

Guidelines

For

Small Business

Assistance Program

Funded By

City of Waterford

Community Development Block Grant Funds (CDBG)

Adopted by the Waterford City Council on January 17, 2013

CITY OF WATERFORD
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
SMALL BUSINESS ASSISTANCE PROGRAM GUIDELINES

1.0 INTRODUCTION

The City of Waterford has established a Small Business Assistance Program, here after called “Program”. The Program is designed to stimulate economic growth and create jobs that will improve the living conditions of residents in the community. The Program provides affordable, non-conventional financing to eligible businesses that are not able to receive funding elsewhere. Businesses receiving these funds will in turn be required to produce a sufficient number of net new jobs, or in the case of business retention, retain existing jobs. The Program guidelines have been formally adopted by the City of Waterford and are in conformance with the U.S. Department of Housing and Urban Development (HUD) regulations pertaining to the use of Community Development Block Grant (CDBG) funds.

2.0 BUSINESS ASSISTANCE PROGRAM OVERVIEW

2.1 PROGRAM

In general, the City of Waterford will market the Program, accept and process applications, underwrite and recommend approval of assistance, ensure proper assistance closing and disbursement of funds, maintain assistance files and fiscal records and support the City of Waterford’s staff in administration of federal grants and program income used to fund this program. The City of Waterford will follow and ensure compliance with these guidelines.

2.2 PROGRAM SERVICE AREA

Financing under this Program is available to all eligible businesses located in the jurisdictional limits of the City of Waterford.

2.3 SOURCE OF PROGRAM FUNDS

The Program is capitalized with Community Development Block Grant (CDBG) funds provided by HUD through the Stanislaus Urban County CDBG Consortium. CDBG funds are federal funds and as such have a number of federal requirements that must be met, as described below.

2.4 ELIGIBLE APPLICANTS

Applicants for the Program must be new or existing legal businesses, located within the City of Waterford, with a proper local business license, insurance, and required permits per local, state and federal requirements. If an applicant is a new start-up business and does not have proper licenses or insurance, these items can be made a condition of funding the assistance. The business can be a tenant leasing space or an owner of property where the business is located. The existing business must create one or more new permanent full time equivalent (FTE) jobs.

3.0 CDBG PROGRAM REQUIREMENTS

3.1 ELIGIBLE ACTIVITIES

Funds under this program are restricted to certain eligible costs. Some common eligible costs are:

- Operating capital (including license and permit fees)
- Rehabilitation of internal or external leased space or owned buildings (including engineering, architectural, and local permits or fees)

In most cases, assistance funds will be disbursed incrementally on a reimbursement basis, or direct payment of vendor/contractor invoices, as eligible costs are verified.

Funds under this Program are provided to eligible businesses. These favorable terms must be balanced by the receiver and City of Waterford with the requirements to create jobs and meet other CDBG program requirements. The City of Waterford will work closely with the eligible businesses to ensure they understand the requirements of the Program and the benefits of participating.

3.2 INELIGIBLE USE OF FUNDS

- Projects that do not create permanent jobs
- Projects that are for housing construction
- Projects not meeting a CDBG national objective or public benefit or federal CDBG underwriting standards
- Projects that are not located within the City of Waterford limits
- Subsidy of interest payment on existing loans
- Refinancing of existing debt

Funds under this Program will not pay for reimbursement of expenses incurred prior to the City of Waterford's formal assistance approval and/or completion of project's environmental review. Projects must have reasonable assurance of job creation performance. Funds cannot be used to support other businesses in which the receiver may have an interest. Nonprofit organizations are not eligible for funding under this Program. Funding a project without City review of assistance underwriting and formal written approval will make the project ineligible.

3.3 MEETING A NATIONAL OBJECTIVE

All CDBG funded assistance must meet a CDBG "National Objective" as described in the federal regulations (24 CFR 570.208).

Use of funds meeting the National Objective of "elimination of slums and blight on an area basis" must show that the business being assisted is located in a former redevelopment agency project area (or comparable blighted area as may be defined by future legislation) or an area formally designated as such by the City of Waterford. CDBG assistance must be documented as directly assisting the project such that area blight is eliminated or prevented.

3.4 MEETING PROPER PUBLIC BENEFIT REQUIREMENT

Because a private business is receiving public funds, CDBG regulations require the creation of jobs by the business to show public benefit. Under the HUD federal regulations one full-time equivalent (FTE) job must be created for each \$35,000 in CDBG assistance provided. Part-time staff may be combined to make up one FTE. One FTE consists of 2,080 staff hours per year.

As with the national objective requirement outlined above, the CDBG public benefit requirement will be enforced via an assistance agreement that the receiver executes at assistance closing. The assistance agreement requires that the business provide payroll documentation to the City of Waterford showing job creation sufficient to meet the \$35,000 per FTE requirement. Once sufficient jobs have been created and documentation is supplied to the City of Waterford, then no more monitoring for jobs will be required. CDBG assistance is intended to create long term employment opportunities but ongoing long term monitoring is not required.

Each person who is a new hire, or is in a position retained because of CDBG assistance funds, must complete a Self-Certification Family Income Verification form. This form must be completed and provided to the City of Waterford so that the demographic and income information can be included in the annual report submitted to HUD. See Exhibit "B" - Self-Certification Family Income Verification form.

3.5 OTHER FEDERAL REQUIREMENTS

National Environmental Policy Act (NEPA) regulations require an Environmental Review Record (ERR) to be submitted for each project/business funded with CDBG monies prior to award or approval of funds. The City of Waterford is required to complete the proper NEPA review, along with any state review under California's Environmental Quality Act (CEQA) review. The ERR level of review is based on the type of project proposed and all aggregated activities to be undertaken.

Applicants will be informed of any additional time required for assistance processing due to environmental review. The ERR will be done as soon as the City of Waterford determines that the project is eligible for funding. No costs will be charged to the receiver for this process. Once an application is submitted, no activities can be performed on the project until completion of the ERR as this would be a choice-limiting action under NEPA regulations.

Required DUNs number, verification of not being on federal debarred list, and insurance. All businesses who wish to receive funds under this Program will be required to obtain a DUN's number. The DUN's number is free and can be obtained online at www.dnb.com. As noted above, HUD also requires that the City of Waterford collect certain income and demographic data from the business and any new hires resulting from the investment of CDBG funds. Applicants will be required to obtain all proper licenses and insurance to operate legally within the community.

Federal and/or State Labor standards and provisions may apply for projects assisted with CDBG funds. The Receiver attests that all applicable standards and provisions will be strictly adhered to.

Other requirements related to CDBG funds: The Receiver agrees to comply with all other requirements associated with the use of CDBG funds, including but not limited to,

Acquisition, Anti-Displacement, and Relocation provisions, Equal Opportunity and Section 3 regulations, Procurement regulations, and Contractor Eligibility and Certification provisions.

HUD Assistance Underwriting Standards are required to be met by each CDBG assistance sub-recipient. There is some flexibility in how the underwriting criteria are used; therefore the funds under this program are more advantageous than commercial business loans. In addition to the commercial lending underwriting criteria, HUD requires that additional underwriting criteria be used because CDBG funds are public funds being provided to private for profit businesses. See Exhibit "A" for CDBG program underwriting guidelines and a list of the additional criteria and how to comply with them as required.

4.0 ASSISTANCE PROCESSING AND APPROVAL

4.1 FAIR LENDING COMPLIANCE

This program will be implemented consistent with the City of Waterford's commitment to fair lending laws. No person or business shall be excluded from participation in, denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part with Program funds on the basis of his or her religion or religious affiliation, age, race, color, ancestry, national origin, sex, marital status, familial status (number or ages of children), physical or mental disability, sexual orientation, or other arbitrary cause. All personal information of assistance applicants will be kept confidential.

4.2 ASSISTANCE APPLICATION PROCESSING

Assistance applications will be processed on a first-come, first-served basis. The City will accept assistance applications and review them for initial eligibility. Applications that do not meet basic requirements of the program will be returned with an explanation of requirements needing to be met. Applications that do meet basic eligibility requirements will be sent out with instructions including any requests for additional information. The City of Waterford will also meet with the business owners and visit the site of the business.

Once City staff has compiled a complete assistance file with all the credit, financial, and underwriting information needed to show assistance is eligible under these guidelines, an assistance advisory memo will be drafted recommending one of the following actions: 1) approve the assistance application as submitted, 2) approve the assistance application with special modification of assistance covenants, or 3) deny the assistance application. The assistance advisory memo, with proper documentation, will be submitted to the City of Waterford's Community Development & Housing Loan Committee, for review and approval/denial. If the assistance is approved, assistance documents will be drawn for assistance closing. Applications that do not meet the Program guidelines will receive a written denial letter explaining the reason(s) for denial.

4.3 APPLICANT CONFIDENTIALITY

Persons serving as a City of Waterford representative for this Program will not disclose any of the Receiver's personal, confidential information as part of the assistance

approval process. All confidential information of businesses will only be disclosed to persons required to view the information as part of assistance review and approval and/or as part of CDBG funding monitoring agencies: Stanislaus County or HUD, if requested. If the City of Waterford receives a request for public records for an assistance applicant, only non-confidential information, as verified by legal counsel, will be provided.

4.4 APPLICANT DISPUTE RESOLUTION/APPEALS PROCEDURE

Any business applying for assistance through this CDBG program has the right to appeal if their application is denied. The appeal must be made in writing to the City of Waterford within thirty (30) days of receiving notification that the assistance was denied. All appeals will be directed to the City Manager for a final decision.

The City of Waterford is responsible to assure that the Program is implemented in compliance with state and federal regulations. This includes developing accurate and professional files, work write-ups and contract documents. The City of Waterford or his/her representatives will ensure the funded activities are completed and the jobs are created in accordance with federal regulations.

4.5 NO CONFLICT OF INTEREST ALLOWED

In accordance with Title 24, Section 570.611 of the Code of Federal Regulations, no member of the governing body and no official, employee, agent, or immediate family member of the local government body, nor any other person who exercises policy or decision-making responsibilities in connection with the planning and implementation of the CDBG program shall directly or indirectly be eligible for this program. Exceptions to this policy can be made only after public disclosure and formal approval by the governing body and authorized in writing by the City of Waterford's legal counsel.

4.6 EXCEPTIONS/SPECIAL CIRCUMSTANCES

Exceptions are defined as any action which would depart from policy and procedures stated in the guidelines.

The City of Waterford may consider an exceptional/special circumstance. A report on the situation will be prepared. This report shall contain a narrative, including the staff's recommended course of action and any written or verbal information supplied by the applicant. The City of Waterford's City Manager, and/or his/her designee, shall make a final determination of the exceptional/special circumstances request.

4.7 ASSISTANCE PROCESS

Upon approval, City staff will prepare all documentation necessary for assistance closing. The Receiver will sign all the necessary documents and agreements. The City of Waterford will prepare the closing documents; prepare title and lien searches, and UCC-1 filings, if appropriate. City of Waterford legal counsel will review all agreements and documents, as necessary.

5.0 DESCRIPTION OF ASSISTANCE

5.1 DETERMINATION OF ASSISTANCE AMOUNT

The Program has a maximum assistance amount of \$35,000, and the minimum amount will generally not be less than \$2,500. Amounts will be determined based on the number of jobs to be created or retained (one new job must be created for any assistance amount), and the reasonableness of the costs to be paid for by the assistance.

5.2 DETERMINATION OF TERM

The assistance will not have a term.

5.3 ASSISTANCE INTEREST RATE

The assistance will not have an interest rate.

5.4 PROCESSING FEES

The CDBG program provides administration funds to pay for assistance processing costs. No direct fees will be charged to the receiver other than the \$100 application fee, refundable upon verification of the new job being created.

6.0 ASSISTANCE UNDERWRITING STANDARDS

6.1 INITIAL ASSISTANCE EVALUATION

Each project/business will be evaluated based on how it has performed in the past and its future financial forecast. Specifically, the following questions will be asked upon receipt of an assistance application:

- Will the business create jobs?
- Will the project meet a CDBG national objective?
- Are the costs to be paid CDBG eligible?
- Are the business and all owners' credit worthy?
- Does business have management capacity?
- Does start-up business have a solid business plan and document market demand?
- Is the owner(s) contributing a reasonable amount of equity?
- Was the business financially viable in the past (net income covers debt)?
- Are there reasonable financial assumptions for future viability/success?

By collecting enough initial application information from the receiver(s) to answer the above list of questions, the City of Waterford will have a good sense of how strong a receiver is and how successful they will be if provided CDBG assistance. Most of this information is verbally collected at the initial site visit with the owner, although additional supporting documentation may be requested. By meeting the receiver and asking these questions the City of Waterford will know what additional information/documentation needs to be collected to provide a clear picture of how CDBG funds can be used to assist the applicant. These questions demonstrate the need for CDBG funds.

After the initial review, the City of Waterford will collect the proper information required for assistance underwriting. The required documentation is listed in the City of Waterford Small Business Assistance Program Application, included as Exhibit "C". The amount of documentation and detailed underwriting is based on size of the assistance and type of business (existing or start-up) and whether job creation or retention is used. Additional documentation may be required to clarify special circumstances of the business. Below are some to the basic underwriting requirements for a typical assistance applicant.

6.2 PERSONAL AND BUSINESS CREDIT REQUIREMENTS

Each applicant may have third party credit reports obtained for them. All owners of the business with twenty five percent (25%) or more interest may be required to have a credit report obtained for them. Most credit reporting services will provide credit scores. For this program, credit scores of 550 and above are generally considered acceptable credit. If no credit scores are available or obtained, then a narrative must be summarized by the City of Waterford to give a justification for making a determination of good or bad credit. This same narrative process will be used for the business credit reports to demonstrate the good standing or poor standing of the business being evaluated.

6.3 PERSONAL AND BUSINESS FINANCIAL INFORMATION

Personal financial statements will be required for each person who owns 25% or more of the business. Financial statements need to show all assets and liabilities of the interest holder. In addition to these statements, **federal tax return statements for owners and the business for the past three (3) years** are needed to give a historic perspective of income.

For the business, historic financial statements will be required. These will consist of the **past three (3) year's balance sheets and cash flow statements**. These statements should be prepared by the person responsible for doing the bookkeeping and finance management for the business. Based on these statements, the City of Waterford can develop ratios for debt service and payment history.

The business will also need to provide future projected financials. These will consist of **proformas showing projected revenue and costs for the business on a monthly basis for each fiscal year from one (1) to three (3) years out**. These pro-formas must also show the increased costs of the business due to the new jobs created.

A project sources and uses form must be provided to show what funding is required to complete the proposed assistance activity. This form will show the owner's equity as well as private bank financing and any other investments from other sources. The sources and uses give a clear idea of what costs the CDBG assistance will cover and its information must be reflected in the pro-formas as described above.

The information in these financial statements, along with any back up documentation required, will allow the City of Waterford to conduct the project's underwriting analysis. This analysis will be conducted per HUD required underwriting guidelines as outlined in Exhibit "A".

Free and confidential assistance is available through the Stanislaus Alliance Small Business Development Center (1020 10th St., Ste. 102 in Modesto, CA; 209-567-4910), to prepare the documentation discussed above.

6.4 COLLATERAL REQUIREMENTS

No assistance under this program will require collateral.

6.5 BUSINESS EXPERIENCE AND MANAGEMENT CAPACITY

The City of Waterford may obtain resumes and management histories to show the experience of business owners and their management staff in successful operation of the existing business or a comparable business. This will be most important with start-up businesses or with applicants that wish to use CDBG funds to purchase an existing business that is closing.

All businesses will be required to provide evidence of having received business counseling with the Stanislaus Alliance Small Business Development Center (SBDC). In addition, start-up businesses will be encouraged to attend a “Start-up Workshop” or comparable course hosted by the SBDC.

7.0 LOAN SERVICING

There are no loan servicing requirements.

8.0 PROGRAM OVERSIGHT BY CITY OF WATERFORD

The City of Waterford staff will serve as the primary contact for the Program. Once assistance is at the point of approval, the City of Waterford’s staff will prepare the assistance package and coordinate submittal for review and approval. City staff will ensure all assistance documents are properly reviewed by legal counsel and meet CDBG requirements prior to signing by the Receiver.

In addition, the City staff will make the final decisions regarding assistance collection, in the case of default, in conjunction with legal counsel. City staff will complete required HUD CDBG financial reports for program income. City staff will complete the proper quarterly and annual reports for review, approval, signature and submittal by the City of Waterford to the appropriate HUD representative.

EXHIBIT “A”

GUIDELINES AND OBJECTIVES FOR EVALUATING A CDBG ECONOMIC DEVELOPMENT PROJECT

The U.S. Department of Housing and Urban Development (HUD) requires that the state or local government conduct basic financial and underwriting prior to the provision of CDBG financial assistance to a business (24 CFR Part 5, Appendix A to Part 570). HUD has developed guidelines that are designed to provide grantees with a framework for financially underwriting and selecting CDBG-assisted economic development projects, which are financially viable and will make the most effective use of the CDBG funds. The City of Waterford requires that these HUD underwriting guidelines be utilized to determine whether a proposed CDBG subsidy is appropriate to assist a business expansion or retention project. In addition, the project must be reviewed to determine that a minimum level of public benefit will be obtained from the expenditure of the CDBG funds in support of the project.

HUD’s underwriting guidelines recognize that different levels of review are appropriate to take into account differences in the size and scope of a proposed project, and in the case of a micro enterprise or other small business, to take into account the differences in the capacity and level of sophistication among businesses of differing sizes.

The objectives of the underwriting guidelines are to ensure:

1. That the project costs are reasonable
2. That all sources of project financing are committed
3. That to the extent practicable, CDBG funds are not substituted for non-Federal financial support
4. That the project is financially feasible
5. That to the extent practicable, the return on the owner’s equity investment will not be unreasonably high
6. That to the extent practicable, CDBG funds are disbursed on a pro rata basis with other finances provided to the projected
7. That the projected level of public benefit is reasonable

Project Costs are Reasonable

Reviewing costs for reasonableness is important. It will help avoid either too much or too little CDBG assistance for the proposed project. Therefore, it is suggested that the grantee obtain a breakdown of all project costs and that each cost element making up the project be reviewed for reasonableness. The amount of time and resources expended evaluating the reasonableness of cost element should be commensurate with its cost.

For example, it would be appropriate for an experienced reviewer looking at a cost element of less than \$10,000 to judge the reasonableness of that cost based upon his or her knowledge and common sense. For a cost element in excess of \$10,000, it would be more appropriate for the reviewer to compare the cost element with a third-party, fair-market price quotation for that cost element. Third-party price quotations may also be used by a reviewer to help determine the reasonableness of cost elements below

\$10,000 when the reviewer evaluates projects infrequently or if the reviewer is less experienced in cost estimations. If a reviewer does not use third-party quotations to verify cost elements, then the reviewer would need to conduct a cost analysis using appropriate cost estimating manuals or services.

Particular attention should be paid to any cost element of the project that will be carried out through a non-arms-length transaction. A non-arms-length transaction can occur when the business entity receiving the CDBG assistance procures goods or services or acquires property from itself or from another party with whom there is a financial interest or family relationship. If abused, non-arms-length transactions misrepresent the true cost of the project.

Commitment of All Sources of Project Financing

A review of all proposed sources of funding for a project will be conducted to evaluate whether the project is financially feasible given the availability and commitment of other proposed funding sources. This review is necessary to ensure that time and effort is not wasted on assessing a proposal that is not able to proceed.

To the extent practicable, prior to the commitment of CDBG funds to the project, the project review will verify that: sufficient sources of funds have been identified to finance the project; all participating parties providing those funds have affirmed their intention to make the funds available; and, the participating parties have the financial capacity to provide the funds.

Avoid Substitution of CDBG Funds for Non-Federal Financial Support

The proposed CDBG economic development project will be reviewed to ensure that, to the extent practicable, CDBG funds will not be used to substantially reduce the amount of non-Federal financial support for the activity. This will help the City of Waterford to make the most efficient use of its CDBG funds for economic development.

To reach this determination, the reviewer will conduct a financial underwriting analysis of the project, including reviews of appropriate projections of revenues, expenses, debt service and returns on equity investments in the project. The extent of this review should be appropriate for the size and complexity of the project and should use industry standards for similar projects, taking into account the unique factors of the project such as risk and location.

Because of this high cost of underwriting and processing loans, many private financial lenders may not finance commercial projects that are less than \$100,000. A reviewer should familiarize themselves with the lending practices of the financial institutions in the community. If the project's total cost is one that would normally fall within the range within which financial institutions participate, then the project review should determine the following:

1. **Private Debt Financing:** Whether or not the participating business (or other entity having an equity interest) has applied for private debt financing from a commercial lending institution and whether that institution has completed all of its financial underwriting and loan approval actions resulting in either a firm commitment of its funds or a decision not to participate in the project; and

2. Equity Participation: Whether or not the degree of equity participation is reasonable given general industry standards for rates of return on equity for similar projects with similar risks and given the financial capacity of the entrepreneur(s) to make additional financial investments.

If the project involves providing assistance to a micro enterprise owned by a low or moderate income person(s), then the reviewer might only need to determine that non-Federal sources of financing are not available (at terms appropriate for such financing) in the community to serve the low or moderate income entrepreneur.

Financial Feasibility of the Project

The public benefit the City of Waterford expects to derive from the CDBG assisted project (a separate eligibility requirement) will not materialize if the project is not financially feasible. To determine if there is a reasonable chance for the project's success, the City of Waterford will evaluate the financial viability of the project. A project would be considered financially viable if all of the assumptions about the project's market share, sales levels, growth potential, projections of revenue, project expenses and debt service (including repayment of the CDBG assistance, if appropriate) were determined to be realistic and met the project's break-even point (which is generally the point at which all revenues are equal to all expenses). Generally speaking, an economic development project that does not reach this break-even point over time is not financially feasible. The following should be noted in this regard:

1. Some projects make provisions for a negative cash flow in the early years of the project while space is being leased up or sales volume built-up, and the project's projections should take these factors into account and provide sources of financing for such negative cash flow; and
2. It is expected that a financially viable project will also project sufficient revenues to provide a reasonable return on equity investment. The reviewer should carefully examine any project that is not economically able to provide a reasonable return on equity investment. Under such circumstances, a business may be overstating its real equity investment (actual costs of the project may be overstated as well), or it may be overstating some of the project's operating expenses in the expectation that the difference will be taken out as profits, or the business may be overly pessimistic in its market share and revenue projections and has downplayed its profits.

In addition to the financial underwriting reviews carried out earlier, the reviewer should evaluate the experience and capacity of the assisted business owners to manage an assisted business to achieve the projections. Based upon its analysis of these factors, the reviewer should identify those elements, if any, that pose the greatest risks contributing to the project's lack of financial feasibility.

Return on Equity Investment

To the extent practicable, the CDBG assisted activity should not provide more than a reasonable return on investment to the owner of the assisted activity. This will help ensure that the City of Waterford is able to maximize the use of its CDBG funds for

its economic development objectives. However, care should also be taken to avoid the situation where the owner is likely to receive too small a return on his/her investment, so that his/her motivation remains high to pursue the business with vigor. The amount, type and terms of the CDBG assistance should be adjusted to allow the owner a reasonable return on his/her investment given industry rates of return for the investment, local conditions and the risk of the project.

Disbursement of CDBG Funds on a Pro-rata Basis

To the extent practicable, CDBG funds used to finance economic development activities should be disbursed on a pro-rata basis with other funding sources. Grantees should be guided by the principle of not placing CDBG funds at significantly greater risk than non-CDBG funds. This will help avoid the situation where it is learned that a problem has developed that will block the completion of the project, even though all or most of the CDBG funds going into the project has already been expended. When this happens, a grantee may be put in a position of having to provide additional financing to complete the project or watch the potential loss of its funds if the project is not able to be completed. When the grantee determines that it is not practicable to disburse CDBG funds on a pro-rate basis, the grantee should consider taking other steps to safeguard CDBG funds in the event of default, such as insisting on securitizing assets of the project.

Standards for Evaluating Public Benefit (refer to 24 CFR Part 570.209 (b))

Besides reviewing a project under these underwriting factors, the project must be reviewed to determine that at least a minimum level of public benefit is obtained from the expenditure of the CDBG funds. The minimum standard of public benefit is as follows:

1. The project must lead to the creation or retention of at least one full-time equivalent (FTE) job per \$35,000 of CDBG funds used. Part-time staff may be combined to make up one FTE. One FTE consists of 2,080 staff hours per year.

EXHIBIT "B"

CITY OF WATERFORD
SELF-CERTIFICATION FAMILY INCOME VERIFICATION

Following to be completed by the EMPLOYER

Business Name: _____

Business Location: _____ Waterford, CA

Contact Name: _____ Title: _____

Telephone: _____ Email: _____

Date Employee was hired: _____ Number of hours worked weekly: _____

Please check appropriate box: New Employee Retained Employee

Indicate Type of Position Being Filled or Retained:

Supervisor/Manager

Craft/Skilled Worker

Sales

Professional

Operative/Semi-skilled

Service

Technician

Laborer/Unskilled

Office/Clerical

Signature: _____

Date: _____

Following to be completed by the EMPLOYEE

The company you are applying to for employment, or are currently employed with, was assisted under a Federal funding program which has, as one of its objectives, the creation of jobs for low and moderate income persons. Whether you are from a **low/moderate-income family** depends on the size of the household and your total family household income.

Please check the income you estimate was your total family income and the number of family members residing in your household for the past 12-month period. Income is defined as the total annual gross income of all **family members** 18-years of age or older residing within the home. Students away at college but still reported as a dependent on a family member's tax return should also be included. **Family** means all persons living in the same household who are related by birth, marriage or adoption.

Check estimated family income
for the past 12 months

Check the number of family members living
in your household during the past 12 months

FY 2012 Income Limits Summary

Stanislaus County, California										
FY 2012 Income Limit Area	Median Income	FY 2012 Income Limit Category	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
Stanislaus County	\$62,000	Extremely Low (30%)	\$13,050	\$14,900	\$16,750	\$18,600	\$20,100	\$21,600	\$23,100	\$24,600
		Very Low (50%)	\$21,700	\$24,800	\$27,900	\$31,000	\$33,500	\$36,000	\$38,450	\$40,950
		Low (80%)	\$34,750	\$39,700	\$44,650	\$49,600	\$53,600	\$57,550	\$61,550	\$65,500

Income Limit areas are based on FY 2011 Fair Market Rent (FMR) areas. For a detailed account of how this area is derived please see our associated FY 2011 Fair Market Rent documentation system.

HUD: December 1, 2011

EMPLOYMENT

STATUS

____ Part-time or ____ Full-time

POSITION CURRENTLY HELD:

OTHER DEMOGRAPHIC INFORMATION Ethnicity: ____ Hispanic or ____ Non-Hispanic

Following to be completed by the EMPLOYEE (Continued)

Race (please check one):

- | | |
|---|---|
| <input type="checkbox"/> White (Caucasian) | <input type="checkbox"/> Black/African American |
| <input type="checkbox"/> Asian | <input type="checkbox"/> American Indian/Alaskan Native |
| <input type="checkbox"/> Native Hawaiian/Other Pacific Islander | <input type="checkbox"/> American Indian/Alaskan Native & White |
| <input type="checkbox"/> Asian & White | <input type="checkbox"/> American Indian/Alaskan Native & Black |
| <input type="checkbox"/> Black/African American & White | <input type="checkbox"/> Other |

I hereby certify that the information on this form is accurate and complete. I understand that this self-certification may be subject to further verification by the agency providing services, the City of Waterford, or the U.S. Department of Housing and Urban Development. I, therefore, authorize such verification, and I will provide supporting documents, if necessary. Warning: Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the U.S. Government.

Participant/Employee Name (please print): _____

Signature (Parent/Guardian if under 18 years old)

Date

Please return completed, signed form to:

***City of Waterford
101 "E" Street,
Waterford, CA 95386
Phone: (209) 874-2328***