



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 1

Posted January, 2014

Contact: CDBG@sandiego.gov

1. RFP Question B.3 asks for the number of City residents served whose income fall below 50%. If my agency is serving presumed benefit clients, do we also need to address how many of those clients are below 50% of the area median income?

Yes – see instructions for Q3, revised as of 1/17/2014, which provide further detail.

2. If a grant writer (program leader) and the main fiscal contact attend the RFP meeting, does that satisfy the applicant attendance requirement?

Yes, although the intent is for applicant agencies' staff to attend the workshops in order to ensure that those who are responsible for administering the proposed CDBG project are fully aware of CDBG program rules and requirements.

3. If the RFQ was submitted for a Public Service Project, but the project may also qualify as Community/Economic Development, may the RFP be submitted under this category?

Yes, but please note that additional information related to agency capacity and staffing (as required in the RFQ) may need to be submitted if changed from the RFQ –please contact the City of SD HUD Program via CDBG@sandiego.gov in order to discuss specifics related to your project(s)/agency. Additionally, note that staff from your agency must have attended the correct CDBG project category workshops (PS/ED and CIP) is **mandatory**.

4. Are census tracts in Table 3a 2000 or 2010?

2000 –see instructions for Q3, revised as of 1/17/2014, which provide further detail.

5. Where do we find HUD presumed low income?

Page 23 of the CDBG Program FY 2015 RFP Handbook describes the CDBG Benefit Categories and expands on how *Limited Clientele* is defined. Appendix A of the Handbook also identifies HUD income limits for the City of San Diego based on household size.



6. On page 6 of the application, Section C-Public Services Projects, can we check both employment training service and youth services?

Select one category most appropriate for your agency's proposed project (only **one** category may be chosen). Additional information can be included in the narrative section for question 1.b. on page 6.

7. Are HUD qualified census tracts the same as CDBG eligible census tracts?

No.

CDBG eligible census tracts refers to those census tracts identified by HUD as CDBG eligible: 51% or more of the population makes 80% of the Area Median Income (AMI). Please note that the last time HUD identified *CDBG eligible census tracts*, this was based on the 2000 census—such census tracts are listed Appendix B of the Handbook and maps showing their location are available on the website.

Conversely, Qualified Census Tracts (QCTs) are identified by HUD for purposes of the Low-Income Housing Tax Credit (LIHTC) program. The LIHTC program is defined in Section 42 of the Internal Revenue Code of 1986. The LIHTC is a tax incentive intended to increase the availability of affordable rental housing. The LIHTC statute provides two criteria for QCT eligibility. A census tract must have either: 1) a poverty rate of at least 25 percent; or 2) 50 percent or more of its householders must have incomes below 60 percent of the area median household income.

8. If the organization serves all the City of San Diego, do we need to put all census tracts in Q3a?

A project that is intended to serve residents disbursed throughout the City would NOT qualify as LOW/MODERATE **AREA** project and would NOT respond to **Q3a**. A project that is intended to serve residents disbursed throughout the City must fit under the LIMITED CLIENTELE criteria and respond to Q3b.

9. For Public Service projects, when providing outcomes the example uses a whole number to address the "how many households or individual" impacted requirement. Are percentages allowed instead of a whole number?

No, whole numbers are required.

10. On pg. 17 of the handbook, the bolded instructions state "all text boxes have a line limit 4-8 lines, depending on the question." If applicants encounter a text box without a limit, can we assume that is allowable?

No, responses are limited only to space provided. Ensure your response to the RFP **does NOT** exceed the original page of the RFP as released.

11. Will secondary review allow for minor corrections / clarifications as it has in the past?

No, there will not be secondary reviews.



12. For documents that won't vary from project to project (if an agency is submitting multiple proposals), can only one set be submitted vs. one set per application? For instance, board rosters, agency organizational chart, and certification to submit RFP.

Each RFP for each project needs to be complete and will be scored separately. Board rosters, resumes of the staff and organizational chart will be taken from the agency's RFQ unless new information is submitted with the RFP. Submittal of only one set of certifications per agency is OK but do note that there are project-specific certification forms. Ensure your project-specific submittal meets the specific requirement submittals that apply to each specific proposal submitted.

13. Does CPAB's make up reflect the diversity of San Diego's population?

Each CPAB member is appointed by each Council member.

14. What happens when CPAB members' scores differ significantly on any particular application?

Each CPAB member will score each application at the individual level and all scores will be averaged.

15. There was an estimated budget given in the RFQ. How close do programs need to be to the estimated budget?

Agencies are not tied to the budget in the RFQ. The budget listed in the RFP should be the most up to date and accurate for the proposed projects.

16. Where can I find what costs HUD defines as administrative?

Page 21 of the CDBG Program FY 2015 RFP Handbook list the applicable OMB Circulars related to allowable costs and administrative requirements.

17. In our RFQ submittal, we described two Capital Improvement Projects on one form. Should we submit one consolidated RFP application for these two projects or provide two separate applications?

Your agency will need to submit two separate RFP submittal packages, one per proposed project.

18. Page 12 of the RFP Handbook states that "A copy of one bid obtained from a licensed contractor (dated within 30 days of the RFP submittal date) that includes applicable prevailing federal wage rates and fringe benefits in the determination of the total project budget will be required to be submitted". Should this information be included with the RFP application submittal?

Yes. This required document is included in the RFP Submittal Checklist under the "Project-Specific Requirements" sections under both CIP-Housing Rehabilitation Projects and CIP-PF&I Projects headings. Refer to this checklist for all required document submittals.



19. What is the difference between Housing Projects and Programs supplemental info forms?

Per the FY 2015 CDBG RFP Handbook, references to “Housing Rehabilitation Projects” refer to projects that have housing units identified in their FY 2015 RFP submittal packet. These projects will typically result in completing improvements to multi-unit structures which are rented by households that qualify as LMI. References to “Housing Rehabilitation Programs” refer to projects that do not have housing units identified in their FY 2015 RFP submittal packet. These projects will typically complete an application process to determine the housing units/LMI households that will result from the project. These projects will have the targeted number of households that will be assisted with the proposed budget requested, but will not have any information on the housing units that the other CIP projects are able to provide. This information is listed in the FY 2015 CDBG RFP Handbook on Page 11.

20. For construction projects are bonds required to be obtained?

Yes, for construction projects exceeding \$100,000, bid, performance and payment bonds are required. The estimated costs of the performance and payment bonds should be included in the construction bid as part of your RFP submittal. The responsibility to obtain the bonds is that of the general contractor and the costs associated with obtaining the performance and payment bonds are an eligible CDBG reimbursable expenditure. Please refer to the FY 2014 Operating Manual Section II Procurement Requirements Subsection C. Bonding Requirements for specific detail.

21. The forms online will not let me type in answers (e.g. certification forms). When will this be updated?

The forms have been updated and revised forms have been uploaded on our website.



THE CITY OF SAN DIEGO

FAQs #2– FY 2015 CDBG Applications

Posted January 21, 2014

Contact: CDBG@sandiego.gov

General Questions

- 1. What do HOME, ESG, and HOPWA mean?** These are other entitlement grants from HUD. HOME = Affordable Housing, ESG = Emergency Solutions Grant, and HOPWA = Housing Opportunities for Persons with AIDS. See the [City's webpage](#) for further details.
- 2. Are LMI tables different than CDBG eligible?** Appendix A of the [FY 2015 CDBG RFQ Handbook](#) identifies income levels in relation to households' sizes which meet the "low/moderate income" (LMI) criteria as defined by HUD. HUD also identifies a population presumed to be LMI –see pg. 23 for further details under the *Limited Clientele Activities* heading.
- 3. If project is city-wide, how do we respond to page 3 – low/moderate areas served? In section B3a – "estimate the % to the area serviced by the project for each census tract." What is being looked for here?** Projects that serve households and/or individuals that may reside throughout the City of San Diego, must respond to Q3b (Q3a is neither applicable nor suitable). Where we ask for the "percentage of service area," we asked for reasonable/best judgment estimation for the percentage of the area within each census tract that overlaps with the service area of the project (given service areas may NOT fully coincide within the boundaries of census tracts). Refer to [FY 2015 CDBG RFP Instructions for Question B. General Project Information 3.a](#) which was updated on 1/17/14 for further details and considerations.
- 4. If we service residents throughout San Diego and other cities such as El Cajon, are we required to identify census tracts for these regions, as well (in Q3)?** No. Please note however that you must respond to all questions in Q3b (Q3a is not applicable –see Q2 above).
- 5. Are fonts automatically set in the Application for Funding form? The font on the submittal checklist is Times New Roman and I was not able to change.** The application forms are generally preformatted so that every respondent has to abide by the set margins, the font type and size (Calibri, 11 points size) and the set line spacing. Where the font and/or any other formatting may not be changed, respondents must exceed (nor reduce) the font size asked for (11 points), keep responses within the space allocated to each question (as shown in the blank forms) and ensure the page limit of their responses is consistent with that of the blank forms.
- 6. Are the checklist and certification forms available in Word format?** Yes, the website has been updated to include the forms in Word format.



- 7. In our RFQ submittal, we described two Capital Improvement Projects on one form. Should we submit one consolidated RFP application for these two projects or provide two separate applications?** An RFP response must be submitted for **each** project that is proposed. Proposed projects are reviewed and scored on an **individual** basis, hence the need for project-specific RFP submittals.
- 8. Do we have to request the same dollar amount in the RFP as we did for the RFQ?** No.
- 9. 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.
- 10. Is there a way to show in-kind leverage resources?** Yes. You must document, describe and identify the dollar value of any such leverage resources. Additionally, you must describe how the dollar amount was determined –its basis. Note that many in-kind resources (especially those that affect other projects/programs of the applicant agency) should be prorated in relation to the full applicant agency budget and the amount of CDBG funds requested.
- 11. Is the “amount secured” question referring to amount secured for the period 7/1/14 – 6/30/15?**
The amount secured must coincide with the period during which the project will be carried out, as applicable: 7/1/14 – 12/31/15 for CIP projects OR 7/1/14 – 6/30/15 for CED and PS projects. Other secured funds may extend beyond those dates but these dates must fall within the schedule within which the secured funds are intended for.
- 12. Among the criteria considered by the Board in rating the applications, the following is included: “The CDBG funds requested represent less than 50% of the overall project costs.” Are applicants required to ask for no more than 50% of the project costs?** No, this is not a requirement, but it is part of the criteria to be considered by the Board for scoring the applications and arriving at the list of projects that will be recommended for funding to the City Council. As such, those applications that come within reach, meet or surpass the 50% mark in terms of leveraged funds are likely to be more competitive.
- 13. The RFP calls for CDBG Project Performance Outcome Measures RFP questions with outcomes table – Do we only pick one?** Yes, only one outcome, objective and client type may be chosen. You may want to refer to the [CPD Outcome Performance Measurement System](#) developed by HUD for guidance in answering this questions as well as providing information about “*quantifiable and measurable outcomes for the proposed project.*”
- 14. Do all CDBG activities require direct support assistance to individual persons, households or businesses?** It depends on the type of CDBG project and related activities. For further details, refer to the list of City of San Diego CDBG [eligible activities](#) to identify the primary activity proposed by your project. Once the primary activity (and/or secondary activities, as applicable) is identified, you may want to refer to the [CPD Outcome Performance Measurement System](#) developed by HUD for a



list of the most suitable outcomes for different projects. Specific outcome indicators are listed beginning on pg. 4.

- 15. Can you provide an example of a good outcome statement?** The [CPD Outcome Performance Measurement System](#) developed by HUD provides a number of such examples.
- 16. Is acquisition of real property an eligible activity?** No.
- 17. Does the City fund existing projects/programs with CDBG funds or will the funding this year be for new programs/projects only?** In order to utilize CDBG funds, the service(s) received by the projects' beneficiaries must be either: (1) A new service; or, (2) A quantifiable increase in the level of an existing service. Refer to 24 CFR § 570.201 for further details.
- 18. Can Agency XX reference/rely on information/documentation submitted as part of the RFQ or should we resubmit? For example, "Resumes of key personnel."** Previously submitted materials should not be resubmitted and may be referenced as part of the responses to the RFP unless changes have taken place. With that said, all of the documentation and forms required as part of the RFP process **must** be submitted –refer to the [RFP Submittal Checklist](#) for a comprehensive listing of RFP requirements.
- 19. With reference to the *Certification Regarding Use of Real Property* and the *Certification Regarding Property Owner Authorization to Complete CDBG Activities on Property*, our project is not on property acquired or improved in whole or in part using CDBG funds? Should we just mark NA on the checklist?** Said certifications apply specifically to **all** CIP projects (except for "Housing Rehabilitation Programs" CIP projects). The *Certification Regarding Use of Real Property* ensures the affected property will yield a minimum of 5 years of benefit in accordance with federal standards and the *Certification Regarding Property Owner Authorization to Complete CDBG Activities on Property* ensures the property owner has permitted the proposed improvements to be carried out. Where forms or documents listed in the Checklist do not apply to your project, enter "N/A" next to the item.
- 20. Why is there an * by the Youth Services?** It was considered "highly vulnerable" in the Consolidated Plan, Goal #5.
- 21. Does CDBG fund phased CIP projects?** No. Per City Council Policy 700-02, we don't fund phased projects.

Fiscal/Budget & Related Questions – ALL PROJECTS

- 22. What is the time frame for receiving reimbursement once the invoice is approved?** Upon receipt of the request for reimbursements by the City, the City typically is able to issue payment within 20 calendar days provided the request can be fully approved.
- 23. Do we complete the salary portion of the budget if we are not requesting funding for salary, or put N/A?** Enter N/A.



24. **Considering the new budget form, where should we list the indirect staff FTE and costs?** Indirect staff FTE and costs should be listed in the Indirect Cost/Administrative Overhead line item for PS & CED.
25. **Should we keep a set percentage between Personnel and Non-Personnel?** No – depends on how you structure your project.
26. **If an applicant would like to add lines for additional expenses (e.g., more personnel) in the applicable PS form should they re-create the form in Word and add it as an attachment to the application?** RFP respondents must confine responses to the space/format provided in the RFP. It is recommended that similar positions be grouped together given space constraints.
27. **Is reimbursement done after all funds have been expended, or is reimbursement done on an on-going basis?** Requests for reimbursement are required to be submitted on a monthly basis.
28. **If agency XX is applying for two projects, should they put the total of budgets for both projects on the form “D. Project Budget Info” and column “Amount not secured” for both projects budget or just the related amount for each project on the each form?** If the agency is applying for 2 different projects, two distinctive RFPs must be submitted. Only the budget information that relates to **each** project should be entered in the respective RFP.
29. **Do you have any resources that list eligible and ineligible expenses for CDBG funds?** The [FY 2013 Operating Manual](#) (page 25) identifies eligible and ineligible expenses. You may also want to refer to:
- [OMB Circular A-122](#) (or 2 CFR Part 230): Cost Principles for Non-Profit Organizations – This circular establishes principles for determining allowable costs under grants, contracts, and other agreements with non-profit organizations; or,
 - [OMB Circular A-21](#): Cost Principles for Educational Institutions – This circular establishes principles for determining allowable costs under grants, contracts, and other agreement with educational institutions.

It is noted that CDBG CIP funds may not be used to cover *general use areas* (not limited to clients' use) and/or *repair/maintenance activities*. CDBG moneys may only be used towards CIP improvements **in areas of the structure that benefit the CDBG clients and are utilized and accessed by said population** –CDBG funds may not be used towards office space or similar areas that do not result in a direct benefit to the population being served. Activities intended to address regular maintenance or deferred maintenance needs **may not be funded with CDBG moneys** unless they serve to remedy issues related to public health and safety (such as lead paint, asbestos or such) or improve a facility to address ADA needs. Further, it should also be noted that project elements funded with CDBG moneys must be reasonable and commensurate to the direct benefits they provide. Items deemed superfluous or excessive will not be funded.

Additionally, there are other items that may not be covered with CDBG moneys:

- Architect and design fees (design professionals and related expenses, including preparation of plans/drawings are not permitted)



- Hard and soft costs' contingency moneys
- General contractors' fees
- Overhead and profit (such line items are typically identified in bids)
- General conditions (typical bid line item)

Please note the above is **NOT** intended to be a comprehensive list of resources and/or eligible expenses. Please contact us at CDBG@sandiego.gov for project-specific questions. Note that the City of San Diego will NOT award funds for non-eligible expenses and requested funds' amounts will be adjusted accordingly.

CIP Projects Questions

- 30. Can you review the 6% rule?** CIP Construction Management Services are capped at 6% of the total CDBG project request amount.
- 31. May design services be covered with CDBG funds? There is a line for CONSULTANT & PROFESSIONAL SERVICES in the budget information requested in the RFP. Does design not fall under that category?** You are correct on both accounts; however, the City does not cover design expenses. Note, however, that modification of existing plan drawings required by the Development Services Department to approve/issue permits to complete the Scope of Work called out for in the Agreement is an allowable expense.
- 32. If Agency XX planned on submitting only an application for public series but then decided to submit applications for both public services projects and a CIP project, would that be permitted. Similarly, if we planned on submitting a CIP project for property A (and stated such in the RFQ process) but decided we prefer to improve property B, may we do so?** Yes, but please note that additional information related to agency capacity and staffing (as required in the RFQ) is needed to be submitted given the RFQ package was evaluated in relation to the proposed project(s) as described –you must contact the City of SD HUD Program via CDBG@sandiego.gov in order to discuss specifics related to your project(s)/agency. Additionally, note that staff from your agency must have attended the correct CDBG project category workshops (PS/ED and CIP) which pertain to the proposed project as part of the RFP process. Attendance at appropriate workshop(s) is **mandatory in accordance with Council Policy**.
- 33. If Agency XX is awarded funds, can internal staff act as the construction manager?** No, the construction manager task has to be competitively bid out.
- 34. If the required *signed construction bid* is in process, can we submit after the deadline if it is not completed in time?** No. A current signed construction bid from a California licensed contractor to arrive at project budget is required. The bid must take into consideration federal prevailing wages and fringe benefits applicable to the project due to the Davis-Bacon Act and related provisions. The bid must explicitly state that the Davis-Bacon Act and related provisions have been taken into consideration.
- 35. Does the five years of site control referenced in the CIP RFP include options to extend leases?** Options to extend are **not** acceptable. Eligibility (and conformance with the 5-year site control requirement) will be determined by the termination date on the lease agreement.



- 36. If the project is not shovel ready by July 1, 2014 but would be completed prior to December 31, 2015 is this project still eligible for funding?** Yes, provided the completion date can be achieved. An evaluation will be made by staff based on the information provided. The more complex a project is, the more readiness to construction it should demonstrate.
- 37. If building permits, accessibility survey report or similar documents are not available at the time of RFP submission, is it acceptable to stipulate that they will be provided prior to the execution of the contract?** It is acceptable but it is not recommended. The expectation of a shovel ready project is that accessibility surveys and similar documents such as lead and asbestos reports and environmental assessments have been obtained and that the work prescribed by those documents is already included in the project scope of the RFP response and/or are being addressed. Example: An accessibility survey prescribes that 32 items are needed for the site to meet federal, state and local accessibility regulations. The cost to make the improvements is \$57,000 and includes improvements in the entrance, path or travel, parking and common areas. The \$57,000 and the items listed on the survey are incorporated in the RFP response or are being addressed through other means in order for the CDBG funded project to proceed. Agencies that submit RFP responses without the above mentioned documents (and/or similar documentation required to demonstrate project readiness) may risk losing points in the activity/timeliness portion of the review criteria.
- 38. What is the difference between Projects and Programs in the *Capital Improvement Projects-Housing Rehabilitation Programs & Projects* forms?** Per the FY 2015 CDBG RFP Handbook, references to "Housing Rehabilitation **Projects**" refer to projects that have housing units identified in their FY 2015 RFP submittal packet. These projects will typically result in completing improvements to multi-unit structures which are rented by households that qualify as LMI. References to "Housing Rehabilitation **Programs**" refer to projects that have not identified affected units prior to the submittal of the FY 2015 RFP response. These projects will typically complete an application process to determine the housing units/LMI households that will result from the project. These projects will have the targeted number of households that will be assisted with the proposed budget requested, but will not have any information on the housing units that the other CIP projects are able to provide. This information is listed in the FY 2015 CDBG RFP Handbook on Page 11.
- 39. For construction projects are bonds required to be obtained?** Yes, for construction projects exceeding a \$100,000 bid, performance and payment bonds are required. The estimated costs of the performance and payment bonds should be included in the construction bid as part of your RFP submittal. The responsibility to obtain the bonds is that of the general contractor and the costs associated with obtaining the performance and payment bonds are an eligible CDBG reimbursable expenditure. Please refer to the FY 2014 Operating Manual Section II Procurement Requirements Subsection C. Bonding Requirements for specific detail.
- 40. Can the general contractor who prepared the construction bid (for submittal as required with the RFP) subsequently bid on the job (provided CDBG funds are awarded)?** No. Agencies are required to demonstrate that they've conducted a fair, open and competitive procurement process for the construction work. If a GC prepares the project assessment, scope of work, project specifications for the RFP, budget and/or bid, and that GC subsequently bids on the job, the agency is jeopardizing



transparency and fairness in the procurement process by accepting the GC's bid. The GC that prepared the assessment has an unfair advantage over the competition.

- 41. If awarded funds, can the applicant agency act as general contractor?** No. The State of California requires that any construction work over \$2,000 be performed by a licensed contractor. The minimum grant request amount for CDBG funded CIP projects is \$100,000, thus the State's requirement above mentioned applies to all CIP projects. Agencies should consider individual elements of their project scope as one project with multiple trades. In addition, Federal regulations require that all construction work also over \$2,000 be subject to Davis Bacon Prevailing Wages for the trade that will perform the job. Example: Painting must be performed by an individual working in the "painter" construction trade classification typically working under a licensed contractor (GC or subcontractor) and the worker must be paid the wages specified on the Wage Determination Decision issued by the Department of Labor.
- 42. Will cost of Bid publication be approved? It is generally a cost prior to notice to proceed (NTP).** Yes, the cost of publication is a CDBG reimbursable expense and yes it is generally a cost reimbursed prior to the issuance of the NTP.
- 43. How many bids do we need for a CIP Project?** One signed/dated construction bid (see Handbook for full requirements) is required for the RFP. A minimum of 3 bids are required if CDBG funds are awarded.

Public Service & Economic Development Projects

- 44. Can funds allocated to Public Services projects be used for wages and fringe?** Yes, Public Services projects are expected to have expenses related to salaries and wages as they directly apply to the clients served. Many times these expenses make up most of the budget. Do note that indirect costs and administrative expenses are limited to 15% of the CDBG budget.
- 45. What if our organization has a federally negotiated indirect rate greater than 15%?** City of San Diego CDBG projects cannot use the federal indirect cost/fringe benefits rate approved for other federal grants.



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 3

Posted January 22, 2014

Contact: CDBG@sandiego.gov

General Questions: All project types

- 1. Where can I obtain a copy of the final scoring criteria that will be utilized to evaluate the FY 15 CDBG applications?** The Community Development Block Grant - Application Review & Scoring Criteria was presented to the Public Safety and Livable Neighborhoods City Council Committee (PN&LN) on October 30th, 2013 - [See staff report along with review and scoring criteria](#) – The Council Committee unanimously accepted the review and scoring criteria as presented by staff and directed staff to forward the item to the full Council as a consent item. The item was approved on consent by the City Council on 1/14.
- 2. Our organization is planning on including letter(s) with our CDBG application. To whom should the letter be addressed?** Letters should be addressed to the HUD Programs Office - City of San Diego, 1200 Third Avenue Suite 1400, San Diego CA 92101. Ensure letters are **enclosed** with the RFP submittal –not mailed.
- 3. Regarding letters of support, are you looking for letters from government or political leaders attesting to the quality of the organization or from community partners attesting to the quality of services provided? Or both?** It is up to each organization to determine the author(s) and/or content of the letters of support.
- 4. In regards to “secured funding,” what documentation is required to satisfy the “FISCAL DOCUMENTS” section of the checklist in order to demonstrate Agency funds will be allocated to the proposed project?** Acceptable documentation in order to demonstrate that such funds have been secured includes an approved agency budget and/or a Board action that is documented through a resolution or similar.
- 5. If nothing has changed in our certification forms since we turned in our RFQ, need we resubmit them again?** Yes. There are several certification forms that must be submitted with the RFP (requirements vary depending on the project type). See FY 2015 CDBG RFP Certification Forms([PDF](#), [DOC](#)) and use the FY 2015 CDBG RFP Submittal Checklist ([PDF](#), [DOC](#)) to ensure a complete submittal.
- 6. Are fixtures and furnishings relevant to a project allowable if they make the project more completely usable?** The purchase of equipment, fixtures, motor vehicles, furnishings, or other



property which do not constitute an integral structural fixture is generally not permitted with CDBG funds. Refer to p. 88 of HUD Basically CDBG Manual – [Chapter 2](#) for further details.

7. **On page 2 of the CDBG supplemental RFP form, section 3, there are two questions being asked that seem to be identical: (a) Describe the procedures your agency will use to track and monitor the progress of the project; and, (b) Describe your agency's record keeping procedures with regard to the proposed project]. Can you please clarify the difference between these two questions?** The first questions (3a) refers to tracking/monitoring tools (i.e. spreadsheets; database; report forms) that will be utilized to track and monitor the progress of the project from implementation to completion, as well as confirm the outcome accomplishments. The second refers to procedures related to how your agency would maintain all project records (client files; activity records; staff review documentation; reports), including where they will be maintained and for how long.
8. **What is the period covered in Q3b (1 – 7) of the RFP (pg. 4)?** One year.
9. **May Agency XX bring exhibits to show the CPAB members during the February meeting?** Yes, exhibits may be **shown** during the CPAB meeting but do note that no additional materials may be submitted to the CBAB members for their review and consideration as part of their review process.
10. **Is it possible to review previous applications that have been submitted and subsequently funded?** We provide this opportunity but limit reviews to no longer than an hour, and copies will not be made. If you would like to request this service refer to the list of [previously funded projects](#) and to the [Action Plans](#) for a description of said projects. Let us know which applications you would like to see 48 hours in advance.

Public Service and/or Community Economic Development Projects

11. **Our proposed project would serve one of the limited clientele categories identified in Public Services *supplemental* portion of the RFP (Q2a) but we may not be able to document that 100% of our clients fall within said category. Must we document that ALL of the clients are within that specific category? Also, our proposed project may address more than one of the Con Plan goals. How should we decide which one to pick?** The Con Plan Goal selected should be based on the primary focus of the CDBG activity and population targeted by the proposed services or project. Your agency should estimate the proportion of persons within the limited clientele category chosen that are intended to be served by the project (in relation to all clients), and, if funded, documenting the income of all participants will be required.

CIP Projects

12. **The certification regarding use of real property and the certification regarding property owner authorization to complete CDBG activities on property require property owner name and signature. If property is owned by the applicant agency, who signs? CFO? Chair of Board? Board Members? Or all? Only one signature is required –it may be signed by an executive of the applicant agency (COO, CFO) or the chair of the Board.**



- 13. If signed bids are required as part of the RFP and bid advertisements must be accepted and approved by CDBG Project Managers, should agencies have already submitted advertisements to CDBG staff?** Within this context, *signed construction bid from a California licensed contractor* are required. Review by the CDBG project manager and City staff approval are only required after the project has been funded and following execution of the contract between the City and the Agency.
- 14. For a CIP project, if the total cost of the project is \$100,000 and we have \$10,000 agency funds secured, does this take us below the \$100,000 requirement?** Correct. The minimum amount of CDBG funds that may be requested is \$100,000 in accordance with [Council Policy](#).



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 4

Posted January 23, 2014

Contact: CDBG@sandiego.gov

NOTICE TO ALL CIP APPLICANTS: 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 the *applicant agency* (agency signing RFP submittal certification).

General Questions: All project types

1. Defining "project":

- a. In reference to Section B. Question 3b (in the Community & Economic Development RFP), can you define "Project"? Is it defined as our work within the City of San Diego limits relative to the LMI individuals we serve specific to CDBG funds? Or do you want the numbers of all clients that Agency XX serves through its program throughout the entire county of San Diego and then the portion of that total that is CDBG related?
- b. In reference to Section D Questions 1 & 2 – Along the same lines, does project mean just the CDBG project or our entire program?

A project is defined by the applicant agency and should include a full description of all activities included in the project as budgeted within the RFP response, counting City of San Diego CDBG funds being applied for and all leverage funds being allocated to said project as shown in the RFP response. The applicant agency should ensure **all** the information provided in the RFP response is consistent with this definition of project.

2. **Within the context of the definition of project, is the leverage amount regarding the entire program dollars throughout the county of San Diego, the City of San Diego or the City of San Diego as it relates to LMI served?** The leverage amount is tied to the definition of project as shown in response to question 1 above.
3. **Where we are being asked to identify the days/hours and similar characteristics of the project, clarify on the timeframe that pertains to these questions.** The City of San Diego seeks information regarding the number of years that the project (as defined in the RFP) has been in operation. Information pertaining to days/hours pertains to the specific days of the week that the service(s)



provided by the proposed project are available to the population receiving the benefit as well as the specific hours that the clients would receive such service. There is a great variation in the specifics of each project as they relate to these questions given the proposed benefits. For example, benefits provided may be confined to classes/education (delivered during specific hours) versus benefits that may be received through the improvement of a public park that is accessible year round during daylight hours.

4. **Does our organization's CEO need to sign the RFP or any form within it, as in past years? It appears the only required signature is that of the authorized signing official, in this case our CFO, who signed all required RFQ documents and who is the fiscal lead for the proposed project.** Documents must be signed by the person that has the authority to sign on behalf of the applicant agency (typically President/CEO or Executive Director) given the RFP process requires confirmation of knowledge and acceptance of terms. The signature also commits the applicant agency to adherence to all requirements associated with the City of San Diego CDBG funds.
5. **Is the Three Month Cash Rule Test form provided to us during the workshop to be completed and included in the RFP submission?** You do not need to submit said form.

CIP Projects

6. **Can a "CIP – Housing Rehabilitation Project" (rental, multi-family) serve a 100% senior population given this is a presumed LMI category? If this is correct, could a Housing Rehabilitation Project be classified as CIP-Public Facilities Improvements (CIP-PFI) project?** The presumed LMI category is **not** applicable to Housing Rehabilitation projects. This means that income verification is required and 100% of the households assisted must be documented Low/Mod Households (at or below 80% of the area median income). In order to qualify under the CIP-Public Facilities Improvements (CIP-PFI) projects' category, the facility **cannot** be a multi-unit rental property. Those that qualify under CIP-PFI are agencies that provide free housing as part of the supportive services provided to project clients (i.e. transitional housing, emergency shelter, interim housing and long-term supportive housing).
7. **In the checklist, page 3, Project-Specific Requirements: CIP-Housing Rehabilitation Programs only, the 2nd box is asking for our procedures for determining the households to be assisted through the proposed FY2015 CDBG proposed housing rehabilitation program. Could this be possible an overlap with the application as C.1.c. asks us to describe the strategies your agency will use to identify housing units? Or, does the item in the checklist call of a separate document?** The "Procedures for determining the households to be assisted through the proposed FY 2015 CDBG project" required per the [Checklist](#) do call for a separate written document that describes the proposed applicant's agency procedures (inclusive of criteria) in selecting the households that would be followed if the subject project was funded. While these written procedures are evaluated by staff in order to ensure all applicable standards are followed, the narrative in the RFP response is forwarded to the CPAB as part of their review.
8. **In regards to the question "will there be demolition required to complete proposed project activities" in the CIP – Housing Rehabilitation Supplemental form, is demolition permitted with CDBG funds?** Demolition as a primary/main activity is not allowed. Demolition needed in order to



accomplish rehabilitation of existing housing and demolition needed in order to carry out permitted improvements to a facility is permitted.

9. **In regards to the question “Has rehabilitation been previously completed with CDBG funds...?” – would previous improvements qualify as rehabilitation within this context?** Yes – do see [FAQs number 2](#) which provide further details (pertaining to eligible expenses and such) that may apply to your proposed project.
10. **If our proposal features multiple separate units, do we have to bid out to each one separately in order to meet the “signed construction bid” submittal requirement?**
- If several units are proposed to be improved within one multi-family structure, the bid required as part of the RFP process should identify costs associated with each unit proposed to be rehabilitated as well as a total costs for the structure (inclusive of any common areas that may also be rehabilitated as part of the project). The rehabilitation work should be prioritized in the following order: health and safety hazards, correct existing code violations, correct deficiencies in the electrical, mechanical, plumbing or structural systems, accessibility or mobility upgrades if it benefits the current owner and, lastly, energy efficiency and water conservation measures.
 - If one or more multi-family structures are proposed to be rehabilitated, a separate and distinct RFP response must be submitted for each structure and each RFP response must include its own signed construction bid
 - If the proposal entails a Housing Rehabilitation Program (utilizing an application process to determine the households to be served), one RFP is submitted –see Housing Rehabilitation Program RFP & Supplemental.
11. **Does the CIP RFP (all types) allow for any the use of CDBG funds to cover overhead?** No.
12. **Can we cover building permit fees be included in the construction portion of the CDBG budget?** Yes-please note there further details regarding eligible and non-eligible uses of CDBG funds
13. **In the supplemental housing program form, it asks how our agency will ensure work completed will be maintained for five years. If the work completed is done on owner-occupied units, can the agency require continued ownership by that household?** Yes
14. **Can the applicant hire a third party consultant to take on the agency responsibility for ensuring compliance with Davis-Bacon requirements, including review of certified payroll? They do not have anyone on staff currently to take care of this responsibility.** Yes, they could use the construction management line item to budget for that and pass on that responsibility to the construction management company or budget in a labor compliance consultant for those responsibilities. If funded, they will have to comply with the procurement requirements for these services. It should be noted that the expectation is that applicant agencies should have the capacity to manage Davis Bacon requirements on CDBG funded projects.
15. **Are there requirements that apply to the selection of a general contractor (GC) to complete work carried as part of a CIP project?** Completion of a bidding process for the GC responsibilities/work to be completed will be required for CIP projects in order for the Notice to Proceed to be issued. The applicant agency is required to select a GC though a competitive bidding process. No agency may act as general contractors themselves given procurement rules which must be followed.



While an agency may be able to act as GC for non-CDBG funded construction work, do note that Davis Bacon regulations apply to the whole of the project included those portions that may be with non-CDBG moneys.

- 16. Can the cost of housing warranty to ensure improvements are maintained be included in the budget?** As a confirmation, maintenance of improvements during the required five-year period is the responsibility of the applicant agency and said agency must cover related expenses with other funds (non-CDBG). After completion of a project, the costs for maintenance become the sole responsibility of the agency not the property owner, tenant or CDBG Program.

Public Service and/or Community Economic Development Projects

- 17. In regard to Section D.1 of the CED RFP: Is there a place other than page 10 and 11 to include budget information such as narrative or cost estimates?** No, there is no narrative. Do note that Q4 of the CED RFP calls for a description of *“how the project will provide a high benefit to San Diego communities in relation to the amount of funds being requested and the type of service provided.”*
- 18. Would a Director of Programs and/or Senior Case Manager be considered direct personnel?** 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%. Such expenses are considered indirect costs. 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.



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 5

Posted January 24, 2014

Contact: CDBG@sandiego.gov

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*.



THE CITY OF SAN DIEGO

FAQs – FY 2015 CDBG Applications

QUESTIONS & ANSWERS No. 6

Posted January 24, 2014

Contact: CDBG@sandiego.gov

General Questions: All project types

- 1. RE Q no. 3 in RFP: If our Agency proposes to serve clients that are below 50% LMI, should we answer question 3b7 (income falling below 50% AMI) as 100% and 3b5 (income falling below 80% AMI) as 0%? Or, would we also answer 3b#5 (income falling below 80%) as 100%?** Both answers must use numbers/percentages in relation to total number of SD residents proposed to be served by the proposed project (See FAQs no. 2 for further details regarding scope of the proposed project). If your project proposes to exclusive serve those with incomes falling below 50% AMI, the answer to Q3b7 would be 100% (100% would also be the response to Q3b4). Note Qs 2 & 3, numbers/percentages are answered in relation to the whole number of clients proposed to be served by the *project* (City of San Diego residents and non City of San Diego residents), while Qs 4 -7 are answered in relation to the number of clients that are City of San Diego residents exclusively.
- 2. If a project serves more than one highly vulnerable population, may we one check all applicable in Q1.8?** Ensure to check only one –focus on your primary/main focus consistent with your Agency’s mission and your proposed project. Feel free to expand on your proposed client base as you deem warranted in the narrative portions of the RFP response.
- 3. We are requesting funding for a portion of an existing Administrative Support position in our submittal (non-CIP), but this person is not necessarily considered “Key Staff” in program management. Do we need to provide a resume for this person and add them to our Key Staff Chart? If we are changing the title of one of our Key Staff but the person who occupies the position is not changing, do we need to resubmit said person’s resume, or simply send in revised Key Staff and Organizational Charts?** Please submit a revised organization chart provided changes are significant – no new resumes are required in the instance you describe above.

PS & CED Projects

- 4. Where would you like us to identify all proposed indirect expenses?** Indirect and administrative expenses should be grouped, inclusive of those related to personnel and non-personnel, as one line item (table 2b). If funded, more details will be required prior as part of the contracting stage.



5. ***Last year we were required to fill out a Budget Exhibit which required further details. Are there any other forms regarding budget information that I may have missed?*** No, all budget information required is embedded in RFP forms and/or their respective supplemental documentation.