Amendment Citizen’s Participation Plan

(Changes in italics)

CITY OF BIDDEFORD

CITIZENS’ PARTICIPATION PLAN

Amendment: April 23, 2020

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
COMMUNITY DEVELOPMENT GRANT BLOCK PROGRAM
ENTITLEMENT PROGRAM

June 19th, 2018
Introduction

The City of Biddeford as a HUD CDBG Entitlement Community has adopted a Citizen Participation Plan to encourage the participation of all citizens in compliance with section 104(a)(3) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304 (A)(3)). This plan strongly encourages citizens to participate in the development of the Consolidated Plan (ConPlan), Consolidated Annual Performance and Evaluation Report (CAPER), Consolidated Annual Action Plan, the Assessment of Fair Housing and Plan, and any substantial amendments to any of the documents deemed necessary. A substantial amendment is described on page 5 of this document.

The principal focus of the Citizen Participation Plan is to create opportunities for participation by the citizenry in the planning, development, and implementation of the Consolidated Plan. A principal focus of the Citizen Participation Plan will be to provide formal and informal mechanisms, which will encourage and facilitate citizen input particularly from those persons of low and moderate income who are most likely to be affected by CDBG projects.
Citizens Advisory Committee

The Citizens Advisory Committee (CAC) will consist of seven members representing residents and/or property owners of low and moderate-income areas and/or persons representing organizations serving LMI persons, and then appointed by City Council. Representation will include low and moderate-income persons, including those living and/or owning property in areas potentially targeted for CDBG projects. In addition, the City of Biddeford will make whatever actions are appropriate to encourage the participation of representatives of underserved populations including minorities and non-English speaking persons, as well as persons with disabilities. Specific accommodations will be made for any participating citizen so as not to limit their involvement in the CAC. This could include assistance from the CDBG Coordinator, translation services, etc. The CAC may expand its membership to seven members at the beginning of the second year of the Consolidated Plan.

Under the direction of the City’s Director of Planning and Development, the CDBG Coordinator will direct and coordinate all activities of the CAC. The CDBG Coordinator will be tasked with being the contact point for various non-profits (including philanthropic organizations), public housing authorities, businesses, and residents of assisted housing developments, social services (including faith based organizations) and any population that would be eligible for CDBG funding. The CDBG Coordinator will be tasked with encouraging collaboration between various entities as the Consolidated Plan is developed. Subject to review and recommendation of the CAC, the City will present the Consolidated Plan, projects, substantial amendments and any other activities regarding the ConPlan to the City Manager for final approval by the City Council.

The CAC will provide comments and/or recommendations in areas such as the assessment of needs, reviewing potential projects, and conducting Public Hearings to keep the citizenry informed. The CAC will be tasked with reviewing the Consolidated Plan, Consolidated Annual Performance & Evaluation Report (CAPER), Consolidated Annual Action Plan and any substantial amendments to any of the foregoing documents prior to publication, public review and public hearings.

GENERAL PROCESS

Citizen Comment and Access to Information

**Citizen Participation Plan** – The City Council will adopt the Citizen Participation Plan after a Public Hearing is held and a public comment period of 15 days. A Citizen Participation Plan summary will be published in the local media and formatted upon request for non-English speaking persons or citizens with disabilities. An informational session regarding the Consolidated Plan, its process of development and types of projects CDBG funds will also be presented at this time.
Consolidated Plan, Consolidated Annual Performance & Evaluation Report (CAPER), Annual Action Plan, Assessment of Fair Housing and Plan, and Substantial Amendments – Prior to the publication and submission of any of these final draft documents, the City of Biddeford will hold a Public Hearing and conduct a 30-day comment period, except in the case of the CAPER, which will have a 15-day comment period.

Notification to Housing Authorities and Surrounding Communities

The City of Biddeford will notify and send its housing authority and surrounding communities an Executive Summary of the Consolidated Plan, Annual Action Plan, Citizens Participation Plan, and Assessment of Fair Housing and Plan, 30 days before it is adopted. A draft of the documents will be made available upon request 10 days prior to the Public Hearing in order to receive comments regarding the impact of the potential projects and plans on the surrounding communities, if any.

Information Access Strategy

The City of Biddeford will publish an Executive Summary of the Consolidated Plan, Annual Action Plan, and Assessment of Fair Housing and Plan 10 days prior to the Public Hearing. The summary will describe the contents and purpose of the plans, and a list of the locations where copies of the entire proposed plans may be examined. A number of free copies of the plans will be available upon request. Every reasonable means will be used to accommodate requests for copies in a format for non-English speaking persons and persons with disabilities. Copies of the plans will also be available at the City Hall and McArthur Library. The plans will include the amount of assistance that the City of Biddeford expects to receive (including grant funds and program income) and the range of activities that may be undertaken, including the estimated amount that will benefit persons of low-and-moderate income. The Assessment of Fair Housing and Plan posting will include the report compiled from the HUD Assessment Tool and the Plan with strategies to address the identified housing issues. In addition, every effort will be made to give additional access to the plans by placing them on the City’s website at www.biddefordmaine.org.

The same process will be implemented for the Consolidated Annual Performance & Evaluation Report, and all proposed substantial amendments. Access to records will be open and available upon request within 5 business days excepting information deemed confidential by the Department of Housing and Urban Development.

Public Hearings

Public Hearings will be held as part of the Citizen Participation process. A General Public Hearing will be held prior to the publication of the Consolidated Plan and Assessment of Fair Housing and Plan, to
obtain the views of citizens and to address housing and community development needs, development of proposed activities, proposed strategies and actions for the Consolidated Plan and AFFH and a review of program performance. A General Public Hearing will be held after publication of the draft Consolidated Plan and Assessment of Fair Housing and Plan, and followed by a thirty-day comment period.

A Public Hearing will be held prior to the submission of the Consolidated Annual Performance & Evaluation Report and Annual Action Plan. Additional public hearings will be held when substantial amendments are proposed to any documentation regarding the Consolidated Plan and related documents.

All notices of Public Hearings will be legal advertisements published in The Courier 10 days prior to the Public Hearing date. Notices will also be posted in the City Hall at the main office entry and the Clerk’s Office, and at the McArthur Library. The notice will also be posted on the City of Biddeford website at www.biddefordmaine.org. Copies of proposed documents will be available at the Biddeford Economic Development Office and at the McArthur Library. To encourage input and participation the CD Coordinator will coordinate with the Heart of Biddeford, a Main Street organization to reach out to the business community and through the CPPC to reach faith based and philanthropic organizations. The Public Hearings will be held at the City Hall in Council Chambers or at other appropriate locations that are convenient, ADA compliant and accessible to the public. Special accommodations for those with disabilities and/or language barriers upon request will be available to the extent possible by the City. To ensure those with disabilities and/or language barriers know of these accommodations, the CD Coordinator will reach out to the Seeds of Hope Neighborhood Center and Community Partners for Protecting Children who work with these populations and/or have access to interpreters and translation services. These entities will reach out to these populations to make them aware of services in order to encourage their participation. The same process will be implemented for any public meetings, hearings, or other forums seeking public input.

Public Comment

All comments received during any comment period will be taken into consideration by the City of Biddeford and the CAC. A summary of any comments or views not accepted in the AFH will be attached to the final Consolidated Plan, Action Plan, CAPER, and/or AFH.

Complaints

The City of Biddeford will respond to all complaints related to the Consolidated Plan, Action Plan, CAPER, and/or AFH Plan in writing within 15 working days from the time of receipt. Complaints may be written or oral and directed to the following office: CDBG Coordinator, City of Biddeford, 205 Main Street,
Biddeford, Maine 04005. The CDBG Coordinator shall be charged with responding to the complaint upon prior consultation with the Economic Development Director and City Manager.

Technical Assistance

Staff shall make reasonable efforts to provide technical assistance to groups representative of persons of low and moderate income that request such assistance in developing proposals for funding under any of the programs covered by the Consolidated Plan, Annual Action Plan, and/or needs identified in the Assessment of Fair Housing and Plan. The CDBG Coordinator will be tasked with providing a form and/or assistance to the individual or group requesting assistance. All proposals that qualify for CDBG funding will be considered by the CAC consistent with the guidelines and requirements governing CDBG.

Consolidated Plan and AFH Plan Amendments for Priorities, Projects, Activities and Funding Revisions

An amendment to the Consolidated Plan or AFH may be necessary for a variety of reasons including but not limited to: other funding becoming available to complete a project, another project of the same nature is deemed a better solution, changes in data that reflect the need to reconsider projects and/or priorities, and/or another project is deemed to have a higher priority. Also, programmatic or budget changes may occur including but not limited to the following: new activities, overrun/under-run situations, fund transfers, and/or reductions/increases in HUD Entitlement funding.

There will be 30 calendar days following an advertised and posted Public Hearing, to receive comments on the Consolidated Plan substantial amendment or any revisions to the AFH and before the Consolidated Plan substantial amendment or AFH revision is submitted to HUD for review. The Public Hearing and citizen input process will follow the same process as outlined in the Public Hearings section of this document. Only after review and approval by HUD will the Consolidated Plan Substantial Amendment or AFH revision be implemented.

A summary of citizen comments or views from the Public Hearing and 30-day comment period will be attached to the Substantial Amendment and/or revision when submitted to HUD. A summary of any comments or views not accepted and the reasons why, shall be attached to the Substantial Amendment and/or revision of the Con Plan or AFH and submitted to HUD for review.

The City of Biddeford defines amendments as either substantial or minor when proposing to amend its approved Consolidated Plan. The following defines substantial and minor amendment, as well as funding revisions, and the process to be implemented accordingly.

1. Amendments – Consolidated Plan, Annual Action Plan, and AFH
**Substantial Amendments are defined as follows:**

A. A substantial amendment is any change in the use of CDBG funds from one eligible activity to another. When it has been determined that a substantial change must be made to the Consolidated Plan, it will be published for review in at least one newspaper of general circulation and published on the City’s website. Citizens will have a 30-day period to submit written responses. A summary of these comments and a summary of any comments or views not accepted will be attached to the substantial amendment.

Upon completion of the substantial amendment process, the city shall notify HUD that an amendment has been made. A copy of the amendment will be provided to the HUD office for the jurisdiction and shall include a transmittal letter signed by an official representative of the city.

B. The City proposes to alter the location or beneficiaries of previously approved activities whose cost exceeds 25% of the fiscal year allocation for any one HUD Program.

C. The City proposes to alter the 5-year strategy within the Consolidated Plan, the Annual Action Plan, and/or AFH by adding a new priority, previously not considered, in order to undertake new activities that fiscal year, delete a priority, and/or change a priority in a way that would affect its implementation or funding.

D. In the event of a natural disaster or pandemic which a state of emergency has been declared by the Mayor, Governor and/or President of the United States any unexpended CDBG funds is subject to being redirected for the immediate response and/or recovery of the declared emergency. Existing contracts are subject to reduction and amending. CDBG funds will be used in a manner that addresses the immediate needs of the community as deemed appropriate by the Director of Planning and Development in conjunction with the City Manager and/or Mayor. Adjustments in comment period and hearing notices will be made consistent with HUD guidance.

Since the City of Biddeford has developed a five-year Consolidated Plan, Annual Action Plan and AFH with defined activities targeted for funding and program implementation, flexibility is needed in order to accommodate activities in coordination with such things as construction schedules, other funding, changes in data, and/or the addition of other activities that could be encompassed in the priorities as stated by the Consolidated Plan, Annual Action Plan, or AFH.

2. **Minor Amendments – Consolidated Plan, Annual Action Plan and AFH**

A. A minor amendment will be considered that does not change the funding allotment for the activity or program but provides clarifying context or corrects scrivener’s errors. A minor amendment may all include the results of a financial reconciliation completed by the City and accurately aligns financial records with the CDBG grant-based accounting in the administration of eligible programs and activities.
B. In a minor amendment situation, the CAC will review and recommend the action to City Manager through the Director of Planning and Development.

C. In a minor amendment situation, no Public Hearing will be required.

Redirected CDBG funds will be subject to a substantial amendment; however, a minor amendment to align the current or past Annual Action Plan shall occur using any means available to fulfill a 15 day public comment and advertisement including but not limited to posting of the City of Biddeford’s main web page and that of the Department and posting of flyers in public buildings.

3. Adjustments to comment period, hearing notices, and contract changes.

In the event of a natural disaster or pandemic which a state of emergency has been declared by the Mayor, Governor and/or President of the United States any unexpended CDBG funds is subject to being redirected for the immediate response and/or recovery of the declared emergency. Existing contracts are subject to reduction and amending. CDBG funds will be used in a manner that addresses the immediate needs of the community as deemed appropriate by the Director of Planning and Development in conjunction with the City Manager and/or Mayor. Adjustments in comment period and hearing notices will be made consistent with HUD guidance.

Anti-Displacement Policy

Assistance will be provided if persons should be displaced by any of the City of Biddeford’s CDBG funded projects. Households will receive appropriate notices and other advisory services to assure they are fully informed of their rights, make informed decisions, and receive referrals to appropriate services that may be needed.

Replacement housing including the offer of a comparable replacement dwelling and if necessary, financial assistance to make the unit affordable, will be provided if such a displacement should occur during the implementation of the Consolidated Plan and Annual Action Plan. Every effort will be made to provide financial assistance in the form of a Replacement Housing Payment or tenant-based assistance, such as Section 8 Certificate vouchers. In addition, displaced persons will receive assistance in the form of moving and related expenses to help cover costs of the move. The City of Biddeford in compliance with the Department of Housing and Urban Development CDBG Program will review each situation on a case-by-case basis. The City of Biddeford will provide displaced persons/businesses with all the benefits and assistance prescribed pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970.
Specific Requirements for the Assessment of Fair Housing and Plan Development

1. Additional Consultations

   A. 91.100 (a)(1) and (5), and 91.100 (c)(1)-(3)

   Housing Organizations

   The City and CAC will seek consultations with the state Continuum of Care and by conducting a survey of nonprofit housing organizations that provide housing to Biddeford residents and conduct up to three meetings to discuss the data received and provide an open forum for AFH issues, strategies and goals.

   Public and Private Affordable Housing Owners and Developers

   The City and CAC will seek consultations by conducting a survey and seeking input through a meeting with the following public and private affordable housing owners/developers and management corporations that manage/develop housing for Biddeford residents and regionally. The Heart of Biddeford, a Main Street organization will reach out to the business community to participate. Up to three follow up meetings to discuss the data received and provide an open forum for AFH issues, strategies and goals may be scheduled.

   Government

   The City and CAC will seek consultations by conducting a survey of government entities within and adjacent to Biddeford to receive input regarding problems and solutions that are not only Biddeford specific but regional issues pertaining to the AFH. Up to three meetings will be held to discuss the data received and provide an open forum for AFH issues, strategies and goals.

   Social Service Providers

   The City and CAC will seek consultations by conducting a survey of the following social service providers in Biddeford to receive input regarding problems and solutions that are not only Biddeford specific but regional issues pertaining to the AFH. Up to three meetings will be held to discuss the data received and
provide an open forum for AFH issues, strategies and goals. The City will begin with the largest network of social service providers available and outreach to social service organizations and faith based organizations that provide health services and social services to children, elderly persons, persons with disabilities, persons with HIV/AIDS and their families, homeless persons, and other protected populations. They will provide links for the survey and input from the nonprofits that are part of their organizational network.

**Housing Enforcement Agencies**

The City and CAC will seek consultations by conducting a survey of the following housing enforcement agencies in Biddeford and regionally to receive input regarding problems and solutions that are not only Biddeford specific but regional issues pertaining to the AFH. These agencies provide legal, protection, code, and other forms of enforcement services and assistance to public housing residents and protected populations. Up to two meetings will be held to discuss the data received and provide an open forum for AFH issues, strategies and goals.

2. **Direct Citizen Participation**

   A. 91.105(a)(1) and (a)(2)(i) through (iii)

The City and CAC will seek input for the AFH by conducting a survey and holding meetings in a multi faceted approach as follows to ensure outreach directly to citizens.

- 1 meeting each with Focus Groups held in two neighborhoods where housing rehabilitation and neighborhood revitalization is targeted, to conduct the AFH survey and receive input as to issues, strategies, and goals for Biddeford’s AFH.
- 1 outreach effort to organizations/sites that work with “food security” issues.
- Coordination with social events (10) held at public housing sites of 40 or more units in order to conduct surveys with tenants and take input from residents
- 3 outreach meetings with the largest social service network who coordinates the social service network in Biddeford and regionally, to conduct the survey and receive input for the AFH from smaller direct service nonprofits. From the smaller nonprofits the City will receive information on where and how to contact ethnic groups and minorities for their input.
- One potluck supper and/or desert social for all Biddeford citizens to understand the AFH, fill out a survey (assistance will be provided), and give input as to the issues, strategies and goals for the Biddeford AFH.
• Citizens needing interpretive assistance of any kind will be provided upon request to the Community Development Coordinator’s Office for all meetings and public hearings.

3. Development of the AFH

A. 91.105(b)

The development of the AFH, document availability, review and comment period, public hearings, and final approval, will follow the same process as the Consolidated Plan process as stated in the GENERAL PROCESS portion of this document. However, in the case of the AFH, the draft document will have additional review through the following list of meetings which will also be advertised through public bulletin board postings, email, public access television, local newspaper (ten days in advance), and on the City’s website. All meetings and public hearings will be held in ADA compliant locations and interpretive services for those with language or special needs will be accommodated to the extent possible by request to the City. Drafts of the AFH documents will be made available free upon request to the City and posted on the City’s website, placed at the library and Community Center, and available at the Economic and Community Development Office at City Hall. Documents in forms accessible to persons with disabilities or limited English proficiency will be made available to the extent possible upon request to the City.

A meeting will be held prior to the public hearing with the consulting organizations including the Housing Organizations, Public and Private Affordable Housing Owners and Developers, Government Entities, Housing Enforcement Agencies, and Social Service Providers in Council Chambers at City Hall for a presentation of the draft AFH and to receive any input or comments.

A second meeting will be held out in the community prior to the public hearing for the smaller direct social service nonprofit organizations, faith based organizations and citizens, for a presentation of the draft AFH and to receive any comments.

After the public hearing and during the 30-day comment period, comments and input received will be incorporated into the AFH as alternative options and a second public hearing held to review input and comments received and implement any final changes or inclusions/deletions. A summary of any comments or views not accepted in the AFH will be attached to the final Plan. The final draft of the AFH will be presented to Council for approval and submission to HUD.
Substantial Amendment – Biddeford 5 year Consolidated Plan

Insert into the Plan the following:

HUD OBJECTIVE – CREATING ECONOMIC OPPORTUNITIES

Outcome – Improving sustainability by promoting economically viable communities

Objective 2 - Increase business attraction opportunities to promote low and moderate income job creation and retention in the downtown and mill district area.

Actions:

1. Provide grant assistance to businesses through a Business Assistance Program. The business assistance program will provide funds for the creation or retention of jobs, while furthering the development of small businesses in the downtown and mill district area.

2. Provide grants for projects that increase the economic viability of the downtown by furthering the creative economy.

3. Implement sustainable energy related projects in the downtown.
Substantial Amendment Year 2019 Action Plan

Insert into the Year 2019 Action Plan:

(1) Priorities:

**ECONOMIC DEVELOPMENT**

*New Objective – To provide job retention during the pandemic emergency*

*Actions: Provide a direct grant program to small businesses in the downtown and mill district to assist in payroll support, rent, or other operational costs. This project may be continuing from prior year emergency funding*

(2) **PROJECT 7 CDBG-CV BIDDEFORD JOB RETENTION PROGRAM**

The City was allocated up to $250,000 in emergency CDBG funds as a result of the Coronavirus. The City has determined that the best use of these funds is to serve small businesses that do not have funding alternatives. The program will focus on individual businesses that are having difficulty getting assistance or do not qualify for other assistance programs.

### CDBG ASSISTANCE

<table>
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<tr>
<th><strong>Job Retention Guaranteed Grants</strong></th>
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<tr>
<td><strong>Timing</strong></td>
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<td><strong>Funding Source:</strong></td>
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<td><strong>Eligible Uses</strong></td>
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<td><strong>Assistance Type:</strong></td>
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<td><strong>Maximum Assistance</strong></td>
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| Eligible Applicants: | • Legitimate businesses as evidenced by business license, if applicable, Taxpayer Identification Number (TIN), Employer Identification Number (EIN), Letter of Intent as filed with Biddeford Code Enforcement Office, or other, please specify  
• Preference is for Businesses not receiving PPP and EIDL served by CARES Act Program or other Covid-19 related business relief programs  
• Very small business  o Sole Proprietorship, LLC or micro-enterprise of 5 or less employees  o < 20 employees, full or part time  o One year’s payroll record or like evidence  o at least one worker/job must earn less than 80% Area Median Income (AMI).  
• Businesses that have a physical commercial establishment within census tracks 252.01 and 252.02 especially along Main Street or in the Mill District. Home-based businesses are ineligible.  
• Business owners that are low to moderate income |
| Unmet Need: | The crisis “But For” CDBG-CV grant, Applicant would lay off workers; if that activity already occurred (furlough or lay off), funds may be used to re-hire same workers |
| Term | 8 weeks with end of Grant Report on Business Survival and recovery activity and jobs retained |
| Repayment: | None. If any fraud and/or abuse, repayment required; no duplication of payments from federal resources |
| Interest Rate: | None |
| Disbursement: | Payroll: 8 weeks’ payment based on payroll expenses averaged over previous 6 months. Payment with copy of purchase order or invoice. Rent may be paid directly to vendor |
| Guarantee: | 100% guarantee from all owners with 25% or more ownership share in the business; Guarantee released with successful completion and final report of activities during 8 week period |
CITY OF BIDDEFORD, MAINE

Year 3 Action Plan

July 1, 2020 – July 30, 2021

U.S DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
COMMUNITY DEVELOPMENT BLOCK GRANT
ENTITLEMENT PROGRAM
The City’s Entitlement Mission Statement is as follows:

“To create a Strategic Plan for the next five years that continues to enhance the community and economic development of the City of Biddeford through targeted public facility and infrastructure improvements, social services, housing, economic development projects, and activities that benefit residents, including low to moderate income persons and special needs population groups.”

Objectives and Outcomes

The following are the priorities, objectives and outcomes from the Consolidated 5 Year Plan that began on July 1st, 2018 appropriate to the Year 3 Action Plan (to begin on July 1st, 2020). The priorities also take into account issues remaining as a result of the COVID pandemic crisis:

INFRASTRUCTURE

Priority 1. To eliminate slum and blight in the downtown area through infrastructure and public facilities improvements that benefit LMI neighborhoods.

Actions: Implement sidewalk and other street improvements, ADA projects and beautification projects in LMI neighborhoods for safe and adequate access to services and facilities.

ECONOMIC DEVELOPMENT

New Objective – To provide job retention during the pandemic emergency

Actions: Provide a direct grant program to small businesses in the downtown and mill district to assist in payroll support, rent, or other operational costs. This project may be continuing from prior year emergency funding.

HOUSING

Priority 2 - To provide a strategy to meet the increasing need for transitional to affordable and supportive housing.

Objective 2 - Preserve and upgrade the City’s housing stock serving low to moderate income persons.

Actions: 1. Consider establishment of low interest loan programs to help
finance the rehabilitation of the City's downtown housing stock.

2. Consider acquisition and demolition of blighted properties for construction of new housing when applicable.

3. Provide funding to low to moderate income homeowners for improvements comprised of energy conservation.

4. Consider establishment of low interest loan programs to help finance the rehabilitation of the City’s downtown housing stock.

5. Undertake a systematic and concentrated program of code enforcement to ensure life safety standards are met and to prevent blighting influences on neighborhoods.

6. Encourage participation by landlords in the Biddeford Landlords Association and encourage partnerships that provide resources for landlords and tenants.

Objective 3 - Increase opportunities for homeownership for low and moderate income persons.

Actions:  
1. Consider a partnership with other public/private organizations to pool resources to help finance home ownership, e.g. down payments, loan assistance, mortgage interest rate write-downs, and other financing mechanisms.

SOCIAL SERVICES

Priority 3 - Provide educational and work opportunities for homeless and low to moderate income persons, and special needs populations that provide avenues to obtain jobs and/or better paying work opportunities.

Objective 1 - Increase the economic prosperity of homeless and low to moderate income persons, and special needs populations by providing work opportunities and partnerships that provide housing and housing services.

Actions:  
1. Provide opportunities for homeless and low to moderate income persons, and special needs populations to participate in work force preparedness and financial management programs that enhance their ability to have access to affordable housing.

2. Provide child care and youth programs that increase the opportunity for homeless and low to moderate income persons, and special needs populations to attend educational and training programs, while providing enrichment programs for youths of all ages.
3. Link local programs to secondary education and training that would be the "next step" for low to moderate income persons, homeless and special needs populations, and implement training and educational programs for these populations.

**Priority 4** - Implement strategies to aid the elderly and special needs populations with access to information and services to increase health and safety and reduce reliance on the City's overburdened Health and Welfare Department that can only provide minimal assistance.

**Objective 1** - Improve the health and safety of the elderly and special needs populations.

**Actions:**
1. Provide and coordinate programs that outreach to the elderly and enable the elderly to access assistance that enhances their quality of life.

**Priority 5** - To reinforce and strengthen the emergency shelter and transitional housing system that is already in place which includes housing, counseling, education and a wide variety of homeless, special needs and LMI assistance.

**Objective 1** - Assist and work with the City's Health and Welfare Department, volunteer organizations and agencies to seek collaborative efforts to assist homeless, low to moderate income and special needs populations in Biddeford.

**Actions:**
1. Encourage network meetings of area resources and services.
2. Strengthen individual neighborhoods through outreach efforts, including meetings, events, and planning strategies.

**Year 3 Projects**

**Summary:**

- Sidewalks: Construction/reconstruction of sidewalks, possible ADA improvements and associated utilities in the eligible area of South Street $256,000 (27%) .
- 2-4 Unit Housing Rehabilitation Program: With carryover, the City will have available A minimum of $536,000 for the rehabilitation of owner occupied 2-4 unit Structures (38%).
- Public Services: Services are targeted to LMI citywide citizens through Meals on Wheels and through two hub centers: Seeds of Hope and 43 Sullivan Street via direct program delivery, to adults and families with children respectively. Funding is $70,384 (15%) for implementation of new and existing services.
- Administration is funded at $93,846 (20%).

Approximately 80% of the total funds will go to benefit LMI citizens.

The budget is based on $469,231 that has been allocated by HUD for Year 3 plus carryover from
the previous year to capitalize the housing program.

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<tr>
<td></td>
<td>Program-No carryover</td>
<td>Program with Carryover</td>
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<tr>
<td>INFRASTRUCTURE</td>
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<td>HOUSING</td>
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<td>SOCIAL SERVICES</td>
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The total carryover of funds from Year 2 will be approximately $487,576. All other funded activities are expected to be expended at this time. Year 2 is the current project year from July 1st, 2019 to June 30th, 2020.

Programs in Detail

**Project Title: Sidewalk/ Lighting Improvements**
**Timeline: July 1, 2020 to June 30th, 2021**
**Cost: $256,000**
**Benefit: 1,000+-feet**

The City of Biddeford will complete its downtown CDBG sidewalk efforts at South Street. The following will be accomplished:

a. Sidewalks on south side from Crescent to Elm Street, approx. 480’
b. Sidewalks on South street north side from Kossuth Street to Elm Street, approx..680’
c. 100’ up side streets along route

**Project Title: Owner Occupied 2-4 Unit Multi Family Housing Rehabilitation Program**
**Timeline: July 1, 2020 to June 30th, 2021**
**Cost: $536,577**
as well as any unallocated funding
**Numbers To Be Served/Benefit: 15 housing units**
The Year 3 Action Plan introduces a housing rehabilitation program for Owner Occupied 2 to 4 unit multifamily housing benefiting low to moderate income families in downtown census tract areas identified as low to moderate income. Biddeford has high rates of rental housing (70% of the housing stock) and poverty in this core entitlement area. Of Biddeford’s housing stock, 32% are comprised of three or four units. In the target area, Fifty four percent of the rental housing stock is comprised of 2-4 unit structures; 333 are owner occupied structures. The low and moderate-income owners of 2-4 units struggle to maintain these older homes: 21% (961) of these housing structures are in fair or poor condition. These same structures, given age, likely have some health and safety issues. For example, lead paint is in most homes in the target area given age that range from 80 to 140 years in age. Biddeford is also experiencing unprecedented growth in the demand and cost of rental housing. These two factors, safety and market, are making it harder for those at the lower end of the housing spectrum to find safe, affordable housing.

The City plans to rehabilitate approximately 5 housing structures for a total of 15 units, and repeat the program the following year. In each rehabilitated building, 51% of the units must be for residents who are below 80% of the low to moderate income family threshold. Housing affordability will be enforced for a maximum of ten years. Each unit will be eligible for funding of up to $50,000 per unit. The level of investment will be determined on a case by case basis, as the community determines whether repair or rehabilitation is appropriate. This program will be linked to a larger housing investment program that includes HUD lead paint funds and housing rehabilitation resources from Maine Housing. All housing units will, at a minimum, meet the safety requirements of the Code Enforcement Office and HUD.

**Community Development-Services**

**Project Title:** Southern Maine Agency on Aging – Meals on Wheels  
**Timeline:** July 1, 2020 to June 30th, 2021  
**Cost:** $17,000  
**Inkind Commitment** $50,031  
**Numbers To Be Served/Benefit:** 75

The Southern Maine Agency on Aging’s Meals on Wheels program provides nutritious meals to homebound, older and disabled adults living in Biddeford. In addition to a nutritious meal, Meals on Wheels provides valuable socialization and safety checks for participants. Meals on Wheels has become an important factor in addressing hunger among older people. This program seeks to serve 8,200 meals to 75 homebound senior residents of Biddeford in Year 3.

The Meals on Wheels Program will provide the following services:

1. Receive referral (either a self-referral, from a physician, neighbor, hospital discharge, family member, friend, etc.).
2. Conduct a phone assessment to determine preliminary program eligibility and begin delivery of meals within 10 days of referral unless there is a wait list.
3. Conduct thorough, in-home assessment to further verify program eligibility, and to identify other social service needs such as caregiving stress, falls, financial exploitation, home health assistance, Medicare and insurance questions, heat and utility costs.
4. Client works with SMAA’s Information and Resources staff to pursue programs and services to address additional needs/challenges.
5. If eligibility for the program is confirmed during in-home assessment, continue delivering up to five meals a week during two weekly deliveries.
6. Manage Meals on Wheels wait list based on “degree of need criteria” imposed by Maine’s Office of Aging and Disability Services. Ensure no client spends more than 30 days on wait list (SMAA, Self-enforced rule).
7. Conduct a re-assessment over the phone after 6 months to confirm continued eligibility, and to identify any changing needs of the clients.
8. Conduct thorough, in-home expanded assessment every 12 months of being enrolled in the program.

The City of Biddeford provides space at the Community Center for this service.

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**Project Title: Neighborhood HUB Program**
**Timeline:** July 1, 2020 to June 30th, 2021
**Cost:** $31,784
**Inkind Commitment:** TBD
**Numbers To Be Served/Benefit:** 25

The City is focusing its social service efforts in two neighborhood HUBs or centers to anchor its eight neighborhood network called “My Neighborhood Network”. APEX Youth Connection (formerly the Community Bicycle Center) will direct the Canopy Park Resource Center, called the HUB, at 46 Sullivan Street, in the LMI Bacon Street Neighborhood in Census tract 252-02. APEX and program staff will be available to assist neighborhood residents with access to services and programs, and engage residents in community events and provide direct services to families with children. APEX will work with established neighborhood networks to provide some or all of the following:

- early childhood programs
- Corona Virus educational activity packages for youth/families
- Lead paint prevention and education programs
- Develop partnerships and relationships in the immigrant and refugee community.
- Parenting programs
- Programs for traumatized immigrant and refugee youth
- Youths can participate in the Build a Bike Program, Kids Bike Factor Program, Daily Drop In, Bike Doctor Program, and/or the APEX Cycling Team.
- Academic assistance, bike repair technology training and other recreation programs, and
- A summer meal

APEX will coordinate the HUB at 46 Sullivan Street including intake of all programs income surveys to substantiate benefit. This activity is projected to serve 20 LMI families in the
neighborhood (and beyond) as staff time and others as resources permit.

**Project Title:** Seeds of Hope - Seeds of Hope Warming Center  
**Timeline:** July 1, 2020 to June 30th, 2021  
**Cost:** $21,600  
**Inkind Commitment:** $46,000  
**Numbers To Be Served/Benefit:** 20 individuals for 60 nights

The Seeds of Hope Neighborhood Center on South Street serves as the City’s second HUB. Focusing primarily on homeless and very low income adults, the Center offers a number of services and resources including:

- a Career Resource Center for those seeking computer literacy skills, apply for jobs, and/or gain workforce skills.
- Breakfast and warm soup and lunch options, with a special focus on lunches during the pandemic crisis.
- Evening Warming Center

Biddeford continues to see an increasing level of homeless in the city. Those seeking Seeds assistance are estimated to be 20 people living outside and 20 couch surfing. Seeds now operates a Warming Center in the evenings during extreme winter weather. Seeds of Hope will generally provide the following:

1. Coordinate and provide intake of those seeking to get out of the winter weather at the Warming Center. That those living outside have the opportunity, between December 1, 2020 and March 30, 2021, to be inside during the overnight hours when designated weather predictions are in place, ensuring their safety from extreme, possibly life-threatening conditions.
2. Health screenings by public health professionals and snacks, clothing, etc.
3. Hire a team of 2-3 rotating contract staff persons who can rotate coverage depending on weather predictions and hire appropriate security.
4. Recruit and train community volunteers to support the paid staff in operating the overnight program.
5. Coordinate statistical review of police, fire/EMS and Emergency room data to evaluate impact of maintaining this program.
6. While continuing to provide meals at breakfast and lunch, a special focus will be on lunch bags being served to those in need during the pandemic crisis.

**Administration**  
**Timeline:** July 1, 2020 to June 30th, 2021  
**Cost:** $93,846

**Contingency Provision**
If necessary, the City of Biddeford will adjust the proposed allocations according to the percentages stated within the Consolidated Plan, Year 3 Action Plan and any additional emergency allocations related to the pandemic crisis.
Biddeford Job Retention Grants

Program Overview.

The City of Biddeford proposes to use the Department of Housing and Urban Development Community Development Block Grant (CDBG)-funded Job Retention Grant for Working Capital to help smaller Main Street and Mill District businesses retain jobs and prevent homelessness in the midst of the coronavirus crisis. This program will provide funding to small businesses for at least 90 days so they can retain workers and survive the crisis. Small Business Administration (SBA) and related amortizing loans may be helpful for long term recovery. However, the City has discovered that, through public sessions and surveys distributed in the community that a number of businesses are falling through the cracks:

- Many local, small businesses do not necessarily align with the SBA related programs
- Many local, small businesses have no relationship with the SBA
- Many, local small businesses, particularly start-ups, may not actually have financed their projects through lending institution, but instead self-financed.
- Sole proprietors, or gig workers, are prevalent in the Maine Street mix, and that:
  - A flexible grant guarantee will have a more direct impact to help small businesses retain jobs, survive the crisis, and help alleviate homelessness.

The City was allocated up to $250,000 in emergency CDBG funds as a result of the Coronavirus. The City has determined that the best use of these funds is to serve small businesses that do not have funding alternatives. The program will focus on individual businesses that are having difficulty getting assistance or do not qualify for other assistance programs.

Program Requirements.

The program is designed to meet basic statutory requirements of the CDBG program while being flexible enough to deliver a program quickly and efficiently during this coronavirus crisis. The standards will focus on small businesses, require a statement of need for the assistance, and require at least one year of payroll documentation to substantiate the need, and require an income statement. The program is as follows:

<table>
<thead>
<tr>
<th>CDBG ASSISTANCE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job Retention Guaranteed Grants</strong></td>
</tr>
<tr>
<td>Timing</td>
</tr>
</tbody>
</table>


<table>
<thead>
<tr>
<th>Funding Source:</th>
<th>Emergency allocations of CDBG-CV and other locally generated matching funds, to be determined.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible Uses</td>
<td>Working Capital for: Payroll, Rent and Permissible Operating Expenses No real estate and no fixed equipment</td>
</tr>
<tr>
<td>Assistance Type:</td>
<td>Grant guarantee for repayment if evidence of fraud, waste and/or violation of program is found and/or program rules is identified; duplication of funds received as part of the Cares Act shall be avoided</td>
</tr>
<tr>
<td>Maximum Assistance</td>
<td>Up to $12,500 grant to start; Grant Amount determined by unmet working capital need to keep current staff employed for 8 weeks (Current Assets less Current Liabilities); assistance can include hiring workers back that were laid off prior to this grant being announced</td>
</tr>
<tr>
<td>Eligible Applicants:</td>
<td>• Legitimate businesses as evidenced by business license, if applicable, Taxpayer Identification Number (TIN), Employer Identification Number (EIN), Letter of Intent as filed with Biddeford Code Enforcement Office, or other, please specify • Preference is for Businesses not receiving PPP and EIDL served by CARES Act Program or other Covid-19 related business relief programs • Very small business   o Sole Proprietorship, LLC or micro-enterprise of 5 or less employees o &lt; 20 employees, full or part time o One year’s payroll record or like evidence o at least one worker/job must earn less than 80% Area Median Income (AMI). • Businesses that have a physical commercial establishment within census tracks 252.01 and 252.02 especially along Main Street or in the Mill District. Home-based businesses are ineligible. • Business owners that are low to moderate income</td>
</tr>
<tr>
<td>Unmet Need:</td>
<td>The crisis “But For” CDBG-CV grant, Applicant would lay off workers; if that activity already occurred (furlough or lay off), funds may be used to re-hire same workers</td>
</tr>
<tr>
<td>Term</td>
<td>8 weeks with end of Grant Report on Business Survival and recovery activity and jobs retained</td>
</tr>
<tr>
<td>Repayment:</td>
<td>None. If any fraud and/or abuse, repayment required; no duplication of payments from federal resources</td>
</tr>
<tr>
<td>Interest Rate:</td>
<td>None</td>
</tr>
<tr>
<td>Disbursement:</td>
<td>Payroll: 8 weeks’ advance payment based on payroll expenses averaged over previous 6 months. Advance payment with copy of purchase order or invoice. Rent may be paid directly to v</td>
</tr>
<tr>
<td>Guarantee:</td>
<td>100% guarantee from all owners with 25% or more ownership share in the business</td>
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</tbody>
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# CDBG COMPLIANCE CONSIDERATIONS

<table>
<thead>
<tr>
<th><strong>Job Retention Grants</strong></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity Type</strong></td>
<td>Assistance to Businesses, including Special Economic Development Assistance to for profit micro-enterprise program for those under 5 employees, or businesses between 5 and 20 employees The program meets the HUD CDBG National Objective: “Activities Benefiting L/M Income Persons.” Eligible Activity: LMJ, LMA, Urgent Need</td>
</tr>
<tr>
<td><strong>CDBG Matrix Code</strong></td>
<td>18A: Economic Development Direct Financial Assistance to For-Profit Business, 24 CFR 570.203(b) or 42 USC 5305(a)(17)</td>
</tr>
</tbody>
</table>
| **National Objective** | Low/Mod Income Job Creation and Retention and Urgent Need, 24 CFR 570.208(a)(4)  
• Activities undertaken to retain permanent jobs, at least one job will be held by low/mod income persons. |
| **Job Retention Monitoring** | CDBG-CV standard of verification of Low to Moderate income job based on the wage and/or salary and family size or individual as evidence by a paystub or tax return, as applicable. Coronavirus crisis serves as the basis for disruption of business revenue and threat of job loss. Business must submit statement of business disruption and/or revenue loss and how CDBG assistance will be used to retain employment of existing staff. |
| **Available Funds** | Total funds available of $250,000; grants up to $12,500 to start |
| **Action Plan Amendment** | Based on criteria set in Citizen Participation Plan HUD Expedited Review and Approval |
| **Public Comment:** | 5-day Public Comment Period; Virtual Public Hearing via Web Meeting |
| **ERR** | Categorically Excluded |
| **Davis Bacon** | Not Applicable, no construction |
| **Funding:** | Direct Electronic Funds payment from IDIS to grantee to Business Beneficiary |
| **Monitoring:** | Business must submit end of grant update report on business stabilization and recovery progress and jobs retained, standard reporting form to be provided. |

Grant Procedure. The City will provide an electronic application, which will stipulate the requirements of a completed application. Applications will be taken on a first serve, case by case basis. After applications are reviewed for completeness with the program as described above, they will be submitted for underwriting review to the Southern Maine Finance Agency and to the Biddeford Citizen’s Advisory
Committee (CAC) on a weekly basis for their recommendation until the funds are expended. The CAC shall forward all recommendations directly to the City Council for their approval.

Monitoring. At the end of the 8-week period, the recipient shall provide a report on the ways in which financial assistance was expended including the identification of those individuals that were maintained on payroll or re-hired after initially being laid off. A standard report profile will be provide
I. Program Overview

The City of Biddeford’s Planning and Development Department (PDD) offers a Owner Occupied 2-4 Unit Multi Family Housing Rehabilitation Program interested in making improvements to their properties to create safe, affordable, decent housing for low-income residents. The Program, its possible funding sources, and criteria are described below.

CDCBG funding is the most flexible federal funding resource available to the City and works well with other federal funds such as lead hazard control and Maine State Housing funding. The City intends to maximize the amount of funding available for rehabilitation of properties by blending funding available from these additional sources when they become available.

II. Funding Authorization

The City of Biddeford (City) is an entitlement grantee that receives an annual allocation of Community Development Block Grant (CDCBG) funding through the U.S. Department of Housing and Urban Development (HUD). This funding is administered by the City’s Planning and Development Department. The funding the City utilizes for its housing program is from the federal government and has programmatic requirements that must be satisfied in order to be funded by the City. Those requirements are addressed in a later section.

The City completed a HUD approved consolidated planning process and established funding priorities to funding rehabilitation of housing in its 2018-2023 Consolidated Plan. Each year the City, utilizing its Citizen Participation Process, determines its funding priorities in its Annual Action Plan. The average amount of funding identified annually to accomplish its housing rehabilitation goals is approximately $116,940.

III. Program Goals

The goals of the Multi Family rehabilitation Programs is to:

- Leverage private investment;
- Improve the quality of housing;
- Create affordable and sustainable housing;
- Create safe, stable and healthy housing; and
- Encourage investment in neighborhoods which will enhance the appearance of the City

IV. Target Geography
Funding will be concentrated in the following areas:

1. The first priority is in Census Tracts 252-01 and 252-02 for owner-occupied properties of 2 to 4 units that qualify.
2. The second priority is City-wide for owner-occupied properties of 2 to 4 units that qualify.
3. The third priority is nonprofit residential and properties that are not owner occupied that qualify City-wide.

**Housing Rehabilitation Deferred Forgivable Loan Program**

**Purpose:** To rehabilitate owner-occupied 2-4 unit properties to improve the health, safety, and livability of the property.

**Eligible Activities:** Improvements that are of a necessary and permanent nature, but not of a luxury nature, including, but not limited to: structural, energy, lead-hazard control, accessibility, repair of major housing building systems, non-living space limited to demolition, structural, attached garage roof, and weather-related improvements.

**Ineligible Activities:** New construction, paving, fencing, or appliances. Any work started prior to approval of the funding from the City.

**Property Eligibility:** Properties located in Biddeford (see map for first priority area). After the first priority area applicants are considered the program will be open to applicants Citywide. The property must be owner-occupied 2-4 unit properties.

**Applicant Eligibility:** The applicant must have proof of ownership of the building; must be current on all City assessments; and qualify under the City’s underwriting guidelines for a deferred forgivable loan. The property owner may not be elected or appointed to office in the City of Biddeford. Applicants in the first priority area will be considered first and then those applicants Citywide will be considered for funding.

1. **Owner-occupied properties:** The owner’s income must be at or below 80% of Median Family Income (MFI) for a two-unit property, as well as the 2nd rental unit. For owner-occupied multi-family properties of 3+ units 51% of the rental units in the property must be occupied by low-moderate income residents.

**Affordability Requirements:** Applicants must rent the required number of units to low-moderate income residents for a period of ten years. The rents are considered affordable when they are at or below the HUD established Fair Market Rents as adjusted by a utility allowance for tenant paid utilities. The FMR is published annually by HUD. The City uses the utility allowance schedule established by the Biddeford Housing Authority. If the tenant is receiving assistance under the Section 8 Housing Choice Voucher Program, the unit automatically qualifies as affordable under these guidelines.
Financing Terms:

A Deferred Forgivable Loan will be issued to the awarded property owner at 0% interest for 10 years, forgiven in increments of 10% each year that the owner occupies the dwelling. If the owner no longer occupies or sells the property prior to the 10-year timeframe, the balance must be paid in full;

If the property is sold or ownership is transferred during the term of the loan, the balance must be repaid. If the property is sold to a low-income owner who intends to occupy one of the units, the loan may be assumed by a qualified household who meets the income, affordability, and underwriting guidelines.

Funding Source: CDCBG and other funding resources are based on funding availability.

Part 3
Definitions

City Assessments: Applicants may not be delinquent on property taxes, personal property taxes, trash, water or sewer bills, or have any outstanding or delinquent accounts on any property of which they are a principal owner within the City of Biddeford. The City may accept a written payment plan made with the department on which there is a delinquent account.

Federal, State and Local Requirements: The funding available to the City for grants and loans comes from federal or state sources, which means there are some restrictions or requirements that must be met. Additionally, local ordinances may apply. Restrictions governing these funds are described in a later section of these guidelines.

Funding Agreement: A Notice of Deferred Forgivable Loan Approval is provided to Owner/Applicants when the City’s Planning and Development Department, Citizens Advisory Committee (CAC), and the City’s Finance Committee have approved City funding. Any project expenditures made prior to these approvals and execution of a funding agreement will not be funded nor will they be counted toward the match requirement. The following documents become part of the Funding Agreement between the City and the Owner: “City Housing Program Guidelines”; “Notice of Deferred Forgivable Loan Approval”; “Rehabilitation Deferred Forgivable Loan Agreement”; “Promissory Note”; “Personal Guaranty” (Any person holding an ownership interest of 20% or more); “Corporate Guaranty”; and any other agreements to satisfy the conditions of the City.

Household Income: Total household income is calculated by adding income of all members of the household. This may include wages, salaries, overtime, bonuses, fees, tips, commissions, interest and dividend income, net rental income, child support, alimony, Social Security benefits, SSI retirement, pension, or annuity, TANF, unemployment benefits, worker’s compensation, and disability or benefits from any source.
For the purpose of computing income, a household shall be defined as all persons who occupy a housing unit. The occupants may be a single family, one person living alone, two or more families living together or any other group of related or unrelated persons who share living arrangements.

**Low-Moderate Income:** A household whose income is at or below 80% of Median Family Income (MFI) for the Biddeford/York County Statistical Area (LAMSA) published annually by HUD and are listed in a table on the City’s web site.

**Mixed-Use Property:** A property that is used in some part for residential purposes and in some part for non-residential purposes. City funds under this program may not be used in the non-residential area, except as specifically noted under the program eligible uses.

**Owner-occupied:** A person who holds the entire ownership interest of the property and lives in one unit of the property as a primary residence.

**Qualified Contractor:** Is able to satisfactorily demonstrate that subcontractors have the necessary skills, abilities, and equipment to perform the scope of work in an expedient and efficient manner; is licensed as required by the City of Biddeford and the State of Maine; and carries the appropriate amount of insurance. Contractor Standards are described in a later section.

**Rehabilitation Costs:** The total of contractor estimates from qualified contractors for the scope of the work.

**Residential Structure:** A building used entirely for residential purposes. Rental buildings under common ownership and management that are located on the same or contiguous properties may be considered as a single structure.

**Part 4**

Rehabilitation Requirements

**I. Property Inspections**

Property inspections are conducted at initial application and during construction. A final inspection is conducted before the final invoice is paid.

a. **Initial Inspection:**
   - At the time of application, the Community Development Coordinator (CDC) will set a time for an initial inspection with the Owner and Rehabilitation Technician (RT).
   - Owner will notify all residents and provide access to all areas of the building
During the initial inspection the owner, CDC and RT will agree on the work that will be included in the rehabilitation scope of work;

- The RT will generate an initial “Health and Safety Inspection” and will take “before” pictures.
- A HUD Certified Lead Inspector will also inspect each property and develop specifications regarding lead remediation as required.

b. Progress Inspection:

- A check in with the contractor by the RT;
- Or as needed during the course of the rehabilitation.

c. Final Inspection:

- Contractor will notify CDC or RT that the work is complete;
- RT or CDC will meet with the contractor or Owner/Agent present
- Work completed satisfactorily, the RT will sign off, certify project completion and take pictures;
- For work not completed to Code or not completed as agreed, the RT will issue a punch list;
- Contractor will notify RT or CDC when completed; CDC or RT will schedule to complete the inspection, RT will certify completion and take pictures.
- A final inspection will also be conducted by the HUD Certified Lead Inspector to insure compliance with lead safe regulations.

II. Bid Process

The owner/applicant must either include any items identified by RT in the scope of work or complete the issues that do not meet code prior to the rehabilitation. The RT must sign off on the work once completed if not included in the rehabilitation work.

There are two acceptable methods to proceed with the bidding/project management:

1) The owner/applicant may choose to become the “general contractor” for the scope of work. At least three (3) bids are required for each specific rehabilitation task. Bids may be either obtained from a general contractor covering all rehabilitation tasks or from separate contractors for each specific rehabilitation task. The owner is solely responsible to invite, accept, or reject any bid proposal. However, bids must be reasonable and a documented reason for selecting other than the “most responsible and lowest bidder”.

2) The owner/applicant may choose to have the City’s CDC perform all aspects of the bidding, scope of work, and construction management. This will be highly recommended for the homeowner who owns one property and has no experience in rehabilitation management.

3) In both cases, the City’s CDC, RT. and staff will oversee the bid process.

**Shortage of contractors:** Over the past three years there has been a shortage of contractors in the area to perform work on residential properties. It is important to competitively bid the work and obtain at least two bids; however, it may not be practical. In these cases the owner/applicant and City may document the number of attempts made to secure two bids and why it was not possible to secure them. A note should be added to the file that the bid submitted has been reviewed and is considered reasonable. If it is “not reasonable,” the scope will need to be modified and bid again.

**Family/relatives performing work:** Bid proposals may be secured from and awarded to a member of the applicant’s family (i.e. relative) if the bidder:

- is a bona fide and skilled trades person;
- is not living in the same household as the borrower;
- has no financial interest in the property to be rehabilitated; and
- the relationship is disclosed in writing by the borrower at the time of bid proposal.

**Low bid:** Regardless of the method of bidding/project management, it is expected that the lowest qualified bid will be accepted. If, however, the low bid is not accepted and the rehabilitation activity is awarded to a higher bidder; the owner/applicant must submit to CDC:

- a written statement explaining the reason for accepting the higher bid. If compelling, the work may be awarded to the higher bidder; and/or
- if not compelling, must fund the difference out of pocket but may be rolled into the loan, if there is a loan besides the Deferred Forgivable Loan, to fund the rehabilitation work.

Any contractor chosen must prove his ability to provide all necessary insurances, expertise, equipment, and materials to satisfactorily complete the respective task.

**III. Contractor Eligibility**

To be considered an eligible contractor the following standards apply:

**Insurance:** The contractor and subcontractors shall carry Worker’s Compensation Insurance for all their employees in accordance with the Worker's Compensation laws of the State of Maine. The contractor and subcontractors shall carry Manufacturer’s and Contractor’s Public Liability Insurance with a limit of $300,000 for personal injury or death and $100,000 for property damage. The City may require bonding for contracts in excess of $100,000.
License and Qualifications: The contractor shall have in effect a license if required by the City of Biddeford, or State of Maine. The contractor must have completed a Department of Environmental Protection approved lead-smart renovator's course, if pertinent to the work being performed.

Credit: The City may require a list of credit references, names of suppliers, name of bank where contractor does business, and names and addresses of recent home improvement customers.

Skill and Equipment: No approval of a contract shall be given unless the construction contractor can satisfactorily demonstrate that he/she and/or their subcontractor(s) have the necessary skills and equipment to perform the work in an efficient and expedient manner.

IV. Labor Performed by the Owner/Applicant

Bid proposals may be secured from and awarded to the owner/applicant (i.e. owner may serve as general contractor and/or do work on his/her own property), if the owner/applicant meets the following requirements:

1. Is a contractor or tradesman who has an ownership interest in a contracting or trades business that has been in existence for at least six (6) months prior to loan application or, as a property owner, has employed, for at least six (6) months prior to loan application, a full-time maintenance crew with the expertise and equipment to satisfactorily complete the respective tasks which the owner proposed to perform.

2. The Borrower must have completed a Department of Environmental Protection approved lead-smart renovator's course, if pertinent to the work being performed.

3. For those tasks to be performed by the Owner and/or the Owner's employees:
   a. Bid proposals shall be for materials and employee labor only, with no profit, overhead or payment to the Owner for personal expertise or labor allowed;
   b. A maximum of $5,000 per unit will be allowed for materials purchased;
   c. Invoices for materials shall be for costs only, including any discounts, with no mark-ups allowed;
   d. Invoices for labor shall be accompanied by payrolls which include hours and work performed by each employee;

4. For those tasks to be performed by a sub-contractor (e.g. plumbing, electrical, etc.), at least two (2) separate bids shall be secured for each specific rehabilitation task.

V. General Terms and Conditions for Rehabilitation

1. Approved rehabilitation activities must be completed in accordance with applicable federal/state or local codes:
a. Owner/applicant agrees to correct any and all code violations in the property
b. Owner/applicant agrees to permit inspection of the property and rehabilitation work by City, Rehabilitation Technician and Code Enforcement. This includes all contract agreements, materials, equipment, payrolls, and conditions of employment pertaining to the rehabilitation project.
c. Owner/applicant agrees to follow the procedures and conditions of all established and applicable municipal ordinances in the physical rehabilitation and maintenance of improved property.
d. Work not meeting minimum standards and procedures established by code is unacceptable for disbursement of any loan funds.

2. NO work, regardless of the funding source, may commence on the property until the environmental review is complete and the Funding Agreement is signed;

3. No monies will be disbursed for improvements made that were not in the original scope of work to reimburse the borrower for improvements made to the property that were not approved by CDC.

4. Agree to have the property inspected by a licensed/HUD certified Lead Risk Assessor, if the scope of the rehabilitation disturbs lead and is built prior to 1978; and, if an issue is found;

5. Agree to provide certification and testing documentation before and after the lead removal/abatement activities begin and are completed; and

6. Agree to obtain a permit and submit plans (i.e. floor, electrical, plumbing plans) as requested by City/Code enforcement as may be required for a building permit.

Part 4
Application Process

City Assistance in projects is generally in the form of a deferred forgivable loan and is designed to provide construction and/or permanent financing in conjunction with other Federal, State, or City Programs or other lending institutions. Some programs require a match from the applicant/borrower. Specific terms and conditions are listed.

I. To Apply for a City Deferred Forgivable Loan:

A property owner interested in participating in the City’s Multi Family Housing Program who lives at a property of 2 to 4 units, must submit a completed, signed application along with the required submissions to the Planning and Development Department (PDD), City of Biddeford, 205 Main Street, Biddeford, ME 04005. If you have questions specific to the program, you can contact Linda Waters, Community Development Coordinator, at 207-284-9105 or Linda.Waters@biddefordmaine.org. Personal appointments may be made upon request.
There is an open application period as long as funding is available. Deferred Forgivable Loans are processed on a first come, first serve basis.

**Application Submission:** The following items may be required submissions as part of the application package:

a) An application that is complete and signed by every owner with an interest of 20% or more interest in the property;
b) Signed permission to check credit of each individual owner with an interest of 20% or more in the property;
c) Financial information from all owners with a 20% interest or more, including: income from all sources (employment income must include 2 months of pay stubs or payroll record); two years of personal and corporate income taxes; two months of personal bank statements; rent roll and tenant income verification forms, any other documentation as requested;
d) Copy of the current Hazard Insurance on the property;
e) Addresses of all properties in the City of Biddeford owned wholly or in part by the applicant;
f) Written description of the project improvements.

**Application Processing and Review:** Each application will be dated upon receipt in the Planning and Development Department offices on the Second Floor at City Hall. Only one original application is needed; however, applicants should retain a copy of the completed application. The program description outlines the type of funding available as well as the maximum funding limit. You may request up to that limit; however, if the ask is not supported by the need, the City may fund at a lower amount. You must meet the individual program and the financial guidelines for each type of funding applied for.

**Verification of Information:** Once the application is submitted, City staff will verify all sources of income, assets, and matching sources. Third party written verifications may be needed. Credit reports may be requested to determine credit worthiness of the applicant(s).

**Property Record Search:** The City Solicitor will conduct a title search on the property to make sure that the title is clear from liens and City Staff will complete property verifications with City Departments (Assessing, Finance, Water and Sewer, Treasurers, Code Enforcement and Planning) on the property in the City of Biddeford to ensure that there are no outstanding assessments or complaints against the properties. This cost is part of the CDBG grant package.

**Outstanding City Assessments or Complaints:** If there are outstanding assessments or complaints, the applicant will not be eligible for funding until the assessments are paid in full and the complaints cooperatively dealt with. If the property owner is in a payment plan with the Tax
Office and is current and demonstrates a good paying record, a loan may be considered on this property.

**Environmental Review:** City staff will check the Federal, State, and local databases to determine whether or not the building is historic and, if so, the type of review needed. If federal guidelines require project review by the Maine Historic Preservation Commission, the approval process may take as long as 45 days. City staff will also check the FEMA Flood Database and the Wetlands Mapper to determine if there are any restrictions and requirements related to these issues on the property, and a GIS map of the property location will be printed and maintained in the application file. No work may be implemented until the Environmental Review is complete.

**Initial Inspection and Bid Process:** The Community Development Coordinator will review the project with the RT and set an appointment to conduct an initial inspection of the property to ensure that the proposed improvements will add value and safety, and that the building can support the proposed improvements. The RT will make recommendations as needed, including items that do not meet code and need to be repaired as part of the project. After bid specifications are completed at least 3 bids will be solicited by the property owner and submitted to the CDC for review, and approval by the CAC and City Council before initiating a contract. A contract will then be signed between the property owner and contractor(s).

**Debarred or Suspended Contractors:** CDC staff will check the contractors that have provided proposals against the Debarred Contractor listing at [http://www.sam.gov](http://www.sam.gov) to determine if the contractor has been debarred, suspended, is proposed for debarment, excluded, or otherwise disqualified from work that is federally funded. Staff will document the file.

**National Objective:** Each funded activity must meet one of the three HUD national objectives: 1) low-moderate income benefit; 2) elimination of slum and blight; or 3) urgent need. In aggregate, at least 70% of all funds must assist low and moderate income persons over a 1-3 year period. CDC staff will document the file the extent to which the project meets these National Objectives.

## II. Risk Analysis

All Deferred Forgivable Loans will be underwritten by staff or contractors of the Planning and Development Department.

The following underwriting criteria will be used to evaluate the financial strength of the borrower and the anticipated success of the project:

a. Track record of cooperation with Code Enforcement and other City departments; and

b. Verification that all City Department assessments (taxes, City utilities, etc.) have been paid.
c. Credit check and/or Police check as determined by City Staff.

The file will be documented with this information and reviewed by staff to determine whether or not the project is financially feasible and ready to move to the Citizens Advisory Committee and to Council for approval.

**Other Considerations:** The City may accept or reject any application for funding and has an “open window” to accept applications for rehabilitation projects throughout the year. Sometimes a property/owner meets the required criteria but then is not funded by the City.

The following reasons may cause the City to reject an application for funding:

1) There is no more funding available through City sources;
2) The funding priority may have changed; or
3) There are environmental review concerns. Examples may be: the property is in a 100 year flood plain; it’s historic and the cost to rehabilitate the building is no longer cost reasonable for the limited funding the City has available; severe or toxic contamination, or not within the cost effectiveness requirements of HUD, etc.; or
4) There was a material change in either the property condition or the owner’s financial condition. If this situation occurs after the Deferred Forgivable Loan has been approved but before the contract signing, City staff may choose to not place the project under contract. If this occurs after approval and the contract signing, the City may choose to follow the default remedies under the Deferred Forgivable Loan.

**III. City Approval/Disapproval**

All Deferred Forgivable Loans that meet program and financing guidelines are presented for review and approval to the Planning and Development Director, Citizens Advisory Committee (COC), and City Council.

The following are the rules each person/committee will follow:

a. Each person/committee will need to give approval before the loan is awarded.

b. Approval of Deferred Forgivable Loans will be contingent upon the applicant meeting the ongoing requirements of the program.

c. The Planning and Development Director has the authority to adjust terms, rates and the other requirements on a case-by-case basis, after approval by the CAC and City Council by written notification, including email.

Once the City Council makes a recommendation, the applicant will be notified via letter by the Planning and Development Department Staff. If the terms have been modified, the recipient will be given an opportunity to accept the new terms and conditions or request an appeal.

**IV. Appeal Process**
The applicant may appeal the decision regarding a Deferred Forgivable Loan under the following circumstances:

a. Must be in writing with an explanation regarding why the applicant should be granted an appeal and addressed to Biddeford Citizens Advisory Committee (CAC), c/o Linda M. Waters, City of Biddeford, 205 Main Street, Biddeford, Maine 04005.
b. No new information may be presented by the applicant, only clarification of information that was originally provided but, in the applicant’s point of view, may not have presented their complete financial or another condition.
c. Request for an appeal must be made in writing to the CAC within 30 days of the date of the decision to deny or modify the terms of participation.
d. The CAC will schedule and hold an appeal hearing for the appeal process.
e. The applicant may provide written information or may request to be present at the appeal hearing and present information directly to the CAC.
f. The CAC will deliberate the request and make its decision after the hearing, and forward the decision to the City’s Finance Committee.
g. The City’s Finance Committee’s decision is final and the applicant will be notified by Planning and Development Department staff.

V. General Terms and Conditions for Participation in the City Program

This section sets forth the general terms and conditions to which an applicant must agree in order to receive a Deferred Forgivable Loan through the City.

The City of Biddeford views the documents as the contractual agreement between the Owner/Applicant and the City. To fulfill this agreement, the Owner/Applicant must:

1. Complete within six (6) months all rehabilitation work as described in the Deferred Forgivable Loan application submitted by the applicant and approved by the City. For exterior work, scheduled allowances may be made for weather if needed.
2. Repay in full and in the manner prescribed all funds disbursed to the Owner/Applicant by the City of Biddeford through its program as stated in the contract documents.
3. The Owner/Applicant accepts ultimate responsibility for fulfilling the contract and further agrees that:
   a. Other verbal agreements or written contracts entered into for the completion of any rehabilitation activity are made solely between the Owner/Applicant and the respective contractor and/or supplier;
   b. The Owner/Applicant will indemnify and hold harmless the City of Biddeford and its agents from any and all disputes or claims of any nature for damages which may arise from the performance of any rehabilitation activity.
4. The entire principal balance shall become immediately due and payable without notice or demand upon the following events:

   a. The commencement of any proceedings by or against the Owner/Applicant under any bankruptcy or insolvency laws:
   b. The dissolution of, insolvency of, appointment of a receiver for, or assignment for the benefit of creditors of any property of the developer;
   c. Loss of, substantial damage to, destruction of, sale of encumbrance upon (whether first or second position to this note and the mortgage securing this note), seizure of, levy against, attachment of, failure to pay any property taxes or other city utilities upon or insurance premiums on the project property; and/or
   d. Failure to maintain the income limit requirement that 51% of the units of the property be maintained for low to moderate income households according to HUD guidelines throughout the ten year period, as documented through monitoring by the City. The 51% threshold of housing units must remain constant throughout the life of the Deferred Forgivable Loan and the property and household units are subject to monitoring by the City of Biddeford at any given time.

5. Deferred Forgivable Loans will require a security instrument which is acceptable to the City. The cost of preparation and registration of the security document will be included in the Owner/Applicant’s contract package.

6. A Owner/Applicant agrees to permit inspection by the City's CDC, RT, and/or Code Enforcement personnel of the property, rehabilitation work, all contract agreements, materials, equipment, payrolls, and conditions of employment pertaining to the rehabilitation project.

7. The Owner/Applicant agrees to follow the procedures and conditions of all established and applicable municipal ordinances in the physical rehabilitation and maintenance of improved property. Work not meeting minimum standards and procedures established by Code is unacceptable for disbursement of any funds.

8. Disbursement of Program funds:
   • Disbursement of all Deferred forgivable Loan funds is made through the City after the work has been approved for funding and the Contractor has submitted a Contractor Payment Request Form approved by the owner and a Certificate and Release of Liens signed by the contractor.
• The above is contingent upon approved activities being completed according to applicable municipal codes.
• No money will be disbursed to reimburse the Owner/Applicant for improvements made to the property which were not approved by the City before they were commenced.

10. The Owner/Applicant is required to maintain hazard insurance on the improved property for the full term of the contract and in a minimum amount equal to the total value of all mortgages held on the property. Prior to disbursement of program funds, the City shall be listed as a loss payee on the policy for the property.

11. The arwardee agrees to keep such records as may be required by the City of Biddeford with respect to the rehabilitation activities.

12. The Owner/Applicant further agrees to abide by all terms and conditions of Federal Regulations which are described in the next Section.

Part 5
Federal/State/Local Requirements

I. National Objectives  (24 CFR 570.200; 570.208; and 570.506)

This section summarizes the National Objectives of the CDCBG Program contained in the Code of Federal Regulations, Title 24, Part 570, Sections 570.200 (a)(2) and (3), 570.208(a)-(d).

Each Activity must meet one of the CDCBG program’s three broad National Objectives:

a. Benefit low-moderate-income persons;
b. Aid in the prevention or elimination of slums or blight; or
c. Meet urgent needs (relating to natural disasters)

Housing Activities: Are activities that are undertaken for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by LMI households.

In order to meet the housing LMI national objective, the following standards apply:

a. Structures with two units must have both units occupied by a LMI household;
b. If the structure contains three units, at least two units must be LMI occupied.
c. Residential structures with four units must have at least 51% or 3 of the units occupied by LMI households.
**Record Keeping Requirements:** Title 24, Part 570.506(4)(iii) requires that for each activity carried out for the purpose of providing or improving housing which is determined to benefit low and moderate income person, the City keep documentation for each unit occupied by a low and moderate income household including the size and income of the household.

**II. Furthering Fair Housing** (24 CFR 570.601)

The Owner/Applicant must not discriminate upon the basis of race, color, creed, or national origin in the sale, lease, rental or occupancy of an improved property and will comply with the Fair Housing Act of 1968 as amended.

**III. Anti-Discrimination** (24 CFR 570.602)

Section 109 of the Act requires that no person in the United States shall on the grounds of race, color, national origin, religion, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance made available pursuant to the Act. Section 109 also directs that the prohibitions against discrimination on the basis of age under the Age Discrimination Act and the prohibitions against discrimination on the basis of disability under Section 504 shall apply to programs or activities receiving Federal financial assistance under Title I programs. The policies and procedures necessary to ensure enforcement of section 109 are codified in 24 CFR part 6.

The Maine Human Rights Act prohibits discrimination in employment, housing, public accommodation and credit based on race, color, sex, physical or mental disability, religion, ancestry, or national origin.

Section 109 of the Housing and Community Development Act of 1974, and in accordance therewith, no person in the United States shall, on the ground of race, color, national origin, religion, age, or sex, be excluded from participation in, be denied the benefits, or be subjected to discrimination under, any program or activity funded in whole or in part with the Community Development funds or any other federal financial assistance. The operating agency will immediately take any measures necessary to effectuate this agreement.

**IV. Labor Standards** (24 CFR 570.603)

Rehabilitation funded by CDCBG that have nine (9) units or more residential units must comply with section 110(a) of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327 et seq. aka Davis Bacon Wage Rates, and as provided under the CDCBG regulations in 24 CFR 570.603 . This applies to non- volunteer labor financed in whole or part using federal funding covered by the Act.

**V. Environmental Review** (24 CFR 570.604; 570.605)
The City will conduct an environmental review on every property that receives City assistance in accordance with 24 CFR Part 58 and Part 50 and as further described in CDCBG regulations 24 CFR 570.604. The level of review is determined by the type of rehabilitation activity that is undertaken. NO work may commence on the property until the review is complete and the Funding Agreement is signed.

Areas of particular concern that may cause delay in approval of the project include:

a. Historic properties;
b. Properties located in a Special Flood Hazard Area (SFHA) flood zone; and
c. Contaminated sites requiring special cleanup provisions

These include special requirements and will be staff reviewed to determine whether or not the City is willing to invest in these properties.

**Flood Hazard Insurance:** For properties approved for funding that are located in a designated flood hazard area, the applicant will be required to carry flood insurance in accordance with the National Insurance Act of 1968 (as amended) and abide by the regulations of the Flood Disaster Protection Act of 1973 as contained in CDCBG regulations 24 CFR 570.605.

**VI. Relocation** (24 CFR 570.606)

Families may be required to be temporarily relocated because of the nature and extent of the rehabilitation. The City makes every attempt possible to minimize the disruption of families and individuals; however, in certain circumstances, if funding is approved by the City, and the occupants are displaced, the City will follow the requirements of 49 CFR Part 24, as provided under the CDCBG regulations 24 CFR 570.606. For rehabilitations related to the Lead Abatement, relocation is a component of the lead program and will be funded through that program.

**VII. Employment and Contracting Opportunities.** (24 CFR 570.607)

Under the current CDCBG housing programs, Section 3 requirements do not apply to the rehabilitation work which includes demolition and lead based paint abatement, because the dollar threshold will not exceed $100,000 for an individual contractor. On LALP funded projects, contractors may be subject to Section 3 and will follow the process established by the LALP.

**VIII. Lead Based Paint** (24 CFR 570.608)

Any rehabilitation funded by CDCBG shall be subject to the current federal regulations contained in entitlement grant regulations 24 CFR Part 35 provisions providing for the elimination of lead-based paint hazards. The City contracts with _______________ that has licensed Lead Inspectors and Risk Assessors that design the lead hazard control work tasks to be compliant with
HUD and Maine DEP regulations. All contractors must be certified under the RRP rule and licensed under Maine Department of environmental Protection (MEDEP) Chapter 424 Regulations (10-03-2016).

IX. **Debarred, Suspended or Ineligible Contractors** (24 CFR 570.609)

No awards will be made to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, “Debarment and Suspension” (24 CFR 85.35)

At the time a contract is bid, the City will check all contractors and subcontractors at SAM.gov to ensure that they are not listed on the ineligible parties list. A printout of “no record” will be placed on file.

X. **Conflict of Interest** (24 CFR570.611)

**Interest of Certain Federal Officials:** No member of or Delegate to the Congress of the United States and no Federal Housing Commissioner shall be admitted to share any part of this Program or any benefit to arise from the same.

**Interest of Members, Officers, or Employees of Operating Agency, Members of Local Governing Body, or Other Public Officials:** No member, officer, or employee of the Department of Development (Planning, Community Development or Code Enforcement) or its agents or assignees, no municipal officers of the City, and no other member of any board or commission, elected or appointed official of Lewiston, or employee of the City of Biddeford who exercises any decision-making functions or responsibilities regarding the Community Development Program shall have any direct or indirect pecuniary interest, as that term is defined by 30 MRSA, Section 2250, et seq., in any contract, subcontract, or the proceeds thereof for work to be performed in connection with the program assisted under this agreement.

**Bonus, Commission or Fee:** The Owner/Applicant cannot pay any bonus, commission, or fee for the purpose of obtaining the City of Biddeford's approval of the loan application or any other approval or concurrence required by the City of Biddeford or its designee to complete the rehabilitation work financed in whole or in part with the rehabilitation deferred forgivable loan.