

FY 2027 CDBG RFQ PROCESS

NONPROFIT CAPITAL IMPROVEMENT PROJECTS (NCIP) CATEGORY **(Considerations for the FY 2027 CDBG RFP Process)**

1.	CDBG Applicants that plan to submit an RFP under the NCIP category must be able to demonstrate site control from the time of RFP submission to five (5) years after project closeout date. A copy of the Deed of Trust will be required for applicants who own the facility/property to be improved with CDBG funds. A copy of a long-term Lease Agreement between the facility/property owner and the applicant that covers the period from RFP submission to five (5) years after project closeout date. In addition, written approval from the facility/property owner to complete the proposed improvements will need to be certified.
2.	Proposed Project location must be located in a low-mod-income (LMI) service area that is primarily residential, and 51% or more of the residents must be LMI. The service area must be clearly identified/defined. CDBG funds cannot be used for a regional facility, which is a facility that serves a broader area than just the targeted LMI residential neighborhood. This prevents federal funding from assisting projects that do not primarily (51% or more) benefit City of San Diego residents.
3.	Potential CDBG Applicants that will be submitting an RFP under the NCIP category MUST attend one (1) RFP Technical Assistance Meeting to discuss the proposed scope of improvements to be completed with CDBG funds.
4.	Proposed project should represent a comprehensive scope of improvements that are needed to improve the health, safety, and/or increased access to services. A phased scope of improvements is not allowed. It's highly recommended that a Facility Needs Assessment be completed and submitted with your RFP that identifies all needed improvements that may be eligible to be funded with CDBG funds.
5.	CDBG Applicants may be required to complete a Preliminary Review process for the proposed improvements through the City of San Diego's Development Services Department. https://www.sandiego.gov/development-services/forms-publications/information-bulletins/513
6.	Proposed project must be completed with LMI beneficiaries confirmed within 24 months (June 30, 2027).
7.	ADA and code compliance improvements must be addressed first (such as the installation of elevators, renovation of restrooms, the path of travel, staircases, drinking fountains, doorways, corridors, and parking lots). It's highly recommended that the Facility Needs Assessment includes an identification of all improvements that must be completed to meet ADA and code compliance requirements.
8.	Items that may not be paid with CDBG funds under the NCIP category include, but may not be limited to, the following: • Facility maintenance improvements; • Equipment; • Materials not installed permanently into facility; • Facility improvements to areas not accessed by project clients/participants; • Landscaping improvements; • Personnel expenses (e.g., staff costs); • Administration expenses (e.g., construction documents; insurance; bonds, general conditions; profit/overhead/contingency fees). Based on the above, leveraged funding (non-CDBG funds) will be required to complete the proposed NCIP improvements. and should be at least 10% of total proposed project budget or \$50,000 at minimum.
9.	If building is older than 1978, Lead Abatement requirements will apply to the project and any deficiencies identified must be included in the scope of improvements to be completed with CDBG funds.
10.	If the scope of improvements to be completed with CDBG funds include installation of solar panels, work must be awarded to and completed by a certified Solar company.

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11.	Applicant organizations will be required to have a dedicated staff person (e.g., Facility Manager, which CDBG cannot pay for) or a professional Construction Manager MUST be hired to ensure all CDBG and other applicable Federal/State reporting and documentation requirements (e.g. prevailing wages; Section 3; Minority Business Enterprises). Professional Construction Manager services are an eligible CDBG expense, and those costs should be included in the proposed project budget.
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