



THE CITY OF SAN DIEGO

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PROGRAM**

FY 2014 CDBG APPLICATION HANDBOOK

**CITY OF SAN DIEGO
Development Services Department
Economic Development and Project Management Division
October 2012**

IMPORTANT NOTICE FOR APPLICANTS

Every year, the demand for CDBG funds exceeds the amount available to the City of San Diego. The City is therefore committed to funding projects that are ready to proceed immediately after agreements with the City are executed and can be completed within a year or within an eighteen-month period. Unspent funds remaining at the end of the agreement term may be reprogrammed (allocated to other pertinent uses) by the City Council. Plan your proposed projects accordingly.

If approved for funding, agencies may not submit a request to revise the “project category” OR the “project description” listed in the application form. However, the CDBG Program office reserves the right to make revisions to the proposed scope of work/scope of services and/or budget line items during contract negotiations in order to improve/enhance the benefit to low to moderate-income City residents and/or communities to be served.

Finally, these funds, if awarded, are NOT an on-going source of support. If you receive funding this year, there is no guarantee that approved projects will receive funding in subsequent years.

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I. INTRODUCTION

The purpose of this handbook is to guide interested parties through the City of San Diego's Community Development Block Grant (CDBG) Program Application process for FY 2014. This handbook provides a general overview of the application process and applicable requirements and is for informational purposes only. It is not intended to be a full disclosure of all applicable federal, state and/or local rules, regulations, procedures and/or reporting requirements.

The CDBG Entitlement Communities Program provides federal assistance from the U.S. Department of Housing and Urban Development (HUD) to nearly 1,000 of the largest localities in the country. The statutory primary objective of the CDBG Program is the development of viable urban communities, principally for [low to moderate income persons](#) (LMI)¹, through:

1. Decent housing
2. Suitable living environment
3. Expanded economic opportunity

Since 1974, the CDBG Program has provided a flexible source of annual funding to communities nationwide. The program offers local governments, with citizen participation, the opportunity to fund certain projects, programs and/or public services provided that these meet one of three national objectives:

1. [Benefit low/moderate-income \(LMI\) persons](#), OR
2. Prevent or eliminate slums and blight, OR
3. Meet an urgent need.

Please note that the City of San Diego has no HUD designated slum or blighted areas nor recognized "urgent needs." Therefore, all proposed projects must benefit low/moderate-income (LMI) persons (bullet point number 1 above).

II. GENERAL INFORMATION

It is expected that the City of San Diego will receive approximately \$10.7 million in CDBG entitlement funds and approximately \$3.98 million in program income for the Fiscal Year (FY) 2014 CDBG Program. The funds available to applicants exclude such requirements as 20% for administration and Section 108 Loan Repayments. Of the remaining amount available to applicants, 15% is designated for Public Service projects.

Please note that the 15% of CDBG funds designated for Public Service projects may be reduced 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.

¹ Please refer to Appendix A for a table with the same data specific to San Diego.

An application will be deemed **eligible** if each federal requirement is addressed and the application is **complete** in accordance with the CDBG Program requirements.

Each proposed CDBG project **must**:

- (1) Target one of the applicable goals of the [City of San Diego 2010 - 1024 Consolidated Plan](#) (Con Plan). Please refer to the seven (7) Con Plan Goals that may be funded with CDBG moneys (excluding those that are funded with CDBG administration funds), their ranking of importance for FY 2014 and examples of projects specific to said goals. Refer to Application Sections (VII below, specifically Questions 1.9 & 1.10) for details.
- (2) Be an Eligible Activity consistent with the provisions of [Title 24 - CFR 570](#) (Subpart C) and [City Council Policy 700-02](#); and,
- (3) Demonstrate compliance with the National Objective of providing Benefit to LMI persons. (See below Section VII – Application, [Question 1.8](#) for a description of what constitutes Benefit to LMI persons.)

All non-governmental Agency respondents must have authorization from their governing body to submit a CDBG application for the proposed project. **A resolution from the governing body (or comparable form of documentation) is required to be submitted** – see Application Submittal Checklist.

The party authorized to do so on behalf of the applicant Agency must sign and date all of the certifications.

If an Agency is applying for CDBG funding for more than one project, **a separate application** must be submitted for each project.

All non-governmental entities applying for CDBG funds must be able to demonstrate compliance with the CDBG Program's fiscal requirements, including the Three Month Cash Rule Test, in order to be considered for funding. The Three Month Cash Rule is used by the CDBG Program Office as a guideline to determine whether an Agency is solvent and has enough liquidity to manage the project in accordance with City standards. CDBG projects should not harm the day-to-day operations of the Agency, so enough funds must be available for both purposes. Refer to Appendix C-2 for the required information.

All CDBG Applicants are **required to attend at least ONE session of the Mandatory FY 2014 CDBG Application Workshops**. You must sign in at the workshop and identify your project name and Agency affiliation as shown on this application in order for your application to be considered. See "Application to Funding Process and Related Requirements" below for further details.

Please note that any premature commitment or expenditure of funds for proposed activities is prohibited. No project expenses will be eligible for CDBG reimbursement if they have been incurred or commissioned prior to environmental review and clearance. Project expenses will

also not be eligible for CDBG reimbursement if they have been incurred or commissioned prior to the project start date identified in the executed FY 2014 CDBG Agreement with the City of San Diego.

The CDBG Program will not accept faxed, e-mailed or late applications.

A complete application submittal includes:

- **One (1) complete copy of the application containing original signatures, as applicable, AND supporting documents (any and all documents that apply and are marked as being submitted per the Application Submittal Checklist);**
- **One (1) copy of the application inclusive only of the Application Submittal Checklist, the application (all items under “Application” heading in the checklist) and all items under “Certifications & Other Forms” heading in the checklist.**
- **One CD containing all items under “Application” heading in the Checklist in Word or Excel format, as applicable. The CD must also contain any and all documents that apply and are marked as being submitted per the Application Submittal Checklist in Acrobat format. All files in the CD must be organized under the same heading that applies to them per the Application Submittal Checklist.**

As an option (not required of any applicants), an application submittal may include:

- No more than two (2) 8.5” X 11” pages of Exhibits that support the application materials. These may be photographs, charts, pictures, conceptual drawings, etc. within the two-page limit (may be color or black & white). They should be captioned and referenced in the application or narrative, as appropriate. Seven (7) copies of all Exhibits must be provided with the application submittal.
- Up to three (3) letters of support for the project –original signatures and 6 copies of each letter must be provided with the application submittal.

The Application submittal package must be unbound. Do not staple any application sections and/or supporting documentation. Use paper clips and/or binder clips to separate application sections and other documents from one another. Do not use binders, folders or similar products to submit the application and supporting documentation. Do not 3-hole punch the application and supporting documentation. As needed, use a rubber band or such to keep all materials together and place the Application Submittal Checklist on top. **Use strictly 8.5” X 11” paper and, as feasible, print double-sided. Further, the font used must be Calibri size 10, and line spacing must be single. The application form is formatted to abide by these specifications – do not change.**

Place the complete application submittal package in one envelope and address it to:

CDBG Program Administrator
ATT: FY 2014 CDBG Application Submittal
City of San Diego, CDBG Program
1200 Third Avenue, Suite 1400
San Diego, CA 92101

Application submittal packages may be hand-delivered to the address above or sent via US Mail taking the deadline into account.

All questions related to the application forms, supporting documentation and funding process must be submitted no later than November 7, 2012 by e-mail to Eliana Barreiros at ebarreiros@san Diego.gov. The CDBG Program Office will provide answers in writing and post Frequently Asked Questions and Answers on the CDBG Program [website](#). No questions will be taken or answered by telephone.

Note all of the dates outlined in this application are tentative and may be subject to change. Check the CDBG Program website (CDBG@san Diego.gov) for timely updates.

In order to be considered, the Application submittal package must be received by the CDBG Program Office on or before 5:00 PM, November 14, 2012. Late submittals will not be considered.

III. INFORMATION SPECIFIC TO PROJECT CATEGORIES

There are three types of CDBG Project Categories as described below along with application information specific to each:

- a) **Capital Improvement Projects (CIP):** These generally refer to projects that would result in improvements to public facilities and other qualified facilities, including rehabilitation projects. CIPs also include Minor Residential Rehabilitation Projects (MMR). Note the following provisions that apply to CIP projects:
 - 1) CIP projects must request an amount no less than \$100,000 in CDBG funds. The proposed funding requested must represent the amount needed to complete the project on or before December 31, 2014. Unexpended funds are subject to reprogramming (allocated to other uses) by the City Council.
 - 2) Applicants are required to demonstrate project site control at the time of application submittal through a period of not less than 5 years from the date of proposed project completion.
 - 3) Applicants are required to confirm with the City's Development Services Department on whether City permits are required for the proposed scope of work to be completed with CDBG funds (or provide information regarding existing permits or their status as applicable). See Application Submittal Checklist.
 - 4) For City-owned facilities, applicants are required to obtain approval for their proposed scope of work and a Real Property Certification from the City's Real Estate Assets Department. Applicants may also be required to obtain a Construction Bond prior to the execution of a CDBG Agreement.

- 5) A copy of one bid obtained from a licensed contractor (dated within 30 days of the application submittal date) that includes applicable [prevailing federal wage rates](#) and fringe benefits in the determination of the total project budget must be submitted. [Davis-Bacon and Related Acts](#) requirements shall apply for this application process.
- 6) Applicable prevailing federal wage rates and fringe benefits must be taken into consideration in the determination of the total project budget presented for this application process.
- 7) The proposed scope of work must be completed within 18 months of the date of CDBG Agreements (July 1, 2014).
- 8) **City Department applicants are required to submit documentation of application approval as required. Prior to the submission of a FY 2014 CDBG Application from a City Department, the project must be approved by Capital Improvement Project Review and Advisory Committee (CIPRAC) and demonstrate 'shovel/construction ready'.**
- 9) Unexpended funds will be subject to being reprogrammed (allocated to other uses) by the City Council.

b) Public Services Projects.

- 1) No allocation of CDBG funds less than \$50,000 will be made to Public Service projects.
- 2) All proposed services must be completed by June 30, 2014. It is anticipated that FY 2014 CDBG Agreements will be executed on or prior to July 1, 2013 and work will proceed immediately thereafter.
- 3) Unexpended funds will be subject to being reprogrammed (allocated to other uses) by the City Council.

c) Community & Economic Development Projects. These primarily include microenterprise and direct homeownership assistance programs.

- 1) No allocation of CDBG funds will be made to Community and Economic Development projects of less than \$50,000.
- 2) Note that the CDBG definition of a microenterprise is a business that has five (5) or fewer employees, one or more of whom owns the enterprise. All part-time and full-time employees on the business payroll at the time of loan application must be counted.
- 3) The proposed funding requested must represent the amount needed to complete the project on or before June 30, 2014. It is anticipated that FY 2014 CDBG Agreements will be executed on or prior to July 1, 2013, and work will proceed immediately thereafter.
- 4) Unexpended funds are subject to reprogramming (allocated to other uses) by the City Council.

IV. APPLICATION CRITERIA FOR REVIEW

All applications deemed eligible for funding will be reviewed and scored by the [Consolidated Plan Advisory Board](#) (CPAB). The CPAB scoring will be the basis for the Board’s recommendation to the City Council for funding. The criteria that follow will guide the CPAB’s review of the applications. The subject criteria were developed during public CPAB meetings and presented to the City Council Committee on Public Safety and Neighborhood Services (PS&NS) on October 12, 2011.

Application Sections	Application Review Criteria
Section 1 (Narrative as applicable)	<p>1. Relationship to Consolidated Plan Goals</p> <ul style="list-style-type: none"> • Activity/Project meets a highly level ranked priority set by City Council for FY 2014. • As applicable, Activity/Project addresses one of the unmet Consolidated Plan goals.
Sections 1 & 2 (Narrative as applicable)	<p>2. Project benefit to LMI and/or qualified target population</p> <ul style="list-style-type: none"> • Activity/Project and program office are located in, and provide services/amenities to LMI City residents within an eligible CDBG census tract and/or qualified target population. Services/amenities are accessible to LMI and/or qualified target population. • Activity/Project and services are accessible to City residents located within the highest LMI concentration census tracts. • A high percentage of the people served through the Activity/Project are low income, City of San Diego residents.

<p>Sections 1 & 2 (Narrative as applicable)</p>	<p>3. Project Outcomes & Effectiveness</p> <ul style="list-style-type: none"> • Provides a clear description of outcome(s) to be achieved and is consistent with the scope of the project. Each outcome listed is supported by clear measurement methods and appears to be achievable. Its objective • Provides a clear description of the target population. • Provides a high benefit to the San Diego communities in relation to the amount of funds and type of service. • Demonstrates how outcomes will impact the population and/or community affected by an unmet need. • Demonstrates that the project can be achieved and its objective met within its schedule. • Applicant offers a new, needed or unduplicated service; access to an existing service to new clients who did not previously have access; or, if seeking increased funding, demonstrates that the increase is justifiable for the services that will be provided to LMI City residents and/or qualified target population.
<p>Sections 3 – 6, Appendix B, as applicable, & Appendix C (Narrative as applicable)</p>	<p>4. Organizational Capacity, Capability & Track Record</p> <ul style="list-style-type: none"> • Identifies staff responsible for ensuring project oversight and evaluation, as well as what evaluation tools will be used. • Demonstrates quality methodology and capacity to evaluate the success of the proposed project and whether each objective was accomplished • Demonstrates management and fiscal staff resources with skills, experience and/or appropriate credentials to administer and conduct an accountable and responsible project. • Clearly demonstrates quality experience and accomplishments in providing services to LMI City residents and/or communities. • Demonstrates evidence/documentation of acceptable and accountable management and financial systems that minimize any opportunity for fraud, waste or mismanagement (i.e. conflict of interest policy is enforced, the Board of Directors includes diverse community representation, well-established sound fiscal management system, ability to identify/track CDBG funds/clients assisted separately from other funding sources, etc.). • Provides confirmed evidence of successful past project performance or success in initiating, maintaining, and completing similar projects or projects of similar magnitude with CDBG funds and/or other funding sources; consistently met its program goals. • Demonstrates appropriate level of licensing or site control.

<p>Sections 1, Appendices B, C & D as applicable (Narrative as applicable)</p>	<p>5. Project Activities & Timeliness</p> <ul style="list-style-type: none"> • Provides a clear description of the scope of the project and details the specific tasks/activities to be accomplished; it is a well-defined project with an achievable implementation plan. • Project does not charge client fees or clearly provides proper justification for any client fees charged. <p>For CIP Projects, the factors will consist of the following as applicable:</p> <ul style="list-style-type: none"> • Developer/construction manager to be utilized has previous development/construction experience with similar type construction activity funded with federal funds. • Construction timeline and schedule is well-documented. • Construction is ready to start pending the selection and award of the general contractor within ninety (90) calendar days from the CDBG contract execution. • Project scope addresses identified and documented health, safety, and/or ADA problems. • Clearly demonstrates how the completed work will be maintained for a period of not less than five (5) years after termination of the Agreement with the City. <p>For Public Services Projects, the factors will consist of the following as applicable:</p> <ul style="list-style-type: none"> • Demonstrates a clear alignment or connection between the needs identified and the intended objective/outcome(s). • Identifies the number of unduplicated clients to benefit from the project • Annual cost per client is justifiable. • Project scope addresses unmet needs and is not duplicative of other services. • Demonstrates collaborative efforts with other service providers in the area to maximize benefit to clients served.
<p>Appendix C (Narrative as applicable)</p>	<p>6. Budget Justification & Leverage of Funds</p> <ul style="list-style-type: none"> • Provides a budget that is clearly detailed, well-defined and clearly supports the proposed scope of the project. • The CDBG funds requested represents less than 50% of the overall project or activity costs, budget and cost estimates are well documented. • Provides secured documented funding from other sources to implement the project on July 1, 2013.

Note that all of the supporting documenting (outlined on the Application Submittal Checklist) will also be taken into account by the Board, as applicable.

Refer to the Application for the points assigned to each section of the application.

V. APPLICATION/FUNDING PROCESS AND RELATED REQUIREMENTS

The FY 2014 CDBG Program Applications are made available to the public on Friday, October 12, 2012. **Complete Application Submittal Packages must be received by the CDBG Program Office on or before 5:00 PM, November 14, 2012 in order to be considered. Late applications will not be considered.**

All CDBG Applicants are required to attend at least ONE session of the Mandatory FY 2014 CDBG Application Workshops. There will be workshops specific to Public Service and Community/Economic Development Projects and workshops specific to CIP projects. The specific schedule for the workshops will be posted on Monday, October 14 on the CDBG Program [website](#) where application materials are currently found. Applicants must attend the workshop that is specific to the proposed project type.

All applicants must sign in at the mandatory workshop and provide the proposed project name and Agency affiliation as it will appear on the application in order for the application to be considered. Confirmation of mandatory attendance will be based on the Sign-In sheets. **Applicant personnel who will be designated on the application as responsible for managing the project as well as for reporting and tracking the project budget are required to attend the workshops.**

In order to ensure sufficient application workshop materials are available, potential applicants will be required to submit an RSVP confirmation to the CDBG Program's E-mail (CDBG@sandiego.gov) and provide the following information prior to the applicable workshop session:

- a) Applicant Agency name and name and title of each attendee;
- b) Name of the project (per the application); and,
- c) Workshop date (AM or PM session, as applicable)

The CDBG office will provide one-on-one technical assistance to any applicant desiring further consultation in completing the application and/or ensuring all requirements are met and all applicable documentation is submitted. The technical assistance service will be offered Monday through Friday from 9:00 AM to 11:00 AM and from 1:00 PM to 3:00 PM. You must request the assistance **within** these time windows. The service will be offered from 10/23 through 11/7, inclusive of these days. Note the service **will not be offered** any time during 10/29 (conflicts with the mandatory workshop).

To schedule an appointment for technical assistance, send an e-mail requesting this service to CDBG@sandiego.gov. The e-mail must provide the following information for staff to be able to schedule the one-on-one technical assistance:

- a) Applicant Agency name and your name and title;

- b) Identify whether the questions are regarding: (1) the overall application and submittal requirements; or (2) whether your questions are confined to the required budget information (Appendices C-2, C-3, C-4 and/or C-5). If your questions apply to both choices above, please note so.
- c) You will be allotted one half-hour technical assistance session if your questions are confined to either (1) OR (2) above. If you have questions pertaining to both, you will be assigned a one-hour session. Identify three different optional time blocks that work with your schedule (and coincide with staff's availability as noted above) in the subject e-mail.

Note that requests for technical assistance will only be accepted **after** you have attended a mandatory workshop. A representative of the CDBG Office will promptly respond with an appointment time. Meetings will be held at the CDBG Program Office located at 1200 Third Avenue, Suite 1400, San Diego, CA 92101.

CDBG PROGRAM APPLICATIONS REVIEW

The CDBG Program staff will review all the applications submitted for completeness and eligibility. Applicants who submit applications after the designated deadline and/or are in non-compliance with the mandatory attendance at the application workshop will be deemed ineligible to be considered for FY 2014 CDBG funding. Such applicants will receive a letter to this effect.

Applicants found to have submitted incomplete applications and/or applications with ambiguous information (such as those that may raise project eligibility concerns) will be notified **via e-mail** of the issues specific to their applications and will be given the opportunity to submit clarifications and/or supporting information **within one-week** (7 calendar days, inclusive of weekend days) of the issuance of said notice. The notification period is expected to extend from late November through late December but is subject to change. It is important that e-mail contacts be designated (primary and/or secondary per application form "Project Contacts Information Form") who will be available during those dates to receive such notifications and ensure the issues identified are resolved within the 7-day timeframe.

Note that if your Agency chooses to *re-submit*, any revisions of the application **must be confined** to the areas of the application that were flagged by the CDBG office as part of its review. Agency staff will state the deadline for re-submittal on its e-mail notice to applicants. **No late re-submittals will be accepted.**

Any applicant who feels their application has been wrongly determined to be ineligible and/or incomplete may submit *written feedback* to the CDBG Program Administrator by the designated 7-day deadline described above. The *written feedback* should include specific details and/or additional documentation that address the issues identified but does **not allow** applicants **to replace ineligible project activities with new proposed project activities nor make any substantive changes or additions to the application. The *written feedback* only allows applicants the opportunity to clarify the portion of the application that may be in question.**

Please note neither the re-submittal nor the written feedback (challenging staff's determination) methods ensure that ineligible and/or incomplete application determinations will be overturned.

Upon conclusion of this staff review process, CDBG Program staff will forward a copy of all FY 2014 CDBG Applications determined to have met the application eligibility requirements to the [Consolidated Plan Advisory Board \(CPAB\)](#) for their review.

APPLICATIONS REVIEW PROCESS: <i>CPAB Review and Recommendation to City Council, City Council Approval, and Execution of Contracts</i>
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The Consolidated Plan Advisory Board will convene Ad Hoc Committees to review the FY 2014 CDBG Applications. Each Ad Hoc Committee will be assigned a subset of the applications yet to be determined (this will depend on the number of applications submitted as well as their distribution in regards to project types). Applications will be initially reviewed and scored by individual Committee members. After this individual review, the Ad Hoc Committees will convene to discuss and arrive at one score for each of the applications assigned to them. The resulting scores approved at the Ad-Hoc level, will be forwarded to the CDBG Program Office to be posted on the CDBG Program website (prior to the CPAB public meetings described below).

The CPAB will then hold public meetings to review and discuss the Ad Hoc scoring results. Final application scores and funding recommendations will be approved by the CPAB for submission to the City Council for their approval. **Public comments will be welcomed at these meetings. Note the time and locations of these meetings have yet to be determined. Pertinent information will be posted on the CDBG Program [website](#)** as soon as it is available.

The City of San Diego endeavors to be in compliance with the Americans with Disabilities Act. If you require assistance or auxiliary aids in order to participate at the community meetings or Public Hearings, please contact the City Clerk's Office at (619) 441-1763 as far in advance of the meeting as possible. Furthermore, if you require language translation, please contact the CDBG office at 619-533-6510 as far in advance of the meeting as possible.

Upon acceptance and confirmation of all final application scores and funding recommendations, the Board will present the funding recommendations to the City Council for their consideration and approval of FY 2014 CDBG funding allocations during a public hearing.

This Council Action will be followed by subsequent public hearings to complete the City's CDBG 2014 Annual Action Plan. The Action Plan must include a description of how all CDBG resources will be allocated among all funding categories and, in fact, constitutes the application to HUD for receipt of the City's 2014 CDBG entitlement. The Action Plan must be submitted to HUD on or before May 15, 2013.

Concurrently to the Action Plan process, the CDBG Program Office will conduct a FY 2014 CDBG Contracting & Reporting Process Workshop for applicants awarded with FY 2014 CDBG funding. It is anticipated that FY 2014 CDBG Agreements will be executed on or prior to July 1, 2013.

VI. TENTATIVE SCHEDULE

Tentative Schedule – Subject to Change		Steps & Related Tasks
From	To	
10/12/12	n/a	CDBG Applications released
11/14/12	n/a	CDBG Applications due to CDBG Program Office on or before 5:00 PM
MID NOV 2012	MID Dec 2012	CDBG Program Staff Application Review: Initial program and fiscal eligibility review of CDBG applications submitted on, or prior to, the designated deadline
DECEMBER 2012		Applicable agencies are notified of determination based on CDBG Program staff review of CDBG Application materials. Applicants will have up to seven (7) working days to address all issues identified, based on the date the notification is sent by the CDBG Program Office.
		FY 2014 CDBG Revised Applications Due
LATE DEC 2012	EARLY JAN 2013	CDBG Program staff completes Secondary Review Process
ON OR BEFORE JANUARY 2013		Application binders are prepared and distributed to individual CPAB members
JANUARY 2013		CPAB members review and score eligible applications individually and, subsequently, arrive at Ad Hoc Committee score
EARLY FEBRUARY 2013		CDBG staff posts individual CPAB members scores and Ad Hoc Committee scores on the web
BY MID FEBRUARY 2013		Scores discussed at public CPAB meetings – CPAB arrives at scores/ranking to be recommended to City Council
BY MID FEBRUARY 2013		CPAB Recommendations to City Council regarding CDBG Application and final applications scores/rankings are posted on website
MARCH 2013		Public Hearing – FY 2014 CDBG Program funding recommendations presented to City Council for approval –specific hearing dates will depend on legislative schedule for 2013, yet to be released

Tentative Schedule – Subject to Change		Steps & Related Tasks
From	To	
<i>LATE MARCH 2013</i>		Public Notice – Draft FY 2014 Annual Action Plan available for review and public comment period <ul style="list-style-type: none"> • CDBG Program Office (website, E-mail, on-site) • CDBG Contact List • Survey Monkey
<i>APRIL 2013</i>		Draft FY 2014 Annual Action Plan is completed and released for required 30-day public review period
<i>EARLY APRIL 2013</i>		Draft FY 2014 Annual Action Plan presented at Consolidated Plan Advisory Board Meeting, as part of outreach during Public Review period
<i>APRIL 2013</i>		Draft FY 2014 Annual Action Plan presented to Public Safety and Neighborhood Services (PS&NS) Committee, as part of outreach during Public Review period – specific hearing dates will depend on legislative schedule for 2013, yet to be released
		Draft FY 2014 Annual Action Plan presented to City Council for consideration and adoption – specific hearing dates will depend on legislative schedule for 2013, yet to be released
<i>5/15/13</i>		Deadline for submission of the City’s FY 2014 Annual Action Plan (hard copies) to HUD’s office in LA

VII. APPLICATION SECTIONS

Note that each section of the application (Sections 1 – 6 and Appendices A, B, D and E) has a maximum page limit identified as part of its heading. In order for your application to be considered, page limits must not be exceeded. **Further, the font used must be Calibri size 10, and line spacing must be single. The application form is formatted to abide by these specifications – do not change.**

This section provides guidance in regards to specific sections of the applications but it does not substitute for the Mandatory Workshops, where further details and project-specific directions will be provided.

In relation to sections 1 – 5 and Appendix B, note that the Application form is formatted to allow applicants to use bullet points and/or numbering of statements as well as the insertion of tables in the portions of the applications that state “Type response here.”

COVER PAGE

This section is intended to provide a brief overview of the project inclusive of budget information.

The “Project Category” must coincide with the selection of the “CDBG Eligible Activity” in the Application Submittal Checklist.

The “Funding Request” information must be consistent with the budgetary information provided in the appendices (Appendices C forms, as applicable)

The “Project Address(es)” information refers to the address where the beneficiaries of the project reside (rather than the location of your office). If your project is intended to serve a specific area or neighborhood or specific set of persons that meet eligibility requirements, please note so in the address field(s) and provide the corresponding information. If your project site will be in a specific location (such as a project that proposes to complete tenant improvements in a community space or a project that will provide a service at one location), use said location address and identify the “Target Clientele.”

The “Target Clientele” and related information must be addressed after section 1.8 and all pertinent budgetary information (Appendix C, as applicable) of the application has been completed as it will be dependent on and must be consistent with the information provided in section 1.8 and Appendix C.

Note that the DUNS number requested is required by the federal government. You may obtain a number by calling 1-866-705-571 or by registering for a DUNS number via the website dedicated to serve [US Federal Government Contractors and Grantees](#) for this purpose. You are strongly encouraged to pursue obtaining a number promptly as there may be delays associated with this process.

SECTION 1: PROJECT DETAILS (MAXIMUM SCORE = 25 POINTS)

In this section, provide a concise description of the proposed project that allows the reader to get an overview of the CDBG services to be provided (or facilities to be improved and scope of the proposed improvements), the project's proposed start and end date, and the days and hours when services would be proposed (or days and hours when the facility to be improved, or portion thereof, is available to the public at large and/or *target clientele*). This section also addresses how the project will address the CDBG National Objective of serving low to moderate income persons as well as how the project meets one of the goals of the [City of San Diego 2010 - 1024 Consolidated Plan](#).

Further details of the project must be provided in Appendix A, Project Narrative.

Capital Improvement Projects need to explicitly address what portion(s) of the space to be improved is readily accessible to the public at large, how and when the public uses the space and how the project as proposed enhances the space and/or addresses a community need. All applicants must describe whether there are any costs to beneficiaries associated with the services provided and/or access to the facilities proposed to be improved. If there are any costs, further details substantiating the costs as well as their applicability must be provided.

Question 1.6: In selecting your Project Objective, please refer to the information below:

- **Creating Suitable Living Environments** relates to activities that are designed to benefit communities, families, or individuals by addressing issues in their living environment. This objective relates to activities that are intended to address a wide range of issues faced by LMI persons, from physical problems with their environment, such as poor quality infrastructure, to social issues such as crime prevention, literacy, or elderly health services.
- **Providing Decent Housing** covers the wide range of housing activities that could be undertaken with CDBG funds. This objective focuses on housing activities where the purpose is to meet individual family or community housing needs. It does not include programs where housing is an element of a larger effort to make community-wide improvements, since such programs would be more appropriately reported under Suitable Living Environments.
- **Creating Economic Opportunities** applies to activities related to economic development, commercial revitalization, or job creation.

Question 1.7: In selecting your Project Outcome, please refer to the information below:

- **Availability/Accessibility** applies to activities that make services, infrastructure, public services, public facilities, housing, or shelter available or accessible to LMI people, including persons with disabilities. In this category, accessibility does not refer only to physical barriers, but also to making the basics of daily living available and accessible to LMI people where they live.
- **Affordability** applies to activities that provide affordability in a variety of ways to LMI people. It can include the creation or maintenance of affordable housing, basic infrastructure hook-ups, or services such as transportation or day care. Affordability is an appropriate objective whenever an activity is lowering the cost, improving the quality, or increasing the affordability of a product or service to benefit a low-income household.
- **Sustainability** applies to activities that are aimed at improving communities or neighborhoods, helping to make them livable or viable by providing benefit to persons of LMI or by removing or eliminating slums or blighted areas, through multiple activities or services that sustain communities or neighborhoods.

Question 1.8: Note that in accordance with the CDBG program statutory requirements, each project funded must meet one of three national objectives: (1) Benefit to low to moderate income (LMI) persons; (2) Aid in the prevention or elimination of slums or blight; or, (3) Meet a need having a particular urgency (referred to as urgent need). The City of San Diego has no designated slums or blights nor any urgent needs in accordance with applicable HUD standards and regulations and, as such, projects funded with CDBG moneys within the City must benefit LMI persons. When selecting you project specific criteria in order to demonstrate that your project benefits LMI persons, please refer to the information below:

- **Area Benefit Activities.** An activity that benefits all residents in a particular area, where at least 51% of the residents are LMI persons. Such an area need not be coterminous with census tracts or other officially recognized boundaries, but the entire area must be served by the activity. **An activity that serves an area that is not primarily residential in character**

shall not qualify under this criterion. CDBG regulations require documentation of area boundaries served.

- **Limited Clientele Activities.** An activity that benefits a limited clientele, at least 51% of whom are low- or moderate-income persons or benefit a client presumed to be low- or moderate-income persons. Presumed benefit clients are abused children, battered spouses, elderly persons (age 62 years or older), adults meeting the Census Bureau’s current Population Reports definition of “severely disabled”, homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers. CDBG regulations require the sub-recipient to document the demographics and income levels of clientele provided such activities.
- **Housing Activities.** An activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, shall be occupied by 51% low- or moderate-income households. CDBG regulations require the sub-recipient to document number of households served, number of units completed and demographics and income level of the household occupying the unit.
- **Job Creation or Retention Activities.** An activity designed to create or retain permanent jobs, where at least 51% of the jobs, computed on a full time equivalent basis, involve the employment of low- or moderate-income persons. CDBG regulations require the sub-recipient to document one of the following: **(1)** for an activity that creates jobs, the recipient must document that at least 51% of the jobs will be held by, or will be available to, low- or moderate-income persons, and **(2)** for an activity that retains jobs, the recipient must document that the jobs would have been lost without CDBG assistance and that either both i) the job is known to be held by a low- or moderate-income person or the job can reasonably be expected to turn over within the following two years and ii) that steps will be taken to ensure that it will be filled by, or made available to, a low- or moderate-income person upon turnover.

Questions 1.9 & 1.10: Refer to the [City of San Diego 2010 - 1024 Consolidated Plan](#) (Con Plan) for details regarding the goals. Note however, that while the Con Plan identifies 13 goals, seven (7) goals may be funded with CDBG moneys through this application process. These goals as well as examples of projects specific to these goals, are shown below in accordance with their ranking of importance for FY 2014:

CITY OF SAN DIEGO FY 2010 -2014 CONSOLIDATED PLAN GOALS <i>Project Examples (Funding Sources)</i> Listed below in their order of priority for FY 2014
Create jobs and expand opportunities for industry.
<i>Examples of projects include provision of credit to business that lack access to traditional forms of credit, provision of funds to start home-based businesses to qualified individuals, and/or the funding of programs that provide counseling and referral services to qualified businesses or individuals (CDBG funds).</i>

CITY OF SAN DIEGO FY 2010 -2014 CONSOLIDATED PLAN GOALS

Project Examples (Funding Sources)

Listed below in their order of priority for FY 2014

Support the continued revitalization of low and moderate income neighborhoods.

Examples include Code Enforcement and Lead-Safe programs in qualified areas within the City. Other projects may include the rehabilitation and/or improvement of qualified facilities or residences that address needs specific to LMI populations (CDBG funds).

Provide shelter to persons who are homeless and assist them in moving out of homelessness.

Project examples include funding the operation of homeless shelters as well as the provision of funds towards services to assist families/individuals transition out of homelessness (CDBG and ESG Funds -ESG is managed by the San Diego Housing Commission, SDHC).

Create a better living environment for persons with special needs.

Examples encompass many and varied CDBG public service activities targeting qualified populations such as those classified as LMI, seniors, the youth and persons with disabilities. Specific services may include reduced/free cost child-care services, provision of meals, transportation assistance, academic support, self-sufficiency skills training, counseling, parenting education and such.

Improve the condition of facilities and housing that serve LMI and other qualified individuals.

Examples include: housing rehabilitation projects (assist qualified home owners with critical repairs) and improvements to facilities that serve the elderly, LMI populations, at-risk youth, individuals with physical or development disabilities and others considered by HUD to be eligible. (CDBG and HOME Programs Funds -HOME managed by the SDHC).

Increase the number of LMI households who can become homeowners

Assistance is provided in different ways such as down payment assistance, deferred payment second trust deed loans and grants to cover closing costs. (CDBG and HOME Programs Funds - HOME managed by the SDHC).

Enhance capacity building of non-profits, including those that provide fair housing assistance

CDBG - Examples: Non-profit organizational capacity-building. Note that the City recently also executed contracts with two fair housing service providers (both of these contracts are being funded with CDBG administration funds).

Questions 1.11 - 1.13: Provide requested information.

Question 1.14: Outcome statements describe the benefits or positive changes experienced by the target population as a result of the proposed project (e.g., the project's results). Details are required to quantify how many households or individuals (or applicable indicator) will realize each outcome, and how each outcome will be measured and documented. See example below.

Outcome Statement, CIP Project: A total of 250 LMI youth will have new access to a computer lab thus a new suitable living environment (objective) will be established through the proposed tenant improvements (project);

Outcome Measurement: Completion of construction, total number of youth using facilities

Data Sources: Before and after construction photos and

Data Collection Methodology: Project manager will track and report project progress, client demographics will be collected and tracked, project case files will be maintained.

Question 1.15: Provide requested information.

SECTION 2: TARGET POPULATION

Describe characteristics of the population to be served (also referred to as *target clientele*) as well as specifics regarding project costs on a per recipient basis. The target population constitutes the beneficiaries of the project and must be consistent with the responses given to Question 1.8 above.

When describing the target population (Question 2.1), you are encouraged to provide demographic details regarding the project's direct beneficiaries (example: households that benefit from reduced child care costs) or the population of the affected area/neighborhood (example: population within the service area of a park to be improved). Details may include, but not be limited to, (1) percentage of very low income vs. percentages of low and moderate income; (2) education levels; (3) age composition; (4) rent expenses vs. income levels; (5) household size; (6) percentage of renters vs. homeowners and many others.

Please note that you may expand this section with further information in the Project Narrative (Appendix A).

SECTION 3: AGENCY CAPACITY

Provide the information requested and note that you may expand as needed in regards to questions 3.5 – 3.7 in the Project Narrative.

SECTION 4: AUDITING CONTROL

Provide the information requested and note that you may expand as needed in the Project Narrative.

SECTION 5: AGENCY EXPERIENCE

Provide the staff information requested.

APPENDIX A, PROJECT NARRATIVE

Provide information you deem pertinent in order to substantiate your request for funds. Community/Public Services and Economic Development projects may want to elaborate on the scope of services, the need for said services and describe how the proposed services may

complement others. Capital Improvement projects should demonstrate the need for the proposed improvements, the services and amenities that are available to the community and/or target clientele in the space to be improved and how the proposed improvements would enhance such services and/or would address unmet needs of the community that would be served. All applicants may also want to consider describing the population to be served by the project. Note that applicants may fully decide on the content of this section.

APPENDIX B, CIP PROJECTS ONLY

Provide the staff information requested. See applicable footnote.

APPENDICES C1 – C5, D AND E:

Provide the staff information requested. Note further directions are provided in the subject forms.

VIII. COMPLIANCE WITH APPLICABLE LAWS, RULES AND REGULATIONS

CDBG programs are subject to numerous Federal and local requirements. These include, but are not limited to, those that are listed below. Additional requirements can be found in the CDBG regulations in [HUD's website](#) and the [City's CDBG Program website](#). Applicants are encouraged to familiarize themselves with these requirements to ensure their organization has the adequate administrative systems in place.

- [24 CFR Part 570, as amended](#) - The regulations governing the Community Development Block Grant Program.
- [Fair Housing Act](#) - Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability.
- 24 CFR Part 1 and 6, Public Law 90-284, Fair Housing Act - The regulations issued following Title VI of the 1964 Civil Rights Act (as amended by Executive Orders 11246, 11375, and 12086) and Section 109 of the 1975 Housing and Community Development Act that prohibits discrimination in HUD programs based on sex, race, color, national origin, and religion. Further, applicable programs and activities must be administered in such a manner as to affirmatively further the policies of the Fair Housing Act.
- 24 CFR Part 7 and 41, CFR Part 60 – The regulations on equal employment opportunity without regard to race, sex, color, religion, age, national origin, and disability in federally assisted construction projects.
- ADA Compliance – [Americans with Disabilities Act](#) (42 U.S.C. 12101-12213) and implementing regulations at 28 CFR Part 35.

- [Section 504 of the Rehabilitation Act of 1973](#), 24 CFR Part 40 and 41 - The regulations that set forth policies and procedures for the enforcement of standards and requirements for accessibility to individuals with disabilities. The Architectural Barriers Act of 1968 and the American with Disabilities Act (ADA) provide additional laws on accessibility and civil rights to individuals with disabilities.
- [Age Discrimination Act of 1975](#) (42 U.S.C. 6101) - The regulations that prohibit discrimination on the basis of age.
- [24 CFR Part 135](#) – Regulations outlining requirements of [Section 3](#) of the Housing and Urban Development Act of 1968 providing for economic opportunities for low and very low income local residents. All projects funded with CDBG funds must comply with Section 3 of the Housing and Urban Development Act of 1968, revised, requiring that to the greatest extent feasible opportunities for training and employment be given to low and moderate-income persons residing within the City of San Diego, and that contracts or works in connection with the project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the City of San Diego. Special documentation is required for project receiving CDBG funding over \$100,000.
- 29 CFR Part 3 and 5 - The regulations on labor standard provisions that include the payment of prevailing wages on federally assisted projects as mandated by the Davis-Bacon Act and the Contract Work Hours and Safety Standards Act. CFR 24 Part 70 provides information on the use of volunteers.
- [Copeland “Anti-Kickback” Act](#) (18 U.S.C. 874 and 40 U.S.C. 276c) – The regulations on contracts for construction or repair awarded by sub-recipients shall include a provision for compliance with the Copeland “Anti-Kickback” Act.
- [24 CFR Part 58](#) – The regulations prescribing the Environmental Review procedure under the National Environmental Policy Act of 1969.
- National Flood Insurance Act of 1968, 24 CFR Part 55 under Executive Order 11988 – The regulations for proposed projects and properties located in a floodplain.
- [36 CFR Part 800](#) – The regulations outlining the procedures for the protection of historic and cultural properties.
- [Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970](#) – These policies provide for displacement, relocation assistance, and real property acquisition as defined by 42 U.S.C. 4601 (URA) (42 U.S.C. 4601), and implementing regulations issued by the Department of Transportation at 49 CFR Part 24 and Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304d).
- [Residential Lead Based Paint Hazard Reduction Act of 1992](#) - The regulations implemented by 24 CFR Part 35, Subpart B imposes certain requirements on disclosure of lead base paint hazards.

- 24 CFR Part 24 – The regulations that prohibit use of debarred or suspended contractors on federally assisted projects and Drug Free Workplace requirements; issued according to Executive Order 12459.
- 24 CFR Part 84 and [OMB Circular A-110](#) – Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and Non-Profit Organizations. These regulations include the Conflict of Interest provision 24 CFR 84.42 and 570 as it applies to procurement.
- [OMB Circular A-87](#) – Establishes principles and standards for determining allowable costs under Federal grants.
- [OMB Circular A-110](#) – Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.
- [OMB Circular A-133](#) – Audits of States, Local Governments and Non-Profit Organizations federal awards. This includes the single audit requirement for agencies that expend \$500,000 or more of federal awards during the fiscal year.
- HUD requirements - All other required reports, circulars, and procedures when applicable.
- Administrative Procedures – The rules issued by the City in relation to process and procedures.
- All applicable provision of the [City of San Diego Municipal Code](#)
- [California Environmental Quality Act \(CEQA\)](#) - Statutes, guidelines and other information from the State of California on the law governing environmental review.
- Insurance – The City requires all entities receiving funding to provide proof of insurance. A handout of these requirements will be distributed at the application workshops.

Useful Resources:

- [HUD – CDBG Portal](#)
- [Code of Federal Regulations \(CFR\)](#)
- [HUD – Economic Development Toolkit](#)
- [Community Development & Planning \(CDP\) Notices](#) provide detailed guidance on a specific CPD subject. Notices relating to Community Development explain how the [CDBG program regulations](#) should be interpreted or applied.
- [HUD Basically CDBG Manual](#)
- [CPD Outcome Performance Measurement System](#)

APPENDIX A: CITY OF SAN DIEGO INCOME LIMITS

**FY 2013
HUD INCOME LIMITS
FOR CITY OF SAN DIEGO**

FAMILY SIZE	EXTREMELY LOW INCOME LIMITS (0-30% of median)	VERY LOW INCOME LIMITS (31-50% of median)	LOW/MODERATE INCOME LIMITS (51-80% of median)
1	\$0 - \$16,900	\$16,901 - \$28,150	\$28,151 - \$45,000
2	\$0 - \$19,300	\$19,301 - \$32,150	\$32,151 - \$51,400
3	\$0 - \$21,700	\$21,701 - \$36,150	\$36,151 - \$57,850
4	\$0 - \$24,100	\$24,101 - \$40,150	\$40,151 - \$64,250
5	\$0 - \$26,050	\$26,051 - \$43,400	\$43,401 - \$69,400
6	\$0 - \$28,000	\$28,001 - \$46,600	\$46,601 - \$74,550
7	\$0 - \$29,900	\$29,901 - \$49,800	\$49,801 - \$79,700
8	\$0 - \$31,850	\$31,851 - \$53,000	\$53,001 - \$84,850

NOTE: The HUD Income Limits for the City of San Diego are subject to change for FY 2014.

APPENDIX B: CITY OF SAN DIEGO FY 2014 CDBG ELIGIBLE CENSUS TRACTS
City of San Diego: LMA-CDBG Eligible 2000 Census Tracts
Council Districts as of October 2012 -

IMPORTANT: The new census data will be changing during 2013. Should your project fall out of an eligible census tract, CDBG funds allocated to your project are subject to reprogramming. Census data may be found at the US Census Bureau, [Fact Finder Website](#).

District 1		
	Census Tract	L/M Pop %
1	83.05	64.75
2	170.35	51.48
District 2		
	Census Tract	L/M Pop %
1	51.00	82.10
2	52.00	67.42
3	53.00	67.47
4	56.00	76.61
5	57.00	74.36
6	58.00	71.26
7	59.00	56.93
8	62.00	62.21
9	65.00	58.72
10	66.00	82.78
11	75.01	56.00
District 3		
	Census Tract	L/M Pop %
1	9.00	70.20
2	10.00	56.11
3	11.00	55.68
4	12.00	71.04
5	13.00	65.50
6	15.00	58.67
7	16.00	76.27
8	17.00	71.05
9	18.00	68.82
10	21.00	67.21
11	22.01	87.32
12	22.02	86.43
13	23.01	76.68
14	23.02	82.52
15	24.01	77.49
16	24.02	82.83
17	25.01	77.27
18	25.02	60.29
19	26.01	80.84
20	26.02	77.90
21	28.03	61.04
22	34.01	57.62
23	44.00	55.61
24	56.00	76.61

District 5		
	Census Tract	L/M Pop %
1	83.59	56.76
2	94.00	61.04
3	207.09	57.14
4	207.10	75.00
5	208.01	52.38
District 6		
	Census Tract	L/M Pop %
1	86.00	73.53
2	87.01	53.89
3	88.00	59.05
4	91.02	53.69
5	92.01	62.86
District 7		
	Census Tract	L/M Pop %
1	27.02	58.12
2	27.03	57.87
3	27.07	87.14
4	27.08	87.72
5	27.09	88.65
6	27.10	77.49
7	28.01	57.14
8	28.03	61.04
9	29.04	60.51
10	29.05	55.56
11	94.00	61.04
12	95.08	68.53
District 8		
	Census Tract	L/M Pop %
1	36.01	81.69
2	36.02	83.86
3	36.03	85.44
4	39.01	81.55
5	39.02	82.63
6	40.00	86.09
7	41.00	75.65
8	45.01	75.47
9	45.02	75.34
10	46.00	66.93
11	47.00	88.61
12	48.00	90.22
13	49.00	83.38

District 4		
1	27.06	66.69
2	30.04	70.52
3	31.01	53.47
4	31.03	55.21
5	31.11	70.18
6	31.12	52.37
7	32.01	56.68
8	33.01	69.70
9	33.02	78.82
10	33.03	79.62
11	34.01	57.62
12	34.03	73.85
13	34.04	84.86
14	35.01	81.89
15	35.02	73.43

Cont. District 8		
14	50.00	78.22
15	51.00	82.10
16	100.05	67.18
17	100.09	73.14
18	100.10	51.55
19	100.12	77.20
20	100.13	84.74
21	100.15	76.50
22	101.03	67.13
23	101.06	66.19
24	101.07	53.37
25	101.11	63.23
26	101.12	72.31
27	133.08	98.73