



## **FY 2017 CDBG REQUEST FOR PROPOSALS (RFP) Frequently Asked Questions (FAQ)**

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Contact: [CDBG@sandiego.gov](mailto:CDBG@sandiego.gov)

### **FY 2017 CDBG RFP: Submittal and General Questions Related to Multiple RFP Categories**

- 1. Under the description of Challenge Grant projects and Community and Economic Development projects, the projects must demonstrate direct benefits/services provided by applicants to low- or moderate-income persons, and not through the hiring of subcontractors? If the applicant is providing the majority of direct services, is subcontracting with another nonprofit acceptable?**

For all categories of CDBG eligible activities, the expectation is that the agency that submitted the RFQ and was deemed qualified, intends to submit an RFP for activities that will be carried out directly by that qualified agency to meet the appropriate CDBG National Objective. Additional information is needed regarding your agency's plans for utilizing subcontracted services, such as the reason for needing it (i.e. no current capacity to provide the services) and confirmation of what procurement process will be completed to identify the subcontractors. Please note that CDBG procurement standards and requirements apply for the selection of subcontractors. Agencies are not allowed to self-select their subcontractors, where payment is expected for services rendered. Applicant agencies cannot solely rely on subcontractors to demonstrate direct benefits/services that will ultimately meet the project's National Objective.

- 2. Even though letters of support are not included in this process, is it possible to include them and/or other documents as part of the scanned attachment?**

No, we will not consider any documents submitted that are not listed on the FY 2017 CDBG RFP Submittal Checklist, nor will they be forwarded to the CPAB members.

### **FY 2017 CDBG RFP: Budget Questions (All Categories)**

- 1. Can you provide clarification on what will be required to document Secured Funding?**

Secured funding must represent a specific dollar amount committed and available for expenditure by the proposed CDBG project during the FY 2017 period. Agencies must use Table 3.b. "Total Project Budget Information by Funding Sources" to list the secured funding sources committed to the proposed CDBG project prior to the RFP submittal. Agencies will also complete and submit the new "Certification Regarding Secured Funding – FY 2017 CDBG RFP Process" form. If funded, any sources listed in Table 3.b. of the RFP Project Budget will be subject to review and confirmation.



### **FY 2017 CDBG RFP: Public Services Questions**

- 1. In Section 1.c. of the application, “a new service or the expansion/improvement of an existing service” is asked about. Our project is existing, but has not received CDBG funds. Do we consider it “new” or “existing” in this section?**

For the FY 2017 CDBG RFP process, please refer to and take into consideration the definition for “New” and “Existing” Services listed in the FY 2017 CDBG Handbook. The prior use of FY 2016 CDBG funding is not included in the definition. If your Agency operated the FY 2017 proposed project during FY 2016 and client services were provided by this project, your Agency is being asked to demonstrate how the project will result in an expansion of an existing service under the Project Characteristics section of the RFP. Your Agency may choose to describe your funding shortages that are being addressed in FY 2017 under this section, but should also demonstrate how this would result in additional or improvement of current (FY 2016) services being provided.

### **FY 2017 CDBG RFP: Nonprofit Capital Improvement Projects**

- 1. Is housing acquisition (example: purchasing a dilapidated home to rehab) considered an eligible activity under this RFP?**

Under our current Housing Rehab program for FY 2017 RFP, acquisition and rehabilitation are not eligible activities.

### **FY 2017 CDBG RFP: Challenge Grant Projects**

- 1. Definition of “Veteran”: Does the CDBG definition include specifics about discharge status? Some federal programs allow only *honorable* discharge to qualify for funding, but for the current CDBG Challenge Grant, the definition only states “...discharged or released therefrom.”**

For the FY 2017 CDBG RFP process, the definition for Veterans does not include a prerequisite discharge status with regard to the provision of services in the Challenge Grant category. Please be reminded, Veterans served in the Challenge Grant category will still need to fall within the HUD low- and moderate-income thresholds.

- 2. Under the description of Challenge Grant projects (2.h, p. 15), the guidance says, “Direct cash payment or stipends to individual clients is not an eligible project activity.” Does this mean that participant wages can’t be paid using CDBG funds?**

Direct cash payments to clients are not eligible under the Public Services category, which would also be the case under the Challenge Grant Category. Client salaries and wages may be eligible, based on the proposed project activities, but must be paid by the applicant through designated payroll procedures or as reimbursements to employers paying salaries and wages through their designated payroll procedures.