

# **THE CDBG-R SUBSTANTIAL AMENDMENT**

<p>Jurisdiction(s): <b><u>CITY OF CHATTANOOGA</u></b></p> <p>Jurisdiction Web Address: www.chattanooga.gov</p> <ul style="list-style-type: none"> <li>• <i>(URL where CDBG-R Substantial Amendment materials are posted)</i></li> </ul>	<p>CDBG-R Contact Person: Juliette Thornton, Assistant Manager</p> <p>Address: 101 E. 11<sup>th</sup> Street , Suite 201, Chattanooga, TN 37406</p> <p>Telephone: 423-757-5133</p> <p>Fax: 423-425-6447</p> <p>Email: thornton_ju@mail.chattanooga.gov</p>
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## **ENSURING RESPONSIBLE SPENDING OF RECOVERY ACT FUNDS**

Funding available under the Recovery Act has clear purposes – to stimulate the economy through measures that modernize the Nation’s infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. HUD strongly urges grantees to use CDBG-R funds for hard development costs associated with infrastructure activities that provide basic services to residents or activities that promote energy efficiency and conservation through rehabilitation or retrofitting of existing buildings. While the full range of CDBG activities is available to grantees, the Department strongly suggests that grantees incorporate consideration of the public perception of the intent of the Recovery Act in identifying and selecting projects for CDBG-R funding.

### ***A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES***

Grantees must provide information concerning CDBG-R assisted activities in an electronic spreadsheet provided by HUD. The information that must be reported in the spreadsheet includes activity name, activity description, CDBG-R dollar amount budgeted, eligibility category, national objective citation, additional Recovery Act funds for the activity received from other programs, and total activity budget. An electronic copy of the spreadsheet and the format is available on HUD’s recovery website at <http://www.hud.gov/recovery>.

**SEE ATTACHMENT, CDBG-R Activity Data Spreadsheet**

***B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)***

- (1) Activity Name: (Grantees should follow the same order that activities are listed in the Spreadsheet for Reporting Proposed CDBG-R Activities – this will allow HUD to easily match activity narratives with the information provided in the spreadsheet.)

**Office of Sustainability**

- (2) Activity Narrative:

In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee’s CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee’s narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

**The Office of Sustainability** will provide oversight and directions for programming as described in the Chattanooga Climate Action Plan that was developed out of the U.S. Conference of Mayor’s Climate Protection Agreement of 2006. Over 500 local citizens participated in visioning exercises and attended public meetings and work sessions to provide input into the “Chattanooga Green Committee” that crafted the Action Plan.

The Office of Sustainability will be charged with coordinating the implementation of the Action Plan, developing partnerships, and raising community awareness. In the Plan, some 47 action items of concentration and focus were identified. Among the 47 action items, “Energy Efficiency” is one of several action items that provide the opportunity to be implemented without little or no changes in the city’s current utilities infrastructure. Specifically, it was recommended to provide free or reduced-cost home energy efficiency upgrades for eligible families

The Office of Sustainability will operate under the management of a Director whose responsibility is to provide the day-to-day operations and coordination of activities. To this means, one job will be created in the initial establishment of the office.

The position will be filled by an individual that is a low to moderate income resident of the community and possess the skills and training required to provide the management and implementation of the various program components. The Office of Sustainability will be an asset to the community as it renders an array of economic opportunities to the

citizenry and spurring the reduction in energy usage, developing broad based energy conservation measures and encouraging the use of alternative energy sources.

In addition to energy efficiency, high performance green buildings (residential and commercial) have many environmental, social and economic benefits. One obvious major economic benefit is reduced energy consumption. High energy use is due in part to inadequate insulation in ceilings, walls, and floors. A high cost burden is experienced by those who have the least amount of cash along with a limited amount of dollars on hand to purchase other essential services and merchandise. Many homes occupied by low to moderate income households' pose various health and safety issues, in addition to poor heating, cooling, and ventilation systems in their homes. Appliances that require high consumption usage of kilowatt hours to operate continue to pose additional burdens and a disregard for energy conservation standards.

(3) Jobs Created: (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

One full-time permanent job will be created through the establishment of the Office of Sustainability.

(4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

The Office of Sustainability will be responsible for developing partnerships with other entities and to make energy efficiency a priority through building code improvements, land use policies, retrofitting city facilities, alternative and mass transportation programs, energy efficient indoor and outdoor lighting and urging employees and the community to conserve energy at home and while at work.

The Office of Sustainability will be responsible for the coordination of conservation programs developed with other energy related funds made available by the American Recovery and Reinvestment Act (ARRA), additional federal funding sources, the state energy program (SEP) and/or private grants. Formula funds allocated to the City of Chattanooga of \$1,864,300 through the Department of Energy's (DOE) Energy Efficiency and Conservation Block Grant (EECBG) will also be used to help fund the office and deploy other energy conservation measures. The Office will coordinate both CDBG-R weatherization funds and EECBG programs. These funds will be leveraged with the funds from the CDBG-R to create more effective programs as allowed by the requirements of each grant. In an attempt to further green job creation, the Office of Sustainability will explore implementing green jobs training in the weatherization program. The office will attempt to secure additional funding for training. The office will also explore the use of clean energy technologies in weatherization and energy conservation programs.

The Office of Sustainability will coordinate, network and cooperate with other energy and sustainability related regional organizations. Examples of anticipated collaboration

include a local privately funded green building initiative, the local university, environmentally focused and community based non-profits and industrial based advocacy and membership organizations. The Office will also network with other local governments and support organizations- such as ICLEI and the US Conference of Mayors- to bring the best practices that are happening across the nation to Chattanooga.

The Office of Sustainability will also be tasked with the monitoring of energy savings and Greenhouse Gas (GHG) emissions reduced through energy conservation and alternative energy deployment programs. Periodic assessments of the GHG footprint of the City will be calculated so that progress can be measured based on the two baseline GHG footprint analysis that have been conducted (1990 and 2006). All calculations will be made public to promote both transparency and community awareness.

As the Office of Sustainability is further developed and programs beyond the weatherization program are implemented, the office will enter into other inter-governmental agreements with various city departments. In this regard the Office of Sustainability will act as a coordination and information hub between city departments and the community as related to energy efficiency, alternative energy deployment, environmental conservation and GHG reduction and education.

- (5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

The Department of Neighborhood Services and Community Development will maintain direct management of the CDBG-R activity. The Office of Sustainability which is an office under city government will enter into an inter-governmental agreement with the Department to oversee the day-to-day coordination of the Homeowner Occupied Weatherization Program which is being funded with CDBG-R funds, city general funds and additional Recovery funds. Contact information is as follows: Department of Neighborhood Services and Community Development, 101 E. 11<sup>th</sup> Street, Suite 200, Chattanooga, Tennessee 37402, Beverly P. Johnson, Administrator.

***B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)***

- (1) Activity Name: (Grantees should follow the same order that activities are listed in the Spreadsheet for Reporting Proposed CDBG-R Activities – this will allow HUD to easily match activity narratives with the information provided in the spreadsheet.)

**CDBG-R Administration**

- (2) Activity Narrative:  
In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

The activities for the **CDBG-R Administration** of the grant will be undertaken as part of the normal operational activities of the Department of Neighborhood Services and Community Development which is responsible for the overall management of the city's entitlement grants from HUD.

The activities will include IDIS reporting and monitoring of projects, review of payment requests, financial drawdowns, subrecipient payments, and accounting and programmatic progress reports.

Title XII of the Division A and Section 1602 of ARRA allows for the program recipient to receive up to 10% of the total dollars being received under the Act for Administration and Planning. The \$1,568 is being used for the purpose of General Program Administration of the CDBG-R. The remaining allowable 10% of the grant of \$45,000 will be allocated to the Office of Sustainability for administrative activities.

- (3) Jobs Created: (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

No new jobs will be created as a result of this activity but will be carried out with existing staff in the Department of Neighborhood Services and Community Development.

- (4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

N/A

- (5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

The Department of Neighborhood Services and Community Development will maintain management of the CDBG-R activities and conduct the regulatory administration and planning activities to successfully carry out the projects as specified by the Act. Contact information is as follows: Department of Neighborhood Services and Community Development, 101 E. 11<sup>th</sup> Street, Suite 200, Chattanooga, Tennessee 37402, Beverly P. Johnson, Administrator.

**B. CDBG-R INFORMATION BY ACTIVITY (COMPLETE FOR EACH ACTIVITY)**

- (1) Activity Name: (Grantees should follow the same order that activities are listed in the Spreadsheet for Reporting Proposed CDBG-R Activities – this will allow HUD to easily match activity narratives with the information provided in the spreadsheet.)

**Homeowner Occupied Weatherization Program**

- (2) Activity Narrative:

In addition to the Spreadsheet for Reporting Proposed CDBG-R Activities, grantees must provide a narrative for each activity describing how the use of the grantee's CDBG-R funds will meet the requirements of Title XII of Division A and Section 1602 of ARRA. The grantee's narrative must also state how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit in relation to the CDBG-R funds obligated, and will address the Recovery Act, by:

- Preserving and creating jobs and promoting economic recovery;
- Assisting those most impacted by the recession;
- Providing investment needed to increase economic efficiency;
- Investing in transportation, environmental protection, or other infrastructure that will provide long-term economic benefits;
- Minimizing or avoiding reductions in essential services; or
- Fostering energy independence.

**Homeowner Occupied Weatherization Program** is conducted in collaboration with the Chattanooga Human Services Department using a portion of its share of the Recovery Funds received through the U.S. Department of Health and Human Services (HHS). The Chattanooga Human Services Department will expend some \$600,000 in combination with the City of Chattanooga's CDBG-R funds of \$419,110 for a total of \$1,193,478 to weatherize approximately 120 houses owned and occupied by low-to-moderate income individuals over the three year period.

The funds will be used to undertake energy audits and inspections, installation of insulation in walls, ceilings and floors, exterior weatherized doors, new roofing, and replacing inoperable heating and cooling systems, and as necessary, new energy efficient appliances will be purchased for the homes. Replacement windows that are "Energy Star" qualified with advanced and full perimeter weather stripping that reduces heat loss/gain, eliminates air and water infiltration will also be used. These activities will be designed to make improvements for energy efficiency within households to reduce the high cost burden of utility bills while promoting indoor comfort year round.

The Department of Neighborhood Services and Community Development's Code Enforcement and Neighborhood Relations Division in collaboration with Chattanooga Human Services Department will identify potential owner occupied housing units that require weatherization improvements to be in compliance with the city's current life safety codes and housing standards.

- (3) Jobs Created: (Report the number of full- and part-time jobs estimated to be created and retained by the activity (including permanent, construction, and temporary jobs)).

Through the collaborative efforts of the Chattanooga Human Services Department and its funding through HHS, there will be at least 12 or more jobs created as part of the Weatherization activities.

- (4) Additional Activity Information: (A description of how the activity will promote energy conservation, smart growth, green building technologies, or reduced pollution emissions, if applicable.)

The Office of Sustainability will be responsible for developing partnerships with other entities and to make energy efficiency a priority through building code improvements, land use policies, retrofitting city facilities with energy efficient indoor and outdoor lighting, and urging employees and the community to conserve energy at home and while at work.

- (5) Responsible Organization: (Contact information for the organization that will implement the CDBG-R activity, including its name, location, and administrator contact information)

The Department of Neighborhood Services and Community Development will maintain direct management of the CDBG-R activity. The Office of Sustainability which is an office under city government will enter into an inter-governmental agreement with the Department to over-see the day-to-day coordination of the Homeowner Housing Weatherization Program which is being funded with CDBG-R funds and additional Recovery funds. Contact information is as follows: Department of Neighborhood Services and Community Development, 101 E. 11<sup>th</sup> Street, Suite 200, Chattanooga, Tennessee 37402, Beverly P. Johnson, Administrator.

### *C. PUBLIC COMMENT*

Provide a summary of public comments received to the proposed CDBG-R Substantial Amendment.

**Note:** A Proposed CDBG-R Substantial Amendment must be published via the usual methods and posted on the jurisdiction's website for no less than 7 calendar days for public comment.

#### Response:

The CDBG-R Substantial Amendment was published in the local newspaper and placed on the city's website at [www.chattanooga.gov](http://www.chattanooga.gov) for a period of 7 days, beginning May 27, 2009 - June 3, 2009.

Written comments on the contents of the Substantial Amendment were received until Tuesday, June 2, 2009. A hard copy of the Substantial Amendment was made available and upon request in the offices of the Department of Neighborhood Services and Community Development located on the Second Floor, City Hall, 101 E. 11<sup>th</sup> Street, Chattanooga, Tennessee 37402, at telephone number (423) 757-5133.

No comments were received regarding the contents of the Substantial Amendment.

# CDBG-R Substantial Amendment Grantee Checklist

*For the purposes of expediting review, HUD asks that applicants submit the following checklist along with the CDBG-R Substantial Amendment, Spreadsheet for Reporting Proposed CDBG-R Activities, and SF-424.*

## Contents of a CDBG-R Action Plan Substantial Amendment

Jurisdiction(s): <u>City of Chattanooga, Tennessee</u> Lead Agency: City of Chattanooga Jurisdiction Web Address: www.chattanooga.gov <i>(URL where CDBG-R Substantial Amendment materials are posted)</i>	CDBG-R Contact Person: Juliette Thornton Address: 101 E. 11 <sup>th</sup> Street, Chattanooga, TN 37402 Telephone: 423-757-5133 Fax: 423-425-6447 Email: thornton_ju@mail.chattanooga.gov
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The elements in the substantial amendment required for the CDBG recovery funds are:

### ***A. SPREADSHEET FOR REPORTING PROPOSED CDBG-R ACTIVITIES***

Does the submission contain a paper copy of the Spreadsheet for Reporting Proposed CDBG-R Activities?

Yes  No  Verification found on page **1 and Attached**

Does the submission include an electronic version of the Spreadsheet for Reporting Proposed CDBG-R Activities sent to the email box CDBG-R@hud.gov?

Yes  No  Date Spreadsheet was emailed: **June 4, 2009**

Does the Spreadsheet for Reporting Proposed CDBG-R Activities include, for each activity:

- amount of funds budgeted for each activity, including CDBG-R funds, any additional Recovery Funds used and total activity budget,  
 Yes  No  Verification found on page(s) **Page 1 of the Spreadsheet**
- the Eligibility citation (eligibility regulatory cite or HCDA cite),  
 Yes  No  Verification found on page(s) **Page 1 of the Spreadsheet**
- the CDBG national objective citation,  
 Yes  No  Verification found on page(s) **Page 1 of the Spreadsheet**

**B. CDBG-R INFORMATION BY ACTIVITY**

Does the submission contain information by activity describing how the grantee will use the funds, including:

- a narrative for each activity describing how CDBG-R funds will be used in a manner that maximizes job creation and economic benefit,  
Yes  No  Verification found on page(s) **Pages 2-8**
- projected number of jobs created for each activity,  
Yes  No  Verification found on page(s) **Pages 2-8**
- whether an activity will promote energy efficiency and conservation,  
Yes  No  Verification found on page(s) **Pages 2-8**
- the name, location, and contact information for the entity that will carry out the activity,  
Yes  No  Verification found on page(s) **Pages 4, 6, & 8**
- evidence that no more than 10% of the grant amount will be spent on administration and planning,  
Yes  No  Verification found on page (s) **Page 5**
- evidence that no more than 15% of the grant amount will be spent on public services,  
Yes  No  Verification found on page (s) **No funds are proposed for public services**
- evidence that at least 70% of the grant amount will benefit persons of low and moderate income,  
Yes  No  Verification found on page (s) **Page 7**

**C. PUBLIC COMMENT PERIOD**

Was the proposed action plan amendment published via the jurisdiction’s usual methods and on the Internet for no less than 7 calendar days of public comment?

Yes  No  Verification found on page(s) **Page 9**

Is there a summary of citizen comments included in the final amendment?

Yes  No  Verification found on page(s) **Page 9**

**D. CERTIFICATIONS**

The following certifications are complete and accurate:

- |   |   |                             |
|---|---|-----------------------------|
| (1) Affirmatively furthering fair housing | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-displacement and relocation plan | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (3) Drug-free Workplace                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (4) Anti-lobbying                         | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |
| (5) Authority of jurisdiction             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> |

- |  |   |  |
|--|---|--|
| (6) Consistency with plan                                    | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (7) Section 3  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (8) Community development plan                               | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (9) Following a plan   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (10) Use of Funds  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (11) Excessive Force   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (12) Compliance with anti-discrimination laws                | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (13) Lead-based paint procedures                             | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (14) Compliance with laws                                    | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (15) Compliance with ARRA                                    | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (16) Project selection                                       | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (17) Timeliness of infrastructure investments                | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (18) Buy American provision                                  | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (19) Appropriate use of funds for infrastructure investments | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| (20) 70% of CDBG-R for LMI                                   | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/>            |
| Optional Certification                                       |   |  |
| (21) Urgent Need   | Yes <input type="checkbox"/>            | No <input checked="" type="checkbox"/> |

***D. STATE CERTIFICATIONS***

The following certifications are complete and accurate:

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| (1) Affirmatively furthering fair housing                    | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (2) Anti-displacement and relocation plan                    | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (3) Drug-free Workplace                                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (4) Anti-lobbying  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (5) Authority of State                                       | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (6) Consistency with plan                                    | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (7) Section 3  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (8) Community development plan                               | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (9) Consultation with Local Governments                      | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (10) Use of Funds  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (11) Excessive Force   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (12) Compliance with anti-discrimination laws                | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (13) Compliance with laws                                    | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (14) Compliance with ARRA                                    | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (15) Project selection                                       | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (16) Timeliness of infrastructure investments                | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (17) Buy American provision                                  | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (18) Appropriate use of funds for infrastructure investments | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| (19) 70% of CDBG-R for LMI                                   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |
| Optional Certification                                       |                              |                             |
| (20) Urgent Need   | Yes <input type="checkbox"/> | No <input type="checkbox"/> |