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AUGUSTA, MAINE

Final Statement for the 1984 State of Maine Community Development Program

Executive Department

Maine State Planning Office
January 1984



STATE OF MAINE
EXECUTIVE DEPARTMENT
STATE PLANNING OFFICE

JOSEPH E. BRENNAN
GOVERNOR

RICHARD E. BARRINGER
DIRECTOR

January 2, 1984


Dear Concerned Citizen:

This Final Statement is a plan describing how the State of Maine will distribute Community Development Block Grant funds to local governments in 1984. It has been prepared with the assistance of our Community Development Advisory Committee.

I would like to thank the members of the Community Development Advisory Committee for their continuing, energetic, and thoughtful assistance with this program. I would also like to thank the many concerned local officials across the State --- selectmen and council members, managers, community development directors, planners, economic and housing developers --- for their active assistance, support, and participation in this new State program. Their involvement is responsible for what success the program has enjoyed to now.

Thank you for your interest.

Sincerely,


Richard E. Barringer
Director

REB/ns

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TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY	i
A. COMMUNITY DEVELOPMENT IN MAINE	1
B. PROGRAM STRUCTURE	5
1. Objective	5
2. Grant Structure	5
3. Eligible Activities	6
4. Schedule	7
5. Amendment Procedure	7
6. Redistribution of Unexpended Grant Funds	7
C. PROGRAM RULES	9
1. Reserved Grants	9
2. Community Revitalization Grants	15
3. Development Fund	36
4. Partnership Grants	45
5. Technical Assistance Grants	53
APPENDICES	59
A. Community Development Advisory Committee Membership	60
B. Eligible Activities	51
C. Needs Data	62
D. Low/Moderate Income Chart	83
E. Evaluation of 1982 & 1983 State CDBG Program	88

EXECUTIVE SUMMARY

This is the third annual plan for the State of Maine Community Development Program. It reflects the knowledge gained from the experiences of the past two years, and is designed to provide maximum flexibility to local governments.

The HUD allocation in Fiscal Year 1984 is estimated to be \$10,520,000. The money will be awarded to local governments through four categories of funding:

- (1) Reserved Grants (\$2 million) for cities and towns in the second year of two year programs.
- (2) Community Revitalization Grants (\$7.4 million) for cities and towns to undertake general development activities.
- (3) Development Fund Loans (\$750,000) for cities and towns seeking to aid a particular business or housing developer.
- (4) Partnership Grants (\$150,000) for cities and towns needing help in developing local strategies.

These categories are described in detail in Chapters 1-4 of Part C, Program Rules.

This plan has been developed with the assistance of a Community Development Advisory Committee, whose members are listed in Appendix A.

PART A. Community Development in Maine

In the fall of 1981, Governor Brennan asked the State Planning Office to explore the State of Maine's assuming administration of the Small Cities Community Development Block Grant program. The Planning Office, through a newly formed Advisory Committee, a series of public hearings, and a variety of meetings, asked local Maine officials what they felt about community development in Maine.

The answer of local officials was unanimous. Community development should encompass small towns as well as large cities. Community development priorities should be determined by local officials, not State government. Community development should help low income people improve their lives. Community development should be a cooperative endeavor at the local level involving the private sector, civic groups, neighborhood groups, as well as local government. Community development should emphasize preserving the historic neighborhoods and town centers of Maine.

For its part, they said, the State should provide technical assistance to Maine cities and towns. The State should set standards for sound community development projects, without dictating what those projects should be. The State should provide financial support to local community development efforts. The State should run the Community Development program professionally, and exclude political considerations from the funding process.

This consensus provided a sound, coherent philosophy for a community development program for Maine. It was based on solid, traditional Maine values: self-reliance, cooperation, volunteerism, and local ingenuity.

The next question was how to develop a structure for the Maine Community Development Program which reflected these values. This was a more difficult task. The program envisioned was considerably different from the program that previously existed under the Federal Government. New skills would have to be learned, at the State and local level, to accomplish the vision. It was clear from the outset that it would take a process of trial and error before a structure for the State program could be developed which would be fully appropriate to the task.

This is the third annual Final Statement for the Community Development Program. Two years of experience lay behind it. There have been four major funding competitions: the 1982 and 1983 General Competitions; the 1983 Jobs Bill Competition; and the 1983 Planning Grant Competition. Eighty-eight Community Development grants have been awarded. A number of Maine cities and towns have completed, or are nearing completion, their initial grants.

We have learned from this experience many things. Lincoln has taught us how private businesses can get involved in town revitalization; Madrid and Starks have shown how small rural

towns can mobilize volunteer resources; Eastport has shown how a business and community can help each other resulting in jobs for the community; Presque Isle has shown how local governments can support capital improvements efforts; South Portland has shown how residential and commercial revitalization go hand in hand. At the State level, we have learned more about how to evaluate projects, how to provide technical assistance, and how to help towns manage large grants.

The program set forth in this Final Statement builds on this experience. It provides a range of tools for local governments to address community development problems in Maine. Partnership Grants are available to communities just beginning to look at their problems. Community Revitalization Grants are available to communities who have started down the road to addressing their problems, and need additional help. Development Fund Loans are available to communities which are ready to enter into partnerships to assist private developers and businesses accomplish their development goals.

The program structure provides maximum flexibility to local governments. The Community Revitalization and Partnership Grants allow local governments to define their own program --- be it housing, economic development, public facilities, waterfront, or any combination. The competitive criteria emphasize the quality of the project, not the nature of the activities.

In the end, community development in Maine will be accomplished by Maine cities and towns. The need, the capacity, and the will, exist only at the local level. For example, there is over \$2.5 billion available in authorized bonding for local governments. This capacity dwarfs the resources of the Community Development Program, which has an annual funding level of roughly \$10 million. There are also private businesspeople and homeowners eager to invest; unemployed people eager to work; civic groups eager to volunteer their time and talents. The State Community Development Program is designed to be a spark that mobilizes these resources to set the process of community improvement going. This is a Maine tradition that long predates the Community Development program. The State Planning Office is honored to be a partner in the revitalization process with many Maine cities and towns.

PART B. PROGRAM STRUCTURE

1. Objective

STATE OF MAINE CDBG OBJECTIVE: To serve as a catalyst for local governments to implement programs of physical improvements which:

- 1) are part of a long range community strategy, and
- 2) provide the conditions and incentives for further public and private investment, and
- 3) improve deteriorated residential and business districts, and
- 4) benefit low and moderate income people.

2. Grant Structure

The following is a projected program budget, based on an allocation of \$10,520,000 from the Federal Government.

BUDGET:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
1. Reserved Grants	\$ 1,978,538	----	\$ 1,978,538
2. Community Revitalization Grants	\$ 7,331,062	----	\$ 7,331,062
3. Development Fund	\$ 750,000	----	\$ 750,000
4. Partnership Grants	\$ 150,000	----	\$ 150,000
5. Technical Assistance - CDBG	-----	\$ 125,000	\$ 125,000
6. State Administration	\$ 310,400	\$ 85,400	\$ 395,800
TOTAL	\$10,520,000	\$ 210,400	\$10,730,400

3. Eligible Activities

The State of Maine has chosen to adopt the list of eligible activities issued by the Department of Housing and Urban Development (HUD) for its Community Development Entitlement program. These activities are shown in Appendix B.

With the reauthorization of the Housing and Community Development Act on November 18, 1983, new regulations will be forthcoming this year. As these regulations are revised, the changes will be automatically incorporated into the State program.

4. Schedule

1983	November	10	<u>Proposed Statement</u> issued
		29	Public Hearings
	December	6	CDAC meets to consider public comments
		27	TA awards made
1984	January	8	<u>Final Statement</u> distributed
	January	16	Competition for Community Revitalization grants opens
	January	24	State Workshop
	March	16	Community Revitalization Applications due
	April-June		1st Round Development Fund
	April	30	Community Revitalization Awards Made
	May	6	Partnership Grant Competition opens
	June	4	Partnership Grant applications due
	July-Sept.		2nd Round of Development Fund
	July	6	Partnership Grant Scores by TA Providers due SPO
		20	Partnership Grant Awards
	Oct-Dec.		3rd Round Development Fund

5. Amendment to the Final Statement

The State can amend the 1984 Final Statement by placing notice of the proposed amendment in the newspapers and informing affected parties 20 days prior to a public hearing. The amendment process will be guided by the Administrative Procedures Act.

6. Redistribution of Unexpended Grant Funds

Local governments receiving grants as a result of the 1984 General Competition but unable to have their projects

substantially underway (staff hired, environmental review complete, program costs obligated) within six months of grant award, shall have their grant cancelled by the State. Unexpended grant funds will be awarded to the next community with the highest score on the 1984 waiting list.

Since this rule did not apply in 1982 and 1983, communities from those grant years unable to implement their CD projects will have their grants cancelled and unexpended funds will be added to the subsequent grant competition.

In any grant year, unexpended funds returned to the State upon grant closeout or for disallowed costs will be added to open grants within that grant year based on staff evaluation.

PART C. PROGRAM RULES

CHAPTER 1. RESERVED GRANTS

Section 1. Description

Communities which have received prior multi-year grants from the State in 1983 will have funds reserved for them in 1984. the total funds to be reserved are \$1,978,538 for six communities.

The six communities are:

<u>COMMUNITY</u>	<u>1984 RESERVED FUNDS</u>
Belfast	\$400,000
Biddeford	\$400,000
Dexter	\$303,700
Lincoln	\$278,000
Lubec	\$200,000
Rumford	<u>\$396,836</u>
TOTAL	\$1,978,538

Section 2. Types of Grants

Grants will be limited to the size and activities described in the community's 1983 application to SP0.

Section 3. Eligible Applicants

See the six communities listed above in Section 1.

Section 4. Eligible Activities

All activities described in Appendix B and those described in the 1983 Multi-year application.

Section 5. Threshold Criteria

Threshold criteria are as follows:

- (1) Evidence that applicants are on line with the 1983 expenditure schedule as submitted in their contract. Reserved Grant communities must have demonstrated reasonable progress in staffing, program design, and contracting for their current program.
- (2) Evidence that a public hearing was held with a ten day notice at which time the planned 1984 CDBG activities were discussed.
- (3) Evidence that the municipality's legislative body has approved the acceptance of CDBG funds for 1984.

Section 6. Scoring System

Not applicable.

Section 7. Approval Process

Applications from Reserved Grant communities will be invited in January 1984 but may be submitted anytime prior to March 16, 1984.

Each Reserved Grant Application will be reviewed by the community's field representative at SPO. The field representative will:

- (1) review status reports of Reserved Grant communities;
- (2) compare 1984 application to second year of project as proposed in the original application;
- (3) review activity schedule and management plan for acceptability based on project design and budget; and
- (4) develop recommendations for SPO CD Director regarding application's acceptability.

Recommendations on Reserved Grant applications will be reviewed by the SPO Community Development Director. Based on the information presented the Director will recommend to the Community Assistance Director and Director of State Planning that the Reserved Grant Community

- (1) be funded at the requested level
- (2) not receive a 1984 grant (only if ineligible costs are incurred or the project is no longer feasible)
- (3) be funded at a reduced level (the amount of reduction will be determined by the changes in the project's activities and schedules as originally proposed or by evidence that the project cannot accomplish its original goals.

The Director of the State Planning Office will announce awards. All awards will be made by May 30, 1984.

Section 8. Appeals

A Reserved Grant community wishing to appeal the State Planning Office's decision regarding their 1984 grant award may do so by:

- (1) submitting a written appeal to Director of State Planning within 15 days of grant announcement;
- (2) meeting with the CD Director and appropriate field representative within thirty days of the State's receipt of the notice of appeal. The State Planning Office will be responsible for scheduling this meeting within the required time frames.
- (3) requesting an Appeal Hearing within 10 days following the meeting with the CD staff. The hearing will be an opportunity for the community to present its appeal to a panel consisting of the Director of State Planning Office, the Director of the Community Assistance Division, and the Chairman of the CD Advisory Committee. The hearing will be scheduled within 30 days of the request for an Appeal Hearing. The panel's decision will be rendered within 10 days of the hearing.

Funding level will be the only grounds for appeal for Reserved Grant Communities. If the decision is in favor of the appellant, funds will be reserved for the project from the 1985 CDBG program.

Section 9. Amendments

Amendments submitted by grantees must be justified on basis of problems encountered in administering the CDBG program according to the original design and schedule. A community may amend its program at the time of grant submission or upon request during the year of grant administration. Amendments will be evaluated to assure that:

- (1) a 51% benefit level will be maintained;
- (2) any new activities are eligible;
- (3) the nature of the project as originally scored has not changed;
- (4) public hearings (with a ten day notice) are held prior to submission, only if the project goals are substantially changed;
- (5) the Town or City Council, or Board of Selectmen, have approved the amendment.

Section 10. Program Income

Income earned through the implementation of CD activities as described in the grant (i.e., loan repayments, sale of property, salvage) may be retained by the grant recipient. Program income received prior to a grant closeout must be returned to the CD account and expended prior to further Treasury drawdowns. All program income must be used for CD eligible activities. The activities supported by program income and the geographical area for which they are proposed must be described at the time of grant application or in a subsequent amendment.

CHAPTER 2. COMMUNITY REVITALIZATION GRANTS

Section 1. Description

The State will distribute \$7,331,062 in CDBG funds to local governments through an annual Community Revitalization Competition. There are a number of important changes to the competition this year. Before listing them, it is important to emphasize the continuities between 1983 and 1984. The goal of the CDBG program is the same. The components of CDBG projects which were encouraged last year --- strategy, coordination, local involvement --- are again important this year. The changes which have been made in the scoring system have been done simply to provide a more appropriate framework for evaluating projects. The changes are:

- (1) The distinction between housing revitalization and economic revitalization has been eliminated. There are a number of reasons for this. The categories create an informal allocation system, which is contrary to the intent of the program. The categories do not do justice to the full range of projects Maine communities wish to undertake: downtown renewal, waterfronts, business parks, residential neighborhood renewal, rural housing rehabilitation, and housing conversion. The categories force cities and towns to alter desired

activities to fit into one or the other box. Many residential projects require commercial improvements to be successful and vice versa. This approach encourages such integrated planning.

The ingredients for success of any CDBG project are the same. These elements, reflected in the scoring criteria, are as necessary to the effectiveness of a housing project as a downtown or mixed use project. One category allows SPO to consistently evaluate these elements in all projects.

- (2) The weight given to problem factors is reduced.

Last year 45 points out of the 100 point scoring system were given to quantitative and qualitative problem scores. This gave an undue weight to problem, and insufficient weight to effectiveness. It also resulted in cities and towns spending valuable time documenting problems, which could have been spent developing solutions. This year the problem score is reduced to 20 points. Additional consideration of a community's problem is considered as part of its strategy, i.e., how is the problem(s) and their solution integrated into the community strategy.

(3) The effectiveness factors are split up and assigned specific point factors. Last year the effectiveness score encompassed eleven factors which were not assigned specific point values. This led to confusion among applicants about which factor was the most important. This year each factor is designed to clearly address one issue.

(4) Business assistance projects are excluded from the competition.

Last year a number of applications consisted solely of loan assistance to a specific business to create jobs. These projects are difficult to evaluate and negotiate within the general competition framework. This year Community Development applications requesting the majority of funds to be loaned to a single business or developer may not compete in the General Competition. A separate Development Fund competition has been set up to address such needs (see Chapter 3).

(5) All projects must meet a minimum low-moderate income benefit test of 51% (see Appendix D). This will result in, at least, \$5,207,100 of this year's CDBG funds being used to benefit low/moderate income people.

The slum-blight test will not be an option this year. The slum-blight test has proved difficult to apply fairly and consistently. In addition, use of this option dilutes the overall low income benefit of the State program.

The minimum threshold test will ensure that each project funded meets the primary national goal of low income benefit, while providing maximum flexibility to cities and towns to undertake a variety of activities. (Appendix D)

Section 2. Types of Grants

Community Revitalization Grants are limited to \$500,000 for a one-year grant and \$1,000,000 for a two-year grant. The project length for a one year grant is limited to 18 months. For a two year grant it is limited to 30 months. Both single activity and multi-activity projects are eligible; however, the relationship of single activity projects to a broader community strategy must be shown.

Section 3. Eligible Applicants

All units of general local government in Maine, including plantations, with these exceptions:

- a. Entitlement Communities - Portland, Lewiston/Auburn, Bangor.
- b. Communities eligible for Reserved Grants.
- c. Current CDBG Grantees not meeting acceptable performance standards.

Neighboring communities may submit a joint application to address a common problem. Such applications may be sponsored either by a lead community or a county. The project sponsor (lead community or county) of successful joint applications will be the grant recipient and will be held responsible to the State for the expenditure of CDBG funds. Each community involved in a joint application must meet the threshold criteria established for the Community Revitalization Competition.

Section 4. Eligible Activities

All activities described in Appendix B. New regulations are currently being promulgated and will be automatically adopted by the State in lieu of Appendix B when they are published. The 1984 changes in the regulations regarding eligible activities will increase restrictions on assistance to buildings used for the conduct of government, increase the public service limit on funds from 10% to 15% and allow assistance to shared housing opportunities.

The State has placed one restriction on projects requesting funds to assist businesses or developers. The State will not

consider applications in the General Competition which propose to use more than \$50,000 or 25% of the requested funds (whichever is smaller) to assist a single business or developer. Projects meeting this definition should be submitted to the Development Fund.

Section 5. Threshold Criteria

Threshold criteria are as follows:

1. Benefit - Fifty-one percent of CD funds requested in an application must be used for assistance to low-moderate income people (see Appendix D for how to calculate benefit).
2. Eligible Activities - All activities proposed in the CDBG application to be supported by CD dollars must be eligible (see Section 4).
3. Eligible Entity - All applicants must be eligible (Section 3).
4. Past Performance - Applicants who were grant recipients in 1981 must submit a Program Summary Report (PSR). The PSR will be evaluated to determine if unexpended funds will interfere with new program delivery. Applicants who were grant recipients in 1982 must have obligated 50% of their 1982 funds by January 1, 1984. Applicants who were recipients of 1983 CDBG General Competition and Jobs Bill or Reserved Grants must

be on line with their 1983 contract expenditure and performance schedules and have shown adequate progress in staffing, program design, and contracting.

5. CD Grant Preparation - The application must have been prepared according to State law. State law Title 30 Section 4853 and Section 4522 requires:
 - a. submission of the community development program to the municipal planning board for review and recommendations as to its conformity with the comprehensive plan and zoning ordinances;
 - b. a public hearing(s) with a ten (10) day notice at which time the proposed plans will be discussed as well as planning board recommendations, if there are any;
 - c. submission of the plan and recommendations to the legislative body of the municipality for their approval and adoption. If a town meeting is required, it must be held within twenty days of grant award;
 - d. submission of the application to the regional planning commission or council of governments (where one exists) prior to submission to the State Planning Office. The regional

clearinghouse has 30 days to inform both the applicant and the State Planning Office of its comments.

Section 6. Scoring System

The scoring system for General Competition grants consists of four components --- Need, Strategy, Effectiveness, Implementation. These components are broken out into eleven factors, as follows:

<u>Factor</u>	<u>Points</u>
1. NEED- community distress	10
2. NEED - community poverty level	10
3. STRATEGY	15
4. EFFECTIVENESS - Market/Needs Analysis	10
5. EFFECTIVENESS - Commitments	10
6. EFFECTIVENESS - Local Involvement	10
7. EFFECTIVENESS - Low/Moderate Income Benefit	5
8. EFFECTIVENESS - Physical Design	5
9. IMPLEMENTATION - Accomplishments	10
10. IMPLEMENTATION - Financial Plan	10
11. IMPLEMENTATION - Management Plan	<u>5</u>
TOTAL	100

The scoring factors are described in more detail on the next page:

1. NEED - Community Distress - 10 points, objective.

Distress scores will be a composite of unemployment rates (by region), and percent social assistance recipients, (see Appendix C for details on data). Applicant communities will be ranked in the order of their distress scores. Those on the highest tenth will receive ten points; the second highest nine points; etc.

2. NEED - Community Poverty Level - 10 points, objective.

Poverty refers to the total number of people under the poverty level in a community (see Appendix C for details on data). Applicants will be ranked in the order of their numbers of people under the poverty level. Those in the highest tenth will receive ten points; the next tenth nine points; etc.

3. STRATEGY - 15 points, qualitative.

A community strategy consists of the following elements: problem identification; goals; implementation plan; identification of the role of the CDBG grant in the plan. Strategies will be judged on

the quality of their individual elements, and on how well the individual elements are integrated.

This strategy should not be confused with the project implementation plan. The community strategy should identify all development problems the community faces, as well as the one addressed through this project. In particular it must identify the applicant's community development and housing needs, and the needs of its low/moderate income people. The strategy will describe what the community wants to achieve to better community life, and how it plans to get there. It should also indicate why the problem in this proposal is being addressed at this time and through this mechanism. It should further demonstrate the impact of the project's completion on future development efforts.

Such strategies need not resolve every major issue the applicant faces. They should, however, identify unresolved issues, and specify a process and timetable for resolving them.

Using the information provided by the applicant, SP0 scoring teams will rate strategies on a scale of 1 to 15. The better the strategy, the more points will be awarded.

Regional applications will be expected to provide regional strategies as part of their projects. Such strategies must meet the same tests as an individual community strategy. By their nature, however, such strategies will be less detailed, and may have more unresolved issues, than an individual community strategy.

4. EFFECTIVENESS - Market/Needs Analysis - 10 points, qualitative.

Every CDBG project has beneficiaries. They may, for example, be homeowners or renters in the case of a housing rehabilitation or sewer project; small business people in the case of a downtown revitalization project; or fishermen or tourists in the case of a waterfront project.

In some cases CDBG projects are designed to attract new people --- increase customers through retail sales; attract new businesses through incentives --- as well as help those who are already there.

The market/needs analysis provides a description of the beneficiaries of the project. It describes their income, their problems, the obstacles to their being

able to help themselves. If the intent of the project is to attract new customers or business people or homeowners, it describes what kind of people are being sought, where they are now, and market factors influencing their decision to relocate to the community.

Understanding who the project is designed to help or attract is essential to a successful CDBG project. Using the information provided by the applicant, SPO scoring teams will rate applications on a scale of 1 to 10 based on the quality of their market/needs analysis. The better the analysis, the more points will be awarded.

5. EFFECTIVENESS - commitments - 10 points, qualitative.

Part of the objective of the CDBG program is to create the conditions for further public and private investment. Many successful CDBG projects include financial commitments from local businesses, banks, residents, civic groups, and the local taxpayers themselves. Additional funds generated by the project may occur only after the project is underway; i.e., homeowner loans by private lending institutions. Cooperative agreements likely to result in leveraged

funds should be secured whenever possible, even if exact leveraged dollars cannot be calculated. Firm commitments where actual dollars have been obligated to the project should be in place at the time of application if the additional dollars are essential to the project's success.

This factor measures only the financial commitments generated by the project. Both coordinated funds and committed funds will be considered. Non-financial involvement of local residents and business people is evaluated in the local involvement factor (number six). Based on information provided by the applicant, SPO scoring teams will rate applications on a scale of 1 to 10 based on the number and scale of financial commitments the project has generated and the firmness of the commitments. The better the financial commitments, the higher the score will be.

6. EFFECTIVENESS - Local involvement - 10 points, qualitative.

This factor measures the extent of involvement of local people in planning and carrying out the project. This is a key factor in evaluating the potential for success of a project, and its potential long range impact. A

community development project is intended to have significant impact upon an area of a community or the community at large. If the project is going to have the local support necessary to work through problems and reach its completion, time and effort must be spent in organizing local support groups during the planning phase and maintaining communication with them during the project's implementation. The applicant should provide information describing how local community groups have been organized, the extent of their involvement, and how their involvement will be maintained. Information provided by the applicant will provide the basis of this score. The more the involvement of local people is integrated into local government planning and administration, the more support community development projects will have if funded. Specific criteria which will be used to evaluate local involvement are as follows:

- Involvement of civic groups, businessmen, developers, area residents in planning the community's strategy and project.

- Proposed involvement of the groups listed above in carrying out the project.

This factor will only address non-financial aspects of local involvement. The financial involvement of local government, civic groups, etc., will be scored in the commitment factor (number 5).

7. EFFECTIVENESS - Low/Moderate Income Involvement -

5 points. qualitative. All CDBG projects must provide a minimum of 51% benefit to low and moderate income people (see Threshold factor 1, Section 5). In addition, a successful CDBG project should demonstrate how the project has been designed to benefit low and moderate income people. The applicant should describe how this project will address the needs of low and moderate income people as identified in the strategy. This factor is not statistical. Applicants can identify secondary and indirect benefit to low and moderate income people. SPO will evaluate the extent that the applicant has involved low and moderate income people in the project's planning and oversight, as well as, the actual benefit derived.

Based on the information provided by the applicant, SPO scoring teams will rate applications on a scale of 1 to 5 based on the extent and quality of low-income involvement in their projects. The greater the involvement, the higher the score will be.

8. EFFECTIVENESS - physical design - 5 points,
qualitative.

All community revitalization projects require construction of one sort or another. The physical changes made by the project in many cases may influence its chances of ultimate success. Visible home improvements in part of a neighborhood may stabilize property values, and stimulate others to fix up their homes on their own. The quality and appropriateness of business people's signs in a downtown area may be a factor in attracting customers. The layout of streets, open space, parking can influence the environment of the people working on living in the area targetted. On the other hand, a residential improvement program in a compact historical neighborhood may be set back by the construction of a non-conforming home in its midst --- an event which can happen if there is no zoning or codes. A commercial revitalization program can be set back if there are no sign ordinances or historic district rehabilitation standards for homeowners to follow.

This factor is designed to evaluate the extent to which the applicant has integrated physical design considerations into its project. Based on information

provided by the applicant, SPO scoring teams will rate applications on a scale of 1 to 5 based on the quality of physical design considerations in the project. The better the design, the higher the score will be.

9. IMPLEMENTATION - Accomplishments - 10 points, qualitative.

All projects should be designed to produce certain results. These results may be as tangible as the number of houses rehabilitated or jobs created. The goals, however, may also be to develop a basis for future growth - infrastructure upgrading, zoning, traffic and pedestrian flow. In this case, it is important that the applicant demonstrates that the goals accomplished are definitely linked to future tangible developments.

This factor is not statistical and will not score number of accomplishments. It is designed to evaluate the extent of the community's goals (as described in the application) will be realized as a result of this project.

Based on information provided by the applicant, including strategy and project design, the SPO

selection team will determine the extent of the project's accomplishments and their effectiveness on future community development. The more effective the accomplishments, the higher the score will be.

10. IMPLEMENTATION - Financial plan - 10 points, qualitative.

The applicant must decide how the grant funds will be expended in order to achieve the accomplishments identified in #9. CDBG funds may be used to directly and wholly finance an activity, i.e., a grant to a homeowner for rehab, installation of a town water line. CDBG funds may also be structured to address specific needs or market conditions, i.e., low interest loans, interest subsidies, etc.

This factor involves evaluating the appropriateness of the proposed financial techniques to achieving the desired project results. SPO scoring teams will judge if the cost estimates are realistic, if the financial incentives will attract the desired investment, and if the needs and market conditions are being met.

Based on information provided by the applicant, SPO scoring teams will rate applications on a scale of 1 to

10 based on the quality of the financial plan. The better the plan, the more points a project will receive.

11. IMPLEMENTATION - Management Plan - 5 points, qualitative.

The management factor involves evaluating the soundness and completeness of the applicant's administrative plan. The score will be arrived at by evaluating five particular components of the applicant's plan. One point will be awarded for each component which is adequately addressed. The components are:

- (1) Project budget - 1 point
- (2) Realistic activity and expenditure schedule - 1 point
- (3) Organizational chart and staffing plan that supports project design - 1 point
- (4) Administrative cost justification (within the 18% limit) - 1 point
- (5) Effective plan for program income - 1 point

This factor will be scored by SPO staff.

Section 7. Approval Process

Upon receipt of applications, SPO staff will determine if applications have met the threshold criteria. Scoring of applications will be done by selection teams consisting of State Planning Office staff. Other State agencies (State Development Office, Maine State Housing Authority, Department of Environmental Protection, etc.) will be consulted and invited to comment on appropriate applications. The selection teams will have six weeks to review and score applications. The scoring procedure and results will be reviewed by a team of local officials from non-applicant communities selected by Maine Municipal Association. Comments from this review will be submitted to the Director of the State Planning Office. Final scoring and award decisions will be made by the Director of SPO. The State Planning Office reserves the right to partially fund individual grant applications.

Section 8. Appeals

The appeals process for Community Revitalization applications is the same as for Reserved Grant communities (see Chapter 1, Reserved Grants, Section #9). Appeals of the Community Revitalization award decisions are restricted to errors of fact or procedure. Appeals of areas of judgment --- strategy, effectiveness, or implementation --- will not be allowed. If an appeal is successful, funds will be reserved for the project from the 1985 CDBG program.

Section 9. Amendments

Amendments to programs awarded as a result of the 1984 General Grant Competition will be allowed and evaluated according to the guidelines described in Chapter 1, Reserved Grants, Section 10.

Section 10. Program Income

See Chapter 1, Reserved Grants, Section 11.

CHAPTER 3. DEVELOPMENT FUND

Section 1. Description

The Development Fund is designed to address the local need for a financial incentive for housing development or business assistance. This need is apparent from the types of applications which have been submitted in the past two years. This experience has indicated that there is a need for Maine communities to have available a financing program designed to assist existing and new businesses or developers wanting to bring new job and housing opportunities to their area.

For a variety of reasons, CDBG applications which consist entirely of an individual business assistance or development opportunity are not appropriate for the Community Revitalization competition. They present different demands of timing, scoring, negotiating, contracting, and managing. Nevertheless, they are important projects for the communities of the State. For this reason \$750,000 will be set aside in 1984, for communities wishing to make loans to businesses or developers for housing development and job creation projects which are of benefit to low and moderate income people.

The goal of this fund is to create at least an additional 150 permanent jobs or housing units in Maine, over half of which will be for low and moderate income people; and to leverage at least \$3 million in other investments.

Since this is the first year of the Development Fund, the criteria for assistance has been made purposefully flexible.

This will allow SPO to develop a history of community projects requiring this type of financial assistance to determine if future DF programs need greater or less flexibility. The program is designed to be simple and responsive. Applications will be accepted and awards made quarterly. The program will serve both housing and business opportunities. By its design, it will be expected that Development Fund dollars will be closely coordinated with local and regional business loan pools, the SBA 503 program, the MSHA HOME program, programs of the new Finance Authority of Maine (FAME), as well as private financing.

Section 2. Types of Grants

Maximum loan size will be \$100,000. CDBG funds will constitute no more than 40% of the total project financing. The terms of the loan payback must be negotiated with the business or developer to provide the highest and earliest return possible.

For successful loan applications, a 2% packaging fee (up to \$2,000) will be available as a grant to municipalities or non-profit organizations to help defray application preparation costs. The community may request an additional 5% of the grant award to pay for the grant's administration. Reimbursement of the packaging and administrative costs will be based on identifiable costs incurred.

Section 3. Eligible Applicants

All units of general local government in Maine, including plantations, with the exception of Portland, Lewiston, Auburn, and Bangor.

Section 4. Eligible Activities

Each project must consist of a loan to an individual business person, corporation, or developer. Uses of the loan funds are restricted to the activities described in sections 570.201, 570.202, 570.203, and 570.204 of the CDBG eligible activities (see Appendix B).

Section 5. Threshold Criteria

Threshold criteria for projects are as follows.

1. Low/moderate income benefit

At least 51% of the jobs or houses must be made available to low or moderate income people (see Appendix D).

2. Financial guidelines

The financial package meets all of the necessary criteria described in Section 2. Financing necessary to support 60% or more of the project must be secured through legally binding letters of commitment.

3. Need for CDBG funds

The project must demonstrate that CDBG funds are necessary for its success. This should include letter from either the principals or their financing agents, towns, etc.

4. Municipal sponsorship

The project is sponsored by a Maine city or town eligible for Small Cities CDBG funds. Such sponsorship requires that the town's Chief Executive Officer or Board of Selectmen has approved the application and receipt of funds.

5. Revolving Loan agency sign-off

If a project is submitted from an area of the State where there is an existing regional revolving loan fund, the regional agency must be informed of the submission through a sign-off procedure. (Projects which combine regional and State participation will be encouraged.)

Section 6. Scoring System

Eligible projects submitted in a given quarter will be ranked and scored according to two criteria:

<u>FACTOR</u>	<u>POINTS</u>
1. Impact	60
2. Benefit	40
TOTAL	100

These factors are described in more detail below:

1. IMPACT - 60 points, qualitative.

Applications will be compared and ranked according to the following considerations:

- a) Chance of success (20 points) - The project has demonstrated that a market exists for its product or service, the cost of the product or service is competitive in current market conditions, the cash flow projections are adequate to support operating expenses and indebtedness, and the management has capacity to carry out the business or development plan.
- b) Financial Plan (20 points) - The project has a good leveraging ratio of both public and private dollars, the financial package has been structured to meet the cash flow projections, all commitments are legally binding and in place.
- c) Return on CDBG Investment (10 points) - The terms of the loan payback negotiated provide the maximum and quickest return of CDBG dollars to the Development Fund possible under the project's business or development plan.

- d) Equity (10 points) - The loan recipient has made a commitment to the project through capital injection, personal guarantees, or other substantial participation.

2. BENEFIT - 40 points, qualitative

The benefit factor consists of the following considerations:

- a) Community Benefit (30 points) - The project demonstrates an immediate and long term benefit to the community. The number of jobs or units per project dollar will be considered as well as the tertiary impact on additional jobs, housing, increased tax revenues and other benefits the project demonstrates it can create. The greater the number and likelihood of these and other benefits the higher the score. SPO will use this criteria to encourage projects that are cost effective in creating jobs or housing opportunities.

- b) Low-Moderate Income Benefit (10 points) - Applicants will be ranked according to the benefits their project will produce for low and

moderate income people. Consideration will be given to extra efforts the applicant has made in this area, e.g., tying in job training programs to new jobs. The greater the benefit to low income people, the more points will be awarded.

Section 7. Approval Process

Applications will be submitted at the beginning of each fiscal quarter. SPO staff will review the applications to determine if the threshold criteria have been met. In ruling on threshold criteria #2 and #3, SPO may consult with other financing organizations or development specialists.

Applications meeting the threshold review will be scored by a selection committee. The selection committee appointed by the Director of State Planning will consist of (1) appointee of the Director of State Development, (1) representative of local government, (1) certified public accountant, (1) attorney, (1) representative of private financing, (1) business person, and (1) appointee of the Director of State Planning.

The Selection Committee will review the staff reports and make recommendations to the Director of the State Planning Office for awards. The Selection Committee will have four options to recommend on any individual project:

- 1) Rejection;
- 2) Return to applicant for more information;

- 3) Approval with different amount than requested;
- 4) Approval of requested amount.

The Director of State Planning reserves the right to reject all applications in any quarter.

The Selection Committee will recommend, in total, no more than \$250,000 in loan awards per quarter. Funds not awarded in any given quarter will be added to the following quarters available funds.

Section 8. Appeals

Projects which are rejected or sent back for more information in one quarter can be resubmitted one time in any subsequent quarter. If they are rejected a second time, they cannot be resubmitted again.

There are no appeals from a second rejection.

Section 9. Amendments

Amendments submitted by grantees must be justified on the basis of problems encountered in administering the CDBG program according to the original design and schedule. Amendments will be evaluated to assure that:

- (1) a 51% low/moderate income benefit will be maintained;
- (2) the nature of the project as originally scored has not changed;

- (3) the CDBG dollars do not exceed 40% of the project cost;
- (4) use of funds are for eligible activities;
- (5) the Town's CEO or Board of Selectmen have approved the amendment.

Amendments will be approved by the Development Fund Selection Committee.

Section 10. Program Income

Loan proceeds, including principal and interest, are considered program income. All program income from Development Fund awards must be returned to the State unless the grant recipient is willing to use the program income as indicated in the application for future loans to businesses or developers under the same conditions as the originating loan. The Development Fund threshold and scoring criteria (see Sections 5 & 6) must be applied when making loans from program income and new loans reported to the State Planning Office quarterly. No Development Fund loan proceeds will be used to cover any State or local expenses for administering the fund.

CHAPTER 4. PARTNERSHIP GRANTS

Section 1. Description

The State goal emphasizes strategy development and local involvement. Partnership grants are designed to help communities lacking previous CD experience or professional planning capacity to prepare and implement a local development plan. Funds will be made available to communities through this set-aside of \$150,000.

The grants are designed to conclude with local adoption of CD strategies and specific implementation steps.

Local involvement and support of the Grant proposals will be sought by creating a 25% local cash match requirement.

Technical assistance providers will play a key role in evaluating grant proposals.

Communities with existing State Community Development grants (with the exception of a prior Planning Grant) will not be eligible for these grants. They are presumed, by virtue of prior awards, to already have such strategies. They also have available staff to work on future problems.

Section 2. Types of Grants

Partnership grants will be awarded once a year. The maximum grant size is \$12,000; the minimum grant size is \$2,000. Project length cannot exceed twelve months.

Funds for Partnership Grants will be allocated to each planning district and subdistrict (see attached map of districts). Funds will be allocated on a formula basis. The formula will consist of two factors:

- a) number of people in the district under the poverty level in communities without Community Development grants (67%); and
- b) number of communities in the district not receiving Community Revitalization grants (33%); to be determined following the 1984 grant awards.

Community Development Planning Grants awarded in 1983 will not be included in this formula. If no adequate proposals are submitted from a given district, the funds allocated to that district will be awarded in other areas.

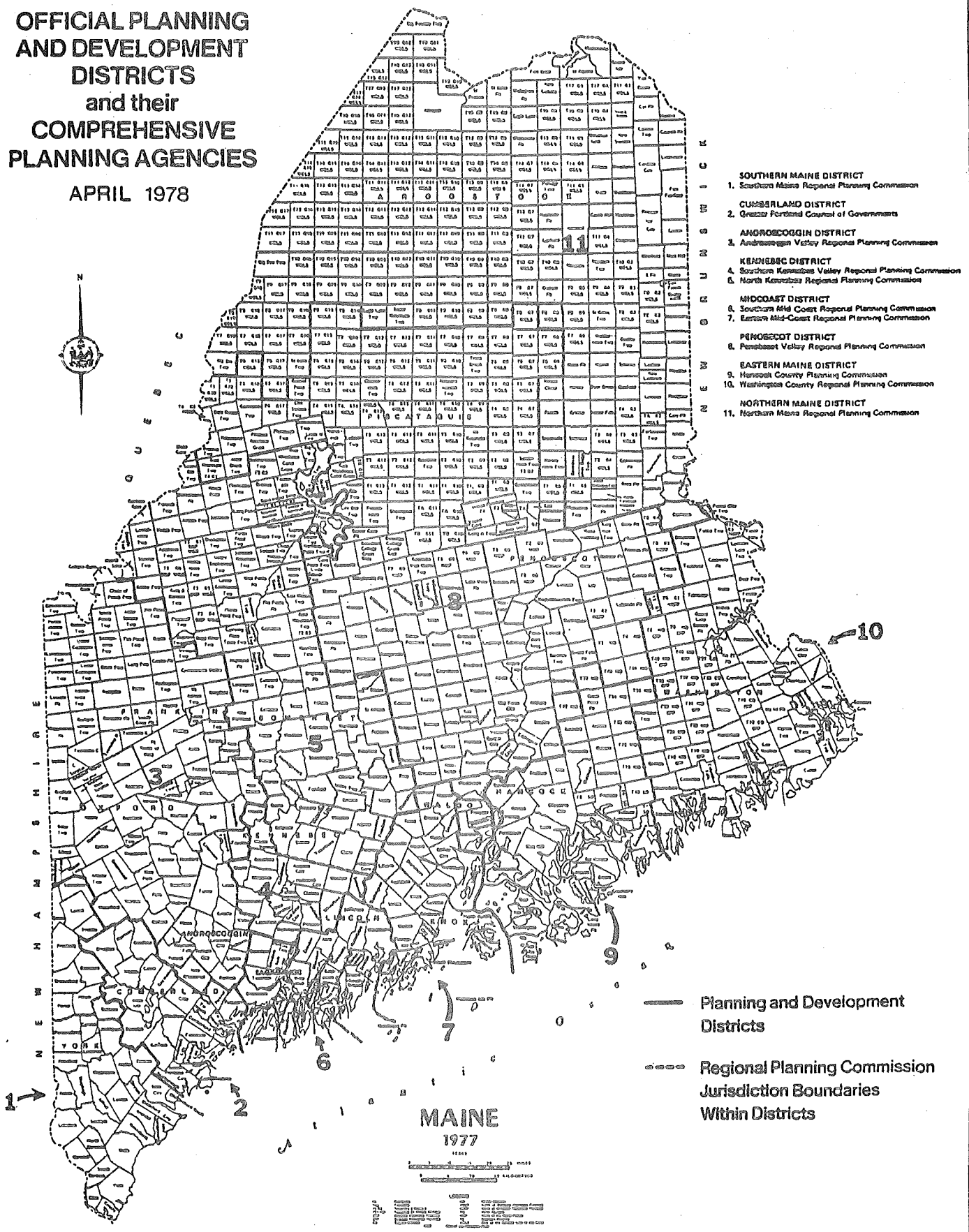
Section 3. Eligible Applicants

All units of general local government, including plantations, with the exception of communities with existing Community Development grants (not including Planning Grants). Joint applications involving a number of municipalities, under the sponsorship of a county or a lead municipality, can be submitted. No applicant may submit more than one Partnership Grant proposal.

For administrative reasons, the State Planning Office encourages communities in a given area to consider joint applications.

OFFICIAL PLANNING AND DEVELOPMENT DISTRICTS and their COMPREHENSIVE PLANNING AGENCIES

APRIL 1978



Section 4. Eligible Activities

Only planning activities are allowed under this program (see Appendix B, Section 570.205). No construction or actual development work is allowed.

Section 5. Threshold Criteria

Threshold criteria include the following determinations:

- 1) the applicant is an eligible entity (see Section 3 above)
- 2) the proposed activity is eligible (see Section 570.205 of Eligible Activities, Appendix B);
- 3) the proposal has been approved by the local municipal officers;
- 4) a twenty-five percent local or private* cash match is provided;
- 5) the proposal substantially addresses the goal of the State Community Development program.

Prior to receiving an awarded grant, Partnership Grant applications (and, when applicable, funding commitments), must be approved by the local legislative body (e.g., Town Meeting). This must be accomplished within thirty days of grant award.

Section 6. Scoring System

Scoring of Partnership proposals will be qualitative, not quantitative. The following criteria shall be used:

* Local funds refer to funds which are appropriated locally and can be used with local discretion. This includes property tax revenues, revenue-sharing funds, state aid road funds, tree growth and excise tax revenues (and planning commissions dues which are dedicated to the project can be included as local match). Private funds refers to funds committed by a private entity: individuals, businesses, banks, developers, civic groups.

- | | |
|--|-----------|
| 1) Immediate and serious need | 10 points |
| 2) Quality & realism of approach | 30 points |
| 3) Local Involvement and Support | 30 points |
| 4) Likelihood that the project will
lead to implementation activities | 30 points |

Section 7. Approval Process

The application and approval process will flow as follows:

1. Applicants will submit proposal simultaneously to the State Planning Office and regional Technical Assistance provider.
2. The Technical Assistance provider will score and rank applications from within its region on forms provided by SPO. The staff of the T.A. provider will present their recommendations to their board for review and approval. The approval shall be limited to confirming that the staff followed appropriate criteria and procedures in its scoring (as is the case with the MMA-selected committee in the SPO process - see Chapter 2, Section 8).

If the T.A. provider's board is not broadly representative of local elected officials in the region, the T.A. provider should present its recommendations to a specially selected committee of elected officials for this purpose.

3. Within thirty days of the application due date, Technical Assistance providers will provide the State Planning Office (SPO) its rankings, funding recommendations and score sheets on all applications.
4. SPO will review the rankings, recommendations, and scores, and make changes where justified. Written justification will be provided for any changes made.
5. Awards will be announced by the SPO Director within forty-five days of the application due date.

SPO reserves the right to negotiate dollar amounts on individual contracts. SPO also reserves the right to make no awards in a region, if the quality of applications elsewhere justifies it.

Section 8. Appeals

Partnership grant award decisions are not subject to appeal.

Section 9. Amendments

Grant recipients may submit proposed program amendments at any time during the course of the grant. The State Planning Office Director has the right to approve or disapprove such amendments. Proposed amendments which are reasonable, and do not significantly alter any factors which entered into the original

project's score, will be approved by SP0. SP0 will respond to program amendment requests within thirty days of their receipt.

Section 10. Program Income

Not applicable.

CHAPTER 5. TECHNICAL ASSISTANCE GRANTS

Section 1. Description

Technical assistance grants will be awarded to non-profit regional organizations in each of the eleven planning districts and subdistricts of the State. The purpose of these grants is to assist in the State administration of the Community Development program. Regional organizations receiving such grants will be responsible for:

- 1) informing local governments in their region of the availability and nature of Community Development grants through an outreach program;
- 2) assisting local governments in preparing applications for Community Development funds;
- 3) developing and carrying out a process of evaluating and ranking Partnership Grant proposals in the region;
- 4) assisting SPO on an as-needed basis in dealing with Community Development issues in their region.

Section 2. Types of Grants

Technical assistance grants will be awarded once a year. There will be one grant in each planning district. There will be two sizes of grants. Planning districts with a non-Entitlement population over 90,000 will receive grants of \$14,000. This includes Androscoggin Valley, Greater Portland, Penobscot Valley, Northern Kennebec, Northern Maine, and Southern Maine. Planning

districts and subdistricts with non-Entitlement population under 90,000 will receive grants of \$8,200. This includes Southern Mid Coast, Eastern Mid Coast, Hancock County, Southern Kennebec, and Washington County.

Section 3. Eligible applicants

Technical assistance grants in 1984 will be limited to Councils of Government and regional non-profit organizations with experience in the provision of CDBG technical assistance under the State's program. To apply for a technical assistance grant, a regional organization must have board representation from the area for which technical assistance is being applied.

Section 4. Eligible activities

Activities which support the four purposes of the grants described in Section 1.

Section 5. Threshold criteria

- 1) The applicant is a regional council of governments or or previous provider of CDBG technical assistance under the State's program.
- 2) The applicant has representatives on its board of directors from area(s) for which technical assistance is being applied.
- 3) The applicant's proposal has been approved by its governing board.

Section 6. Scoring system

All technical assistance applications will be scored according to the following criteria:

- | | |
|-----------------------------|--------------------|
| (1) Past Performance | - 25 points |
| (2) Staff Capacity | - 15 points |
| (3) Organizational Strength | - 15 points |
| (4) Regional CD Planning | - 25 points |
| (5) 1984 Work Plan | - <u>20 points</u> |
| TOTAL | 100 points |

- (1) Past Performance (25 points) - The applicant has demonstrated successful experience providing technical assistance under the State CDBG program. SPO will evaluate the number of communities assisted in 1982 and 1983, the extent of the assistance provided and the number of assisted communities receiving grant awards. The more extensive and successful the assistance provided, the higher the score.
- (2) Staff Capacity (15 points) - The applicant has staff on board with experience in housing, economic development, and community development planning or has identified how that experience will be secured if awarded a technical assistance grant. The applicant has

designated sufficient staff time to delivering the service required under the technical assistance grant. The more staff time devoted to T.A. and the greater the staff CD experience that the applicant demonstrates the higher the score.

(3) Organizational Strength (15 points) - The applicant demonstrates an active governing board consisting of local elected officials representing municipalities from the area in which they will provide T.A. The applicant has provided an annual budget and identified the resources that will support that budget. This budget allows for staff necessary for CDBG TA to be maintained. The more active and financially secure the applicant's organization, the higher the score.

(4) Regional CD Planning (25 points) - The applicant demonstrates an understanding of the various CD needs of the regions, has made appropriate judgments as to which needs should be addressed under the State CDBG program, has identified which communities will need TA and the nature and extent of that TA. The greater the applicant's understanding of its communities' CD needs and the goals of the State CDBG program, the higher the score.

- (5) 1984 Work Plan (20 points) - The applicant has described an outreach program that will adequately inform all municipalities within that region of the CDBG program. The applicant has a process for assisting communities prepare CDBG applications that assures the most needy and appropriate projects will be assisted to the greatest extent. The method the applicant proposes to use in scoring Partnership Grants effectively utilizes the criteria established in the Final Statement and assures local official review of regional scores. This plan should be consistent with the needs identified above.

Section 7. Approval Process

SPO will invite Councils of Governments and past technical assistance providers to apply for 1984 technical assistance grants. Through a field visit and information packet SPO will evaluate those regional organizations wishing to apply. In areas where a COG exists SPO will determine through its evaluation if the COG (according to the scoring criteria) is an acceptable TA recipient for its area in 1984. Unless the evaluation indicates otherwise, the COG will be awarded a T.A. grant for its area. In areas where a COG does not exist, SPO will evaluate all past TA providers wishing to apply for that area (refer to threshold criteria Section 5[1]). Each applicant will be evaluated according to the scoring criteria in Section 6. A SPO scoring team will make award recommendations to the Director of SPO. The Director will make grant awards by December 29, 1983.

Section 8. Appeals

Technical assistance grant decisions are not subject to appeal.

Section 9. Amendments

See Chapter 4, Planning Grants, Section 10.

Section 10. Program Income

Not applicable.

APPENDICES

APPENDIX A

ADVISORY COMMITTEE MEMBERS

CHAIRMAN: John Bibber
Town Manager
Brunswick

Senator Larry Brown
Appropriations Committee
Lubec

Diana Huot
York-Cumberland Housing
Development Corporation
Gorham

Senator Paul Violette
State Government Committee
Van Buren

John J. Jaworski
Androscoggin Valley Council
of Governments
Auburn

Representative Donald Carter
Appropriations Committee
Winslow

Cecil Lancaster
Former Town Manager and State
Legislator
Kittery

Representative Dan Gwadowsky
State Government Committee
Skowhegan

Kate Boland
Maine State Housing Authority
Augusta

Jean Bailey
Maine County Commissioners
Augusta

Thomas McGillicuddy
Industrial Development Council
of Maine
Augusta

Stephen Bolduc
State Development Office
Augusta

Terry Ramsey
Community Development Director
Calais

Gore Flynn
Maine Development Foundation
Augusta

Kay Rand
Maine Municipal Association
Augusta

Robert Dodge
Community Development Director
Biddeford

Roger Raymond
Town Manager
Eagle Lake

Roswell Dyer
Board of Selectmen
Strong

Gerald Robertson
Town Council
Brewer

Christopher St. John
Pine Tree Legal Assistance
Augusta

APPENDIX B

ELIGIBLE ACTIVITIES

Subpart C—Eligible Activities**§ 570.200 General policies**

(a) *Determination of eligibility.* An activity may be financed in whole or in part with Community Development Block Grant (CDBG) funds only if all of the following requirements are met:

(1) *Compliance with section 105 of the Act.* Each activity must meet the eligibility requirements of section 105 of the Act as further defined in this Subpart.

(2) *Compliance with primary objectives.* The Act establishes as its primary objective the development of viable urban communities, including decent housing and a suitable living environment, and expanding economic opportunity, principally for persons of low and moderate income. For grant recipients under the Entitlement and HUD-administered Small Cities programs, this overall objective is achieved through a program where the projected use of funds has been developed so as to give maximum feasible priority to activities which will carry out one of the broad national objectives of benefit to low and moderate income families or aid in the prevention or elimination of slums or blight; the projected use of funds may also include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. The choice of eligible activities on which block grant funds are to be expended represents the recipient's determination as to which approach or approaches will best serve these primary objectives, subject to the Secretary's authority to determine that a grantee has failed to carry out its activities in accordance with the primary objective of the Act. Consistent with the foregoing, each recipient under the Entitlement and HUD-administered Small Cities programs must ensure, and maintain evidence, that each of its CDBG funded activities meets one of the broad national objectives as contained in its certification, and each Entitlement grantee must be prepared to demonstrate that its use of funds, taken as a whole, is being carried out to further the primary objective of the Act.

(3) *Compliance with environmental review procedures.* The environmental review and clearance procedures set forth at 24 CFR Part 58 must be completed for each activity (or project

as defined in 24 CFR Part 58), as applicable.

(4) *Cost principles.* Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with the requirements of OMB Circulars A-87, "Cost Principles Applicable to Grants and Contracts with State and Local Governments" or A-122, "Cost Principles for Non-profit Organizations," as applicable. All items of cost listed in Attachment B of those Circulars are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in Attachment A of such Circulars and are otherwise eligible under this Subpart. However, pre-agreement costs are limited to those costs described at § 570.200(h).

(5) *Other requirements.* Each activity must comply with all requirements of this Part as they may apply under Subparts D, E, F, and G.

(b) *Special policies governing facilities.* The following special policies apply to:

(1) *Facilities containing both eligible and ineligible uses.* A public facility otherwise eligible for assistance under the CDBG program may be provided with program funds even if it is part of a multiple use building containing ineligible uses, if:

(i) The facility which is otherwise eligible and proposed for assistance will occupy a designated and discrete area within the larger facility; and

(ii) The recipient can determine the costs attributable to the facility proposed for assistance as separate and distinct from the overall costs of the multiple-use building and/or facility.

Allowable costs are limited to those attributable to the eligible portion of the building or facility.

(2) *Fees for use of facilities.*

Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges, such as excessive membership fees, which will have the effect of precluding low and moderate income persons from using the facilities are not permitted.

(c) *Special assessments under the CDBG program.* The following policies relate to the use of special assessments under the CDBG program:

(1) *Definition of special assessment.* The term "special assessment" means a fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public facility improvement, such as streets, curbs, and gutters. The amount of the fee represents the pro rata share of the capital costs of the public improvement levied against the benefiting properties.

This term does not relate to taxes, or the establishment of the value of real estate for the purpose of levying real estate, property, or ad valorem taxes.

(2) *Special assessments to recover capital costs.* There can be no special assessment to recover that portion of a capital expenditure funded with CDBG funds. Recipients may, however, levy assessments to recover the portion of a capital expenditure funded from other sources. Funds collected through such special assessments are not program income.

(3) *Other uses of CDBG funds for special assessments.* Program funds may be used to pay all or part of special assessments levied against properties owned and occupied by low and moderate income persons when such assessments are used to recover that portion of the capital cost of public improvements financed from sources other than community development block grants, provided that:

(i) The assessment represents that property's share of the capital cost of the eligible facility or improvement; and

(ii) The installation of the public facilities and improvements was carried out in compliance with requirements applicable to activities assisted under this Part.

(d) *Consultant activities.* Consulting services are eligible for assistance under this Part for professional assistance in program planning, development of community development objectives, and other general professional guidance relating to program execution. The use of consultants is governed by the following:

(1) *Employer-employee type of relationship.* No person providing consultant services in an employer-employee type of relationship shall receive more than a reasonable rate of compensation for personal services paid with CDBG funds. In no event, however, shall such compensation exceed the maximum daily rate of compensation for a GS-18 as established by Federal law. Such services shall be evidenced by written agreements between the parties which detail the responsibilities, standards, and compensation.

(2) *Independent contractor relationship.* Consultant services provided under an independent contractor relationship are governed by the Procurement Standards of Attachment O of OMB Circular No. A-102 and are not subject to the GS-18 limitation.

(e) *Recipient determinations required as a condition of eligibility.* In several instances under this Subpart, the eligibility of an activity depends on a special local determination. Recipients

shall maintain documentation of all such determinations. A written determination is required for any activity carried out under the authority of §§ 570.201(c)(1), 570.201(f), 570.202(b)(3), 570.203, 570.204, and 570.208(f). A written determination is also required for certain relocation costs under § 570.201(i).

(f) *Means of carrying out eligible activities.* Activities eligible under this Subpart may be undertaken either:

(1) by the recipient through:

(i) Its employees; or

(ii) Procurement contracts governed by the requirements of Attachment O of OMB Circular A-102; or

(2) Through agreements with subrecipients;

except that activities authorized in § 570.204(a)(2) may only be undertaken by subrecipients specified in that section.

(g) *Limitation on planning and administrative costs.* (Effective date: This paragraph is effective beginning with the first grant made under Subparts E or F, or the first program year commencing on or after the effective date of this rule.) No more than 20 percent of the sum of any grant plus program income shall be expended for planning and administrative costs, as defined in §§ 570.205 and 570.208 respectively. Recipients of Entitlement grants under Subpart D will be considered to be in conformance with this limitation if expenditures for planning and administration during the most recently completed program year did not exceed 20 percent of the sum of the Entitlement grant made for that program year and the program income received during that program year.

(h) *Reimbursement for pre-agreement costs.* Prior to the effective date of the grant agreement, a recipient may obligate and expend local funds for the purpose of environmental assessments required by 24 CFR Part 58, for the planning and capacity building purposes authorized by § 570.205(b), for engineering and design costs associated with an activity eligible under § 570.201 through § 570.204, for the provision of information and other resources to residents pursuant to § 570.208(b), and for relocation and/or acquisition activities carried out pursuant to § 570.606. After the effective date of the grant agreement, the recipient may be reimbursed with funds from its grant to cover those costs, provided such locally funded activities were undertaken in compliance with the requirements of this Part and 24 CFR Part 58.

(i) *Urban Development Action Grant.* Grant assistance may be provided with Urban Development Action Grant funds,

subject to the provision of Subpart G, for:

- (1) Activities eligible for assistance under this Subpart; and
- (2) Notwithstanding the provisions of § 570.207, such other activities as the Secretary may determine to be consistent with the purposes of the Urban Development Action Grant program.

§ 570.201 Basic eligible activities.

Grant assistance may be used for the following activities:

(a) *Acquisition.* Acquisition in whole or in part by a public agency or private nonprofit entity, by purchase, lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of § 570.207(a).

(b) *Disposition.* Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in § 570.506.

(c) *Public facilities and improvements.* Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in § 570.207(a), carried out by the recipient or other public or private nonprofit entities. In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Nonprofit entities and subrecipients as specified in § 570.204 may acquire title to public facilities such as senior centers, centers for the handicapped, or neighborhood facilities. When such facilities are owned by nonprofit entities or subrecipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in § 570.200(b) and the restrictions specified below:

(1) Parks, playgrounds, and recreational facilities established as a result of reclamation and other

construction activities carried out in connection with a river and adjacent land, and flood and drainage facilities are eligible only where assistance has been determined to be unavailable under other Federal laws or programs. No CDB funds may be obligated or expended for activities specified in this subparagraph until the recipient has complied with the following requirements:

(i) An application or written request has been made to the Federal agency that customarily funds the proposed activity within the recipient's jurisdiction; and

(ii) The application or request has been rejected, or the recipient has been advised that funds will not be made available for at least 90 days after the date of the application or request, or there has been no response from the Federal agency after 45 days from the date of the application or request.

(2) The following facilities are eligible only when located in or serving areas where other community development activities have been or are being carried out:

(i) Parking facilities;

(ii) Fire protection facilities and equipment; and

(iii) Solid waste disposal, recycling or conversion facilities.

(d) *Clearance activities.* Clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites. Demolition of HUD assisted housing units may be undertaken only with the prior approval of HUD.

(e) *Public services.* (Effective date: This paragraph is effective as of the beginning of the recipient's program funded from Federal Fiscal Year 1982 and subsequent appropriations.) Provision of public services (including labor, supplies, and materials) which are directed toward improving the community's public services and facilities, including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, energy conservation, welfare, or recreational needs. In order to be eligible for CDBG assistance, public services must meet each of the following criteria:

(1) A public service must be either: (i) A new service, or (ii) a quantifiable increase in the level of a service above that which has been provided by or in behalf of the unit of general local government (through funds raised by such unit, or received by such unit from the State in which it is located) in the twelve calendar months prior to the submission of the statement. (An exception to this requirement may be

made if HUD determines that the decrease in the level of a service was the result of events not within the control of the unit of general local government.)

(2) The amount of funds used for public services, including services provided by subrecipients under § 570.204, shall not exceed 10 percent of each grant except as provided in subparagraph (3) below. For Entitlement grants under Subpart D, compliance is based on the amount of funds obligated for public service activities in each program year compared to the Entitlement grant made for that program year.

(3) A recipient which allocated more than 10 percent of its grant for public services in its program funded from Federal Fiscal Year 1981 appropriations, may obligate more than 10 percent of its grant for public services in each of its program years funded from Federal Fiscal Years 1982, 1983, or 1984 appropriations so long as the amount obligated in any such program year does not exceed the amount allocated in Fiscal Year 1981. For the purposes of this provision, the Fiscal Year 1981 allocation is the amount specified for public service activities in the Cost Summary applicable to the program funded from Fiscal Year 1981 appropriations, as of October 1, 1981.

(f) *Interim assistance.*

(1) The following activities may be undertaken on an interim basis in areas exhibiting objectively determinable signs of physical deterioration where the recipient has determined that immediate action is necessary to arrest the deterioration and that permanent improvements will be carried out as soon as practicable:

(i) The repairing of streets, sidewalks, parks, playgrounds, publicly owned utilities, and public building; and

(ii) The execution of special garbage, trash, and debris removal, including neighborhood cleanup campaigns, but not the regular curbside collection of garbage or trash in an area.

(2) In order to alleviate emergency conditions threatening the public health and safety in areas where the chief executive officer of the recipient determines that such an emergency condition exists and requires immediate resolution, CDBG funds may be used for:

(i) The activities specified in subparagraph (1) above, except for the repair of parks and playgrounds;

(ii) For the clearance of streets, including snow removal and similar activities; and

(iii) The improvement of private properties.

All activities authorized under this subparagraph are limited to the extent necessary to alleviate emergency conditions.

(g) *Payment of the non-Federal share* required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities, provided, that such payment shall be limited to activities otherwise eligible under this Subpart.

(h) *Urban renewal completion.* Payment of the cost of completing an urban renewal project funded under Title I of the Housing Act of 1949 as amended. Further information regarding the eligibility of such costs is set forth in § 570.801.

(i) *Relocation.* Relocation payments and assistance for permanently or temporarily displaced individuals, families, businesses, nonprofit organizations, and farm operations where: (1) Required under the provisions of § 570.806(a); and (2) relocation payments and assistance are determined by the recipient to be appropriate as provided in § 570.806(b).

(j) *Loss of rental income.* Payments of housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be utilized for the relocation of individuals, and families displaced by program activities assisted under this Part.

(k) *Removal of architectural barriers.* Special projects directed to the removal of material and architectural barriers which restrict the mobility and accessibility of elderly or handicapped persons to publicly owned and privately owned building, facilities, and improvements. Further information regarding the removal of architectural barriers is available in the current publication of the American National Standards Institute, Inc., ANSI A117.1.

(l) *Privately owned utilities.* CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities of privately owned utilities, including the placing underground of new or existing distribution facilities and lines.

§ 570.202 Eligible rehabilitation and preservation activities.

(a) *Types of buildings and improvements eligible for rehabilitation assistance.* CDBG funds may be used to finance the rehabilitation of:

- (1) Privately owned buildings and improvements;
- (2) Low income public housing and other publicly owned residential buildings and improvements; and
- (3) Publicly owned nonresidential buildings and improvements otherwise eligible for assistance.

Specific information on historic properties is included in paragraph (d) of this section.

(b) *Types of assistance.* CDBG funds may be used to finance the following types of rehabilitation activities, and related costs, either singly, or in combination, through the use of grants, loans, loan guarantees, interest supplements, or other means for buildings and improvements described in paragraph (a) of this section:

(1) Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties for use or resale for residential purposes;

(2) Labor, materials, and other costs of rehabilitation of properties, including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, and renovation through alterations, additions to, or enhancement of existing structures, which may be undertaken singly, or in combination;

(3) Loans for refinancing existing indebtedness secured by a property rehabilitated with CDBG funds if such financing is necessary or appropriate to achieve the recipient's community development objectives;

(4) Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, and conversion, modification, or replacement of heating and cooling equipment, including the use of solar energy equipment;

(5) Improvements to increase the efficient use of water through such means as water saving faucets and shower heads and repair of water leaks;

(6) Financing of costs associated with the connection of residential structures to water distribution lines or local sewer collection lines;

(7) For rehabilitation carried out with CDBG funds, costs of:

(i) Initial homeowner warranty premiums;

(ii) Hazard insurance premiums, except where assistance is provided in the form of a grant; and

(iii) Flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, pursuant to § 570.805;

(8) Costs of tools to be lent to owners, tenants, and others who will use such tools to carry out rehabilitation; and

(9) Rehabilitation services, such as rehabilitation counseling, energy auditing, preparation of work specifications, loan processing,

inspections, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in rehabilitation activities authorized under this section, under section 312 of the Housing Act of 1964, as amended, and under section 810 of the Act.

(c) *Code enforcement.* Code enforcement in deteriorating or deteriorated areas where such enforcement together with public improvements, rehabilitation, and services to be provided, may be expected to arrest the decline of the area.

(d) *Historic preservation.* CDBG funds may be used for the rehabilitation, preservation, and restoration of historic properties, whether publicly or privately owned. Historic properties are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, listed in a State or local Inventory of Historic Places, or designated as a State or local landmark or historic district by appropriate law or ordinance. Historic preservation does not include, however, the expansion of properties for ineligible uses, such as buildings for the general conduct of government.

(e) *Renovation of closed school buildings.* CDBG funds may be used to renovate closed school buildings for use as an eligible public facility, for a commercial or industrial facility, or for housing.

§ 570.203 Special economic development activities.

A recipient may use CDBG funds for special economic development activities authorized under this section if it determines that such activities are necessary or appropriate to carry out an economic development project. Special economic development activities are permitted in addition to other activities authorized in this Subpart which may be carried out as part of an economic development project. Special activities authorized under this section do not include assistance for the construction of new housing. Special economic development activities include:

(a) The acquisition, construction, reconstruction, or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the recipient, subrecipients, or private for profit businesses. (Rehabilitation of commercial or industrial buildings and improvements is eligible under § 570.202.)

(b) The provision of assistance to private for profit businesses, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any other activity necessary or appropriate to carry out an economic development project, excluding those described as ineligible in § 570.207(a).

§ 570.204 Special activities by subrecipients.

(a) *Eligible activities.* The recipient may grant CDBG funds to any of the three types of subrecipients specified in paragraph (c) below, to carry out a neighborhood revitalization, community economic development, or energy conservation project. Such a project may include:

(1) Activities listed as eligible under this Subpart; and

(2) Activities not otherwise listed as eligible under this Subpart, except those described as ineligible in § 570.207(a), when the recipient determines that such activities are necessary or appropriate to achieve its community development objectives.

(b) *Recipient responsibilities.* Recipients under Subparts D, F, or G are responsible for ensuring that CDBG funds are utilized by subrecipients in a manner consistent with the requirements of this Part and other applicable Federal, State, or local law. Grantees are also responsible for carrying out the environmental review and clearance responsibilities.

(c) *Eligible subrecipients.* The following are subrecipients authorized to receive grants under this section.

(1) *Neighborhood-based nonprofit organizations.* A neighborhood-based nonprofit organization is an association or corporation, duly organized to promote and undertake community development activities on a not-for-profit basis within a neighborhood. An organization is considered to be neighborhood-based if the majority of either its membership, clientele; or governing body are residents of the neighborhood where activities assisted with CDBG funds are to be carried out. A neighborhood is defined as:

(i) A geographic location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood;

(ii) The entire jurisdiction of a unit of general local government which is under 25,000 population; or

(iii) A neighborhood, village, or similar geographical designation, in a

new community as defined in § 570.403(a).

(2) *Section 301(d) Small Business Investment Companies.* A section 301(d) Small Business Investment Company is an entity organized pursuant to section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)), including those which are profit making.

(3) *Local Development Corporations.* A local development corporation is:

(i) An entity organized pursuant to Title VII of the Headstart, Economic Opportunity, and Community Partnership Act of 1974 (42 U.S.C. 2981) or the Community Economic Development Act of 1981 (42 U.S.C. 9801 *et seq.*);

(ii) An entity eligible for assistance under section 502 or 503 of the Small Business Investment Act of 1958 (15 U.S.C. 690);

(iii) Other entities incorporated under State or local law whose membership is representative of the area of operation of the entity (including nonresident owners of businesses in the area) and which is similar in purpose, function, and scope to those specified in (i) or (ii) above; or

(iv) A State development entity eligible for assistance under Section 501 of the Small Business Investment Act of 1958 (15 U.S.C. 695).

§ 570.205 Eligible planning and policy—planning—management—capacity building activities

(a) Planning activities which consist of all costs of data gathering, studies, analysis, and preparation of plans and implementing actions, including, but not limited to:

- (1) Comprehensive plans;
- (2) Community development plans;
- (3) Functional plans, in areas such as:
 - (i) Housing, including the development of a Housing Assistance Plan;
 - (ii) Land use;
 - (iii) Economic development;
 - (iv) Open space and recreation;
 - (v) Energy use and conservation;
 - (vi) Floodplain management in accordance with the requirements of Executive Orders 11988 and 11990;
 - (vii) Transportation;
 - (viii) Utilities; and
 - (ix) Historic preservation.
- (4) Other plans and studies such as:
 - (i) Small area and neighborhood plans;

(ii) Capital improvements programs;

(iii) Individual project plans (but excluding engineering and design cost related to a specific activity which are eligible as part of the cost of such activity under §§ 570.201–570.204);

(iv) The reasonable costs of general environmental and historic preservation

studies. However, costs necessary to comply with 24 CFR Part 58, including project specific environmental assessments and clearances for activities eligible for assistance under this Part are eligible as part of the cost of such activities under §§ 570.201–570.204 and are therefore not planning costs for the purposes of § 570.200(g).

(v) Strategies and action programs to implement plans, including development of codes, ordinances and regulations necessary to implement such plans; and

(vi) Support of clearinghouse functions.

(b) *Policy—planning—management—capacity building activities* which will enable the recipient to:

- (1) Determine its needs;
- (2) Set long-term goals and short-term objectives, including those related to environmental design;
- (3) Develop programs and activities to meet these goals and objectives;
- (4) Evaluate the progress of such programs and activities in accomplishing these goals and objectives; and
- (5) Carry out management, coordination and monitoring of activities necessary for effective planning implementation.

§ 570.206 Eligible administrative costs.

Payment of reasonable administrative costs and carrying charges related to the planning and execution of community development activities financed in whole or in part with funds provided under this Part and housing activities covered in the recipient's Housing Assistance Plan (HAP).

(a) *General management, oversight, and coordination.* Reasonable costs of overall program management, coordination, monitoring, and evaluation, and similar costs associated with management, but excluding activity delivery costs which are eligible as part of the cost of carrying out the activity under § 570.201 through § 570.204. Such costs include, but are not limited to, necessary expenditures for the following:

- (1) Salaries, wages, and related costs of the recipient's staff, the staff of local public agencies, or other staff engaged in general management, coordination, monitoring, and evaluation;
- (2) Travel costs incurred for official business in carrying out the program;
- (3) Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services; and
- (4) Other costs for goods and services required for administration of the

program, including such goods and services as rental and maintenance of office space, insurance, utilities, office supplies, and rental or purchase of office equipment.

(b) *The provision of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of activities being carried out with CDBG funds.*

(c) *Provision of fair housing counseling services and other activities designed to further the fair housing objectives of Title VIII of the Civil Rights Act of 1968 and the housing objective of promoting greater choice of housing opportunities and avoiding undue concentrations of assisted persons in areas containing a high proportion of lower income persons.*

(d) *Provision of assistance to facilitate performance and payment bonding necessary for contractors carrying out activities assisted with CDBG funds including payment of bond premiums on behalf of contractors.*

(e) *Indirect costs.* Costs may be charged to the CDBG program under a cost allocation plan prepared in accordance with OMB Circulars A-87, or A-122 as applicable.

(f) *Submissions or applications for Federal programs.* Preparation of documents required for submission to HUD or States to receive funds under the CDBG and UDAG programs. In addition, CDBG funds may be used to prepare applications for other Federal programs where the recipient determines that such activities are necessary or appropriate to achieve its community development objectives.

(g) *Administrative expenses to facilitate housing.* The construction of new housing or direct financing of new or existing housing is not an eligible use of CDBG funds, except as described in § 570.207(b)(3). However, CDBG funds may be used for necessary administrative expenses in planning or obtaining financing for housing units as follows: for Entitlement grantees, assistance authorized by this paragraph is limited to units which are identified in the grantee's HUD approved Housing Assistance Plan; for Small cities grantees, assistance authorized by this paragraph is limited to facilitating the purchase or occupancy of existing units which are to be occupied by lower income households, or the construction of rental or owner units where at least 20 percent of the units in each project will be occupied at affordable rents/costs, by lower income persons. Examples of eligible actions are as follows:

(1) The cost of conducting preliminary surveys and analysis of market needs;

(2) Site and utility plans, narrative descriptions of the proposed construction, preliminary cost estimates, urban design documentation, and "sketch drawings," but excluding architectural, engineering, and other details ordinarily required for construction purposes, such as structural, electrical, plumbing, and mechanical details;

(3) Reasonable costs associated with development of applications for mortgage and insured loan commitments, including commitment fees, and of applications and proposals under the Section 8 Housing Assistance Payments Program pursuant to 24 CFR Part 880-883;

(4) Fees associated with processing of applications for mortgage or insured loan commitments under programs including those administered by HUD, Farmers Home Administration (FmHA), Federal National Mortgage Association (FNMA), and the Government National Mortgage Association (GNMA);

(5) The cost of issuance and administration of mortgage revenue bonds used to finance the acquisition, rehabilitation, or construction of housing, but excluding costs associated with the payment or guarantee of the principal or interest on such bonds; and

(6) Special outreach activities which result in greater landlord participation in Section 8 existing, or similar program for lower income persons.

§ 570.207 Ineligible activities.

The general rule is that any activity that is not authorized under the provisions of §§ 570.201-206 of this Subpart is ineligible to be carried out with CDBG funds. This section identifies two specific activities that are ineligible and provides guidance thought to be necessary in determining the eligibility of several other activities frequently associated with housing and community development.

(a) The following activities may not be carried out using CDBG funds:

(1) Buildings, or portions thereof, used predominantly for the general conduct of government cannot be assisted with CDBG funds. Such buildings include, but are not limited to, city halls and other headquarters of government where the governing body of the recipient meets regularly, courthouses, jails, police stations, and other State or local government office buildings. This does not exclude, however, the removal of architectural barriers under § 570.201(k) and historic preservation under § 570.202(d) involving any such building. Also, where acquisition of real property

includes an existing improvement which is to be utilized in the provision of a building or facility for the general conduct of government, the portion of the acquisition cost attributable to the land is eligible.

(2) *General government expenses.* Except as otherwise specifically authorized in this Subpart or under OMB Circular A-87, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this Part.

(3) *Political activities.* CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally financed in whole or in part with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

(b) The following activities may not be carried out with CDBG funds unless authorized under provisions of § 570.203 or as otherwise specifically noted herein, or when carried out by a subrecipient under the provisions of § 570.204.

(1) *Purchase of equipment.* The purchase of equipment with CDBG funds is generally ineligible.

(i) *Construction equipment.* The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing, depreciation, or use allowances pursuant to OMB Circulars A-87 or A-122 as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible under § 570.201(c)(2).

(ii) *Furnishings and personal property.* The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase, or to pay depreciation or use allowances (in accordance with OMB Circulars A-87 or A-122, as applicable), for such items when necessary for use by a recipient or its subrecipients in the administration of activities assisted with CDBG funds, or when eligible as fire fighting equipment, or as a public service pursuant to § 570.201(e).

(2) *Operating and maintenance expenses.* The general rule is that any expense associated with repairing, operating or maintaining public facilities and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program. For example, where a public service is being assisted with CDBG funds, the cost of operating and maintaining that portion of the facility in which the service is located is eligible as part of the public service. Examples of ineligible operating and maintenance expenses are:

(i) Maintenance and repair of streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for the handicapped, parking and similar public facilities. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs.

(ii) Payment of salaries for staff, utility costs and similar expenses necessary for the operation of public works and facilities; and

(3) *New housing construction.* Assistance may not be used for the construction of new permanent residential structures or for any program to subsidize or finance such new construction, except:

(i) As provided under the last resort housing provisions set forth in 24 CFR Part 42; or,

(ii) When carried out by a subrecipient pursuant to § 570.204(a)(2).

For the purpose of this paragraph, activities in support of the development of low or moderate income housing including clearance, site assemblage, provision of site improvements and provision of public improvements and certain housing preconstruction costs set forth in § 570.208(g), are not considered as activities to subsidize or finance new residential construction.

(4) *Income payments.* The general rule is that assistance shall not be used for income payments for housing or any other purpose. Examples of ineligible income payments include the following: payments for income maintenance, housing allowances, down payments, and mortgage subsidies.

5. Subpart D of Part 570 is revised to read as follows:

APPENDIX C
DATA USED IN SCORING SYSTEM

The data used in the scoring system will be as follows:

1. Distress (by Town)
 - a) unemployment rate (Labor Market area, 3 year average, Civilian Labor Force (1979-81, Department of Labor)
 - b) population (1980, U.S. Census)
 - c) unduplicated count, social assistance recipients (1982 (March), Department of Human Services): unduplicated count of food stamp recipients, AFDC recipients, S.S.I. recipients, Medicaid recipients
 - d) % social assistance recipients ($b \div c$)
 - e) distress score, which equals % social assistance recipients (d) plus unemployment rate (a) divided by two.

2. Poverty (by Town)
 - a) number of people under poverty (1980, U.S. Census)

The data which will be used for these calculations is attached. Applicants with data suppressed for specific items (e.g., poverty), or applicants with substantial institutional populations, may propose alternative numbers for these factors. A form for this purpose will be included in the application package. SPO has the right to reject any alternative statistics provided by applicants. The burden of proof is on the applicant to provide complete and comparable alternatives to the data which is enclosed.

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
ANDROSCOGGIN COUNTY						
AUBURN	7.6	3790	23128	16.4	2806	12.0
DURHAM	5.7	64	2074	3.1	278	4.4
GREENE	10.1	308	3037	10.1	282	10.1
LEEDS	10.1	326	1463	22.3	237	16.2
LEWISTON	7.6	7054	40481	17.4	5122	12.5
LISBON	7.6	958	8769	10.9	1061	9.3
LIVERMORE	10.1	78	1826	4.3	215	7.2
LIVERMORE FA	10.1	596	3572	16.7	387	13.4
MECHANIC FAL	9.1	477	2616	18.2	234	13.7
MINOT	9.1	75	1631	4.6	109	6.8
POLAND	9.1	411	3578	11.5	254	10.3
SABATTUS	10.1	396	3081	12.9	614	11.5
TURNER	10.1	366	3539	10.3	462	10.2
WALES	10.1	100	862	11.6	105	10.9

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
AROOSTOOK COUNTY						
ALLAGASH	11.1	163	448	36.4	130	23.7
AMITY	10.0	79	168	47.0	44	28.5
ASHLAND	11.1	312	1865	16.7	229	13.9
BANCROFT	10.0	25	61	41.0	30	25.5
BENEDICTA	10.5	23	225	10.2	18	10.4
BLAINE	11.1	162	922	17.6	191	14.3
BRIDGEWATER	11.1	114	742	15.4	216	13.2
CARIBOU	11.1	2107	9916	21.2	1595	16.2
CARY PLT	10.0	50	229	21.8	57	15.9
CASTLE HILL	11.1	73	509	14.3	78	12.7
CASWELL PLT	11.1	86	586	14.7	156	12.9
CHAPMAN	11.1	10	406	2.5	40	6.8
CRYSTAL	10.5	100	349	28.7	62	19.6
CYR PLT	11.1	15	147	10.2	68	10.7
DYER BROOK	10.5	52	275	18.9	50	14.7
E PLT	11.1	13	55	23.6	9	17.4
EAGLE LAKE	11.1	330	1019	32.4	121	21.7
EASTON	11.1	230	1305	17.6	223	14.4
FT FAIRFIELD	11.1	984	4376	22.5	538	16.8
FT KENT	11.1	1165	4826	24.1	991	17.6
FRENCHVILLE	11.1	211	1450	14.6	114	12.8
GARFIELD PLT	11.1	0	107	0.0	10	5.6
GLENWOOD PLT	10.0	3	7	42.9	NA	26.4
GRAND ISLE	11.1	182	719	25.3	149	18.2
HAMLIN	11.1	30	340	8.8	43	10.0
HAMMOND PLT	10.0	20	73	27.4	7	18.7
HAYNESVILLE	10.0	56	169	33.1	35	21.6
HERSEY	10.5	30	67	44.8	31	27.6
HODGDON	10.0	172	1084	15.9	154	12.9
HOULTON	10.0	1867	6766	27.6	1147	18.8
ISLAND FALLS	10.5	239	981	24.4	121	17.4
LIMESTONE	11.1	604	8719	6.9	861	9.0
LINNEUS	10.0	156	752	20.7	174	15.4
LITTLETON	10.0	172	1009	17.0	209	13.5
LUDLOW	10.0	97	403	24.1	94	17.0
MACWAHOC PLT	10.0	15	126	11.9	26	11.0
MADAWASKA	11.1	922	5282	17.5	526	14.3
MAPLETON	11.1	272	1895	14.4	279	12.7
MARS HILL	11.1	460	1892	24.3	368	17.7
MASARDIS	11.1	35	328	10.7	45	10.9
MERRILL	10.5	94	285	33.0	59	21.7

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
AROOSTOOK COUNTY						
MONTICELLO	10.0	368	950	38.7	253	24.4
MORO PLT	10.5	3	30	10.0	12	10.3
NASHVILLE PL	11.1	0	48	0.0	10	5.6
NEW CANADA	11.1	3	269	1.1	75	6.1
NEW LIMERICK	10.0	89	513	17.3	93	13.7
NEW SWEDEN	11.1	129	737	17.5	91	14.3
OAKFIELD	10.5	231	847	27.3	99	18.9
ORIENT	10.0	32	97	33.0	4	21.5
OXBOW	11.1	37	84	44.0	15	27.6
PERHAM	11.1	105	437	24.0	100	17.6
PORTAGE LAKE	11.1	64	562	11.4	69	11.2
PRESQUE ISLE	11.1	1823	11172	16.3	1111	13.7
REED PLT	10.0	57	274	20.8	54	15.4
ST AGATHA	11.1	224	1035	21.6	179	16.4
ST FRANCIS	11.1	255	839	30.4	171	20.7
ST JOHN PLT	11.1	75	322	23.3	40	17.2
SHERMAN	10.5	231	1021	22.6	255	16.6
SMYRNA	10.5	64	354	18.1	43	14.3
STOCKHOLM	11.1	78	319	24.5	25	17.8
VAN BUREN	11.1	1425	3557	40.1	729	25.6
WADE	11.1	6	285	2.1	52	6.6
WALLAGRASS P	11.1	133	653	20.4	44	15.7
WASHBURN	11.1	454	2028	22.4	330	16.7
WESTFIELD	11.1	172	647	26.6	92	18.8
WESTMANLAND	11.1	1	53	1.9	6	6.5
WESTON	10.0	20	155	12.9	28	11.5
WINTERVILLE	11.1	26	235	11.1	54	11.1
WOODLAND	11.1	370	1369	27.0	471	19.1

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	SOCIAL ASSISTANCE			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
CUMBERLAND COUNTY						
BALDWIN	7.2	246	1140	21.6	215	14.4
BRIDGTON	7.2	607	3528	17.2	340	12.2
BRUNSWICK	5.7	1525	17366	8.8	1850	7.2
CAPE ELIZABE	5.7	215	7838	2.7	207	4.2
CASCO	7.2	423	2243	18.9	267	13.0
CUMBERLAND	5.7	276	5284	5.2	325	5.5
FALMOUTH	5.7	287	6853	4.2	493	4.9
FREETPORT	5.7	579	5863	9.9	573	7.8
GORHAM	5.7	571	10101	5.7	607	5.7
GRAY	7.2	482	4344	11.1	439	9.1
HARPSWELL	5.7	275	3796	7.2	393	6.5
HARRISON	7.2	317	1667	19.0	224	13.1
NAPLES	7.2	293	1833	16.0	310	11.6
NEW GLOUCEST	7.2	595	3180	18.7	345	13.0
ND YARMOUTH	7.2	56	1919	2.9	153	5.1
PORTLAND	5.7	12329	61572	20.0	9203	12.9
POWNAL	7.2	219	1189	18.4	133	12.8
RAYMOND	7.2	223	2251	9.9	138	8.6
SCARBOROUGH	5.7	832	11347	7.3	507	6.5
SEBAGO	7.2	316	974	32.4	112	19.8
SO PORTLAND	5.7	2267	22712	10.0	1947	7.8
STANDISH	7.2	577	5946	9.7	690	8.5
WESTBROOK	5.7	1853	14976	12.4	1268	9.0
WINDHAM	5.7	938	11282	8.3	843	7.0
YARMOUTH	5.7	439	6585	6.7	315	6.2

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	SOCIAL ASSISTANCE			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
FRANKLIN COUNTY						
AVON	7.4	123	475	25.9	128	16.6
CARRABASSET	7.4	2	107	1.9	25	4.6
CARTHAGE	7.4	135	438	30.8	113	19.1
CHESTERVILLE	7.4	114	869	13.1	116	10.3
COPLIN PLT	7.4	10	111	9.0	7	8.2
DALLAS PLT	7.4	5	146	3.4	27	5.4
EUSTIS	7.4	61	582	10.5	108	8.9
FARMINGTON	7.4	932	6730	13.8	858	10.6
INDUSTRY	7.4	82	563	14.6	82	11.0
JAY	7.4	503	5080	9.9	385	8.7
KINGFIELD	7.4	80	1083	7.4	167	7.4
MADRID	7.4	37	178	20.8	53	14.1
NEW SHARON	7.4	152	969	15.7	101	11.5
NEW VINEYARD	7.4	117	607	19.3	77	13.3
PHILLIPS	7.4	232	1092	21.2	169	14.3
RANGELEY PLT	7.4	0	69	0.0	5	3.7
RANGELEY	7.4	193	1023	18.9	157	13.1
SANDY RIVER	7.4	5	50	12.0	11	9.7
STRONG	7.4	229	1506	15.2	237	11.3
TEMPLE	7.4	99	518	19.1	78	13.3
WELD	7.4	28	435	6.4	68	6.9
WILTON	7.4	460	4382	10.5	330	8.9

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	1980 RATE		
HANCOCK COUNTY						
AMHERST	7.7	40	203	19.7	31	13.7
AURORA	7.7	26	110	23.6	32	15.7
BAR HARBOR	7.7	569	4124	13.8	468	10.7
BLUE HILL	7.7	260	1644	15.8	212	11.8
BROOKLIN	7.7	92	619	14.9	92	11.3
BROOKSVILLE	7.7	127	753	16.9	196	12.3
BUCKSPORT	7.7	771	4345	17.7	701	12.7
CASTINE	7.7	36	1304	2.8	72	5.2
CRANBERRY IS	7.7	28	198	14.1	19	10.9
DEHAM	7.7	133	841	15.8	88	11.8
DEER ISLE	7.7	337	1492	22.6	342	15.1
EASTBROOK	7.7	73	262	27.9	29	17.8
ELLSWORTH	7.7	1066	5179	20.6	491	14.1
FRANKLIN	7.7	260	979	26.6	170	17.1
FRENCHBORO	7.7	12	43	27.9	23	17.8
GOULDSBORO	7.7	324	1574	20.6	262	14.1
GREAT POND	7.7	1	45	2.2	3	5.0
HANCOCK	7.7	356	1409	25.3	198	16.5
LAMOINE	7.7	100	953	13.6	111	10.7
MARIAVILLE	7.7	34	168	20.2	27	14.0
MT DESERT	7.7	154	2063	7.5	171	7.6
ORLAND	7.7	220	1645	13.9	285	10.8
OSBORN	7.7	22	47	46.8	16	27.3
OTIS	7.7	60	307	19.5	82	13.6
PENOBSCOT	7.7	210	1104	19.0	152	13.4
SEDGWICK	7.7	248	795	31.2	203	18.4
SORRENTO	7.7	44	276	15.9	32	11.8
SOUTHWEST HB	7.7	194	1855	10.5	173	9.1
STONINGTON	7.7	369	1273	29.0	273	18.3
SULLIVAN	7.7	316	967	32.7	129	20.2
SURRY	7.7	173	894	19.4	137	13.5
SWANS ISLAND	7.7	80	337	23.7	108	15.7
TREMONT	7.7	171	1222	14.0	185	10.8
TRENTON	7.7	118	718	16.4	57	12.1
VERONA	7.7	58	559	10.4	52	9.0
WALTHAM	7.7	57	186	30.6	29	19.2
WINTER HBR	7.7	189	1120	16.9	145	12.3

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
KENNEBEC COUNTY						
ALBION	6.5	305	1551	19.7	305	13.1
AUGUSTA	7.3	3895	21819	17.9	2656	12.6
BELGRADE	6.5	337	2043	16.5	214	11.5
BENTON	6.5	220	2188	10.1	150	8.3
CHELSEA	7.3	298	2522	11.8	304	9.6
CHINA	6.5	324	2918	11.1	316	8.8
CLINTON	6.5	624	2696	23.1	401	14.8
FARMINGDALE	7.3	187	2535	7.4	298	7.3
FAYETTE	7.3	84	812	10.3	74	8.8
GARDINER	7.3	1518	6485	23.4	709	15.4
HALLOWELL	7.3	369	2502	14.7	247	11.0
LITCHFIELD	7.3	317	1954	16.2	232	11.8
MANCHESTER	7.3	99	1949	5.1	196	6.2
MONMOUTH	7.3	321	2888	11.1	246	9.2
MT VERNON	6.5	148	1021	14.5	130	10.5
OAKLAND	6.5	857	5162	16.6	648	11.6
PITTSTON	7.3	277	2267	12.2	339	9.8
RANDOLPH	7.3	322	1834	17.6	214	12.4
READFIELD	7.3	164	1943	8.4	133	7.9
ROME	6.5	88	627	14.0	87	10.3
SIDNEY	6.5	177	2052	8.6	184	7.6
VASSALBORD	6.5	486	3410	14.3	385	10.4
VIENNA	6.5	49	454	10.8	60	8.6
WATERVILLE	6.5	3100	17779	17.4	2496	12.0
WAYNE	7.3	39	680	5.7	40	6.5
W GARDINER	7.3	203	2113	9.6	172	8.5
WINDSOR	7.3	200	1702	11.8	227	9.5
WINSLOW	6.5	745	8057	9.2	570	7.9
WINTHROP	7.3	615	5889	10.4	401	8.9

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
KNOX COUNTY						
APPLETON	7.8	107	818	13.1	144	10.4
CAMDEN	7.8	518	4584	11.3	393	9.6
CUSHING	7.8	60	795	7.5	93	7.7
FRIENDSHIP	7.8	166	1000	16.6	117	12.2
HOPE	7.8	70	730	9.6	93	8.7
ISLE AU HAUT	7.8	3	57	5.3	35	6.5
MATINICUS IS	7.8	15	66	22.7	0	15.3
NORTH HAVEN	7.8	31	373	8.3	17	8.1
OWLS HEAD	7.8	129	1633	7.9	198	7.8
ROCKLAND	7.8	2171	7919	27.4	1706	17.6
ROCKPORT	7.8	224	2749	8.1	218	8.0
ST GEORGE	7.8	254	1948	13.0	163	10.4
SO THOMASTON	7.8	114	1064	10.7	83	9.9
THOMASTON	7.8	407	2900	14.0	262	10.9
UNION	7.8	300	1569	19.1	215	13.5
VINALHAVEN	7.8	236	1211	19.5	252	13.6
WARREN	7.8	438	2566	17.1	403	12.4
WASHINGTON	7.8	330	954	34.6	197	21.2

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
LINDLEN COUNTY						
ALNA	7.9	60	425	14.1	77	11.0
BOOTHBAY	7.9	240	2308	10.4	350	9.1
BOOTHBAY HBR	7.9	210	2207	9.5	285	8.7
BREMEN	7.9	106	598	17.7	142	12.8
BRISTOL	7.9	186	2095	8.9	344	8.4
DAMARISCOTTA	7.9	154	1493	10.3	235	9.1
DRESDEN	5.7	125	998	12.5	189	9.1
EDGECOMB	7.9	60	841	7.1	148	7.5
JEFFERSON	7.9	236	1616	14.6	250	11.3
MONHEGAN PLI	7.9	0	109	0.0	47	3.9
NEWCASTLE	7.9	156	1227	12.7	209	10.3
NOBLEBORO	7.9	76	1154	6.6	168	7.2
SOMERVILLE	7.9	93	377	24.7	147	10.3
SD BRISTOL	7.9	54	800	6.8	111	7.3
SOUTHPORT	7.9	54	598	9.0	75	8.5
WALDOBORO	7.8	983	3985	24.7	631	16.2
WESTPORT	7.9	22	420	5.2	65	6.6
WHITEFIELD	7.9	353	1606	22.0	279	14.9
WISCASSET	7.9	325	2832	11.5	496	9.7

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
OXFORD COUNTY						
ANDOVER	7.9	123	850	14.5	111	11.2
BETHEL	7.9	416	2340	17.8	282	12.8
BROWNFIELD	7.9	158	767	20.6	77	14.2
BUCKFIELD	7.9	300	1333	22.5	174	15.2
BYRON	7.9	22	114	19.3	26	13.6
CANTON	7.9	205	831	24.7	110	16.3
DENMARK	7.9	76	672	11.3	36	9.6
DIXFIELD	7.9	402	2389	16.8	217	12.4
FRYEBURG	7.9	390	2715	14.4	245	11.1
GILEAD	7.9	59	191	30.9	42	19.4
GREENWOOD	7.9	82	653	12.6	76	10.2
HANOVER	7.9	26	256	10.2	8	9.0
HARTFORD	7.9	75	480	15.6	105	11.8
HEBRON	7.9	73	665	11.0	81	9.4
HIRAM	7.9	178	1067	16.7	160	12.3
LINCOLN PLT	7.9	0	50	0.0	5	3.9
LOVELL	7.9	88	767	11.5	87	9.7
MAGALLOWAY P	7.9	6	79	7.6	4	7.7
MEXICO	7.9	517	3698	14.0	484	10.9
NEWRY	7.9	14	235	6.0	15	6.9
NORWAY	7.9	963	4042	23.8	457	15.9
OTISFIELD	7.2	139	897	15.5	130	11.3
OXFORD	7.9	749	3143	23.8	406	15.9
PARIS	7.9	937	4168	22.5	705	15.2
PERU	7.9	183	1564	11.7	123	9.8
PORTER	7.9	210	1222	17.2	154	12.5
ROXBURY	7.9	0	373	0.0	13	3.9
RUMFORD	7.9	1369	8240	16.6	838	12.3
STONEHAM	7.9	24	204	11.8	26	9.8
STOW	7.9	21	186	11.3	6	9.6
SUMNER	7.9	140	613	22.8	146	15.4
SWEDEN	7.9	20	163	12.3	18	10.1
UPTON	7.9	3	65	4.6	35	6.3
WATERFORD	7.9	202	951	21.2	123	14.6
WEST PARIS	7.9	281	1390	20.2	191	14.1
WOODSTOCK	7.9	180	1087	16.6	183	12.2

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	----- SOCIAL ASSISTANCE -----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
PENOBSCOT COUNTY						
ALTON	5.8	47	468	10.0	55	7.9
BANGOR	6.5	5757	31643	18.2	4318	12.3
BRADFORD	12.7	207	888	23.3	197	18.0
BRADLEY	5.8	105	1149	9.1	100	7.5
BREWER	6.5	1021	9017	11.3	893	8.9
BURLINGTON	6.8	77	322	23.9	59	15.4
CARMEL	12.7	348	1695	20.5	275	16.6
CARROLL PLT	6.8	41	175	23.4	103	15.1
CHARLESTON	12.7	178	1037	17.2	173	14.9
CHESTER	6.8	76	434	17.5	99	12.2
CLIFTON	5.8	57	462	12.3	56	9.1
CORINNA	12.7	363	1887	19.2	380	16.0
CORINTH	12.7	311	1711	18.2	268	15.4
DEXTER	12.7	1084	4286	25.3	628	19.0
DIXMDNT	12.7	196	812	24.1	214	18.4
DREW PLT	6.8	25	57	43.9	16	25.3
E MILLINOCKE	4.3	94	2372	4.0	191	4.1
EDDINGTON	6.5	179	1769	10.1	190	8.3
EDINBURG	5.8	2	126	1.6	24	3.7
ENFIELD	6.8	216	1397	15.5	156	11.1
ETNA	12.7	209	758	27.6	170	20.1
EXETER	12.7	121	823	14.7	153	13.7
GARLAND	12.7	88	718	12.3	113	12.5
GLENBURN	6.5	249	2319	10.7	267	8.6
GRAND FALLS	6.8	0	1	0.0	NA	3.4
GREENBUSH	5.8	194	1064	18.2	102	12.0
GREENFIELD	5.8	42	194	21.6	49	13.7
HAMPDEN	6.5	331	5250	6.3	299	6.4
HERMON	6.5	231	3170	7.3	132	6.9
HOLDEN	6.5	195	2554	7.6	225	7.1
HOWLAND	6.8	341	1602	21.3	232	14.0
HUDSON	12.7	193	797	24.2	109	18.5
KENDUSKEAG	12.7	192	1210	15.9	182	14.3
LAGRANGE	5.8	97	509	19.1	101	12.4
LAKEVILLE PL	6.8	0	32	0.0	NA	3.4
LFE	6.8	136	688	19.8	130	13.3
LEVANT	12.7	190	1117	17.0	204	14.9
LINCOLN	6.8	849	5066	16.8	628	11.8
LOWELL	6.8	16	194	8.2	19	7.5
MATTAWAMKEAG	6.8	194	1000	19.4	115	13.1
MAXFIELD	6.8	8	64	12.5	2	9.6

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		

PENOBSCOT COUNTY						
MEDWAY	4.3	296	1871	15.8	152	10.1
MILFORD	5.8	270	2160	12.5	239	9.1
MILLINOCKET	4.3	690	7567	9.1	478	6.7
MT CHASE PLT	10.5	61	233	26.2	59	18.3
NEWBURGH	12.7	88	1228	7.2	138	9.9
NEWPORT	12.7	522	2755	18.9	448	15.8
OLD TOWN	6.5	1076	8422	12.8	1070	9.6
ORONO	6.5	540	10578	5.1	1061	5.8
ORRINGTON	6.5	270	3244	8.3	238	7.4
PASSADUMKEAG	6.8	44	430	10.2	35	8.5
PATTEN	10.5	366	1368	26.8	260	18.6
INDIAN ISL	6.5	78	458	17.0	99	11.8
PLYMOUTH	12.7	146	811	18.0	149	15.4
PRENTISS PLT	6.8	39	205	19.0	73	12.9
SEBOEIS PLT	6.8	15	53	28.3	2	17.6
SPRINGFIELD	6.8	214	443	48.3	83	27.6
STACYVILLE	10.5	136	554	24.5	112	17.5
STETSON	12.7	155	618	25.1	105	18.9
VEAZIE	6.5	94	1610	5.8	93	6.2
WEBSTER PLT	6.8	24	82	29.3	26	18.0
WINN	6.8	74	503	14.7	86	10.8
WOODVILLE	6.8	23	226	10.2	19	8.5

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
PISCATAQUIS COUNTY						
ABBOT	5.9	73	576	12.7	88	9.3
ATKINSON	5.9	62	306	20.3	30	13.1
BARNARD PLT	5.9	10	48	20.8	3	13.4
BEAVER COVE	6.4	0	56	0.0	3	3.2
BLANCHARD PL	5.9	2	64	3.1	9	4.5
BOWEPBANK	5.9	2	27	7.4	NA	6.7
BROWNVILLE	5.9	228	1545	14.8	214	10.3
DOVER FOXCRO	5.9	734	4323	17.0	545	11.4
ELLIOTTSVILL	6.4	5	26	19.2	NA	12.8
GREENVILLE	6.4	229	1839	12.5	195	9.4
GUILFORD	5.9	206	1793	11.5	188	8.7
KINGSBURY PL	5.9	0	4	0.0	NA	2.9
LAKE VIEW PL	5.9	1	20	5.0	NA	5.4
MEDFORD	5.9	43	163	26.4	71	16.1
MILD	5.9	468	2624	17.8	290	11.9
MONSON	5.9	92	804	11.4	120	8.7
PARKMAN	5.9	92	621	14.8	137	10.4
SANGERVILLE	5.9	89	1219	7.3	176	6.6
SEBEC	5.9	78	469	16.6	107	11.3
SHIRLEY	6.4	2	242	0.8	14	3.6
WELLINGTON	5.9	162	287	56.4	147	31.2
WILLIMANTIC	5.9	29	164	17.7	57	11.8

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----		RATE	PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION			
SAGADAHOE COUNTY						
ARROWSIC	5.7	17	305	5.6	35	5.6
BATH	5.7	1271	10246	12.4	1170	9.1
BOWDOIN	5.7	126	1629	7.7	225	6.7
BOWDOINHAM	5.7	231	1828	12.6	179	9.2
GEORGETOWN	5.7	74	735	10.1	123	7.9
PHIPPSBURG	5.7	120	1527	7.9	214	6.8
RICHMOND	7.3	431	2627	16.4	407	11.9
TOPSHAM	5.7	418	6431	6.5	478	6.1
WEST BATH	5.7	71	1309	5.4	164	5.6
WOOLWICH	5.7	202	2156	9.4	145	7.5

STATE PLANNING OFFICE

DISTRESS SCORE

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
SDMERSET COUNTY						
ANSON	10.0	584	2226	26.2	474	18.1
ATHENS	10.0	342	802	42.6	291	26.3
BINGHAM	10.0	335	1184	28.3	178	19.1
BRIGHTON PLT	10.0	14	74	18.9	30	14.5
CAMBRIDGE	10.0	80	445	18.0	137	14.0
CANAAN	10.0	255	1189	21.4	278	15.7
CARATUNK PLT	10.0	7	84	8.3	21	9.2
CORNVILLE	10.0	131	838	15.6	174	12.8
DENNISTOWN P	10.0	3	30	10.0	0	10.0
DETROIT	10.0	157	744	21.1	123	15.6
EMBDEN	10.0	80	536	14.9	86	12.5
FAIRFIELD	10.0	1190	6113	19.5	775	14.7
HARMONY	10.0	202	755	26.8	221	18.4
HARTLAND	10.0	566	1669	33.9	342	22.0
HIGHLAND PLT	10.0	3	60	5.0	15	7.5
JACKMAN	10.0	144	1003	14.4	128	12.2
MADISON	10.0	868	4367	19.9	551	14.3
MERCER	10.0	71	448	15.8	31	12.9
MOOSE RIVER	10.0	8	252	3.2	24	6.6
MOSCOW	10.0	105	570	18.4	133	14.2
NEW PORTLAND	10.0	95	651	14.6	86	12.3
NORRIDGEWOCK	10.0	536	2552	21.0	267	15.5
PALMYRA	10.0	237	1485	16.0	295	13.0
PITTSFIELD	10.0	980	4125	23.8	465	16.9
PLEASANT RDG	10.0	7	99	7.1	17	8.5
RIPLEY	10.0	77	439	17.5	102	13.8
ST ALBANS	10.0	205	1400	14.6	238	12.3
SKOWHEGAN	10.0	1831	8098	22.6	1245	16.3
SMITHFIELD	10.0	99	748	13.2	106	11.6
SOLOON	10.0	231	827	27.9	158	19.0
STARKS	10.0	117	440	26.6	122	18.3
THE FORKS PL	10.0	5	72	6.9	11	8.5
WEST FORKS P	10.0	9	72	12.5	20	11.3

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		

WALDO COUNTY						
BELFAST	12.3	1630	6243	26.1	1142	19.2
BELMONT	12.3	122	520	23.5	106	17.9
BROOKS	12.3	266	804	33.1	180	22.7
BURNHAM	12.3	267	951	28.1	186	20.2
FRANKFORT	12.3	323	783	41.3	171	26.8
FREEDOM	12.3	189	458	41.3	132	26.8
ISLESBORO	12.3	55	521	10.6	112	11.4
JACKSON	12.3	93	346	26.9	59	19.6
KNOX	12.3	123	558	22.0	140	17.2
LIBERTY	12.3	204	694	29.4	142	20.8
LINCOLNVILLE	12.3	172	1414	12.2	263	12.2
MONROE	12.3	116	657	17.7	115	15.0
MONTVILLE	12.3	160	631	25.4	203	18.8
MURRILL	12.3	134	506	26.5	40	19.4
NORTHPORT	12.3	149	958	15.6	167	13.9
PALERMO	12.3	126	760	16.6	128	14.4
PROSPECT	12.3	65	511	12.7	106	12.5
SEARSMONT	12.3	115	782	14.7	129	13.5
SEARSPORT	12.3	449	2309	19.4	381	15.9
STOCKTON SPR	12.3	196	1230	15.9	204	14.1
SWANVILLE	12.3	207	873	23.7	270	18.0
THORNDIKE	12.3	191	603	31.7	139	22.0
TROY	12.3	211	701	30.1	175	21.2
UNITY	12.3	309	1431	21.6	342	16.9
WALDO	12.3	80	495	16.2	122	14.2
WINTERPORT	12.3	547	2675	20.4	437	16.4

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
WASHINGTON COUNTY						
ADDISON	10.9	565	1061	53.3	340	32.1
ALEXANDER	10.9	115	385	29.9	76	20.4
BAILEYVILLE	10.9	326	2188	14.9	132	12.9
BARING PLT	10.9	63	308	20.5	28	15.7
BEALS	10.9	299	695	43.0	231	27.0
BEDDINGTON	10.9	18	36	50.0	17	30.5
CALAIS	10.9	752	4262	17.6	612	14.3
CENTERVILLE	10.9	6	28	21.4	NA	16.2
CHARLOTTE	10.9	42	300	14.0	65	12.5
CHERRYFIELD	10.9	343	983	34.9	252	22.9
CODYVILLE PL	10.9	17	43	39.5	3	25.2
COLUMBIA	10.9	131	275	47.6	72	29.3
COLUMBIA FAL	10.9	179	517	34.6	135	22.8
COOPER	10.9	56	105	53.3	7	32.1
CRAWFORD	10.9	6	86	7.0	15	8.9
CUTLER	10.9	161	726	22.2	120	16.5
DANFORTH	10.9	382	826	46.2	198	28.6
DEBLOIS	10.9	11	44	25.0	8	18.0
DENNYSVILLE	10.9	72	296	24.3	75	17.6
EAST MACHIAS	10.9	392	1233	31.8	186	21.3
EASTPORT	10.9	623	1982	31.4	421	21.2
GRAND LAKE S	10.9	36	198	18.2	31	14.5
HARRINGTON	10.9	405	859	47.1	206	29.0
JONESBORO	10.9	256	553	46.3	160	28.6
JONESPORT	10.9	642	1512	42.5	389	26.7
LUBEC	10.9	837	2045	40.9	446	25.9
MACHIAS	10.9	699	2458	28.4	389	19.7
MACHIASPORT	10.9	379	1108	34.2	214	22.6
MARSFIELD	10.9	68	416	16.3	27	13.6
MEDDYBEMPS	10.9	7	110	6.4	31	8.6
MILBRIDGE	10.9	571	1306	43.7	361	27.3
NORTHFIELD	10.9	21	88	23.9	17	17.4
PLEASANT PT	10.9	334	423	79.0	109	44.9
INDIAN TWP	10.9	282	549	51.4	344	31.1
PEMBROKE	10.9	272	920	29.6	271	20.2
PERRY	10.9	302	737	41.0	205	25.9
PLT N14	10.9	10	52	19.2	4	15.1
PLT N21	10.9	41	127	32.3	14	21.6
PRINCETON	10.9	235	994	23.6	154	17.3
ROBBINSTON	10.9	112	492	22.8	119	16.8
ROQUE BLUFFS	10.9	103	244	42.2	123	26.6

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		

WASHINGTON COUNTY						
STEUBEN	10.9	512	970	52.8	293	31.8
TALMADGE	10.9	5	40	12.5	14	11.7
TOPSFIELD	10.9	58	240	24.2	25	17.5
VANCEBORO	10.9	48	256	18.8	20	14.8
WAITE	10.9	58	130	44.6	6	27.8
WESLEY	10.9	59	140	42.1	22	26.5
WHITING	10.9	115	335	34.3	91	22.6
WHITNEYVILLE	10.9	78	264	29.5	42	20.2

STATE PLANNING OFFICE

DISTRESS SCORES

11/18/82

TOWN	78-80 AVERAGE UNEMPLOYMENT RATE	-----SOCIAL ASSISTANCE-----			PERSONS BELOW POVERTY LEVEL IN 1979	COMPOSITE DISTRESS SCORE
		1982 RECIPIENTS	1980 POPULATION	RATE		
YORK COUNTY						
ACTON	7.4	93	1228	7.6	109	7.5
ALFRED	7.4	269	1890	14.2	151	10.8
ARUNDEL	7.4	150	2150	7.0	226	7.2
BERWICK	3.2	417	4149	10.1	211	6.6
BIDDEFORD	7.4	3601	19638	18.3	1803	12.9
BUXTON	7.4	845	5775	14.6	531	11.0
CORNISH	7.4	194	1047	18.5	148	13.0
DAYTON	7.4	56	882	6.3	77	6.9
ELIOT	3.2	252	4948	5.1	308	4.1
HOLLIS	7.4	352	2892	12.2	469	9.8
KENNEBUNK	7.4	514	6621	7.8	290	7.6
KENNEBUNKPOR	7.4	247	2952	8.4	298	7.9
KITTERY	3.2	552	9314	5.9	523	4.6
LEBANON	7.4	489	3234	15.1	424	11.3
LIMERICK	7.4	410	1356	30.2	132	18.8
LIMINGTON	7.4	304	2203	13.8	349	10.6
LYMAN	7.4	298	2509	11.9	212	9.6
NEWFIELD	7.4	171	644	26.6	87	17.0
NO BERWICK	7.4	367	2878	12.8	169	10.1
OLD ORCHARD	5.7	1216	6291	19.3	817	12.5
PARSONSFIELD	7.4	214	1089	19.7	145	13.5
SACO	5.7	1433	12921	11.1	1483	8.4
SANFORD	7.4	3009	18020	16.7	2313	12.0
SHAPLEIGH	7.4	115	1370	8.4	100	7.9
SO BERWICK	3.2	296	4046	7.3	420	5.3
WATERBORD	7.4	535	2943	18.2	277	12.8
WELLS	3.2	725	8211	8.8	659	6.0
YORK	3.2	424	8465	5.0	667	4.1

APPENDIX D

LOW/MODERATE INCOME BENEFIT

Low and moderate income persons are defined as persons living in a household with an income below 80% of the Countywide median income. The county median income is based on a family of four in 1983.

CALCULATING BENEFIT TO LOW-MODERATE INCOME

The preceding table establishes the guidelines for defining low/moderate income people in the State of Maine. To determine what percentage of a project's funds will be used to benefit people meeting these guidelines, the following procedures should be followed:

Direct Benefit:

- (1) Housing Rehabilitation - Through a survey or other objective means determine how many of the household units the project is scheduled to rehabilitate are occupied by low/moderate income

people. Figure number of units occupied by low/moderate income as a percentage of total units rehabilitated. Apply this percentage to the total funds to be utilized for housing rehabilitation.

(2) Public Facilities (streets, water lines, sewerage)

Determine the number of household units occupied by low/moderate income people that will be directly benefitted by the public facility improvements. Figure what percentage that number is to the total number of households being benefitted by the improvements. Apply that percentage to the total dollars being directed to each public facility activity.

(3) Acquisition & Relocation - Determine for each property to be acquired the income of the people occupying each household unit. Determine the percentage of all units acquired. Apply this percentage to the total funds used for acquisition. Relocation follows this same procedure. When acquisition and relocation affect the same unit, the percentage is calculated once and applied to the sum of the funds to be used for acquisition and relocation.

(4) Job Creation & Retention - If a project wants to claim benefit for creating or retaining jobs, it must show the relationship between each activity credited and its influence on job creation or retention. Secondly, the number of jobs that will be filled by low/moderate income people must be determined. This can be done through establishing recruitment procedures for attracting and hiring low/moderate income people or by determining through skill and wage levels jobs which will likely be filled by low/moderate income people. This number once determined must be figured as a percentage of the jobs created or retained. This percentage can then be applied to each activity which has been demonstrated to have an impact on the creation or retention of jobs identified in the project.

Indirect Benefit:

(1) Community-wide benefit (downtowns, waterfronts) - If a project is determined to benefit a community as a whole and not to have a direct impact on households or individuals, it can only meet the 51% benefit test if 51% of the community's

population is below 80% of the State median income guidelines. In this case, the percentage of residents meeting the low/moderate guidelines must be applied to total CDBG program activity funds.

(2) Target Area Benefit - A community can designate a target area in which the project is to occur, i.e., business district, neighborhood, etc. If the percentage of units occupied by low/moderate income people in the target area is 51% or greater, the project can meet the threshold for benefit. The community must describe its rationale --- business center, geographical proximity, zoning, etc. --- for designation of a target area. In particular, the community must describe how the project will benefit the target area. The percentage of units benefitted is applied to the funds for all activities occurring within the target area.

(3) Service Area Benefit - A project which at its completion will provide services to people 51% of which are low/moderate income, the benefit threshold is met. The community must define the services to be provided, the clientel to be serviced and the method for determining income

level. The percentage of low/moderate income people of the total people being serviced is applied to the CDBG funds directly used to make the services available.

APPENDIX E

EVALUATION OF STATE 1982 & 1983 CDBG PROGRAM

The State of Maine has administered the Community Development Block Grant Program for two years, 1982 and 1983. The State Planning Office completed an evaluation of the 1982 program in December 1983 through a contract with the University of Maine's Bureau of Public Administration. In August of 1983 the State completed its first performance report for HUD. Both reports evaluate the extent to which the objectives of the State's 1982 CDBG Program were met through an analysis of the grant awards to local governments. In addition, the 1982 evaluation reports how successful the State was in administering its CDBG Program as described in the Final Statement.

The objectives of the State's 1982 CDBG program were:

- a. The provision of decent, affordable, energy-efficient housing for low and moderate income Maine residents.
- b. The creation of quality job and/or equity opportunities for low and moderate income Maine residents.
- c. The revitalization of deteriorated residential and business districts.

The effectiveness of the State's distribution system in achieving the stated objectives is in Table I.

In 1983 the State Planning Office again contracted with the University of Maine's Bureau of Public Administration to evaluate

the State's CDBG program. This evaluation concentrates on analyzing the demographics and other conditions influencing a community's decision to participate in the State's CDBG program. The State has also contracted with another consultant to complete a numerical analysis of 1983 CDBG awards in Maine. This report evaluates urban vs. rural distribution of funds, housing vs. economic development, and the goals of the State CDBG Program.

The objective of the 1983 program was to serve as a catalyst for local governments to implement programs of physical improvement which:

- 1) are part of a long range community strategy, and
- 2) provide the conditions and incentives for further public and private investment, and
- 3) improve deteriorated residential and business districts, and
- 4) benefit low and moderate income people.

The effectiveness of the State's distribution system on achieving its 1983 objectives are verified in Table II.

Evaluations of the 1982 and 1983 programs show that the State of Maine has been successful

- 1) in providing funds for decent, affordable housing, 1077 units, for low moderate income residents;
- 2) in creating 622 jobs for low/moderate income people;

- 3) through rehabilitation of ten neighborhoods and 7 downtowns;
- 4) by leveraging \$11,151,024 in private investment and \$29,853,538 in public funds;
- 5) and by benefitting 11,302 low/moderate income people.

Measuring the extent to which programs are a part of a long range community strategy will be evaluated on an ongoing basis as grants begin to close out.

The following State CDBG evaluations can be obtained through contacting Nellie Stevens at (207)289-3261 or writing State Planning Office, Community Development Division, 184 State Street, Augusta, Maine 04333:

- 1) Evaluation of the 1982 State of Maine Community Development Block Grant Program - December 1982;
- 2) State of Maine - 1982 Community Development Block Grant Annual Performance Report - August 1983;
- 3) A Qualitative Evaluation of the FY 1983 Small Cities Community Development Block Grant Program, Executive Summary - November 1983;
- 4) An Objective Evaluation of the 1983 State CDBG Program - to be published January 1984.

TABLE 1 MATRIX OF PROGRAM - ACCOMPLISHMENTS (SECTIONS C, D, E, F, G)

Municipality	LEVERAGE			BENEFICIARIES						PUBLIC FACILITIES					
	Grnt Amt	Amount	Ratio-1	# LMI People Dir. Ben.	# S-B Units Dir. Ben.	% of Total Dir. Ben.	\$ for Dir. Ben.	% of Total Funds	Hsng Units Rehab.	# Jobs Created	Streets	Sidewalks	Sewer	Water	Other
<u>Public facilities</u>															
Bridgton	398,000	574,333	1.44		95	100%	398,000	100%					7,256'		
Farmington	352,000	75,000	.21		47	100%	287,623	81%	20		3,000'	1500'			3,255'
Lubec	380,000	50,000	.13	1,840		90%	270,000	71%							
Matinicus	261,000	0	0		65	100%	224,000	85%							
Richmond	324,000	14,315	.04	20		69%	208,960	64%			1,400'		700'		
	1,715,000	713,648	.41	1,860	207	92%	1,388,583	80%	20		4,400'	1500'	7,956'		3,255'
<u>Economic Development</u>															
Calais	350,000	570,334	1.43		13	100%	315,815	90%	10		4,224'	4,224'			
Gardiner	380,000	934,081	2.45		72	75%	340,150	89%			1,550'	3,100'	1,550'		
Mechanic Falls	90,000	68,000	.75	18		100%	77,500	86%		18					
Piscataquis County	268,000	550,000	2.05	27		93%	149,240	93%		25					
Princeton	350,000	1,075,000	3.07	55		85%	294,000	84%		65					
Searsport	350,000	14,768,750	42.19	105		85%	236,850	68%		105					
Skowhegan	328,000	425,970	1.29		18	100%	274,000	83%		27					
	2,116,000	18,392,135	8.69	205	103	91%	1,789,555	84%	10	240	5,774'	7,324'	1,550'		
<u>Housing</u>															
Madrid	265,000	101,788	0	70		100%	225,900	85%	30						
Oakfield	289,000	203,894	.15	174	31	70%	252,700	87%	37		5,280'				
Phillips	161,000	0	0	57	25	100%	139,600	86%	31						
Sanford	378,000	15,000	.03	94		86%	276,011	73%	47		1,000'	1,000'			
S. Portland	265,056	752,130	2.83		76	100%	217,256	81%	76						

TABLE 1 MATRIX OF PROGRAM - ACCOMPLISHMENTS (SECTIONS C, D, E, F, G)

Municipality	LEVERAGE			BENEFICIARIES						PUBLIC FACILITIES					
	Grnt Amt	Amount	Ratio-1	# LMI People Dir. Ben.	# S-B Units Dir. Ben.	% of Total Dir. Ben.	\$ for Dir. Ben.	% of Total Funds	Hsng Units Rehab.	# Jobs Created	Streets	Sidewalks	Sewer	Water	Other
<u>Housing (contd)</u>															
Starks	246,000	5,000	.02	58		100%	201,572	81%	18		800'			800'	
Waterville	267,000	65,105	.07	127		97%	223,160	83%	33				960'		
	1,871,056	1,142,917	.61	580	132	93%	1,536,199	82%	272		7,080'	1,000'	960'	800'	
	5,702,056	20,248,700	3.55	2,645	442	92%	4,714,337	82%	302	240	17,254'	9,824'	10,466'	4,055'	
<u>Reserved</u>															
Ft. Fairfield	380,000	0	0	267		93%	328,300	86%	24		3,700'		500'		
Biddeford	760,000	0	0	661		100%	613,270	80%	35		3,464'	6,376'	3,464'		
Caribou	517,000	0	0	66	16	95%	486,459	94%	16		1,620'	1,400'	1,100'		
Fort Kent	600,000	981,307	0		35	100%	495,052	82%							
Presque Isle	404,000	11,000	.02	92		100%	361,200	89%	9						
Saco	350,000	125,000	.35	1,077	39	78%	267,000	76%	39		2,640'	4,800'	1,500'		
Van Buren	288,000	10,000	0(.03)	52		95%	231,850	80%	6	6	1,611'	950'	3,048'		
Rumford	400,000	39,600	.09	67		90%	301,760	75%	55						
Houlton	600,000	36,720		4,550		78%	548,600	91%	13	25	2,050'		1,193'	502'	
	4,299,000	1,203,627	.27	6,832	90	92%	3,633,491	84%	197	31	15,085'	13,526'	10,805'	502'	
	10,001,056	1,452,327	2.14	9,477	532	92%	8,347,828	83%	499	271	32,339'	23,350'	21,271'	4,557'	

TABLE 2 MATRIX OF PROGRAM ACCOMPLISHMENTS

GRANTEE	TYPE H=HSG. E=Ec. D.	LEVERAGE			BENEFICIARIES					PUBLIC FACILITIES						
		GRANT AMOUNT	AMOUNT	RATIO-1	# LMI PEOPLE DIR. BEN.	# S-B UNITS DIR. BEN.	% OF TOTAL DIR. BEN.	\$ FOR DIR. BEN.	% OF TOTAL FUNDS	HOUSING UNITS REHAB.	# JOBS CREATED	STREETS	SIDEWALKS	SEWER	WATER	OTHER
AVON	H	370,000	881,000	2.38	150		100%	346,929	95%	39						
BELFAST	E	325,000	727,000	2.24		44	89%	280,000	86%							
BIDDEFORD	H	400,000	330,000	.83	177		88%	310,280	78%	30						
BINGHAM	E	360,500	530,000	1.63	23		86%	301,000	83%	24						
BREWER	H	310,000	284,000	.92		43	86%	219,240	71%	43						
CALAIS	E	400,000	300,000	.75		1	100%	372,700	93%			790	1600			
CARIBOU	H	470,000	259,000	.55	128		96%	336,858	72%	20		1745	1100	775		
DANFORTH	E	273,284	53,000	.19		45	92%	206,840	76%			225	600	300		
DEXTER	H	348,850	151,000	.43		43	100%	283,125	81%	38						
EAGLE LAKE	H	364,000	228,100	.63		159	82%	254,624	70%			4400			4400	
EASTPORT	E	355,400	3,014,000	8.48	63		75%	251,550	71%	75						
FORT FAIRFIELD	H	272,000	26,900	.10	50		93%	215,100	79%	23		2640	5280	3000		
FORT KENT	H	374,000	54,000	.14		19	100%	319,535	85%							
GARDINER	E	371,000	377,500	1.02		72	63%	231,900	63%			1200	2200	3000		
HOULTON	H	397,000	46,600	.12	108		100%	293,827	74%	43						
LIMESTONE	E	200,075	183,548	.92		60	100%	175,575	88%			4879	5698			

36-

TABLE 2 MATRIX OF PROGRAM ACCOMPLISHMENTS

(cont'd)

GRANTEE	TYPE H=HSG. E=Ec. D.	LEVERAGE			BENEFICIARIES						PUBLIC FACILITIES					
		GRANT AMOUNT	AMOUNT	RATIO-1	# LMI PEOPLE DIR. BEN.	# S-B UNITS DIR. BEN.	% OF TOTAL DIR. BEN.	\$ FOR DIR. BEN.	% OF TOTAL FUNDS	HOUSING UNITS REHAB.	# JOBS CREATED	STREETS	SIDEWALKS	SEWER	WATER	OTHER
LINCOLN	E	390,000	697,105	1.79	36		82%	273,546	70%		64					
LUBEC	E	150,000	24,600	.16	35		75%	93,750	63%		25					
MECHANIC FALLS	E	365,862	292,969	.80	53		96%	282,632	77%	4	30					
MEXICO	H	400,000	394,336	.99	173		72%	278,323	70%	49		7000		3825	2350	
MONTICELLO	H	250,500	12,150	.07	75		100%	223,021	89%	30						
RUMFORD	H	320,000	282,895	.88	200		88%	232,175	73%	60		3000		2500	1000	
SACO	H	330,000	115,000	.35		44	100%	285,000	86%	44		4224	8976			
SABATTUS	H	385,259	22,000	.06	83		75%	280,115	73%	33						
STARKS	H	314,000	97,000	.31	75		97%	265,930	85%	30						
VAN BUREN	H	368,800	59,250	.16	110		99%	310,880	84%	44						
WINSLOW	E	400,000	401,375	1	65		88%	400,000	100%		65			6600		
WINTHROP	E	235,100	162,600	.69	68		90%	211,590	90%		68	1000		1200	3000	
WATERVILLE	H	288,000	25,575	.09	163		99%	230,800	80%	48						
TOTALS (A)		9,788,600	10,032,503	1.02	1825	530	87%	7,766,895	79%	578	351	31,103	25,454	21,200	16,550	

-96-

TABLE 2 MATRIX OF PROGRAM ACCOMPLISHMENTS

GRANTEE	TYPE H=HSG. E=Ec. D.	LEVERAGE			BENEFICIARIES						PUBLIC FACILITIES					
		GRANT AMOUNT	AMOUNT	RATIO-1	# LMI PEOPLE DIR. BEN.	# S-B UNITS DIR. BEN.	% OF TOTAL DIR. BEN.	\$ FOR DIR. BEN.	% OF TOTAL FUNDS	HOUSING UNITS REHAB.	# JOBS CREATED	STREETS	SIDEWALKS	SEWER	WATER	OTHER
<u>JOBS BILL</u>																
MADISON	H	265,000	979,300	3.7	359		100%	245,000	92%	24	35					5800
HALLOWELL	H	294,000	172,626	.59	86		85%	236,500	80%	33	53					
HARTLAND	H	250,000	32,200	.13	78		74%	185,000	74%	31	11					
PRESQUE ISLE	E	379,520	207,700	.55		1	100%	379,520	100%		45	700	1400	500		
SKOWHEGAN	H	300,000	355,900	1.2	85		100%	250,300	83%	23	19		1500			
WILTON	H	250,000	14,000	.06	55		85%	121,667	85%	22	3	900	1800			
TOTAL (B)		1,738,570	1,761,726	1.01	663		91%	1,417,987	86%	133	166	1600	4700			
TOTAL (A + B)		11,527,120	11,794,229	1.02	2488	531	89%	9,184,882	83%	711	517	32,703	30,154	21,700	22,350	

-95-