

Economic Development Department

# Partnering with the City: Are You CDBG Ready?

Request for Qualification (RFQ) Virtual Workshop

## Today You Will Learn

- ✓ Mission | Vision | Operating Principals
- ✓ CDBG Basics
- ✓ Grant Application Process
- ✓ Grant Application Prerequisites
- ✓ Eligible Projects
- ✓ Tips and Tricks
- ✓ Next Steps

# A Future For All of Us

## **Vision**

Opportunity in every neighborhood, excellent service for every San Diegan.

## **Mission**

Every day we serve our communities to make San Diego not just a fine city, but a great City.

# Operating Principles



## Customer Service

We value our residents, customers, and employees by designing solutions and services that put people first.



## Empowerment & Engagement

We value a “Culture of Yes” where we empower employees to creatively solve problems and offer solutions.



## Equity & Inclusion

We value equity and inclusion by taking intentional action to create equal access to opportunity and resources.



## Trust & Transparency

We value transparency by using data to make better-informed decisions, answer questions, and build trust with the public.



# Priority Areas of Focus

Create Homes  
For All of Us

Protect &  
Enrich Every  
Neighborhood

Advance  
Mobility &  
Infrastructure

Champion  
Sustainability

Foster  
Regional  
Prosperity

# **Economic Development Department: Mission**

To cultivate economic and community development opportunities that serve businesses, neighborhoods, and residents.



**How does your organization's mission align with the City's goals?**

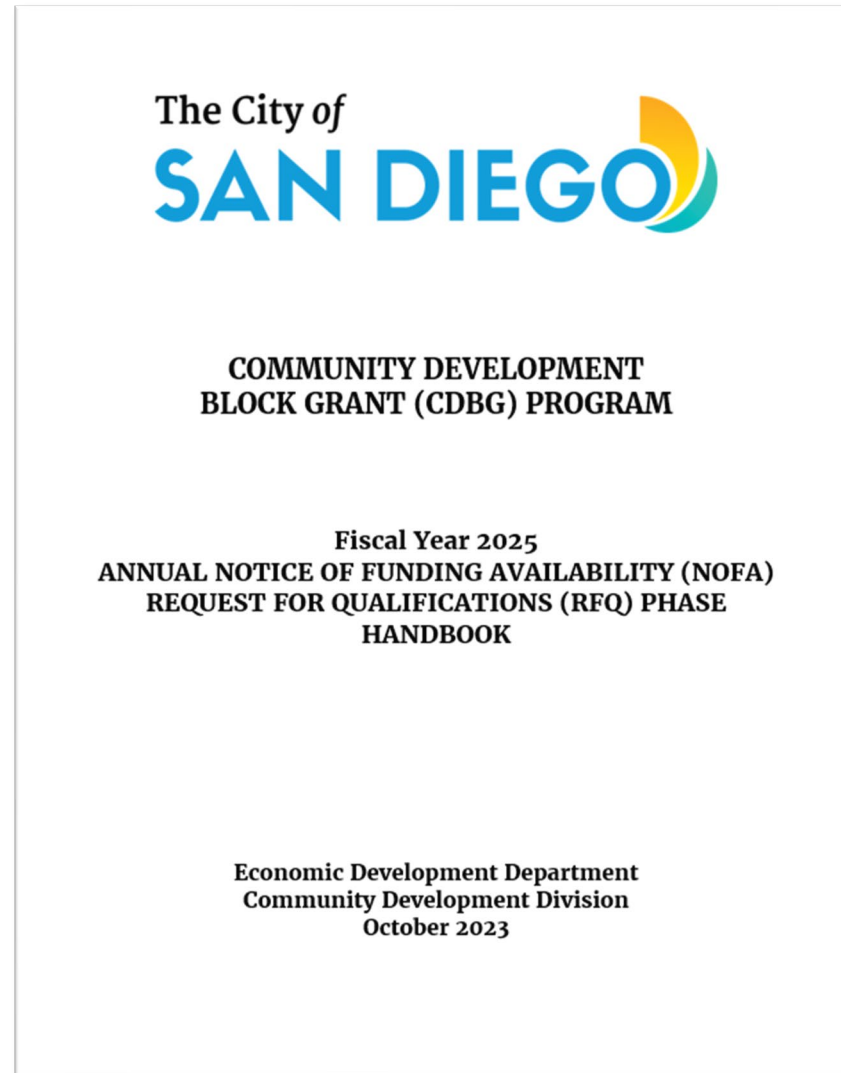


## Prescreening for Capacity





# RFQ Handbook



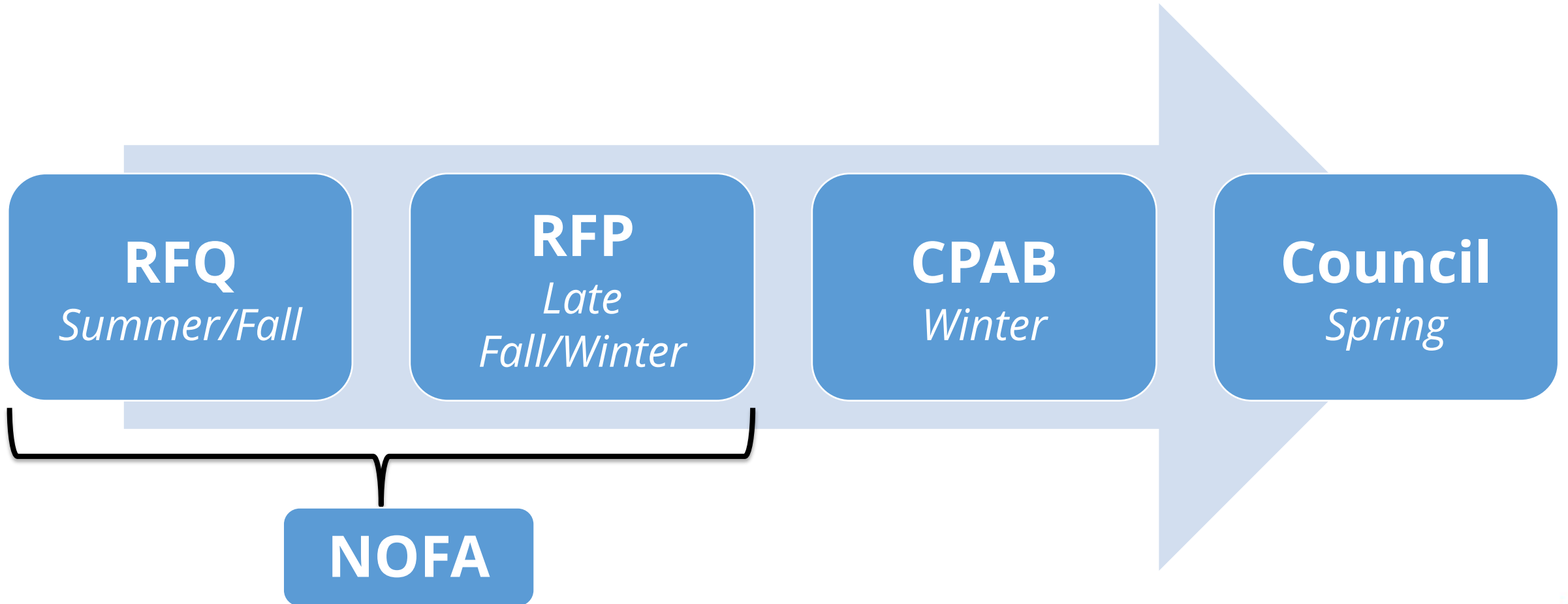
# Community Development Block Grant (CDBG)

## **Primary Objective:**

Improve living environment,  
expand economic opportunities,  
and provide decent housing for  
low- and moderate-income  
residents and areas.



# Annual NOFA Sequence



# Annual NOFA Timeline

Sept - Nov

- CDBG RFQ released and responses due to City via ED Grants
- Organizations determined “qualified” or “not qualified”
- “Qualified” organizations invited to participate in CDBG RFP process

Nov - Apr

- CDBG RFP released and responses due to City via ED Grants
- Consolidated Plan Advisory Board (CPAB) reviews proposals
- City Council approves CDBG allocations and Annual Action Plan

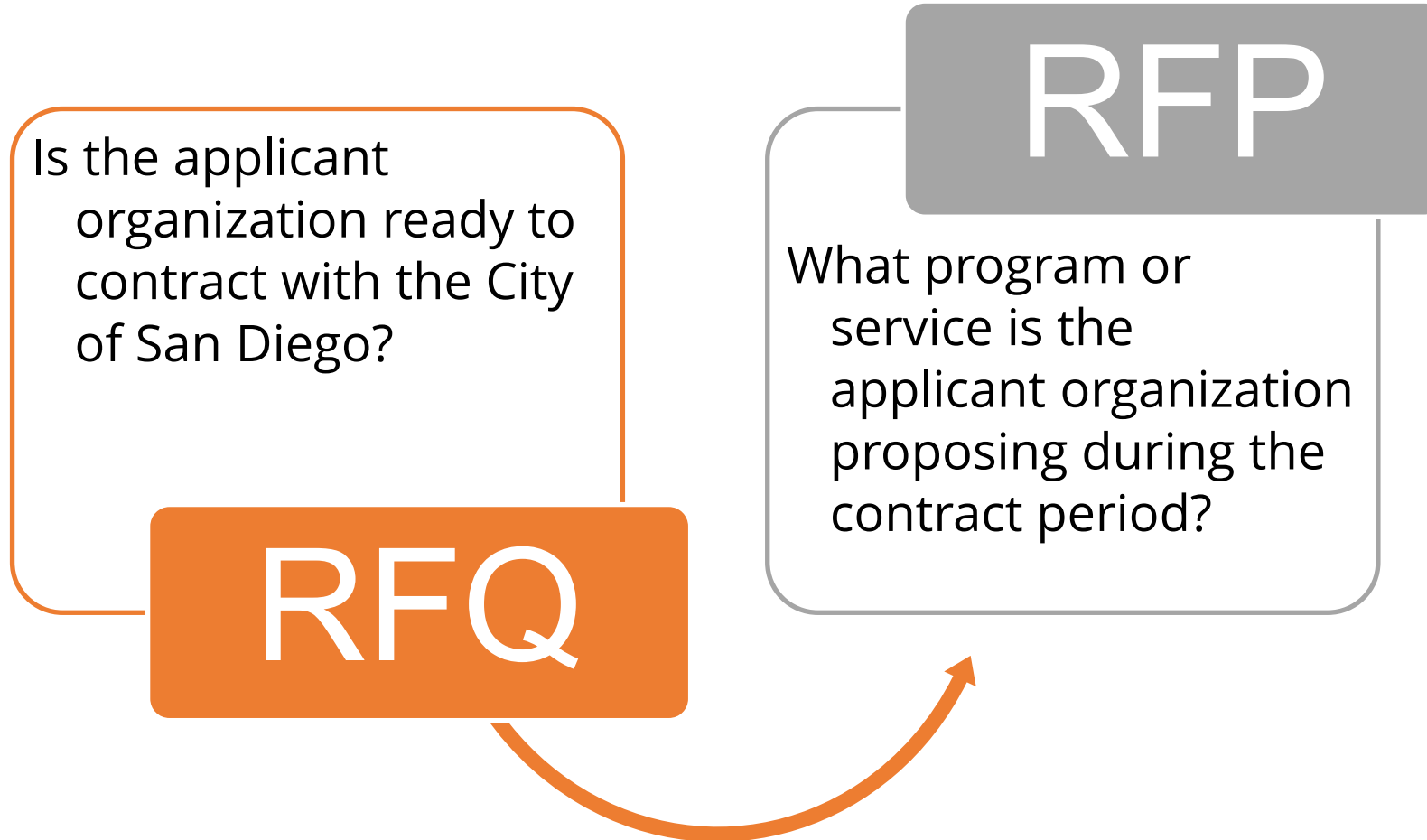
Apr - Jun

- Awarded CDBG projects begin scope development and budget review for agreement execution
- Agreements distributed for execution via ED Grants

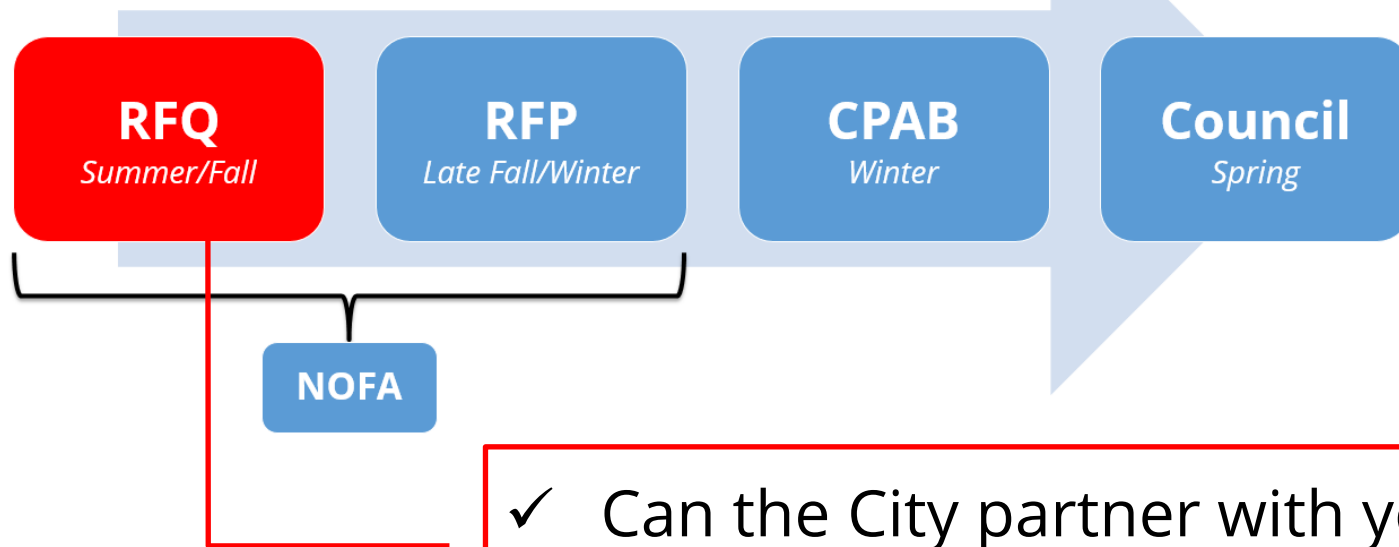
Jul - Sep

- CDBG project implementation begins
- CDBG reporting requirements begin and reports submitted via ED Grants (technical assistance provided to CDBG subrecipients)

# Two-Phase Process: Part 1



# Annual NOFA Sequence: RFQ



- ✓ Can the City partner with your organization?
- ✓ Organizational capacity (programmatic/fiscal)
- ✓ Past experience/track record
- ✓ Controls in place
- ✓ Alignment of goals/objectives

## RFQ: Required General Information

- ✓ Address and contact information
- ✓ Board of Directors
- ✓ General description and locations of programs, projects, and services implemented
- ✓ Communities and clients served
- ✓ Mission statement

# RFQ: Registration and Status Requirements

Articles of Incorporation  
(CA Secretary of State)

EIN Number (IRS)

\*Unique Entity ID  
Number & Registration  
at [www.sam.gov](http://www.sam.gov)

Nonprofit  
Federal Tax  
Determination Letter  
(IRS)

Nonprofit  
State Tax Determination  
Letter (CA FTB)

\*\*Proof of Registration  
with California Attorney  
General's Registry of  
Charitable Trusts

\*CDBG Grants

\*\*501(C)(3) Organizations





# Registration Status (Details)

Organizations that want to partner with the City are required to register with the following sites, as applicable, and comply with certain status requirements:

- **California Secretary of State:** <https://bizfileonline.sos.ca.gov/>
  - Status Needed: Active
- **California Attorney General's Registry of Charitable Trusts:** <http://rct.doj.ca.gov>
  - Status Needed: Current
- **California Department of Industrial Relations:** <http://www.dir.ca.gov/dlse/debar.html>
  - Organization is not listed as debarred
- **System for Awards Management:** <https://www.sam.gov>
  - Status Needed: Active or No Results
- **Federal Audit Clearinghouse:** <https://harvester.census.gov/facweb>
  - Up-to-date filing of Single Audit or Program-Specific Audit (if applicable)

# RFQ: Internal Controls and Procurement

## Internal Controls

- ✓ No single person should have sole authority over all steps of financial or budget transaction
- ✓ Clearly outline roles and responsibilities
- ✓ If funded, organization will be required to submit its written internal control procedures and, if necessary, update them to conform with federal standards

## Procurement Methods

- ✓ Ensure fair and open competitive process
- ✓ Ensure fair market pricing and comply with all governing regulations
- ✓ Purchases made with federally awarded funds must be made with one of the five (5) procurement methods outlined by HUD regulations (2 CFR Part 200)

# RFQ: Certifications and Additional Documents

## Certifications

- ✓ Lobbying
- ✓ Debarment, suspension, proposed debarment, ineligibility, and other responsibility matters
- ✓ Drug-free workplace
- ✓ Civil Rights Act and ADA compliance
- ✓ Conflict of interest and procurement policy compliance

## Additional Documents (refer to RFQ Handbook for complete list)

- ✓ Organization federal/state tax determination letters (nonprofits)
- ✓ Organization charts
- ✓ [www.sam.gov](http://www.sam.gov) registration and status screenshot (Unique Entity ID)
- ✓ Federal Audit Clearinghouse (FAC) acceptance of single or program-specific audit (if applicable) screenshot

## RFQ: Required Financial Documents

- Board-approved **Audited Financial Statements** for the latest fiscal year that ended



# Audits and Financial Statements

## Audit Certificate of Compliance Form

2 CFR Part 200 Subpart F (supersedes OMB Circular A-133)

- **Single or Program-Specific Audit (if applicable)**
  - ✓ Organization expended \$1,000,000 or more in federal funds
  - ✓ Most recently completed for the latest fiscal year that ended (or the one before)
  - ✓ Submitted to and accepted by Federal Audit Clearinghouse (FAC)
  
- **Audited Financial Statements**
  - ✓ For the latest fiscal year that ended (or the one before)
  - ✓ Unqualified/unmodified opinion
  - ✓ Cash balance from Balance Sheet will be used to calculate 'Maximum Funding Request Threshold'

# Maximum Funding Request Threshold (MFRT)

**MFRT** amount indicates the maximum amount of CDBG funds your organization can be awarded, whether amount is for one or more projects.

- ✓ Determined by Cash Balance from organization's Audited Financial Statements (multiplied by 4)
- ✓ Limited by overall budget for each RFP project category
- ✓ Applies to all of organization's RFP responses combined
- ✓ MFRT will be included in RFQ notification of results

# Three-Month Cash Reserve Recommendation

- ✓ CDBG works on a **reimbursement** basis
- ✓ Your organization's cash reserve should be sufficient to cover three (3) months of operations to be a successful CDBG subrecipient

**Month 1**

Organization spends funds.

**Month 2**

Organization prepares reports to submit reimbursement request to the City, including supporting documentation.

**Month 3**

City completes review of reimbursement request and processes reimbursement payment to organization.

# Common RFQ Disqualifiers

- ✓ Incorrect Audit Certificate of Compliance response
- ✓ Correct single or program-specific audit, when required, was not submitted or does not meet all requirements
- ✓ Audited financial statements not submitted (if applicable) or do not meet all requirements
- ✓ State of California and/or federal debarment
- ✓ Wrong attachments in ED Grants
- ✓ Unique Entity ID status or not registered with [www.sam.gov](http://www.sam.gov)

***NOTE: ED Grants will check for the organization's 'Maximum Funding Request Threshold' is at least \$50,000 as required by Council Policy 700-02***



## Moving on to the RFP Phase

- ✓ If an applicant organization is deemed “qualified” based on the RFQ response, then it is eligible to submit proposals during the RFP phase.
- ✓ Maximum Funding Request Threshold (MFRT) is confirmed in the RFQ determination notice.



# ED Grants Highlights

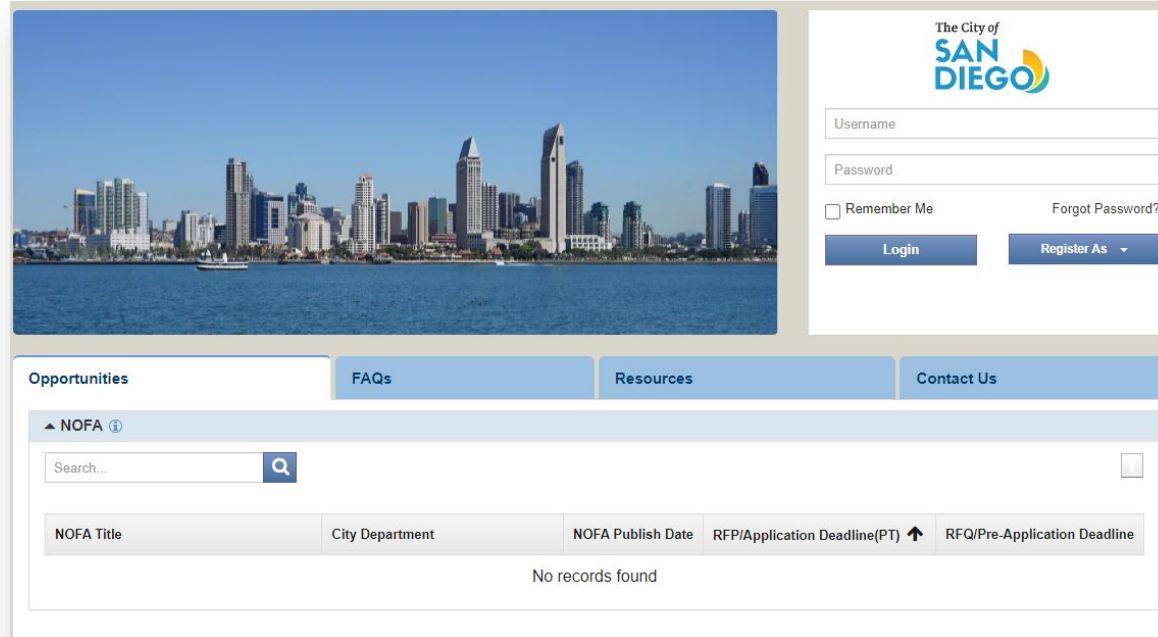


## ED Grants

- Economic Development Grants Management System
- Customer relationship management solution:
  - ✓ Administer Annual NOFA process, including all reviews and scoring
  - ✓ Submit RFQ/RFP responses of applicant organizations
  - ✓ Execute agreement with funding subrecipients
  - ✓ Monitor subrecipient performance via reporting
  - ✓ Generate program data and compliance reports



# Partnering with the City



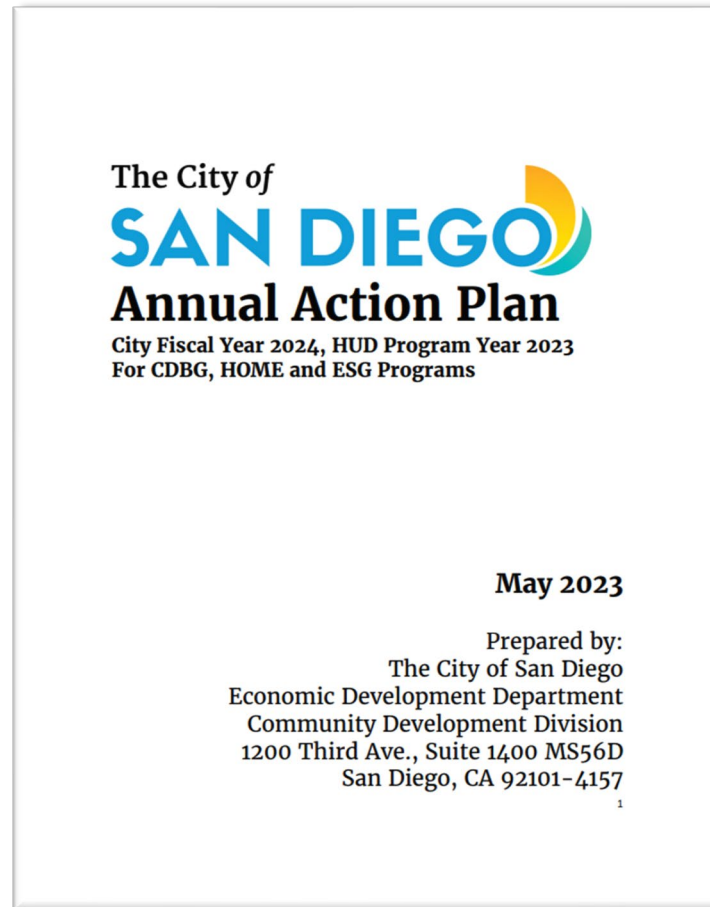
<https://edgrants.force.com>

*Resources: How to Register an Organization | | How to Submit an RFQ Response*

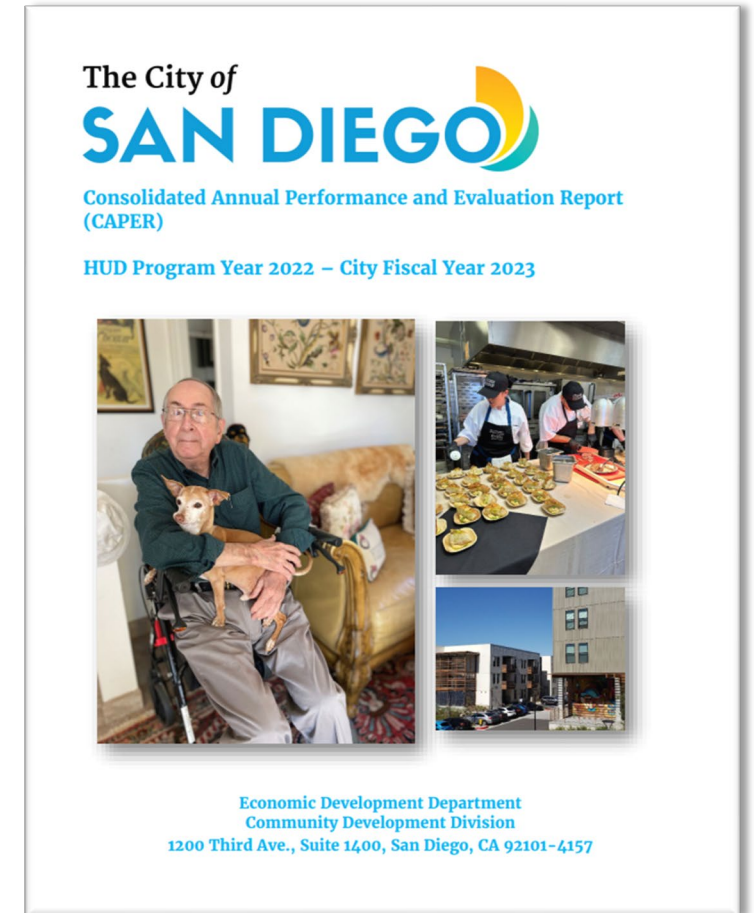
# CDBG: Program Goals and Priorities



**SAY**



**DO**



**SHOW**

## Consolidated Plan Goals

The City's Consolidated Plan informs HUD and the community how the City plans to invest its CDBG funds over the course of five years. Currently, it identifies seven (5) GOALS in which CDBG funds may be invested.

**Goal 1:** Increase, protect and preserve **affordable rental and homeownership housing** opportunities by improving access to a diverse set of affordable housing, **accessible** in design and **energy efficient**, with proximity to job centers, schools, parks, and services.

**Goal 2:** Invest in **inclusive economic growth** initiatives that develop and strengthen small businesses, support local entrepreneurs, expand employment and/or workforce development programs, and improve access to job opportunities.

## Consolidated Plan Goals (continued)

**Goal 3:** Develop vibrant and equitable neighborhoods by investing in **public facilities**, **critical infrastructure**, and/or **nonprofit facilities** that provide increased accessibility, resiliency, and sustainability

**Goal 4:** **Improve housing stability** for individuals and households with critical needs, including persons experiencing or at-risk of homelessness by providing **appropriate housing** and **service solutions** grounded in best practices.

**Goal 5:** Improve **community services** by addressing critical needs and promoting equity through improved or increased access to **community programming**.

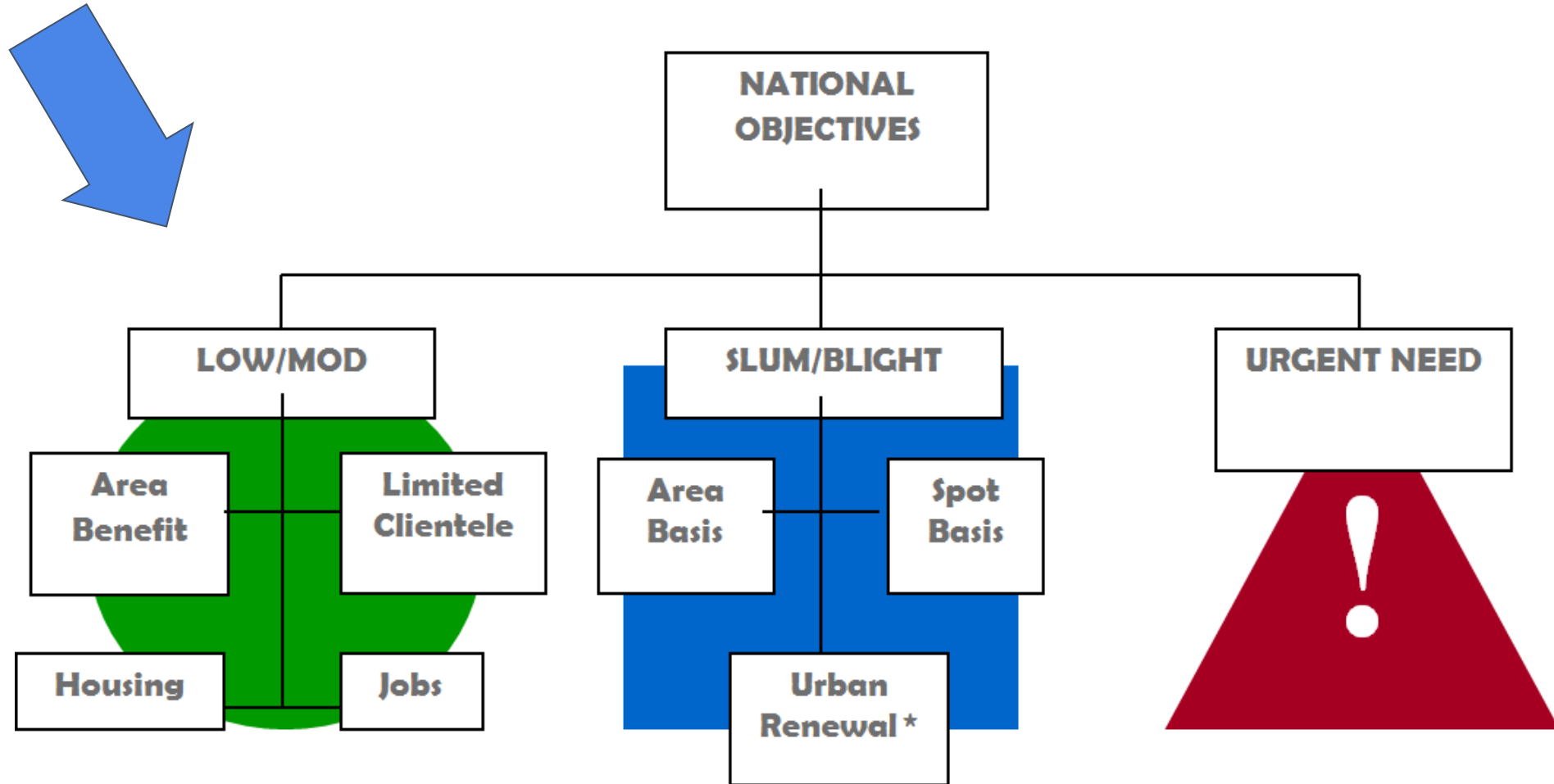
# Consolidated Plan Guiding Strategies

- Inclusive Economic Growth
- Economic Resiliency and Sustainability
- Catalytic Community Investment

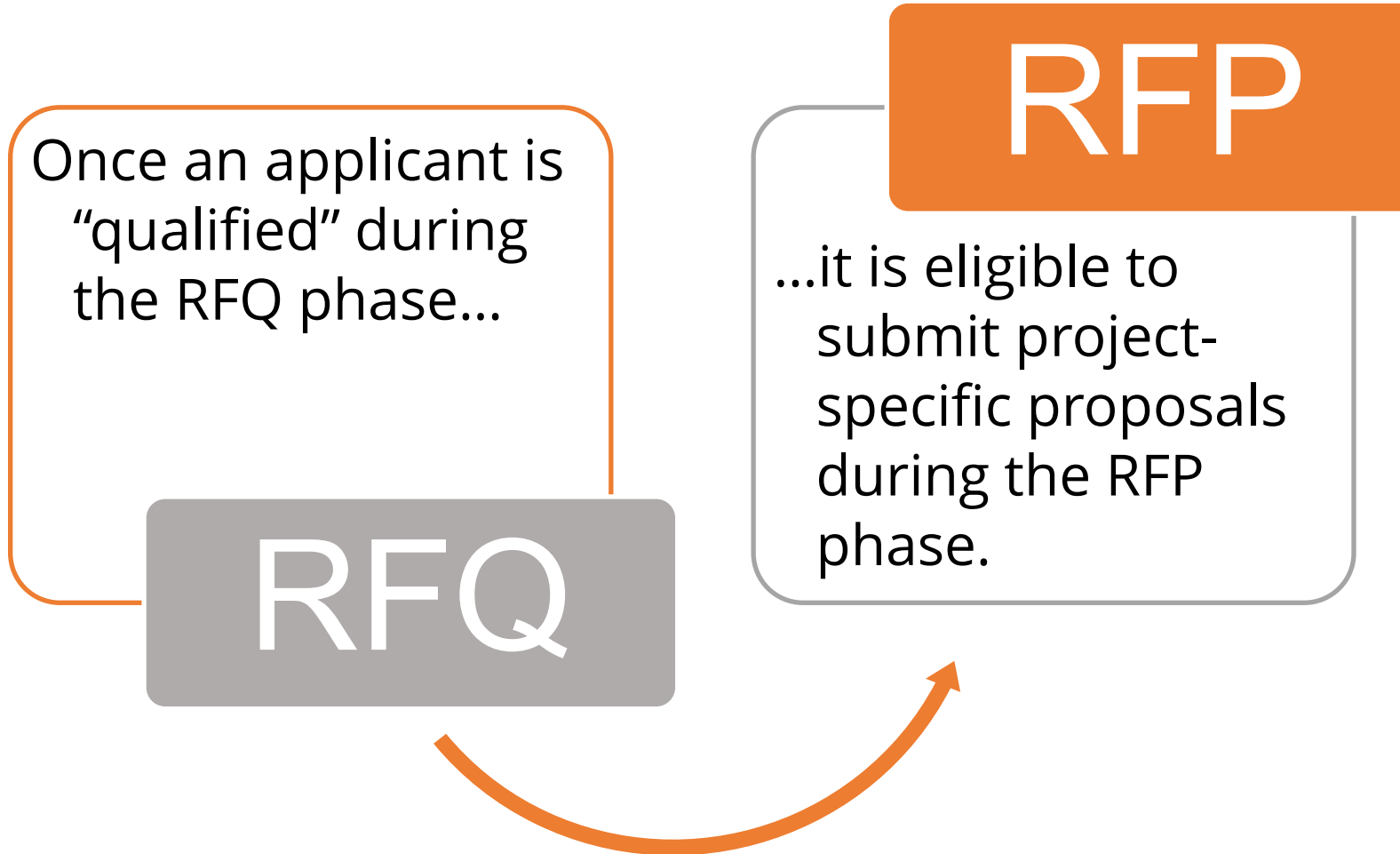




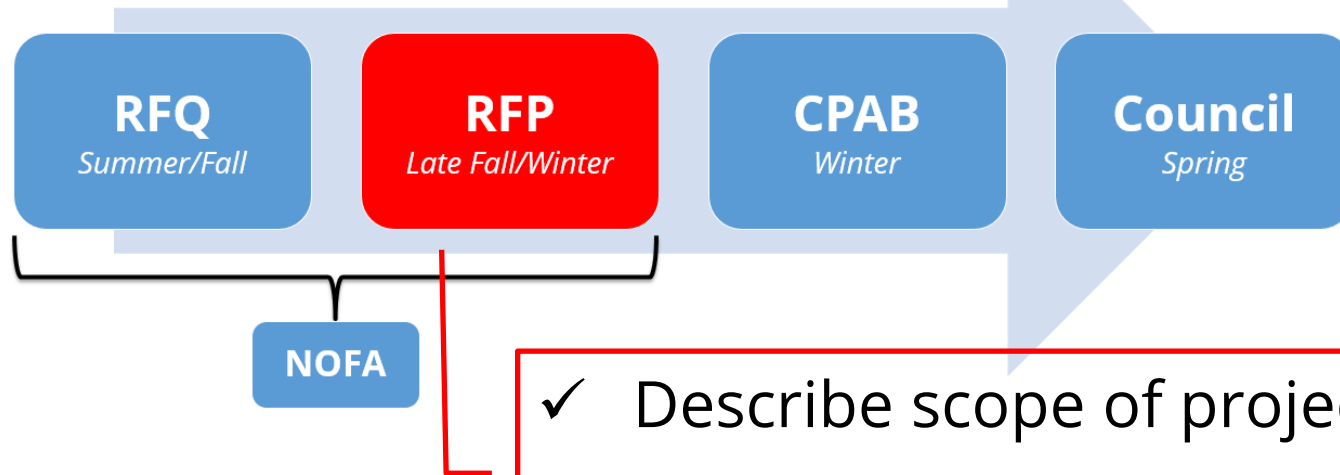
# CDBG: Eligibility



## Two-Phase Process: Part 2



# Annual NOFA Sequence: RFP



- ✓ Describe scope of project & target
- ✓ Outline schedule of project
- ✓ State amount of CDBG funds requested
- ✓ List other funding sources
- ✓ List uses for those funds
- ✓ Provide supporting documents demonstrating readiness



# Previous Funding Opportunities

## *Community Development Block Grants*

# Public Services

**Minimum Allocation**     **\$50,000**

**Eligible Activities**

- Employment training
- Senior services\*
- Health Services
- Homeless services
- Disability services\*
- Domestic violence services
- Tenant/landlord counseling
- Substance abuse services
- Mental health services
- Housing counseling
- Food banks/meal distribution
- Youth services

**Outcome Measure**     Low/moderate-income clientele

**Requirements**     Prequalify clients prior to providing service; document income eligibility and demographic data in case files

*\*Presumed LMI possible*



## Public Services



Above: **Bayside Community Center** Social Services  
Right: **Reality Changers** New and Expanded Programming



# Community/Economic Development

## Minimum Allocation

- **\$50,000** for microenterprise technical assistance

## Eligible Activities

- Microenterprise technical assistance

## Outcome Measures

- Low/moderate-income clientele
- Businesses established or expanded

## Requirements

One-one-one technical assistance must lead to new or expanded microenterprises; prequalify clients prior to providing service; document income eligibility and demographic data



# Community/Economic Development



**Accessity** business client  
Adorn Microblading



# Nonprofit CIP: Public Facilities

**Minimum Allocation**      **\$200,000**

**Eligible Activities**

- New construction or rehab of public facilities
  - ADA improvements
  - Health/safety hazards

Examples: Senior and youth centers; homeless facilities; neighborhood facilities; health facilities; childcare centers; handicapped centers

**Outcome Measures**

- Low/moderate-income clientele

**Requirements**

Facilities improved must be documented as serving LMI clients at least 51 percent of the time; complete project within two years

# Nonprofit CIP: Public Facilities



Above: **San Diego LGBT Community Center**  
Sunburst Youth Housing Program

Left: **Neighborhood House** Senior Nutrition Center

# Resources

- [Operating Manual](#)
- [Playing by the Rules Handbook by HUD](#)
- [CPD Income Eligibility Calculator](#)
- [2 CFR Part 200.302](#) (*Financial Management*)  
[2 CFR Part 200.303](#) (*Internal Controls*)
- [New Section 3 Rule 24 CFR Part 75](#) (*Public Construction*)
- [HUD Financial Management Curriculum](#)
- [ED Grants “Resources” Tab](#)

[Subscribe to the CDBG Mailing List](#)

# Preview of General Insurance Requirements

## Commercial General Liability

Limits:  
minimum **\$1,000,000**  
per occurrence

Annual Aggregate: minimum  
**\$2,000,000**

## Automobile Liability

(Any Auto or Hired & Non-  
Owned Autos)

Limits:  
minimum **\$1,000,000** per  
occurrence

Annual Aggregate: minimum  
**\$2,000,000**

## Worker's Compensation

(for paid employees or  
independent contractors)

Limits:  
minimum **\$1,000,000**

**City of San Diego - an Additional Insured**

**Waiver of Subrogation**

## Tips and Tricks

- ✓ Register your organization in ED Grants early and become familiar with how it works
- ✓ Choose one person to be the lead contact for your organization
- ✓ Read the Handbook, FAQs, and Resources before contacting City staff with questions
- ✓ If you *do* have questions, don't hesitate to email us at [CDBG@sandiego.gov](mailto:CDBG@sandiego.gov). We are here to help!

## Tips and Tricks (continued)

- ✓ Take advantage of opportunities for help, such as TA sessions, office hours, etc.
- ✓ Start the process early and allow enough time to review the quality and accuracy of your responses and the required documents before submission
- ✓ Have someone proofread and review your application before submission
- ✓ **ATTENTION:** Only the Primary Representative can submit

# Requesting money from the City is like...

**Have Fun  
But Obey Our Pool Rules**

<b>NO!</b> DIVING IN SHALLOW END	<b>NO!</b> RUNNING, PUSHING, SHOVING	<b>NO!</b> SWIMMING ALONE
<b>NO!</b> PEEING IN POOL (Use Bathroom)	<b>NO!</b> YELLING OR SCREAMING	<b>NO!</b> GLASSWARE IN POOL AREA

And, you are not allowed to do anything that begins with,  
*"Hey, Y'All - Watch This!"*

SmartSign.com • 800-952-1457 • K2-0359



# Next Steps: Timeline





# City of San Diego Economic Development Department



EMAIL

[cdbg@sandiego.gov](mailto:cdbg@sandiego.gov)



TELEPHONE

619-236-6700



WEBSITE

[www.sandiego.gov/CDBG](http://www.sandiego.gov/CDBG)

## Questions?