



## CITY OF DALY CITY

333-90TH STREET  
DALY CITY, CA 94015-1895

### ***REQUEST FOR PROPOSALS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FOR FISCAL YEAR 2017-2018***

The City of Daly City is pleased to invite proposals from community organizations serving Daly City residents for the use of Community Development Block Grant (CDBG) funds during Fiscal Year 2017-2018 (July 1, 2017 through June 30, 2018). This fiscal year will be the fifth and final year of the City's Five-Year HUD Consolidated Plan. As a result, grantees awarded in FY17-18 will not be able to extend their funding agreement for FY18-19. FY18-19 will be the first year of a new Consolidated Plan period and the first year of a two-year funding cycle.

#### **WHAT CAN CDBG FUNDS BE USED FOR?**

Attached is a "Fact Sheet" which explains Daly City's CDBG program. CDBG funds are used to fund programs and projects that benefit low and moderate income Daly City households. However, CDBG funds are intended to be used for the direct delivery of services and not to provide general funding (overhead, administrative costs) of organizations providing services. Current and past recipients have had multiple funding sources in addition to CDBG, such as private foundations, fundraising, etc. Daly City CDBG funds are paid to public service providers on a reimbursement basis only, thus an applicant's financial stability is essential for successful applications to the program.

#### **HOW CAN YOU REQUEST AN APPLICATION?**

To request an application or for further questions regarding qualifications, requirements, and applications for block grant funds for public services, please contact Maybelline Sharpe at 650-991-8068, or hcd@dalycity.org. Applications may also be downloaded at: [http://www.dalycity.org/City\\_Hall/Departments/ECD/hcd/hcd\\_news.htm](http://www.dalycity.org/City_Hall/Departments/ECD/hcd/hcd_news.htm)

#### **QUESTIONS? COME TO THE INFORMATIONAL MEETING**

**THERE WILL BE AN INFORMATIONAL MEETING ON WEDNESDAY, JANUARY 11, 2017, AT 1:00 P.M. IN THE TRAINING ROOM (ON THE FIRST FLOOR) OF DALY CITY CITY HALL, 333 - 90TH STREET. PLEASE CONTACT MAYBELLINE SHARPE AT 650-991-8068 TO CONFIRM ATTENDANCE. THIS MEETING IS NOT MANDATORY BUT ALL APPLICANTS ARE ENCOURAGED TO ATTEND.**

**CITY OF DALY CITY'S  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

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**FACT SHEET**

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**What is the Community Development Block Grant Program?**

The Community Development Block Grant Program is a federal program of grants to local governments, operated by the U.S. Department of Housing and Urban Development (HUD). The Housing and Community Development Act of 1974 established CDBG as a replacement for a variety of federal urban renewal, housing and neighborhood public service programs. CDBG was the first of the federal block grant programs and has three national objectives: 1) to benefit low/moderate income people; 2) to prevent or eliminate slums and blight; and 3) to meet an urgent community development need.

The City of Daly City is an entitlement community; as such, the City is allocated an annual federal grant, the amount being established by a set formula. The grant amount for Fiscal Year 2017--2018 has not yet been determined. The City's ability to provide CDBG funding is contingent upon receiving a CDBG allocation from HUD. In FY2016-2017, the City received a grant amount of \$921,458.

**What Types of Projects Can Get CDBG Funds?**

CDBG funds can be used for four general types of projects: housing, capital projects, economic development, and public services. All projects must meet at least one of the above national objectives. The four project areas are described below in more detail.

**Housing**

Eligible housing activities may include the following programs: housing rehabilitation, acquisition of existing housing, historic preservation, renovation of closed school buildings, acquisition of sites for affordable housing construction, site improvements, housing project planning and predevelopment costs. However, CDBG funds cannot ordinarily be used for housing construction itself.

**Capital Improvements**

Eligible capital improvement projects include most types of public facilities, such as community centers, senior centers, centers for the handicapped, day care centers, parks, recreation facilities, public works, removal of architectural barriers to the handicapped and buildings that house public services.

**Economic Development**

Eligible projects include job creation and technical assistance to prospective small business owners and microenterprise programs.

**Public Services**

The City is permitted to spend up to 15% of its entitlement grant funds on public services, which are very broadly defined. Some of the public service projects we have funded include youth programs and child care programs, fair housing programs, educational services, mental health counseling programs, emergency food programs, and home sharing referral services. CDBG funds should be used for the direct

delivery of services and not for general overhead or administrative costs that are unrelated to the project being funded.

**Are there income requirements for recipients of public services to ensure projects benefit lower income people?**

Yes. Even if a project fits one of the eligible categories, it must also pass the lower-income benefit test. A project meets this standard if at least 51% of the beneficiaries have incomes below the income limit or if the project benefits a neighborhood with a high percentage of lower-income people. The income limit schedule is listed below. If a project involves giving scholarship assistance to lower-income people, we count only those who actually receive assistance. Funded projects will be required to document the income levels of persons/households receiving services from your project.

<u>Number of Persons In Household</u>	<u>Extremely Low Income (30% AMI)</u>	<u>Very Low Income (50% AMI)</u>	<u>Lower Income (80% AMI)</u>
1	\$25,850	\$43,050	\$68,950
2	\$29,550	\$49,200	\$78,800
3	\$33,250	\$55,350	\$88,650
4	\$36,900	\$61,500	\$98,500
5	\$39,900	\$66,450	\$106,400
6	\$42,850	\$71,350	\$114,300
7	\$45,800	\$76,300	\$122,150
8	\$48,750	\$81,200	\$130,050

*\*effective as of April 2016. Income limits are updated at least annually.*

### **Still Not Sure if the Project is Eligible?**

Call us. We encourage all potential applicants to contact the CDBG staff before submitting an application. There are many more eligibility regulations than can be summarized here. Generally, new housing construction, furnishings, maintenance and income payments are ineligible, but there are exceptions. Staff can tell you whether your project, or a part of your project, is eligible.

### **How are Funding Decisions Made?**

On December 12, 2016, the City Council of Daly City held a public hearing on community development and housing needs for the purpose of obtaining citizen input and establishing priorities for use of CDBG funds for FY 2017-2018. The City Council's establishment of priorities is reflected in the percentage ranges of appropriation for the funding categories. The percentages below have been adopted for FY 2017-2018.

<u>Funding Category</u>	<u>Percentage Range of Appropriation</u>
Public Services	8-15%
Capital Improvements	15-50%
Economic Development	2-20%
Housing	20-60%

### **How To Apply**

Applications are available in December and due January 27, 2017 by 5 p.m. All new applicants are encouraged to consult with Housing and Community Development Division staff at 650-991-8068. In late April, the City Council will hold a public hearing on all of the proposed projects and allocate the CDBG funds. By the middle of May, the City sends its annual list of projects to the Department of Housing and Urban Development.

For more information, call Maybelline Sharpe or Betsy ZoBell at 650-991-8068. Feel free to e-mail requests for applications to [hcd@dalycity.org](mailto:hcd@dalycity.org). Applications are available online at: [http://www.dalycity.org/City\\_Hall/Departments/ECD/hcd/hcd\\_news.htm](http://www.dalycity.org/City_Hall/Departments/ECD/hcd/hcd_news.htm)

Address: Housing and Community Development Division  
Economic and Community Development Department  
333 - 90th Street  
Daly City, CA 94015