

**Proposal Application INSTRUCTIONS for Applying For Funding Under The
2010 City Of Atlanta Consolidated Plan Programs:
Community Development Block Grant (CDBG), Emergency Shelter Grant (ESG),
Home Investment Partnership (HOME)**

APPLICATIONS ARE DUE NO LATER THAN 4:00 PM ON THURSDAY, MAY 14, 2009

**All applications must be submitted to the Grants Management Office,
Suite 15100, 68 Mitchell Street, SW, Atlanta, GA 30303.**

The application form is available online at the Web site of the
Metro Atlanta Tri-Jurisdictional Collaborative on Homeless, at the link below:

<http://www.tri-j.net/>

Click on Funding Opportunities, 2010 City of Atlanta Consolidated Plan Program

Opening the Microsoft Word files. If Instructions do not open correctly, go to File menu, Page Setup, and set margins to Top .8, Bottom .8, Left .75, Right .63. If proposal ranking form does not open correctly, set all margins to .5. If applications do not open correctly, set margins to Top .9, Bottom .9, Left 1, Right 1.2.

This package provides information about program requirements, policies, and the application process for funds provided to the City of Atlanta under the U.S. Department of Housing and Urban Development (HUD) Consolidated Plan programs. The Consolidated Plan, which covers the years from 2010-2014, sets priorities for the expenditure of HUD program funds through the year 2010.

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Attachments:

Ranking Form, CDIA Map (*map not included in online version*)

I. Pre-Qualification Criteria for New Applicants

Before proceeding to complete the New Projects application form, please review the Pre-Qualification Criteria for New Applicants listed below. DO NOT SUBMIT AN APPLICATION IF YOU CANNOT MEET ALL OF THE PRE-QUALIFICATIONS.

1. Agency must have had 501(c)(3) non-profit status *at least 2 full years* or have *2 full years* of operating experience under another non-profit entity that meets this criteria.
2. Agency must have an audit or audited financial statement that was completed within past 18 months.
3. Agency must have written financial and grants management procedures.
4. Agency must have at least 12 months of experience that is similar or related to the activities for which funding is being requested from City.
5. Agency must have its incorporation recognized by GA Secretary of State's office; corporation must be in good standing.

Government agencies proposing to serve City of Atlanta residents are *not* required to meet these criteria.

II. Pre-Qualification Criteria for Applicants Currently Receiving Funding

Applicants whose project(s) were approved for funding under these programs in the 2009 contract year must meet the following additional pre-qualification criteria at the time of application in order to qualify for funding consideration of a proposed new project and/or continuation project:

1. Agency must be in compliance with all terms of its previous year's contract agreement.
2. Agency must not have any significant outstanding HUD or City monitoring findings.

III. Pre-Qualification Criteria for Human Services Organization Applying for Public Services and/or Capital Projects to Acquire, Construct, or Improve Service Facilities, including Shelters, Transitional Housing, and Permanent Supportive Housing for Homeless or Special-Needs

Non-profit organizations applying for public services (social services including homeless services) and for capital projects for service facilities or homeless/special-needs housing, must meet the Fulton County Human Services Department's Basic Standards for Non-Profit Organizations. The City is joining Fulton County in implementing consistent performance standards for agencies delivering social services, to provide for more effective service.

Agencies that are current recipients of funding from Fulton County Human Services should attach a copy of their Basic Standards Certificate of Completion from Fulton County to their City application.

Applicants that do not currently receive Fulton County Human Services funding are requested to fill out the "Basic Standards" questionnaire, found at the link, and attach the completed questionnaire to their City application: <http://www.fultonhumanservices.org/PDF/2005%20HSD%20Basic%20Standards%20Booklet.pdf> (Please note that this pdf document cannot be "saved" or "saved as..." An agency can enter its information in the online version, then print before closing the file online, or an agency can print a blank version and fill in by hand or typewriter.)

IV. Eligible Applicants Who May Apply

The City accepts proposals from any source, including agencies, governmental entities, civic groups, and individual citizens. However, only certain types of applicants may be designated as *grant* recipients. These include governmental agencies within the City of Atlanta and private *non-profit* organizations serving the City of Atlanta.

Requests for individual assistance, either as a homeowner or for a business, should not be made on this Application Form; but instead as follows:

Individual homeowners needing housing assistance - call the Bureau of Housing at 404-330-6390 for direct assistance or information.

Individual for-profit businesses needing development assistance – call the Atlanta Development Authority at 404-880-4100.

Individual for-profit housing developers – call the Atlanta Development Authority at 404-880-4100.

CHDOs requesting operating grants – call the Bureau of Housing at 404-330-6390.

V. Anticipated Funding Available for 2010

The City of Atlanta requires the completion of either the New Projects or the Continuing Projects application form for grants under any of the four programs below. These annual grants are received by the City, from HUD, under its Consolidated Plan grant programs, and their primary purposes are:

Community Development Block Grant (CDBG) – to provide housing, improve living conditions, improve community facilities, and expand economic opportunities, principally for low and moderate-income persons.

The City anticipates roughly \$10 million or less from CDBG in 2010. The availability of CDBG funds, the largest funding source in this proposal process, is contingent upon final federal action on the FY2010 budget. From 2006 to 2008, the City of Atlanta has sustained a roughly 15% cut in its CDBG allocation but the cut was restored in 2009. Allocations may continue to vary.

Home Investments Partnerships Program (HOME) – to expand the supply of decent, safe, sanitary and affordable housing with primary attention to rental housing for very low-income families, and to strengthen the City's ability to assist the financing and development of low and very-low income housing. Housing units must be produced. The City anticipates roughly \$3 million in 2010.

Emergency Shelter Grant (ESG) – to provide safe, sanitary shelter and supportive services for the homeless. The City's ESG funding dropped over 10% from 2007 to 2009; the City anticipates roughly \$370,000 in 2010.

Under the City's consolidated application process, applicants do not specify the funding source for which they are applying. The City will determine which fund is the best fit for the proposed project.

VI. The Consolidated Plan Priorities

The major focus of the Consolidated Plan grant programs is affordable housing, homeless assistance, and improving low-income and moderate-income areas. Funding priorities for the four grant programs are included in the City's Consolidated Plan. The priorities adopted in the Plan are:

Affordable Housing:

- Improve the existing housing stock.
- Support the development of new affordable housing.
- Support housing options for very low-income households and seniors.
- Support housing options for disabled, including permanent, supportive housing.
- Support neighborhood preservation and development.
- Assist low/moderate-income households with homeownership through down payment assistance and second mortgage subsidies.
- Support programs to lower residential lead-based paint hazards.
- Support homebuyer education.

Homeless Services and Facilities:

- Support emergency and transitional residential programs.
- Support programs for homeless families and children.
- Support services that enable homeless to attain stability.
- Support capital projects that create or enhance treatment options.
- Support sheltering and service options for difficult to serve chronic homeless.
- Give priority funding consideration to homeless programs that incorporate aftercare services.

Economic Development:

- Support revitalization of commercial areas that serve low/moderate-income areas.
- Support small, minority and female-owned businesses and micro-enterprises.
- Support programs to create permanent, private-sector jobs for low-moderate-income persons.

Environmental/Community Facilities:

- Create/expand community facility/infrastructure in underserved low/moderate-income areas.
- Address serious problems/deficiencies in existing City infrastructure/facilities.
- Reduce air/noise pollution or other environmental nuisances.
- Address significant health and safety problems.
- Preserve publicly-used and historically significant structures that serve low/moderate-income persons or remove slum/blight conditions.

Public Services:

- Support homeless prevention services to enable low/moderate-income people to retain their housing.
- Support programs that enable low/moderate income people obtain affordable housing.
- Support programs to enable seniors and those at risk of homelessness or unnecessary/premature institutionalization to remain in their homes and remain part of their community.
- Support programs to enable persons with special needs to obtain/retain affordable housing.

Note that CDBG has a federal cap on funding for "public services" which includes social services and homeless services. Service support is always the most competitive area of CDBG funding. Because of the competitiveness of this funding category, it is probable that only the services supporting the top priorities of homeless assistance and affordable housing will be recommended.

Special Needs:

- Support removal of barriers to increase accessibility for persons with disabilities.

VII. The Proposal Review Schedule and Process

March through mid-May: Application packages available in March. Completed applications for YR2010 funding must be received by the City of Atlanta *no later than 4:00 PM on Thursday, May 14, 2010*.

March 30, 2009, Public Hearing: The hearing is an open session from 12:00 noon – 2:00 p.m., at Committee Room 1, 2nd floor, 55 Trinity Street, Atlanta, GA, 30335. Workshop/information on program performance, grant requirements, application process, and Question/Answer period.

Mid-May through early September: Applications are reviewed and evaluated from mid-May through the summer months. All applications are shared with citizens and Neighborhood Planning Units, reviewed by City departments, and evaluated on a number of factors including eligibility, feasibility, zoning, impact, implementation timing and concerns, and Consolidated Plan priorities.

During the review period, applicants may be asked to provide additional information or clarification on their proposals as needed. All organizations, whether or not they have previously received funding under these programs, are subject to on-site reviews of agency records during the proposal process.

Proposals are evaluated and ranked using the City's proposal ranking form. Recommended projects and funding levels are then determined by the Executive Branch, which transmits these recommendations to the Community Development/Human Resources Committee of the Atlanta City Council.

The City uses a category-specific Ranking Form based on the priorities included in the Five Year Consolidated Plan. The ranking categories are housing, homeless facilities, economic development, environmental/community facilities, public services, accessibility for the disabled, and planning. The draft ranking form for 2010 is attached at the end of this instruction package.

Early September through October: The Community Development/Human Resources Committee holds a public hearing on the proposed program. This *public hearing is scheduled for October 12, 2009*, in the City Council Chambers at 6:00 p.m. The Committee recommends action to the full Council, which adopts the program and any Council changes in October or early November. The written Annual Action Plan for 2009, incorporating the Council changes, if any, is then finalized.

Mid-November through December: The Annual Action Plan is submitted by November 15 to HUD, which then conducts its own review and issues program approval.

January 2009: Program officially begins, but funding from HUD may not actually be available to the City (Grant Award) until sometime between March and June 2010. Funds are not available to grantees until after the City receives the Grant Award and the funds are appropriated by City Council.

VIII. Application Submission Instructions

A. Application Availability

Download electronic files from one of the Websites listed below (preferred). Applications can also be emailed to applicants upon request to asewell@atlantaga.gov. These are Microsoft Word files. To obtain a paper copy of an application form, contact Grants Management at 404-330-6112 or pick up an application form at the Grants Management Office, City Hall Tower, 68 Mitchell Street, SW, Suite 15100, Atlanta, Georgia 30335, between the hours of 9:00 a.m. and 5:00 p.m.

The application form is also available on the Website of the Tri-Jurisdictional Collaborative on Homelessness. Click on Funding Opportunities, 2010 City of Atlanta Consolidated Plan Program, at: <http://www.tri-j.net/>

City of Atlanta Grants Management staff is available to provide technical assistance on how to complete an application. Call 404-330-6112, Monday through Thursday, 8:00am - 6:00pm.

B. Application Forms

- The New Project Application Form is to be used for those projects that have *not* been funded from these grant programs during the current calendar year, *and* for all projects proposing housing or economic development activities *including currently funded projects in these areas*. (The instructions in this information package apply primarily to applicants using the New Projects application form.)

The New Projects application has different narrative sections. All applicants should complete Section I, Section II, and Section III of the application form. Then Section IV has 5 different versions, which vary depending upon the type of project being proposed. Be sure that you complete the *correct version*, and *only* the correct version, of Section IV.

The New Projects application also has 2 different versions of the Section V. budget form. Complete the *correct version or versions*. If you are requesting both operational and capital funds, complete both.

- The Continuing Project Application Form is to be used for those human services and planning projects that are currently receiving funding from CDBG or ESG for the same project. (However, if you are proposing a significant change, such as change in scope of service or different client group to be served, you should use the New Project Application Form. Contact Grants Management if you are in doubt as to which form to use.) Any project proposing to produce new housing units is considered a new project.

C. Submission Requirements

Separate Applications for Different Types of Projects: Requests for funding in more than one major funding category (e.g. affordable housing, economic development) should be submitted on *separate* application forms. If a significant new component is being requested for a currently-funded project, the new component may require a separate application on the New Project form. It is important to separate match funding as well as budget and programmatic aspects of proposals. It is recommended that you talk to Grants Management to make the determination whether a separate application is necessary.

One Application for Capital and Operating Funds at a Single Site: If a new project proposal is requesting funding for property acquisition/development and also for the facility/program operations of that *same project site*, these requests may be combined in one application. However, both components must be described clearly, and separate capital and operating budgets must be provided. Documentation of separate match must be provided for each component.

If the sponsoring organization (i.e., grant subrecipient) for the development component is different from the sponsoring organization for the operations, then *each sponsor organization must complete a separate application*. In this case, describe the relationship between the two proposals in the application.

D. Project Outcomes

When applicable, for example for social service projects, the City reviews project performance in terms of the impact on clients/beneficiaries. The application forms contain a section for your use in explaining your anticipated project Outcomes. Describe the major Outcomes of this project, what Tasks (agency activities) are necessary to realize the desired Outcomes, and how the Outcomes will be measured.

E. Application Copies

A checklist is provided as Section II of both the New Projects Application and the Continuing Projects Application. The checklist tells you how many copies of each required item to provide. One signed original and 4 additional signed copies of the completed application narrative and budget are to be submitted, but only 2 copies of each attachment are needed. Please do *not* bind your application or insert divider pages.

F. Audit/Financial Statements

Applicant must provide its most recent agency audit (not older than 2007) or financial statement *with management letter*, if any. These audits/financial statements may be bound.

G. Implementation Timetable

The City is required to expend CDBG dollars in a timely manner. Each year, HUD evaluates the City's expenditures on November 1. If a jurisdiction has more than 1.5 times its annual grant amount unspent by this date, the jurisdiction's grant program risks having sanctions imposed by HUD.

All applicants should apply for only those funds that can be *fully expended* within a 12-month period from date of receipt, which may require phasing some larger projects. The application should document experience and capacity to implement the activities expeditiously. The City intends to fund projects that are ready for implementation and can be fully expended in no more than 12 months from the time that HUD funds are received. Projects that cannot expend City funds within this timeframe should be phased or should seek City funding at a later time, when other components are completed.

H. Incomplete Applications

Incomplete applications may not be reviewed or may be penalized. The City of Atlanta is not obligated to pursue missing information or to consider supplemental materials that are provided after the application deadline. Therefore, applicants should ensure that their applications are on time, complete, and ready for review and ranking at time of submittal.

IX. The Citizen Review Process

All qualified applications, narrative portions and budgets, are made available for citizen review, and citizen input is incorporated into the evaluation process. All aspects of an application, including attachments, are potentially subject to public review, with the exception of your Board of Directors' home/office addresses and your financial audit, which are not shared.

Proposals for *site-specific* activities will be shared with the affected NPUs, and proposals for activities *serving up to 5 NPUs* will also be shared with affected NPUs. The applicant will be scheduled to appear at one or more monthly NPU meetings at which the title and description from the first page of the application will be placed on applicable NPU agendas. Applicants will receive an "NPU Notice To Appear" from the City's NPU Coordinator detailing the scheduled time and location at which to appear before an NPU. Applicants should be aware that failure to meet with the NPU could result in a negative recommendation, which will factor into the overall ranking of the project.

For *Citywide proposals, projects serving 6 or more NPUs, and continuing projects*, NPUs will receive a brief descriptive summary. For these proposals, any NPU may request to review the full proposals at the Bureau of Planning. At the request of an NPU, the Bureau of Planning may also schedule a citywide or continuing applicant to appear before an NPU.

X Other City/Federal Requirements

When funding is awarded to non-profit organizations, the City must enter into a written, contractual agreement before receipt of funding and before activities can begin. The agreement spells out the purpose, scope of work to be undertaken, the budget, timetable, outcomes to be accomplished, and reporting requirements.

Other standard City/federal requirements in the agreement include:

- Applicable rules, regulations, and laws to be followed
(For example, acquisition of property must follow rules of the Uniform Acquisition and Relocation Act; housing rehabilitation must follow Fire Protection and Safety Standards; construction over certain dollar levels (varies by grant) must follow Davis Bacon Act and pay federal wage rates)
- Maintenance of records/audit requirements
- Procurement standards (competitive) for subcontracted work to third parties
- Property management and inventory controls
- Conflict of interest (prohibiting members, officers, employees from personal gains)
- Publicity requirements to credit the City and HUD for funding
- Written procedure requirements for finances, personnel policies, service policies, etc.
- Offering employment opportunities to low income City residents
- Equal employment opportunity policies
- Minority and female business enterprise participation goals for subcontracted work
- Nondiscrimination under Title VI of the Civil Rights Act of 1964
- Reversion of assets at contract end

Subrecipients must abide by the City policy to prohibit discrimination against any employee or applicant for employment based on race, sex, religion, national origin, age, sexual orientation, or handicap.

All subrecipients must have adequate insurance:

- General liability insurance of \$1 million or more, and/or Commercial Liability Insurance if construction is funded by the City
- Automobile Liability Insurance
- Fidelity Bond/ Crime Insurance (100% of contract)
- Builders Risk Insurance for new construction only
- Performance Bond for all construction
- Professional Liability Insurance (if applicable)

All policies must hold the City harmless and have an endorsement specifically naming the City of Atlanta as additional insured.

Applicants who cannot or will not meet the above requirements should not apply for funding. For further information regarding requirements for contracting with the City for receipt of HUD grant funds, please contact the Office of Grants Management at 440-330-6112.

XI. Commonly Asked Questions

Q. What if I don't meet all of the Pre-Qualification Criteria but hope to be able to meet them before actual funding is provided in the year 2009?

A. Applications that do not meet all of these Criteria *at the time of application* will not be reviewed for funding. Do not submit an application if you do not meet all of the Pre-Qualification Criteria. If you have questions about this area, contact Grants Management at 404-330-6112.

Q. What if I don't have all the information requested on the application?

A. Complete every question in some way. If requested information is not available, state that it is not available, when it will be available, and the problems which prevent the submission of the requested information. Incomplete applications may not be reviewed or may be penalized. The City of Atlanta is not obligated to pursue missing information or to consider supplemental materials that are provided after the application deadline. Therefore, applicants should ensure that their applications are on time, complete, and ready for review and ranking at time of submittal.

Q. Who needs to submit an audit? Can a yearly financial statement be submitted instead?

A. Agencies that have an annual budget and expenses of less than \$100,000 may submit the most recent yearly financial statement prepared by a certified public accountant (no older than 2007), if an independent audit has not been done. For agencies with annual budgets and expenses exceeding \$100,000, a financial statement is *not* an acceptable submission substitute for an audit. Agencies that have an annual budget that exceeds \$100,000 must have an annual independent audit. Applicants that receive more than \$500,000 in federal or federally-derived funding should submit an A-133 audit. The most recent audit should be submitted (no older than 2007 audit), including any Management letters.

Q. When can I submit an application? Do I have to wait for the May 14th deadline?

A. The City of Atlanta accepts applications at any time, but only those applications submitted by the May 14th, 2009, 4:00 PM deadline will be considered in the 2010 annual funding competition. It helps the City in processing the volume of applications received if applications are submitted at least a week or two before May 14th, rather than on the last day.

Q. When will I hear that my application is approved?

A. The City Office of Grants Management will release Executive Branch funding recommendations, to be forwarded to City Council for approval, in September. Every applicant will receive written notification. Letters will also be sent to recommended applicants informing them of Council approval.

Q. How long will my proposal be considered—are all funding decisions made once in the fall?

A. Although all estimated 2010 funding will be recommended to Council in the fall, the City may be awarded differing amounts early in 2010 after Congress passes the federal budget, and the City may have program income or other reprogrammed funding available to award at any time up to the next application cycle. Therefore, all proposals will continue to be held for possible consideration if additional funding should become available at any time.

XII. Community Development Block Grant Program

A. What are the National Objectives of the CDBG Program?

CDBG funding is restricted to activities that meet one of three primary national objectives:

- To benefit low and moderate income persons: Projects under this objective must either directly or primarily benefit low and moderate income City of Atlanta residents (as defined by Section 8 Income Guidelines; see below for families with incomes below 80%, 50% and 30% of the metropolitan area median income) *or* serve low- and moderate-income areas of the City.
- To eliminate slum and blight by directly addressing slum and blight in individual facilities or in State-approved Redevelopment Areas. To determine if you are located in a Redevelopment Area, call the Bureau of Planning at 404-330-6145.
- To meet urgent needs (serious and immediate threat to the health and welfare of the community). This category is rarely used because CDBG funding cannot be made available quickly and serious health and safety concerns must be addressed promptly. The City is *not* soliciting proposals for this category.

2009 HUD Sec. 8 Annual Income By Family Size*	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 or more Persons
Low: Up to 80% of Median	\$40,150	\$45,900	\$51,600	\$57,350	\$61,950	\$66,550	\$71,100	\$75,700
Very Low: Up to 50% of median	\$25,100	\$28,500	\$32,250	\$35,850	\$38,700	\$41,600	\$44,450	\$47,300
Extremely Low: To 30% of median	\$15,050	\$17,200	\$19,350	\$21,500	\$23,200	\$24,950	\$26,650	\$28,400

*As published 3-10-09

B. What Activities Are Eligible for CDBG Funding?

1. Acquisition of real property
2. Disposition of real property acquired with CDBG funds
3. Acquisition, construction, or renovation of public or private facilities, e.g. neighborhood centers, parks, sewers, and street improvements
4. Demolition and clearance
5. Social services and job training and placement activities (federal regulations restrict funding in this category to no more than 15% of the City's entitlement plus program income from the previous year)
6. Interim assistance (snow removal, special clean-up, etc.) in emergency conditions
7. Completion of urban renewal activities (included in approved U.R. plans)
8. Relocation payments and assistance
9. Improvements needed to remove architectural barriers for persons with disabilities
10. Acquisition, construction, installation of utility lines and facilities
11. Assistance with housing constructed or rehabilitated under the Housing Development Grant or Rental Rehabilitation programs
12. Rehabilitation of private or public residential units, including:
 - a. acquisition for the purpose of rehabilitation
 - b. funding labor and/or materials
 - c. refinancing existing debt in conjunction with rehabilitation
 - d. improving energy and water conservation
 - e. connecting housing units to water or sewer lines
 - f. providing support services such as counseling, work write-up, loan processing, inspections
13. New construction of residential rental property for low-income households, up to 50% of total costs
14. Assistance to micro-enterprises
15. Code enforcement

16. Preservation or restoration of historic properties
17. Renovation of closed school buildings for eligible reuse
18. Special Economic Development activities which provide: commercial or industrial improvements carried out by grantee or non-profit subrecipient including acquisition, construction, reconstruction, or construction of commercial or industrial buildings, structures, and other real property equipment and improvements; or assistance to private for-profit entities for any activity determined to be "appropriate" to carry out an economic development project that: 1) creates or retains jobs for low and moderate-income persons; 2) creates or retains businesses owned by community residents; 3) assists businesses that provide goods or services needed by and affordable to low and moderate income residents; and/or 4) provides technical assistance to promote such activities
19. Special activities by a Community Based Development Organization (CBDO) for the purpose of providing neighborhood revitalization, community economic development, or energy conservation. Activities carried out by the following types of organizations:
 - a. Neighborhood-based non-profit organizations
 - b. Section 301 (d) Small Business Investment Companies
 - c. Community Housing Development Corporations (CHDOs)
20. Planning, management, and program administration activities, including fair housing

C. There Are Some Limitations on the Use of CDBG Funds:

1. At least 70% of the grant must be used for activities primarily benefiting low and moderate-income households.
2. No more than 15% of annual grant resources can be spent on "public services", which includes social service, homeless service, and job training programs.
3. No more than 20% of the grant can be spent on program administration costs, which includes planning, management and technical assistance to citizens, and fair housing programs.

D. What Geographic Areas Are Covered by CDBG?

For Low and Moderate Income Benefit: Activities like job training or social services, which provide services directly to a low or moderate-income persons or households, can occur anywhere in the City. Activities such as a new park, which provide benefits to a neighborhood or other geographic area, rather than to individuals, are targeted to the Community Development Impact Area, or CDIA. The CDIA is made up of all areas in which at least 51% of the population has incomes at or below 80% of the Atlanta area median income. (Call the Office of Grants Management at 404-330-6112 if needed to verify an area's geographic eligibility.)

For Slum and Blight Removal: A project can eliminate specific blighting conditions at a single building or site, or in State approved Redevelopment Areas. Call the Bureau of Planning at 404-330-6145 for additional information about Redevelopment Areas.

E. Protection of the Federal Interest in Capital Projects

When CDBG funding is used to acquire, improve or construct facilities, infrastructure, or housing, it is necessary for the City to record a lien in the amount of the funding against the assisted property for a period of five years to guarantee eligible use of the property during that time. For substantial CDBG funding, the City may lengthen the time period beyond the federal five-year period. If for any reason the property is sold during that period, the City shall be reimbursed the amount equal to the current market value of the property less the portion of value attributable to non-CDBG funding.

For additional information about the CDBG Program, call Grants Management at 404-330-6112.

XIII. The Home Investment Partnerships (HOME) Program

A. What are the National Objectives of the HOME Program?

- To provide decent affordable housing to lower-income households.
- To expand the capacity of non-profit housing providers.
- To strengthen the ability of state and local governments to provide housing.
- To leverage private sector participation.

All housing units produced with HOME funds must provide housing assistance to low and moderate-income households, as defined by HUD’s Section 8 Guidelines:

2009 HUD Sec. 8 Annual Income By Family Size*	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 or more Persons
Low: Up to 80% of Median	\$40,150	\$45,900	\$51,600	\$57,350	\$61,950	\$66,550	\$71,100	\$75,700
Very Low: Up to 50% of median	\$25,100	\$28,500	\$32,250	\$35,850	\$38,700	\$41,600	\$44,450	\$47,300
Extremely Low: To 30% of median	\$15,050	\$17,200	\$19,350	\$21,500	\$23,200	\$24,950	\$26,650	\$28,400

*As published 3-10-09

B. What Activities Are Eligible for HOME Funding?

1. Homeowner Rehabilitation: HOME funds may be used to assist existing owner-occupants with the repair, rehabilitation or reconstruction of their homes.
2. Homebuyer Activities: the City may finance the acquisition and/or rehabilitation or new construction of homes for low/moderate income homebuyers.
3. Rental Housing: Affordable rental housing may be acquired and/or rehabilitated or constructed. (See below for details.)
4. Tenant-Based Rental Assistance (TBRA): Financial assistance for rent, security deposits and, under certain conditions, utility deposits may be provided to tenants. Assistance for utility deposits may only be provided in conjunction with a TBRA security deposit or monthly rental assistance program. (See below for details.)

HOME-assisted Rental Units

A maximum subsidy per rental unit will apply, depending on (a) proportion of total project costs, (b) number of units to be subsidized, and (c) the overall financial needs of the project.

The number of HOME-assisted units must be specified at the time of project funding.

All assisted units must be rented to low-income eligible persons, leased for at least 1 year, and leases may not contain certain provisions.

All assisted units must meet/be brought up to local housing code, conform to fair housing regulations, and a portion of the units may be required to be handicapped accessible.

Rents may not exceed specific HUD guidelines for the Atlanta metro area, according to unit size.

Assisted units can only be rented to low-income tenants for 5-20 years, depending on the type of construction and level of HOME investment.

TBRA-Assisted Units

TBRA assistance offers a household the opportunity to choose its neighborhood and type of housing; the assistance “travels” with the individual/family; it is not project-based.

All assisted persons/families must be low-income but at least *90% of those assisted must be at/below 60% local area median income (AMI)*.

TBRA funds may be used for rent, security, and/or utility deposits.

Individuals/families assisted must be from within the City of Atlanta (but rental units may be outside the City of Atlanta).

TBRA requires certain lease requirements, including City/HUD approval to increase rent rates.

Individual assistance is limited to 24 months, unless otherwise approved by the City/HUD.

Assistance may not be used for relocation/displacement, rent in cooperatives, or temporary/emergency shelter.

All rental units must meet local housing code and/or HUD Housing Quality Standards (HQS), including lead-based paint regulations.

C. There Are Some Limitations on the Use of the City's HOME Funds.

1. A minimum of 15% of HOME funding must be set aside for capital projects carried out by Community Housing Development Corporations (CHDOs). Of the 15% set aside, 10% may be used to assist with eligible pre-development activities. To receive designation as a CHDO, contact the Bureau of Housing at 404-330-6390.
2. The HOME Program requires non-federal match funding at 12.5% of annual grant amount. Administrative costs cannot exceed 10% of the annual allocation.
3. Projects must have a written agreement/contract within 24 months and must be completed within 5 years of the City receiving HOME funds.
4. The minimum amount of subsidy per housing unit is \$1,000 and the maximum is calculated using HUD's 221(d)(3) limits, based on number of subsidized units and the total cost of the project.
5. The City Bureau of Housing's cap on the maximum price limit is not to exceed \$252,890 (FY 2007 FHA 203 b limits).
6. A maximum of 5% may be set aside for CHDO operating/capacity building.

D. What Geographic Areas Are Covered by HOME?

A HOME project can occur anywhere within the City of Atlanta but priority funding consideration will be given to HOME activities that occur within the Community Development Impact Area (CDIA). The CDIA is made up of all areas in which at least 51% of the population has incomes at or below 80% of the Atlanta area median income.

E. Keeping HOME-Assisted Units Affordable

To ensure that HOME investments yield affordable housing over the long term, HOME imposes rent and occupancy requirements for all units produced over the length of an affordability period. For homebuyers and rental projects, the length of the affordability period depends on the amount of the HOME investment in the property and the nature of the activity funded. The table below provides the affordability periods.

HOME Investment Per Unit	Length of Affordability Period
Less than \$15,000	5 years
\$15,000-40,000	10 years
More than \$40,000	15 years
New construction of <i>rental</i> housing	20 years
Refinancing of <i>rental</i> housing	15 years

For additional information on HOME, call the Bureau of Housing at 404-330-6390.

XIV. Emergency Shelter Grant Program

A. What is the National Objective of the Emergency Shelter Grant (ESG) Program?

- To provide safe and sanitary shelter and necessary supportive services for the homeless.

B. What Activities Are Eligible for ESG Funding?

1. Renovation, major rehabilitation, or conversion of buildings (but *not* acquisition or new construction) for use as emergency shelters for the homeless.
2. Provision of essential services (up to 30% of grant): services concerned with employment, health, drug abuse and education; may include assistance in obtaining permanent housing, medical and psychological counseling and supervision, employment counseling, nutrition counseling, substance abuse treatment/counseling, assistance in obtaining other Federal, State and local assistance, child care, transportation, job placement, job training, and staff salaries necessary to provide these services. Services must be new or have quantifiably increased from that provided by City funds (other than ESG) during previous 12 calendar months.
3. Operational expenses for temporary housing, including maintenance, operations, insurance, utilities, furnishings, and administration.
4. Activities to prevent homelessness, including emergency financial aid, financial assistance in transitioning into permanent housing, landlord/tenant mediation services, and legal services in eviction proceedings.
5. Expenses of grant administration.

C. There Are Some Limitations on the Use of ESG Funds:

1. No more than 30% of the annual ESG grant may be used for essential services, and no more than 30% of the annual ESG grant may be used for homeless prevention activities.
2. Staff costs (salary, fringe benefits) for shelter operations are limited to 10% of ESG grant.
3. Grant administration expenses are limited to 5% of the grant.

D. What Geographic Areas Are Covered by ESG?

This program is Citywide; however, supportive service programs may make placements of homeless persons/families into shelters, transitional housing, or permanent housing within or outside the City.

E. Protection of the Federal Interest in Capital Projects

When ESG funding is used to acquire or improve homeless facilities or homeless housing, it is necessary for the City to record a lien in the amount of the funding against the assisted property for a period of twenty years to guarantee eligible use of the property during that time. If for any reason the property is sold during that period, the City shall be reimbursed the amount equal to the current market value of the property less the portion of value attributable to non-ESG funding.

Because the required use period is so lengthy for the ESG program, the City discourages the allocation of ESG funding to capital projects.

F. Designation of ESG Projects

Because of strict requirements and caps associated with ESG, the City determines which applicants are eligible for this funding source. Projects not eligible for ESG are considered for CDBG funding.

For additional information about the ESG Program, call Grants Management at 404-330-6112.