



# APPLICATION FOR PROGRAM YEAR 2020 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

Application must be received by the Dakota County Community Development Agency

**NO LATER THAN JANUARY 17, 2020**

For July 1, 2020 – June 30, 2021

## General Information

Applicant Name: City of Northfield	DUNS #: 07648456
Contact Name: Janine Atchison/Mitzi Baker	
Applicant Address: 801 Washington Street South	
City, State, Zip: Northfield, MN 55057	
Phone: 507-645-3047	Email: Janine.atchison@ci.northfield.mn.us

## Proposed Activities

Activity	Funding Amount
#1 Title: Residential Rehab	CDBG Request: \$ 33,797
#2 Title: Downpayment Assistance	CDBG Request: \$ 27,794
#3 Title: Click or tap here to enter text.	CDBG Request: \$ Click or tap here to enter text.
#4 Title: Click or tap here to enter text.	CDBG Request: \$ Click or tap here to enter text.
#5 Title: Click or tap here to enter text.	CDBG Request: \$ Click or tap here to enter text.
	Total Request: \$ <b>Click or tap here to enter text.</b>

**PLEASE NOTE:** AT LEAST 50% of the proposed funding must qualify as a LOW/MOD benefit and NO MORE THAN 40% of the proposed funding can be for PUBLIC SERVICES, with the caveat that public services may not account for more than 15% of the County's total funding. Because of this federal requirement, a municipality's public service request may need to be decreased once all applications are submitted and reviewed by CDA staff. Please plan accordingly.

## Certification

I certify that the information contained in this application is true and correct and that it contains no misrepresentations, falsifications, intentional omissions, or concealment of material facts. I further certify that no contracts have been awarded, funds committed, or construction begun on the proposed project(s), and that none will be made prior to notification from the Dakota County CDA based on HUD's issuance of a Release of Funds Notice.

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Signature of Authorized Official

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Date

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Title of Authorized Official

**PLEASE ATTACH THE RESOLUTION OF THE GOVERNING BODY SHOWING APPROVAL  
OF THE REQUEST FOR CDBG FUNDS**

## I. Activity Title

**Please complete the following Sections I-V for EACH proposed activity. (For example, if 3 activities are being proposed, there will be 3 sets of the following pages.)**

**Activity #** 1

**Activity Title:** Residential Rehab

## II. Activity Information

**Describe the proposed activity in detail. Please be specific about purpose, location, number of people or households served, etc.**

The Northfield Housing and Redevelopment Authority (HRA) propose to maintain existing housing stock by continuing the Home Matters Rehabilitation program for low/mod income homeowners in single family dwellings. Program will provide up to \$20,000 in forgivable loans to homeowners for foundation repair, roof replacement, HVAC replacement, plumbing, electrical and exterior walkways/driveway repairs and/or improvements.

A 2012 Rice County Housing Study noted that approximately 54% of the housing stock was in need of some repair. Of the approximate 4400 owner occupied single-family homes in Northfield, 2023 were built prior to 1980 and are approximately 40 years old. The same study showed that more than 26% of homeowners are paying over 30% of their incomes toward their housing costs. The Home Matters Residential Rehab Program will be available to homeowners citywide at or below 80% of area median income. Rental properties are not eligible.

Loan funds, made available to the homeowner for eligible uses, must be repaid in full if the property changes ownership or is no longer used as the primary residence of the applicant within 10 years of the loan being disbursed. After 10 years, up to \$10,000 of the loan may be forgiven, if the applicant maintains ownership of the property as their primary residence. No matching funds from the homeowner are required, except for non-eligible repairs or improvements. Homeowners **are not** allowed to receive any cash back from the funds.

Maintaining the existing housing stock is one key to providing affordable housing in Northfield. As the housing stock ages and systems need replacement, low and moderate income families are forced to either stretch budgets beyond safe levels or ignore needed repairs.

**Has this Activity received CDBG funding before?**

☒ Yes

☐ No

**Check the eligible activity category of the proposed activity:** *(See attached definitions)*

<b>Affordable Rental Housing</b> <input type="checkbox"/> Rehabilitation of Multi-Unit Residential <input type="checkbox"/> Fair Housing Activities <input type="checkbox"/> Energy Efficiency Improvements	<b>Public Services</b> <input type="checkbox"/> Senior Services <input type="checkbox"/> Youth Services <input type="checkbox"/> Transportation Services <input type="checkbox"/> Operational Support
<b>Affordable Homeowner Housing</b> <input type="checkbox"/> Homeownership Assistance <input type="checkbox"/> New (Re)Construction Homeowner Housing <input checked="" type="checkbox"/> Rehabilitation/ Energy Efficiency Improvement of Single Unit Residential <input type="checkbox"/> Fair Housing Activities	<b>Public Facilities</b> <input type="checkbox"/> Recreational Park Improvements <input type="checkbox"/> Public Water/Sewer Improvements <input type="checkbox"/> Street Improvements <input type="checkbox"/> Sidewalks <input type="checkbox"/> Assessment Abatement
<b>Homelessness</b> <input type="checkbox"/> Rapid Rehousing Assistance <input type="checkbox"/> Homelessness Prevention <input type="checkbox"/> Emergency Shelter Operations <input type="checkbox"/> Addition of Permanent Supportive Housing Units <input type="checkbox"/> Shelter Renovation/Construction	<b>Neighborhood Revitalization</b> <input type="checkbox"/> Acquisition of Real Property <input type="checkbox"/> Clearance and Demolition <input type="checkbox"/> Clean-up of Contaminated Site <input type="checkbox"/> Address Water/Sanitation Hazards
<b>Economic Development</b> <input type="checkbox"/> Employment Training <input type="checkbox"/> Economic Development Assistance <input type="checkbox"/> Rehabilitation of Commercial/Industrial Buildings	<b>Planning and Administration</b> <input type="checkbox"/> Planning <input type="checkbox"/> Administration

**Describe the activity schedule:**

Is this a continuation of a previously funded activity? ☒ Yes ☐ No

Please note the start and end dates below for the activity.

Proposed Activity Start Date: July 1, 2020

Proposed Activity Completion Date: Ongoing

**III. CDBG National Objective**

**CDBG funded projects/activities must meet one of the following program objectives. Check the objective for which the CDBG funds will be used.**

- |  |  |
|--|--|
| <input type="checkbox"/> Low/Mod Area Benefit  | <input type="checkbox"/> Low/Mod Limited Clientele Benefit |
| <input checked="" type="checkbox"/> Low/Mod Housing Benefit  | <input type="checkbox"/> Low/Mod Jobs Benefit              |
| <input type="checkbox"/> Slum/Blight Area Benefit  | <input type="checkbox"/> Slum/Blight Spot Benefit          |
| <input type="checkbox"/> Urgent Need (extremely rare; used only for emergencies): <i>(Please explain)</i> <a href="#">Click or tap here to enter text.</a> |  |

**If you checked the Low/Mod Area Benefit box, please answer the following:**

In what Census Tract/Block Group(s) do beneficiaries of your Activity live? *(Please include map)*  
[Click or tap here to enter text.](#)

How many residents live in this area? [Click or tap here to enter text.](#)

What is the percentage of low and moderate-income beneficiaries? [Click or tap here to enter text.](#)%

How was this documented? ☐ HUD Data ☐ Survey  
*(Please include a copy of survey)*

**If you checked the Low/Mod Housing Benefit box, please answer the following:**

How many Low/Mod Households will benefit? 3 - 5 Households  
*(Income eligibility must be verified by written documentation)*

Where will this activity occur? *(Address of property, neighborhood, or citywide)*  
Citywide

**If you checked the Low/Mod Limited Clientele Benefit box, please answer the following:**

How many Low/Mod People or Households will benefit? Number of People: [Click or tap here to enter text.](#) Number of Households: [Click or tap here to enter text.](#) (Please choose either People or Households for each project).

How will income be verified? (check one of the boxes below)

- ☐ Income Verification Request Forms
- ☐ Eligibility Status for other Governmental Assistance program
- ☐ Self Certification (Must request source documentation of 20% of certifications and must inform beneficiary that all sources of income and assets must be included when calculating annual income)
- ☐ Presumed benefit (HUD presumes the following to be low and moderate-income: abused children, battered spouses, elderly persons (**62+**), severely disabled adults, homeless persons, persons living with AIDS, migrant farm workers)

**If you checked the Low/Mod Jobs Benefit box, please answer the following:**

To meet the requirements of the "Jobs" National Objective, the business being assisted must enter into an agreement showing commitment that at least 51% of jobs created or retained will be available to low/mod income persons. The business must also be prepared to provide a list of all jobs, detailed information about the jobs being created or retained, the selection and hiring process, and demographic information about the employees.

Will this activity create or retain full time equivalencies (FTEs)? ☐ Create ☐ Retain

For job(s) that are being retained, please provide evidence that the assisted business has issued a notice to affected employees or that the business has made a public announcement to that effect, OR an analysis of relevant financial records that shows the business is likely to cut back on employment in the near future without planned intervention.

Will the job(s) created or retained require a special skill? ☐ Yes ☐ No

What percent of permanent FTEs will be held by or available to low/mod income persons? [Click or tap here to enter text.](#) %

**If you checked the Slum/Blight Area or Slum/Blight Spot Benefit box, please answer the following:**

What are the boundaries of the slum/blight area or the address of the slum/blight spot? [Click or tap here to enter text.](#)

(Please provide letter from building inspector or other documentation noting deficiencies and include photos)

What deficiency will be corrected or the public improvement be? [Click or tap here to enter text.](#)

If Slum/Blight Area, what percent of buildings are deteriorated? [Click or tap here to enter text.](#)%

#### IV. Proposed Objectives and Outcomes

Indicate the proposed objective and outcome of the activity/project.

	<b>Outcome #1 Availability/Accessibility</b>	<b>Outcome #2 Affordability</b>	<b>Outcome #3 Sustainability</b>
<b>Objective #1 Suitable Living Environment</b>	<input type="checkbox"/> Accessibility for the purpose of creating a suitable living environment	<input type="checkbox"/> Affordability for the purpose of creating a suitable living environment	<input type="checkbox"/> Sustainability for the purpose of creating a suitable living environment
<b>Objective #2 Decent Housing</b>	<input type="checkbox"/> Accessibility for the purpose of providing decent housing	<input type="checkbox"/> Affordability for the purpose of providing decent housing	<input type="checkbox"/> Sustainability for the purpose of providing decent housing
<b>Objective #3 Economic Opportunity</b>	<input type="checkbox"/> Accessibility for the purpose of creating economic opportunities	<input type="checkbox"/> Affordability for the purpose of creating economic opportunities	<input type="checkbox"/> Sustainability for the purpose of creating economic opportunities

Indicate how the activity outcome will be measured and projected number of beneficiaries.

- ☐ People \_\_\_\_\_
 ☐ Public Facilities \_\_\_\_\_
 ☐ Businesses \_\_\_\_\_
- ☒ Households 3 - 5
☐ Jobs \_\_\_\_\_
 ☐ Organizations \_\_\_\_\_
- ☒ Housing Units 3 - 5

#### V. Project Budget

Provide the total project cost and CDBG request.

Total Project Cost: \$ 33,797.00

Total CDBG Request: \$ 33,797.00

CDBG Percent of Total Cost: 100%

Please list all funding sources including CDBG.

Source of Funds	Amount	Committed	Pending
CDBG	\$ 33,797.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Click or tap here to enter text.	\$	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$	<input type="checkbox"/>	<input type="checkbox"/>
Total:	\$ 33,797.00	<input type="checkbox"/>	<input type="checkbox"/>

**Please list all project/activity expenses, including CDBG.** The following guidance may assist in determining project/activity costs.

For acquisition/clearance, public facilities or improvements, slum/blight, assessment abatement, and similar:

- Acquisition & Improvement Costs - Include purchase price, closing costs, site improvements, clearance of toxic contaminants, and other acquisition and improvement costs
- Construction/Rehabilitation Costs - Include site improvements, construction (labor, materials, supplies), installation, permits and other construction/rehabilitation costs
- Professional Fees and Personnel Costs - Include architectural, engineering and code inspection fees, surveys, appraisals, legal fees, hazardous materials surveys, project management, and other professional/personnel fees
- Other Development Costs - Include relocation, financing costs, environmental reviews, environmental studies, and other development costs
- Eligible Costs for Planning Projects - Include professional services, project management costs, and other planning costs

For public services:

- Operations Costs – Include cost of materials, supplies, facility rental, transportation cost, fees from vendors or subrecipients
- Staff Costs – Include direct and indirect service costs, e.g. salary or hourly wages, benefits, vacation (cannot be accrued), flex leave. Please note, a CDBG subrecipient timesheet must be included with all reimbursement requests.

Itemized Use of Funds/Expenses	Costs	CDBG Funds Requested	Other Funding Sources
Rehab Costs	\$ 33,797.00	\$ 33,797.00	\$
Northfield HRA –Inspection Fees	\$ 2,000.00	\$	\$ 2,000.00
Click or tap here to enter text.	\$	\$	\$
Click or tap here to enter text.	\$	\$	\$
Click or tap here to enter text.	\$	\$	\$
Total:	\$35,797	\$	\$ 35,797.00

\* \* \* \* \*

***Please review each section for completeness.  
Each activity should have separate Sections I through V.***

**OF THE REQUEST FOR CDBG FUNDS**



## I. Activity Title

**Please complete the following Sections I-V for EACH proposed activity. (For example, if 3 activities are being proposed, there will be 3 sets of the following pages.)**

**Activity #** 12

**Activity Title:** Downpayment Assistance

## II. Activity Information

**Describe the proposed activity in detail. Please be specific about purpose, location, number of people or households served, etc.**

The City of Northfield Housing Assistance Program has been funded through Community Development Block Grant Funds since 1996. The objective of the program is to help eligible persons purchase affordable single-family residences in Northfield, MN.

Financial assistance, in the form of 0% interest deferred loan of up to \$25,000 for down payment assistance and/or 100% of eligible closing costs incurred by low and moderate income homebuyers. Since the inception of the program, more than 74 low and moderate income homebuyers have received assistance of over \$460,000 in loans and more than \$90,000 in loans that have been recycled to new buyers.

The Northfield Housing and Redevelopment Authority is requesting \$27,794 in Program Year 2020 funds to continue funding this program. Although the previously hot housing market is beginning to cool and normalize, the average sale price of a Northfield single family home, townhome or condo is currently \$281,720, a 30% increase in the past 5 years. The HRA plans to help bridge the gap between the current costs of housing and affordable housing by better utilizing the down payment assistance program.

**Has this Activity received CDBG funding before?**

☒ Yes

☐ No

**Check the eligible activity category of the proposed activity:** *(See attached definitions)*

<b>Affordable Rental Housing</b> <input type="checkbox"/> Rehabilitation of Multi-Unit Residential <input type="checkbox"/> Fair Housing Activities <input type="checkbox"/> Energy Efficiency Improvements	<b>Public Services</b> <input type="checkbox"/> Senior Services <input type="checkbox"/> Youth Services <input type="checkbox"/> Transportation Services <input type="checkbox"/> Operational Support
<b>Affordable Homeowner Housing</b> <input checked="" type="checkbox"/> Homeownership Assistance <input type="checkbox"/> New (Re)Construction Homeowner Housing <input type="checkbox"/> Rehabilitation/ Energy Efficiency Improvement of Single Unit Residential <input type="checkbox"/> Fair Housing Activities	<b>Public Facilities</b> <input type="checkbox"/> Recreational Park Improvements <input type="checkbox"/> Public Water/Sewer Improvements <input type="checkbox"/> Street Improvements <input type="checkbox"/> Sidewalks <input type="checkbox"/> Assessment Abatement
<b>Homelessness</b> <input type="checkbox"/> Rapid Rehousing Assistance <input type="checkbox"/> Homelessness Prevention <input type="checkbox"/> Emergency Shelter Operations <input type="checkbox"/> Addition of Permanent Supportive Housing Units <input type="checkbox"/> Shelter Renovation/Construction	<b>Neighborhood Revitalization</b> <input type="checkbox"/> Acquisition of Real Property <input type="checkbox"/> Clearance and Demolition <input type="checkbox"/> Clean-up of Contaminated Site <input type="checkbox"/> Address Water/Sanitation Hazards
<b>Economic Development</b> <input type="checkbox"/> Employment Training <input type="checkbox"/> Economic Development Assistance <input type="checkbox"/> Rehabilitation of Commercial/Industrial Buildings	<b>Planning and Administration</b> <input type="checkbox"/> Planning <input type="checkbox"/> Administration

**Describe the activity schedule:**

Is this a continuation of a previously funded activity? ☒ Yes ☐ No

Please note the start and end dates below for the activity.

Proposed Activity Start Date: July 1, 2020

Proposed Activity Completion Date: Ongoing

**III. CDBG National Objective**

**CDBG funded projects/activities must meet one of the following program objectives. Check the objective for which the CDBG funds will be used.**

- |  |  |
|--|--|
| <input type="checkbox"/> Low/Mod Area Benefit  | <input type="checkbox"/> Low/Mod Limited Clientele Benefit |
| <input checked="" type="checkbox"/> Low/Mod Housing Benefit  | <input type="checkbox"/> Low/Mod Jobs Benefit              |
| <input type="checkbox"/> Slum/Blight Area Benefit  | <input type="checkbox"/> Slum/Blight Spot Benefit          |
| <input type="checkbox"/> Urgent Need (extremely rare; used only for emergencies): <i>(Please explain)</i> <a href="#">Click or tap here to enter text.</a> |  |

**If you checked the Low/Mod Area Benefit box, please answer the following:**

In what Census Tract/Block Group(s) do beneficiaries of your Activity live? *(Please include map)*  
Click or tap here to enter text.

How many residents live in this area? Click or tap here to enter text.

What is the percentage of low and moderate-income beneficiaries? Click or tap here to enter text. %

How was this documented? ☐ HUD Data ☐ Survey  
*(Please include a copy of survey)*

**If you checked the Low/Mod Housing Benefit box, please answer the following:**

How many Low/Mod Households will benefit? 1 - 2 Households  
*(Income eligibility must be verified by written documentation)*

Where will this activity occur? *(Address of property, neighborhood, or citywide)*  
Northfield - Citywide

**If you checked the Low/Mod Limited Clientele Benefit box, please answer the following:**

How many Low/Mod People or Households will benefit? Number of People: [Click or tap here to enter text.](#) Number of Households: [Click or tap here to enter text.](#) (Please choose either People or Households for each project).

How will income be verified? (check one of the boxes below)

- ☐ Income Verification Request Forms
- ☐ Eligibility Status for other Governmental Assistance program
- ☐ Self Certification (Must request source documentation of 20% of certifications and must inform beneficiary that all sources of income and assets must be included when calculating annual income)
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Will this activity create or retain full time equivalencies (FTEs)? ☐ Create ☐ Retain

For job(s) that are being retained, please provide evidence that the assisted business has issued a notice to affected employees or that the business has made a public announcement to that effect, OR an analysis of relevant financial records that shows the business is likely to cut back on employment in the near future without planned intervention.

Will the job(s) created or retained require a special skill? ☐ Yes ☐ No

What percent of permanent FTEs will be held by or available to low/mod income persons? [Click or tap here to enter text.](#) %

**If you checked the Slum/Blight Area or Slum/Blight Spot Benefit box, please answer the following:**

What are the boundaries of the slum/blight area or the address of the slum/blight spot? [Click or tap here to enter text.](#)

(Please provide letter from building inspector or other documentation noting deficiencies and include photos)

What deficiency will be corrected or the public improvement be? [Click or tap here to enter text.](#)

If Slum/Blight Area, what percent of buildings are deteriorated? [Click or tap here to enter text.](#)%

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Indicate the proposed objective and outcome of the activity/project.

	<b>Outcome #1 Availability/Accessibility</b>	<b>Outcome #2 Affordability</b>	<b>Outcome #3 Sustainability</b>
<b>Objective #1 Suitable Living Environment</b>	<input type="checkbox"/> Accessibility for the purpose of creating a suitable living environment	<input type="checkbox"/> Affordability for the purpose of creating a suitable living environment	<input type="checkbox"/> Sustainability for the purpose of creating a suitable living environment
<b>Objective #2 Decent Housing</b>	<input type="checkbox"/> Accessibility for the purpose of providing decent housing	<input checked="" type="checkbox"/> Affordability for the purpose of providing decent housing	<input type="checkbox"/> Sustainability for the purpose of providing decent housing
<b>Objective #3 Economic Opportunity</b>	<input type="checkbox"/> Accessibility for the purpose of creating economic opportunities	<input type="checkbox"/> Affordability for the purpose of creating economic opportunities	<input type="checkbox"/> Sustainability for the purpose of creating economic opportunities

Indicate how the activity outcome will be measured and projected number of beneficiaries.

- ☐ People \_\_\_\_\_
 ☐ Public Facilities \_\_\_\_\_
 ☐ Businesses \_\_\_\_\_
- ☒ Households 1 - 2
☐ Jobs \_\_\_\_\_
 ☐ Organizations \_\_\_\_\_
- ☒ Housing Units 1 - 2

#### V. Project Budget

Provide the total project cost and CDBG request.

Total Project Cost: \$ 27,704.00

Total CDBG Request: \$ 27,794.00

CDBG Percent of Total Cost: 100%

Please list all funding sources including CDBG.

Source of Funds	Amount	Committed	Pending
CDBG	\$ 27,794.00	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Click or tap here to enter text.	\$	<input type="checkbox"/>	<input type="checkbox"/>
Click or tap here to enter text.	\$	<input type="checkbox"/>	<input type="checkbox"/>
Total:	\$ 27,794.00	<input type="checkbox"/>	<input type="checkbox"/>

**Please list all project/activity expenses, including CDBG.** The following guidance may assist in determining project/activity costs.

For acquisition/clearance, public facilities or improvements, slum/blight, assessment abatement, and similar:

- Acquisition & Improvement Costs - Include purchase price, closing costs, site improvements, clearance of toxic contaminants, and other acquisition and improvement costs
- Construction/Rehabilitation Costs - Include site improvements, construction (labor, materials, supplies), installation, permits and other construction/rehabilitation costs
- Professional Fees and Personnel Costs - Include architectural, engineering and code inspection fees, surveys, appraisals, legal fees, hazardous materials surveys, project management, and other professional/personnel fees
- Other Development Costs - Include relocation, financing costs, environmental reviews, environmental studies, and other development costs
- Eligible Costs for Planning Projects - Include professional services, project management costs, and other planning costs

For public services:

- Operations Costs – Include cost of materials, supplies, facility rental, transportation cost, fees from vendors or subrecipients
- Staff Costs – Include direct and indirect service costs, e.g. salary or hourly wages, benefits, vacation (cannot be accrued), flex leave. Please note, a CDBG subrecipient timesheet must be included with all reimbursement requests.

Itemized Use of Funds/Expenses	Costs	CDBG Funds Requested	Other Funding Sources
Down Payment/Closing Costs	\$ 27,794.00	\$ 27,794.00	\$
Northfield HRA –Professional Fees	\$ \$600.00	\$	\$ 600.00
Click or tap here to enter text.	\$	\$	\$
Click or tap here to enter text.	\$	\$	\$
Click or tap here to enter text.	\$	\$	\$
Total:	\$28,394	\$ 27,794	\$ 28,394

\* \* \* \* \*

***Please review each section for completeness.***  
***Each activity should have separate Sections I through V.*** CDBG ELIGIBLE  
 ACTIVITIES DEFINITIONS

The following are summary definitions of Community Development Block Grant Eligible Activities:

**Please Note:** Although an activity may be deemed eligible for CDBG funding, it does not guarantee funding. The Community Development Needs for the CDBG Program in the Consolidated Plan sets forth the priority of needs and as such dictates which types of eligible activities may be funded in a given year.

**CDBG funds may NOT be used for costs attributable to a building used for the general conduct of government or used for political activities.**

**Acquisition/Disposition:** The use of CDBG funds to acquire real property, in whole or in part, by purchase, long-term lease, donation, or otherwise, for any public purpose. Real property to be acquired may include: land, air rights, easements, water rights, right-of-ways, buildings and other property improvements, or other interests in real property.

**Demolition/Clearance:** Clearance, demolition, and removal of buildings and improvements including movement of structures to other sites.

**Economic Development Activities:** Economic development activities may include, but are not limited to: (1) Construction by the grantee or subrecipient of a business incubator designed to provide inexpensive space and assistance to new firms to help them become viable businesses, (2) Loans to pay for the expansion of a factory or commercial business, and (3) Providing training needed by persons on welfare to enable them to qualify for jobs created by CDBG-assisted special economic development activities. The level of public benefit to be derived from the economic development activity must be appropriate given the amount of CDBG assistance.

**Rehabilitation:** Rehabilitation related activities may include single-family rehabilitation, multi-family rehabilitation, energy efficiency improvements, public housing modernization, and rehabilitation of commercial properties.

**General Administration:** CDBG funds may be used for the general administration costs incurred by a Subrecipient to administer their CDBG program. Administration costs directly associated with a CDBG activity should be part of the activity as project administration.

**Relocation:** CDBG funds may be used for relocation payments and assistance to displaced persons, including individuals, families, businesses, non-profits, and farms, where required under section 570.606 of the regulations (pursuant to the Uniform Relocation Act).

**Public Facilities/Improvements:** CDBG funds may be used by the grantee or other public or private nonprofit entities for the acquisition (including long term leases for periods of 15 years or more), construction, reconstruction, rehabilitation (including removal of architectural barriers to accessibility), or installation, of public improvements or facilities. Buildings for the general conduct of government cannot be acquired or improved with CDBG funds. This includes neighborhood facilities, firehouses, public schools, and libraries, as well as water and/or sewer treatment plants. The regulations further specify that facilities that are designed for use in providing shelter for persons having special needs are considered to be public facilities.

**Public Services:** CDBG funds may be used to provide public services (including labor, supplies, and materials), provided that each of the following criteria is met: 1) The public service must be either a new service or a quantifiable increase in the level of service; and 2) The amount of CDBG funds obligated within a program year to support public service activities under this category may not exceed 40% of the City's allocation and the total public services of all Subrecipients may not exceed 15% of the total grant awarded to Dakota County for that year.

**Planning:** Includes studies, analysis, data gathering, preparation of plans, and identification of actions that will implement plans. The types of plans which may be paid for with CDBG funds include, but are not limited to: Comprehensive plans; Individual project plans; Community development plans, Capital improvement programs; Small area and neighborhood plans; Environmental and historic preservation studies; and Functional plans (such as plans for housing, land use, energy conservation, or economic development).

**Homeownership Assistance:** Homeownership assistance activities may include financial assistance for down payments, closing costs or other part of the purchase process and counseling for pre-purchase, post-purchase or foreclosure prevention.