

ATTACHMENT D

FEDERAL FUNDING REQUIREMENTS AND RESOURCES

A. Federal General Cross-Cutting Requirements

Proposals awarded federal funds will be required projects to meet these national, state and local regulatory requirements, where applicable:

1. Minimize negative environmental impacts, and comply with environmental review requirements under [24 CFR Part 58](#). Applicants must consult with CDD staff at the time of application to determine if a Phase 1 and Phase 2 Environmental Site Assessment will be required as well as language that must be included in any offer to purchase real property prior to acquisition or any choice limiting actions. The property must pass an environmental review, conducted by CDD, prior to receiving a formal commitment of federal funding. Activities neither exempt nor categorically excluded under [24 CFR Part 58](#) will require an environmental assessment, conducted by CDD, with a Finding of No Significant Impact prior to commitment of federal funding.
2. Affirmatively further fair housing, housing diversity, and housing choices.
3. Take affirmative steps to contract and/or ensure subcontracting with minority, women, and disadvantaged business enterprises (M/W/DBEs) consistent with [2 CFR Part 200.321](#).
4. Comply with the goals and requirements of the [City's Section 3 Program](#), which seeks to extend employment, training and contracting opportunities to low- and moderate-income people and businesses.
5. Promote affirmative action, non-discrimination and equal opportunity for all citizens.
6. Comply with physical accessibility standards.
7. Comply with Federal Fair Labor Standards (e.g., [Davis-Bacon Prevailing Wages](#)), if required.
8. Reduce lead paint hazards using certified inspectors, supervisors, workers and companies, as well as established lead safe work practices when required. All properties built prior to 1978 must undergo lead assessments.
9. Reduce hazards caused by asbestos and asbestos-containing materials, and/or remove asbestos and asbestos-containing materials, using certified asbestos abatement supervision and certified asbestos worker.
10. Minimize both the direct and indirect displacement of persons and/or businesses. Where applicable, the CDD will adhere to the State of Wisconsin Relocation Rights and Uniform Relocation Act procedures consistent with [49 CFR Part 24](#). Applicants must consult with CDD staff about relocation requirements for any occupied properties.
11. Design program operations to safeguard vulnerable populations, including, but not limited to, young children, youth, elderly, and people with disabilities.
12. Adhere to the constitutional and regulatory provisions of separation of church and state, and avoidance of public funding of inherently religious activities.
13. Notice regarding lobbying ordinance: A person or entity seeking approval of a development with more than 40,000 gross square feet of non-residential space, or a residential development with more than 10 dwelling units, or that is seeking assistance from the City of more than \$10,000 (this includes grants, loans, TIF, or similar assistance), is likely subject to Madison's lobbying ordinance, MGO sec.

2.40. That person or entity is required to register and report lobbying activities involving City officials. Please consult the City Clerk for more information. Failure to comply with the lobbying ordinance may result in fines of \$1,000 to \$5,000. Applicants may find more information on registering on the [City Clerk's website](#).

B. Federal HOME and CDBG Requirements

Proposals awarded **HOME Investment Partnerships Program (HOME) or Community Development Block Grant (CDBG)** funds must comply with all the relevant funding source requirements. HOME-funded projects must comply with the regulations at [24 CFR Part 92](#), as amended. CDBG-funded projects must comply with the regulations at [24 CFR Part 570](#), as amended.

These federal requirements include, but are not limited to, the following:

1. Acquisition, construction, and/or rehab of rental housing using HOME or CDBG funds must maintain rents at or below specified HOME rent levels during the Period of Affordability.
2. All units in a rental project must serve households with incomes at or below 60% of Area Median Income (AMI) during the Period of Affordability.
3. In developments with five or more HOME-assisted units, at least 20% of HOME units must be designated as Low HOME rent units, where rent is restricted to the Low HOME rent limit published by HUD annually.
4. Housing must meet the all applicable City minimum housing standards and building codes. Rehabilitation projects assisted with HOME funds must also meet the [Community Development Division's Rehabilitation Standards](#).
5. HOME projects require a minimum of 25% matching funds from non-federal sources. Forms of eligible match are defined under [24 CFR 92.220](#).
6. HOME-funded projects will be subject to a HOME Period of Affordability (HOME POA) reflected in the HOME Land Use Restriction Agreement (HOME LURA), the length of which is based upon the amount of HOME funds invested in the property and the use of those funds. Both a City and HOME POA will be reflected in LURAs recorded in first position ahead of the first mortgage. The City LURA will have a minimum compliance period to maintain affordability for 40 years.

Applicants may request a sample HOME Loan Agreement for more detailed information.

C. Federal Funding Links and Resources:

[City of Madison Contract Compliance](#) (City Resource): The Rental Housing Development section of this page provides several resources on federal funding, including rent and income limits for HOME funds.

[Community Housing Development Organization \(CHDO\) Application](#) (City Resource): An application for housing developers interested in renewing or applying for status as a certified CHDO with the City of Madison.

[24 CFR Part 92](#) (Federal Resource): Electronic Code of Federal Regulations for the HOME Investment Partnerships Program [24 CFR Part 570](#) (Federal Resource): Electronic Code of Federal Regulations for the Community Development Block Grants program.

[2 CFR Part 200.302 \(Financial Management\)](#) (Federal Resource): Part of the Electronic Code of Federal Regulations, it details uniform administrative requirements, cost principles and audit requirements for federal awards.

[2 CFR Part 200.303 \(Internal Controls\)](#) (Federal Resource): Part of the Electronic Code of Federal Regulations, it details uniform administrative requirements, cost principals and audit requirements for federal awards.