

# City of Worcester

## City Fiscal Year 2019 HUD Entitlement Program & RFP Overview

Presented by:  
Executive Office of Economic Development

Neighborhood Development Division &  
Housing Development Division

December 7, 2017

# Goals for Funding & Application Overview Meeting

- **Provide Overview of Federal Entitlement Grant Process & Timelines**
- **Guidance on Developing Applications**
  - Review of process and timeline
  - Review of CDBG proposal evaluation criteria
  - Guides and tips on CDBG proposals
- **Overview of CDBG, ESG, and HOPWA Programs**
- **Program specific Q&A opportunity**

# Process Timeline

Description	Dates
Community Development Advisory Committee (CDAC)- Committee Orientation / Kick-Off Mtg.	October 12, 2017
<b>RFP for CDBG FY 2019 / YR 44 Published</b>	<b>November 27, 2017</b>
RFP Technical Assistance Workshop / Funding Overview	December 7, 2017 1:30 PM
Community Needs Assessment Input Meeting / Public Hearing #1	December 12, 2017 5:30 PM
<b>RFP for CDBG, HOPWA, ESG Due to City of Worcester</b>	<b>January 5, 2018 4:30 PM</b>
<b>CDAC Meeting - RFP Mandatory Applicant Presentations</b>	<b>February 1, 2018 5:30 PM</b>
CDAC and Staff Meetings- Discuss and Rank RFP Applications	February - March 2018
Draft Action Plan Developed & City Council Consideration	March - April 2018
Public Hearing #2 on Final Action Plan Draft & Five Year Consolidated Plan	Spring 2018 TBD

# Annual Funding Levels

## FY 2015 - FY 2018 Funding Amounts\*

Program	FY 2015 Yr. 40	FY 2016 Yr. 41	FY 2017 Yr. 42	FY 2018 Yr. 43
CDBG	\$4,111,520	\$4,038,138	\$4,055,322	\$3,953,923
HOME	\$1,106,931	\$1,023,370	\$1,081,962	\$1,083,179
HOPWA	\$457,025	\$453,368	\$454,988	\$518,445
ESG	\$341,311	\$366,487	\$363,513	\$627,242
<b>Total</b>	<b>\$6,016,787</b>	<b>\$5,881,363</b>	<b>\$5,955,785</b>	<b>\$6,182,789**</b>

\*Funding reductions anticipated for Year 44 / FY 2019 and beyond

\*\* ESG figure for Year 43 includes \$262,152 in HUD Supplemental Funds



A large, faint, light green seal of the City of Worcester is visible in the background. It features a central shield, a banner, and the words "WORCESTER" and "A TOWN OF MASSACHUSETTS" around the perimeter.

# Guide to Preparing Good Programs and Applications

# Special Notice for Prior Unfunded Organizations

- An estimated \$20,000 from the City's total Public Services funds will be available to support impactful organizations and programs that are "new" to CDBG funding
  - Organizations may not have received CDBG Public Service funding from between July 1, 2013 to the present
  - Funding will be capped at a maximum award of up to \$10,000 per organization, for up to two (2) organizations
  - All applicants "new" to CDBG Public Services funding that apply for \$10,000 or less will be evaluated against other similarly experienced applicants only
  - The City is *not* seeking to support entirely new organizations or entirely new programs (i.e. organizations or programs with one year or less of existence or program experience for example)

# Criteria and Scoring

Projects & Programs should be SMART:

S

Specific

M

Measurable

A

Attainable

R

Relevant

T

Time Bound



# Performance-Based Reporting

- Proposal Should Include Measurable Outputs and Clear Outcomes
- Provide the unduplicated number of families/persons who will benefit from the activity (*output*), and describe your method to keep track of that.
  - Select a method for tracking and ensuring only unduplicated and income eligible CDBG clients or communities are served.
- Include an assessment of the impact (*outcome*) on the individual clients addressed.
  - Develop key indicators or benchmarks that indicate progress
- Describe your method to track key CDBG demographic data and number of clients served; recording race/ethnicity and income level of client is important.



# Application Ranking Criteria

- CDAC will be using a 53 point scoring system for evaluating CDBG RFP proposals
  - Proposal **narrative** is complete and of good quality (5 points)
  - Proposal addresses a key **community need** (9 points)
  - Proposal has relevant, clear **outcomes and measurements** (9 points)
  - **Project readiness** or delivery plans are reasonable and sound (9 points)
  - Organization or staff has strong **experience or capacity** (9 points)
  - Proposed program budget **leverages funds** other than CDBG (9 points)
  - CDAC committee members may award up to 3 **discretionary points** (3)

# Other Things to Consider

- Proposal has a **clear and accurate budget**
- Proposal is **cost reasonable**
- Proposed program does **not duplicate existing services**
- Newly created programs that haven't been funded by CDBG prior will be scrutinized more carefully by the City:
  - It's recommended that programs have a prior "proven" track record through CDBG or other funding support for proposed activity
- Carefully consider how you plan to manage collection and submittal of documentation to substantiate outcomes and grant payment requests

# Common Mistakes!

- Insufficient information to get a clear understanding of the proposal or outputs and outcomes
- Failure to document the need
- Incomplete financial information
- Requesting ineligible use of funds
- Application is incomplete
- Failure to factor CDBG project due diligence such as environmental reviews or feasibility analyses (if applicable)



# Overview of Community Development Block Grant (CDBG) Program



# CDBG History & Purpose

- The Community Development Block Grant (CDBG) Program was authorized under Title I of the Housing and Community Development Act of 1974 to:
  - Provide annual grants on a formula basis to local and state governments
  - Provide communities with resources to address unique community development needs
  - Develop viable communities by:
    - Creating a suitable living environment
    - Expanding economic opportunities
    - Providing decent housing

# CDBG National Objectives

- All programs must meet HUD National Objectives:
  - Benefit **Low- and Moderate-Income (LMI)** through following Activities
    - Low-Mod Housing (LMH)
    - Low-Mod Area (LMA)
    - Low-Mod Jobs (LMJ)
    - Low-Mod Clientele (LMC)
  - Aid in the prevention or elimination of **Slums & Blight**; and/or
  - Meet an **Urgent Need** in the community

# Low and Moderate Income Objective

- Most common objective is Low and Moderate Income
  - **At least 51% of program beneficiaries must be low or moderate income.**
    - HUD defines low income as household income equal to or less than 50% of median income.
    - HUD defines moderate income as household income equal to or less than 80% of median income.



# CDBG Beneficiary Thresholds

- No project is eligible if there is not at least 51% low to moderate income benefit.
- Activities affecting **multi-family structures or public facilities**, including infrastructure must guarantee at least 51% low and moderate income benefit to either the individuals or the area served by the facility.
- Those activities targeting **single family developments** must serve 100% low and moderate income.



# CDBG Funding Categories

- Local Program Useage Caps:
  - Public Service (15% cap)
  - Project Use (65% cap)
  - Planning & Administration (20% Cap)

# CDBG Eligible Applicants

- City Departments;
- Other public agencies; and
- Public, for-profit & non-profit\* entities that carry out eligible projects or programs within the City of Worcester.

\*Existing 501 (c) (3) status required.

# CDBG Eligible Public Service/ Activities

Including, but not limited to:

- Child care
- Healthcare
- Recreation activities
- Education activities
- Youth services
- Fair Housing activities
- Services for senior citizens
- Information and referral / case management
- Job placement or training
- Services for homeless persons
- Drug abuse counseling & treatment
- Energy conservation counseling & testing
- Homebuyer down payment assistance
- Social services



# CDBG Public Service Activities

- Majority of **Public Service Activities** are Affiliated with the “Low-Mod Income” (LMI) **National Objective** and “Low-Mod Limited Clientele” (LMC) **Activity**
  - **Low-Mod Limited Clientele (LMC) Activities** must meet criteria / fit into one of the following documentation categories:
    - ☐ Serve at least 51% LMI as evidenced by *documentation regarding family size and income*
    - ☐ Be part of a service or program that *has income-eligible requirements* for LMI populations only as documented through program or agency policies or administration procedures, income limits, etc.
    - ☐ Serve a clientele that *fits a category of presumed* to be low-mod such as elderly, homeless, AIDS patients, migrant workers, etc.
    - ☐ Be of such a *nature and location* that LMI clientele are served



# CDBG Eligible Project Use Activities

- Acquisition
- Clearance of Sites
- Rehabilitation of Housing or Public Facilities
- Publicly Owned Improvements
- New Construction of Public Facilities
- Homeownership Assistance
- Relocation
- Microenterprise (5 or fewer employees)

# CDBG Ineligible Activities

- ☐ Completely Ineligible Activities:
  - Buildings used for the general conduct of gov't
  - General government expenses
  - Political activities
- ☐ Generally Ineligible Activities:
  - Purchase of equipment
  - Operating and maintenance expenses
  - Construction of new permanent residential structures
  - Direct Income Payments

# Overview of Emergency Solutions Grant (ESG) Program

# ESG Program Design and Purpose

- The program reflects change from the Emergency Shelter Grant to Emergency Solutions Grant to focus from:
  - Addressing the needs of the homeless people in emergency shelters to
  - Assisting people to quickly regain stability in permanent housing after experiencing a housing crisis and/or homelessness.



# Eligible Applicants for ESG

- Non-profit organizations who have been providing homeless services for at least one year;
- Must have the capacity to provide matching funds (in-kind contributions) equal to the amount awarded;
- Involve homeless individuals and families in ESG activities; and
- Able to provide written certification that they are part of a Homeless Management Information System (HMIS).

# ESG Eligible Activities

- Street Outreach: providing essential services to reach out to unsheltered homeless people.
- Emergency Shelter: providing essential services to households in emergency shelters.
- Homeless Prevention: providing housing relocation and stabilization services and short- or medium-term rental assistance to prevent homelessness or moving into emergency shelter.
- Rapid Re-Housing: providing services to the homeless population to help move quickly to permanent housing.
- HMIS: Costs of HMIS designated by the CoC including hardware, software licenses or equipment.
- Administration: General management, coordination, monitoring and evaluation of the ESG program.

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# Overview of Housing Opportunities for People with AIDS (HOPWA) Program



# HOPWA Program Design and Purpose

- The Housing Opportunities for People With AIDS (HOPWA) program is designed to provide a full range of housing services to households affected by HIV/AIDS. The long-term goal of the program is to maximize the investment of HOPWA funds in the development of permanent housing and the provision of housing-related services.

# Eligible Applicants for HOPWA

- A person eligible for assistance under HOPWA is one who is diagnosed with AIDS (acquired immunodeficiency syndrome) or tested to be positive for HIV and is of low or moderate income.
- Applicants for HOPWA funds must be a non-profit organization that has provided housing and services for individuals with HIV/AIDS or households containing persons who have HIV/AIDS within Worcester County for at least one year.
- Subject to applicable requirements, HOPWA funds may be used to assist all forms of housing designed to prevent homelessness including emergency housing, shared housing arrangements, apartments, single room occupancy (SRO) dwellings, and community residences. Appropriate supportive services, as required by HUD regulations, must be provided as part of any HOPWA assisted housing, but HOPWA funds may also be used to provide services independently of any housing activity.

# HOPWA Eligible Activities

- Tenant-Based Rental Assistance,
- Short-term rent, mortgage, and utility payments(STRMU)
- Permanent Housing Placement; the goal of which is to help establish permanent residence when continued occupancy is expected.
- Short-term supported housing facilities are intended to provide temporary shelter to eligible individuals to prevent homelessness and allow an opportunity to develop an individualized housing and service plan to guide the client's linkage to permanent housing.
- Supportive services including, but not limited to, health, mental health, assessment, permanent housing placement, drug and alcohol abuse treatment and counseling, day care, personal assistance, nutritional services, intensive care when required, Administrative expenses: Project sponsor receiving funding from grants made under this program may not use more than 7 percent of the amounts received for administrative costs.



# Questions?

## Information & Assistance Tables:

- CDBG: Public Service & Public Facilities
- HOPWA & ESG