

**CDBG**

**Public Service Grant Program**

**PROGRAM GUIDELINES**

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**

**HIGH POINT, NORTH CAROLINA**

**COMMUNITY DEVELOPMENT AND HOUSING DEPARTMENT**



**FY 2019 – 2020**

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**Building Better Neighborhoods**

# **Community Development Block Grant (CDBG) Public Services Grant Program**

## *Program Guidelines*

The City of High Point will allocate approximately **\$61,050** of its federal Community Development Block Grant (CDBG) entitlement funding, available as of **July 1, 2019** for certified **501(c)(3) non-profit organizations** for projects primarily benefiting High Point’s low to moderate income citizens. Applications for CDBG grant funding will be reviewed by City of High Point staff and the Citizens Advisory Council (CAC), a nine-member citizen’s board appointed by City Council to make recommendations related to the city’s CDBG-funded programs.

Organizations wishing to apply for CDBG grant funding must submit a completed application by the due date. Only one application per organization will be considered. A copy of the application can be found on the City of High Point website at [www.highpointnc.gov/cd](http://www.highpointnc.gov/cd).

**Please return your completed application by 4:00 p.m., Friday, January 11, 2019, to the City of High Point’s Community Development and Housing Department.**

Applicants for the CDBG grant funding will be asked to present their requests to the CAC, and answer any questions from CAC members, at a meeting held by the CAC on **Thursday, February 28, 2019**. City staff will contact each applicant to establish the time for the presentation.

***City of High Point’s Community Development and Housing Department.***

***Physical Address/Phone Numbers:***

Alisha Doulen, Community Resource Specialist  
City of High Point  
Community Development & Housing Department – Community & Neighborhood Development Division

201 Fourth Street  
High Point, NC 27260  
Office: (336) 883-3042 or (336) 883-3041  
Fax: (336) 883-3046

***Mailing Address:***

Alisha Doulen, Community Resource Specialist  
City of High Point, Community Development & Housing Department  
P.O. Box 230, High Point, NC 27261

## ***I. CDBG Public Services Grant Program Description***

**Program Description:** This program provides CDBG grant money to local agencies and community organizations providing public services. The grants must be used to plan and implement projects that improve the lives of people living in low and moderate-income neighborhoods.

**Program Users:** Neighborhood organizations, non-profit agencies, civic groups, church groups, or any organization implementing a project designed to improve the lives of residents in low to moderate-income neighborhoods.

**Eligibility Requirements:** All activities must meet all CDBG guidelines and regulations established by the Department of Housing and Urban Development (HUD), and other local restrictions established by the High Point City Council. While churches may use CDBG funds to sponsor eligible community activities, the activities may not be religious in nature, directly or indirectly, or be limited to or predominantly for members of specific churches.

**Funding Source:** Federal CDBG Program funds

**Available Funds:** Approximately \$61,050

**Deadline for Submitting Application:** Friday – January 11, 2019, 4:00 p.m.

**Time Frame of Project Implementation:** July 1, 2019 through June 30, 2020

No project expenses prior to or after the time frame are eligible for reimbursement.

### **Obtaining Application:**

- (1) Download from the Community Development and Housing Department website at [www.highpointnc.gov/cd](http://www.highpointnc.gov/cd) and follow the link under the Community & Neighborhood Development Division to 2019–2020 CDBG Public Service Grant Application
- (2) Request electronic application via email at [alisha.doulen@highpointnc.gov](mailto:alisha.doulen@highpointnc.gov)
- (3) Call the Community Development & Housing Department at 883–3042 or 883–3041 to request a copy of the funding application.

**For Application Assistance Call:** Alisha Doulen at the office of Community & Neighborhood Development (336) 883–3042 or 883–3041.

## ***II. Mission Statement***

To award grants to organizations which will use the funds for activities which improve the quality of life in low-income neighborhoods and which discourage adverse conditions such as crime, drug use, violence, vandalism, littering, and social neglect by empowering the community to help renew its neighborhoods through community activism.

## The Public Service projects should be designed to:

- Improve the quality of life for low to moderate-income persons or neighborhoods.
- Provide supportive services for special needs populations such as youth, elderly, disabled, homeless, abused women and children, persons suffering from addictions, and other disadvantaged persons.
- Promote cultural diversity.
- Promote educational and health education.
- Spur interest and participation in neighborhood associations.
- Provide seed money for a variety of community events, programs, and projects.
- Allow residents to participate in improvements in their own neighborhoods.
- Encourage citizen involvement and leverage resources to revitalize low and moderate-income neighborhoods.
- Encourage partnerships between City Hall, residents and other community organizations that will result in projects and activities that benefit a community.
- Instill and foster community pride.
- Promote neighborhood beautification and revitalization.
- Discourage adverse neighborhood activity such as drug use, crime, and vandalism.
- Inspire and support the healthy development of youth.
- Improve the quality of life or affordable housing opportunities in declining neighborhoods.



### *III. Eligible Organizations*

Organizations certified as 501(c) 3 non-profits are eligible to apply. Eligible applicants include organizations, churches and civic groups providing human services. **All applicants must include their certification as a non-profit and most recent audit as attachments to their application.**

Only one application per organization will be considered. Organizations that would like to apply for funding for multiple programs should submit a consolidated application.

While churches are eligible to apply for CDBG funds, the proposed activity must not be religiously oriented. Applicants need to be aware that certain restrictions will apply to religiously oriented organizations. It is recommended that church or religious groups contact the Community Development and Housing office to discuss the restrictions before completing the application.

CDBG funding recipients may not discriminate on the basis of race, gender, nationality, ethnicity, religion, creed, or disability. The applicant must actively seek or encourage participation from everyone residing in or operating businesses in the target neighborhood.

Applications will not be accepted from organizations that have failed to satisfactorily complete the CDBG funding application or follow the required format.

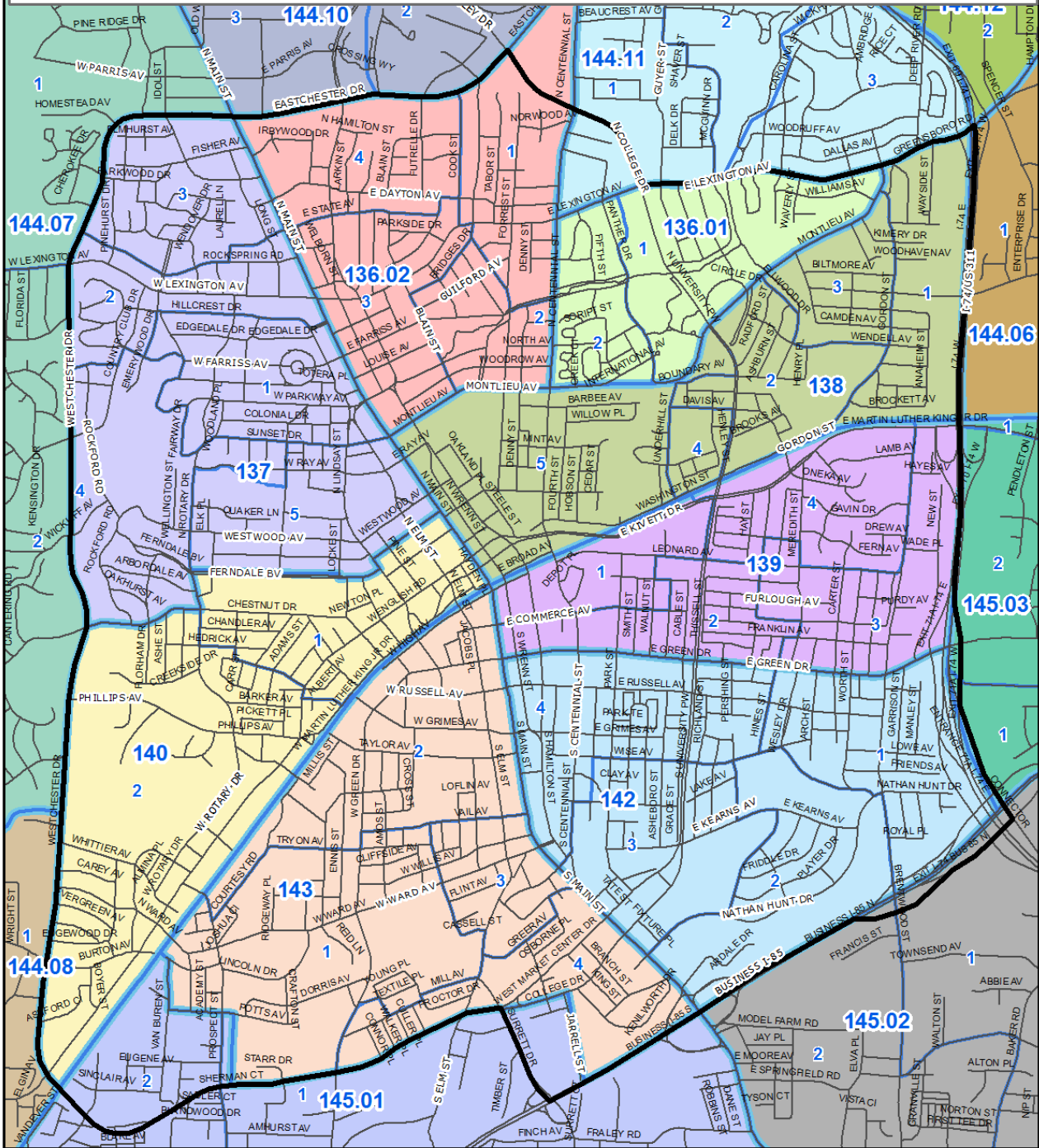
#### ***IV. Households Eligible for CDBG-funded Public Services***

Organizations utilizing CDBG funds to deliver Public Services are required to serve clients that primarily meet the low to moderate income requirements set by HUD. Income must be verified using Census Tract data or direct income verification of clients using annual household incomes. Beneficiaries of CDBG-funded public services must be low or moderate-income individuals or families residing within city limits. Program may target clients within certain census tracts that have been identified as low to moderate-income neighborhoods. See map on the following page. The following chart lists the annual income limits of households which can be served with CDBG funding according to federal guidelines:

**Eligible Beneficiaries – HUD Income Certification  
FY 2018 Household Income Limits\***

| <b>Persons in Household</b> | <b>Extremely Low Income<br/>(30% Median)</b> | <b>Very Low Income<br/>(50% Median)</b> | <b>Low Income<br/>(80% Median)</b> |
|-----------------------------|--|---|------------------------------------|
| <b>1</b>                    | <b>12,750</b>                                | <b>21,200</b>                           | <b>33,900</b>                      |
| <b>2</b>                    | <b>16,640</b>                                | <b>24,200</b>                           | <b>38,750</b>                      |
| <b>3</b>                    | <b>20,780</b>                                | <b>27,250</b>                           | <b>43,600</b>                      |
| <b>4</b>                    | <b>25,100</b>                                | <b>30,250</b>                           | <b>48,400</b>                      |
| <b>5</b>                    | <b>29,420</b>                                | <b>32,700</b>                           | <b>52,300</b>                      |
| <b>6</b>                    | <b>33,740</b>                                | <b>35,100</b>                           | <b>56,150</b>                      |
| <b>7</b>                    | <b>37,550</b>                                | <b>37,550</b>                           | <b>60,050</b>                      |
| <b>8</b>                    | <b>39,950</b>                                | <b>39,950</b>                           | <b>63,900</b>                      |

# U.S. CENSUS TRACTS: CITY OF HIGH POINT CORE CITY



## V. Eligible Activities under CDBG Public Service Grant Projects

- Must provide services to low to moderate-income persons or neighborhoods.
- Activities must be implemented within the city limits of High Point.
- May use funds for salaries of program staff, professional service fees, the purchase of supplies, materials, goods, and services directly related to the implementation of the project.

- Projects must be a new service to be provided or must allow for a quantifiable increase to an existing program.
- Must comply with all applicable local and federal health, safety, and legal regulations.
- Should not duplicate existing private or public program services or operating budgets that are already available to the targeted beneficiaries or community.

## **Neighborhood and Housing Improvement Projects**

These are physical improvement projects that make neighborhoods better places to live, work, play, or shop. Proposals will be reviewed for compliance with applicable laws and City policies. All neighborhood-based activities must be identified on a map at time of application. Please note that organizations proposing landscaping or beautification projects must provide detailed plans of their projects prior to receiving funds. Contingencies and restrictions apply to projects in this category.

If any type of tool is requested, include your plan for storing and maintaining the tool(s). Examples include:

- Landscaping and beautification projects
- Tree planting
- Community gardens
- Neighborhood signs
- Shelters or playground improvements
- Murals
- Graffiti removal
- Neighborhood clean-up events
- House painting/fix up repair projects
- Handicap ramps

## **Neighborhood Organizing and Organizational Development**

Neighborhood organizing projects should create new or more broadly representative neighborhood associations. Organizational development projects increase the vitality and effectiveness of existing neighborhood associations. Examples in this category include:

- Organizing a Neighborhood Association
- Leadership training
- Board training
- Goal setting and planning assistance
- Membership recruitment (outreach)
- Technical training to develop project implementation capacity
- Street festivals or block parties (the goal of the street festival must relate to achieving a specific goal such as organizing a neighborhood association)
- Neighborhood newsletters and fliers



## **Crime and Public Safety**

Projects that reduce crime or increase public safety and awareness are also encouraged. Applicants wanting to post signs must receive prior approval from the City's Transportation Department. Examples of crime and public safety projects include:

- Signs for neighborhood crime watch programs
- Painting house numbers on curbs
- Drug awareness programs
- Fire safety programs
- Removal of sight obstructions
- Anti-crime and anti-violence events
- Projects to discourage loitering

## **Neighborhood Public Services, Health, Education, Recreation, and Cultural Initiatives**

These projects are aimed at enhancing the educational, recreational, and cultural opportunities to all neighborhood residents. Examples include:

- Costs for educational materials; tutoring supplies
- Books, paper products
- Transportation (must be essential to the activity)
- Meeting space
- Advertising
- Workshops or health awareness events

If the project is intended to become an ongoing service, the applicant should indicate how the project will be funded in future years. Examples include:

- Increasing the availability of daycare, pre-school and after-school activities.
- Cultural, recreational, and educational activities for youth
- Outdoor activities or environmental awareness
- Tutoring, reading incentive programs, literacy, and mentoring projects
- Parenting and/or life skills training
- Health awareness
- Food banks or food shuttles
- Services to the homeless, elderly, and disadvantaged youth
- Services to special needs populations such as the physically or mentally challenged

## **VI. Ineligible Expenditures under CDBG Public Service Grant Projects**

Ineligible expenditures generally include but are not limited to:

- Administrative costs
- Fundraising

- T-shirts (unless these are a required part of program – i.e. uniforms)
- Office equipment
- Gift Cards
- Field trips as incentives or rewards
- Gas allowance for volunteers
- Activities external to the City limits
- Entertainment
- Food purchases that are not essential to the program

The CAC reserves the right to deem ineligible, any activity it believes is not appropriate or incongruent for funding under the CDBG Public Service Grant program.

## VII. Matching Criteria

Applicant organizations must pledge, secure and then document resources to match the CDBG funds requested. A minimum of 25% match of the grant request is mandatory. For example, a \$4,000 grant request requires a minimum of a \$1,000 value match. Matches may include cash, volunteer labor or in-kind contributions.

These match elements may be blended together to make the required total match, provided each match element is truly needed to complete the project.

In the application, the applicant must demonstrate that the match will be under its control at the *start* of the project. Control of the match can be demonstrated in a variety of ways. For example, control of a cash match can be demonstrated by bank statements or signed pledge sheets (on organizational letterhead). Pledge sheets can also be used to evidence volunteer time commitments. Letters from donors (on organizational letterhead) stating their commitment to contribute the value of the donation can be used. Letters from contributors (on organizational letterhead) of professional services stating their commitment to participate and the market value of their services is also acceptable. Note that the value of professional services counted toward the match shall be based upon the reasonable and customary value of the service rendered.

Volunteer labor will be valued at **\$14.00 per hour** for the purpose of calculating the value match. Time devoted to planning projects, preparing the application, and fund raising will not be considered part of the match. Technical assistance from the City will be available to help applicants prepare their applications and value their match but may not be counted as part of the matching calculation.

For all elements of the match, the applicant must be prepared to justify that the amount and types of contributions proposed are accurate projections and appropriate to the proposed project. The proposed match elements must be expended during the project's implementation. To be credited as match, all resources provided by the applicant must be expended after award of grant by the City and by the completion date of the project.

Applicants must use the Match Worksheet provided to help calculate the total required match for their project and include this as an attachment to their application.

Match documentation must be included with the application and in the first or final monthly report, whichever is applicable.

## VIII. Project Selection and Approval Process

There is no minimum or maximum grant award. However, please be mindful that there is only approximately **\$61,050** available for allocation. Before applications are submitted to the Citizens Advisory Council (CAC) for review and approval, Community Development staff will make a preliminary determination that the proposed project is eligible and that the application meets the minimum requirements for completeness, timely submission, and ability to improve upon critical needs as identified by the most recent Consolidated Plan for the City of High Point. Applications will be evaluated on the grantee's capacity to manage the program, proposed outcomes, project design, project's ability to serve low to moderate income households, performance measures, an oral presentation to be made to the CAC, and any other criteria set by City of High Point staff or the CAC. Applications received after the deadline for submission *will not be considered for the advertised funding round*.

The CAC will review proposal applications at their **February 28, 2019** meeting. A project representative will be required to attend the CAC meeting to answer any questions about the proposal. City staff will contact CDBG applicants concerning this meeting to establish a date and time for the presentation.

The CAC will forward funding recommendations to City Council for final approval in **April or May of 2019** as part of the **City's 2019–2020 Annual Action Plan**. Awards will be announced following the CAC's review and the contracting process will commence.

## IX. Contractual Agreements

Grant recipients, also referred to as Subrecipients, will be required to enter into a contractual agreement with the City of High Point in order to receive a CDBG Public Service grant award. The Subrecipient contract will contain the federal requirements for receiving a federal grant, under the CDBG program. The contract will also contain the Subrecipient program description, timeframe, budget, scope of services, reporting requirements, and outline other federal requirements. The signature page will contain the signatures of persons authorized to enter into contractual agreements. The signature of the Subrecipient Executive Director and Board Secretary will legally obligate the Subrecipient to the terms and conditions of the contract.

No funds will be disbursed until both the organization and the City have signed the contract. No reimbursement for expenses of projects which occur prior to entering into a written contract will be honored. A formal contract is mandatory, regardless of the amount of the grant awarded. Applicants are responsible for knowing and understanding the terms of their contracts and deadlines for submitting

documentation and reports. All projects must be completed, and all funds must be expended, by the end of the program year (June 30, 2020).

**Project Description** – The project description is derived from the Subrecipient’s application for funds (proposal), along with information provided by the Subrecipient during the oral presentation before the CAC. It is the Subrecipient’s responsibility to ensure that the project description is accurate and complete.

**Scope of Services to Be Performed** – The project’s intent, general work plan, and scope of services as described in the contract must be the same as that contained in the approved application and/or recommendation by the CAC. Once a grant has been awarded, neither the Scope of Services nor the Budget can be changed without prior written approval by staff or the CAC. However, upon approval by Community Development staff, minor revisions to the specific scope and budget may occur to accommodate circumstances or information that becomes available between the time of the application, contract execution, and completion of the project. Significant project or budget revisions must receive written CAC or City Council approval, depending upon the nature of the request. It is the Subrecipient’s responsibility to understand the expectation of the Scope of Services to be performed prior to signing the contract.

**National Objective** – All activities carried out with CDBG funding must comply with regulations set forth at 570.200(a)(2) to meet one of the national objectives of the CDBG Program. Public Service projects are intended to primarily benefit low and moderate-income individuals. The City of High Point reserves the right to require that all beneficiaries of CDBG funding meet the income eligibility criteria and that documentation related to eligibility under Area Benefit or Limited Clientele be collected in accordance with 570.208(a)(1)(i) or 570.208(a)(2) and be submitted in a manner prescribed by the City.

CDBG activities must –

- Benefit low and moderate-income persons\*
- Aid in the prevention or elimination of slum and blight; and
- Meet community development needs having a particular urgency.

\* CDBG Public Service grants meet HUD’s National Objective to benefit low and moderate- income persons

**Insurance** – All Subrecipients shall procure and maintain for a period of 3 years, Worker’s Compensation insurance, employer’s liability insurance, commercial general liability insurance, commercial vehicle liability insurance (for any vehicle used to transport program clients), umbrella or excess liability insurance and professional liability or errors or omissions insurance and shall list the City as additional insured.

**E-Verify** – In accordance with North Carolina law at NCGS subsection 64–26(a), any private employer who hires an employee to work in the United States, shall verify the work authorization of the employee

through E-Verify. Additionally, any contractor who enters into contracts with state agencies and local governments is subject to this requirement. The City of High Point further stipulates that any entity entering into a service contract with the City, regardless of the number of individuals it employs or whether they are paid with federal funds, must complete an E-Verify Affidavit.

**Time Frame for Completing Project.** The services of the Subrecipient and the Project shall commence as soon as possible after the execution of the contract and shall be completed by the agreed completion date or no later than *June 30, 2020*.

**Budget.** The Subrecipient must implement the project in accordance with the approved budget. The Subrecipient is responsible for expenditures above and beyond the funds approved and described in the contract. Subrecipients may not change budget line items without written City approval. Approved budget line items may be increased or decreased with prior written City approval.

**Disbursement of Funds.** Funds will be disbursed through a purchase order reimbursing the Subrecipient for expenses incurred in accordance with the contract's Scope of Services and Budget. Community Development staff will work with the Subrecipient to determine the best method of awarding funds to accomplish the proposed project. Reimbursement will be made upon the presentation of paid receipts and paid invoices for eligible expenses and a detailed description of expenditures. Subrecipients may be required to provide proof of payments, such as with copies of cancelled checks, credit card statements, payroll summaries, timesheets, etc. Reimbursement cannot be approved for ineligible expenditures or eligible expenditures with lost or vague receipts. The City makes the final decision whether a tendered receipt is eligible and valid. Grantees/subrecipients will be required to register as a vendor with the City of High Point.

Subrecipients will be expected to spend the grant in a timely manner. Subrecipients who cannot spend all or part of their grant must notify the City so that unneeded funds may be reallocated to other groups. Grant funds are not transferable by the Subrecipient to another party. A penalty may be imposed upon grant recipients who are unable to spend grant funds in accordance with their contract and who fail to inform the City in sufficient time to reallocate the funds. Penalties will be decided by the CAC on a case-by-case basis.

**Changes in Contract.** The Subrecipient may not change the terms or provisions in the contract or substitute approved budget line item expenditures without prior written approval by the City.

**Records and Reports.** The Subrecipient is required to maintain and report demographics and statistics of its project beneficiaries, regardless of the amount of the grant, and to make monthly reports to the City describing its activities and accomplishments. The Subrecipient must agree to maintain its project records and copies of reports for a minimum of four years. Subrecipients who are late with reports may be suspended from applying for future CDBG funds.

**Audits, Inspections, and Monitoring.** The City will audit and/or monitor the progress of the Subrecipient via monthly reports, telephone calls, and on-site monitoring visits. The Subrecipient must facilitate monitoring visits and have appropriate records and copies of reports available for inspection upon request by the City and/or HUD. The Subrecipient must provide the City with a copy of its most recent annual audit.

**Suspension or Termination of Contract.** Suspension or termination may occur if the Subrecipient materially fails to comply with any term of the contract or other federal, state or local statutes and regulations governing the City with respect to compliance, whether herein stated or not.

**Subsequent Grants.** Continuous CDBG grants are not guaranteed and should not be relied upon as sustaining funds. Subrecipients may not be awarded a second grant until the first funded project has been successfully completed and a satisfactory project completion report has been filed. *Subrecipients that fail to carry out their projects satisfactorily will not be eligible to apply again for at least one year from the time of the original application. The CAC will establish penalties for nonperformance on a case-by-case basis.*

**Other Requirements.** Projects under contract with the City of High Point must be in compliance with all applicable federal, state, and local laws. Projects involving public property must receive the permission of the appropriate governmental jurisdiction to enter onto public lands. Projects involving private property must have the permission of the property owner(s) involved. It is the responsibility of the applicant to obtain appropriate permission and any permits normally required for particular activities (e.g. street use permits). Permitting Fees may be incorporated into the budget at the time of application.

It is the responsibility of the applicant to obtain written waivers of liability from all volunteers before commencement of the project.

**Fiscal Agent.** Applicants without the capacity to receive advanced funds for reimbursable activities may be asked to work with a fiscal agent. Examples of potential fiscal agents include churches, local businesses, and non-profit organizations. The applicant may, therefore, be different than the project's contractor for funds.

**City Disclaimer:** The City reserves the right to revise grant program guidelines and eligibility criteria as it deems necessary and appropriate and to correct written errors without prior notice.

## X. Administration

The CDBG Subrecipient Public Service Grant program will be administered by the Community and Neighborhood Development staff in consultation with the Citizens Advisory Council (CAC). The *Community & Neighborhood Development Division is located at 201 Fourth Street, High Point, NC 27260.* Staff will provide *technical assistance* as needed to applicants and grantees of CDBG grant funds. Staff will also conduct on-site monitoring visits and project evaluations during the fiscal year.

## XI. Technical Assistance

Community and Neighborhood Development staff will gladly assist applicants in the preparation of their CDBG application. It is best, however, to make an appointment as early in the planning process as possible. Please do not wait until just days before the deadline to request assistance, as staff may not be able to give you the time necessary to assist you fully. ***While staff will be available to provide guidance on the grant process, the applicant is ultimately responsible for successfully completing the application and all necessary reports related to CDBG funding. It is the applicant's responsibility to ask questions or follow up on any issues that are not clear. To request technical assistance please contact:***

Community Development and Housing Department  
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