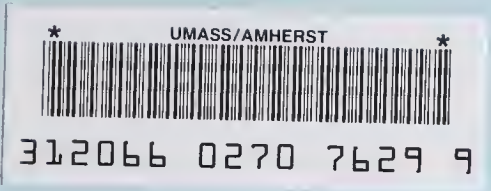


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THE COMMONWEALTH OF MASSACHUSETTS

COMMUNITY DEVELOPMENT ACTION GRANT PROGRAM

1988

CD 1.2  
 1988  
 05/2/1988  
 Office of Communities and Development  
 Executive Office

COMMONWEALTH OF MASSACHUSETTS  
MICHAEL S. DUKAKIS, GOVERNOR

EXECUTIVE OFFICE OF COMMUNITIES AND DEVELOPMENT  
AMY S. ANTHONY, SECRETARY

893/306



THE COMMONWEALTH OF MASSACHUSETTS  
COMMUNITY DEVELOPMENT ACTION GRANT PROGRAM

1988

COMMONWEALTH OF MASSACHUSETTS  
Michael S. Dukakis, Governor

EXECUTIVE OFFICE OF COMMUNITIES AND DEVELOPMENT  
Amy S. Anthony, Secretary



## I. CDAG PROGRAM OVERVIEW

The Massachusetts Community Development Action Grant (CDAG) Program is designed to promote private investment, create or retain employment and affordable housing opportunities, and revitalize distressed areas in communities across the state. To that end, over 100 CDAG awards have been made to Massachusetts cities and towns to fund the construction of roadways, water and sewer lines, and other public works projects:

- o To stimulate economic development that will create or retain long-term employment opportunities and expand the local tax base;
- o To support development activities that primarily benefit low and moderate income persons;
- o To support development activities that directly generate firm commitments of private investment that would not occur without CDAG funding;
- o To attract investment to economically distressed communities;
- o To support targeted community development efforts that have an identifiable impact and respond to the needs of residents and businesses in a defined area;
- o To support communities which have developed effective community development strategies, and which have (or may be expected to develop) the capacity to implement those strategies;
- o To encourage communities to maintain open policies toward both subsidized and private market housing, and to ease unnecessary restrictions in the development of affordable housing in general; and
- o To assist projects that can be initiated and completed in a timely manner.

A wide range of activities are eligible for CDAG assistance, including:

- o Construction, rehabilitation, alteration, enlargement, demolition and clearance, or other improvement of property that is publicly owned or managed - including site and infrastructure improvements, utilities, streets or roadways, lighting, water and sewer lines, foundations for air right sites, pedestrian malls or walkways, off-street parking facilities, rail spurs, parks and playgrounds, and pedestrian amenities, within an area declared as decadent, substandard or blighted open.
- o Acquisition of real property, in whole or in part, on which any of the foregoing will be undertaken.
- o Relocation assistance to businesses and/or households displaced, either temporarily or permanently, by CDAG project activities.



The activities for which CDAG funds cannot be used include, but are not necessarily limited to, the following:


- o Any activity undertaken on property which will remain privately owned and managed;
- o Any activity providing direct benefit solely to private entities or individuals;
- o Any activity primarily in support of retail development located outside of Commercial Area Revitalization Districts (CARDS);
- o Any activity designed to encourage relocation of a business or industry from one Massachusetts community to another (except in extraordinary circumstances, and only upon the discretion of the Secretary of EOCD);
- o Any activity undertaken on buildings used for the general conduct of government such as court houses, city and town halls or other municipal facilities such as schools, police and fire stations, sports arenas, libraries, museums, etc.;
- o Purchase of equipment, including construction equipment or any other equipment associated with providing municipal services;
- o General government expenses, or operating and maintenance expenses associated with public facilities, and any other operating and maintenance expenses associated with providing public services; and
- o Any activity that could foster adverse secondary growth impacts.

EOCD has established a February 16, 1988 deadline for the submission of CDAG applications that support industrial, commercial, or mixed-use projects under the next round of funding. It is anticipated that an additional funding round for such projects will be held during the summer of 1988. Communities will be notified during the spring of 1988 regarding application deadlines for that funding round. Therefore, this Guide should be retained for future reference.

Any Massachusetts city or town (or under special circumstances, two or more communities working together to address a regional development need) may submit one or two non-housing related applications in each competitive funding round. Each CDAG application should request a specific dollar amount to fund a specified eligible project activity. Grant awards will be limited to \$1 million per project, but no more than a total of \$1.5 million per community in any single funding round.

In reviewing CDAG applications, EOCD shall include but not be limited to the following criteria:

- o the comparative ratio of private to public financial commitments among applicants;



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- o the comparative public CDAG costs per job created among applicants;
- o the comparative degree of economic distress among applicants;
- o the comparative degree of physical deterioration of the areas in question;
- o the demonstrated performance of the applicant in the management of community development programs;
- o the impact of the proposed community development project on the special problems of low and moderate income persons and minorities;
- o the extent of firm financial participation by other public or private entities;
- o the extent to which the project represents a special or unique opportunity to meet local priority needs;
- o the impact of the proposed project on the residents, particularly those of low and moderate income, of the residential neighborhood, and on the neighborhood in which the project is to be located; and
- o the feasibility of accomplishing the proposed project in a timely fashion within the grant amount available.

The CDAG Program gives priority to applications for grants which promise to (1) provide substantial employment or other direct benefit for low-income persons; (2) significantly improve the condition of a low-income neighborhood; (3) provide reinforcement for other community development related investments by the Commonwealth; or (4) combine the aforementioned characteristics. Applications for such projects are strongly encouraged and will be considered as competitive with other industrial, commercial, or neighborhood projects which may have superior private to public financial ratios and/or lower public CDAG costs per job created.

Each applicant community's housing policies and practices and its compliance with its civil rights obligations, as determined by the Massachusetts Commission Against Discrimination, will be considered in EOC'D's review of CDAG applications.

Prior to submitting a CDAG application, communities and project developers are encouraged to meet with CDAG staff to discuss proposed projects and to review application procedures. They are available to answer any questions you might have about the CDAG Program and can be reached at 617-727-7180 or 617-727-7181.

It should be noted that applications for CDAG projects that support the construction of affordable housing units should be submitted directly to the Massachusetts Housing Partnership (MHP). If endorsed by MHP, each such CDAG application will be automatically submitted for CDAG review. Proponents of CDAG projects associated with affordable housing projects should contact the MHP at 617-727-7824 regarding submission dates and other application requirements.

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## II. APPLICATION REQUIREMENTS

This section contains instructions for completing an application for CDAG funds. The components listed below constitute a complete CDAG application:

- o Application Cover Sheet
- o Public Hearing Documentation
- o Community Profile
- o Detailed Project Description
- o Project Budget
- o Finance Summary
- o Evidence of Meeting Program Objectives
- o Minority Business Enterprise (MBE) Policy Statement

CDAG Exhibit A	Project Schedule
CDAG Exhibit B	Assurance of Obtaining Governmental Approvals
CDAG Exhibit C	Certificate as to Title to CDAG Project Site
CDAG Exhibit D	Sources and Uses of Funds/Project Budget
CDAG Exhibit E	Private and Public Commitments
CDAG Exhibit F	Fiscal Impact of Proposed Project
CDAG Exhibit G	Job Creation Potential of Proposed Project
CDAG Form 1	Justification for "Decadent, Substandard, or Blighted Open Area" Declaration
CDAG Form 2	Estimated Leverage Ratio
CDAG Form 3	Affirmative Action Assurances

In addition, in planning for a CDAG project and preparing an application for CDAG funds, applicants should be aware of the following other CDAG requirements:

- o Compliance with Applicable Laws
- o Environmental Considerations
- o Displacement and Relocation
- o Record Keeping/Access to Information
- o Audit Requirements
- o Project Amendments
- o Compliance with EOCD Requirements

To make application for CDAG funds, applicants must submit an original and two copies of their completed CDAG application to:

Amy S. Anthony, Secretary  
Executive Office of Communities and Development  
100 Cambridge Street, Room 904  
Boston, Massachusetts 02202

Attention: CDAG Program

A.

B.

C.

**A. Application Cover Sheet**

This page should be filled out and signed by the Chief Elected Official of the applicant community. If the community's governing body must authorize this official to apply for funds before the actual proposal is submitted, a copy of that authorization should be attached. (i.e., Board/Council Resolution).

In the case of a joint application, the lead community should be listed first with the remaining participants following. Only the address of the lead community should be listed on this page. The typed name, title, and the signature of the Chief Elected Official(s) of cooperating communities should be submitted on a separate sheet.

**B. Public Hearing Documentation**

Applicants are required to demonstrate that a proper public hearing was held on the CDAG application, prior to submitting the Application. Notice of the hearing must be published at least once a week for not less than two (2) successive weeks immediately prior to the date of the hearing, in at least one newspaper of general circulation in the locality. The first publication shall not be less than 14 days prior to the date of the hearing, inclusive of the date of the publication but exclusive of the date of the hearing. If there is no newspaper of general circulation in the locality, the notice shall be posted in at least three public places in the locality for not less than 14 days prior to the date of the hearing.

THE NOTICE OF THE HEARING MUST CONTAIN THE FOLLOWING INFORMATION:

- o the public body which is to hold the hearing;
- o the agency which is to undertake the project;
- o the date, time, and place of the hearing;
- o the purpose of the hearing (project);
- o that a Community Development Action Grant (CDAG) will be applied for;
- o that all interested persons are welcome to attend and will be afforded an opportunity to be heard.

A copy of the sign-in sheet(s) must be included in the application.

**C. Community Profile**

In this section the applicant should briefly profile the community and outline the major economic or community development related problems it currently faces.



**D. Detailed Project Description**

Applicants are required to provide a detailed description of the proposed project by addressing each item identified below:

o Project Components

A detailed description of each public and private action (e.g. land acquisition, site improvements, property rehabilitation, purchase of capital equipment, etc.) which is necessary to complete the proposed project is required. This description should explain why this project could not be undertaken without CDAG funding.

(CDAG legislation prohibits EOCB from awarding grants to projects that would be feasible without an infusion of public money. Therefore to avoid inappropriate awards, EOCB will assess proposed projects to determine whether or not they are feasible without CDAG funding.)

o Project Schedule

Since one of the factors that EOCB will evaluate when making funding determinations is the feasibility of the implementation schedule, the measurement of progress should be realistic and achievable given the overall scope of the program. In this regard, sufficient detail must be provided to allow for evaluation of the proposed project during application and for measurement of progress during actual CDAG administration. In addition, applicants are required to list all government funding/regulatory approvals necessary to ensure orderly development. Such listing should include anticipated filing and approval dates. CDAG Exhibit A: Project Schedule should be completed with as much detail as possible for all scheduled activities.

o Site and Property Information

A detailed description (with project site map) of the physical characteristics of the project site including existing buildings, utilities, special features, and current conditions is required. In addition, information concerning development constraints, proposed property improvements, and current zoning (if re-zoning or special permits are required, indicate status) should also be contained here.

It is essential that ownership (existing and proposed) of land and buildings be clarified, for both the time of application and after the project is completed. Therefore, applicants are required to submit:

CDAG Form 1: Justification for "Decadent, Substandard, or Blighted Open Area" Declaration;

CDAG Exhibit B: Assurance of Obtaining Governmental Approvals; and

CDAG Exhibit C: Certificate as to Title to CDAG Project Site, both signed by the Town Counsel/City Solicitor.





o Private Entity

The purpose of this section is to provide information about the project participants (developers, investors, businesses leasing space, etc.) including the name(s) and telephone number(s) of contact person(s) from the private firm(s). In addition, applicants should indicate the roles of the different entities and individuals in the project and, as noted earlier, provide solid evidence of their financial strength.

o Grant Management Entity

In this section, applicants must demonstrate that they are capable of carrying out the proposed CDAG project. Applicants should briefly discuss their past performance in implementing other economic and community development programs. Municipal agencies or other local organizations responsible for managing the CDAG project and its components should be specified. Any contractual arrangements the applicant has made relative to management, monitoring, or other project participants should be detailed.

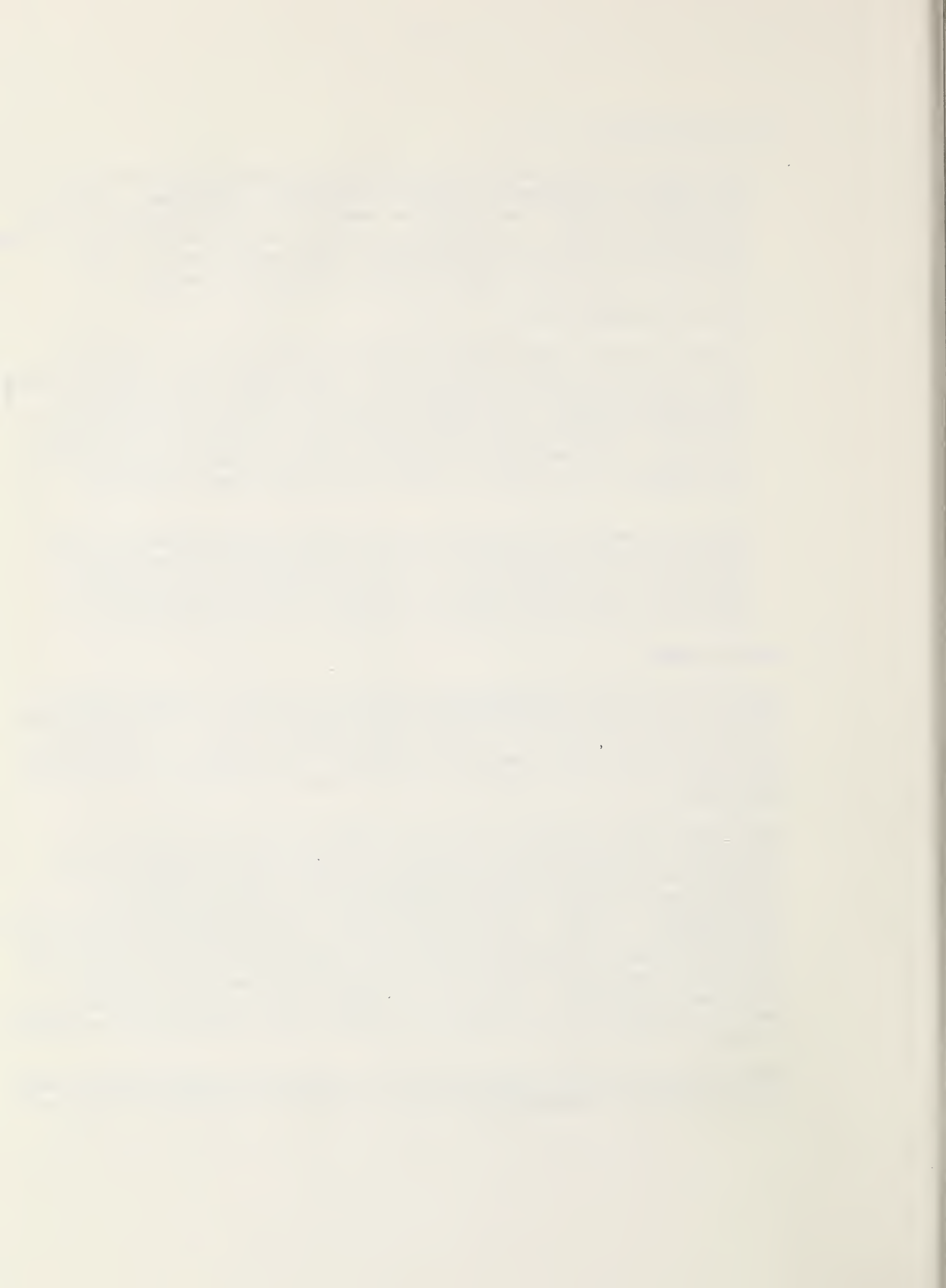
Applicant communities lacking an administrative and programmatic track record will not be penalized. Inexperienced applicants can compete successfully for CDAG funding if they can document a well-conceived management plan, together with an analysis of how the community will obtain the administrative/management expertise it currently lacks.

**E. Project Budget**

Applicants must submit CDAG Exhibit D: Sources and Uses of Funds/Project Budget to indicate the total amount of money required for each specific work activity to be undertaken as a part of the overall project. It should be noted that not all line items on CDAG Exhibit D will apply to every project. Therefore, applicants are asked to indicate where a line item is "not applicable."

CDAG awards will be based on the Project Budget submitted in the CDAG application. Applicants must take care to obtain sound estimates of work activity costs, projected forward to the period of actual project construction and should consider requesting funds under Line Item 13-Contingencies. Changes to CDAG awards require formal EOCD review and will be considered only to cover increases in construction costs that are the result of unanticipated environmental factors that could not have been foreseen at the time of application. Further, such changes must meet CDAG Program guidelines for leverage ratios, etc. Therefore, applicants must be aware of their responsibility to pay additional project costs which may not be covered by EOCD.

The following is a brief description of the information being requested under each line item in CDAG Exhibit D: Sources and Uses of Funds/Project Budget:



Line Item 1

Land Acquisition - Include all costs associated with purchasing property for the project. Include all costs and expenses associated with the acquisition, such as legal fees, recording taxes, and the like. An up-to-date appraisal, prepared by a professionally designated appraiser, must be submitted for each parcel to be purchased with CDAG funds.

Line Item 2

Relocation of Persons and Businesses - These costs will include estimated stipends to be paid to displaced parties, moving expenses borne directly by the applicant or property owners, and other payments required by Chapter 79A of the General Laws of the Commonwealth, as amended.

Line Item 3

Clearance and Demolition - This item includes expenses for demolishing structures on land to be used for the proposed project, and hauling debris from the site prior to land improvement.

Line Item 4

Street and Site Improvements - Costs in this category include on-site and off-site road and drainage system construction and other land development costs, except those in 5 below.

Line Item 5

Water and Sewer Facilities - This item includes all costs associated with construction of water and sanitary sewer lines, as well as sewage treatment facilities, both on-site and off-site.

Line Item 6

Construction Costs - Identify the amounts to be paid for costs of construction and/or rehabilitation of buildings or facilities directly related to the project.

Line Items 7 and 8

Other - These line items are blank to allow for insertion of additional items which appear in the particular project. Applicants are asked to identify these activities in detail, with associated costs.

Line Item 9

Capital Equipment - This item is particularly appropriate in industrial projects. The total cost of depreciable fixed capital items which are not directly connected with construction should be included in this item.



Line Item 10

Professional Fees - This category of costs includes itemization of architectural, engineering, general consulting and related fees.

Line Item 11

Administration of the Project - This item includes total administrative costs to carry out the proposed project. Except in unusual circumstances that are documented to EOCD's satisfaction, total administrative costs paid from CDAG funds may not exceed five percent of the total CDAG award.

Line Item 12

Cost Subtotal

Line Item 13

Contingencies - This category is meant to reflect the uncertainties associated with preparing cost estimates. In general, contingencies should not be greater than ten percent of the total project cost.

Line Item 14

Total Project Costs

**F. Finance Summary**

The CDAG Program requires a minimum direct leverage ratio of \$2.50 in private funds to \$1.00 in CDAG funds (2.5 to 1), which must be documented, using CDAG Form 2: Estimated Leverage Ratio.

Applicants are required to provide a detailed description of all financing for the proposed project including aggregate cost and a breakdown of both public and private sources and amounts. All applicants must complete CDAG Exhibit E: Private and Public Commitments to reflect such investments. Private entities, including private lending institutions and developers, must provide firm commitments for the proposed project and provide evidence of financial capacity through the completion of the project. In addition, firm commitments must be provided for public funds which are essential to the implementation of the project.

It should be noted that non-capital investments/improvements such as working capital, inventory, office equipment/supplies, in-kind investment, sweat equity positions, and funds already expended will not be accepted as eligible leverage money.



Applicants should carefully review the requirements set forth below for private commitment letters. Please note that the more competitive projects are those that include firm private investment commitments. In any event, communities which compete successfully for CDAG funds will be given 60 days (from the date of preliminary approval) to secure legally-binding letters of private financial commitment in amounts commensurate with the private to CDAG ratio in each application.

Applicants are strongly urged to discuss these requirements with private sector participants early in the application process and to secure the required documentation as soon as possible.

o Evidence of Commitment from Developers, Private Firms, or Major Tenants

Letters of commitment obtained from the above participants must:

1. state that "but for the receipt of CDAG funds the proposed project will not take place";
2. describe the size and scope of the project;
3. summarize the activities of each participating party, and the sources, amounts, and status of all funding and financing (if equity funds will be used to finance the project, in whole or in part, applicants will be required to submit a current Balance Sheet and operating statement not over 90 days old);
4. indicate the amount of CDAG funds requested, and uses of such funds;
5. indicate number and type of jobs to be created and/or retained.

o Evidence of Commitment from Private Lender

Each participating lender must present evidence of its commitment to the private investor and the proposed project. Lender commitment letters must include:

1. description of the type of loan (e.g., first mortgage, permanent financing, construction financing, etc.) being made and the status of the loan. (If a loan is conditionally approved, those conditions must be satisfied before the loan commitment is considered firm by EOCD); and
2. the amount of the loan, the interest rate, the term, and the security.

o Evidence of Commitment from Other Public Sources

Letters of commitment for funds directly related to the proposed project from other public sources should include the amount and type of funding, the status of the commitment and any conditions which the community is required to meet prior to the release of funds.





**It must be stressed** that a letter of interest or support is not a firm commitment. If private lenders, private firms or developers state that their commitment may be withdrawn for any reason, they have not given a firm commitment, and in the event that such an application receives preliminary approval, participants will be given 60 days from the date of approval to secure firm letters of financial commitment. EOCD then reserves the right to rescind preliminary grant approval if letters of firm financial commitments are not received within the required time period. If the required language and/or information is/are not provided, the application will not be funded.

### **G. Evidence of Meeting Program Objectives**

#### **o Alleviating Fiscal Distress**

CDAG projects are expected to have a significant impact on the economic condition of the applicant community. The completion of CDAG Exhibit F: Fiscal Impact of Proposed Project is required in order to summarize:

- the value of property added to the tax rolls by the proposed project;
- any reduction in property valuation due to demolition;
- payments in lieu of taxes, if any; and
- estimated tax revenue.

#### **o Alleviating Economic Distress**

An important component of each CDAG project is its ability to create new and permanent jobs in the community. Jobs which are retained in the community or transferred to the community will also be considered, but will not have the weight of new, permanent jobs.

EOCD will consider the actual number of jobs which are to be created as a direct result of the CDAG project. Funding priority will be given to those projects which can document a well-conceived plan for the recruitment and placement of racial/ethnic minorities and low and moderate income residents. Applicants should prepare a narrative (using exhibits where appropriate) which discusses (i) job creation potential of the proposed project; (ii) the number and types of jobs to be created; and (iii) the skill level required for each new permanent job. The applicant must identify the source of, and methodology for the permanent job projections. In addition, CDAG Exhibit G: Job Creation Potential of Proposed Project must be completed to summarize the job creation potential.



o Alleviating Physical Deterioration

In this section applicants must indicate how the proposed project will improve the physical condition of their communities. Physical improvements may consist of developing underused property by building or rehabilitating factories, offices, stores and housing. Another form of physical improvement which will be considered is infrastructure improvement. This may include developing or upgrading access roads, sewers, utilities, etc. Finally, physical improvement will be examined in terms of enhancing the quality of the human environment or minimizing adverse effects on the environment.

o Benefits to Minorities and Low/Moderate Income Persons

A primary objective of the CDAG Program is to support activities which benefit minorities and low and moderate income persons, and to encourage reinvestment in distressed areas. In evaluating CDAG proposals, EOCD will consider the extent to which the proposed project supports this objective. Applicants should describe the direct and indirect benefits that will accrue to low and moderate income persons as a result of the CDAG project. EOCD will give priority to CDAG proposals involving manpower/skills training programs targeted to racial and/or income groups which presently suffer from disproportionately high levels of unemployment.

o Encouraging Community Development/Beneficial Secondary Growth

Applicants should describe the manner in which their project supports the community's targeted development strategies. Applicants should also describe the extent to which the proposed project represents a special or unique opportunity to meet local priority needs, and generate beneficial types of secondary growth.

**H. Minority Business Enterprise (MBE) Policy Statement**

Under Massachusetts Executive Order 237, it is the policy of the Commonwealth to promote the fullest participation of all citizens in the resources provided by state government. EOCD recognizes the inordinate problems faced by Minority Business Enterprises (MBEs) in obtaining state and state-assisted contracts for construction, equipment, goods and services. Therefore, each community applying for CDAG funds is required to submit a description of the community's existing policies and practices as they relate to MBEs and an assurance that a minimum of 5 percent of those CDAG funds to be used for the purchase of goods and services and a minimum of 10 percent of those CDAG funds to be used for construction costs shall be reserved for SOMWBA certified MBEs.

In addition, once a final award has been made, grant recipients will be required to notify the State Office of Minority and Women Business Assistance (SOMWBA) of their intent to advertise for bids, and of the availability of copies of the bid proposal, plans, specifications and the invitation to bid. Furthermore, Grantees will be required to submit evidence of SOMWBA notification to EOCD. See CDAG Form 3: Affirmative Action Assurances.



## I. Other CDAG Program Requirements

### o Compliance with Applicable Laws

CDAG recipients will be required to certify compliance with all applicable Federal, State and Local laws, ordinances, regulations, statutes and Executive Orders including, but not limited to, public bidding requirements, non-discrimination, equal employment/affirmative action, conflict of interest, housing policies and practices, and wage rates.

### o Environmental Considerations

All CDAG funded activities are subject to the provisions of the Massachusetts Environmental Policy Act (MEPA) and relevant additional regulations. Applicants for CDAG funds are required to submit a preliminary assessment of the environmental impact of the proposed project, although a full environmental review is not required for application submission. However, applicants should become familiar with MEPA Regulations (301 CMR 10.00) to determine whether filing an Environmental Notice Form (ENF) would be required for the proposed project.

### o Displacement and Relocation

Any project which causes displacement of businesses or households, either temporarily or permanently, is subject to Chapter 79A of the Massachusetts General Laws which requires relocation assistance and payments commensurate with federal standards set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Chapter 79A requires submission of a Relocation Plan which describes a feasible method for the relocation of displaced families or businesses.

If the proposed CDAG project involves the relocation of businesses and/or households, either temporarily or permanently, the applicant must indicate its willingness to prepare a Relocation Plan meeting the requirements set forth in the relocation regulations, 760 CMR 27.00.

### o Record Keeping/Access to Information

Any city or town that receives CDAG funds agrees that it will (a) maintain separate, fully accurate accounts, records, and books relative to each grant in such manner and detail as EOCD may prescribe; (b) grant to the employees of the Commonwealth or representatives of EOCD at all times during normal business hours and as often as EOCD may require, full and free access to the project and to its accounts, records, and books; (c) permit EOCD or any accountants or auditors approved by EOCD to make periodic audits, excerpts or transcripts of the accounts and statements, and documents on whatever basis as may be required by EOCD; and (d) furnish copies of the contracts of the administering agency as EOCD may from time to time require.



In addition, grant recipients will submit quarterly program reports to EOCD. Such reports will include, but need not be limited to a statement indicating expenditures and disbursements of grant funds during the previous quarter and cumulatively and a statement on the progress and status of activities performed in relation to the project schedule, program objectives, etc.

o Audit Requirements.

Any city or town that receives a CDAG shall cause to be prepared an IPA audit of any expenditures from payments received under such grant. The audit shall be conducted by an entity independent of any agency administering a program funded by such grant, and shall be conducted in accordance with accepted standards of accounting and any requirements that may be established by EOCD. The audit shall be undertaken and completed within 120 days from the completion of the project and within 15 days following the date such audit is completed, the chief executive of the city or town shall transmit a copy of the audit to the Secretary of EOCD.

o Project Amendments

Amendments involving new activities or significant alterations of proposed activities that will change the scope, location, scale, or beneficiaries of proposed or approved project activities must be submitted to and approved by EOCD, prior to the undertaking of any work or change.

o Compliance with EOCD Requirements

Applicant communities/participants will be required to comply with the terms and conditions of the CDAG Program.

In the event that it is determined that the community/participant is not in compliance with CDAG Program rules, regulations, policies or guidelines, EOCD retains the right to rescind any or all CDAG funds.

EOCD will evaluate each case individually and resolve problems in the most productive manner possible. However, to avoid confusion in the event of non-compliance the basic outline of the process for recapturing grant funds is outlined below.

- o Written notification to the community that a determination of non-compliance has been made by EOCD.
- o Written response from the community within 15 calendar days.
- o Meeting between EOCD and community within 10 calendar days of a community's written response to the notification of non-compliance.





- o Written notification of what steps EOCD expects the community to take. Compliance with the grant agreement to be achieved within 60 days.
- o Proof of compliance or determination of non-compliance to be established at the end of the 60 days.
- o Recision of grant if compliance cannot be established.

The interaction between EOCD and communities concerning these issues will obviously consist of more than written notification and response. The previous outline is meant simply to establish the basic ground rules for when and if the problems of non-compliance arise.



MASSACHUSETTS COMMUNITY DEVELOPMENT ACTION GRANT  
APPLICATION COVER SHEET

**APPLICANT**

COMMUNITY: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

CONTACT PERSON: (Name) \_\_\_\_\_

(Title) \_\_\_\_\_ (Area Code/Phone) \_\_\_\_\_

ADDRESS: \_\_\_\_\_

**PROJECT DESCRIPTION**

CDAG AMOUNT REQUESTED: \$ \_\_\_\_\_

USE OF CDAG DOLLARS: \_\_\_\_\_

AMOUNT OF DIRECT PRIVATE INVESTMENT: \$ \_\_\_\_\_

DESCRIPTION OF PRIVATE INVESTMENT: \_\_\_\_\_

**AUTHORIZATION/CERTIFICATION**

I hereby certify that to the best of my knowledge, the proposed project described herein could not proceed without CDAG funding, and that the CDAG grant requested is the minimum amount required to make the project feasible.

\_\_\_\_\_  
Signature of Chief Elected Official

\_\_\_\_\_  
Typed Name

**Note: Original Signature Only  
Copy not acceptable**

\_\_\_\_\_  
Title



**CDAG PUBLIC HEARING DOCUMENTATION**

**PUBLIC HEARING INFORMATION**

DATE HELD: \_\_\_\_\_ ATTENDANCE: \_\_\_\_\_

LOCATION: \_\_\_\_\_

HEARING OFFICER: \_\_\_\_\_

PUBLICATIONS(S) AND/OR  
POSTING SITES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE PUBLISHED  
AND/OR POSTED: \_\_\_\_\_

**PUBLIC HEARING DOCUMENTATION:**

In the space provided below, please attach a copy of the public hearing notice as it appeared in the newspaper(s) listed above, or a copy of the notice as it was posted. Also a copy of the minutes of the public hearing pertaining to the CDAG application as attested by the City or Town Clerk, and a copy of the hearing sign-in sheet(s) must be included.









CDAG EXHIBIT B:

**ASSURANCE OF OBTAINING GOVERNMENTAL APPROVALS**

I, \_\_\_\_\_, Attorney at Law,  
representing the City/Town of \_\_\_\_\_, do  
hereby certify that the proposed Community Development Action Grant project has  
obtained, or has reasonable assurance of obtaining all federal, state, and local  
governmental approvals required by law relative to the project.

Dated this: \_\_\_\_\_ day of \_\_\_\_\_, 198 .

\_\_\_\_\_  
Attorney at Law

\_\_\_\_\_  
Address

\_\_\_\_\_  
City and State

**NOTE: Original Signature Only  
Copy Not Acceptable**



CDAG EXHIBIT C:

**CERTIFICATE AS TO TITLE TO CDAG PROJECT SITE**

I, \_\_\_\_\_, Attorney at Law,  
representing the City/Town of \_\_\_\_\_,

do hereby certify:

1. That I have investigated and ascertained the location of, and am familiar with, the legal description of the site or sites for all elements of the public component of the proposed Community Development Action Grant project.
2. That I have examined the deed records of the county or counties in which this proposed project is to be located and, in my opinion, the City/Town has or is likely to have a legal and valid fee simple title or other estate or interest in the site of the proposed project, including the necessary easements and rights-of-way as are necessary to undisturbed use and possession for the purposes of construction and operation for the estimated life of the proposed project.
3. That any deeds or documents required to be recorded in order to protect the title of the owner and the interest of the City/Town will be duly recorded or filed for record wherever necessary.
4. Remarks:

Dated this: \_\_\_\_\_ day of \_\_\_\_\_, 198 .

\_\_\_\_\_  
Attorney at Law

\_\_\_\_\_  
Address

\_\_\_\_\_  
City and State

**NOTE: Original Signature Only  
Copy Not Acceptable**



**CDAG EXHIBIT D:  
SOURCES AND USES OF FUNDS/PROJECT BUDGET**

**SUMMARY OF PROPOSED EXPENDITURES**

S O U R C E S     O F     F U N D S

LINE ITEM ACTIVITY	CDAG	PRIVATE	PUBLIC	TOTAL
1. Land Acquisition				
2. Relocation of Persons and Businesses				
3. Clearance and Demolition				
4. Street & Site Improvements				
5. Water and Sewer Facilities				
6. Construction Costs				
7. Other				
8. Other				
9. Capital Equipment				
10. Professional Fees				
11. Administration				
12. Cost Subtotal (Sum of lines 1 thru 11)				
13. Contingencies				
14. Total Project Costs (Sum of lines 12 & 13)				



CDAG EXHIBIT E:

**PRIVATE AND PUBLIC COMMITMENTS**

PRIVATE INVESTMENTS:

AMOUNT

A. \_\_\_\_\_

\$ \_\_\_\_\_

B. \_\_\_\_\_

\$ \_\_\_\_\_

C. \_\_\_\_\_

\$ \_\_\_\_\_

D. \_\_\_\_\_

\$ \_\_\_\_\_

E. \_\_\_\_\_

\$ \_\_\_\_\_

NON-CDAG PUBLIC INVESTMENTS:

1. \_\_\_\_\_

\$ \_\_\_\_\_

2. \_\_\_\_\_

\$ \_\_\_\_\_

3. \_\_\_\_\_

\$ \_\_\_\_\_

4. \_\_\_\_\_

\$ \_\_\_\_\_

5. \_\_\_\_\_

\$ \_\_\_\_\_





CDAG EXHIBIT F:

**FISCAL IMPACT OF PROPOSED PROJECT**

1. Value of property added to tax rolls by proposed project \_\_\_\_\_
  
2. Less: any reduction in property valuation due to demolition or other changes necessitated by the project \_\_\_\_\_
  
3. Net increase of value added to tax rolls (line 1-2) \_\_\_\_\_
  
4. Projected Annual Payments in Lieu of Taxes (if applicable) \_\_\_\_\_
  
5. Tax Revenue (line 3 x Local Tax Rate)\* \_\_\_\_\_

NOTE: \*Calculation of amounts for items 1 and 2 should be based on current assessment practices in the community. The tax rate in item 5 should be the tax rate for the type of property which is appropriate under classification, if the community has a classified property tax; otherwise it should be the General Tax Rate.



CDAG EXHIBIT G:

**JOB CREATION POTENTIAL OF PROPOSED PROJECT**

Full Time Permanent:

TOTAL:

A. Number of New Jobs To Be Created - Year 1 \_\_\_\_\_  
- Year 2 + \_\_\_\_\_

B. Types of New Jobs To Be Created  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

C. Number of Jobs Retained \_\_\_\_\_

Part-Time Permanent

D. Number of New Jobs To Be Created - Year 1 \_\_\_\_\_  
- Year 2 + \_\_\_\_\_

Minority/Low-Moderate Income Recruitment

E. Is There An Active Recruitment Plan in Place Yes \_\_\_\_\_ No \_\_\_\_\_

F. What is the Company's Hiring Goal - Year 1 \_\_\_\_\_ %  
- Year 2+ \_\_\_\_\_ %



CDAG FORM 1:

**JUSTIFICATION FOR "DECADENT, SUBSTANDARD, OR BLIGHTED OPEN AREA" DECLARATION**

In the space below the applicant must briefly state the reasons why the CDAG project area is decadent, substandard or blighted open as defined by Section 1 of Chapter 121B of the Massachusetts General Laws.

- NOTE:**
- o Extensive recitation of technical matter is not required, but mere restatement of the definition will not suffice.
  - o Commercial Area Revitalization District (CARD) designation does not necessarily constitute a blight finding. Thus, evidence of CARD designation is not acceptable justification for a decadent, substandard, or blighted open area.
-



## DEFINITIONS:

### CHAPTER 121B. SECTION 1

**Blighted open area:** a predominantly open area which is detrimental to the safety, health, morals, welfare or sound growth of a community because it is unduly costly to develop it soundly through the ordinary operations of private enterprise by reason of the existence of ledge, rock, unsuitable soil, or other physical conditions, or by reason of the necessity for unduly expensive excavation, fill or grading, or by reason of the need for unduly expensive foundations, retaining walls or unduly expensive measures for water-proofing structures or for draining the area for the prevention of the flooding thereof or for the protection of adjacent properties and the water table therein or for unduly expensive measures incident to building around or over rights-of-way through the area, or for otherwise making the area appropriate for sound development, or by reason of obsolete, inappropriate or otherwise faulty platting or subdivision, deterioration of site improvements or facilities, division of the area by rights-of-way, diversity of ownership of plots, or by inadequacy of transportation facilities or other utilities, or by reason of tax and special assessment delinquencies, or because there has been a substantial change in business or economic conditions or practices, or an abandonment or cessation of a previous use or of work on improvements begun but not feasible to complete without the aids provided by this chapter, or by reason of any combination of the foregoing or other condition or combination of conditions which are not being remedied by the ordinary operations of private enterprise is of such a character that in essence it is detrimental to the safety, health, morals, welfare or sound growth of the community in which it is situated.

**Decadent area:** an area which is detrimental to the safety, health, morals, welfare or sound growth of a community because of the existence of buildings which are out of repair, physically deteriorated, unfit for human habitation, or obsolete, or in need of major maintenance or repair, or because much of the real estate in recent years has been sold or taken for nonpayment of taxes or upon foreclosure of mortgages, or because buildings have been torn down and not replaced, or because of a substantial change in business or economic conditions, or because of inadequate light, air, or open space, or because of excessive land coverage or because diversity of ownership, irregular lot sizes or obsolete street patterns make it improbable that the area will be redeveloped by the ordinary operations of private enterprise, or by reason of any combination of the foregoing conditions.

**Substandard area:** any area wherein dwellings predominate which, by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light or sanitation facilities or any combination of these factors, are detrimental to safety, health or morals.





CDAG FORM 2:

**ESTIMATED LEVERAGE RATIO**

1. Private Equity Investment \_\_\_\_\_
2. Private Debt from Lenders \_\_\_\_\_
3. Other (Explain below) \_\_\_\_\_
4. Other (Explain below) \_\_\_\_\_
5. Total Private Funds (1+2+3+4) \_\_\_\_\_
6. Requested Community Development Action Grant \_\_\_\_\_
7. Leverage Ratio (5:6) \_\_\_\_\_



**CDAG FORM 3:**

**AFFIRMATIVE ACTION ASSURANCES**

I hereby certify that the following affirmative action commitments shall be adhered to by the City/Town of \_\_\_\_\_ for the \_\_\_\_\_ Community Development Action  
\_\_\_\_\_  
(Name of Project)

Grant Project.

1. Prior to advertising for bids for the above referenced project, the State Office of Minority and Women Business Assistance (SOMWBA) will be notified of our intent to solicit bids. The bid proposal, plan, specifications and the invitation to bid will be submitted to SOMWBA upon request.
2. The City/Town has designated \_\_\_\_\_, \_\_\_\_\_  
(Name) (Title)  
as the contract compliance officer who will act as our agent in performing all of the contract compliance requirements as set forth in Executive Order 227, 237, and the supplemental EEO Provisions incorporated into the contract specifications.
3. A preconstruction conference will be conducted with the project contractors, during which the affirmative action obligations under the contract(s) will be reviewed.

**Authorized Representative**

Signature:

\_\_\_\_\_  
Chief Elected Official

Typed Name:

\_\_\_\_\_

Title:

\_\_\_\_\_

Date:

\_\_\_\_\_

**NOTE: Original Signature Only  
Copy Not Acceptable**





