

EXHIBIT I

**Boulder County
CDBG-DR Clearance and Demolition Program**



**Community Development Block Grant – Disaster Recovery (CDBG-DR)
Clearance and Demolition Program Guidelines**

Effective 05/28/2015

A. Program Purpose, Governing Regulations, and Service Area

1. The purpose of the Boulder County Community Development Block Grant – Disaster Recovery (CDBG-DR) Clearance and Demolition Program (CDP) is to remove structures damaged by, or designated as slum and blight as a result of, the Presidentially-declared disaster events of September 2013.
2. In providing assistance, the CDP will comply with the following:
 - a. Applicable federal, state, and local laws and regulations;
 - b. Requisite HUD National Objectives;
 - c. The Colorado Action Plan for Disaster Recovery, as amended, and the Action Plan Substantial Amendment, as may be amended from time to time;
 - d. Requirements of the grant agreement between Boulder County and the Colorado Department of Local Affairs (Award #14-085A);
 - e. Equal Opportunity Lender – the CDP will not discriminate against anyone through its lending practices or in any other decision-making processes due to race, color, religion, gender, disability, sexual preference, age, family status and/or national origin.
3. The CDP will operate throughout Boulder County, including the entitlement communities of Boulder and Longmont.

B. CDBG-DR Eligibility and Priorities

1. There will be no minimum income requirements.
2. Maximum income and asset limits may be applied, as determined by CDBG-DR staff and adopted under applicable Boulder County procedures.
3. Applicant Eligibility Criteria
 - a. “Applicant” in this document refers to all individuals who have applied, but have not yet received funding, whereas “client” refers to applicants who have been approved to receive funding.
 - b. Applicant’s primary residence (owner occupied, full-time rental, or a home intended to be used as a primary residence) must have been affected by the September 2013 disaster.
 - c. Clients must meet HUD’s National Objective of Elimination of Slum and Blight and/or Urgent Need [24 CFR 570.483(d)].
 - d. Outreach priority is given to households directly impacted by the flood and containing residents who are disabled, elderly, reside in manufactured homes, veterans, single parents, and/or have children under the age of five (5).
 - e. “Clearance” in this document refers to the removal of structural debris generated by the 2013 disaster event, or demolition (i.e. deconstruction) of structures damaged by the 2013 disaster event. Structural debris can include houses, sheds, barns, septic systems and other residential structures.

4. Calculating and Verifying Income and Assets
 - a. Boulder County's CDBG-DR staff is responsible for ensuring income and asset verification documentation is collected and such evidence is retained in each applicant's file.
 - b. Verification of income and assets will be based on appropriate federal regulations.
 5. Legal Residents – CDP will comply with eligibility and verification requirements found in Title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 ("Welfare Reform Act").
 6. Duplication of Benefits – A Duplication of Benefits analysis will be completed for each applicant in accordance with 76 Fed. Reg. 71060. Any unused disaster assistance funds will be applied to the CDP project to ensure that the CDBG-DR assistance is not duplicative of any other benefit.
- C. Project Eligibility
- a. Eligible properties must have been directly impacted by the Presidentially-declared disaster, 4145-DR.
 - b. Floodplain/Floodway
 - i. Structures located in a locally or federally regulated floodway are eligible for CDP assistance.
 - c. Environmental Review
 - i. In accordance with 24 CFR Part 58.22, each project must undergo the required level of environmental review to identify and mitigate potential impacts.
 - ii. Funds will not be obligated to a project until the necessary level of environmental review is complete.
- D. Award Procedures
1. Project Priority – Once an application is complete, projects will be prioritized according to vulnerability and urgency.
 - a. Additional points may be assessed based on project urgency, readiness, building season, and other factors.
 - b. The project waiting list will be updated on a rolling basis.
 2. Award Determination
 - a. Awards will be reviewed by the CDBG-DR Funding Panel, via authority delegated by the Boulder County Board of County Commissioners.
 - b. Awards will be obligated to the project via Funding Panel approval, but will not be dispersed until the applicant is bound to all program rules and requirements via an "award closing."
 - c. A "Notice to Proceed" will be issued prior to work being conducted or dispersal of award funds.
 3. Recipient Requirements

- a. Awards are made to individual applicants to fund necessary and eligible clearance and demolition; however, funds are dispersed directly to eligible contractors that performed the work.
 - b. Only eligible pre-award expenses will be dispersed directly to the applicant.
 - c. The applicant is responsible for procuring and contracting with any hired firm(s).
 - i. Boulder County requires an addendum outlining CDBG-DR and CDP requirements to be attached to all contracts between applicants and hired firms.
 - ii. All contracted firms must meet Boulder County CDBG-DR minimum insurance and contracting requirements.
 - d. Insurance – Awardees will be required to carry applicable property and/or flood insurance to cover, at a minimum, the amount required to pay off all loans or the appraised value, whichever is higher.
 - e. Tenants of rental properties that are displaced due to a CDBG-DR project are eligible for relocation under the Uniform Relocation Act (URA).
4. Eligible expenses for CDP Awards
- a. Labor and material costs for clearance and demolition of disaster-impacted structures
 - b. Disposal fees
 - c. Mitigation for mold, moisture, lead, asbestos or other environmental hazards
 - d. Professional services for design and engineering related to clearance and demolition
 - e. Permits and other fees associated with clearance and demolition
 - f. Reimbursement to applicants for out-of-pocket costs of the above during the eligible reimbursement period
- E. Clearance and Demolition Policies
- 1. Clearance and Demolition Standards
 - a. All work performed through the CDP will be completed in compliance with:
 - i. Local building codes;
 - ii. Local floodplain codes; and
 - iii. Whenever a conflict exists between the above codes, the most stringent requirement will be upheld.
 - 2. Scope of Work (SOW)
 - a. The SOW associated with the award will be determined by a Boulder County CDBG-DR Clearance and Demolition Coordinator (CDC).
 - b. The SOW will include clearance and demolition of all disaster-impacted structures.
 - c. The SOW will also include the following, when required:
 - i. HUD Lead assessments and/or remediation;
 - ii. Radon mitigation;
 - iii. Mold mitigation; and
 - iv. Asbestos mitigation.

3. Project Close Out
 - a. A CDBG-DR CDC will provide in-progress and final inspections on all work completed through the CDP.
 - b. Final inspections will be certified by a CDC and the applicant.
 - c. Warranties will be solely managed between the homeowner and the vendor.
NOTE: The CDBG-DR addendum requires vendors to provide a one-year warranty on all materials and workmanship.
 - d. The CDP will follow up with applicants one year after close-out to ensure no other disaster assistance has been received that would present a duplication of benefits.

F. Program Administration

1. Eligible expenses for CDP
 - a. Project Activity
 - i. Direct assistance to applicants to the CDP as described in section *D.4-Eligible Expenses for CDP Awards*
 - b. Project Delivery
 - i. Staff payroll expense for Clearance and Demolition Coordinators, case managers, and program managers
 - ii. Staff supplies and equipment directly related to delivery of the CDP program
 - iii. Environmental Review consulting and other fees directly related to the delivery of the CDP program
 - c. Program Overhead
 - i. Overhead/Admin expenses not directly assignable to Project Activity or Project Delivery
2. Oversight
 - a. Oversight of the CDP is delegated by the Boulder County Board of County Commissioners to the CDBG-DR Funding Panel. Funding Panel authority and responsibilities are outlined in Boulder County Resolution 2014-76.
3. Policies and Procedures
 - a. The CDP will operate in accordance with a detailed policy & procedure manual to ensure compliance, as well as fair and commensurate service to all applicants.
 - b. The policy and procedure manual will be maintained by Boulder County CDBG-DR staff and reviewed and approved by the Funding Panel.
4. Prevention of Fraud, Waste, and Abuse – It is the intention of the CDP to use CDBG-DR resources efficiently, effectively, and expediently to assist community members in their recovery from the disaster events of September 2013. Additionally, the CDP intends to prevent fraud, waste, and abuse through the following methods:
 - a. Due Diligence
 - i. Applicant information submitted on applications will be verified to the greatest extent required and feasible.
 - ii. Client files for completed projects will be comprehensive and stored in an organized manner.

- b. Applicant Awareness and Education
 - i. Applicants to the program will be informed of program requirements during the application, award, project, closeout, and post-closeout phases.
 - ii. Beneficiary and loan agreements will be comprehensive and secured by Deed of Trust and/or use and affordability restrictions, when required.
- c. State and Federal Compliance Audits
 - i. The CDP will facilitate compliance audits as required by state, local, and federal entities.