# Lake County Community Economic Development Department

# Policies and Procedures Handbook

December 7, 2017

Prepared by Econometrica, Inc.

Updates
January 25, 2018
April 18, 2023
August 15th, 2024
January 24th, 2025

Amended: January 25th, 2018 (minor corrections); October 8th, 2020 RDC Resolution 005-2020; December 15th, 2022 RDC Resolution 002-2022; March 16th, 2023 EDC Resolution 001-2023; July 18th, 2024 RDC Resolution 001-2024; January 16th, 2025 Resolution 001-2025

# Contents

## Appendix F. References

# I. Introduction

Since 1982, the Lake County Community Economic Development Department (LCCEDD) has administered programs funded via two federal vehicles: the HOME Investments Partnership (HOME) Program and the Community Development Block Grant (CDBG). The primary purpose of the HOME and CDBG programs is to assist low-income and moderate-income (LMI) households and persons. The HOME Program provides grants for developing or rehabilitating affordable housing to improve access to decent, safe, and affordable housing for low-income households. The CDBG program has a broader mandate; it provides annual grants to develop decent housing, as well as to eliminate blight, provide funding in case of emergencies, and expand economic opportunities.

## A. Purpose

The purpose of this Policies and Procedures Handbook is to outline how LCCEDD administers activities funded by HOME and CDBG and to provide an overview of relevant laws and regulations. The handbook summarizes current programs; relevant federal, state, and local regulations; the standards for a property to be considered for participation; and compliance and monitoring requirements. The handbook also outlines the history, jurisdiction, and regulations of the Neighborhood Stabilization Program (NSP), which also assists in LCCEDD's affordable housing efforts.

## B. Organization

This handbook consists of five components:

1. **An Overview of LCCEDD.**
   This section outlines the basic structure, staffing, and responsibilities of LCCEDD and provides a succinct overview of the administration of LCCEDD.
2. **An Overview of the HOME, CDBG, and NSP Programs.**
   This section outlines the history, jurisdiction, and key regulations of the HOME, CDBG, and NSP programs—the main affordable housing development programs of the U.S. Department of Housing and Urban Development (HUD).
3. **A Description of Activities.**
   These activities are the essence of LCCEDD's purpose. This section includes a brief overview of HOME and CDBG and descriptions of the programs LCCEDD currently operates. These descriptions include program-specific qualifications.
4. **General Policies and Procedures.**
   Many of the programs that HOME and CDBG fund have similar, often identical, cross-cutting requirements. This section summarizes these requirements, including topics such as monitoring and compliance, labor standards, fair housing, contracting policy, and environmental regulations.
5. **Appendixes.**
   The appendixes contain supporting material related to LCCEDD's housing-related programs.

a. Appendix A contains detailed descriptions of program activities.

b. Appendix B contains extended documents/discussions of policies where available.

c. Appendix C contains contract documents used to support Lake County housing-related activities and policies. These are example documents; they contain the same content as the actual documents, but are not intended for use.

d. Appendix D contains additional guidance documents that program administrators can use to implement HOME and CDBG activities. These are example documents; they contain the same content as the actual documents, but are not intended for use.

e. Appendix E is the Economic Development Commission (EDC) Revolving Loan Fund Program provisions.

f. Appendix F contains an extensive listing of local, state, and federal resources on CDBG, HOME, and NSP programs and housing-related applications, laws, and regulations.

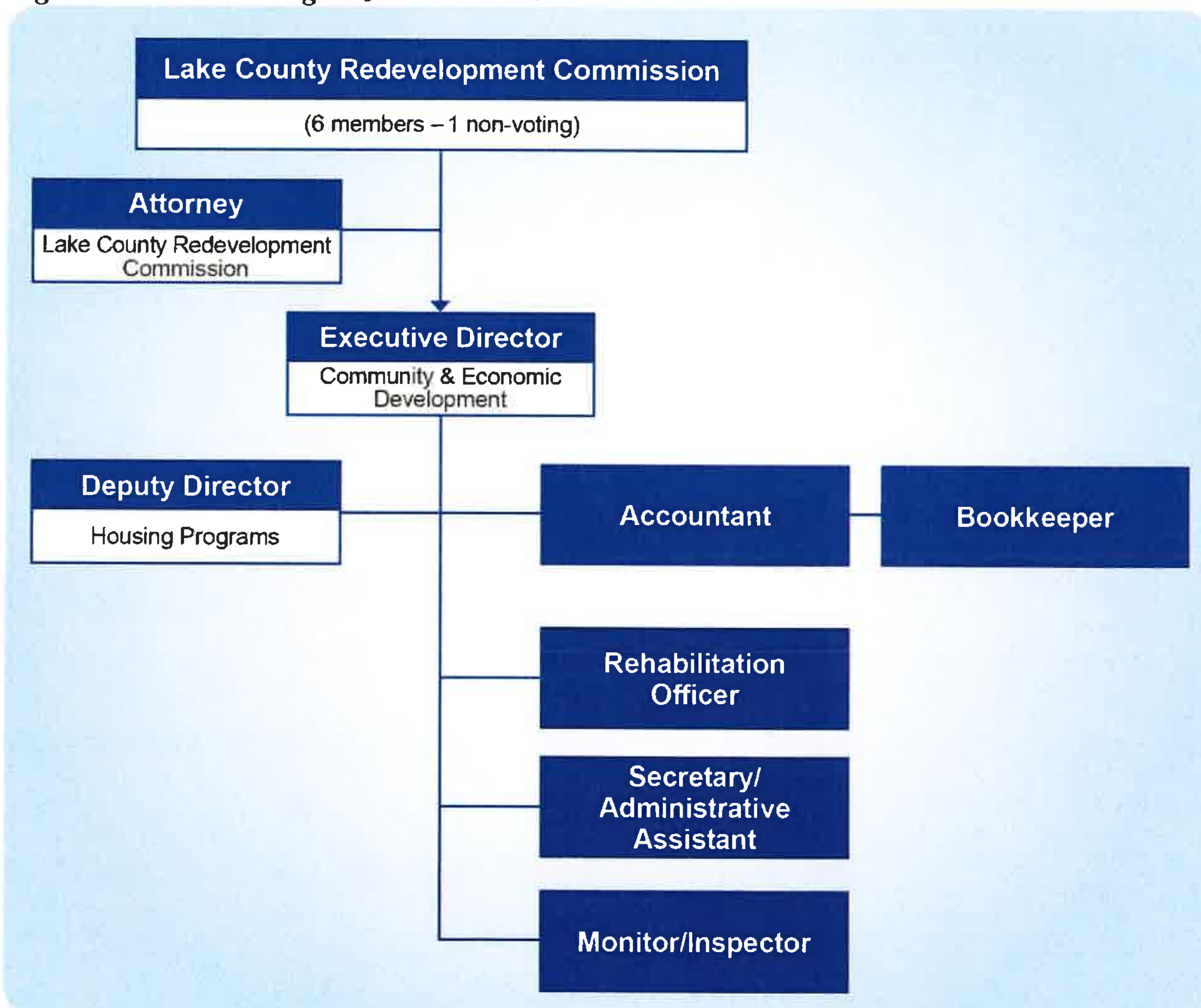
## II. Program Administration

The Lake County Commissioners administer the CDBG, HOME, and related programs through LCCEDD, which is a part of the Lake County Redevelopment Commission. This commission has six members and an attorney.

The Executive Director of LCCEDD reports to the Redevelopment Commission, which reports to the County Commissioners. LCCEDD administers the CDBG, HOME, and related programs with a relatively small staff that is supplemented as needed with several consultants, attorneys, and other necessary persons by contract.

Figure 1 provides the organizational chart for LCCEDD.

***Figure 1. LCCEDD Organizational Chart***




The positions connected by lines in the organizational chart represent the paid full-time positions at LCCEDD.

- As represented by the central position on the plan, the *Executive Director* is responsible for the oversight of all program activities and all economic development initiatives.

- The *Deputy Director* is responsible for oversight of all housing programs and record keeping.
- The *Accountant* is responsible for overall fiscal records, payments, reporting, and related fiscal matters.
- The *Rehabilitation Officer* is responsible for initial contact with most clients, verifying income, obtaining other information, and conducting other necessary assistance.
- The *Administrative Assistant* is responsible for word processing, answering phones, filing, and other communications, as well as taking minutes of all meetings.
- The *Monitor/Inspector* is responsible for overseeing all housing rehabilitation projects, preliminary inspection, specification writing, final inspections, recommending contractor payment, and related activities.
- The *Bookkeeper* is responsible for assisting the Accountant in maintaining all fiscal matters and proper reporting of departmental activities.

LCCEDD operates offices located in the Lake County Government Center at 2293 North Main Street, Crown Point, IN. This centrally located site has bus service and is handicap-accessible. Office hours are Monday to Friday, excluding recognized holidays, from 8:30 a.m. to 4:30 p.m.

No employee or consultant of LCCEDD, its designees or agents, who exercises any functions or responsibilities with respect to the department's programs during his or her tenure (or for 1 year thereafter), or anyone with whom they have family or business ties, shall have any personal or financial benefit, direct or indirect, in any contract, subcontract, or proceeds thereof from work to be performed in connection with any program assisted in this department.

The Lake County CDBG/HOME and related programs serve Urban Lake County. Urban Lake County is defined as all of Lake County, IN, outside of the municipal corporate limits of the cities of Gary, Hammond, and East Chicago. For the rest of this handbook, the area of operation of Lake County CDBG/HOME and related programs will be referred to as Urban Lake County.

# III. Overview of HOME, CDBG, and NSP Programs

One of HUD's major priorities is the creation of affordable housing. HUD administers several federal programs that assist state and local governments, nonprofits, and other partners to develop affordable homeownership and rental units for low-income households. Two of the most important programs are the HOME and the CDBG programs.

## A. HOME (Home Investment Partnership Program)

The HOME Program provides formula grants to states and localities to fund a wide range of activities, including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct rental assistance to low-income people. It is the largest federal block grant to state and local governments that is designed exclusively to create affordable housing for low-income households.

States are automatically eligible for HOME funds and receive either their formula allocation or $3 million, whichever is greater. The formula allocation considers the relative inadequacy of each jurisdiction's housing supply, its incidence of poverty, its fiscal distress, and other factors.

Participating jurisdictions (PJs) may choose among a broad range of eligible activities, using HOME funds to provide home purchase or rehabilitation financing assistance to eligible homeowners and new homebuyers; to build or rehabilitate housing for rent or ownership; or for "other reasonable and necessary expenses related to the development of non-luxury housing," including site acquisition or improvement, demolition of dilapidated housing to make way for HOME-assisted development, and payment of relocation expenses. Jurisdictions may use HOME funds to provide tenant-based rental assistance contracts of up to 2 years if such activity is consistent with their Consolidated Plan and justified under local market conditions. This assistance may be renewed. Up to 10 percent of a jurisdiction's annual allocation may be used for program planning and administration.

HOME-assisted rental housing must comply with certain rent limitations, which HUD publishes each year.

HUD published a Final Rule in the Federal Register on July 24, 2013, to amend the HOME Program regulations. These amendments to the HOME regulations represent the most significant changes to the HOME Program in the past 17 years. These changes include:

- HOME projects must be completed within 4 years of commitment.
- HOME-assisted rental units must be occupied by income-eligible households within 18 months of project completion.
- A homebuyer unit must have a ratified sales contract within 9 months of construction completion, and CHDO set-aside funds must be committed to specific projects within 24 months of the PJ receiving its HOME allocation.
- CHDO set-aside funds must be expended within 5 years of when the PJ receives its formula allocation.

**Subsidy Layering and Underwriting Standards for HOME Projects**
When undertaking projects with HOME funds, LCCEDD must determine that the amount of HOME funds provided, in conjunction with any other form of government assistance, is reasonable and does not provide an excessive rate of return for the developer or homebuyer. The level of assistance must be the minimum necessary to make a project viable at least for the term of the HOME mortgage. In the case of rental projects:

1. The developer must provide:
    a. A "sources and uses" document of all funds involved in the project. LCCEDD must determine costs to be acceptable under HOME regulations and reasonable.
    b. Evidence of experience in developing and operating such objects.
    c. Acceptable evidence that other sources of project financing are committed and in place.
2. The acceptable rate of return for the developer will not exceed the Federal Housing Administration (FHA)-acceptable rate of return for a similar type project financed under the 221(d)(3) program.
3. For projects involving 10 units or more, the developer must also provide:
    a. Acceptable evidence of a market for the type of units proposed in the general neighborhood where the development or rehabilitation is to take place.
    b. Audited financial statements that demonstrate they have the financial capacity to undertake and complete the project.

For homebuyers receiving HOME assistance to purchase a unit, the price of the unit may not exceed 95 percent of the median area purchase price. The median area purchase price may be established by using FHA single-family mortgage program data or, if LCCEDD judges this method of determination to be inaccurate, LCCEDD can conduct a local study of area data and submit it to HUD for approval. If a local survey is used, it must be undertaken by LCCEDD and approved by HUD annually.

The level of homebuyer assistance must not exceed what the primary mortgage financer demonstrates is necessary for the purchase to go forward with reasonable and acceptable assurance that the loan will be repaid. This requirement is often called the "but for" factor; but for this level of assistance, this purchase cannot go forward with this lender. On occasion, this purchase may involve other forms of government assistance (e.g., veterans' benefits). In such cases, these other forms of assistance, considered in conjunction with the assistance LCCEDD provides, must all be necessary for the purchase to go forward.

**Minimum HOME Per-Unit Subsidy**
The minimum per-unit subsidy amount allowed under the HOME Program is $1,000.

**Maximum HOME Per-Unit Subsidy**
The maximum per-unit subsidy cannot exceed the per-unit dollar limitation established under Section 22l(d)(3) of the National Housing Act.

However, HUD has approved an increase of Lake County's per-unit subsidy amount on a program-wide basis to up to 240 percent of the original per-unit limit.

## B. CDBG (Community Development Block Grant Program)

HUD administers the CDBG program, which is governed by Title I of the Housing and Community Development Act of 1974 ("the Act") as amended and federal regulations at 24 CFR part 570, subpart I. The Omnibus Budget Reconciliation Act of 1981 authorized states to administer the CDBG programs.

The CDBG program was designed using the block grant model, which gives states the authority to determine their funding priorities and provides broad latitude in using funds for a variety of development activities.

Every year, HUD provides federal CDBG funds directly to states, which in turn provide the funds to small, rural cities and towns with populations less than 50,000 and to nonurban counties. Funds are awarded on a competitive basis based on predetermined scoring parameters that HUD approves.

The CDBG entitlement program allocates annual grants to larger cities and urban counties that are designated as entitlement communities to develop viable communities by providing decent housing, a suitable living environment, and expansion of economic opportunities, principally for low- and moderate-income (LMI) persons. Lake County is a designated entitlement community.

The primary objective of the CDBG program is to develop viable communities by helping to provide decent housing and suitable living environments and expanding economic opportunities principally for LMI persons.

To achieve these goals, the CDBG regulations define eligible activities and the National Objectives that each activity must meet. LCCEDD is charged with ensuring that each project it funds meets one of the National Objectives listed below and is an eligible activity. The three National Objectives are:

1. Benefit to LMI persons.
2. Aid in the prevention or elimination of slums or blight.
3. Meet a need having a particular urgency (referred to as an urgent need).

Some of the eligible activities LCCEDD has funded with CDBG funds include van transportation, services for abused and neglected children, and parent and teacher programs.

LCCEDD has interlocal agreements with 16 cities and towns in Lake County, Indiana for the expenditure of their allotment of CDBG monies, renewed every 3 years. The 16 communities that receive CDBG funds are Cedar Lake, Crown Point, Dyer, Griffith, Highland, Hobart, Lake Station, Lowell, Merrillville, Munster, New Chicago, Schererville, Schneider, St. John, Whiting, and Winfield.

LCCEDD requires the city or town to hold public hearings, advertise and bid for projects, and issue notices to proceed, and it is always the obligation of the city or town to sign any contracts.

LCCEDD provides oversight and monitors progress and compliance to HUD guidelines.

## C. NSP (Neighborhood Stabilization Program)

Congress created the NSP in 2008 to provide emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The NSP was funded for 3 years, from 2008 to 2010. In 2008 and 2010, funding was allocated by formula, while in 2009 funding was competitively allocated. Although there have not been additional rounds of funding, local jurisdictions and states may still be conducting activities funded by NSP and have yet to complete closeout.

The NSP provided grants to every state, certain local communities, and other organizations to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes to stabilize neighborhoods and stem the decline in housing values of neighboring homes. The program is authorized under Title III of the Housing and Economic Recovery Act of 2008.

## D. Income Eligibility

Eligible households must meet HUD's most recent income limits for low-income and very-low-income families under the U.S. Housing Act of 1937, as amended.

The applicable income limit for CDBG and HOME housing assistance is that an eligible household shall have an income below the current HUD Section 8 income limit for Lake County, IN. HUD's definition of LMI households is households earning 80 percent of the local median household income. HUD revises these rates yearly, and new rates are effective on their date of issue. The applicable limit for NSP housing assistance is that 100 percent of the NSP funds must meet the low/moderate/middle income (LMMI) National Objective as defined under NSP. LMMI refers to a family or household with an annual income less than 120 percent of the area median income based on the Section 8 Low Income Limit as established by HUD.

Lake County determines household funds based on the standards HUD set for its Section 8 program based on HUD publications that follow the requirements of 24 CFR Subtitle A, 5.609 for applicant households.

When determining a family's annual income, public jurisdictions (PJ's) must consider all amounts, monetary or not, including the full amount, before any payroll deductions of wages and salaries, overtime pay, commissions, fees, tips and bonuses, compensation for personal services, and more, as defined in 24 CFR part 5.609. Annual income is a family's anticipated total or gross income minus allowable exclusions (e.g., *TOTAL OR GROSS INCOME – EXCLUSIONS = ANNUAL INCOME*).

The eligibility of households for HOME assistance varies with the nature of the funded activity. For rental housing and rental assistance, at least 90 percent of benefiting families must have incomes that are no more than 60 percent of the HUD-adjusted median family income for the area. In rental projects with five or more assisted units, at least 20 percent of the units must be occupied by families with incomes that do not exceed 50 percent of the HUD-adjusted median. These income regulations derive from 24 CFR part 92.203 and 24 CFR part 92.252.

The income limits for the Emergency Repair Grant program, funded by the CDBG program, are that the applicant household has an income below 50 percent of the median income for Lake County. The Executive Director may waive this requirement in dire circumstances. All other programs have an income limit of 80 percent of the median income for Lake County.

For CDBG funds benefiting areas, the requirement that the program benefit LMI persons is met if 51 percent or more of the persons who live in the project area may be defined as having LMI income. Communities can use U.S. Census Bureau data or an income survey to determine whether the coverage area meets LMI requirements.

Certain projects that benefit certain types of households and individuals are, by law, assumed to primarily benefit LMI persons unless there is compelling evidence to the contrary. Activities benefiting the elderly, handicapped households, abused spouses/children, the illiterate, and/or the homeless are in this category.

## E. <u>Record Retention</u>

LCCEDD will keep all CDBG and HOME project files for 5 years after the period of affordability has been met and/or mortgages have been released. Records of CDBG and HOME residential projects shall be kept in an electronic database. All HOME project files will be kept for 5 years after the period of affordability has been met and/or mortgages have been released. Files pertaining to lead base paint will be kept permanently.

# IV. Program Activities

In this section, we provide summaries of the HOME and CDBG housing-related program activities operating in Lake County. Appendix A contains full descriptions of each program activity.

## A. Rental Housing Rehabilitation

**Intent:** The Rental Housing Rehabilitation Program is intended to encourage the renovation of dwellings with two or more units located in Urban Lake County that are, or will be, rented to lower income tenants.

**Activity Description:** The program provides 3 percent simple interest loans for the purpose of renovation to bring properties that are occupied by, or to be occupied by, low-income tenants in Urban Lake County up to the standards of safe living conditions that meet building codes. The maximum public loan per rental unit is $30,000, the minimum public loan per rental unit is $1,000, and the term of the loan is 20 years. The total of loans against the property may amount to no more than 90 percent of the after-rehabilitation appraisal value of the property.

**Eligibility:** To be eligible for the program, an applicant must be the legal owner of the rental property that is completely residential (two or more units) and located in an area under LCCEDD jurisdiction; must be able to demonstrate the ability to finance any costs of renovation in excess of the program maximum with personal or private monies and have the ability to repay the public loan on a month-to-month basis; and must plan to rehabilitate a substandard property that has at least one code violation. The tenants must earn no more than 80 percent of median income for Lake County.

**Funding Source:** HOME

See Appendix B for Contractor Policy.

## B. Owner-Occupied Single Family Housing Rehabilitation

**Intent:** The program is intended to assist single-family homes that owners occupy for at least 1 year. The objective of LCCEDD's Owner-Occupied Housing Rehabilitation program is to assist low-income homeowners to:

- Upgrade the quality of existing housing.
- Make the home safe for its occupants.
- Improve the quality of life for owners.
- Upgrade neighborhoods.

**Activity Description:** The Owner-Occupied Housing Rehabilitation Program will assist existing homeowners with the repair, rehabilitation, or reconstruction of owner-occupied units for up to $50,000.00. All housing units assisted by LCCEDD must meet the local housing code and the minimum standards listed below after construction unless they are being repaired under the Emergency Conditions portion of the Rehabilitation Program. Any deviations from these standards must be approved by the director of LCCEDD or his/her designee and will only be approved if the standard cannot be met due to the physical limitations of the structure.

Replacement standards may be pursued only when the financial feasibility of the entire job is not endangered.

**Eligibility:** Only single-family housing is eligible. To be eligible for HOME funds, the homeowner must be low-income and occupy the property as a principal residence. The incomes of households receiving HUD assistance must not exceed 80 percent of the area median income. Additionally, the value of the HOME-assisted property after rehabilitation must not exceed 95 percent of the median purchase price for the area. The HOME-assisted housing must meet the affordability requirements for not less than the applicable period, beginning after project completion. The period is defined by the following table:

| HOME/CDBG Assistance amount per unit | Minimum period of affordability in years |
|---|---|
| Under $15,000 | 5 |
| $15,001 to $40,000 | 10 |
| Greater than $40,000 | 15 |

**Funding Source:** HOME/CDBG

See Appendix B for Contractor Policy.

## C. <u>Deferred Payment Rehabilitation Loan Program</u>

**Intent:** The purpose of the program is to encourage the renovation of single-family owner-occupied homes in dire need of repairs to correct code violations by providing 0 percent deferred loans. The program is intended to provide safe, decent, and sanitary living conditions for the occupants.

**Activity Description:** This program awards deferred payment loans only to families whose income is less than 50 percent of the area median income. The maximum available loan will be $50,000. Buildings in a state of total deterioration, where excessive monies would be needed, will not be considered. The loans will pay for code compliance items and energy efficiency improvements only. The owner may subsidize the loan by paying for additional repairs. Repayment is in principal only any time the ownership of the home is transferred. Other violations of the terms of the contract will also trigger repayment of the full amount of the note.

LCCEDD will meet with the applicant to establish a timetable, provide necessary technical assistance, and develop documents and cost estimates required to bring the unit in line with applicable housing code standards. After the planning of the rehabilitation and determination of cost estimates, LCCEDD will decide whether the project is feasible and in compliance with the intent of the program. If so, LCCEDD will approve the application by entering into an agreement with the applicant obligating LCCEDD to issue determined monies in compliance with conditions of the agreement. All project approvals are subject to availability of funds.

**Eligibility:** To be eligible for assistance, an applicant must have total assets under $50,000, excluding the value of the dwelling to be rehabilitated and its contents and be the legal owner occupant of the property, which must be occupied for residential purposes and only by a single family. Furthermore, no property that has any part of it used for commercial, rental, or industrial use will be eligible, and no property that needs repairs in excess of $50,000 will be considered unless the owner can subsidize the project with some of his/her own money. Finally, the property must contain code violations and presently not provide safe comfortable living conditions for the occupants.

**Funding Source:** CDBG/HOME

See Appendix B for Contractor Policy.

## D. Emergency Repair

**Intent:** The program is intended to rehabilitate single-family homes that owners occupy for at least 1 year. There are many very-low-income owners of single residences in Lake County who do not have the financial capacity to pay for emergency repairs to their buildings as necessary from time to time. This program is designed to help these owners with grants to pay for necessary repairs.

**Activity Description:** This is a grant of up to $15,000 for homeowners who have house damage that is potentially injurious to the applicant's or general public's health, welfare, and/or safety. The damage may consist of damaged plumbing, damaged heating, damaged roofing, structural damage, electric damage, window damage, damaged septic system, sudden well failure, and other unpreventable damages.

**Eligibility:** To be eligible for assistance, an applicant must be an owner-occupant of a single-family residence located in Urban Lake County. The applicant must have a very low gross income as per the prevailing HUD guidelines. Income limits are 50 percent of the area median income. Damage to the property must have occurred within the last 60 days, with some exceptions at the discretion of the Executive Director. Systems that have failed as a result of neglect are ineligible.

**Funding Source:** CDBG

See Appendix B for Contractor Policy.

## E. Low-Interest Rehabilitation Loan Program

**Intent:** The program is intended to rehabilitate single-family homes that owners occupy for at least 1 year. The funds will be used primarily to correct code violations and to provide decent, safe, and sanitary living conditions for the occupants.

**Activity Description:** Funding may be used to rehabilitate or remove elements of the dwelling structure, including basic equipment and other improvements such as garages, fences, steps, walkways, and driveways. The maximum loan per unit is $50,000, including all soft costs (such as appraisals, title searches, credit bureau reports, and surveys).The rate of interest is 3 percent per annum. Repayment and interest begin at the completion of the rehabilitation project. The house must meet all codes after rehabilitation. Up to 40 percent of the loan can go toward non-code improvements.

**Eligibility:** To be eligible for assistance, an applicant must meet the following conditions:

- Be the legal owner-occupant of a single-family residence located in the Urban Lake County entitlement area (outside the cities of Gary, Hammond, and East Chicago).
- Be unable to obtain the necessary funds for rehabilitation on comparable terms and conditions from other sources.
- Have low to moderate income (no more than 80 percent of the area median income).
- Demonstrate the ability to repay the loan in a period of 20 years or three-fourths of the remaining economic life of the structure, whichever is less.
- Have a satisfactory credit history or explanation of unsatisfactory elements that demonstrates intent and ability to repay the loan in a satisfactory manner.

The property must not exceed 95 percent of the median house sale price as established by HUD or alternative limits established by Lake County and approved by HUD after rehabilitation.

**Funding Source:** CDBG/HOME

See Appendix B for Contractor Policy.

## F. <u>Homebuyer Assistance</u>

**Intent:** The Homebuyer Assistance Program is designed to assist households with overcoming what is usually the biggest hurdle to such households purchasing a house: the initial cash layout (e.g., down payment, fees, closing costs). It is intended to assist moderate-income and low-income families to purchase a home.

**Activity Description:** The eligible homebuyer will receive down payment matching and closing costs up to $5,000. LCCEDD assistance will be a forgivable loan. The loan will be secured by a mortgage and note on the property. The mortgage shall only be subordinated to one private mortgage. The forgivable loan will be for a 5-year affordability period upon passing the anniversary date of the note. The applicant must agree to occupy the purchased property as primary residence. The LCCEDD mortgage and note balance will become due if the buyer sells, rents, converts the use of, or vacates the property as a primary residence prior to the 5-year period for the full amount of the note. Other violations of the terms of the contract will also trigger repayment of the full amount of the note.

**Eligibility:** The applicant must meet both current HUD federal low-income (low/moderate) guidelines for assistance and LCCEDD underwriting standards. The incomes of households receiving HUD assistance must not exceed 80 percent of the area median. The applicant must also be able to obtain a mortgage through a commercial or government lender (e.g., U.S. Department of Veterans Affairs, FHA). The property cost shall not exceed HUD's minimum and maximum limits for existing homes and new construction and must meet the Section 8 Housing Quality Standards as of 2016.

**Funding Source:** HOME

## G. Homeless Prevention Program

**Intent:** The Homeless Prevention Program assists households that are immediately at risk of losing their housing and becoming homeless or are already homeless. It exists to prevent the trauma of homelessness in situations where extenuating circumstances put a household at risk of homelessness.

**Activity Description:** This program provides funds for one-time payments to lower income households in need of rental or mortgage assistance, including security deposits. Up to $1000 is available to families who are at risk of eviction or foreclosure or are already homeless.

**Eligibility:** The family must meet HUD's most recent income limits for low-income and very-low-income families under the U.S. Housing Act of 1937, as amended. The inability of the family to make the required payments must be the result of circumstances beyond the family's control and necessary to avoid eviction or foreclosure. There must be a reasonable prospect that the family will be able to resume rental or mortgage payments on the next due date. Proof of default and/or eviction is required.

**Funding Source:** CDBG

See Appendix B for Contractor Policy.

## H. Community Housing Development Organization (CHDO)

**Intent:** At least 15 percent of HOME funds must be set aside for specific activities to be undertaken by a special type of nonprofit called a Community Housing Development Organization (CHDO). A CHDO is a private, nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves.

**Activity Description:** LCCEDD has contracted with certified CHDOs to carry out approved housing-related activities with HOME funds. The CHDOs use at least 15 percent of LCCEDD's HOME funds. All records regarding individual tenant income verifications, project rents, and project inspections, must be maintained for the most recent 5-year period until 5 years after the termination of the affordability period.

**Eligibility:** In order to qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, capacity, and experience. Furthermore, CHDOs must have their designation approved by HUD every year. With PJ approval, CHDOs may use HOME funds for all eligible HOME activities. However, to count toward the 15-percent set-aside, a CHDO must act as the owner, developer, or sponsor of a project that is an eligible set-aside activity. These eligible set-aside activities include the acquisition and management of standard rental housing; the acquisition and/or rehabilitation of rental housing; new construction of rental housing; acquisition and/or rehabilitation of homebuyer properties; new construction of homebuyer properties; and direct financial assistance to purchasers of HOME-assisted housing that the CHDO has developed with HOME funds.

**Funding Source:** HOME

See Appendix D for details.

## I. Revolving Loan Fund

**Intent:** LCCEDD administers a Revolving Loan Fund that provides construction loans or financing to companies/industries to encourage business development.

**Activity Description:** LCCEDD has loan funds available to loan to companies/industries for the following uses: acquisition of buildings, acquisition of machinery/equipment, acquisition of land only if a structure will be erected, leasehold improvements, new building construction, energy conservation, pollution control, and onsite infrastructure. Typically, if land and buildings are involved, LCCEDD is a small part of the total funding package (up to 20 percent). Interest rates are fixed between a minimum of 3 percent and a maximum of 2½ points under current rates at local financial institutions.

**Eligibility:** Loans from the Revolving Loan Fund can be part of a larger loan package. Loans require the hiring of LMI individuals and are low-interest short-term loans. The business must be within the legal boundaries of Lake County. The goal of LCCEDD is to have permanent full-time jobs created or retained when meeting loan thresholds as determined by the Lake County Economic Development Commission. Job creation must normally take place within 3 years of project completion. In most cases, at least 51 percent of the new or retained jobs must be for LMI persons. These are determined on the basis of pay, required skill level, or family income.

**Funding Source:** CDBG and Federal Revenue Sharing

# V. Regulations and Policies

This section provides analysis of regulations and policies that apply to housing and other CDBG activities in Lake County. The governing jurisdictions include federal, state, and local government. This section is not comprehensive in describing all regulations and policies that apply to housing activities, but covers the main ones. As noted under the relevant policy descriptions, Appendix B provides more detail for some of the policies.

## 1. Review for Activity Eligibility and Allowable Costs

The County will review all proposed uses of federal funds according to the guidelines in this section in order to provide reasonable assurance that the funds are expended only for eligible and allowable activities in accordance with the applicable federal regulations and the applicable cost principles. All determinations will be documented and remain on file as part of the project file.

- Determine if the activity is included within the listing of eligible activities in the CDBG statute, as amplified by regulation. Staff must cite the relevant regulation for each eligible use of funds.

- Determine if the proposed activity falls within a category of explicitly ineligible activities listed in the CDBG regulations at 24 CFR 570.207.

- Determine if the proposed activity can meet one of the national objectives of the program.

- Determine if the program design will allow the administrator of the activity to document compliance with the national objective regulation.

    a. Low Mod Housing (LMH)
        1. Income Certification with supporting documentation
    b. Limited Clientele (LMC)
        1. Income Certification with supporting documentation
        2. Self Certification
        3. Presumed Benefit (abused children, battered spouses, elderly, disabled adults, homeless, illiterate adults, HIV/AIDS)
        4. Nature / Location

Low Mod Area (LMA)

Map demonstrating area is primarily residential and corresponding block groups

Low Mod calculation showing low mod population of service area exceeds program threshold, based on HUD low mod data or an approved survey

Low Mod Jobs (LMJ) - refer to options at 24 CFR 570.208(a)(4)

Slum Blight Area (SBA)

Map of services area

Documentation the area exhibits physical signs of blight and decay as evidenced by a substantial number of deteriorated buildings;

Documentation the activity is limited to addressing deterioration

Slum Blight Spot (SBS)

Documentation the activity is limited to addressing deterioration or blight

Urgent Need

Certification that the project will address a serious and immediate threat to the health or welfare of the community, the situation arose within the last 12 months, and other resources of funding are not available to carry out the activity.

- Determine if carrying out the activity with CDBG funds will result in the County violating its certification that at least 70% of CDBG expenditures will be for activities that are considered to benefit L/M income persons over the one, two, or three consecutive program years specified by the County in its annual action plan certifications.
- Determine if carrying out the activity with CDBG funds will result in the County violating its 15% public service cap or its 20% planning/administration cap.
- Review the proposed costs of the activity to determine if they appear to be necessary and reasonable and will otherwise conform to the requirements of the Uniform Administrative Requirements of 2 CFR 200, as applicable. Any indirect costs must be accompanied by an approved Cost Allocation Plan.
- If there is any uncertainty in terms of any of the above criteria, the County will submit a written request to its local HUD field office for clarification and assistance to determine the necessary steps to document compliance.

Additional Review Criteria

In addition to review for eligibility, national objective, and allowable costs, the County will use the following guidelines to evaluate a proposed project in terms of feasibility, capacity, and conflict of interest:

Feasibility

- Does the activity adequately address an established need?
- Has the prospective subrecipient identified all the major tasks that will be involved in carrying out the activity?
- Does the organization understand the interrelationship of these tasks, and has it developed a realistic schedule for their accomplishment? Are there any stumbling blocks to prompt implementation?

Capacity

- Has the organization ever undertaken the proposed activity before, and what was the result?
- Does the organization have experience with the Community Development Block Grant or other Federal programs?
- Do the prospective subrecipient's staff appreciate the additional requirements associated with Federal funding (for example, when staff split their time between CDBG and non-CDBG functions, keeping detailed records of time spent on specific activities)? Is the organization familiar with the specific regulatory requirements associated with the proposed activity (such as Davis-Bacon prevailing wage requirements for new construction or rehabilitation projects involving eight units or more)? What is the organization's "track record" regarding compliance with such requirements?
- Does the prospective subrecipient have adequate administrative and fiscal structures in place to deal with these guidelines (particularly record keeping)? If not, does it recognize its organizational weaknesses, and has it developed a plan for upgrading these aspects of its operations?
- Does the organization have qualified staff for all the necessary functions associated with the proposed activity, and is there adequate staff time available? If not, how does the organization plan to fill these gaps in personnel?

Conflict of Interest

As a general rule no employee, officer or agent of the County will participate in selection, or in the award or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when: the employee, officer or agent; any member of their immediate family; their partner; or an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award. The grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from contractors, potential contractors, or parties to sub-agreements, during office tenure or for one year after the close-out of the grant.

**2. Compliance with Cross-Cutting Federal Requirements**

As part of the application review, the County will assess the impact of applicable federal regulations, including:

Debarment Review

Before executing any contracts equal to or exceeding $25,000, the County will ensure that the contractor is not suspended or debarred from working on federally funded contracts by searching the System for Award Management (sam.gov). The County will document that the selected contractor has not been suspended or debarred by printing out the search screen from sam.gov and including the printout in the project file.

Environmental Review: See V. Regulations and Policies; B 1.

Labor Standards: See V. Regulations and Policies; C 1. 2. & 3.

Lead-Based Paint: See V. Regulations and Policies; B 2.

Acquisition / Relocation: See V. Regulations and Policies; A 6 & Appendix B.

Handicapped Accessibility Section 504: See V. Regulations and Policies; F

## A. General Housing and Construction

### 1. CDBG Community Projects and General Contractor Requirements

Cities and towns (communities) carry out virtually all construction projects undertaken under the CDBG program, and LCCEDD oversees these projects. LCCEDD provides the community with a standard construction contract that contains required state and federal language and provisions. The projects are bid out and signed by the community in coordination with the Monitor/Inspector. The community provides LCCEDD with construction invoices. LCCEDD makes payments directly to the vendor or contractor in proportion to the ration of CDBG funds in the project. For example, if a contract is 50-percent local funds and 50-percent CDBG, then an invoice is paid to the contractor with 50 percent coming from CDBG funds for the community.

Upon project completion, the community provides the Monitor/Inspector with a project approval from a professional engineer, a certified architect from the American Institute of Architects, and a local inspector or local responsible official attesting that the project was completed in accordance with contract specifications.

On rare occasions, Lake County undertakes a project. These projects are usually carried out by the County Highway Department or the Public Works Department, which use LCCEDD contracts. The department undertaking the project must attest to the project's completion and satisfaction to the Monitor/Inspector. LCCEDD then approves the payment and makes it directly to the vendor or contractor.

The County maintains a current listing of qualified contractors, which the Lake County Redevelopment Commission approves and adopts annually.

Contractors, subcontractors, and suppliers that would like to perform rehabilitation work for LCCEDD or its clients must meet eligibility requirements prior to being placed on the approved list of contractors. Contractors must file an application with documented proof of:

- Financial responsibility.
- Adequate liability insurance.
- Workmen's compensation insurance.
- State license (if required).
- County license.

- Capacity to obtain local license where necessary.
- Affirmative Action Agreement.

Appendix B contains more information about Lake County's contractor policy with respect to the following:

- The full list of requirements for contractors.
- Lake County's process of contractor selection.
- Payment.
- Contract document.
- Notice to Proceed Order.
- Labor performed by owner.

**2. Procurement Policy**
LCCEDD shall follow all of the Lake County, IN, adopted codes that govern the purchases of supplies and materials for department daily operations, including all federal and state references for procurements using grant and tax revenues.

LCCEDD shall follow the Lake County Responsible Bidding Ordinance with the restrictions as adopted by the Lake County Redevelopment Commission for contracting work on Commission-owned property and all demolition projects contracted through the department.

The maximum expenditure limits, as a guide, shall be:

<u>CDBG and HOME Funds:</u>

| | |
|---|---|
| Single-Family Homeowner Rehabs | $ 50,000 |
| Single-Family Emergency Grants | $ 15,000 |
| Lead Assessments | $ 1,000 |
| Mold Assessments | $ 1,000 |
| Radon Assessments | $ 1,000 |
| Lead Remediation | $ 10,000 |
| Mold Remediation | $ 5,000 |
| Radon Remediation | $ 10,000 |
| HOME Buyer Program | $ 5,000 |
| Homeless Prevention | $ 1,000 |

The Executive Director has the authority to exceed these expenditure limits, provided that the proper documentation is maintained in the client/project file. Unique circumstances can occur with projects; to maintain the health and welfare of the property, client expenditures above these limits may occur.

NSP 1 and 3 Funds:

NSP has its own federal regulations, and expenditures shall be determined on a case-by-case basis for each individual project, as determined and approved by the Lake County Redevelopment Commission.

Program Income/Local Funds:

LCCEDD has received and will continue to receive Program Income/Local Funds (PI), and expenditures of PI shall occur by the HUD-determined guidelines and the approved policy as provided in Appendix B--Policy Documents item H--Financial Policies.

### 3. Housing Rehabilitation Projects

Most housing rehabilitation projects are carried out to provide housing improvements to qualified homeowners. In these cases, the household applies to LCCEDD. If the household is qualified by the Rehab Specialist, the owner and the Monitor/Inspector together work to create specifications and cost estimates for the project. The Deputy Director then reviews and approves the project. Depending on the type of project, the project is then bid out or put out for quotes. A project will not be set up in the Integrated Disbursement and Information System (IDIS) until a contract for the undertaking has been signed.

The actual contract is between the contractor and the owner, but overseen by LCCEDD. The contractor must be on the LCCEDD-approved list and properly licensed. As a general practice of LCCEDD, the department avoids owners or relatives, undertaking necessary work items. Such activity can only be undertaken when and there is a clear determination that the person undertaking the tasks is definitely qualified and able to undertake the tasks in a timely manner.

The Monitor/Inspector inspects the work as it is undertaken. If called for by the contract, partial payments will be made, but never equal to the work in place. Upon project completion, the Monitor/Inspector will obtain the owner's approval of the work undertaken and make a final inspection. If items need to be corrected or completed, the contractor will be informed and required to do the same. Upon successful completion of the project, final payment will be made to the contractor. If there are inspections necessary from the locality or other agencies, they shall be undertaken and final payment shall be withheld until approval is obtained from these agencies. All project work items will be guaranteed for a period of 1 year by the contractor. The contract will provide all product warranties and guarantees to LCCEDD, which shall provide them to the owner.

HOME-funded housing rehabilitation projects must meet the requirements at 24 CFR part 92.356, and CDBG-funded housing rehabilitation projects must meet the requirements of 24 CFR part 570.611. In the event of a contractor being unable or unwilling to complete a project, the remaining work shall be put out for bids or quotes depending on size. Another contractor will be selected and will undertake the required work items and be paid out of remaining project funds.

All housing rehabilitation undertaken with HOME/CDBG funds will be accompanied by the forms found in Appendix C. All applicable items will be completed. No pre-contract costs for rehabilitation or new construction with HOME funds shall be assigned to a project until a construction contract is signed.

**4. Housing Quality Standards**
The goal of the housing choice voucher program is to provide "decent, safe, and sanitary" housing at an affordable cost to low-income families. To accomplish this, program regulations set forth basic housing quality standards that all units must meet before assistance can be paid on behalf of a family and at least annually throughout the term of the assisted tenancy. The housing quality standards define "standard housing" and establish the minimum criteria necessary for the health and safety of program participants. A HUD-approved checklist is used for inspection.

**5. Rehabilitation Standards**
In order to meet criteria for full rehabilitation, CDBG-funded units must meet Section 8 Minimum Housing Quality Standards. However, if the unit is located in a city or town with local codes in excess of these standards, the unit must meet those standards.

The County will not undertake projects that involve "lavish" or "extravagant" items or improvements. Such items might be hot tubs, spas, extensive landscaping, and so forth. Generally, work specifications shall reflect materials and methods that are considered "middle of the road" (i.e., not the most expensive, but not the cheapest available).

In the case of units that are not subject to full rehabilitation, the work performed shall meet good quality material standards (no reuse of existing material), and work shall be performed with quality workmanship.

If a unit is rehabilitated with HOME funds, it must meet the Property Standards set forth in 24 CFR part 92:251, plus any additional local code requirements. New manufactured units must meet the Manufactured Home Construction and Safety standards established in 24 CFR part 3280.

**6. Acquisition/Relocation**
The undertaking of real property acquisition or business or household relocation is covered by the Uniform Relocation Assistance and Real Property Acquisition Act of 1970. The regulations can be found at 24 CFR part 570.606 subpart K.

Under this Act, the County avoids either acquisition or relocation, but especially the latter. It does, on occasion, purchase or assist eligible lower income households to purchase or rehabilitate vacant voluntary sale units. The County never exercises eminent domain with CDBG or HOME funds.

The overall policy is to limit acquisition to voluntary situations and to avoid any relocation of business or households.

When acquisition does occur, it is usually handled directly by the Executive Director and assisted, depending on the situation, by the Deputy Director, Monitor/Inspector, and/or Rehabilitation Specialist. If a relocation situation should occur, it would be the responsibility of the Executive Director, assisted by the Deputy Director.

**7. Optional Temporary Relocation Assistance Program**

The Lake County Community Economic Development Department can provide Optional Temporary Relocation Assistance to a homeowner who qualifies with the provisions of the program on B-21, in writing, for Temporary Relocation housing while rehabilitation work is commencing on their home. Temporary Relocation housing will be provided to qualified homeowners for up to $100.00 per day per household based on documented costs for all occupants of the home, or unit, for no longer than necessary, due to construction activities on the home, for a reasonable time period to ensure return to a safe and habitable home. Documented Costs includes invoices, rental leases, and rental and lease receipts with dates of service and facility location.

**8. Recapture Policy**

In accordance with HOME regulations, long-term affordable housing through investment of HOME federal funds is enforced either by recapturing HOME funds to assist other buyers and/or properties (recapture option) or by restricting the sale of HOME-assisted properties to other low-income buyers (household income less than 80 percent of the area median income) (resale option).

LCCEDD uses the recapture option when a homebuyer receives a direct subsidy for the purchase of a home for down payment or closing cost assistance or when a unit is rehabilitated to HUD standards. Under this option, the minimum period of affordability is based only on the amount of the direct subsidy.

The minimum per-unit subsidy amount allowed under the HOME Program is $1,000 per unit and cannot exceed the per-unit dollar limitation established under Section 221(d)(3) of the National Housing Act.

The other method of ensuring long-term affordability is deed-restricted resale. This entails restricting the sale of HOME-assisted properties to other low-income buyers whose household income is less than 80 percent of the area median income.

The unit may not exceed 95 percent of the median area purchase price.

Appendix B contains details on the recapture policy.

## B. Environmental Regulations

### 1. National Environmental Protection Act

The main body of environmental regulations governing CDBG and HOME activities is set forth in the National Environmental Protection Act and can be found with reference to the CDBG Environmental Standards at 24 CFR part 570:604. As stipulated in the National Environmental Protection Act, all projects undertaken with CDBG or HOME funds must have an Environmental Review Record (ERR). The ERR must be completed prior to the start of the project. Project engineering and architecture are not subject to this requirement, in accordance with the "Responsible Entity" rules set forth in 24 CFR part 58, which state that the PJ and state recipients are the responsible entities for undertaking environmental review of HOME-funded activities.

The County must prepare an ERR, publish its findings, and certify to HUD that the Chief Executive Office of the County, or a designee, stands in the place of the HUD Secretary for the purposes of the ERR findings and takes responsibility for these findings. For most projects undertaken by the County, the Monitor/Inspector is designated to prepare the ERR and see to findings and filings.

Housing projects, regardless of funding source, may require a Tier 2 review prior to being undertaken. This shall be completed by the Monitor/Inspector and the Deputy Director and put on file prior to the initiation of the projects. This shall include receipt of a Section 106 review from the State Historic Preservation Office. Generally, public improvement projects will not require a Tier 2 review since the location and size is known when the initial ERR review is completed.

### 2. Lead-Based Paint

All CDBG and HOME activities are required to comply with the provisions of the Lead-Based Paint Poisoning Act, the Residential Lead-Based Hazard Reduction Act of 1992, and the implementing regulation issued by HUD and the U.S. Environmental Protection Agency if the County or a subrecipient becomes involved with a dwelling unit built prior to January 1, 1978.

The County uses certified private contractors for testing and specification writing. In carrying out projects where lead paint is involved, the County uses private contractors that are properly licensed and certified to undertake lead remediation work. The County avoids situations where it would have to undertake full lead abatement.

All costs regarding lead testing, abatement, and clearance will not be included in the loan amount. These costs do not need to be repaid.

### 3. Mold Assessment and Remediation

LCCEDD recognizes the potential health hazards that mold can present to the occupants of project homes and facilities.

If mold is suspected to be present in the occupied areas of a project, such as bedrooms, living rooms, bathrooms, kitchens, or common areas, LCCEDD shall order a Mold Assessment from a qualified contractor that is on the LCCEDD Contractor List. After the qualified contractor reviews the Mold Assessment, LCCEDD, the contractor, and the project owner will determine the best practices to provide the safest mold-free area possible for the funds available to the project.

If mold is suspected to be present in other unoccupied areas of the project, such as basements, laundry areas, or crawlspaces, LCCEDD will work with the project owner and approved project contractor to provide best practices measures to remediate the mold issues. A Mold Assessment to determine the best practices can be obtained if all parties deem it necessary. Such best practices include but are not limited to cleaning, chemical sprays, sealing, dehumidifying, painting, or a combination of solutions.

Mold Remediation is limited to the maximum expenditures provided by the Procurement Policy, unless unique circumstances allow the Executive Director to exceed the limits. A Mold Assessment may determine that the Mold Remediation is too extensive and expensive to be a proper healthy solution for the occupants.

**4. Radon Assessment and Remediation**

Radon is a radioactive gas that forms when radium and certain other radioactive metals break down in rocks, soil, and water. It is found in nearly all soils and moves through the soil to the air and into structures through cracks and other areas of permeability. Building materials and groundwater may also be a source of indoor radon. Once inside, radon concentrations can build to high levels, regardless of the age, condition, or design of the building. The most common pathway for human exposure to radon is inhalation indoors. Radon is the number one cause of lung cancer in non-smokers and the second leading cause of lung cancer overall.

A Radon Assessment will occur for all Rehabilitation Projects by a qualified contractor from the LCCEDD Contractor List and a Radon Remediation Solution will be part of the Project Scope and subject to the maximum expenditure limits.

## C. Labor Standards

**1. Davis-Bacon**

Any non-housing construction project involving more than $2,000 in cost and involving non-volunteer labor is subject to the requirements of the Davis-Bacon Act of 1931, which requires the payment of prevailing wages to employees, along with filing by the contractor of wage reports. They must also post wages on the job site and meet other requirements. The Davis-Bacon Act also includes requirements regarding the Contract Work Hours and Safety Standards Act, which requires that all overtime hours must be compensated at a rate not less than one and one-half times the regular basic rate of pay.

Prevailing wage rates do not apply to housing projects unless they involve 8 or more units for CDBG funds or 12 or more units in the case of HOME funds.

Generally, the Compliance Officer is responsible for seeing that the wage rates are paid and payroll reports are obtained and reviewed.

**2. Prohibitions Against Discrimination**

CDBG and housing activities are subject to Executive Order 11246, signed by President Lyndon B. Johnson on September 24, 1965, which established requirements for nondiscriminatory practices in hiring and employment on the part of U.S. government contractors. These requirements prohibit employment discrimination based on race, creed, color, religion, or place of birth and as of amendments in 1967 and 2013, sex and sexual orientation, respectively.

**3. Local Hires**

Section 3 of the Housing and Community Development Act of 1968 also applies. This requires that a percent of lower income residents from the local area be hired by contractors or developers if new employees are, in fact, hired to work on a CDBG or HOME-funded project.

The Monitor/Inspector is responsible for seeing these regulations enforced.

## D. Affirmative Marketing

All participants of Lake County's CDBG Rental Rehabilitation program shall adopt appropriate procedures for affirmatively marketing the availability of housing units that are vacant or that later become vacant after rehabilitation under this program. Affirmative marketing consists of good faith efforts to provide this information and otherwise to attract eligible persons from all racial, ethnic, and gender groups in the housing market area to the available housing.

To implement the following specific affirmative marketing steps, the participant must agree:

- To inform the public and potential tenants of housing units that are available by soliciting applications from persons in the housing market area who are not likely to apply for the housing without special outreach (e.g., use of community organizations, churches, employment centers, housing counseling agencies, or fair housing groups such as the Northwest Indiana Reinvestment Alliance).
- To use the Equal Housing Opportunity logotype in advertisements or communications, where possible.
- To maintain for a period of 90 days information concerning applicant flow, advertisements, and correspondence to achieve affirmative marketing of housing units.
- To adhere to for a period of 20 years all rules governing applicant flow, advertisements, and correspondence to achieve affirmative marketing of housing units.
- To display an "Equal Housing Opportunity Poster" in a prominent place in the building's common area.
- To maintain a Tenant's Profile record indicating tenant income, family size, racial or ethnic background, and affirmative marketing efforts.
- To make all such records available to the County from time to time, as required.

All participants with housing projects of five or more units must sign an affirmative marketing agreement with the above certifications.

## E. Fair Housing

All CDBG and HOME-funded activities are covered by the Civil Rights Act of 1964 and the Fair Housing Act of 1968.

Funding recipients must assure HUD that not only will they enforce fair housing laws, but they will also affirmatively promote fair housing. Funding recipients are required to conduct an analysis to identify impediments to fair housing choice within the jurisdiction and take steps to remove these impediments.

The County also contracts out the enforcement of fair housing to a nonprofit organization and contracts out the preparation of the analysis of impediments to private contractors. The Deputy Director is responsible for overseeing fair housing.

## F. Architectural Barriers Act and Americans With Disabilities Act

All CDBG and HOME activities are required to comply with the provisions of the Barrier Act of 1968 and the Americans with Disabilities Act of 1990. The former act usually impacts projects carried out by the County. When the County undertakes projects involving new construction, it is required to ensure that the housing or facility is designed to be accessible and usable by handicapped persons. When the County undertakes major renovation work on housing facilities, it must do the same, if feasible.

These requirements result in County projects such as the installation of curb ramps or sidewalks; providing handicapped access to single-family homes; installing handicapped restrooms, doors, and so forth in public or nonprofit facilities; and retrofitting playgrounds for the handicapped.

When undertaking these or related projects, the design and construction must comply with the Uniform Federal Accessibility Standards (see Appendix A to 24 CFR part 40 for residential buildings and Appendix A to 41 CFR part 101-10, subpart 101-19.6) for general buildings.

For local rehabilitation activities (usually single-family homes), the Monitor/Inspector attests that any handicapped improvements comply with these regulations.

## G. Citizen Participation Plan

The purpose of the Citizen Participation Plan is to provide a means and process for full and meaningful participation by the citizens of Urban Lake County, particularly those that are of very low and low income, in the development of the County's Consolidated Plan and the Assessment of Fair Housing and the consequent review of the use of CDBG, HOME, and other HUD funds.

The means for participation include preparing information on program funding; publishing a summary and notices of availability of documents, including the prepared Consolidated Plan and the Assessment of Fair Housing, in the newspaper and allowing the citizens at least 30 days to comment before the documents are submitted to HUD; providing timely access to records related to documents and funding; providing technical assistance to very-low and low-income persons/groups that require assistance applying for CDBG or other HUD funds; and conducting at least two public hearings a year to obtain citizen's views.

Appendix B provides the complete Citizen Participation Plan.

## H. Language Access Plan

In compliance with Executive Order 13166, the Lake County Urban County Entitlement Area in Indiana has developed a Language Access Plan for Limited English Proficiency (LEP) persons. The Lake County Urban Entitlement Area meets the criteria of 1,000 or more people with LEP that speak Spanish and needs a Language Access Plan.

Under the plan, LCCEDD will make all reasonable attempts to accommodate the language access needs of residents requesting translation. Under the plan, the following types of language access will be provided on an as-needed basis:

- Citizen participation documents, project-related resolutions, public notices, and amendments will be published in Spanish on bulletin boards at the city hall and in other public places throughout the proposed project area(s) and/or the community upon request.
- All published citizen participation advertisements will include a statement in Spanish indicating that program materials are available in Spanish upon request.
- All citizen participation notices will include a statement in Spanish that Spanish translation services will be available at public meetings upon prior request.
- If needed, a translator may be retained to provide oral translation during implementation of activities.

Appendix B provides the complete Language Access Plan.

## I. Minority Business Enterprise/Women's Business Enterprise (MBE/WBE) Participation

Lake County maintains a policy with respect to minority businesses and women-owned businesses that includes the following requirements:

- Lake County MBE/WBE businesses will be solicited whenever they are potential sources.
- Total requirements shall be divided—when economically feasible and permitted by law—into smaller tasks or quantities to permit maximum participation by Lake County MBE and WBE businesses.
- Delivery schedules will be established, where the requirements permit, to encourage participation by Lake County MBE/WBE business.
- If the Lake County MBE/WBE is a prime contractor and is using any subcontractors, the Lake County MBE/WBE will be required to take affirmative steps in support of compliance with this policy.

Appendix B provides the complete policy document.