



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 5

Posted January 24, 2014

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General Questions: All project types

- 1. On the budget information sheet, are we able to use agency funds that were counted for the cash rule as secured agency funds? On the budget information sheet are we able to use agency funds that were excluded from the 3 month cash rule (investment accounts) as secured agency funds? *Leverage funds* account **only** for a secured financial commitment toward the costs of the project from a source other than the City of San Diego CDBG funds being sought. The dollar amount identified in the RFP response as **leverage** funds added to the CDBG funds being sought must match the total project costs as shown. As noted above, the *project* itself is defined by the applicant agency (see responses to Qs 1 - 3 in [FAQs no. 3](#) for further guidance). Agency's **secured funds** within the RFP refer to leverage moneys that have been fully secured and suitable documentation is submitted to support the information provided in regard to these moneys. As examples, an applicant agency may claim as secured funds those moneys that have been committed to the *project* through other grants, its own ratified budget and/or donations. Note applicant agencies must show proof of funds claimed as secured while demonstrating said funds have been set aside to be used exclusively for the project as described in the RFP response.**

Per FAQ no. 2: **What, if any, proof do we need to show for secured funding in budget?**

Documentation must be submitted in order to demonstrate other funds have been fully secured. Proof of funds may include award letter(s), copies of contracts and/or similar documentation. Where documentation is not self-explanatory in relation to the "secured funds" identified (in terms of moneys, CDBG project scope and/or CDBG project period), include along with your submittal a brief letter that explains how said documentation supports the "secured funds" within the context of the CDBG project.

- 2. Does CDBG process anticipate a role for collaboration among non-profits working together to accomplish goals/outcomes?** Yes and there is a specific question within the RFP that gives applicants an opportunity to expand on any collaborations. With that said please do note that per input from the City Attorney Office (CAO), all agencies submitting RFP's shall be aware and follow all applicable federal and local procurement laws and regulations to ensure full and open competition. Specifically in regards to proposals for CDBG Capital Improvement Projects, the procurement requirements shall be followed when the proposed construction work shall be completed by a



general contractor, subcontractor, or any other entity other than *applicant agency* (party signatory to the RFP).

3. **No Board resolution authorizing submittal of the RFP response is required at this point, correct?**
No. Do note that such resolution will be required for all funded projects prior to the execution of the contract.
4. **We have a nationwide organization and multiple satellite offices. Do you want to know number of years in operation for the entire organization or for the San Diego office only? Or both?** Please identify the number of years in operation within SD –do feel free to identify the number of years in operation for the entire organization if you would like to state it and there is suitable space within your response to the RFP.

PS & CED Projects

5. Please note that the 15% of CDBG funds designated for Public Service projects as outlined in [Resolution No. 2013-129](#), adopted by the City Council on September 25, 2012. Per said action, paragraph 16 of [City Council Policy 700-02](#) was waived for specific homeless services programs, which are anticipated to receive Public Services funding in an amount not to exceed \$1,318,078.
6. **For public services projects, how many do you anticipate funding?** It depends on a number of different factors, including available amount of funding, hence we are not able to provide a more concrete answer.
7. **Per FAQs#2, Question #26: If an applicant would like to add lines for additional expenses (e.g., more personnel) in the applicable form should they re-create the form in Word and add it as an attachment to the application? However, there are also statements that read “RFP respondents must confine responses to the space/format provided in the RFP.” What is most appropriate way to proceed?** It is recommended that similar positions be grouped together given space constraints. With that said, where there are differences (beyond those nominal ones) that warrant additional lanes, do add another similar table to identify). Do keep in mind that **table 2a** must only include **direct** personnel expenses while table 2b must provides a line to identify all indirect expenses (including those related to personnel costs).

As a reminder:

- I. **Direct personnel expenses:** Only the salaries of the personnel that provide **direct** services to the clients (for example: meet directly with the client to provide counseling or deliver food to clients) are considered direct expenses and hence not subject to the 15% cap.
- II. **Indirect personnel expenses:** Salaries of any and all personnel that provides support (whether administrative and/or managerial support) to the proposed project must be contained within the 15% as these constitute **indirect** personnel expenses (along with other indirect costs as warranted). Such expenses are considered indirect costs.



CIP Projects

8. **Our agency owns the property where proposed construction will take place. Are we required to complete both Certification Regarding Use of Real Property and Certification Regarding Property Owner Authorization to Complete CDBG Activities on Property?** Correct.
9. **We are submitting a CIP proposal and wanted to clarify whether we can include any admin/overhead costs in our budget?** No admin/overhead expenses may be covered with CDBG funds. See responses to [FAQs no. 2](#) for further guidance.
10. **Please define professional services and subcontractor?** Within the context of the RFP, *professional services* are generally confined to those expenses related to construction management, engineering/architectural and similar consulting services. Subcontractors, generally refers to the firms that are carrying out other type of services: this could cover smaller items such as landscaping, painting and such and much larger items such as all physical improvements of the affected structure(s). Do note that **all** firms/entities used by the sub-recipients in order to carry out the project are considered *subcontractors and hence, all contracting applicable standards apply*.
11. **Is it possible to use the gap between FMR as established by HUD for areas and the maximum rent charged in a housing complex as match or leverage? (FMR for a one bedroom is \$1054 – maximum rent on unit is \$750 and agency uses excess revenue to offset what could be charged for market rent in order to offer affordable housing).** See response to Q1 above – this can only be done if you are able to document that such resources are fully committed to the proposed *project*.