

- a. Community Development Activities
- b. Compliance with Applicable Laws and Regulations
- c. Performance Assessment Reports
- 3. Four Factor Rating
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  - b. Need—Percent of Persons in Poverty
  - c. Program Impact—General
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    - (a) Program Impact—Single Purpose—Housing
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      - (ii) Creation of New Housing
      - (iii) Direct Homeownership Assistance
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      - (i) The Appropriate Determination
      - (ii) CDBG Assistance Must Minimize Business and Job Displacement
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    - (2) Program Impact—Comprehensive Program Grants
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- II. Application and Funding Award Process
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  - C. The Application
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## I. Purpose and Substantive Description

### A. Authority and Background

1. Authority. Title I, Housing and Community Development Act of 1974 (42 U.S.C. 5301–5320); 24 CFR part 570, subpart F.

2. Background. Title I of the Housing and Community Development Act of

1974 authorizes the Community Development Block Grant (CDBG) Program. Section 106 of Title I permits the States to elect to assume the administrative responsibility for the CDBG Program for nonentitled areas within their jurisdiction. Section 106 provides that HUD will administer the CDBG Program for nonentitled areas within any State that does not elect to assume the administrative responsibility for the program. Subpart F of 24 CFR part 570 sets out the requirements for HUD's administration of the CDBG Program in nonentitled areas (Small Cities Program). This NOFA supplements subpart F of 24 CFR part 570, which sets out the requirements applicable to the CDBG Program in nonentitled areas.

In accordance with 24 CFR 570.420(e) and 570.420(h)(3), and with the requirements of section 102 of the Housing and Urban Development Reform Act of 1989 (HUD Reform Act), HUD is issuing this NOFA for New York State's Small Cities Program for Fiscal Year (FY) 1996 to announce the allocation of funds for Single Purpose and Comprehensive grants, and to establish the deadline for filing grant applications. The NOFA explains how HUD will apply the regulatory threshold requirements for funding eligibility, and the selection criteria for rating and scoring applications for Comprehensive grants and for scoring projects in applications for Single Purpose grants.

The Department has issued final regulations at 24 CFR 570.420–32 which govern the HUD-administered Small Cities program in New York. These regulations modify the HUD-administered Small Cities program to allow for multi-year plans.

The multi-year plan competition permits the Department to select multi-year plans of two or three years in a competition that will allow the first year to be funded. The Department intends to fund future years of the plan on a non-competitive basis, pursuant to acceptable performance, submission of an acceptable application and certifications and the provision of adequate appropriations for the HUD-administered Small Cities program.

Other information about the Small Cities Program will be provided in the application kit, which will be made available to applicants by HUD's New York Office and Buffalo Office.

#### 3. Other Program Requirements.

##### a. Abbreviated Consolidated Plan.

Each jurisdiction that applies for funds under this NOFA must have submitted a Consolidated Plan, as provided at 24 CFR part 91. A jurisdiction that does not expect to be a participating jurisdiction

in the HOME program under 24 CFR part 92, may submit an abbreviated consolidated plan that is appropriate to the types and amounts of assistance sought from HUD. (See 24 CFR 91.235.) Any applicant that plans to undertake a housing activity with funds under this NOFA needs to prepare and submit, at a minimum, an abbreviated consolidated plan that is appropriate to the types and amounts of housing assistance sought under this NOFA. Even if the community's Small Cities application is approved, HUD must also approve the consolidated plan before the community may receive Small Cities funding. Further, that applicant must also include a certification that the housing activities in its CDBG Small Cities application are consistent with the consolidated plan. For an applicant seeking funds under this NOFA to address non-housing community development needs, it needs to prepare an abbreviated consolidated plan that describes the jurisdiction's priority non-housing community development needs eligible for assistance under the CDBG program by eligibility category, reflecting the needs of families for each type of activity, as appropriate, in terms of dollar amounts estimated to meet the priority need for the type of activity (see 24 CFR 91.236(c)(2)). The abbreviated Consolidated Plan is subject to the same citizen participation requirements as is the jurisdiction's Small Cities CDBG application. Both must meet the citizen participation requirements before they may be submitted to HUD. (See 24 CFR 570.431) A Section 108 Loan Guarantee application would also have to meet these requirements if the jurisdiction submits one to HUD for consideration.

If possible, applicants should endeavor to submit the abbreviated consolidated plan in advance of the Small Cities application due date. The latest time at which the abbreviated consolidated plan will be accepted by HUD for the HUD-administered Small Cities Program in New York will be the application due date for the Small Cities application. Failure to submit the abbreviated consolidated plan by the due date is not a curable technical deficiency. Questions regarding the abbreviated consolidated plan should be directed to the appropriate HUD field office.

Any application that is fundable, but does not have an approved consolidated plan will receive a conditional approval subject to HUD's approval of the abbreviated consolidated plan. Unfortunately, if HUD is unable to approve the abbreviated consolidated plan within a reasonable period of time, but not less than 60 days from the date