonable out-of-pocket expenses incurred in connection with the relocation; and that appropriate advisory services are made available to such displaced persons; and

It will adopt a formal resolution that outlines in detail the specific policies and procedures it will follow in conforming to the laws and regulations relating to acquisition, displacement and relocation. This resolution must include, at a minimum, the requirements set forth in the Anti-displacement and Relocation Assistance Plan (Exhibit 6-J, HOME Program Administration Manual) adopted by the Montana Department of Commerce for the Montana HOME Program.

## **PROPERTY STANDARDS**

Since HOME funded properties must meet certain minimum property standards, it will comply with applicable property standards:

State and local standards: State and local codes and ordinances apply to any HOME-funded project regardless of whether the project involves acquisition, rehabilitation or new construction.

Model codes: For rehabilitation or new construction projects where there are not state or local building codes, the applicant must enforce the national model codes as detailed in the HOME Guidelines.

Housing quality standards: For acquisition-only projects, if there are no state or local codes or standards, the applicant must enforce Section 8 Housing Quality Standards (HQS). All housing occupied by tenants receiving tenant-based rental assistance must meet Section 8 HQS.

Rehabilitation Standards: Each applicant must develop written rehabilitation standards to apply to all HOME-funded rehabilitation work. These standards are similar to work specifications and generally describe the methods and materials to be used when performing rehabilitation activities.

Model Energy Code: New construction requires compliance with the Model Energy Code as succeeded by the most recently adopted edition of the International Energy Conservation Code (IECC).

Handicapped accessibility: In some cases, handicapped accessibility requirements apply. See the HOME Application Guidelines, Management Plan Template (Exhibit 14) for specifics.

Site and neighborhood standards: For new construction of rental housing, an applicant must meet the site and neighborhood standards of 24 CFR §983.6(b), *Site and Neighborhood Standards*, which places limiting conditions on building in areas of "minority concentration" and "racially mixed" areas.

Construction and safety standards: All new manufactured housing must meet the construction and safety standards of 24 CFR 3280, *Manufactured Home Construction and Safety Standards*. New manufactured housing must be installed according to state or local codes or the manufacturer's written instructions.

## **CITIZEN PARTICIPATION**

It will comply with the instructions in the HOME Application Guidelines with regard to citizen participation.



## NON DISCRIMINATION AND EQUAL ACCESS

### Fair Housing and Equal Opportunity

It will comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*), as amended, and the regulations issued pursuant thereto (24 CFR Part 1, *Nondiscrimination in Federally Assisted Programs of the Department of Housing and Urban Development--Effectuation of Title VI of the Civil Rights Act of 1964*), which states that no person may be excluded from participation in, denied the benefits of, or subjected to discrimination under any program or activity receiving federal financial assistance on the basis of race, color or national origin. Applicant will immediately take any measures necessary to effect this assurance. If any real property or structure thereon is provided or improved with the aid of federal financial assistance extended to the applicant, this assurance shall obligate the applicant, or in the case of any transfer of such property, any transferee, for the period during which the real property or structure is used for a purpose for which the federal financial assistance is extended, or for any other purpose involving the provision of similar services or benefits.

It will comply with the Fair Housing Act (42 U.S.C. 3601-3620), its implementing regulations (24 CFR Part 100, *Discriminatory Conduct Under the Fair Housing Act*; Part 103, *Fair Housing—Complaint Processing*; Part 107, *Nondiscrimination and Equal Opportunity in Housing under Executive Order 11063*; Part 108, *Compliance Procedures for Affirmative Fair Housing Marketing*; Part 110, *Fair Housing Poster*; and Part 115, *Certifications and Funding of State and Local Fair Housing Enforcement Agencies*), and the Montana Human Rights Act (49-2-305, MCA) which prohibits discrimination in the sale or rental of housing, the financing of housing, or the provision of brokerage services against any person on the basis of race, color, religion, sex, age, marital status, national origin, handicap, or familial status.

Per Section 104(b)(2) of the Fair Housing Act, it will administer programs and activities relating to housing in a manner that affirmatively furthers fair housing.

It will comply with Equal Opportunity in Housing Executive Order 11063 as amended by Executive Order 12259 and the implementing regulations found in 24 CFR Part 107, *Nondiscrimination and Equal Opportunity in Housing under Executive Order 11063*, which prohibits discrimination against individuals on the basis of race, color, religion, sex or national origin in the sale, rental, leasing or other disposition of residential property, or in the use or occupancy of housing assisted with federal funds.

It will comply with the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101) and its implementing regulations (24 CFR Part 146, *Nondiscrimination on the Basis of Age in HUD Programs or Activities Receiving Federal Financial Assistance*), which prohibit age discrimination in programs receiving federal financial assistance.

## **Affirmative Marketing**

It will adopt affirmative marketing procedures for HOME assisted housing in accordance with 24 CFR §92.351, *Affirmative Marketing; Minority Outreach Program*. These procedures will be designed to actively provide information and other means to attract eligible persons from all racial, ethnic, and gender groups to the available housing. These procedures must include methods for informing the public, owners, and potential tenants which will incorporate the use of Equal Housing Opportunity logotype and slogans in press releases and other communications, and specific efforts to inform and solicit applications from persons not likely to apply for the housing without special outreach.

It will maintain such records as necessary to allow HOME officials to annually assess the affirmative marketing program in order to determine the success of affirmative marketing actions and require any necessary corrective actions.

## **Accessibility**

It will comply with:

Americans with Disabilities Act (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218 and 225) which provides comprehensive civil rights to individuals with disabilities in the areas of employment, public accommodations, state and local government services and telecommunications. The Act also states that discrimination includes the failure to design and construct facilities that are accessible to and usable by persons with disabilities. The ADA also requires the removal of architectural and communication barriers that are structural in nature in existing facilities. Removal must be readily achievable, easily accomplishable and able to be carried out without much difficulty or expense.

Fair Housing Act: Multi-family dwellings must also meet the design and construction requirements of 24 CFR §100.205, *Design and Construction Requirements*, which implement the Fair Housing Act (42 U.S.C. 3601-19)

Section 504 of the Rehabilitation Act of 1973, which prohibits discrimination in federally-assisted programs on the basis of handicap. Section 504 imposes requirements to ensure that "qualified individuals with handicaps" have access to programs and activities that receive federal funds. These requirements fall under four general headings: physical barriers, program accessibility, employment accessibility, and administrative.

## **CONSOLIDATED PLAN**

It will ensure that its Equal Opportunity and Fair Housing policies for the HOME project are consistent with the current state of Montana Consolidated Plan.

## EMPLOYMENT AND CONTRACTING

It will comply with:

Equal Employment Opportunity, Executive Order 11246, as amended, and its implementing regulations (41 CFR Part 60, *Obligations of Contractors and Subcontractors*), which prohibit discrimination against any employee or applicant for employment because of race, color, religion, sex or national origin. Provisions to effect this prohibition must be included in all construction contracts exceeding \$10,000.

Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701u) and its implementing regulations (24 CFR Part 135, *Economic Opportunities for Low- and Very Low-Income Persons*), which require that, in connection with the planning and carrying out of any project assisted under the Act, to the greatest extent feasible, opportunities for training and employment be given to lower-income persons residing within the program service area. The Act also requires that, to the greatest extent feasible, contracts for work in connection with the project be awarded to eligible business concerns which are located in, or owned by, persons residing in the program service area. The grantee must assure good faith efforts toward compliance with the statutory directive of Section 3.

Minority/Women's Business Enterprise--Executive Orders 11625, 12432, and 12138, which require that concerted efforts be made to encourage the use of minority and women's business enterprises in connection with HOME-funded activities. The grantee must make concerted efforts to include, to the maximum extent possible, minorities and women, and entities owned by minorities and women, including, but not limited to, real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services in the procurement of property and services connected with HOME project activities.

## DRUG FREE WORKPLACE

It will ensure that it will adopt a policy to provide a drug free workplace.

## FINANCIAL MANAGEMENT

It will comply with the applicable requirements of:

OMB Circular A-87, *Cost Principles for State and Local Governments*; or

OMB Circular 122, *Cost Principles for Non-Profit Organizations*.

Administrative Requirements for Grant and Cooperative Agreements to State, Local, and Federally-Recognized Indian Tribal Governments (24 CFR Part 85), or Grants and Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations (24 CFR Part 84). The HUD Administrative Requirements are the basis

for a number of specific requirements on the financial management and record keeping of HOME funds. The requirements primarily apply to cash depositories, bonding and insurance, record keeping, program income, property management, procurement, closeout, and audit.

The Single Audit Act of 1984, as amended, which establishes criteria for determining the scope and content of audits and with OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations.

It will promptly refund to the Montana Department of Commerce any HOME funds determined by an audit to have been spent in an unauthorized or improper manner or for ineligible activities.

It will give the Montana Department of Commerce, HUD, the Comptroller General, and the Montana Legislative Auditor, through any authorized representatives, access to and the right to examine all records, books, papers, or documents related to the grant.

## **LABOR REQUIREMENTS**

It will comply with:

Copeland (Anti-Kickback) Act (40 U.S.C. 276c) which governs the allowable deductions from paychecks. The Act makes it a criminal offense to induce anyone employed on a federally-assisted project to relinquish any compensation to which he/she is entitled, and requires all contractors to submit weekly payrolls and statements of compliance.

Fair Labor Standards Act of 1938, as amended (29 U.S.C. 201, et seq.) which establishes the basic minimum wage for all work and requires the payment of overtime at the rate of at least time and one-half. It also requires the payment of wages for the entire time that an employee is required or permitted to work and establishes child labor standards.

For every contract for construction of housing (rehabilitation or new) that contains 12 or more HOME assisted units, it will comply with:

Davis-Bacon and Related Acts (40 U.S.C. 276(A)-7) which ensure that mechanics and laborers employed in construction work under federally-assisted contracts are paid wages and fringe benefits equal to those that prevail in the locality where the work is performed.

Contract Work Hours and Safety Standards Act, as amended (40 U.S.C. 327-333) which provides that mechanics and laborers employed on federally-assisted construction jobs are paid time and one-half for work in excess of 40 hours per week and provides for the payment of liquidated damages where violations occur. The Act also addresses safe and healthy working conditions.

## **CONTRACTING AND PROCUREMENT**

It will comply with all applicable procurement standards detailed in the HOME Administration Manual, including general procurement requirements, procurement of services, procurement by small purchase procedure, and construction bidding and contracting.

It will not award or use HOME funds to directly or indirectly employ, award contracts to, or otherwise engage the services of any contractor during any period of debarment, suspension, or placement of ineligibility status.

It will require that all participants in lower-tier transactions (i.e., subcontractors) will comply with all requirements contained in 24 CFR Part 24, *Government Debarment and Suspension and Governmentwide Requirements for Drug-Free Workplace (Grants)*, which requires such parties to certify that they are not debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from the covered transaction.

## **LEGAL AUTHORITY**

It possesses legal authority to apply for the grant and to execute the proposed project under Montana law and, if selected to receive a HOME Investment Partnership Program Grant, will make all efforts necessary to assure timely and effective implementation of the project activities described in the attached application.

## **LOBBYING**

It certifies that:

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, *Disclosure Form to Report Lobbying*, in accordance with its instructions.

The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### **POLITICAL ACTIVITY**

It will comply with the Hatch Act (5 U.S.C. 1501, *et seq.*; 5 CFR Part 151, *Political Activity of State or Local Officers or Employees*) which restricts the political activity of individuals principally employed by a state or local agency in connection with a program financed in whole or in part by federal loans or grants. An affected employee may not be a candidate for public office in a partisan election.

### **CONFLICT OF INTEREST**

It will comply with the provisions of 24 CFR §92.356, *Conflict of Interest*, and with sections 2-2-125, 2-2-201, 7-3-4367, 7-5-2106, and 7-5-4109, MCA (as applicable) regarding the code of ethics and the avoidance of conflict of interest. If a person is an employee, agent, consultant, officer, elected official or appointed official, or is a state recipient or subrecipient of HOME funds and has HOME-related responsibilities or access to inside information, that person may not obtain a financial benefit or interest from any HOME activity for themselves or those with whom they have family or business ties during their tenure or for one year thereafter.

### **ENVIRONMENTAL REQUIREMENTS**

#### **Air Quality**

It will comply with the Clean Air Act (42 U.S.C. 7401, *et seq.*) which prohibits engaging in, supporting in any way or providing financial assistance for, licensing or permitting, or approving any activity which does not conform to the state implementation plan for national primary and secondary ambient air quality standards.

#### **Environmental Impact**

It will comply with:

Subpart H of the National Affordable Housing Act of 1990 with regard to the environmental impact of HOME-funded activities (24 CFR §92.352, *Environmental Review*.) This section expresses the intent that "the policies of the National Environmental Policy Act of 1969 and other provisions of law which further the purposes of such Act be most effectively implemented in connection with the expenditure of funds under" the Act. Such other provisions of law which further the purpose of the National Environmental Policy Act of 1969 are specified in regulations issued pursuant to Section 104(f) of the Act and contained in 24 CFR Part 58,

*Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities; and*

The National Environmental Policy Act of 1969 (42 U.S.C. Section 4321, *et seq.* and 24 CFR Part 58, *Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities*). The purpose of this Act is to attain the widest use of the environment without degradation, risk to health or safety or other undesirable and unintended consequences. Environmental review procedures are a necessary part of this process. These requirements are substantially the same as those for the Rental Rehabilitation Program, except that reviews for new construction and substantial rehabilitation activities may require substantially more detail. Pursuant to these provisions, the grantee must also submit environmental certifications to the Department of Commerce when requesting that funds be released for the project. The grantee must certify that the proposed project will not significantly impact the environment and that it has fulfilled its obligations to give public notice of the funding request, environmental findings and compliance performance. Special issues relating to environmental responsibility for HOME projects include:

- Guidelines concerning floodplains and wetlands in new construction (see related section in this document).
- All requirements outlined in 24 CFR Part 35, *Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property*, which contains the regulations implementing the Lead-Based Paint Poisoning Prevention Act; as well as the new guidelines prepared by HUD to address such new issues as control and clean-up of lead dust and lead hazards associated with abatement activities.
- Disposal of lead-filled filters, lead-painted debris, and clean-up and shower water containing lead.
- Handling and disposal of asbestos.
- Noise abatement in new construction.

Its chief executive officer or other officer of applicant approved by the state:

- Consents to assume the status of responsible federal official under the National Environmental Policy Act of 1969 (NEPA) and other provisions of federal law, as specified in 24 CFR Part 5858, *Environmental Review Procedures for Entities Assuming HUD Environmental Responsibilities*, which further the purposes of NEPA, insofar as the provisions of such federal law apply to the HOME Investment Partnership Program.
- Is authorized and consents on behalf of the applicant and himself to accept the jurisdiction of the federal courts for the purpose of enforcement of his responsibilities as such an official.

It acknowledges that all necessary environmental reviews must be completed, and Requests for Release of Funds (RROF) completed and approved for submission to HUD before HOME funds will be committed.

## **EPA List of Violating Facilities**

It will ensure that the facilities under its ownership, lease or supervision which shall be utilized in the accomplishment of the program are not listed on the U.S. Environmental Protection Agency's (EPA) List of Violating Facilities and that it will notify the Department of Commerce of the receipt of any communication from the EPA Office of Federal Activities indicating that a facility to be used in the project is under consideration for listing by EPA.

## **Farmlands Protection**

It will comply with the Farmlands Protection Policy Act of 1981 (7 U.S.C. 4202, et seq.) and any applicable regulations (7 CFR Part 658, *Farmland Protection Policy Act*) which established compliance procedures for any federally-assisted project which will convert farmlands designated as prime, unique or statewide or locally important to non-agricultural uses.

## **Floodplain Management and Wetlands Protection**

It will comply with:

The Flood Disaster Protection Act of 1973, Public Law 93-234, 87 Stat. 975, approved December 31, 1973. Section 102(a) required that, on and after March 2, 1974, the purchase of flood insurance in communities where such insurance is available, and participation by the community in the National Flood Insurance Program, as conditions for the receipt of any federal financial assistance for construction or acquisition purposes for use in any area that has been identified by the Secretary of the Department of Housing and Urban Development as an area having special flood hazards. The phrase "federal financial assistance" includes any form of loan, grant, guaranty, insurance payment, rebate, subsidy, disaster assistance loan or grant, or any other form of direct or indirect federal assistance.

Executive Order 11988, May 24, 1978: Floodplain Management (42 F.R. 26951, et seq.). The intent of this Executive Order is to (1) avoid, to the extent possible, adverse impacts associated with the occupancy and modification of floodplains; and (2) avoid direct or indirect support of floodplain development wherever there is a practical alternative. If a grantee proposes to conduct, support or allow an action to be located in the floodplain, the grantee must consider alternatives to avoid adverse effects and incompatible involvement in the floodplains. If siting in a floodplain is the only practical alternative, the grantee must, prior to taking any action: (1) design or modify its actions in order to minimize a potential harm to the floodplain; and (2) prepare and circulate a notice containing an explanation of why the action is proposed to be located in a floodplain.

Executive Order 11990, May 24, 1977: Protection of Wetlands (42 F.R. 26961, et seq.). The intent of this Executive Order is to avoid adverse impacts associated with the destruction or modification of wetlands and direct or indirect support of new



construction in wetlands, wherever there is a practical alternative. The grantee must avoid undertaking or providing assistance for new construction located in wetlands unless there is no practical alternative to such construction and the proposed action includes all practical measures to minimize harm to wetlands which may result from such use.

### **Noise, Facility Siting**

It will comply with HUD Environmental Standards (24 CFR Part 51, Environmental Criteria and Standards and 44 F.R. 40860-40866, July 12, 1979) which prohibit HUD support for most new construction of noise-sensitive uses is prohibited in general for projects with unacceptable noise exposures is discouraged for projects with normally unacceptable noise exposure. Additionally, projects may not be located near facilities handling materials of an explosive or hazardous nature, or in airport clear zones.

### **Solid Waste**

It will comply with 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 purpose of this Act is to promote the protection of health and the environment and to conserve valuable material and energy resources.

### **Water Quality**

It will comply with:

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)), which is intended to protect underground sources of water. No commitment for federal financial assistance can be entered into for any project which the U.S. Environmental Protection Agency determines may contaminate an aquifer which is the sole or principal drinking water source for an area.

The Federal Water Pollution Control Act of 1972, as amended, including the Clear Water Act of 1977, Public Law 92-212 (33 U.S.C. Section 1251, et seq.), which provides for the restoration and maintenance of the chemical, physical and biological integrity of the nation's water.

### **Wildlife**

It will comply with:

The Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.). The intent of this Act is to ensure that all federally-assisted projects seek to preserve endangered or threatened species. Federally authorized and funded projects must not jeopardize the continued existence of endangered and threatened species or result in the destruction or modification of habitat of species or such species which is

determined by the U.S. Department of the Interior, after consultation with the state, to be critical.

The Fish and Wildlife Coordination Act of 1958, as amended (U.S.C. 661 et seq.). The purpose of this Act is to preserve selected rivers or sections of rivers in their free-flowing condition, to protect the water quality of such rivers and to fulfill other vital national conservation goals. Federal assistance by loan, grant, license or other mechanism cannot be provided to water resources construction projects that would have a direct and adverse effect on any river included or designated for study or inclusion in the National Wild and Scenic River System.

### **Historic Preservation**

It will comply with:

Section 106 of the National Historic Preservation Act of 1966 (16 U.S.C. 470, as amended) through completion of the procedures outlined in 36 CFR Part 800, *Protection of Historic Properties*, and 36 CFR Part 63, *Determinations of Eligibility for Inclusion in the National Register of Historic Places*. Compliance with these procedures should include:

Consulting with the State Historic Preservation Office (SHPO) to identify properties listed in or eligible for inclusion in the National Register of Historic Places that exist with a proposed HOME project's area of potential environmental impact, and/or to determine the need for professional archaeological, historical, or architectural inventory of potentially affected properties to determine whether they would qualify for register listing.

Consulting, as needed, with the SHPO, Keeper of the National Register of Historic Places, and the Advisory Council on Historic Preservation to evaluate the significance of historic or prehistoric properties which could be affected by HOME work and to determine how to avoid or mitigate adverse effects to significant properties from project work.

### **Lead-Based Paint**

It will comply with Title IV of the Lead-based Paint Poisoning Prevention Act (42 U.S.C. 4821 et seq. and 24 CFR Part 35, *Disclosure of Known Lead-Based Paint and/or Lead-Based Paint Hazards Upon Sale or Lease of Residential Property*), which prohibits the use of lead-based paint in residential structures constructed or rehabilitated with federal assistance of any kind. The lead-based paint provisions of 24 CFR §982.401(j), *Housing Quality Standards (HQS)/Lead-based Paint Performance Requirement*, also apply, irrespective of the applicable property standard under 24 CFR §92.251, *Property Standards*. In a project in which not all units are assisted with HOME funds, the lead-based paint requirements apply to all units and common areas in the project. Unless otherwise provided, the participating jurisdiction is responsible for testing and abatement activities.

\_\_\_\_\_  
**Original Signature** (of Chief Elected Official *for local government Applicants*, or Executive Officer *for CHDO or PHA Applicants*)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Typed or Printed Name

\_\_\_\_\_  
Typed or Printed Title

Attested: \_\_\_\_\_