



CITY OF MISSION VIEJO
2016-2017
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

PUBLIC SERVICE GRANT APPLICATION GUIDELINES

I. PURPOSE

The City of Mission Viejo is accepting applications from tax-exempt California nonprofit corporations that provide City residents public services that are 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 development of viable communities by:

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

All CDBG-funded activities must principally benefit persons of low- and moderate-income 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 range of eligible activities established by HUD, including the provision of public services. Funding for public services (i.e. social service programs) is limited by HUD to a maximum of 15% of the annual grant award. For Fiscal Year 2016-2017 the City anticipates receiving approximately \$380,000 in CDBG funds; however, until the City is officially notified by HUD as to its actual 2016-2017 CDBG allocation, the maximum amount that Mission Viejo will reserve for public service programs is \$57,000. **Please note 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. Meet other community development needs having particular urgency.

B. Benefits to Low- and Moderate-Income Population

The scope of eligible CDBG activities established by HUD ranges 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	\$52,500
2	\$60,000
3	\$67,500
4	\$74,950
5	\$80,950
6	\$86,950
7	\$92,950
8	\$98,950

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 the grant money must be provided. Program beneficiaries must be able to provide evidence that Mission Viejo is or was their last permanent place of residence for a minimum of three months.¹ Funding preference will be given to organizations that are based in Mission Viejo.

D. Nonprofit Status

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

E. Permits and Licenses

Programs and projects must have or obtain all proper 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

At present 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 guidelines of the Federal Office of Management and Budget. For additional information regarding eligible use and management of federal funds, applicants are encouraged to review applicable regulations. Links to relevant regulations are provided below:

- CDBG program regulations.
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title24/24cfr570_main_02.tpl
- 2 CFR Part 230 (formerly OMB Circular A-122 "Cost Principles for Non-Profit Organizations): These regulations establish requirements for determining allowable costs.
<http://www.gpo.gov/fdsys/granule/CFR-2012-title2-vol1/CFR-2012-title2-vol1-part230/content-detail.html>

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.

- **Specific provisions of 24 CFR Part 84** (see 570.502(b)). These regulations set forth uniform requirements for nonprofit organizations, including financial management systems, property standards, procurement standards, reporting, and record keeping.
http://www.ecfr.gov/cgi-bin/text-idx?tpl=/ecfrbrowse/Title24/24cfr84_main_02.tpl
- **OMB Circular A-133**. Nonprofit organizations are required to comply with specific audit requirements.
http://www.whitehouse.gov/omb/circulars/a133_compliance_supplement_2013

V. SELECTION CRITERIA

All applications will be evaluated, rated, and have grant funding recommended based on quantitative and qualitative evaluation criteria. The current criteria were established by the Mission Viejo City Council on January 15, 2015. **Exhibit 1** provides a summary of current grant application rating criteria.

The submission of an application does not obligate the City of Mission Viejo City Council to award CDBG-funded grants. The awarding of grants is contingent on Congress and the President authorizing CDBG funding for FY 2016-2017, and the City Council authorizing staff to submit an application to HUD to receive CDBG funds. The City of Mission Viejo reserves the right to not fund any or all applications submitted for consideration.

VI. INSTRUCTIONS FOR SUBMISSION REQUIREMENTS

Applications will be accepted until **3:00 PM on December 21, 2015**, at the **City of Mission Viejo Community Development Department, 200 Civic Center, Mission Viejo**. Applicants must submit:

- One original signed and dated application
- A CD-ROM containing all other required documentation in PDF file format (see application cover page for list of required documents).
- Applicants are also required to submit an electronic copy of the application (MS-Word format) by the due date and time.

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

The application is available on the City's website, www.cityofmissionviejo.org. Follow the links to "Community Development Department", "Community Development Block Grant (CDBG)." A request for an electronic copy of the application or questions regarding this request for proposals should be directed to Mike Linares, City of Mission Viejo Community Development, at mлинаres@cityofmissionviejo.org, or Greg Stones at gregstones@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 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. Program is based in Mission Viejo	5 Points
6. The number of Mission Viejo residents that will benefit directly by 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 (Example: if 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 total agency budget	15 Points
Total Possible Points	100 Points

Rating points will be allocated based on the attached matrix. Recommendations will also take into consideration whether or not the organization has received 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 proposed service in the City of Mission Viejo = 25 Pts. ▪ Applicant does not identified specific need in Mission Viejo but identifies South County 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 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 remain open = 0 Pts.
<p>3. 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>4. 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>5. Program is based in Mission Viejo 5 Points</p>	<ul style="list-style-type: none"> ▪ Program is located in the City and services are provided in the City = 5 Pts. ▪ Program is not located in the City but services are provided in the City = 2.5 Pts. ▪ Program is not located in the City and residents must travel out of the City for Services = 0 Pts.
<p>6. The number of Mission Viejo residents that will benefit directly by 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>7. 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.