

Chapter DOD 6

SMALL CITIES COMMUNITY DEVELOPMENT BLOCK
GRANT COMPETITION

Subchapter I — Annual Housing and Public Facilities Competition	DOD 6.13 Application process (p. 19)
DOD 6.01 Purpose (p. 11)	Subchapter II — Continuous Economic Development Competition
DOD 6.02 Eligibility (p. 11)	DOD 6.14 Applicability (p. 19)
DOD 6.03 Definitions (p. 11)	DOD 6.15 Scoring system (p. 19)
DOD 6.04 Scoring system (p. 12)	DOD 6.16 Program impact (p. 19)
DOD 6.05 Distress indicators (p. 13)	DOD 6.17 Application manual (p. 22)
DOD 6.06 Program impact (p. 13)	DOD 6.18 Distribution of funds (p. 22)
DOD 6.07 Combining other funds with community development block grant funds (p. 17)	DOD 6.19 Establishment of need (p. 22-1)
DOD 6.10 Equal opportunity (p. 18)	Subchapter III — Emergency Block Grants
DOD 6.11 Comparison of communities (p. 18)	DOD 6.20 Purpose (p. 22-2)
DOD 6.115 Benefit to low and moderate income persons (p. 18)	DOD 6.21 Eligibility (p. 22-2)
DOD 6.12 Distribution of funds (p. 18)	DOD 6.22 Funding (p. 22-2)
	DOD 6.23 Grant application (p. 22-2)
	DOD 6.24 Allocation (p. 22-2)

Note: Chapter DOD 6 was repealed and recreated by emergency rule effective 5-18-83.

Subchapter I
Annual Housing and Public Facilities Competition

DOD 6.01 Purpose. The purpose of this chapter is to set forth the criteria the department will use in determining how small cities community development block grant funds will be allocated among applicants for the funds.

History: Cr. Register, February, 1982, No. 314, eff. 3-1-82.

DOD 6.02 Eligibility. Any city, village or town with a population of less than 50,000 that is not eligible to apply for or participate in the block grant entitlement program and any county, other than an urban county as defined by the United States department of housing and urban development, may apply for small cities block grant funds.

History: Cr. Register, February, 1982, No. 314, eff. 3-1-82.

DOD 6.03 Definitions. (1) "Annual housing and public facilities competition" means the single annual receipt and review of applications for housing activities and public facility improvements as provided in subchapter I of this chapter.

(1m) "Comprehensive application" means an application which proposes to address both of the program impact categories listed in s. DOD 6.06, and which establishes a relationship between the activities proposed in each program impact category.

(1q) "Continuous economic development competition" means the continuous receipt and review of applications for economic development projects as provided in subchapter II of this chapter.

(2) "Department" means the department of development.

Register, January, 1987, No. 373

DOD 6

(3) "Full value per capita" means the estimated market value of all taxable property in the municipality divided by the number of persons residing in the municipality.

(4) "Household in need of housing assistance" means a housing unit which houses a family with a household income below 80% of the median income for the area and which either lacks adequate plumbing facilities, has more than 1.25 persons per room, rents for a substantial percentage of the income of the family which occupies the unit or, if owner occupied, is aged and has a low estimated market value.

(5) "Metropolitan area" means any county which is within a standard metropolitan statistical area.

(6) "Multi-year comprehensive application" means a comprehensive application as defined in sub. (1) which requests funding for 2 years.

(7) "Net mill rate" means the total of all property taxes levied by the municipality for all purposes less general property tax relief payments divided by the estimated market value of taxable property in the municipality.

(8) "Non-metropolitan area" means any county not within a standard metropolitan statistical area.

(9) "Per capita income" means the average income of all persons residing in the municipality.

(10) "Percentage of persons in poverty" means the percent of persons residing in the municipality with incomes below the poverty level for the area as identified by the U.S. department of housing and urban development.

(12) "Service center" means an elderly center, center for the handicapped or similar facility which requires continued administrative funding to support the services provided by the facility.

(13) "Single purpose application" means an application which proposes to address at least one of the program impact categories listed in s. DOD 6.06.

(14) "Small cities community development block grant" means a grant available on a competitive basis to eligible applicants as provided in s. DOD 6.02, for the purpose of undertaking economic development projects, housing activities and public facilities improvements.

(15) "Target area" means an area or areas within the municipality which contain a concentration of low and moderate income or minority residents, and which include not more than 25% of the population of the municipality.

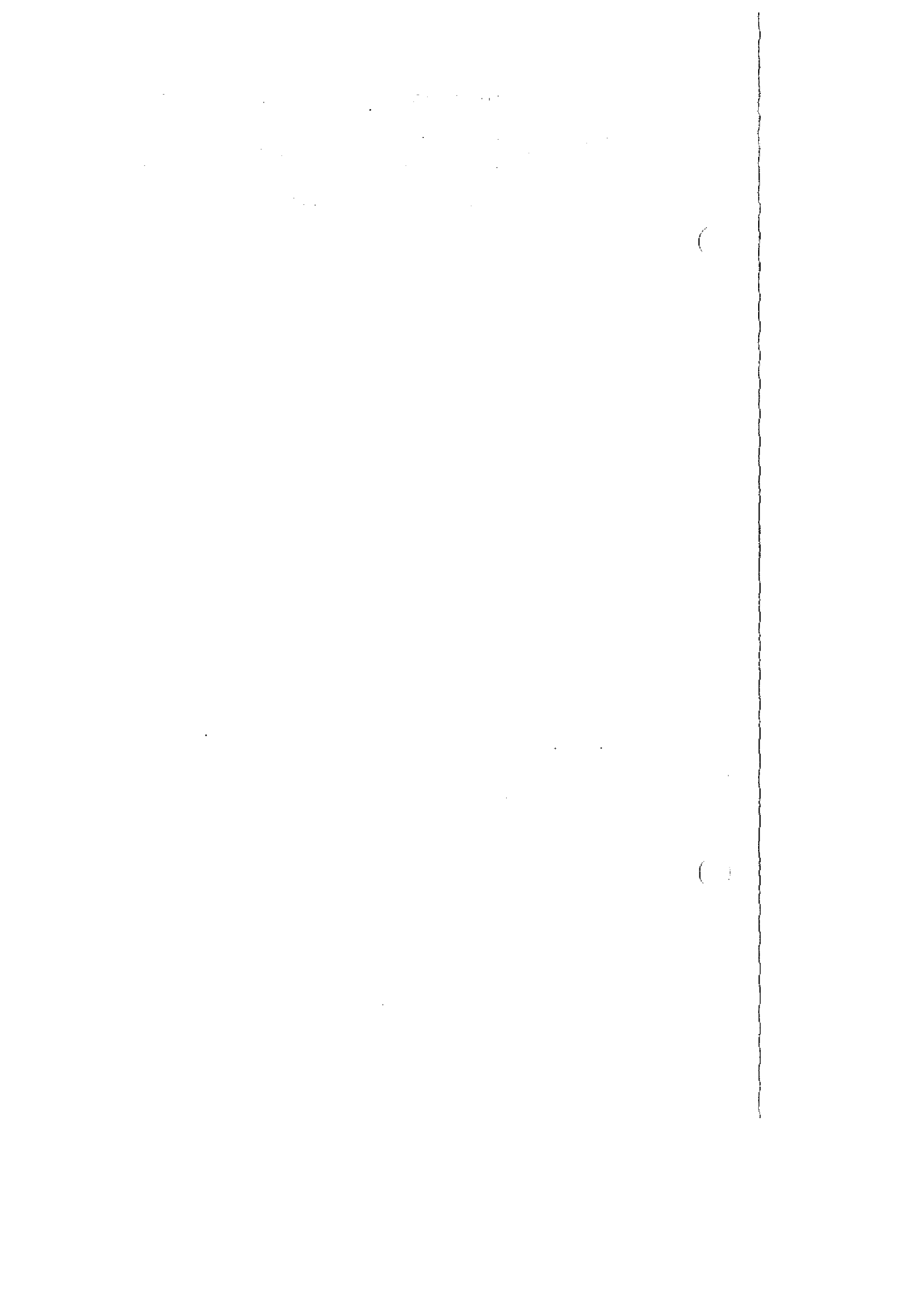
(16) "Unemployment rate" means the percentage of persons in the community who are unemployed based upon the average of the most recent 3 year period.

History: Cr. Register, February, 1982, No. 314, eff. 3-1-82; cr. (3a), am. (6), Register, November, 1983, No. 335, eff. 12-1-83; renum. (1) to be (1m) and am., cr. (1) and (1q), r. (3a) and (11), Register, November, 1984, No. 347, eff. 12-1-84.

DOD 6.04 Scoring system. The allocation of small city community development block grant funds distributed under the annual housing and Register, January, 1987, No. 373

public facilities competition shall be based upon the comparative ranking of applications. Comparative ranking is established by respective points awarded applicants. In determining the points to be awarded ap-

Next page is numbered 13.



DOD 6.13 Application process. (1) **MANUAL.** Annually, the department shall prepare a manual that contains the small city block grant application procedures. The manual shall be available to all eligible applicants not later than 2 months prior to the deadline for receipt of applications.

(2) **SUBMISSION OF APPLICATIONS.** Applications shall be submitted by the deadline and in accordance with the procedures and format contained in the manual.

History: Cr. Register, February, 1982, No. 314, eff. 3-1-82.

Subchapter II

Continuous Economic Development Competition

DOD 6.14 Applicability. Sections DOD 6.01, 6.02, 6.03 (1) and (1q), (2) to (5), (7) to (10), (14) and (16), 6.05, 6.11 (1), 6.115 and the provisions of this subchapter apply to the continuous economic development competition.

History: Cr. Register, November, 1984, No. 347, eff. 12-1-84.

DOD 6.15 Scoring system. The allocation of small city community development block grant funds distributed under the continuous economic development competition shall be based upon the rating of applications against scoring criteria contained in ss. DOD 6.05, 6.16 and 6.19.

History: Cr. Register, November, 1984, No. 347, eff. 12-1-84; am. Register, January, 1987, No. 373, eff. 2-1-87.

DOD 6.16 Economic impact. A total of 395 points are assigned to the economic impact of each application as follows:

(1) **ECONOMIC PROFILE AND NEEDS.** Applicants shall receive 30, 20, 10 or 0 points for economic profile and needs as follows:

(a) An applicant shall receive 30 points if it has documented substantial unemployment and other economic development needs, including the needs of low- and moderate-income persons and has identified basic characteristics of the local economy.

(b) An applicant shall receive 20 points if it has documented significant unemployment and other economic development needs, including the needs of low- and moderate-income persons, and has identified basic characteristics of the local economy.

(c) An applicant shall receive 10 points if it has documented moderate unemployment and other economic development needs, including the needs of low- and moderate-income persons, and has identified basic characteristics of the local economy.

(d) An applicant which does not meet the standard contained in par. (c) shall receive no points.

(2) **COMMUNITY ECONOMIC DEVELOPMENT STRATEGY.** Applicants shall receive 30, 20, 10 or 0 points for community economic development strategy as follows:

(a) An applicant shall receive 30 points if it documents that it has prepared, or participated in the preparation of, and endorses an economic development strategy for the community and that implementation efforts have been made which produced tangible benefits.

Register, January, 1987, No. 373

(b) An applicant shall receive 20 points if it documents that it has prepared, or participated in the preparation of, and endorses an economic development strategy for the community and that implementation efforts have been made.

(c) An applicant shall receive 10 points if it documents that it has prepared, or participated in the preparation of, and endorses an economic development strategy for the community.

(d) An applicant which does not meet the standard contained in par. (c) shall receive no points.

(3) PROJECT STRATEGY. Applicants shall receive 25, 10 or 0 points for project strategy as follows:

(a) An applicant shall receive 25 points if it has accounted for all private, public and small cities community development block grant funds necessary to complete the project, described all activities that constitute the completed project, demonstrated the relationship of the project to the community economic development strategy and needs and explained the reuse of any small cities community development block grant loan repayments from this and any previous project.

(b) An applicant shall receive 10 points if it has accounted for all private, public and small cities community development block grant funds necessary to complete the project, described all activities that constitute the completed project, and explained the reuse of any small cities community development block grant loan repayments from this and any previous project.

(c) An applicant which does not meet the standard contained in par. (b) shall receive no points.

(4) PROJECT IMPACT. An applicant which establishes the need for small cities community development block grant funds for successful completion of the project as provided in s. DOD 6.19 shall receive 50, 30, 10 and 0 points for project impact as follows:

(a) An applicant shall receive 50 points if it has proposed activities that directly address the identified needs with substantial benefits, has considered environmental conditions and has prepared for any involuntary displacement.

(b) An applicant shall receive 30 points if it has proposed activities that directly address the identified needs with significant benefits, has considered environmental conditions and has prepared for any involuntary displacement.

(c) An applicant shall receive 10 points if it has proposed activities that directly address the identified needs with moderate benefits, has considered environmental conditions and has prepared for any involuntary displacement.

(d) An applicant which does not meet the standard contained in par. (c) shall receive no points.

(5) PRIVATE FUNDS LEVERAGED. An applicant which establishes the need for small cities community development block grant funds for successful completion of the project as provided in s. DOD 6.19 shall receive 75, 50, 25 or 0 points for private funds leveraged as follows:

(a) An applicant shall receive 75 points if it documents firm commitment of the private and other public funds necessary for the project, the necessity of the small cities community development block grant for successful completion of the project and a substantial amount of private funds to the grant dollars.

(b) An applicant shall receive 50 points if it documents firm commitment of the private and other public funds necessary for the project, the necessity of the small cities community development block grant for successful completion of the project and a significant amount of private funds to the grant dollars.

(c) An applicant shall receive 25 points if it documents firm commitment of the private and other public funds necessary for the project, the necessity of the small cities community development block grant for successful completion of the project and a moderate amount of private funds to the grant dollars.

(d) An applicant which does not meet the standard contained in par. (c) shall receive no points.

(6) PUBLIC FUNDS LEVERAGED. An applicant which establishes the need for small cities community development block grant funds for successful completion of the project as provided in s. DOD 6.19 shall receive 25, 15 or 0 points for public funds leveraged as follows:

(a) An applicant shall receive 25 points if it documents firm commitment of the private and other public funds necessary for the project, the necessity of the small cities community development block grant for successful completion of the project and a substantial amount of other public funds to the grant dollars.

(b) An applicant shall receive 15 points if it documents firm commitment of the private and other public funds necessary for the project, the necessity of the small cities community development block grant for successful completion of the project and a significant amount of other public funds to the grant dollars.

(c) An applicant which does not meet the standard contained in par. (b) shall receive no points.

(7) COST PER JOB CREATED OR RETAINED. An applicant which establishes the need for small cities community development block grant funds for successful completion of the project as proposed in s. DOD 6.19 shall receive 100, 75, 50, 25 or 0 points for cost per job created or retained as follows:

(a) An applicant shall receive 100 points if it documents a firm commitment by the employer of the jobs proposed to be created or retained by the project and a minimal small cities community development block grant cost per job.

(b) An applicant shall receive 75 points if it documents a firm commitment by the employer of the jobs proposed to be created or retained by the project and a moderate small cities community development block grant cost per job.

(c) An applicant shall receive 50 points if it documents a firm commitment by the employer of the jobs proposed to be created or retained by

DOD 6

the project and a significant small cities community development block grant cost per job.

(d) An applicant shall receive 25 points if it documents a firm commitment by the employer of the jobs proposed to be created or retained by the project and a substantial small cities community development block grant cost per job.

(e) An applicant which does not meet the standard contained in par. (d) shall receive no points.

(8) **RECRUITMENT AND JOB TRAINING.** An applicant which establishes the need for small cities community development block grant funds for successful completion of the project as proposed in s. DOD 6.19 shall receive 60, 45, 30 or 0 points for recruitment and job training as follows:

(a) An applicant shall receive 60 points if it documents recruitment of low- and moderate-income persons for a substantial portion of the jobs to be created, if it documents that a substantial portion of those jobs are scheduled for training and upgrading and, if there are existing jobs saved by the project, that a substantial portion are of the type normally available to low- and moderate-income persons and that a substantial portion of these jobs are scheduled for training and upgrading.

(b) An applicant shall receive 45 points if it documents recruitment of low- and moderate-income persons for a significant portion of the jobs to be created, if it documents that a significant portion of the jobs are scheduled for training and upgrading and, if there are existing jobs saved by the project, that a significant portion are of the type normally available to low- and moderate-income persons and that a significant portion of these jobs are scheduled for training and upgrading.

(c) An applicant shall receive 30 points if it documents recruitment of low- and moderate-income persons for a significant portion of the jobs to be created and, if there are retained jobs, that a significant portion are of the type normally available to low- and moderate-income persons.

(d) An applicant which does not meet the standard contained in par. (c) shall receive no points.

History: Cr. Register, November, 1984, No. 347, eff. 12-1-84.

DOD 6.17 Application manual. The department shall annually prepare an application manual which it may update quarterly. The manual will contain the application procedures and standards, the minimum number of points necessary for funding and the minimum impact score necessary for funding under the continuous economic development competition.

History: Cr. Register, November, 1984, No. 347, eff. 12-1-84; am. (4) (intro.), (5) (intro.), (6) (intro.), (7) (intro.) and (8) (intro.), Register, January 1987, No. 373, eff. 2-1-87.

DOD 6.18 Distribution of funds. (1) Out of each annual allotment of small cities community development block grant funds made available to the state the department may set aside between 23% and 53% for the continuous economic development competition. The department shall announce the amount of the set aside not later than August 1, of that preceding year except for the first year to which this rule applies when the department shall announce the amount of the set aside not later than 10 days after the rule takes effect.

Register, January, 1987, No. 373

(2) During each calendar year, the department may distribute no more than one-fourth of the funds available under the continuous economic development competition by March 31, no more than one-half by June 30 and no more than three-fourths by September 30.

(3) The maximum amount available to any applicant under the continuous economic development competition is \$750,000 per calendar year.

(4) Each applicant may retain a cumulative amount of program income from all grants awarded after January 1, 1987 subject to sub. (5) and (6) for the purpose of establishing an economic development revolving loan fund. The fund must comply with requirements established by the federal government and the department.

(5) (a) Retained cumulative program income from grants awarded after January 1, 1987 may not exceed:

1. \$100,000 for an applicant with a population of 1,000 or less
2. \$150,000 for an applicant with a population of more than 1,000 but less than 2,000
3. \$250,000 for an applicant with a population of more than 2,000 but less than 4,000
4. \$500,000 for an applicant with a population of more than 4,000 but less than 10,000
5. \$750,000 for an applicant with a population of more than 10,000

(b) All program income from grants in excess of these amounts shall be returned to the state to fund additional eligible economic development activities, except that the department shall waive this requirement to the extent such income is applied to continue the activities from which such income was derived.

(c) An applicant which will generate program income in excess of the amounts allowed in this section from grants awarded prior to January 1, 1987 is not eligible to retain program income from grants awarded after January 1, 1987.

(d) All program income from grants awarded prior to January 1, 1987 shall be retained by the applicant in accordance with federal regulations and the original contract provisions. The department cannot unilaterally require the applicant to return any program income from grants awarded prior to January 1, 1987.

(6) Any municipality establishing an economic development revolving loan fund pursuant to this subchapter shall report annually to the department on the use of such a fund on forms and at such times as prescribed by the department.

History: Cr. Register, November, 1984, No. 347, eff. 12-1-84; am. (1) and (3), cr. (4) to (6), Register, January, 1987, No. 373, eff. 2-1-87.

DOD 6.19 Establishment of need. To establish need an application must evidence that the project on behalf of which the grant is requested requires the proposed assistance to enable it to be competitive within the industry to which it belongs.

History: Cr. Register, January, 1987, No. 373, eff. 2-1-87.

Register, January, 1987, No. 373

**Subchapter III
Emergency Block Grants**

DOD 6.20 Purpose. The purpose of this chapter is to set forth the criteria the department will use to determine how small cities community development block grant funds will be distributed to provide emergency assistance to communities which have experienced natural disasters.

History: Cr. Register, April, 1985, No. 352, eff. 5-1-85.

DOD 6.21 Eligibility. In addition to meeting the provisions of s. DOD 6.02, to be eligible for funding under this subchapter a community must meet the requirements contained in subs. (1) through (3).

(1) The community must have suffered a major natural disaster or have been included in a federal disaster declaration.

(2) The community must have sustained damage which is beyond the financial capability of the local government to repair.

(3) The community must provide a match equal to one-third of the block grant funds requested.

History: Cr. Register, April, 1985, No. 352, eff. 5-1-85.

DOD 6.22 Funding. (1) The activities which are eligible for funding under this subchapter are the same as those which were eligible under the annual housing and public facilities competition except that they must in addition be related to recovery from the disaster, must be for items which are not covered by insurance and must be unable to await funding available through the next annual housing and public facilities competition.

(2) Grants may be for up to \$500,000.

History: Cr. Register, April, 1985, No. 352, eff. 5-1-85.

DOD 6.23 Grant application. (1) A local government interested in applying for an emergency grant must provide the department of development with a written request dated not more than 3 months after the issuance of the federal disaster declaration applicable to that local government, which includes:

(a) A description of the disaster damage,

(b) Evidence of inclusion in a federal disaster declaration.

(c) A description of the activities the emergency grant will fund,

(d) A budget; and

(e) Evidence of the one-third financial match to the emergency block grant funds requested.

History: Cr. Register, April, 1985, No. 352, eff. 5-1-85.

DOD 6.24 Allocation. Each calendar year, up to \$1,000,000 of small cities community development block grant funds may be expended by the department of development for emergency block grants.

History: Cr. Register, April, 1985, No. 352, eff. 5-1-85.