

CITY OF GASTONIA CDBG-R SUBSTANTIAL AMENDMENT 2008 – 2009 ANNUAL ACTION PLAN

The American Recovery and Reinvestment Act of 2009 ("Recovery Act") was signed into law by President Obama on February 17, 2009. The Recovery Act awards \$1 billion in CDBG Recovery (CDBG-R) funds to be distributed to cities, counties, insular areas and states, of which \$10 million has been reserved by HUD for its administrative costs and \$10 million of which will be awarded to Indian tribes. Recipients of the remaining \$980 million of CDBG-R funds will be the approximately 1,200 jurisdictions that received CDBG funding in Fiscal Year 2008. This template sets forth the suggested format for grantees receiving funds from CDBG-R. A complete submission contains the information requested below, including:

- (1) The CDBG-R Substantial Amendment (template attached below)
- (2) Spreadsheet for Reporting Proposed CDBG-R Activities (see <http://www.hud.gov/recovery>)
- (3) Signed and Dated Certifications (see <http://www.hud.gov/recovery>)
- (4) Signed and Dated [SF-424](#).

Grantees should also attach a completed CDBG-R Substantial Amendment Checklist to ensure completeness and efficiency of review (attached below).

THE CDBG-R SUBSTANTIAL AMENDMENT

Jurisdiction(s): <u>City of Gastonia</u>	CDBG-R Contact Person: Annie Thombs
Jurisdiction Web Address: www.cityofgastonia.com	Address: 181 S. South Street, Suite 206 Gastonia, NC 28052
<ul style="list-style-type: none"><i>(URL where CDBG-R Substantial Amendment materials are posted)</i>	Telephone: (704) 866-6752
	Fax: (704) 866-6067
	Email: anniet@cityofgastonia.com

ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation’s infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD’s recovery website at <http://www.hud.gov/recovery>.

CDBG-R
ACTIVITY DATA SPREADSHEET

Jurisdiction/Grantee Name: CITY OF GASTONIA		CDBG-R Formula Grant Amount: \$171,503				Date: May 21, 2009	
Activity Name	Activity Description	Eligibility (Regulatory or HCDA Citation)	National Objective Citation	CDBG-R Project Budget (\$)	Additional Recovery Funds (\$)	Other Leveraged Funding (\$)	Total Activity Budget
Homeowner Energy Efficiency Assistance Program	Financial Assistance to improve the energy efficiency of housing occupied by very low income households 30 housing units	570.202 (a)(1) & (b) (4) (5)	LMH	120,052	-0-	-0-	\$120,052
Construction of housing by Community Based Development Organization (CDBO)	Infill new construction single-family housing unit for homeownership 1 housing unit	570.201 (m) & 570.204	SBA	51,451	-0-	70,000	\$121,451
TOTAL	31 Housing units			171,503		70,000	\$241,503

B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)

- (1) Activity Name: Energy Efficiency Improvements
Homeowner Energy Efficiency Assistance Program (H.E.E.A.P)

- (2) Activity Narrative:

In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

Response:

The Homeowner Energy Efficiency Assistance Program (H.E.E.A.P) will provide improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, air sealing, and conversion, modification, or replacement of heating and cooling equipment, improvements to increase the efficient use of water through such means as water savings faucets and shower heads and repair of water leaks. The H.E.E.A.P program maximizes job creation and economic benefit by providing construction jobs during a time when the construction industry has been dealt a severe blow by the housing crisis. Many construction trades and suppliers will realize economic recovery from the impact of energy improvements being made to approximately thirty (30) housing units. Both general and small contractors will be able to bid jobs that will sustain existing jobs or create new ones which will promote economic recovery. The financial assistance will be in the form of grants for persons 30% of AMI or below; principal-only-loans for persons 31% - 50% of AMI based on ability to pay. Priority will be given to households with incomes 30% of the AMI or below as identified in the Five-year Consolidated Plan. Low-income homeowners will receive long-term economic benefit through:

- Increased comfort and improve home health
- Contribute to a healthier environment
- Reduce greenhouse gas emissions and air contaminants
- Lower energy bills
- Increased home resale values
- Current and future discounts and incentives for mortgages and mortgage insurance
- A cleaner environment for all

Strategic Goal: Provide financial assistance for energy efficiency retrofits to homes

Matrix Code: 14F Energy Efficiency Improvements 570.202

Objective: Increase effectiveness, lower energy bills, improve home health, increased comfort, contribute to a healthier environment and reduce greenhouse gas emissions and air contaminants.

Specific Objective: Improve the quality of decent affordable housing

Proposed Outcome: Increased energy efficiency, reduce energy consumption, create or sustain jobs, and promote economic recovery.

Performance

Measure: Contract to retrofit 30 homeowner housing units

Activity Cost: \$120,052

- (3) **Jobs Created:** (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs).

Response:

The estimated number of full-time jobs created and/or retained: 10

The estimated number of part-time jobs created and/or retained: 15

- (4) **Additional Activity Information:** (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

Response:

The activity will:

- Increase customer awareness, education and participation in energy efficiency and conservation strategies through investments and/or encouraging behavioral changes;
- Perform energy audits to identify cost-effective energy savings measures and education;
- Increased energy efficiency, reduced energy consumption and reduced energy costs;
- Promote green building technologies by use of natural lighting, use a properly sized and energy-efficient heat/cooling system, install high R-value wall and ceiling insulation, minimize the electric loads from lighting, equipment and appliances, select sustainable construction materials and products, minimize wastewater by using ultra low-flush toilets, low-flow shower heads, and other water conserving fixtures.

- (1) **Activity Name:** Construction of housing by Community Based Development Organization (CBDO).

(2) **Activity Narrative:**

In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or

- Fostering energy independence.

Response:

Infill new construction of single-family housing is part of the Highland East Neighborhood Revitalization Strategy Area. Homeownership is an element of neighborhood stability and also a wealth building family asset. The City of Gastonia will use 30% of the CDBG-R funds to build a housing unit for a household with an income above 80% of the area median. Mixed-income neighborhoods are vital for neighborhood stabilization and sustainability. The activity will preserve existing jobs for general contractors and subcontractors as well as suppliers. The construction industry has been greatly affected by the housing downturn and many in the construction trade in Gaston County have been laid off, especially with Gaston County experiencing a high unemployment rate of 15.3%. Long-term benefits of homeownership will be realized by the homeowner and the City as well.

Strategic Goal: Provide mixed-income housing in a NRSA

Matrix Code: 12 Construction of housing 570.201(m); 570.204

Specific Objective: Preserve/create jobs and promote economic recovery

Proposed Outcome: Fostering energy independence and provide long-term economic benefit

Performance

Measure: Construction of 1 housing unit guided by LEED principles

CDBG-R Activity

Cost: \$51,451

- (3) Jobs Created: (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

Response:

The estimated number of full-time jobs created and/or retained: 10

The estimated number of part-time jobs created and/or retained: 8

- (4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

Response:

The architectural design of the housing unit will be guided by Leadership in Energy and Environmental Design (LEED) principles to create the greenest home model possible.

- (5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

Response:

City of Gastonia Community Development Division

181 S. South Street, Suite 206

City Hall

Annie C. Thombs

Community Development Administrator

(704) 866-6752

(704) 866-6067 (Fax)

anniet@cityofgastonia.com

Planning and Administration: No CDBG-R funds will be spent on planning or administration.

Public Services: No CDBG-R funds will be spent on public services

Low/Mod Benefit: Total CDBG-R Funds: \$171,503

70% of CDBG-R funds will benefit persons up to 50% of area median: \$120,052

30% of CDBG-R funds will benefit 1 household above 80% of area median in a Neighborhood Revitalization Strategy Area: \$51,451

C. PUBLIC COMMENT

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

Note: A Proposed CDBG-R Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 7 calendar days for public comment.

Response: No public comments were received during the seven day public comment period.

PUBLIC NOTICE

**CITY OF GASTONIA
COMMUNITY DEVELOPMENT BLOCK GRANT – RECOVERY FUNDS (CDBG-R)
AMENDMENT TO 2008-2009 ANNUAL ACTION PLAN
AND
SEVEN-DAY COMMENT PERIOD**

The Recovery Act appropriated \$1 billion in Community Development Block Grant (CDBG) funds to states and local governments to carry out, on an expedited basis, eligible activities under the CDBG program. The City of Gastonia has been allocated \$171,503 in CDBG-R program funds.

Pursuant to Recovery Act provisions, HUD is treating CDBG-R funds as a special allocation of CDBG funding and requiring grantees to provide a substantial amendment to its current approved Consolidated Plan and 2008-2009 Annual Action Plan. The substantial amendment will expedite the distribution of CDBG-R funds, while ensuring citizen participation on the specific use of funds.

ACTION: Notice is hereby given that the CDBG-R Substantial Amendment will be available for public review and comment on Tuesday, May 26, 2009.

AVAILABILITY OF REVIEW MATERIALS: Copies of the CDBG-R Substantial Amendment to the 2008-2009 Annual Action Plan will be available on the web sites of the City

of Gastonia (www.cityofgastonia.com) on **May 22, 2009**. Copies are also available by request from the City of Gastonia, Community Development Division and will be distributed to the Reference Section of the Gaston County Library and all City Recreation Centers; contact Annie Thombs at (704) 866-6752 to receive a copy.

COMMENT PERIOD: Written comments will be accepted until **9:00 a.m. Wednesday, June 3, 2009** and may be made via email (anniet@cityofgastonia.com), fax (704) 866-6067, or mailed to Annie C. Thombs, City of Gastonia Community Development Division, P.O. Box 1748, Gastonia, NC 28053 or call (704) 866-6752.

CDBG-R Substantial Amendment Grantee Checklist

For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the CDBG-R Substantial Amendment, Spreadsheet for Reporting Proposed CDBG-R Activities, and SF-424.

Contents of a CDBG-R Action Plan Substantial Amendment

Jurisdiction(s): <u>CITY OF GASTONIA</u> Lead Agency Jurisdiction Web Address: www.cityofgastonia.com <i>(URL where CDBG-R Substantial Amendment materials are posted)</i>	CDBG-R Contact Person: Annie Thombs Address: 181 S. South Street P.O. Box 1748 Gastonia, NC 28053 Telephone: (704) 866-6752 Fax: (704) 866-6067 Email: anniet@cityofgastonia.com

The elements in the substantial amendment required for the CDBG recovery funds are:

A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES

Does the submission contain a paper copy of the Spreadsheet for Reporting Proposed CDBG-R Activities?

Yes No Verification found on page **3**

Does the submission include an electronic version of the Spreadsheet for Reporting Proposed CDBG-R Activities sent to the email box CDBG-R@hud.gov?

Yes No Date Spreadsheet was emailed: **06/03/09**

Does the Spreadsheet for Reporting Proposed CDBG-R Activities include, for each activity:

- amount of funds budgeted for each activity, including CDBG-R funds, any additional Recovery Funds used and total activity budget,
 Yes No Verification found on page(s) **3**
- the Eligibility citation (eligibility regulatory cite or HCDA cite),
 Yes No Verification found on page(s) **3**
- the CDBG national objective citation,
 Yes No Verification found on page(s) **3**

B. CDBG-R INFORMATION BY ACTIVITY

Does the submission contain information by activity describing how the grantee will use the funds, including:

- a narrative for each activity describing how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit,
Yes No Verification found on page(s) **4 & 5**
- projected number of jobs created for each activity,
Yes No Verification found on page(s) **5 & 6**
- whether an activity will promote energy efficiency and conservation,
Yes No Verification found on page(s) **4,5&6**
- the name, location, and contact information for the entity that will carry out the activity,
Yes No Verification found on page(s) **6**
- evidence that no more than 10% of the grant amount will be spent on administration and planning,
Yes No Verification found on page (s) **7**
- evidence that no more than 15% of the grant amount will be spent on public services,
Yes No Verification found on page (s) **7**
- evidence that at least 70% of the grant amount will benefit persons of low and moderate income,
Yes No Verification found on page (s) **4 & 7**

C. PUBLIC COMMENT PERIOD

Was the proposed action plan amendment published via the jurisdiction’s usual methods and on the Internet for no less than 7 calendar days of public comment?

Yes No . Verification found on page(s) **8a**

Is there a summary of citizen comments included in the final amendment?

Yes No Verification found on page(s) **8**

D. CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|---|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-displacement and relocation plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Drug-free Workplace | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Anti-lobbying | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Authority of jurisdiction | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (6) Consistency with plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (7) Section 3 | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

- | | | |
|--|---|--|
| (8) Community development plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (9) Following a plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use of Funds | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (11) Excessive Force | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (12) Compliance with anti-discrimination laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (13) Lead-based paint procedures | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with laws | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (15) Compliance with ARRA | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (16) Project selection | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (17) Timeliness of infrastructure investments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (18) Buy American provision | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (19) Appropriate use of funds for infrastructure investments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (20) 70% of CDBG-R for LMI | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
|
Optional Certification | | |
| (21) Urgent Need | Yes <input type="checkbox"/> | No <input checked="" type="checkbox"/> |

D. STATE CERTIFICATIONS

The following certifications are complete and accurate:

- | | | |
|--|------------------------------|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-displacement and relocation plan | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (3) Drug-free Workplace | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (4) Anti-lobbying | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (5) Authority of State | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (6) Consistency with plan | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (7) Section 3 | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (8) Community development plan | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (9) Consultation with Local Governments | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use of Funds | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (11) Excessive Force | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (12) Compliance with anti-discrimination laws | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with laws | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with ARRA | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (15) Project selection | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (16) Timeliness of infrastructure investments | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (17) Buy American provision | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (18) Appropriate use of funds for infrastructure investments | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (19) 70% of CDBG-R for LMI | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
|
Optional Certification | | |
| (20) Urgent Need | Yes <input type="checkbox"/> | No <input type="checkbox"/> |