

## EXHIBIT 1-C

### SAMPLE MANAGEMENT PLAN FORMAT

#### FOR A HOUSING REHABILITATION PROJECT ADMINISTERED WITH THE ASSISTANCE OF A CONTRACTED CONSULTANT

##### **I. Administrative Structure**

The City of \_\_\_\_\_ is an incorporated city with a Mayor-Council form of government. The following persons will have lead responsibility for administering the City's FY\_\_\_\_ Community Development Block Grant (CDBG) housing rehabilitation and neighborhood revitalization project.

Mayor \_\_\_\_\_, as the City's chief elected official will have responsibility for all official contacts with the Montana Department of Commerce (MDOC) and will serve as the Environmental Certifying Officer. The Mayor and Town Council will have ultimate authority and responsibility for the management of project activities and expenditure of CDBG funds. The final approval of all contracts and drawdown requests will be the responsibility of the City Council. (Telephone \_\_\_\_\_)

\_\_\_\_\_, Clerk-Treasurer, as the City's chief financial officer, will be responsible for management of, and record keeping for, the CDBG funds and other funds involved in the financing of the water project. One-fourth of this position's time will be devoted to CDBG administration during the term of the project. (Telephone \_\_\_\_\_)

\_\_\_\_\_, Contracted Consultant, will be designated as Project Manager and will be responsible for overall project management and insuring compliance with applicable federal and state requirements for the CDBG project. The Project Manager will serve as the City's liaison with MDOC for the project and will serve as the Labor Standards Officer. (Telephone \_\_\_\_\_)

\_\_\_\_\_, City Attorney, as the City's legal counsel, will review and advise the Mayor and Council regarding any proposed contractual agreements associated with this MDOC/CDBG project and provide any other legal guidance as requested. (Telephone \_\_\_\_\_)

The Mayor and Clerk-Treasurer and the Consultant will the MDOC CDBG Administration Workshop (as required of all CDBG grant recipients).

##### **II. Project Management**

A. The Project Manager (contracted consultant) will be responsible for:

1. Preparing the Environmental Review Record (ERR) to assure full compliance with the National and Montana Environmental Policy Acts, completion of the statutory checklist, and any other applicable environmental requirements. The Project Manager will also be responsible for preparing any legal notices required to be published for the ERR

process and conducting any required public hearings or informational meetings.

2. Preparing a request for release of funds to MDOC (upon completion of the Environmental Review).
3. Developing a contract with DOC and assisting the City with all requirements related to effective project start-up and implementation.
4. Establishing and maintaining complete and accurate project files and preparing all documentation and reports incidental to administration of the grant.
5. Assuring compliance with applicable acquisition, civil rights, Section 504/ADA evaluation and labor standards requirements, including the preparation of an equal employment opportunity plan, an ADA compliance plan and a fair housing ordinance, which will be adopted by the City.
6. Reviewing all proposed project expenditures or requests for payment to ensure their propriety and proper allocation of expenditures to the CDBG budget.
7. In cooperation with the Clerk-Treasurer, processing payment requests and preparing drawdown requests to DOC, including the Request for Payment and Status of Funds Report and the Project Progress Report.
8. Preparing all required performance reports and closeout documents for submittal to DOC and assist the City with the selection of an independent auditor.
9. Attending City Council meetings to provide project status reports and representing the CDBG project at any other public meetings, as deemed necessary by the Mayor.
10. Under the supervision and with the assistance of local officials, administering and implementing the City's CDBG housing and neighborhood revitalization project, in accordance with all applicable state, federal, and local requirements, with responsibilities to include:
  - a. establishing, at the Consultant's expense, a local housing rehabilitation office, staffed full-time to provide complete housing rehabilitation services including:
    - assisting homeowners and landlords with applications;
    - screening applicants for eligibility;
    - inspecting homes for needed rehabilitation and making recommendations to the project advisory committee;
    - assisting applicants with loan applications and coordinating the loan review process with the borrower and the applicant;

- assisting recipients with contractor negotiations and bid awards;
  - preparation of contractor bid sheets; and
  - assuring title searches, credit reviews, and income verifications.
- b. in cooperation with the project advisory committee, developing a marketing strategy for the project to ensure a high level of participation by eligible households and performing public information activities, including preparation of newspaper advertisements and articles regarding the project; posters, and radio notices;
  - c. negotiating with private lenders and public agencies to stimulate additional housing investment in the project area;
  - d. coordinating services with other agencies, such as Montana Power, the area's HRDC, Senior Citizens Center, and the county health and public assistance/welfare departments, to achieve maximum impact upon the needs of low and moderate income households in the project area;
  - e. securing State Historic Preservation Office clearance for housing rehabilitation activities, as necessary, either by district designation or by a review of individual housing units;
  - f. providing technical assistance to the City for adoption of appropriate codes for the acquisition and/or demolition of unsafe and abandoned property;
  - g. conducting informational meetings for contractors and preparing lists of eligible contractors;
  - h. ensuring that proper inspections are performed, required permits are obtained, and lien waivers signed; and
  - i. serving as staff for meetings of the project advisory committee.
- B. The Mayor will appoint a five-member project advisory committee to assist the City with the implementation of the housing rehabilitation project. The committee's responsibilities will include:
1. assuring that the following certifications, plans, policies, and resolutions have been put in place:
    - Hatch Act Resolution;
    - Equal Employment Opportunity (EEO)/Nondiscrimination Policy;
    - Drug Free Workplace Policy;
    - Fair Housing Resolution; and

- Section 504 and ADA Compliance Procedures
  - ADA Transition Plan
2. assisting and providing guidance to the Project Manager relating to the implementation of the City's CDBG project;
  3. preparing terms for financial assistance including eligibility guidelines for LMI households, loan terms, interest rates, and policies on the deferral and/or forgiveness (as appropriate) of loan repayments; these policies will be adopted in final form by the City Council;
  4. reviewing applications for assistance and making recommendations on the form of assistance (loan, grant, loan/grant combination) to be provided;
  5. considering alternatives and recommending actions to be taken in the event of complaints, homeowner-contractor disputes, inadequacy of work quality, or other issues affecting the project;
  6. assisting in the marketing of the project to the low and moderate income residents of the project area; and
  7. recommending administrative policies for the project to the City Council, for its adoption.

### **III. Financial Management**

#### **A. The Clerk-Treasurer's responsibilities will be as follows:**

1. Establishing the CDBG bank account and transferring CDBG funds from that account to the town's treasury for disbursements, based on claims and supporting documents approved by the project manager, project engineer, and contractor. Since the City uses an interest bearing account for its general disbursements, a separate non-interest bearing account will be used for CDBG funds. Balances in that account will not exceed \$5,000 for a period of three days.
2. Entering all project transactions into the City's existing accounting system (BARS), and prepare checks/warrants for approved expenditures.
3. With the assistance of the Project Manager, preparing the Request for Payment and Status of Funds Reports to be submitted to MDOC. All drawdown requests will be signed by two of the three following persons: Mayor, Clerk-Treasurer, and Council President. No expenditures will be made without the approval of the Council at a regular meeting.
4. With the assistance of the Project Manager, preparing the final financial reports for project closeout.

#### **B. The Project Manager will review all proposed expenditures of CDBG funds and will prepare drawdown requests, which will be signed by the officials cited above. All**

disbursements will be handled in accordance with the City's established claim review procedures. Before submitting the claim to the Clerk-Treasurer, the Project Manager will attach a certification to each claim stating that the proposed expenditure is an eligible expense of the City's CDBG project and consistent with the project budget. The Council will review all claims before approving them.

- C. Financial record keeping will be done in conformance with the recommendations of MDOC's Community Development Division as described in Chapter 4 of the CDBG Administration Manual. The original financial documents (claims with all supporting material attached) will be retained in the City's offices.
- D. To ensure timely payment of housing rehabilitation contractors, an escrow account will be established. Withdrawals from the escrow can be made by the Clerk-Treasurer, in accordance with signed approvals by the Project Manager.
- E. Weekly timesheets will maintained by the Project Manager and the Clerk-Treasurer to document all time worked on the CDBG project.
- F. The City's housing and neighborhood revitalization project will generate some CDBG "Program Income" from loan repayments and the sale of the sites of unsafe, abandoned property acquired and demolished through the CDBG project. Any Program Income received from these sources will be deposited in the City's established community development fund for CDBG Program Income. Any Program Income received prior to project closeout will be used to assist additional LMI households with housing rehabilitation needs. The use of Program Income received after project closeout will be limited to those activities eligible under the CDBG program and will be determined at the discretion of the City Council.

A sample Project Implementation Schedule (also see Attachment A of the CDBG contract), which outlines the basic steps and timetable involved in the management of the project, can be found below.

### **SAMPLE PROJECT IMPLEMENTATION SCHEDULE** (Also see Attachment A of the CDBG contract)

#### KEY TO ABBREVIATIONS:

ERR	-	Environmental Review Record
MDOC	-	Montana Department of Commerce
RROF	-	Request for Release of Funds
SHPO	-	State Historic Preservation Office

#### **A. START-UP**

1.	Select Consultant (via RFP) to serve as Project Manager	Mayor, City Council	April	2008
2.	Attend MDOC Workshop	City representatives & Project Manager	May	2008
3.	Update Management Plan, Budget, & Schedule for the CDBG contract	City & Consultant	May	2008

4.	Establish Housing Project Files and Housing Policies and Procedures	Consultant Review by CDBG	June-July	2008
5.	Determine Audit Requirements	City	June	2008
6.	Set Schedule for Local Govt Audit	City	June	2008
7.	Complete ERR, consulting with CDBG and SHPO	Consultant	June	2008
6.	Secure MDOC Approval of RROF	Consultant	July	2008

## **B. IMPLEMENTATION**

1.	Start Acquisition Process for a multi-family housing unit to be acquired for rehab as LMI rental housing	Consultant & City	July	2008
2.	Hold LMI Residents Workshops and Rehab Contractor Workshops	Consultant	August	2008
3.	Start Housing Rehab Program	Consultant	Sept	2008
4.	Complete Acquisition (see #1)	Consultant & City	August	2008
5.	Site Bid (see #1, #4) & Award for Rehab. Award contract for rehab of multi-family unit(s)	City & Consultant	Sept	2008
6.	Rehab for Units 1-4 – Contract awarded	Consultant	Sept-Nov	2008
7.	Complete Rehab (items #1, #4, #5)	Consultant	Dec	2008
8.	Rent rehabilitated multi-family unit	Consultant	Dec	2008
9.	Rehab for Units 5-9 – Contract awarded	Consultant	Dec-Feb	2008-9
10.	Rehab for Units 10-14 –Contract awarded	Consultant	Mar-May	2009
11.	CDBG on-site monitoring/review (see Chapter 12, Exhibit 12-A)	CDBG Liaison	May	2009
12.	Rehab for Units 15-16 – Contract awarded	Consultant	June-Aug	2009

## **C. CLOSEOUT**

1.	Project Closeout Begins	Project Manager	Sept	2009
2.	Project Completion Report	Project Manager	Sept	2009
3.	Audits are conducted/reviewed	Project Manager & CDBG	Oct	2009

<sup>1</sup> Signed by Environmental Certifying Officer (see Chapter 2).