



City of Trenton

Community Development Block Grant

2021 Application Guidelines

PROGRAM YEAR 47

2021-2022



W. Reed Gusciora, Mayor

Department of Housing & Economic Development

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April 7, 2021

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REQUEST FOR PROPOSALS – INSTRUCTIONS FY 2021 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

The City of Trenton Office of Housing and Economic Development (HED) is seeking proposals and input for inclusion in its Fiscal Year 2021 Action Plan. The Fiscal Year 2021 Program Year will run from July 1, 2021, through June 30, 2022. Successful proposals must address the needs presented in the City of Trenton's Consolidated Plan and must meet the guidelines articulated in this Request for Proposals (RFP).

The Consolidated Plan sets forth the City of Trenton's community priorities and needs, offering strategies and estimated costs for meeting those needs. The U.S. Department of Housing and Urban Development requires all entitlement communities to create Consolidated Plans and to update them every five (5) years. The FY21 Action Plan will serve as the annual document that will articulate the means by which the goals and objectives of the Consolidated Plan are being met and responded to during the coming fiscal year. This particular Action Plan will represent the first of five such annual plans being produced in response to the current Consolidated Plan.

If you are interested in submitting a proposal for consideration, you must submit an application via ZoomGrants. The link to access the application will be made available online at <http://www.trentonnj.org> and must be submitted with all required materials by May 12, 2021 by 11:59 PM.

Only those proposals submitted for eligible activities in accordance with the required format (see attached forms and instructions) will be considered for funding. A summarized list of eligible activities is attached to the proposal form along with a summary of activities that are considered ineligible. If you are considering submitting an application for funding and are not sure if the project or program is eligible, you may contact (609) 989-3516 for assistance.

Thank you for your interest in the Community Development Block Grant Program.

Changes to the 2020 Application

The CDBG category is limited to the following Public Services only:

- Youth Educational Enrichment
- Youth Recreation
- Youth Crime Prevention and Personal Development
- Employability and Life Skills Development Programs

Please proofread your application carefully. It is suggested that applicants write each section in word processor software and then pasting it into the system after it has been spell-checked. Please note that certain characters do not convert well from some word processors. In particular, apostrophes and quotation marks tend to become question marks when pasted into ZoomGrants. *Please re-read each section for errors before submitting the application!*

Most of the questions in the application should be self-explanatory. However, several questions merit additional information and explanations. *Please find the application questions attached.* Additional instructions are also included where needed.

An RFP Assistance Workshop was previously conducted on February 10, 2021 to assist potential applicants in completing this year's proposal applications. Technical Assistance will be provided on a as needed basis prior to the application due date.

Please note that as of March 13, 2020 the City of Trenton's Department of Housing and Economic Development have been operating on a mandatory alternating day skeleton crew schedule. On alternating days, we will be working to assist you remotely, so email is the best way to reach out to us. If you have any questions about any part of the application, contact Gabriel Douglas, by email to gadouglas@trentonnj.org and indicate that this is a **CDBG-FY21 application question(s)** in the subject line and identify the agency/organization for which the question(s) is being asked. All questions will be answered via email or the City may schedule a phone call if needed. Additionally, the questions and answers will be compiled and posted on the City of Trenton's website.

GENERAL INFORMATION

COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAMS

The U.S. Department of Housing and Urban Development (HUD) allocates CDBG funds to state and local governments, who in turn, reallocate them to private non-profit community development corporations, community-based organizations, city departments, and private for profit corporations, for activities that benefit low and moderate-income areas or low and moderate-income persons.

The City of Trenton's CDBG Program is designed to expand opportunities for low and moderate-income citizens through the provision of public services, acquisition and improvements to public facilities, neighborhood improvements, housing, and economic development opportunities.

The City has set aside \$250,000 for FY 2021 CDBG Public Services Program.

ELIGIBLE ACTIVITIES

Before preparing a request for funding, first determine whether or not the proposed activity or project is an eligible activity per federal regulations. The City of Trenton is accepting proposals for the categories listed below.

Public Services

Public services generally refer to projects that provide social services and/or other direct assistance to individuals or households. Including but not limited to services concerned with employment, crime prevention, child care, health, homeless prevention, drug abuse prevention, education, energy conservation, welfare and/or recreation needs. For purposes of this RFP the city will accept proposals for the following Public Services:

CDBG Public Services – Youth Educational Enrichment

City of Trenton is seeking non-profit organizations to provide programs that have an intrinsic goal to increase educational attainment, academic achievement, and/or literacy skills. Examples include GED programs, writing workshops, intense tutoring and mentoring, college prep, science, technology, engineering, mathematics, visual or performing arts, such as dance, design, painting, photography and writing. A program is not considered educational by simply providing homework assistance or computer access.

\$25,000 Minimum

CDBG Public Services – Youth Recreation

City of Trenton is seeking non-profit organizations to provide sports, arts and crafts, music instruction, visual or performing arts, such as dance, design, painting, photography and writing or other similar activities for participants. These programs exist primarily to provide fun, safe, and creative outlets for youth.

\$25,000 Minimum

CDBG Public Services – Youth Crime Prevention and Personal Development

City of Trenton is seeking non-profit organizations to provide programs that aim to prevent crime, reduce teen pregnancy and develop leadership skills. Program services may include, but are not limited

to, domestic and gun violence prevention, crime reduction, supportive counseling, referrals, human trafficking, grief support to individuals and families Examples include programs that provide a safe haven and adult supervision for youth, after school and during the evenings and weekends.
\$25,000 Minimum

CDBG Public Services –Adult Employability and Life Skills Development Programs

City of Trenton is seeking a non-profit organization to provide adult basic education programs necessary for employment, reading, writing and math skills, basic or advance computer skills, communication skills, job readiness training, employability, and life skills programs. Personal qualities, not technical, that translates to successful job performance. These skills can be provided through a variety of means, including classroom instruction, tutoring, mentoring, volunteering, and service-learning. Communication skills, presentation skills, Conflict resolution, Problem Solving Skills, Anger, time and money management.
\$25,000 Minimum

ELIGIBLE APPLICANTS

Non-profit organizations, and governmental agencies who deliver services to low-to-moderate income City of Trenton residents may apply for funding. All non-profit organizations must have their non-profit status with supporting documentation from the IRS at the time of application to receive funding through the City of Trenton. Your organization’s main office need not be located within the City limits of Trenton. However, the beneficiaries or participants of your program **must be Trenton residents with household incomes of 80% or less of Area Median Income by family size.**

Nonprofit Organizations

Each participating agency must be recognized by the Internal Revenue Service as a tax- exempt 501(c)3 or (c)4 entity. You must submit a copy of your Letter of Determination from the IRS with your proposal. Groups that have **not** been recognized by the IRS as tax exempt entities are encouraged to apply for such status and, in the meantime, may apply for grants through other organizations that have tax exempt 501(c)3 of (c)4 status.

For-profit entities are not eligible to receive public service grants.

TIMEFRAME

The RFP began **April 7, 2021**. All applications must be received by the City of Trenton, the Department Housing and Economic Development no later than **11:59 PM May 12, 2021 EST**. Late submissions will not be accepted. Hand delivery of applications will not be accepted.

The City will use an online grant application system called ZoomGrants (<http://www.zoomgrants.com>) to facilitate application process. All information and documentation must be submitted directly to ZoomGrants in order to be considered part of your application. If you are experiencing difficulties accessing or submitting the application, you must contact ZoomGrants directly. Due to using an online

technology system such as ZoomGrants, which is dependent on a working Internet connection, it is highly encouraged that RFP responses be submitted well in advance of the deadline.

The city anticipates, but is not bound by, the following schedule for reviewing submitted proposals and determination of funding awards:

| | |
|--|----------------------|
| RFP Availability Date | April 7, 2021 |
| Deadline for Proposal Submissions | May 12, 2021 |
| <i>Letters of Award / Denials</i> | <i>June 2021</i> |
| <i>Funding Year Begins</i> | <i>July 1, 2021</i> |

FUNDING PERIOD

CDBG funds can be used to fund activities that occur during the period of July 1, 2021 through June 30, 2022. Please note that funds may not be available until January 2022. The organization must have the financial capacity to operate the program for several months without receiving reimbursements from the City.

TECHNICAL ASSISTANCE/QUESTIONS CONTACTS:

An RFP Assistance Workshop was previously conducted on February 10, 2021 to assist potential applicants in completing this year's various proposal applications. Staff is always available to assist prior to the application due date.

Please note that as of March 13, 2020 the City of Trenton's Department of Housing and Economic Development have been operating on a mandatory alternating day skeleton crew schedule. On alternating days, we will be working to assist you remotely, so email is the best way to reach out to us.

If you have any questions about any part of the application, contact Gabriel Douglas, by email to gadouglas@trentonnj.org and indicate that this is a **CDBG-FY21 application question(s)** in the subject line and identify the agency/organization for which the question(s) is being asked. All questions will be answered via email. Additionally, the questions and answers will be compiled and posted on the City of Trenton's website.

If you have any questions about the ZoomGrants website or accessing your account, please contact ZoomGrants Support Team at 1-866-323-5404 ext. 2 or Questions@ZoomGrants.com for technical assistance. ZoomGrants technical assistance desk is staffed, weekdays 10 a.m. - 7 p.m. EST.

GENERAL PROPOSAL ELIGIBILITY CRITERIA

The proposed program must:

- Provide services that benefit primarily low- to moderate-income persons residing in the City of Trenton;
- Meet at least one of the Consolidated Plan Measurable Objectives; and
- Meet a HUD National Objective.

The application must be completed in a professional and accurate manner, with all sections thoroughly completed and sufficient detail to demonstrate knowledge and capacity to carry out the proposed program or project type.

Organizations must demonstrate the financial viability to operate a federally-funded program strictly on a reimbursement basis. City of Trenton funds are provided to awarded projects on a reimbursement basis only. This means that funds will be available to the organization after it has paid for eligible project costs. However, no costs incurred prior to contract approval may be reimbursed. A financially viable organization is one that is able to:

- Operate for a minimum of 90 days pending reimbursement without financial hardship;
- Demonstrate an existing and consistent cash flow; and
- Have a separation of duties for personnel time allocations, etc.
- Organizations that are current sub-recipients must be in good standing with the City of Trenton, (i.e. have no outstanding reporting delinquencies, outstanding monitoring findings, or program capacity issues) to be considered for funding.

INCOME GUIDELINES

Every proposal that is approved will be required to provide ongoing evidence that the beneficiaries of the program meet certain income guidelines. The Department of Housing & Community Development (HED) can assist you in working with these HUD-mandated requirements. The following guidelines represent FY2020* income limits by household size and maximum annual income as determined by HUD for assistance under the CDBG 2021 Action Plan.

| Maximum Income Levels | |
|--|---------------|
| (Based on 80% of Median Family Income) | |
| Household Size | Annual Income |
| 1 Person | \$54,950 |
| 2 Persons | \$62,800 |
| 3 Persons | \$70,650 |
| 4 Persons | \$78,500 |
| 5 Persons | \$84,800 |
| 6 Persons | \$91,110 |
| 7 Persons | \$97,350 |
| 8 or more Persons | \$103,650 |

*income limits are published each year in April

SUBMITTING A PROPOSAL

ZOOMGRANTS™

The online application process through ZoomGrants consists of two steps.

NOTE: All users must first click the ZoomGrants link on the City’s website to access the application.

- Create an Account – Returning ZoomGrants applicants can use log-in and password from a previous year.
- Proposal –Proposals are due by 11:59 PM on May 12, 2021.

Enter basic information such as name, amount requested, and application/project name. Because spellcheck is not available in ZoomGrants, we recommend using a word processor to count the number of characters and check spelling, then cut/paste back into ZoomGrants. Applications may be saved by clicking outside of the answer box.

Supporting documentation, letters of support, commitment/collaboration letters can also be uploaded in the ‘Documents’ tab.

The final proposal submitted online consists of the following:

- Proposal questions
- Budget tab
- Tables tab
 - Project Timeline and Performance Measures
 - Personnel Budget
- Documents tab:
 - 501 © IRS Determination Letter
 - Copy of the most recently submitted IRS Form 990
 - Current Financial Audit, , Audited Financial Statement or Annual Financial Statement
 - A-133 Audit if applicable
 - Letters of Support
 - Additional documents as needed
 - Board Members Listing

For Technical Assistance please contact ZoomGrants directly at 1-866-323-5404 (toll free) or by email at Questions@ZoomGrants.com.

RANKING CRITERIA FOR FUNDING PROPOSALS

Each year, the City of Trenton receives many more applications for CDBG funding than there are funds available. The competition is greatest among applicants requesting funds for staff and operating costs associated with providing services to some of our most vulnerable residents: the elderly, children and youth, recent immigrants, the homeless, people with mental and physical disabilities, and victims of violence.

To be considered for funding, an RFP must score a minimum of 70 points.

High scoring proposals usually:

- have a high benefit to Low -to- Moderate income persons;
- maximize the use of outside funds or leveraging (non-CDBG or other funds) and services and which are coordinated with other public and private efforts;
- are clearly defined as to scope, location, need, budget, goals, and means for evaluation of program progress;

- be supported by multiple funding sources and have excellent prospects for ongoing funding and program support (from non-City sources);
- demonstrate the capacity of the applicant, and the capability to be carried out successfully;
- have clearly stated goals and evaluation criteria that are specific, measurable, and realistic;
- support or coordinate with other community development efforts;
- comply with the City's current Consolidated Plan;
- present a reasonable, sound budget; and,
- are implemented by organization (s) with a solid track record.

Emphasis will be placed on applicants who meet or exceed the standards discussed in this section. For those providers who are proposing new or expanded programs, emphasis will additionally focus on capacity and exemplary past performance. Staff will utilize the following criteria, in addition to HUD eligibility requirements and the city's Consolidated Plan priorities, in evaluating proposals submitted for CDBG funding:

A. IMPACT ON CONSOLIDATED PLAN PRIORITY NEEDS

The need for the proposed project will be determined by identifying how the project impacts upon the adopted Consolidated Plan Priority Needs. Therefore, applications must provide a clear explanation of how the project impacts upon Consolidated Plan Priority Needs. Greater consideration will be given to projects that provide a clear description of the project with supporting data and methodology of how the project will meet the Plan's Priority Needs.

B. BENEFIT TO LOW AND MODERATE INCOME PERSONS

The primary objective of the CDBG program is the development of healthy communities "by providing decent housing and a suitable living environment and expanding economic opportunities principally for persons of low and moderate-income." HUD requires that, at a minimum, 70% of the CDBG money be used for activities that benefit lower income people. Projects are required to benefit low and moderate-income (LMI) persons and must be designed to include participation by such persons. A CDBG - assisted activity "benefits lower income people" if it meets any one of following tests:

The Limited Clientele Test for measuring lower income benefit. Some CDBG - assisted activities are either facilities or services that, by their special nature, serve people who might frequently be lower income people. Examples include shelters for abused spouses, or senior citizen centers. HUD calls these "limited clientele activities". To determine whether one of these activities principally benefits lower income people, one of the following tests must be met:

- Only lower income people are allowed to use the facility or service.
- The activity requires users to provide information about their family income and size, and at least 51% of the users are lower income.
- The activity is one that HUD "presumes" that 51% of the users are lower income. For example, HUD "presumes" elderly, handicapped, and illiterate people - among others - are lower income.

The Housing Benefit Test for measuring lower income benefit.

- Housing-related CDBG activities "benefit" lower income people only if occupied by low and moderate-income individuals and families.
- In multifamily buildings (3 or more units), at least 51% of the units must be occupied by low and moderate-income individuals and families.

C. PROJECT DESCRIPTION, PERFORMANCE EVALUATION CRITERIA & BUDGET

The content and soundness of all applicants' project design will be evaluated. This evaluation shall include a review of proposed project activities set forth in the narrative and the budget to support these activities.

Several factors will be considered when reviewing a project's budget. All budget reviews will include, but not be limited to, the following considerations:

- Methods used to derive cost estimates
- Completeness and date of cost estimates
- Relationship between cost and the activities to be undertaken
- Cost per unit, if applicable
- Other items deemed relevant to success of the proposed activities

D. CAPACITY

Project proposers must demonstrate the ability to carry out the proposed activities. Project proposers will be evaluated on experience, administrative capacity, and financial management.

Consideration will be given to current providers with exemplary performance records.

Exemplary performance is defined as: receiving a high score in performance evaluations conducted by the HED and consistently meeting or exceeding the accomplishment goals established for the CDBG - funded activities.

E. LEVERAGE

Consideration will be given to the amount of non-CDBG funds committed to the project.

The greater the financial support or leveraging from local and other sources, the greater the potential impact that CDBG funds will have on meeting local community needs.

Match requirements

CDBG regulations do not require matching funds on behalf of the subgrantee as do some federal programs; however, limited CDBG funds **cannot support 100 percent of any program**. The City of Trenton **highly recommends** that organizations provide leverage funds. Leverage fund sources include contributions derived from nonfederal sources and the value of third party in-kind contributions (i.e. volunteers, personnel, office space, materials, equipment, and supplies).

F. TIMELINESS

Due to the demand for these funds exceeds the amount received from HUD, timeliness is very important. The City is committed to funding projects that are ready to proceed immediately after the funding period begins and those prepared to spend the funds within a twelve-month period (any funds that are not spent within this timeframe may be recaptured by the City.) Also, the City retain the right to review any funded activities at a six (6) month interval to determine if the Subrecipient is likely to expend the awarded funds by the end of the funded cycle.

G. OTHER APPLICATION FACTORS

Applicants are encouraged to develop a program that has a substantial and comprehensive effect on the needs and conditions identified in their application. These qualities will be carefully evaluated in the review of your application using the evaluation criteria presented on the CDBG Proposal Application Evaluation Worksheet found in these instructions.

It is strongly recommended that you consider these factors before preparing your application, as they are the same factors that will be used to judge the overall feasibility of your proposal.

PROPOSAL SELECTION PROCESS

CDBG funds are awarded through a competitive proposal evaluation process. The evaluation considers all aspects of the proposal as described in the RFP and proposal application.

Proposals are reviewed by the staff of the city's Department of Housing and Economic Development who first review each application for threshold information [completeness of application] and then for content. HED staff and/or program experts) review each proposal, ranking them using the city's CDBG Proposal Application Evaluation Worksheet. The results of those evaluations are then presented to the Mayor to render the final decision on grant awards.

An email will be sent to all applicants letting them know the funding status of their project proposal. Those applicants who are not funded will receive an email notification and will have 10 days from the date of the notification to request a review of denial.

While a well-written proposal is no guarantee of funding, this is a highly competitive process where the completeness, conciseness, and responsiveness to the criteria described in the RFP is of the utmost importance.

Any agency recommended for funding will receive a thorough administrative review prior to funding. In addition to a thorough assessment of project viability, agencies may need to provide various policies and financial and insurance instruments to assure compliance with HUD requirements. Please refer to the City of Trenton CDBG Policies and Procedures Manual for more information.

| Evaluation Criteria | |
|---|------------|
| Project Impact & Proposed Project Accomplishments | 25 Points |
| Program Design | 25 Points |
| Budget | 20 Points |
| Organizational & Financial Capacity | 30 Points |
| Total | 100 Points |

Consolidated Plan 2020-2024 Housing and Community Development Needs and Priorities can be viewed in detail here:

<https://www.trentonnj.org/DocumentCenter/View/5108/DRAFT-City-of-Trenton-2020-24-Consolidated-Plan-and-2020-Annual-Action-Plan-8420>

| Needs | Priorities |
|--|--|
| Housing | The City of Trenton will have desirable, stable, and inclusive neighborhoods, with a range of affordable and attractive housing options available to a diverse population. |
| Blight Removal | The City of Trenton will eliminate blight and urban decay through housing rehabilitation and demolition. |
| Improve Public Infrastructure | |
| Improve Public Facilities | The City of Trenton will promote neighborhood revitalization and activities to enhance the quality of life for residents in low-to-moderate income area. |
| Support Public Services | The City of Trenton will develop a network of comprehensive community facilities and services provided by the City, non-profit organizations, and other local partners in a coordinated and collaborative manner to. |
| Prevent Homelessness | Help to prevent and reduce homelessness in the City of Trenton |
| Provide Facilities Services for Covid Recovery | |

Community Development Block Grant (CDBG)

NATURE OF THE CDBG PROGRAM

The U.S. Department of Housing and Urban Development provides annual grants, in the form of the Community Development Block Grant Program (CDBG), to cities and counties to develop viable urban communities by providing decent housing, a suitable living environment, and by expanding economic opportunities, principally for low and moderate income persons. "Low and Moderate Income" is defined as a person or family whose income is at or below 80% of median income for the Mercer/Trenton Statistical Area. An income limits chart is included in this packet for reference.

MEETING A HUD NATIONAL OBJECTIVE

CDBG National Objectives

Since 1974, the CDBG Program has provided a flexible source of annual funding to communities nationwide. The program offers local governments, with citizen participation, the opportunity to fund certain projects, programs and/or public services provided that these meet one of three national objectives:

1. Benefit low/moderate-income (LMI) persons, or

Generally, public service activities meet the benefit to LMI persons. For an activity to meet this objective, it must have income eligibility requirements that limit the activity's benefits to LMI persons. Under the CDBG regulations, programs that serve the elderly or persons with disabilities are usually considered to benefit low- and moderate-income persons.

It is imperative that applicants anticipate and plan for the methods they will use to determine and document the incomes of the persons that they serve through their CDBG funded activities. Failure to adequately document client data may result in cancellation of any monies awarded.

2. Prevent or eliminate slums and blight, or

For an activity to meet the second objective, it must be designed to address and ameliorate the conditions causing the slums and blight. The City determines which areas qualify under removal of slums and blight. It is rare for an application to be funded under this objective.

3. Meet an urgent need.

For an activity to meet the third objective, it must meet the following criteria: 1) a situation must pose a serious and immediate threat to the health or welfare of the community, 2) it is of recent origin or recently became urgent, and 3) it is unable to be corrected with other sources of funds. It is rare for an application to be funded under this objective.

Please note: All information used to verify the program's national objective criteria must be documented, verifiable, and maintained in the subrecipients' records on-site. Please read details on documentation requirements below the subcategory description.

CDBG Public Service applicants must meet the National Objective regarding benefit to low- and moderate-income persons in order to receive funding. *Low- and moderate-income* is defined as being less than 80 percent of the median family income for the area. Code of Federal Regulation citation

570.208(a). Under this objective, CDBG-assisted public service activities must benefit low- and moderate-income persons using the **Limited Clientele** category (see below).

Please note: All information used to verify the program’s national objective criteria must be documented, verifiable, and maintained in the subrecipients’ records on-site. Please read details on documentation requirements below the subcategory description.

Limited clientele

Limited clientele activities benefit a limited number of people rather than everyone in a defined area. Those persons served must be low- and moderate-income persons. These activities must meet one of the following criteria:

- Benefit a clientele generally presumed by HUD to be principally low- and moderate-income, i.e. abused children, elderly persons, battered spouses, homeless persons, severely disabled adults, illiterate adults, persons living with AIDS, or migrant farm workers; or
- Require information and documentation on family size and income in order to show the clientele are low- and moderate-income; or
- Have income eligibility requirements limiting the activity to low- and moderate-income persons

Documentation showing the size and annual income of the family of each person receiving the benefit must be collected and retained for 5 years.

PUBLIC SERVICES:

This category funds projects that provide defined social services or other direct assistance to individuals, and not to the general public as a whole. Applicants must consider the following regarding their project proposals:

1. No allocation of funds less than \$25,000 will be awarded to Public Service projects.
2. Applicants may only submit one RFP response in this category as the lead organization. NOTE: An applicant without partner organizations is considered a lead organization.
3. Assistance provided with CDBG funds is limited to City of Trenton residents only.
4. Organizations must directly implement their Public Service projects to directly benefit low- or moderate-income (LMI) persons.
5. Applicants must directly demonstrate the proposed project will meet the CDBG National Objective of benefitting LMI persons. At least 51 percent of the clients to be served by the project must be LMI (i.e., have incomes below 80 percent of the Area Median Income). Current HUD Income Levels are included as an attachment to this RFP Handbook.
6. Organizations awarded with FY 2019 CDBG funding will need to maintain written documentation on unduplicated City of Trenton clients served. The documentation must include household income data, race and ethnicity data, and head of household status. Monthly data submission will be required. Applicants must demonstrate it has an intake and documentation process that would ensure the accurate collection and reporting of such data monthly. Household income documentation must include tax returns, pay stubs, canceled checks/bank statements, etc. Income self-certification may be accepted but only with prior City approval.

7. Applicants may satisfy the requirement to serve LMI clientele by serving “Presumed Low-Income Persons.” Presumed Low-Income Persons include the following groups: abused children, battered spouses, elderly persons (62 years or older), severely disabled adults (as defined by the Bureau of Census), homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers. Although household income will not be required to be documented, applicants must still verify and document the Presumed Low-Income Person status of their clients, race and ethnicity data, and head of household status. In addition, projects serving Presumed Low-Income Persons must ensure 100 percent of their clientele are Presumed Low-Income Persons.
8. Applicants may use CDBG funds to cover the salary/wages and fringe benefits of staff on the applicant’s payroll who directly provide service to the target clients. All salary and wages must be supported with detailed timesheets. Supplies, rent, utilities, publications/printing, insurance, and the like directly supporting the implementation of client services may be covered by CDBG funds.
9. Direct cash payments to individual clients is not an eligible project activity. (This includes rent, utilities, and security deposits.) However, stipends to LMI clients served may be eligible, subject to City approval, if the stipends are demonstrated to be an integral part of the service being provided, are explicitly called out in the project budget, and are paid to LMI clients on the organization’s payroll.
10. The provision of tenant subsidies exclusively for rental payments is not an eligible project activity.
11. The applicant, serving as the lead, may partner with other organizations (referred to as “partner subrecipients”) to administer the program.
12. If your organization did not receive FY 2018 CDBG funding under the Public Service category, a mandatory one-on-one technical assistance appointment with the Department of Housing and Economic Development is required.

APPLICABLE LAWS, RULES & REGULATIONS

CDBG programs are subject to numerous federal and local requirements. These include, but are not limited to, those that are listed below. Additional requirements can be found in the CDBG regulations in [HUD’s website](#) and the [City’s CDBG Program website](#). Applicants are encouraged to familiarize themselves with these requirements to ensure their organization has the adequate administrative systems in place.

- [24 CFR Part 570](#), as amended The regulations governing the Community Development Block Grant Program.
- [Fair Housing Act](#) Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), as amended, prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), and disability.
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- 24 CFR [Part 1](#) and [Part 6](#), [Public Law 90-284](#), [Fair Housing Act](#) The regulations issued following Title VI of the 1964 Civil Rights Act (as amended by Executive Orders 11246, 11375, and 12086) and Section 109 of the 1975 Housing and Community Development Act that prohibits

discrimination in HUD programs based on sex, race, color, national origin, and religion. Further, applicable programs and activities must be administered in such a manner as to affirmatively further the policies of the Fair Housing Act.

- 24 CFR [Part 7](#) and [Part 41](#) The regulations on equal employment opportunity without regard to race, sex, color, religion, age, national origin, and disability in federally assisted construction projects.
- [ADA Compliance Americans with Disabilities Act](#) (42 U.S.C. 12101-12213) and implementing regulations at 28 CFR Part 35.
- [Section 504 of the Rehabilitation Act of 1973](#), 24 CFR Part 40 and 41 The regulations that set forth policies and procedures for the enforcement of standards and requirements for accessibility to individuals with disabilities. The Architectural Barriers Act of 1968 and the American with Disabilities Act (ADA) provide additional laws on accessibility and civil rights to individuals with disabilities.
- [Age Discrimination Act of 1975](#) (42 U.S.C. 6101) The regulations that prohibit discrimination on the basis of age.
- [24 CFR Part 135 Regulations](#) outlining requirements of [Section 3](#) of the Housing and Urban Development Act of 1968 providing for economic opportunities for low- and very low-income local residents. All projects funded with CDBG funds must comply with Section 3 of the Housing and Urban Development Act of 1968, revised, requiring that to the greatest extent feasible opportunities for training and employment be given to low- and moderate-income persons residing within the City of San Diego, and that contracts or works in connection with the project be awarded to eligible business concerns which are located in or owned in substantial part by persons residing in the City of San Diego. Special documentation is required for projects receiving CDBG funding over \$100,000.
- 29 CFR [Part 3](#) and [Part 5](#) The regulations on labor standard provisions that include the payment of prevailing wages on federally assisted projects as mandated by the Davis-Bacon Act and the Contract Work Hours and Safety Standards Act. CFR 24 Part 70 provides information on the use of volunteers.
- [Copeland “Anti-Kickback” Act](#) (18 U.S.C. 874 and 40 U.S.C. 276c) The regulations on contracts for construction or repair awarded by subrecipients shall include a provision for compliance with the Copeland “Anti-Kickback” Act.
- [24 CFR Part 58](#) The regulations prescribing the Environmental Review procedure under the National Environmental Policy Act of 1969.
- 36 CFR Part 800 The regulations outlining the procedures for the protection of historic and cultural properties.
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 These policies provide for displacement, relocation assistance, and real property acquisition as defined by 42 U.S.C. 4601 (URA) (42 U.S.C. 4601), and implementing regulations issued by the Department of Transportation at 49 CFR Part 24 and Section 104(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5304d).
- [Residential Lead-Based Paint Hazard Reduction Act of 1992](#) The regulations implemented by 24 CFR Part 35, Subpart B imposes certain requirements on disclosure of lead-based paint hazards.
- [24 CFR Part 24](#) The regulations that prohibit use of debarred or suspended contractors on federally assisted projects and Drug-Free Workplace requirements; issued according to Executive Order 12459.
- 2 CFR Part 200 Subpart E Establishes principles and standards for determining allowable costs under federal grants.

- 2 CFR Part 200 Subpart B Uniform Administrative Requirements for Grants and Other Agreements with Institutions of Higher Education, Hospitals and Other Non-Profit Organizations.
- 2 CFR Part 200 Subpart F Audits of States, Local Governments and Non-Profit Organizations in connection with federal awards. This includes the single audit requirement for organizations that expend \$750,000 or more of federal awards during the fiscal year.
- HUD Requirements All other required reports, circulars, and procedures when applicable.
- Administrative Procedures The rules issued by the City in relation to process and procedures.
- All applicable provision of the City of City of Trenton Municipal Code.
- City of Trenton Purchasing & Contracting Department Insurance Checklist A guide on the insurance requirements that organizations receiving CDBG funding must adhere to in order to execute a CDBG agreement with the City of Trenton.
- System for Award Management (www.SAM.gov) An official website of the United States government used by entities to register themselves to do business with the U.S. government and update or renew their entity registration. It may also be used by interested parties to check the status of an entity registration and to search for entity registration and exclusion records. All organizations receiving CDBG funding must be registered in SAM and maintain an 'active' registration status throughout the agreement period.

CDBG BUDGET ITEMS

RFP applicants should note the following eligible and ineligible expenditures when developing their FY 2021 CDBG project budgets:

Eligible Expenditures

Project expenditures must meet the following requirements to be eligible for reimbursement:

1. They must be approved in detail as part of the executed CDBG agreement and budget justification forms in alignment with HUD regulations.
2. They must be essential to the proper and efficient performance of the service as required by the executed CDBG agreement.
3. The invoices, receipts, and other supportive documents should be dated during the month requested for reimbursement.
4. During fiscal monitoring and/or audits, original receipts/invoices must be reviewed for authenticity and funding sources that reimbursed the expense. All original, unmarked documents **MUST** be maintained at the local office address listed in the CDBG agreement for immediate monitoring review and/or audits. CDD staff will not travel to national offices for this purpose.
5. They must be reasonable and comparable to the expenditures paid by the organization or other organizations providing similar services.
6. They must be expended against the authorized line items in each category contained in the executed agreement budget that has been approved by the City.
7. They must be thoroughly documented, and the net expenditures must reflect all applicable credits to the organization, such as purchase discounts, rebates, allowances, receipts from the sale of publications or materials, and any other types of income or credits.

8. They must comply with the written policies of the organization, as approved by its governing body, in regard to the employment, salaries and wage rates, working hours, holidays, fringe benefits, vacation and sick leave privileges, military leave, jury duty, travel, and other personnel matters as stated in the detailed budget forms in the executed CDBG agreement. If a unique payment is made for an employee, organization shall document and explain clearly how it relates to the project, how the organization policies support the payment and what funding source would normally pay this item. Example: Fringe payment made to an organization other than an insurance company or other fringe provider.
9. The organization is to keep in mind that the expenditure must be for direct services to the project or client. Example: Is the expense paid as part of organization operating expenditures, if CDBG funding were not available? If it is, then this would be considered too high a level for indirect or direct cost and would be ineligible.

Ineligible Expenditures

Anticipated expenditures that do not clearly meet the eligibility requirements stated above are ineligible for reimbursement. Any of these expenditures submitted for payment will be disallowed and cannot be resubmitted. Ineligible costs include, but are not limited to, the following:

1. Bad Debts
Loss resulting from uncollectible accounts or claims.
2. Commingling of Funds
Expenditures related to services funded by sources other than CDBG funds are ineligible, if they are charged against the CDBG funds.
 - a. For subrecipients that operate many programs, or have more than one funding source, the subrecipient shall allocate expenditures to the various programs or funding sources according to an approved Cost Allocation Plan.
 - b. The costs should be allocated on the basis most appropriate and feasible under the circumstances. Examples include number of hours spent, number of employees, or square footage utilized for the project.
 - c. The subrecipient shall maintain proper documentation related to the allocation of expenses (i.e., time cards, time summaries, square footage measurements, etc.).
3. Contingency Funds
The transfer or contribution of funds to a contingency reserve, or similar provisions for meeting future unforeseen expenses.
4. Fundraising
Costs of organized fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses paid to raise capital or obtain contributions for the project or subrecipient, regardless of the purpose for which the funds shall be used. In addition, expenditures to solicit contributions or donations for the project or subrecipient, including salary expenses.
5. Contributions and Donations
Cash or in-kind contributions or donations to any subrecipient or cause.

6. Entertainment/Subrecipient
Events Expenditures for social activities, amusement, entertainment, and general subrecipient events (i.e., space rentals, flyers/brochures, staff time/salaries, lodging, meals, refreshments, beverages, and gratuities). Examples of such events include, but are not limited to, subrecipient fundraising events, groundbreaking events, open house events, subrecipient staff meetings or staff development meetings/retreats, and staff/client birthday or other parties.
7. Fines and Penalties
Expenditures to pay fines or penalties resulting from violations or noncompliance with federal, state, or local laws, rules, or regulations.
8. Late Fees and Interest
Late fees and interest charged by vendors for invoices paid after the due date or fees associated with returned checks. Also, credit card interest or fees cannot be paid using CDBG funds.
9. Interest and Professional Fees
Interest on any type of loan, bond discounts, financing and refinancing fees, and legal/professional fees related thereto.
10. Membership Fees/Subscriptions
Fees for membership in any organization that is substantially involved in advocacy, lobbying, and other activities which are intended to influence legislation at the federal, state, or local levels, as well as fees for membership for which the purpose does not support the scope of work/scope of services of the executed CDBG agreement. Any memberships or subscriptions that is not directly associated to project clients or provision of client services.
11. Meeting Attendance Fees
Fees or salaries claimed for attending meetings that are not open to attendees on a non-segregated basis. In addition, fees or salaries for attending workshops or training sessions that do not support the scope of work/scope of services of the executed CDBG agreement; or are attended by personnel not budgeted under the executed CDBG agreement or are attended by project volunteers.
12. Training/Conference Expenses
Training/conference expenses or salaries that do not clearly support the scope of services/scope of work of the executed CDBG agreement.
13. Out-of-Area Training
Expenditures for travel outside the City of Trenton metropolitan area for administrative or project staff to attend training activities or conferences.
14. Credit Cards
Credit Cards, business or personal, cannot be used to purchase materials or services to be reimbursed by CDBG. Many credit cards have points, mileage, percent reductions on purchases or other bonuses for use of the card. All of these benefits are considered program income and would have to be returned to CDBG. It would be difficult to measure and detail the program income received in relation to the CDBG-eligible expenditure claimed. Therefore, the use of credit cards is ineligible.
15. Gift Certificates/Cash Awards

Gift certificates or cash awards given to clients or staff, including cash payments to staff for compensatory time earned or bonus payments to employees, subcontractors, or consultants. NOTE: Any project-related gift certificates must be approved in the executed CDBG agreement, inventoried, and detailed to document how they are used for project clients or the provision of project services, and such details are required to be submitted with the monthly RFR submittal packet.

16. Deposits

Reimbursable deposits for rent, equipment, utilities, or other subrecipient expenditures are not eligible. Expenditures to pay for a past deposit for rent, equipment, or any other items are not eligible. Non-reimbursable deposits that go towards the overall payment of an item is eligible.

17. General Expenses

General expenses for carrying out the non-project-related functions of the subrecipient or expenses unrelated to the direct scope of work/scope of services. 18. Purchases Paid with Personal Accounts Expenses paid by subrecipient personnel utilizing personal cash, personal checking accounts, or personal credit cards.

18. Services for Other City Departments/Agencies

Expenses for performing services for any other City department, or governmental, nonprofit, or private agency during the executed CDBG agreement period or any previously executed CDBG agreement period.

19. Costs for Goods or Services

Costs for goods or services not incurred within the executed CDBG agreement period. (Incurred expenses are defined as those expenses that have actually occurred and may or may not have been paid.) Expenditures incurred prior to the start date or after the end date listed in the executed CDBG agreement between the City and the subrecipient are not eligible.

20. Mortgage Payments and Property Taxes

Mortgage payments and property taxes are not eligible expenditures. CDBG funds can be used to reimburse rent or lease payments to property owners for nonprofit facilities.

21. Automobile Purchase

An automobile purchase is not an eligible expenditure.

22. Accrued Vacation and Sick Leave

CDBG funds cannot be used as pay in lieu of vacation or as termination pay of an employee as the project is completed. Annual leave cannot be paid into a reserve and distributed after the project is completed. When an employee retires or terminates employment during the executed CDBG agreement period, the payment for unused vacation or sick leave should be allocated based on vacation and sick leave accrued during the executed CDBG agreement period and other funding sources used for the project.

23. File Storage Fees

Fees to store project files. Compliance with records retention requirements is an administrative responsibility of subrecipients expending CDBG funds.

24. Monthly Parking Fees

Monthly parking fees paid for/by subrecipient staff for place of employment.

25. Cell Phone Data Package

Cell phone data packages paid for/by subrecipient staff.

26. Construction-Related Ineligible Expenses

Regarding construction projects (NCIP, SUS), expenses related to the following are ineligible to be reimbursed by CDBG: profit/loss, overhead, temporary storage, administration, and contingency.

27. Grant/Loan Capital-Related Ineligible Expenses

Grant/loan capital may not be used to cover: vehicles for a taxi or ride-sharing service; payment of existing debts; notes, stocks, or taxes; or real estate purchases. This listing is not exhaustive, and organizations should consult with the City prior to deploying grant/loan capital.

NOTE: Any expenditure not approved as part of the executed CDBG agreement and not clearly explained in the budget justification will be disallowed, and the reimbursement amount will be reduced to reflect this disallowance.

IMPORTANT CONSIDERATIONS FOR APPLICANTS

- CDBG and ESG are reimbursable grants. Therefore organizations must have the financial capacity to cover at least 6 months of expenses before the first reimbursement from the City is made.
- The grant cycle is July 1, 2021 – June 30, 2022.
- Programs cannot begin until the start of the budget year, July 1st. CDBG funds cannot be used to reimburse activities performed before the start date of the agreement.
- A written agreement is required to be signed before any funds may be reimbursed.
- Please be aware that even if an application is successful, the Review Committee may recommend that the applicant be awarded a lower level of funding than was requested. Applicants should develop a contingency plan to account for a smaller CDBG award.
- CDBG Subrecipient past performance in meeting goals and objectives will be key determinants when considering funding for subsequent CDBG funding cycles.
- Grantees will be required to file monthly and quarterly reports on expenditures, progress toward goals, and beneficiaries. Monthly reports are required for the entire term (generally one year) of the contract, regardless of the timing of reimbursement schedules. Staff will provide forms for these reports.
- Grantees are required to obtain insurance as specified by the City of Trenton, and to comply with all applicable federal, state, and local laws, codes, and regulations. The cost of insurance is reimbursable as a project expense.
- As part of any grant agreement, recipients will be required to comply with affirmative action and equal opportunity laws. In the event of non-compliance, the agreement may be terminated or suspended in whole or in part.
- All recipients will be required to comply with the federal government's audit requirements as described in OMB Circular A-133 (for HUD's programs, these requirements are codified at 2 CFR Part 200.) If an audit is required, the cost of an audit is an eligible grant cost.
- All recipients will be required to complete an IRS W-9 form.
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