

DISASTER RECOVERY: TORNADOES OF APRIL 2011

ECONOMIC REVITALIZATION LOAN POOL APPLICATION

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM



Application Deadline: October 15, 2012

For assistance in completing this application, please call 334-353-2028.

Forward original and two copies of completed application package to:

DIRECTOR
ALABAMA DEPARTMENT OF ECONOMIC AND COMMUNITY AFFAIRS
401 ADAMS AVENUE
POST OFFICE BOX 5690
MONTGOMERY, ALABAMA 36103-5690

Attn: CDBG Disaster Recovery Application

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DISASTER RECOVERY: TORNADOES OF APRIL 2011

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Eligible applicants are cities, counties (including direct recipients), and Indian tribes in the Alabama counties of Autauga, Bibb, Calhoun, Cullman, Cherokee, DeKalb, Greene, Fayette, Franklin, Jackson, Jefferson, Lawrence, Limestone, Marion, Madison, Marshall, Pickens, Talladega, Tuscaloosa, Shelby, St. Clair, and Walker.

A.1. Applicant: City of Tuscaloosa, AL
County: Tuscaloosa County, AL
Mayor: Walter Maddox, Mayor
Address: 2201 University Boulevard
Tuscaloosa, AL 35401
Phone: (205) 248-5311

Contact Person: Mrs. Robin Edgeworth
Contact Address: 2201 University Boulevard
Tuscaloosa, AL 35401

Contact Phone: (205) 248-5700
Contact Fax: (205) 349-0328
Contact Email: redgeworth@tuscaloosa.com

A.2. Requested Funding: \$500,000
Other Funds: \$0

A.3. 2010 Population: 90,468

A.4. House District: 62, 63, 70
Senate District: 5, 21, 24
Congressional District: 4 (In 2013), 7

A.5. Briefly describe proposed Loan Program:

In order to stimulate economic development within the recovery zone, the City of Tuscaloosa, Alabama (City) would like to provide eligible businesses with an incentive to rebuild or relocate their business into the tornado impacted areas. A forgivable loan may be provided to an eligible business who can demonstrate that it will facilitate economic revitalization efforts with a focus on generating jobs for low to moderate income individuals. A single loan of up to \$20,000 per eligible business will be provided following an application and approval process for activities consistent with federal, state and local regulations for those businesses that can adequately demonstrate sound financial and business practices. Each business that receives funding will be required to provide the

City with documentation that justifies any expenditure as well as tracks any employees hired or retained through use of Community Development Block Grant Disaster Recovery (CDBG-DR) funds.

A CDBG-DR Loan Review Committee will be established to review/approve all loan applications received for the program. The loan committee will also be the body that sets all parameters of the loan within the guidelines of federal regulations. Businesses will receive loans in the order that they are approved until the budgeted funds are depleted. All applications received after the entirety of the open application period will be held for consideration for any future funds received. The CDBG-DR Loan Review Committee may request lease documents, mortgage information or other information they deem appropriate before approving the application. The applicant must submit a detailed project description and project budget which outlines any use of federal funding and a commitment to repay any duplication of benefits which may occur throughout the project period. The project must begin within 90 days of receiving the loan payment. The CDBG-DR Loan Review Committee reserves the right to hold the applicant in default if the loan proceeds are not spent in accordance with the approved project description and federal regulations. Those businesses receiving loans must be able to show that at least 51 percent of the positions at the business are either known to be currently held by low to moderate income persons at the time the loan is received or are not currently held by low to moderate income persons but could be reasonably expected to be supported by low to moderate income persons.

A.6. CERTIFICATIONS

- (a) A resolution passed by the City Council/ County Commission/Indian Tribe on October 9, 2012 has authorized the filing of this application by the Chief Local Elected Officer (Appendix A).
- (b) The public was informed about the local community development program including the proposed filing of this application in a public Hearing held on October 11, 2012 at Tuscaloosa City Hall (Appendix B).
- (c) The information presented in this application is true and correct to the best of my knowledge.
- (d) I certify that:
 - 1. The City will minimize displacement of persons as a result of activities with CDBG funds and will assist persons actually displaced as a result of such activities.
 - 2. The City's program will be conducted and administered in conformance with Public Law 88-352 and Public Law 90-284, and the City will affirmatively further fair housing.

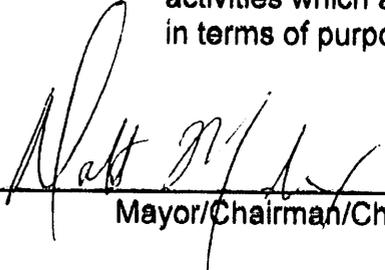
3. The City has conducted a Four Factor Analysis to identify any limited English proficiency persons and if required is conducting all citizen participation activities in compliance with a locally adopted Language Access Plan.
4. The City has held a public participation hearing to obtain the views of citizens on community development and housing needs.
5. The City has furnished information to citizens concerning the amount of funds available for proposed community development and housing activities that may be undertaken, including the estimated amount of funds proposed to be used for activities benefiting low- and moderate-income persons.
6. The City has made available to the public a summary of the proposed project to afford affected citizens an opportunity to comment.
7. The City is providing citizens with a reasonable access to records on past use of CDBG funds.
8. The City will provide citizens with reasonable notice of, and opportunity to comment on, any substantial change proposed to be made in the use of CDBG funds.
9. The City will not attempt to recover any capital costs of public improvements assisted in whole or in part with CDBG funds by assessing any amount against properties owned and occupied by persons of very low, low and moderate income. If a fee or assessment is required, the City will use CDBG funds to pay the proportion of such fee or assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than CDBG funds. The City through proper certification to the State may assess any amounts against properties owned and occupied by persons of moderate income who are not persons of very low or low income if the City lacks sufficient funds received under the CDBG program to pay those costs.
10. The City is ___ or X is not (please check one) delinquent on any State or Federal debt. (If "is", please attach an explanation.)

(e) I further certify that the City is following a detailed Citizen Participation Plan which:

1. provides for and encourages citizen participation, with particular emphasis on participation by persons of low and moderate income who are residents of slum and blight areas and of areas in which Section 106 funds are proposed to be used, and in the case of a grantee described in Section 106(a), provides for participation of

residents in low and moderate income neighborhoods as defined by the local jurisdiction;

2. provides citizens with reasonable and timely access to local meetings, information, and records relating to the grantee's proposed use of funds, as required by regulations of the Secretary, and relating to the actual use of funds under this title;
3. provides for technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals with the level and type of assistance to be determined by the grantee;
4. provides for public hearings to obtain citizen views and to respond to proposals and questions at all stages of the community development program, including at least the development of needs, the review of proposed activities and review of program performance, which hearings shall be held after adequate notice, at times and locations convenient to potential or actual beneficiaries, and with accommodation for the handicapped;
5. provides for a timely written answer to written complaints and grievances, within 15 working days where practicable;
6. identifies how the needs of non-English speaking residents will be met in the case of public hearings where a significant number of non-English speaking residents can be reasonably expected to participate; and
7. provides citizens with reasonable advance notice of, and opportunity to comment on, proposed activities not previously described in the community development application, and for activities which are proposed to be deleted or substantially changed in terms of purpose, scope, location, or beneficiaries.



Mayor/Chairman/Chief

10-12-12

Date

ECONOMIC REVITALIZATION LOAN POOL APPLICATION

DISASTER RECOVERY: TORNADOES OF APRIL 2011

Alabama's Disaster Recovery Program provides opportunities to communities with unmet economic revitalization needs as a result of the tornadoes of April 2011 to apply to ADECA for funds to set up a loan pool. The community must have credible experience managing a loan program. The loan pool will be governed by the requirements of Alabama's approved Action Plan for Disaster Recovery: Tornadoes of April 2011.

A detailed response to each item listed below will allow proper and thorough evaluation of proposed projects for funding consideration:

B.1. Provide a pre-tornado assessment of inadequacies associated with housing and essential community development facilities.

A housing market analysis was completed for the City of Tuscaloosa's 2010 – 2014 Comprehensive Plan. The Housing Market Analysis has been attached to this application as Appendix C.

B.2. Assess (a) the full extent of damage in the community caused by the tornadoes; (b) the recovery activities completed or ongoing; and (c) the remaining unmet needs including the post-tornado housing needs for all income groups.

(a)

On April 27, 2011, Alabama was shattered by approximately 62 tornadoes which took the lives of 248 people. The tornadoes and severe weather damaged or destroyed over 20,000 homes along with hundreds of other structures including commercial, industrial and major government buildings. At approximately 5:00 PM CDT, a severe thunderstorm producing straight-line winds and several tornadoes, including a Category EF-4 on the Enhanced Fujita Scale, tore through the City of Tuscaloosa, Alabama (City) from west to east, damaging a number of neighborhoods and housing complex areas including Kauloosa Avenue, an industrial corridor; Rosedale Court, a public housing complex; the intersection of 15th Street and McFarland Boulevard, a major retail area; and Alberta City, a community located in the eastern most portion of the city limits. These storms claimed the lives of 53 City area residents. The EF-4 tornado devastated areas in a one and one half mile wide and six mile long pathway, generating debris from the destruction that threatened lives, health and public safety. The following day, April 28, 2011, Major Federal Disaster (FEMA DR-1971) was declared for all Alabama Counties including Tuscaloosa County.

Immediately after the storms, recovery and aid stations were set up throughout the City so that volunteers could provide aid to those affected by the storms. The City also sponsored meetings during which individuals impacted by the storms could apply for assistance, meet with Small Business Administration loan

specialists, get advice about how to proceed with insurance claims and receive information about federal assistance. Even with these and many other privately coordinated volunteer outreach efforts organized in the weeks and months following the storms, many citizens still need assistance in order to bring their homes, businesses and/or lives back to pre-disaster conditions. Many of the homes and communities wiped out by the EF-4 tornado housed severely low to moderate income individuals who have not yet been able to rebuild or find safe and affordable housing options. As a result of the inability to quickly rebuild and repair housing for these individuals, local businesses are still struggling to regain stability with the loss of such a large employee and customer base.

(b)

Recovery activities completed or in progress include:

Disaster Debris Removal (FEMA and FHWA eligible), including Right of Way debris and debris on

Private Property

Residential and Commercial Building Demolition Program (Voluntary and Involuntary)

Hazard Mitigation Grant Program Safe Room Construction

Hazard Mitigation Grant Program Early Warning System Installation

Direct Allocation CDBG-DR projects include:

Rosedale Phase II Housing Development

Hurricane Creek Trace Housing Development

Homebuyer/Down Payment Assistance Program

Habitat for Humanity Purchase of Juanita Drive Lots

Commercial Revolving Loan Program (Over \$10,000)

Alberta Revitalization Infrastructure Project

University Place for Safe Routes to School Supplemental

Forest Lake Revitalization Infrastructure Project

10th Avenue Corridor Revitalization Infrastructure Project

Hargrove Road/Hackberry Lane Infrastructure Project

FEMA Public Assistance project submitted/approved include:

Emergency Protective Measures (including search and rescue, traffic control, structure

Inspection, debris removal, and aid distribution)

Repairing street infrastructure (streets, sidewalks, curbs, gutters, fences, guardrails)

Repairing Lift Stations

Repairs to the Waste Water Treatment Plant

Repairs to Water Distribution System

Repairs to Sewage Collection System

Repairs to Fiber Optic Cables Replace and repair damaged vehicle (~150 vehicles)

Rebuild Curry Facility and replace contents (house 4 departments, including Environmental Services)

Rebuild Fire Station #4

Replace Police Athletic League (with Small Business Incubator)
Repair Police East Precinct
Replace destroyed Police Auction Lot
Donated Resources/ Volunteer Labor

(c)

According to HUD's damage assessments published on October 18, 2011 and January 31, 2012, the City still has the following unmet needs:

Severe Business Needs:	\$ 28,227,615
Unmet Infrastructure Needs:	\$ 5,786,994
Severe Unmet Housing Needs (owner-occupied):	\$ 1,240,619
<u>Severe Unmet Housing Needs (renter-occupied):</u>	<u>\$ 55,164,248</u>
Total Unmet Needs:	\$ 90,419,476

Through HUD's CDBG-DR direct allocation, the City has been approved for \$16,634,702 in recovery funding. The City still has approximately \$73,000,000 in unmet needs funding for damages directly related to the April 2011 tornadoes. Specifically for housing, the City still has unmet needs totaling approximately \$50,000,000 for projects not included or previously approved through other federal programs.

- B.3. Describe the activities the community plans to undertake to address the post-tornado housing needs of all income groups including transitional housing needs of homeless individuals and families, prevention of low-income individuals and families with children (especially those with incomes below 30 percent of the area median) from becoming homeless, and the special needs of persons who are not homeless but require supportive housing (e.g., elderly, persons with disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and public housing residents).**

The City is using its HOME Investment Partnership funding to assist low to moderate income families and individuals find affordable housing options for temporary and longer term solutions. Along with the existing down payment assistance program, the City will be working with the Tuscaloosa Housing Authority to develop and operate a Tenant Based Rental Assistance (TBRA) program as another extension of the HOME funding. These programs allow eligible individuals and families (with special focus on storm victims) the opportunity to find safe and affordable housing options while more options become available.

Additionally, the City has been approved for several projects through the direct allocation CDBG-DR funding to rebuild single and multi-family housing units that were lost in the tornadoes. Rebuilding these units will help low to moderate income and other individuals and households who may require additional supportive housing options the ability to relocate in an effort to regain pre-storm conditions. As with much of the housing projects the City is currently operating and/or developing, the funds will be spent to directly provide a positive impact to

hopefully prevent homelessness or other hardships which may have been caused by the April 2011 storms.

Through the State CDBG-DR program (and under a separate cover), the City will be seeking additional funding to further rebuild low to moderate income housing options that were destroyed by the tornadoes. Although the City has received some federal funding to help supplement recovery efforts for displaced households, there is still an unbelievable amount of unmet needs for individuals and households who do not have the means to easily relocate or rebuild because of financial restrictions. The City is continuously seeking options through formula and disaster recovery grants to try and help the low to moderate and other special needs individuals who were most affected by the tornadoes.

- B.4. Describe the community's short- and long-term recovery plans for restoring and rebuilding housing (including rental housing) and infrastructure, including plans for flood plain management; removal of barriers to reconstruction; adoption and enforcement of modern building codes to produce high quality, durable, energy efficient, mold resistant, and storm proof housing; and prior coordination with the planning requirements of other State and Federal programs and entities and describe how the community's use of grant funds will give priority to infrastructure development and/or rehabilitation.**

Short-Term Recovery Planning Activities Completed

- The City of Tuscaloosa, AL (City) examined its response to the immediate needs of those temporarily or permanently displaced or relocated from the disaster areas. The City ensured that immediate housing needs were addressed for those that had to be relocated, either temporarily or permanently through City and other agency sponsored programs.
- The City facilitated and sponsored public meetings during which numerous federal, state, and local agencies were on hand to answer citizen questions and address possible repair/rebuild funding sources in an effort to efficiently and effectively identify solutions for community recovery.
- The City developed the Tuscaloosa Forward Generational Plan (attached as Appendix D) which provides a vision for recovery for several functional areas including land use, housing, sustainability and infrastructure and public facilities. The plan identifies both pre and post storm needs for a variety of citizen groups including low to moderate income households and those needing special attention. Input from citizens through numerous public forums was encouraged during the entire development of this recovery plan presentation and public meeting time frame of the Tuscaloosa Forward Generational Plan.
- The Office of the City Attorney was available to help numerous citizens with questions and next-step procedures for dealing with personal insurance companies. The immediate loss of so many housing units is a unique

challenge for the City and its low to moderate income residents because of the high number of affected individuals who were underinsured or renting.

- The City's Department of Planning and Development Services provided an expedited building permit process to encourage efficient reconstruction of facilities and residential structures.

Long-Term Recovery Planning Activities Proposed, Underway or Completed

- **Provide Newly Constructed and Reconstructed Housing Options** – The City will partner with local housing agencies and developers to leverage CDBG Disaster Recovery (CDBG-DR) funds and build new replacement housing in affected areas. The City has committed a portion of its direct allocation and proposes to continue building residential housing options for low to moderate income citizens through the State of Alabama Multi-Family Housing Application under separate cover.
- **Homebuyer Down-Payment Assistance** – The City will implement a program that will serve as a catalyst to stimulate home purchases by those directly affected by the storm or by those wishing to move into an area directly affected by the storm through other HUD funding options.
- **Public Infrastructure** – The City will invest in public infrastructure that will help revitalize and provide long-term stabilization for storm damaged areas and neighborhoods resulting in a walk-able and interconnected community. The City has included several infrastructure projects in its CDBG-DR direct allocation funding, but has additional unmet needs for damage sustained as a result of the tornadoes.
- **Quality of Life and Economic Revitalization** – Along with the public infrastructure improvements, the City will add landscaping and green-spaces throughout all four storm damaged sectors that will enhance livability standards and drive private development by providing increased traffic in the areas. The City remains focused on its commitment to promote economic revitalization through various avenues which assist both business owners and the City's working population.
- **Commercial Assistance** – The City will establish a revolving loan program for businesses within the storm affected areas that will help provide working capital during or after that business' rebuilding. This program will be split across both the City's direct allocation as well as through the State of Alabama Economic Recovery Loan Pool Application and focus on both large and small businesses. The State CDBG-DR loan program proposal has been submitted under separate cover, and will be administered independently.

Flood Plain Management and Promoting the Mitigation of Flood Risk

Under this Action Plan, the City of Tuscaloosa does not find it necessary to focus funding on providing funds for housing units to implement elevation. Although some of the impacted areas are in a flood zone, no proposed housing or commercial buildings are located within those zones. There were no cases of flooding reported during or immediately following the April 27, 2011 tornado. The City has implemented a Noah's Ark program that has been very successful in handling property at risk of flooding. The City will continue to rely on this program as the main aspect of promoting the mitigation of flood risk to citizens.

Promoting High-Quality, Durable, Energy Efficient, and Mold Resistant Construction Methods

The City has adopted the 2006 International Residential Code with local amendments for all residential housing construction. For commercial construction, the City has adopted the 2009 International Building, Plumbing and Mechanical Codes along with the 2008 National Electric Code with local amendments. Beginning October 1, 2012, the City will begin enforcing the more stringent State of Alabama Energy Code and the 2009 International Energy Conservation Code. It is the responsibility of the City's Planning and Development Services Department to permit, inspect and enforce all adopted construction codes. A building permit is required for all new construction as well as for construction undertaken for enlargement, alterations and repair of structures. Inspections are performed to ensure compliance of all above listed codes. For all existing buildings, including rentals, the 2009 International Property Maintenance Code was adopted to preserve all structures.

Adequate and Flood Resistant Housing for All Incomes

A portion of the CDBG-DR funds in this Action Plan are proposed to promote housing to fulfill the need created by the April 27, 2011 tornado. When taking into account all funds to be utilized to rebuild the housing stock, including all leveraging of funds as listed above, \$23.1 million of total investment will be made to Tuscaloosa's affordable housing stock. All of these programs will follow environmental regulations and current city building codes in relation to issues of the flood plain. This Action Plan has dedicated funds to assist affordable housing units as well as market rate housing units. This assistance will also be distributed to home ownership units as well as rental units. These activities will promote affordable housing dispersed throughout the community which will include areas that are low poverty and non-minority areas.

With the investment in affordable rental units, the aim is to provide assistance and housing opportunity to those at the lowest end of the income scale. For those individuals that do not have income sources that allow them to find housing and are homeless, the City of Tuscaloosa has and will continue to participate in the management of a Homeless Management Information System (HMIS). This system will help indicate if more resources are needed for the homeless population in the community.

The City of Tuscaloosa also has in place a Housing Counseling Program that is run with CDBG funds and operated by case managers and social workers whose prime role is to assist in homeless prevention and work to stabilize families in their existing homes and secure affordable housing. The case managers and social workers will then sometimes refer clients to other local non-profit agencies located in the City of Tuscaloosa that have several programs that can provide rental security deposit assistance, utility assistance, housing counseling supportive services, etc. Many faith-based organizations also play an integral role in providing services to homeless individuals. The main focus of all the above groups is to assist person in transitions to permanent housing and independent living.

These local non-profit agencies and faith-based organizations help to serve the special needs population in Tuscaloosa as well. Organization such as FOCUS on Senior Citizens of Tuscaloosa, the McDonald Hughes Center and the United Way of West Alabama, along with many others, offer services such as transportation to medical appointments and shopping areas as well as specified programming directly related to senior and special needs citizens.

- B.5. Describe the community's proposed loan program in the context of assisting in the revitalization of local economies damaged by the April 2011 storms. Explain the community's understanding of the economic revitalization process; how the community's use of grant funds will serve a need for an economic revitalization program; demonstrate credible records of capacity to underwrite, manage, and service loans and meet HUD program requirements. At a minimum, the program must establish eligibility criteria for businesses to qualify for the program; eligible uses of funds; assistance types such as low-interest, deferred payment, or forgivable loans; underwriting criteria; collateral requirements; and timeline. The applicant must explain how it intends to ensure no duplication of benefits will occur with businesses that will be assisted with the loan pool program.**

The purpose of the loan program is to attract local businesses to the devastated areas impacted by the storm in the hopes that it will spur both job growth for low to moderate income individuals, as well as economic growth for the businesses. The proposed loan program is one of several programs the City is promoting to assist struggling local businesses get back to pre-storm operations. Many of the businesses destroyed during the tornado do not have the means to rebuild. This funding will help supplement the cost of returning to their previous locations and maintain or grow their employee base. The City is requiring these funds to directly benefit low to moderate income individuals and businesses while helping promote economic recovery in the tornado impacted areas of the City. Funds will be available to businesses that are located within the disaster area.

Economic revitalization and recovery following a devastating storm event can be a major undertaking. It cannot be solved through only one program or strategy. The City is taking a multi-faceted approach to helping both businesses and low to moderate income individuals through several federally and locally funded programs. The goal of the City's recovery planning and the Tuscaloosa Forward

Plan for recovery is to bring businesses to tornado impacted areas which can help support and maintain housing growth. By supporting both the business and residential communities, the City is hoping to create sustainable economic growth long into the future.

The loan program will provide much needed funding to businesses who have struggled to regain sustainability since being impacted by the storm. It will also provide an incentive to other businesses to relocate into the storm impacted areas to help support the housing growth in these areas of low to moderate income individuals who are returning to reconstructed housing options. The City does not want to perpetuate a scenario where low to moderate income individuals are unable to grow financially. It benefits both the individuals and the City to have a strong working class with local businesses who can support the local economy and residents.

The City is currently exploring several firms and regional planning commission options for loan underwriting capabilities as necessary. The City may choose to provide local funding support to businesses through either an origination loan or provide support for existing loans to decrease payment amounts, providing the loan is used for eligible activities. If underwriting is required, the City will consult with the selected firm(s) in an effort to minimize any risk of default on behalf of the business owner and to provide funding within an acceptable range based on business credit availability.

All dates below are subject to change pending application approval. For purposes of schedule, the City is assuming a November 1, 2012 award date.

Application:

Application will be released to the public on November 15. Any document preparation and development support may be available to local businesses through the City's Chamber of Commerce or similar sources. The City will start collecting, date/time stamping and reviewing application on December 1 at 9:00 AM CST on a first come, first served basis. The application period will remain open for 30 days or until all funds have been expended or the grant period timeline has expired.

Borrower:

Eligible businesses include all commercial entities whose main operational location is or will be located in the recovery zone.

Use of Proceeds:

Land and building purchase or improvement, machinery and equipment purchase, leasehold improvements, working capital, inventory purchase and refinancing of existing debt.

Collateral:

Adequate collateral position must be secured by assets of receiving business consisting of land, building or machinery and equipment. Collateral value will be established by appraisal or cost verification prior to award.

Interest Rate:

All loans will be released at an accrual rate of zero percent interest.

Loan Term/Amortization:

Loans will require a monthly status update with 6 month and one year borrower interviews. Because the loan may be forgivable following the term of the loan, no repayment schedule will be implemented at this time.

Loan Sizing:

The minimum loan amount for this program is \$5,000 with a maximum loan amount of \$20,000. No project under \$5,000 (total cost) will be considered for participation in this program. Any project over \$20,000 may be submitted under the City's direct allocation loan program pending available funding. Applicants will be restricted to receiving EITHER a loan of \$20,000 or less from the state CDBG-DR funded loan program OR a loan of more than \$20,000 from the City's direct allocation of CDBG-DR funds.

- B.6. Discuss any other funds leveraged or to be leveraged for these activities. A subrogation agreement will be required from each grantee to ensure that there is no duplication of benefits. In order to comply with HUD requirements relating to duplication of benefits, if funds are awarded by any other source for the same activities before or after the date of ADECA's grant award CDBG disaster recovery funds must immediately be repaid to ADECA.**

No other funding sources will be included for this loan program. Another similar, but separate, loan program will be funded through the City's direct allocation CDBG-DR funding; however, funding will not be shared between the programs or the organizations that may qualify for a loan. To prevent duplication of benefits, a business is only eligible to receive funding one time from either the loan pool or direct allocation program.

- B.7. Economic loan projects generally meet the national objective of benefitting 51 percent low- and moderate-income persons by creating or retaining jobs of which at least 51 percent meet the low- and moderate-income threshold. Applicant must explain below the number of jobs, including the low- and moderate-income jobs that will be created or retained as a result of assistance provided to current or new businesses. The businesses must use an Employee Income Certification Form on each employee to document jobs and collect other required information (i.e., ethnicity, race, and previous year income range of new or retained employees). The applicant must assure and explain why it feels certain 51 percent of the jobs created or retained will be held by persons in low- and moderate-income households.**

If the loan pool program is proposed to meet a national objective other than benefitting 51 percent low- and moderate-income persons, the applicant must explain in detail below how the alternate national objective will be met.

This project will meet the low to moderate income national objective and principally benefit (51% or greater) low to moderate income businesses and individuals. The loan program is designed to promote the hiring or retaining of low to moderate income individuals in and around the tornado impacted areas of the City. This is very practical because the area hardest hit by the storm is predominately made up of low to moderate income households and the employees for the newly relocated businesses will most likely be these same individuals from the surrounding neighborhoods. Businesses that are approved for a loan must demonstrate direct benefit for either low to moderate income individuals or businesses. Following award, the City will conduct periodic site visits to ensure that federal regulations are being adhered to and that no duplication of benefits is occurring. Additionally, the City will ensure that each job retained or created as a result of the loan program will be tracked through the Employee Certification Form and submitted to HUD (attached as Appendix E).

**ALABAMA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
CERTIFIED ASSURANCES**

General Assurances

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States, and the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property in whole or in part with Federal assistance funds to assure nondiscrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review, and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms to the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval by the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.

8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. 4728-4763) relating the prescribed standards for merit systems for programs funded under one of the nineteen statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et seq.) which prohibits the use of lead-based paint in the construction or rehabilitation of residential structures.
10. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color, or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683, and 1685-1686) which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794) which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107) which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 93-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination Statute(s) which may apply to the application.
11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646), as amended (P.L. 100-17) which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328) which limit the potential activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. 276a to 276a-7), The Copeland Act (40 U.S.C. 276c and 18 U.S.C. 874), and the

Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333) regarding labor standards for federally assisted construction contracts.

14. Will comply with the flood insurance purchase requirements of Section 102 (a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (c) notification of violating facilities pursuant to EO 11738; (d) protection of wetlands pursuant to EO 11990; (e) evaluation of flood hazards in flood plains in accordance with EO 11988; (f) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. 1451 et seq.); (g) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended, (42 U.S.C. 7401 et seq.); (h) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (i) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470), EO 11593 (identification and preservation of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. 469a-1 et seq.)
18. Will cause to be performed the required financial and compliance audits in accordance with Single Audit Act of 1984, as amended, and OMB Circular A-128.
19. Will comply with all applicable requirements of all other Federal laws, Executive Orders, regulations and policies governing this program.

Special State Assurances

The applicant further assures and certifies that:

- (a) The proposed program benefits principally persons of low to moderate incomes, the latter being defined as persons in households having incomes at or below applicable income limits. Specifically the following percentages of low and moderate income beneficiaries serve as a minimum threshold depending on the type of project: 51% for public facilities activities and 100% for housing activities. Programs should be designed so as to give maximum feasible priority to activities which will benefit low and moderate income families or aid in the prevention of slums and blight. However, a proposed program may include activities which the grantee certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious threat to the health or welfare of the community where other financial resources are not available to meet such needs.
- (b) If it has a previous Community Development Block Grant Program which has not been closed out, it will, if requested by the State, present the State with documentation to adequately demonstrate that it can expeditiously close out the previous program and manage a future program.
- (c) The local governing body accepts the responsibility for citizen comments and concerns related to the proposed program.

Anti-Displacement Assurance

As the duly authorized representative of the applicant, I certify that the applicant will comply with:

1. Section 104(d) of Title I of the Housing and Community Development Act of 1974, as amended. This provision, authorized by Section 509(a) of the Housing and Community Development Act of 1987, contains requirements for a residential anti-displacement and relocation assistance plan. Each State recipient must adopt, make public, and certify to the State that it is following a "residential anti-displacement and relocation assistance plan."
2. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended through 1987, (Public Law 100-17, 101 Stat. 246-256). This provision extends Uniform Relocation Assistance coverage to any person (family individual, business, nonprofit organization or farms) displaced as a direct result of rehabilitation, demolition, or privately undertaken acquisition carried out for a federally assisted project or program.

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
2. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

Certification Regarding Survey

If a survey to determine project beneficiaries was undertaken for the proposed project, such survey was conducted with full regard to obtaining accurate information. The City/County agrees that any evidence to the contrary could result in adverse consequences, including the repayment of grant funds.

Certification Regarding Excessive Force

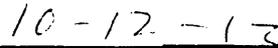
The undersigned certifies that it has adopted and is enforcing a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations.

Certification Regarding Preventing Entrance and Exit

The undersigned certifies that it has adopted and is enforcing applicable state and local laws against physically barring entrance or exit from a facility or location that is the subject of such nonviolent civil rights demonstrations within its jurisdiction.



Mayor/Chairman/Chief



Date