



CITY OF MISSION VIEJO
2024-2025
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
PUBLIC SERVICE GRANT APPLICATION GUIDELINES

I. PURPOSE

The City of Mission Viejo is accepting applications from existing tax-exempt California nonprofit corporations that provide City residents public services eligible for Community Development Block Grant (CDBG) funding.

II. PROGRAM DESCRIPTION

The primary objective of the CDBG program, which is administered by the U. S. Department of Housing and Urban Development (HUD), is to develop viable communities by:

- Providing decent housing
- Providing a suitable environment
- Expanding economic opportunities

All CDBG-funded activities must principally benefit low- and moderate-income persons as defined by HUD (see below).

Mission Viejo receives an annual CDBG allocation from HUD. In utilizing its CDBG funds, the City is free to select from a wide range of eligible activities established by HUD, including the provision of public services. HUD limits public services (i.e., social service programs) to 15% of the annual grant award. For Fiscal Year 2024-2025, the City anticipates receiving approximately \$365,000 in CDBG funds; however, until HUD officially notifies the City of its actual 2024-2025 CDBG allocation, the maximum amount that Mission Viejo will reserve for public service programs is \$54,750. **Please note these amounts are subject to change.**

III. PROGRAM REQUIREMENTS

A. ALL CDBG-FUNDED ACTIVITIES MUST MEET ONE OF THE THREE BROAD NATIONAL OBJECTIVES:

1. Provide benefit to low- and moderate-income persons;
2. Aid in the prevention or elimination of slums or blight, or;
3. Address community development needs having a particular urgency (i.e., declared disaster).

B. BENEFITS TO LOW- AND MODERATE-INCOME POPULATION

Eligible CDBG activities range from public improvements to housing rehabilitation and social service programs. Overall, 70% of CDBG program beneficiaries must meet HUD's definition of a low- and moderate-income person. A person/household is considered low- and moderate-income if their household income is less than or equal to 80% of the county median income. Current income limits, adjusted for household size, are as follows:

<u>Persons in Household</u>	<u>Income Limit</u>
1	\$80,400
2	\$91,850
3	\$103,350
4	\$114,800
5	\$124,000
6	\$133,200
7	\$142,400
8	\$151,550

Note: Income eligibility limits are updated annually by HUD.

C. **BENEFIT TO THE MISSION VIEJO COMMUNITY**

Eligible activities must show evidence of benefit to Mission Viejo residents. Reliable accounting of the number of low- and moderate-income Mission Viejo residents directly assisted with grant funds must be provided. Program beneficiaries must prove that Mission Viejo was their last permanent residence for at least three months.¹ Organizations based in Mission Viejo will be given funding preference.

D. **NONPROFIT STATUS**

Eligible service providers must be tax-exempt California nonprofit corporations as of the application deadline and must be in good standing with the State of California and the IRS. Proof of nonprofit status may be requested at the time of application.

E. **PERMITS AND LICENSES**

Programs and projects must obtain all applicable local, state, and federal permits and licenses. Applicants must also be in full compliance with and in good standing with permit/license issuing agency.

IV. FUNDING

The City has not established a minimum or maximum grant; however, applicants should consider the cost of providing eligible services and grant administration when considering a grant amount. Funding will only be granted for CDBG-eligible expenditures as delineated in federal regulations. Funding will be provided for eligible expenditures on a reimbursable basis, subject to the federal Office of Management and Budget guidelines. Applicants are encouraged to review applicable regulations for additional information regarding the eligible use and management of federal funds. Links to relevant regulations are provided below:

- CDBG program regulations: [eCFR — Code of Federal Regulations 24 CFR 570](#)
- 2 CFR Part 200: [eCFR—Code of Federal Regulations 2 CFR 200](#) (Federal Uniform Administrative regulations)
- OMB Circular A-133: [OMB Circulars](#) (Single Audit requirements)

¹ For emergency or transitional housing programs, the 3-month residence minimum does not include time spent as a resident in a shelter facility located in Mission Viejo.

V. SELECTION CRITERIA

All applications will be evaluated and rated based on quantitative and qualitative evaluation criteria. The Mission Viejo City Council established the current criteria on January 15, 2015. **Exhibit 1** provides a summary of current grant application rating criteria. A minimum score of 70 is needed for funding consideration.

The submission of an application does not obligate the City of Mission Viejo City Council to award CDBG-funded grants. Grant awarding is contingent on Congress and the President authorizing CDBG funding for FY 2024-2025 and the City Council authorizing staff to apply to HUD for CDBG funds. The City of Mission Viejo reserves the right not to fund any or all applications submitted for consideration. The City is also not obligated to fund all program cost elements requested in the grant application budget.

VI. INSTRUCTIONS FOR SUBMISSION REQUIREMENTS

Applications will be accepted until **12:00 PM on January 26, 2024**. Mail or deliver applications to:

**City of Mission Viejo
Community Development Department
200 Civic Center, Mission Viejo CA 90691
2024-2025 CDBG Public Service Grant Application
Attention: Mike Linares**

Applicants must submit the following as instructed:

1. One original signed and dated application (electronic signature is acceptable). Please print on 8 ½" X 11" white paper, single-sided; do not staple, 3-hole punch, or bind.
2. Submit an electronic copy of the unsigned application (**MS-Word format only**) by the due date and time. The email address is provided on the application cover page. Failure to submit a softcopy will result in a late submission and may disqualify the application.
3. A USB data storage device (no CD-ROMs) containing all other required documentation in PDF file format (see application cover page for a list of required documents). Ensure all password protection is removed from submitted documents.

APPLICATIONS WILL NOT BE ACCEPTED AFTER THE DEADLINE. Applications may not be sent by facsimile. Do not provide any program marketing materials, letters of recommendation, etc.

The application is available on the City's website, www.cityofmissionviejo.org. Follow the links to "Departments," "Community Development Department," "Community Dev Block Grant." A request for a fillable electronic copy of the application or questions regarding this notice of funding availability should be directed to Mike Linares, City of Mission Viejo Community Development, at mlinares@cityofmissionviejo.org.

EXHIBIT 1

GRANT APPLICATION RATING CRITERIA

	<u>Maximum Points</u>
1. Nature of the program & demonstrated community need for the service	25 Points
2. Capacity to implement the program	15 Points
3. Amount and reasonableness of funding requests (cost-effectiveness)	10 Points
4. Consistent achievement of program goals (i.e., program track record)	15 Points
5. The program is based in Mission Viejo	5 Points
6. The number of Mission Viejo residents that will benefit directly from the expenditure measured as a ratio of Mission Viejo residents to be served by the total number of individuals to be served by the proposed program (For example, if the program serves 100 clients and 10 are from MV, 10% would be used to determine application points)	15 Points
7. The ratio of administrative & fundraising expenditures versus program expenditures does not exceed 20% of the total agency budget	15 Points
Total Possible Points	100 Points

Rating points will be allocated based on the attached matrix. Recommendations will also consider whether or not the organization has received City of Mission Viejo Community Service Grant funding.

CRITERIA ALLOCATION OF POINTS MATRIX

<p>1. Nature of the program & demonstrated community need for the service 25 Points</p>	<ul style="list-style-type: none"> ▪ Applicant identifies the nature and need for the proposed service in the City of Mission Viejo = 25 Pts. ▪ Applicant does not identify program need in Mission Viejo but identifies needs for South OC or OC = 20 Pts. ▪ Applicant only identifies State or National data = 10 Pts.
<p>2. Capacity to implement program 15 Points</p>	<ul style="list-style-type: none"> ▪ Based on application response, applicants awarded 15 Pts. if they discuss qualifications & experience of the program & admin staff, <u>and</u> there are no recent HUD or City monitoring findings or concerns ▪ If HUD or City monitoring finding or concern within the past year = 10 Pts. ▪ If HUD or City monitoring finding or concern remains open = 0 Pts.
<p>3. Consistent achievement of program goals (i.e., program track record) 15 Points</p>	<ul style="list-style-type: none"> ▪ Applicant met annual goal and expended all grant funds 3 of 3 years = 15 Pts. ▪ Applicant met annual goal and/or expended all grant funds for 2 of 3 years = 10 Pts. ▪ Applicant met annual goal and/or expended all grant funds for 1 of 3 years = 5 Pts. ▪ Applicant did not meet annual goal and/or expended all grant funds for 3 years = 0 Pts.
<p>4. The number of Mission Viejo residents that will benefit directly from the expenditure as measured by the ratio of Mission Viejo residents to be served by the total number of individuals served by the proposed program 15 Points</p>	<ul style="list-style-type: none"> ▪ 100% to 80% of program participants are City residents = 15 Pts. ▪ 79.9% to 60% of program participants are City residents = 12.5 Pts. ▪ 59.9% to 30% of program participants are City residents = 10 Pts. ▪ 29.9% to 10% of program participants are City residents = 7.5 Pts. ▪ 9.9% to 5% of program participants are City residents = 5 Pts. ▪ 4.9% or less of program participants are City residents = 0 Pts.
<p>5. The ratio of administrative & fundraising expenditures versus program expenditures does not exceed 20% of total agency budget 15 Points</p>	<ul style="list-style-type: none"> ▪ Ratio of Admin/Fundraising to Program Costs is 0% to 5% = 15 Pts. ▪ Ratio of Admin/Fundraising to Program Costs is 5.1% to 12.5% = 12.5 Pts. ▪ Ratio of Admin/Fundraising to Program Costs is 12.5% to 15% = 5 Pts. ▪ Ratio of Admin/Fundraising to Program Costs is 15% to 20% = 2.5 Pts. ▪ Ratio of Admin/Fundraising to Program Costs is 20% = 0 Pts.
<p>6. Amount and reasonableness of funding requests (cost-effectiveness) 10 Points</p>	<ul style="list-style-type: none"> ▪ CDBG request is less than 5% of total program costs = 10 Pts. ▪ CDBG request is 5.1% to 10% of total program costs = 5 Pts. ▪ CDBG request is 10.1% to 25% of total program costs = 2.5 Pts. ▪ CDBG request is more than 25% of total program costs = 0 Pts.
<p>7. Program is based in Mission Viejo 5 Points</p>	<ul style="list-style-type: none"> ▪ The program is based in the City, and services are provided in the City = 5 Pts. ▪ The program is not located in the City, but services are provided in the City = 2.5 Pts. ▪ The program is not located in the City, and residents must travel out of the City for services = 0 Pts.