

**CDBG Housing Application Summary****Project Name: Lake Flower Apts. - Critical Plumbing Renovation****Exhibit 1 – Program Summary****1A. General Program Information and Funds Requested**

Project Name: Lake Flower Apts. - Critical Plumbing Renovation

Date of Public Hearing: 08/28/2025

Budget:

<u>Activity</u>	<u>CDBG Request</u>	<u>Other Sources</u>	<u>Total Cost</u>	<u># of Owner Occupied Units</u>	<u># of Rental Units</u>
Infrastructure in Support of Existing Housing	\$1,181,508	\$367,200	\$1,548,708		78
Single Unit Housing Rehabilitation			\$0		
Multi-Unit Housing Rehabilitation (2–4-unit buildings)			\$0		
Activity Total	\$1,181,508	\$367,200	\$1,548,708	0	78
Program Delivery	\$69,303		\$69,303		
Administration	\$26,655		\$26,655		
Total	\$1,277,466	\$367,200	\$1,644,666		

**1B. Applicant Information**

Applicant Name: Town of Harrietstown

Type of Applicant: Town Government

Federal EIN: 15-6000978

UEI (Unique Entity Identifier): XYM6L4R8LMC1

Fiscal Year End Date:

Official Mailing Address:

39 Main St  
Saranac Lake, NY 12983  
FRANKLIN County

Chief Elected Official	Jordanna Mallach Town Supervisor	Phone: 518-891-1470	Email: jmallach@harrietstown.org
Primary Applicant Contact	Patrick Murphy Executive Director, Harrietstown Housing Authority	Phone: 518-891-3050 Ext: 107	Email: pmurphy@harrietstownha.org
Application Preparer	Patrick Murphy Executive Director, Harrietstown Housing Authority	Phone: 518-891-3050 Ext: 107	Email: pmurphy@harrietstownha.org
Grant Administrator Subrecipient	Patrick Murphy Executive Director, Harrietstown Housing Authority	Phone: 518-891-3050 Ext: 107	Email: pmurphy@harrietstownha.org

**1C. Program Location**

Location Type: Single Site

Street Address for Single Site Project: 14 Kiwassa Rd, Saranac Lake, NY 12983

Project County: Franklin

Municipality(ies):

Harrietstown  
Harrietstown

Regional Council: North Country

**Latitude & Longitude**

Project Latitude: 44.323707

Project Longitude -74.131923

**1D. Political Districts:**

1. New York State Assembly District(s):

District Number/Name  
115 - Jones, Billy

2. New York State Senate District(s):

District Number/Name  
45 - Stec, Daniel G

3. United States Congressional District(s):

District Number/Name  
21 - Stefanik, Elise M

**Exhibit 2 - Need Proposal****2A. Program Abstract**

Provide a brief abstract of the proposed program. Please note, the abstract provided may be included in press materials. The abstract should include, but not be limited to the following information:

- Organization name
- Service Area
- Requested Amount of Funds
- Main Goals(s) of the Program
- Proposed Activity (Housing Rehabilitation, Infrastructure in Support of Housing)
- Proposed accomplishments
- Any unique features of program.

Sample abstract: The Village of Sample will use \$300,000 in NYS CDBG funding to assist 10 low- and moderate-income homeowners with essential home rehabilitation. The Village will prioritize homeowners that need assistance to correct code violations and health and safety issues.

The Town of Harrietstown will work with the Harrietstown Housing Authority to use \$1,277,466 in NYS CDBG funds, matched with \$367,200 from other sources, to replace failing plumbing at the Lake Flower Apartments, a 9-story high-rise serving 78 low-income households in Saranac Lake. The project will eliminate health and safety hazards, preserve affordable housing, and ensure long-term stability for seniors, people with disabilities, and other low-income individuals.

**2B. Program Activities and Service Area**

Provide an overview of the proposed program and outline the general program design:

- Describe the housing rehabilitation and/or infrastructure in support of housing activities proposed.
- Describe any unique program features and targeted populations of the program.
- Identify the targeted service area and explain how the proposed service area was selected.

The Town of Harrietstown, in partnership with the Harrietstown Housing Authority, proposes a critical infrastructure project to rehabilitate the plumbing system at the Lake Flower Apartments, a 9-story high-rise located in the Village of Saranac Lake. This property provides 78 units of affordable housing to seniors, people with disabilities, and other individuals with very low- to low-income, making it one of the largest concentrations of affordable housing in the Adirondack region.

The project will replace failing hot and cold-water supply lines, sanitary drains, vents, and related components throughout the building. Current conditions include widespread leaks, corroded pipes, and moisture damage that pose direct health and safety risks to residents, contribute to mold growth, and strain maintenance operations. Rehabilitation of these systems will eliminate ongoing hazards, reduce the need for costly emergency repairs, and extend the useful life of the property.

A unique feature of this program is its scale and impact within a rural community where affordable housing is scarce and extremely difficult to replace if lost. By addressing these critical needs, the project not only ensures the continued habitability of an existing building but also preserves deeply affordable housing options for some of the most vulnerable populations in the region. The proposed investment will stabilize housing for 78 households while safeguarding a vital community asset.

The service area is the Lake Flower Apartments located in Saranac Lake, NY, which was selected because of the urgent and documented need identified through a comprehensive physical needs assessment and follow-up plumbing study completed in 2024. These assessments confirmed the extent of system failures and prioritized this project as the most pressing capital improvement needed within HHA's portfolio. The project is designed to ensure that this critical housing resource remains safe, sanitary, and affordable.

**2C. Pro Housing:**

Does the program cover a municipality(ies) designated as a Pro-Housing Community, or has the municipality(ies) submitted a letter of intent initiating the Pro-Housing Community certification process? Yes

**2D. Need for Program & CDBG Funding**

Explain the need for the proposed program in the service area including but not limited to:

For infrastructure in support of housing activities:

- Describe the health and safety hazards presented by the existing conditions of the infrastructure.
- Describe relevant, similar services currently provided in the area by the applicant and/or other entities. If a gap in services exists, detail the need and describe how the proposed program will address the needs.
- Attach preliminary engineering report, consent orders, notice of violations, local code enforcement actions, and any other third-party evidence of need.

For housing rehabilitation activities:

- Provide the percentage of owner-occupied housing units and the percentage of owner-occupied housing units built before 1980.
- Provide the median year in which housing units were built, broken down by whether they are owner occupied, or renter occupied.
- Describe the current housing conditions in the proposed service area, including challenges that low to moderate income homeowners face.
- Describe relevant, similar services currently provided in the area by the applicant and/or other entities. If a gap in services exists, detail the need and describe how the proposed program will address the needs.
- Attach supporting documentation such as a sample of housing conditions surveys and cost estimates (at least 3).

The Lake Flower Apartments, owned and managed by the Harrietstown Housing Authority (HHA), is a 9-story high-rise that provides 78 units of deeply affordable housing to seniors, people with disabilities, and other individuals with very low to low incomes in the Village of Saranac Lake. A comprehensive physical needs assessment conducted in 2023, followed by a plumbing-specific study in 2024, documented widespread failure of the building's original plumbing infrastructure, creating immediate health and safety concerns.

The existing plumbing system is failing at multiple points. Hot and cold-water supply lines are corroded and leak frequently, causing water intrusion into walls, ceilings, and units. Sanitary drains and vents are compromised, resulting in recurring backflows, blockages, and unsanitary conditions. These failures have created persistent mold growth and moisture damage in occupied units, compromising indoor air quality and endangering residents with respiratory conditions or compromised immune systems. Maintenance staff must routinely perform "patch-as-you-go" emergency repairs, often requiring disruptive entry into occupied apartments. The risk of systemwide failure remains high, leaving residents vulnerable to prolonged service interruptions, unsanitary conditions, and potential displacement.

As the designated public housing authority for Harrietstown, HHA is the primary provider of safe, affordable housing for low-income households in the community. While HHA maintains the property to the best of its ability, the scale and severity of the plumbing failures far exceed routine maintenance capacity or local funding availability. No other local entity provides large-scale, income-restricted housing in Saranac Lake; therefore, there are no alternative housing options for the 78 households who would be displaced if the Lake Flower Apartments became uninhabitable. The private rental market in the region is characterized by high demand, limited supply, and rents that are unaffordable to HHA's residents.

This represents a significant service gap: without major rehabilitation, the community faces the potential loss of nearly 80 affordable homes, a resource that cannot be easily replaced in this rural region.

The proposed plumbing rehabilitation will comprehensively replace the building's hot and cold-water supply lines, sanitary drains, vents, and related components. This investment will eliminate immediate health hazards, reduce the risk of future failures, and preserve the long-term viability of the Lake Flower Apartments. By doing so, the program addresses not only the physical safety of current residents but also the broader community's need to retain scarce affordable housing resources.

Third-party documentation, including the physical needs assessment and plumbing study, confirm the urgent need for this project. Together, these materials demonstrate that the plumbing system's condition is not merely a matter of deferred maintenance but a systemic failure that threatens both resident health and the preservation of a critical affordable housing asset.

The program ensures that one of the region's largest concentrations of affordable housing remains safe, sanitary, and available for decades to come. By addressing this infrastructure crisis now, HHA will close the service gap, stabilize vulnerable households, and safeguard an irreplaceable community resource.

**Exhibit 3 - Program Design****3A. Intake Process**

Describe the application intake process and documentation required by applicants. This should include, but not be limited to:

- A description of how applications are prioritized, selected, and notified.
- The timing of steps in the intake process as it relates to other program milestones.
- If there is an existing pool of applicants that are pre-qualified provide the number of households on the waitlist, details related to the existing waitlist, and procedures for developing and managing the list. Explain eligibility criteria to add an individual to the waitlist; the process for keeping the waitlist up to date; and where the referrals are coming from.
- If there isn't a waitlist, describe outreach and marketing efforts, and the approach to establish a pipeline of referrals and an applicant recruitment strategy to ensure there will be enough applicants to fulfill the proposed level of assistance.

Lake Flower Apartments is a HUD-funded public housing property managed by the Harrietstown Housing Authority (HHA). As such, it is governed by HUD's Public Housing regulations, including those outlined in HUD's Occupancy Guidebook and Waiting List and Tenant Selection framework. These standards ensure fair, transparent, and equitable access to housing opportunities. Additionally, HHA administers an Admissions and Continued Occupancy (ACOP) policy book that directs staff on the waitlist procedures.

Applicants for public housing at the Lake Flower Apartments begin by submitting a formal application with all required documentation, including proof of legal identity, Social Security numbers, citizenship/eligible immigration status, and income verification. Applications are accessible to persons with disabilities and Limited English Proficiency (LEP) through reasonable accommodations and translation services, in accordance with HHA's ACOP.

Applications are placed on the waiting list once preliminary eligibility is established. HHA uses a preference point system to prioritize admissions. Preferences may include local residency, elderly or disabled status, or other factors consistent with HUD regulations. Within the same preference category, families are selected based on the date and time of their completed application. Notification of selection is sent by first-class mail and includes the interview date, required documentation, and procedures for rescheduling.

Families selected from the waiting list must participate in an in-person eligibility interview. At this stage, applicants must provide all documentation needed to confirm eligibility and preferences. If materials are missing, HHA allows up to 10 business days to submit them. Applicants who fail to attend two interviews without good cause will have their applications inactivated. Once eligibility is confirmed, HHA provides written notice within 10 business days, including an estimated move-in date if available.

HHA maintains and regularly updates its public housing waiting list. Families must notify HHA within 10 business days of any changes in family size, composition, or contact information. Periodic mailings (and other applicant-preferred communication methods such as text or email) are sent to confirm ongoing interest. Applicants have 15 business days to respond; failure to do so results in removal from the list. Applicants with disabilities may be reinstated as a reasonable accommodation if their disability caused the missed response.

The Lake Flower Apartments maintains an active waitlist of pre-qualified households, representing local demand for deeply affordable housing. Placement is based on both preference points and unit needs (e.g., accessibility features, bedroom size). If a unit becomes available, HHA matches family and unit characteristics to ensure the highest and best use of available housing stock.

Eligibility is determined by HUD income targeting standards (very low and low-income households), citizenship/immigration status, and suitability as tenants under HHA's policies. Outreach is conducted affirmatively to ensure access by underserved groups, and partnerships with service agencies provide referrals for elderly, disabled, and homeless applicants.

The intake process aligns with major program milestones for the plumbing rehabilitation project. By maintaining a managed waiting list and consistent outreach, HHA ensures that vacancies created during rehabilitation or preserved after system stabilization can be filled quickly with eligible households. This approach protects occupancy rates while ensuring compliance with HUD's fair housing and equal opportunity requirements.

**3B. Income Eligibility:**

Describe the process to verify income eligibility, property ownership and occupancy, including but not limited to:

- How to identify the area median income limit.
- Which method will be utilized to document annual income of program participants.
- The type and time period for required supporting documentation.
- Acknowledge plan to use and prior experience using the HUD CPD calculator.

The Harrietstown Housing Authority (HHA) follows HUD regulations and its Admissions and Continued Occupancy Policy (ACOP) to determine income eligibility for public housing programs, including applicants for the Lake Flower Apartments.

Income eligibility is based on HUD-published income limits tied to the Area Median Income (AMI) for Franklin County, NY. Each year, HUD releases updated income limits by household size. To qualify, households must be at or below the Very Low-Income (50% AMI) or Low-Income (80% AMI) thresholds, with a minimum of 40% of new admissions reserved for Extremely Low-Income families (30% AMI).

HHA uses HUD's required verification hierarchy, starting with Up-Front Income Verification (UIV) through the Enterprise Income Verification (EIV) system where possible, followed by third-party written or oral verification, and finally tenant-provided documents or self-certification if higher-level verification is not available. Annual income includes wages, Social Security, pensions, unemployment benefits, child support, and other recurring sources, as defined by HUD.

Applicants must provide supporting documentation covering the most recent 12 months, or a projection of anticipated income if circumstances have changed. Required documentation includes: Wages/earned income via pay stubs (minimum last 4-6 weeks), W-2 forms, or employer verification; Benefits: Social Security/SSI award letters, unemployment notices, or pension statements; Assets: recent bank statements, or investment account summaries; Other income: child support or alimony court orders, regular gifts, or other recurring contributions.

Income and asset information is verified at initial application, at admission, and annually thereafter, with interim reexaminations required if household circumstances change. Documentation must generally be dated within 60 days of submission to ensure accuracy. Families are required to report changes promptly while on the waitlist and during tenancy.

HHA acknowledges and will continue to use the HUD CPD Income Eligibility Calculator to standardize income determinations. The Authority has prior experience using the CPD calculator to confirm compliance with HUD income targeting requirements across multiple programs. This tool ensures accurate application of income limits and uniform eligibility determinations.

Through a layered verification process-including EIV, third-party confirmation, and household documentation-HHA ensures that only income-eligible households are admitted, and that income, assets, and property ownership are accurately captured. This process aligns with HUD's verification standards, affirmatively furthers fair housing, and protects program integrity.



**3C. Written Agreement, Security Instrument and Period of Affordability:**

- Summarize how and when a written agreement will be executed with eligible participants to explain the terms and conditions of accepting CDBG assistance. Include the timing of executing these documents compared to when income eligibility will be determined.
- Describe the efforts planned to confirm the participant's understanding of the program requirements and obligations including the period of affordability.
- Explain the procedures and timing for preparing, executing, and recording the required declaration of interest.

The Town of Harrietstown will execute a written agreement with the Harrietstown Housing Authority (HHA) to outline the terms and conditions of receiving CDBG assistance. This agreement will detail HHA's responsibility to ensure all residents meet income eligibility throughout the regulatory period. The Town and HHA do not foresee this as an issue as HHA is already a property under strict income eligibility requirements as stated in its founding documents.

To ensure transparency and compliance, the Town and HHA will meet and agree to the following: a review session where program staff explains the scope of the plumbing project, the terms of assistance, and all obligations under the CDBG program.

As part of the compliance requirements, the Town of Harrietstown will require the Harrietstown Housing Authority to execute a Declaration of Interest covering the assisted property. The steps will include: drafting a declaration in accordance with HUD and New York State CDBG guidelines and confirmation that all households meet income eligibility. Once all are confirmed, the written assistance agreement is signed and HHA will execute the Declaration of Interest on behalf of the Lake Flower Apartments.

The Town will ensure the fully executed declaration is promptly recorded with the Franklin County Clerk's Office to create a public record of the affordability and program requirements.

The recording of the Declaration of Interest will occur immediately following execution of the written agreement, ensuring that the affordability and program compliance requirements are legally secured before CDBG funds are drawn for project activities.

**3D. Organizational Capacity:****3D-1. Roles and Responsibilities of the Program Administrative Team:**

- Identify the employees, subrecipients, consultants and/or contractors that will be assigned to work on the proposed program for each of the following responsibilities. Include their relevant experience and the estimated number of hours per week they will be working on the CDBG program.

- a) General CDBG program management and compliance oversight
- b) Application review/ income eligibility
- c) Preparation of homeowner agreement and recording of Declaration of Interest in Property
- d) Preparation of scope of work / cost estimates
- e) Procurement efforts
- f) Construction management and inspections
- g) Environmental review activities
- h) Lead based paint/ asbestos activities
- i) Disbursement/ financial management

The Town of Harrietstown will utilize municipal staff, Housing Authority staff, and contracted consultants to manage and implement the CDBG-funded plumbing project at Lake Flower Apartments.

a) General Program Management & Compliance Oversight

Town Bookkeeper (2-3 hrs/wk): Oversees fiscal reporting, drawdowns, and reconciliation; experienced in municipal grant finance.

Town Supervisor (1-2 hrs/wk): Provides municipal oversight and compliance review.

HHA Executive Director (6-8 hrs/wk): Experienced in HUD program administration; day-to-day liaison for CDBG compliance.

b) Application Review / Income Eligibility

HHA Housing Staff (6-10 hrs/wk): Skilled in HUD certifications; will verify and document household income using HUD guidelines and the CPD calculator.

c) Agreements & Declarations

Town Clerk (2-4 hrs.): Records Declarations of Interest with County Clerk.

HHA Executive Director (2-4 hrs.): Prepares participant agreements ensuring CDBG compliance.

d) Scope of Work / Cost Estimates

HHA Executive Director (3-4 hrs/wk): Provides oversight.

HHA Facilities Director (4-6 hrs/wk): Experienced in repair specifications and HUD projects.

Aubertine & Currier (6-10 hrs/wk during design): Architects/engineers prepare cost estimates and technical specs.

e) Procurement

HHA Executive Director (3-4 hrs/wk): Oversees procurement compliance.

Aubertine & Currier (3-5 hrs/wk): Assists with bid packages and contractor selection.

f) Construction Management & Inspections

Aubertine & Currier (10-15 hrs/wk during construction): Provides site inspections, progress monitoring, and contractor compliance.

g) Environmental Review

Aubertine & Currier (4-6 hrs/wk during review): Conducts HUD environmental review, prepares documentation, coordinates with SHPO.

h) Lead-Based Paint / Asbestos

HHA Executive Director (2-3 hrs/wk): Coordinates compliance with HUD rules.

Aubertine & Currier (4-6 hrs/wk during testing): Licensed professionals for assessment and oversight.

i) Disbursement / Financial Management

Town Bookkeeper (3-4 hrs/wk): Manages drawdowns, accounting, and reconciliation.

HHA Executive Director (4-6 hrs/wk): Oversees disbursement requests, ensures documentation.

## 3D-2. Relevant Experience:

- Provide examples of recent CDBG awards or similar programs that applicant has administered within the past three to five years, including those that are in progress and/or those completed during that timeframe.
- Describe the outcome and accomplishments of those projects, highlight any administrative issues that occurred, and what corrective action was established to ensure the issues were resolved.

The Town of Harrietstown, in partnership with the Harrietstown Housing Authority (HHA), has successfully managed multiple Community Development Block Grants (CDBG) that directly support affordable housing.

In 2023, the Town received a CDBG Planning Grant to conduct a physical needs assessment of HHA properties. A focused plumbing study at the Lake Flower Apartments in 2024 revealed widespread failures in water supply, sanitary drains, and venting systems, creating health and safety concerns. This work directly shaped the current project by defining scope, priorities, and cost estimates. The grant produced technical reports documenting urgent needs. Minor reporting challenges led the Town and HHA to adopt improved coordination protocols with NYS Homes and Community Renewal, which are now in place for future grants.

The Town and HHA also partnered on a CDBG-funded project that repaired and upgraded the exterior façade at Lake Flower Apartments. The work addressed deferred maintenance, improved safety and durability, and enhanced the building's appearance for residents and the surrounding community. The project was completed successfully and preserved long-term affordability. Contractor scheduling delays required corrective action. The Town and HHA refined procurement procedures to secure responsive bids earlier in the season and strengthened oversight to ensure timely project completion.

Through these efforts, the Town of Harrietstown and HHA have shown the capacity to manage CDBG funds, address administrative issues effectively, and deliver results. The 2024 planning grant documented the critical plumbing needs now targeted for replacement, while the 2018-2019 façade improvements demonstrated the ability to complete major rehabilitation in compliance with program standards.

**3E. Procurement:**

Describe all services including consultants, subrecipients and/or contractors that will be procured for the proposed program. Outline, in detail, the process for advertisement, review and selection and describe how the process will comply with federal regulations.

The Town of Harrietstown, with the Harrietstown Housing Authority (HHA), will procure professional and construction services to complete the Lake Flower Apartments plumbing replacement. Services include:

Architectural/Engineering (Aubertine & Currier): Design, cost estimating, bid documents, and construction oversight. These services have already been procured following HUD-regulations and CDBG money will not fund these operations.

Construction Contractor(s): Licensed contractors to replace water supply, sanitary, and venting systems.

Specialty Services (as needed): Asbestos testing has already occurred. Abatement of highlighted issue areas will meet HUD and state requirements.

All procurement will follow 2 CFR Part 200 and NYS law to ensure open and competitive selection.

Advertisement: Notices will be placed in local newspapers, the Town website, and trade outlets. RFQs/RFPs will be issued for professional services; Invitations to Bid (ITBs) for construction.

Submission & Review: Bids/proposals will be received by the Town Clerk. A review panel of Town and HHA staff will evaluate. Professional services will be judged on qualifications, capacity, and cost; construction contracts awarded to the lowest responsible and responsive bidder.

Selection & Award: Final approval by the Town Board based on recommendations from HHA staff. Contracts will define scope, schedule, reporting, and compliance.

All procurement will comply with CDBG and federal standards, including:

Full and open competition (2 CFR 200.319).

Written procedures and evaluation criteria.

Cost/price analysis to ensure reasonableness.

Inclusion of federal provisions (Davis-Bacon, Section 3, EEO, M/WBE outreach).

Strict conflict of interest policies.

This process ensures all consultants and contractors are selected competitively, transparently, and in full compliance with HUD and CDBG requirements, while maintaining oversight for quality, cost, a

**3F. Fair Housing:**

What policies and procedure are in place to ensure fair housing? Is there a Fair Housing/Affirmative Marketing Plan already in place? For Affirmatively Fair Housing (AFFH) requirements prior to award and during implementation, please see the Request for Applications (RFA) here: <https://hcr.ny.gov/community-development-block-grant#funding-round-materials>

TBD

**3G. Lead Based Paint Compliance:**

For housing rehabilitation activities, provide a description of how the proposed program will comply with Lead-Based Paint regulations. A Lead-Based Paint Compliance Plan can be provided as an exhibit. A template can be found here: <https://hcr.ny.gov/community-development-block-grant/forms-and-documents>

The Town of Harrietstown and the Harrietstown Housing Authority (HHA) will comply with HUD's Lead-Safe Housing Rule (24 CFR Part 35). However, the proposed plumbing infrastructure project at the Lake Flower Apartments qualifies for a lead-based paint exemption pursuant to 24 CFR 35.115. Specifically, subsection (a)(1) provides an exemption for "Residential property found not to have lead-based paint by a lead-based paint inspection conducted in accordance with 35.1320(a)."

The Lake Flower Apartments were subject to a certified lead-based paint inspection that found no lead-based paint present in the property. This inspection was conducted in accordance with HUD standards and the 1997 edition of Chapter 7 of the HUD Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing.

**3H. Build America-Buy America:**

For water and sewer infrastructure projects in support of existing housing, describe plans to comply with the Build America, Buy America Act or describe the circumstances that may lead to requesting a waiver if the project is awarded CDBG funding.

The Town of Harrietstown will comply with the Build America, Buy America Act (BABA) by ensuring that all iron, steel, manufactured products, and construction materials used in the plumbing infrastructure project are produced in the United States, consistent with federal guidance. Contract documents will include BABA provisions, and procurement procedures will require bidders to certify compliance. The Town and Harrietstown Housing Authority (HHA) will maintain documentation to demonstrate that all materials meet domestic content standards.

If specific components (such as specialized valves, fittings, or fixtures) are not reasonably available from U.S. manufacturers, the Town may seek a waiver under HUD and U.S. Department of Commerce guidance. A waiver would only be pursued if domestic sourcing is inconsistent with public interest, unavailable in sufficient quantity or quality, or if it would increase overall project cost by more than 25 percent. Any waiver request would be fully documented and submitted in compliance with federal procedures.

Through these measures, the Town and HHA will prioritize domestic sourcing, support American manufacturing, and ensure full compliance with BABA while maintaining flexibility to pursue a waiver only if necessary to complete the project.

**Exhibit 4 - Budget/Financing Plan****A. Budget Summary:**

Explain the proposed CDBG program budget. This explanation of the program budget must be consistent with the required Funds Requested chart (Exhibit 1A). Specifically:

- Provide a detailed budget narrative. Identify each of the estimated costs, including the source of the funds and proposed use. This must include any administrative or program delivery costs.
- Describe how budget figures were determined, including engineering, and if applicable, program delivery and administration
- Provide the expected amount of CDBG assistance per housing unit and how that was determined
- Describe the availability of all non-CDBG funding sources.

Total Project Cost: \$1,644,666

Engineer's Construction Estimate (Aubertine & Currier, July 18, 2025): \$1,548,708

Program Delivery & Administration: \$95,958

Funding Sources:

CDBG Request: \$1,277,466

Other Funds: \$367,200

HHA Reserves & Capital Funds: \$367,200 (committed)

Use of Funds

Construction - \$1,548,708

Demolition, sanitary and water distribution systems, risers, recirculation, fixtures, and equipment.

Includes general conditions, overhead, profit, and contingencies.

Program Delivery - \$69,303

HHA Executive Director, Facilities Director, Public Housing Assistant time for project coordination, procurement, and compliance.

Administration - \$26,655

Town Supervisor, Bookkeeper, Clerk, and HHA Executive Director time for reporting, drawdowns, and grant compliance.

Total: \$1,644,666

Budget figures are grounded in the detailed July 2025 engineering estimate, supplemented with program delivery and administrative costs calculated based on the estimated hours of work detailed in 3D. Organizational Capacity section of this application. Construction costs reflect current market conditions, labor requirements, and prevailing wage rules. Program delivery and administrative costs were added proportionally to ensure adequate resources for compliance and oversight.

The project benefits 78 occupied units at Lake Flower Apartments. With a CDBG request of \$1,277,466, the assistance equates to approximately \$16,377 per unit.

The Town and HHA will leverage \$367,200 in non-CDBG sources made up of HHA reserves and capital funds.

The total budget of \$1,644,666 reflects both hard construction costs and soft costs for delivery and administration. With an average CDBG investment of \$16,377 per unit, this project will replace failing plumbing infrastructure, protect the long-term viability of Lake Flower Apartments, and preserve safe, affordable housing for 78 households.

**B. Disbursements:**

- Describe the process for requesting disbursements including the staff responsibilities and separation of duties. Include a description of how CDBG funds will be disbursed on a pro-rata basis with other sources, where applicable.
- How will the applicant exercise strong internal controls (policies, procedures, job responsibilities and records) and accountability over CDBG funds? Describe the process used to track the movement of grant funds and the personnel involved in these functions.

The Town of Harrietstown will process CDBG disbursements with clear separation of duties and strong internal controls. Contractors submit invoices to the Harrietstown Housing Authority (HHA). The HHA Executive Director and Facilities Director verify work completion and compliance with contracts. Verified invoices are submitted to the Town Bookkeeper, who prepares drawdown requests. The Town Supervisor provides final authorization. The Town submits disbursement requests to NYS Homes & Community Renewal, and upon receipt of CDBG funds, the Town issues payments to HHA to reimburse costs paid for approved invoices. The Town Clerk maintains all official records.

Separation of Duties

HHA Staff: Verify and certify work.



Town Bookkeeper: Prepares drawdowns and tracks accounts.

Town Supervisor: Authorizes reimbursements.

Town Clerk: Maintains documentation.

This structure ensures no single individual controls authorization, processing, and payment.

CDBG funds will be disbursed on a proportional basis with other sources. For example, if CDBG represents 77% of project funding, 77% of each eligible invoice will be requested for reimbursed with CDBG funds. This prevents duplication and ensures equitable cost allocation.

#### Internal Controls and Accountability

The Town maintains strong controls:

Dual review of invoices (HHA and Town).

Separate accounting for CDBG to prevent commingling.

Regular reconciliations by the Bookkeeper, reviewed by the Supervisor.

Comprehensive records by the Clerk, available for audit.

Through layered review, pro-rata allocation, and reimbursement to HHA for approved invoices, the Town ensures accountability and compliance with federal requirements while safeguarding CDBG funds.

#### **C. Relevant Experience Organization**

**Certification**

**Applicant/Owner Certification**

**Housing Trust Fund Corporation Program Applicant Certification**

By signing and certifying, I confirm I have reviewed the full application and attached documents, and statements contained in this application are true, complete, and correct to the best of my knowledge and belief. The application and attached documents are made in good faith and falsification of information will result in disqualification of application, denial of funding, rescinding of subsequent award and contract or required repayment of funds disbursed for any Office of Community Renewal (OCR) Program. The undersigned further recognizes and accepts the responsibility and obligation to notify the Housing Trust Fund (HTFC) and OCR, in writing, if the Applicant becomes aware of any subsequent events or information which would change any statements or representations previously submitted to HTFC/OCR.

Certified By	Title	Date