



**CITY OF PATERSON  
DEPARTMENT OF COMMUNITY DEVELOPMENT  
125 Ellison Street, 2<sup>nd</sup> Floor,  
Paterson, NJ 07505**



**TO IMPLEMENT ELIGIBLE ACTIVITIES PURSUANT TO THE REGULATIONS OF  
THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT THAT  
PRINCIPALLY BENEFIT LOW AND MODERATE-INCOME PATERSON RESIDENTS OR  
CONTRIBUTE TO THE PREVENTION AND ELIMINATION OF SLUMS AND BLIGHT.**

## **CDBG GUIDE**

**CITY OF PATERSON  
PY 2015-2016 HUD ENTITLEMENT PROGRAMS  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

The Department of Community Development is now accepting proposals from Paterson organizations for inclusion in the City's 2015-2016 HUD Entitlement Programs. **Proposals must be delivered to and received by the Department of Community Development, Office of the Director, no later than Monday, November 17, 2014 by 2:00 pm to the City of Paterson, Office of Community Development, 125 Ellison Street, 2<sup>nd</sup> Floor, Paterson, NJ 07505.**

***Processing of Proposals***

The Department of Community Development (CD) is the intake office for all proposal submissions. CD determines whether or not a proposal is eligible for CDBG funding and meets national program objectives under federal regulations. CD convenes a review committee to evaluate eligible proposals in terms of federal and local program priorities, quality, and cost effectiveness.

Based on the recommendation of the review committee and availability of funding, proposals will be considered and funded under 2015-2016 HUD entitlement awards until the limit of our grant entitlement funding is reached. This Request for Proposal (RFP) solicits proposals from organizations to deliver projects, services, or activities that are consistent with the CDBG priorities and objectives identified in the City of Paterson's 2015-2019 Consolidated Plan, which will be developed and available through the Department of Community Development and the City of Paterson's website ([www.patersonnj.gov](http://www.patersonnj.gov)).

***Funding Priorities***

For the 2015-2019 Consolidated Plan, the City of Paterson has identified the following Overarching Goals and CDBG funding priorities by which proposals will be grouped and reviewed:

- a.) Infrastructure Improvement Projects
- b.) Job Creation, Training and Readiness for Adults
- c.) Eradication of Homelessness affecting Veteran
- d.) Youth or Young Adult Services – i.e. alternative education programs, job training programs and financial literacy programs.
- e.) Elderly/Disabled Services
- f.) Social Services - offered to ex-offenders returning to the community, i.e. health, housing, legal and job training.

**Overarching Goals**

- 1. Paterson as a City of the First Class
- 2. Healthy and Safe Neighborhoods
- 3. Preparing Residents for Jobs in the 21<sup>st</sup> Century economy

## **Priorities**

### **Goal 1 – Housing**

1. Increase affordable rental housing opportunities for low-income households
2. Provide new affordable homeownership opportunities for low and moderate income households
3. Improve the condition of existing housing
4. Increase availability of sustainable housing options
5. Provide counseling for first-time homebuyers and current homeowners
6. Provide energy efficient options/opportunities for homeowners

### **Goal 2 – Homeless**

1. Reduce the number of individuals and families that become homeless
2. Increase the availability of permanent supportive housing options for homeless individuals and families
3. Support operations of existing emergency/transitional homeless facilities
4. Provide essential services to homeless populations
5. Veterans needs

### **Goal 3 - Special Needs Populations**

1. Increase accessibility/availability of affordable housing, specifically for persons with HIV/AIDS
2. Provide new affordable and permanent housing for special needs populations
3. Provide support services to special needs populations

### **Goal 4 – Community and Economic Development**

1. Increase economic opportunities for low-income residents
2. Revitalize and beautify Paterson businesses and storefronts
3. Provide technical assistance for small businesses
4. Establish social venture programs
5. Establish and support a business incubator site
6. Promote neighborhood revitalization through infrastructure and facility improvements
7. Provide public services

**Proposals submitted outside of the specified CDBG priority funding areas may not be considered.**

### ***Pre-application Workshop (information and guidance)***

The City of Paterson will host a workshop to provide information and guidance to organizations that intend to solicit financial support under one of the four HUD-funded programs, including the Community Development Block Grant (CDBG), Homeless Emergency Solution Grant (HESG), HOME Investment Partnerships Program, and Housing Opportunities for Persons with AIDS (HOPWA) grant. The workshop will introduce the City's 2015 funding priorities and provide clarification on all phases of the pre-award and post-award processes, as well eligible activities, proposal preparation, the contracting process, program outcomes and expectations, and compliance with City and federal standards. CD schedule of events is provided in this guide and has been posted on the City of Paterson's website at [www.patersonnj.gov](http://www.patersonnj.gov). If you have specific questions, regarding the eligibility of proposed activities and/or their compliance with national objectives or questions regarding specific activities proposed for grant funding, please contact the Department of Community Development at (973) 321-1212.

## ***Evaluation Considerations***

The process for reviewing CDBG proposals is designed to increase efficiency and standardize the evaluation of proposals. The Department of Community Development intends to ensure transparency and the delivery of unbiased recommendations to the Municipal Council for approval of awards to the selected public, private, and nonprofit partners. All eligible entities are encouraged to apply.

Before submitting a proposal, organizations should consider the following:

- Whether the proposed activities or services meet at least one of the national program objectives for the Community Development Block Grant program as defined by the US Department of Housing and Urban Development;
- Applicant's capacity to complete the requested forms and submit the required documentation by the November 17, 2014 deadline;
- Capacity to deliver proposed projects, activities, or services and meet expected program outcomes and deliverables;
- Ability to comply with municipal and federal standards related to the Community Development Block Grant (CDBG) program; and
- Current standing with the City of Paterson, including performance on grants from previous programs years and status of accounts with the Division of Revenue and Collections.

## ***Evaluation Criteria***

Before applications are considered, they must be complete and submitted to the Department of Community Development by the November 17, 2014 deadline. A complete application includes ALL fully executed and notarized requested forms and documentation.

All complete and timely applications that are determined eligible for CDBG funding and that meet national program objectives under federal regulations will be evaluated using the following criteria:

### **Criteria for Public Service Activity Applications:**

- **Benefit to Low and Moderate Income Persons:** Proposed activities should benefit at least 51 percent low- and moderate-income persons, or seek to eliminate slums/blight, and/or meet other HUD national objectives.
- **Activity Need:** Proposals should provide documentation and justification of the need for the proposed activity as well as alignment with City of Paterson CDBG funding priority

areas.

- **Cost Reasonableness and Effectiveness:** A proposed activity will be evaluated in terms of its implementation costs and funding request relative to its financial and human resources. Evaluation will include the cost incurred per person per unit and the justification for a particular level of funding.
- **Activity Implementation:** Applicants should provide documentation and information showing that the resources needed to implement the proposed activity are available and ready.
- **Experience:** Applicants should demonstrate experience including the length of time in service and experience in undertaking projects of similar complexity as the one for which funds are being requested. Please provide at a minimum 3 years of records of related experience such as audit reports, project reports and letters from the State of New Jersey demonstrating that you are in good standard.
- **Past Performance:** Applicants should demonstrate prior performance in relation to any local, state, or Federal funding program. The past performance will refer to attainment of objectives in a timely manner and expenditure of funds at a reasonable rate in compliance with City of Paterson contracts. Compliance with the contract will include but not be limited to submission of reports and adherence to the Scope of Services. Applicants that have not received HUD entitlement program funding from the City of Paterson should provide thorough documentation of similar past performances.
- **Leveraging of Other Funding:** Applicants should document the receipt of other funding and/or efforts to secure additional funding for the proposed activity.
- **Professionalism:** Presentation of application materials and clarity in explaining program goals, objectives, inputs, outputs, methodology, and outcomes.

Criteria for Development/Rehabilitation Activity Applications:

- **Project readiness** – The ability of the applicant to obligate and spend funds within the deadlines required by CDBG and City guidelines.
- **Affordability** – Extent to which project will serve extremely low and very low-income residents.
- **Leveraging of other funds** – Extent to which CDBG funds will serve as “gap” financing used to leverage private or non-city funds.
- **Past experience** – applicant’s past experience with federally-funded programs as well as experience managing public facility development and improvement of the type proposed here.

- **Policy contribution** – Extent to which proposals support the priorities included in the City’s Consolidated and Annual Action Plans and other City policy goals including employment opportunities for low-income residents, participation of Local Small Disadvantaged Business Enterprises, and sustainable development/green building practices.
- **Points by Population Type** (separate scoring for: large families, special needs housing, transitional housing, and SRO/studio apartments). This only applies to Public Services projects/activities.

### **General Application Guidelines**

Applicants should adhere to the following general guidelines for preparing the application for CDBG funding. The application should be submitted with the required content and in the format requested.

- 1) **Submit one (1) original and three (3) copies of the entire application package. The entire package must be *TYPED and UNBOUND* on 8.5” x 11” standard paper. Do not submit any document that is handwritten, bound (including staples, folders, spiral, or flat spines), on glossy, colored, heavy grade, or legal paper. Documents submitted in an inappropriate format **will not be** transferred to the review committee or evaluated.**
- 2) **Proposals must address the items specified in the *Proposal Narrative* section and must be organized exactly as specified in the *Application Content, Format, and Order* section.** Proposals that have incomplete responses to questions or which are improperly organized will lose points in the evaluation process in accordance with the corresponding Evaluation Criteria.
- 3) **Submit only the documents specified in the *Required Documentation* sections. Do not submit annual proposals, video tapes, flyers, paraphernalia, or any other materials not requested at this time. Additional materials will not contribute to the evaluation process and will be discarded.**
- 4) **Submit ALL DOCUMENTATION requested.** Before applications are considered, they must be complete. A complete application includes ALL requested forms and documentation. Applications that are missing any required documentation will not be transferred to the review committee or evaluated.
- 5) **Submit one (1) complete proposal package for each funding request. Organizations applying for funding in more than one priority area should submit a separate application for each project.** Copies of all requested forms and documentation should be included in each application. Organizations submitting applications for other entitlement programs, i.e. the Homeless Emergency Solution Grant (HESG), Housing Opportunities for Persons with AIDS (HOPWA), and/or the HOME Investment Partnerships Program(s) should complete the application for that program.

- 6) **Submit proposals to the Department of Community Development, Office of the Director, 125 Ellison Street, 2<sup>nd</sup> Floor, Paterson, New Jersey 07505. Proposals will only be accepted** if received at the above address on or before 2:00 p.m. on Monday, November 17, 2014.

Do not deliver proposals to any other office or staff person of the City of Paterson, including the Division of Housing, Dept. of Economic Development, Department of Health and Human Services, Department of Police, the Office of the Mayor and Agencies, or the Office of the Business Administrator. Proposals submitted after the deadline and/or delivered to any office other than the Department of Community Development will not be accepted or reviewed.

The Department of Community Development reserves the right to request additional information or documentation not specified in this Request for Proposals at any stage during the process. Applicants will be expected to respond and comply with any additional requests in a timely manner.

### ***Application Content, Format, and Order***

**The CDBG Application for Public Services is divided into five (5) sections:** (1) Application Cover Sheet; (2) Application Form; and (3) Scope of Services; 4) Proposal Narrative(s) and 5) Project Narrative. A complete application should include the items listed below as indicated, in the order, and within the page limits specified.

#### **Application Cover Sheet (all applicants)**

#### **Application Form (all applicants as specified)**

- Section One – Organization Profile
- Section Two – Financial Summary
- Section Three – Scope of Services
  - Attachment 1 – Budget/Cost Categories and Elements of Cost
  - Attachment 2 – Costs Summary
  - Attachment 3 – Schedule A. Personnel Costs
  - Attachment 4 – Schedule B. Consultant Services Costs
  - Attachment 5 – Schedule C. Other Cost Categories
- Section four - Proposal Narratives

#### **For Public Service Applicants:**

- Section One – Organization Summary
  - Part A. Agency Background
  - Part B. Current Programs and Activities
  - Part C. Statement of Achievements
  - Part D. Organizational Staffing Qualifications

- Section Two – Project Summary
  - Part A. Need Addressed by the Proposed Project
  - Part B. Project Goals
  - Part C. Project Implementation Strategies
  - Part D. Specific Collaboration Strategies
  - Part E. Project Outcomes
  - Part F. Methods of Evaluating Project Effectiveness
  - Part G. Major Barriers to Service Delivery
  - Part H. Description of Project Staff Qualifications

**The CDBG Application for Public Facility Improvement is divided into eleven (11) Parts:** (1) Application Cover Sheet; (2) Application Form; and (3) Developer Information; 4) Financial Information; 5) Scope of Services; 6) Organization Summary; 7) Project Summary; 8) Developer Information Summary; 9) Project Description and Request Data Narrative; 10) Environmental Remediation; and 11) Development Timeline. A complete application should include the items listed below as indicated, in the order, and within the page limits specified.

*For Development/Rehabilitation Applicants:*

- Part 1 Application Cover Sheet
- Part 2 Application Form
- Part 3 Developer Information
- Part 4 Financial Information
- Part 5 Scope of Services
  - a. organization information
  - b. location and target population profile
  - c. accomplishments (quantifiable)
  - d. Instructions
  - e. Project Budget
    - Attachment 1 - budget costs and categories and elements of cost
    - Attachment 2 –costs summary
    - Attachment 3 – personnel costs
    - Attachment 4 – consultant services costs
    - Attachment 5 – other costs categories
  - f. Public Facility development/rehabilitation activities
    - a. physical rehabilitation summary
    - b. physical rehabilitation attachments
- Part 6 Organization summary
  - a. current programs and activities
  - b. statement of achievement
  - c. organization staffing qualifications
- Part 7 Project Summary
  - a. need addressed by the proposed project
  - b. project goals
  - c. project implementations strategies
  - d. specific collaboration strategies
  - e. project outcomes



- f. methods of evaluating project effectiveness
- g. major barriers to service delivery
- h. project staff qualifications
- Part 8 Developer Information summary
  - a. development team description
  - b. development team experience
- Part 9 Project Description and request data narrative
  - a. narrative description of project/activity
  - b. location
  - c. physical characteristics
  - d. services to be provided
  - e. public amenities
  - f. green building features
  - g. public benefit
- Part 10
  - a. property management
  - b. lead paint
  - c. site contamination
- Part 11 Development Timeline
  - a. project readiness
  - b. approval/certificates

**NOTE- Respondents should organize the Proposal Narrative exactly as described above with the corresponding title pages described herein.** The Proposal Narrative should have section divider pages, each placed in front of the corresponding section with the title of that section typed at the top of the page (e.g., Section One – Organization Summary). No other text should be typed on the section divider page. Please complete, use, and submit the fillable forms where applicable. All pages of the Proposal Narrative must be numbered.

- **Required City of Paterson Forms**

\* **These documents MUST BE NOTARIZED AND/OR INCLUDE THE CORPORATION SEAL**

- Declaration
- Counterterrorism Compliance Form
- Disclosure Statement for Nonprofit Sub-recipients (Nonprofits only)
- Non-Collusion Affidavit
- Stockholder Disclosure Certification (For profit organizations only)
- Hold Harmless Agreement
- Certificate of Compliance with NJ Charitable Registration Act (Nonprofits only)
- Certification of Compliance with Executive Order on Pay to Play Reform (For profit organizations only)
- Paterson Political Contribution Disclosure Form (For profit organizations only)

- **Required Documents for All Proposals**

- **Organization Documents:**

- **Articles of Incorporation/By-laws:** Documents should include names of board members, officers, and date agency was incorporated. *NOTE: On a separate sheet of paper attached to the end of the incorporation documents, the agency must provide a list of the names, phone numbers, and addresses of all individuals who are authorized to sign official papers and documents on behalf of the organization.*
    - **Audit Report and Financials:** Applicants are required to submit a 2013 Financial Audit or **2013 IRS Form 990** along with Certified Financial Statements.
    - **Annual Report:** Applicants are required to submit a 2013 Annual Report.
    - **Proof of IRS Status Determination Letter:** Legal documentation listing the IRS status of the firm or agency.
    - **State of New Jersey Business Registration Certificate (For-profit organizations only)**

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### ***Additional Requirements for Development/Rehabilitation Contractors***

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If the organization is selected as a sub-recipient under a Development/Rehabilitation category, the organization must comply with the following:

- A. **Davis Bacon and Prevailing Wages** – The General Contractor is responsible for full compliance with the requirements of Davis Bacon/Prevailing Wage laws for all contractors, subcontractors, and any lower-tier subcontractors as provided by the Davis-Bacon Wage Determinations established by the U.S. Department of Labor (provided by the Division of Housing Assistance).
- B. **Affirmative Action Compliance** – Prior to the Order to Proceed, the sub-recipient needs to complete the required paperwork to ensure that the contractors and/or its subcontractors meet the compliance requirements for affirmative action.
- C. **Authorization** – Submission of a list of all persons authorized to make signatory decisions on behalf of the sub-recipient organization.
- D. **Reporting** – To ensure compliance, the non-profit must submit a concise monthly report. For projects involving residential rehabilitation or public facilities construction/ renovation, the report must follow the format provided by a form from the Division of Housing Assistance. **HUD Form 60002: Section 3 Summary Report must also be submitted monthly along with the reports.**
- E. **Timely completion** – Recipients under contract to receive CDBG funds must complete project work within time specified in the contract unless an extension is obtained from the City. Failure to complete project work in the absence of an extension may be grounds, at the City’s discretion, for cancellation of the contract.
- F. **Procurement** - Any project over \$29,000 will required to go out to bid.

#### ***Special Provisions for All Awarded Proposals***

- A. Letter from NJ Attorney General Confirming Charitable Registration

If a nonprofit organization is selected as a sub-recipient, the nonprofit organization is required to provide a copy of the Letter issued by the State of New Jersey Attorney General confirming charitable registration.

- B. Certificate of Insurance (Required Coverage and Endorsement)

**If the organization is selected as a sub-recipient**, the organization becomes a **vendor** and must provide a certificate of insurance from an insurer with a Best’s rating of no less than A- indicating compliance with the required coverage to the City of Paterson. The **VENDOR** must notify the **CITY** immediately, of any material change in insurance coverage, such as changes in limits, coverage, change in status of policy, etc. **As part of the certificate of insurance submission a broad endorsement form/additional**

insured endorsement form that lists the City of Paterson as additional insured must also be included (see Appendix 6 for an example of the form). The CITY reserves the right to require complete copies of insurance policies at all times.

- a. *General Requirements:* The **VENDOR** shall maintain for the duration of the contracts, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by the **VENDOR**, its agents, employees, representatives, assigns or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission and shall be in the amounts of \$1,000,000 per occurrence and \$2,000,000 aggregate.
- b. *Primary Insurance:* The **VENDOR'S** insurance coverage shall be primary insurance as respect to the **CITY**, its officers, officials, employees, agents, and representatives shall apply separately to each project or location. Any insurance or self-insurance maintained by the **CITY**, its officers, officials, employees or volunteers shall be excess of the **VENDOR'S** insurance and shall not contribute with it.
- c. *Workers Compensation Insurance:* The **VENDOR** shall maintain for the duration of the contract, at its cost and expense, Workers Compensation Insurance in the statutory amounts pursuant to N.J.S.A. 34 et seq.
- d. *Additional Insured Status:* The **CITY** must be listed as additional insured for liability arising out of activities performed by or on behalf of the **VENDOR**. **As part of the certificate of insurance submission a broad endorsement form/additional insured endorsement form that lists the City of Paterson as additional insured must also be included.**
- e. *Special Conditions:* The insurer must indicate on the Certificate of Insurance that it agrees to defend, indemnify, and hold harmless the City of Paterson, NJ its agents, servants, and administrators from any and all complaints arising out of work or duties to be performed under this contract between the City of Paterson and the **VENDOR**.
- f. *Amounts:* All insurance shall be written up for the following limits of liability:

Bodily Injury Liability Insurance:	\$1,000,000.00 each person \$1,000,000.00 each occurrence
Property Damage Liability Insurance:	\$1,000,000.00 each person \$1,000,000.00 each occurrence
Professional Liability:	\$1,000,000.00

### ***Submission Deadline***

Interested nonprofits must hand deliver or mail deliver application responses by the November 17, 2014 deadline to be considered for funding under the City's 2015 Annual Action Plan.

One (1) original and three (3) copies of *typed proposals* on 8.5" x 11" paper must be postmarked or hand-delivered no later than 2:00 pm on **Monday, November 17, 2014**.

Applications must (*only*) be addressed or hand-delivered to:

**Barbara Blake-McLennon, Acting Director**

**City of Paterson**

**Department of Community Development**

**125 Ellison Street, 2<sup>nd</sup> Floor**

**Paterson, New Jersey 07505**

**Failure to meet the submission deadline (no later than 2:00 pm on Monday, November 17, 2014) and submission of all required documentation shall preclude a proposal from consideration by the City of Paterson.**

**CITY OF PATERSON – REQUEST FOR PROPOSALS  
PY 2015 – 2016 HUD ENTITLEMENT PROGRAMS  
COMMUNITY DEVELOPMENT BLOCK GRANT**

**Proposal Narrative Guide**

The information provided in this section is intended to assist applicants in preparing responses to the City of Paterson Request for Proposals for the 2015-2016 Community Development Block Grant program. In as much as the information provided is only a guide it is not intended to be exhaustive, only to provide additional assistance to applicants on the type of content to cover or address in the required narrative responses. Applicants should be mindful of the information provided in the *Evaluation Criteria* section of this Request for Proposals in preparing responses and adhere to all stated guidelines and requirements for layout and format.

Organization Summary of the Public Service and Public Facility Improvement Application

**Agency Background** (*maximum 2 pages*)

Describe the organization's background as it relates to establishing the agency's identity and legitimacy as an organization. Responses can detail but should not be limited to describing the agency's mission statement, history, expertise, longevity of presence in the community, etc.

**Current Programs and Activities** (*maximum 2 pages*)

Describe activities in which the organization is currently engaged. Responses can detail any similar projects or activities in the same or a related area that are relevant to establishing the agency's credibility, track record, and ongoing performance in the delivering services for which grant funding is sought.

**Statement of Achievements** (*maximum 2 pages*)

Provide specific evidence of the organization's success in accomplishing past or current organizational or program goals. Responses can address but should not be limited to describing achievements such as organizational service or community awards, quantity and quality of services provided and benefits gained by participants receiving services, recurring grants based on performance, etc.

**Organizational Staffing Qualifications** (*maximum 1 page*)

Describe the qualifications of the agency's leadership as it relates to establishing background on the organization's professional competency to implement the proposed project activities. Responses can include but should not be limited to addressing the credentials of key senior staff and management, organizational structure, processes for ensuring all staff are qualified and committed to working with the target population, strategies for organizational self-evaluation and continuous improvement, etc.

Project Summary of the Public Service and Public Facility Improvement Application

**Need Addressed by the Proposed Project** (*maximum 1 page*)

Describe the need that the proposed project seeks to address. Responses can address but should not be limited to describing in detail the specific issue or need, supporting background information and data, methods by which the need was identified, etc.

**Project Goals** (*maximum 1 page*)

Describe the goals that the project seeks to accomplish. Responses can address the breadth and/or depth of the organization's objectives, including but not limited to detailing short and long-term goals, the desired level or reach of services (i.e., neighborhood, City, county, region, state), the purpose served by the project, the specific targets of individual project activities, etc.

**Project Implementation Strategies** (*maximum 1 page*)

Describe the specific activities the agency will undertake to implement the project. Responses can detail the organization's action plan, including but not limited to specifying timelines, events, procedures to be followed, utilization of human and financial resources, etc.

**Specific Collaboration Strategies** (*maximum 1 page*)

Describe how the organization has or will engage families, agencies, organizations, or community groups in the implementation of project activities. Responses can specify ways in which the agency is any or all of its resources, such as staff, finances, materials, office space, service locations or facilities, etc, to deliver the proposed project services.

**Project Outcomes** (*maximum 1 page*)

Describe in detail the outcomes that the project will produce. Responses can identify the expected and/or desired results/outputs of the project that are aligned with the project goals, including but not limited to benchmarks for performance, descriptions of non-quantifiable evidence that the project is on track, numbers of program participants in target population being served, etc.

**Methods of Evaluating Project Effectiveness** (*maximum 1 page*)

Describe how the organization will gauge the effectiveness of its project. Responses can identify any tools that the agency will utilize to capture data or document that the project activities are reaching the target population, project goals are being met, etc. Tools might include but are not limited to surveys, client feedback forms, tracking systems, and/or anecdotal success stories about clients served through the project activities, etc.

**Major Barriers to Service Delivery** (*maximum 1 page*)

Describe obstacles or impediments that the agency encounters or anticipates in being able to effectively and/or efficiently provide services to the target population. Responses can identify any challenges that the organization may be experiencing, including, where applicable, but not limited to, financial shortfalls, staff turnover, limited resources of the organization, language barriers, difficulty in marketing or disseminating materials, transportation, limited partners, etc.

## HUD GUIDANCE FOR THE COMMUNITY DEVELOPMENT BLOCK GRANTS

### Description and Summary of Eligible and Ineligible Activities

The CDBG program is authorized by Title I of the Housing and Community Development Act of 1974, as amended, and provides annual grants on a formula basis to entitled metropolitan cities and urban counties to implement a wide variety of community and economic development activities directed toward neighborhood revitalization, economic development and the provision of improved community facilities and services. CDBG activities are initiated and developed at the local level based upon a community's perceptions of its local needs, priorities, and benefits to the community. Each entitlement grantee receiving CDBG funds is free to determine what activities it will fund as long as certain requirements are met, including that each activity is eligible and meets one of the following broad national objectives:

- Benefit persons of low and moderate income (principal national objective);
- Aid in the prevention or elimination of slums or blight; or
- Meet other community development needs of particular urgency.

### Purpose of the Program

To develop viable urban communities by providing decent housing and a suitable living environment, and by expanding economic opportunities, principally for persons of low and moderate income

### Eligible Applicants

Central cities of Metropolitan Areas (MA's), as designated by the U.S. Office of Management and Budget; other cities over 50,000 in MA's, and qualified urban counties with populations of at least 200,000 (excluding the population of entitled cities located within the boundaries of such counties).

### Application/Plan Submission Requirements

Each grantee must submit a Consolidated Plan, an annual action plan and certifications to HUD. The Consolidated Plan and annual action plan cover four major formula entitlement HUD community development programs, including CDBG. The annual action plan must include the local community development objectives and show the proposed use of the funds. If the grantee makes a complete submission within the established deadlines, the Department will make a grant award unless the Secretary has made a determination that one or more of the grantee's certifications are unsatisfactory.

### OMB Administrative Requirements

OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments; A-133, Audits of State, Local Governments and Non-Profit Organizations; A-122, Cost Principles for Non Profit



Organizations; A-21, Cost Principles for Educational Institutions, as applicable; and A-I 10, Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and other Non-Profit Organizations. 24 CFR Parts 84 & 85

### **Program Fund Limitations or Caps**

No more than 20 percent of grant (plus program income) can be spent for planning and administrative costs. No more than 15 percent of the grant (plus program income received during preceding program year) can be spent for CDBG eligible public service activities.

### **Formula Computation Rules**

The allocations for metropolitan cities and urban counties are based on a dual formula system; grantees receive the greater of two formula amounts. Formula A is based on each city/county's share of: population (0.25); poverty (0.50); and overcrowded housing (0.25). Formula B is based on shares of: growth lag (0.20); poverty (0.30); and pre-1940 housing units (0.50). The formula amounts are prorated adjusted to ensure that the total of all such amounts equals the total amount appropriated.

### **Eligible Activities**

See 24 CFR 570.201-206, which is available on the HUD website, [www.hud.gov](http://www.hud.gov). Eligible activities include acquisition/disposition of real property; public improvements and facilities (e.g., senior citizens center, recreation center, day care center); clearance; public services (e.g., child care, health care, job training/education programs, recreation programs, drug abuse counseling/treatment, and services for homeless persons); interim assistance; relocation payments/assistance; rehabilitation of residential, commercial/industrial, or other nonprofit owned, nonresidential buildings; historic preservation; lead based paint hazard evaluation and reduction; code enforcement; special economic development; assistance to micro enterprises; homeownership assistance; urban renewal completion; technical assistance to increase capacity of public/private non-profits; assistance to institutions of higher education; and program administration costs related to planning and execution of CDBG assisted activities. Eligible activities may be carried out by the grantee, or through the use of contractors or sub-recipients, or through the use, of Community Based Development Organizations (CBDOs) as defined at 24 CFR 570.204. A CBDO may carry out activities that are eligible and those that are otherwise ineligible, such as new housing construction, as provided at 24 CFR 570.204(b) and 570.207(b).

### **Ineligible Activities**

See 24 CFR 570.207. Buildings used for the general conduct of government, general local government expenses, and political activities.

## INSTRUCTIONS FOR THE PATERSON COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) APPLICATION

1.	When appropriate, provide current Architect and/or Engineer's cost estimates. <b>No</b> application will be reviewed proposing construction activities without this information and will be cause for rejection of the application.
2.	<b>All applicants must provide an <u>area map</u> noting the location of the project.</b> Please provide enough detail to describe your service area. Note street names and other landmarks for ease of identification.
3.	<b><u>(Photographs in an electronic/digital format are required along with print versions).</u> If the building is historic, all work must be done in compliance with the US Secretary of the Interior's Standards. Please note if the project is located in an historic area.</b>
4.	<p>Use the budget page from the application. Please be advised that the Paterson CDBG Program works on a reimbursement policy; therefore <u>no funds can be provided in advance for services</u>. Also, please be advised that the Paterson CDBG Program funds <b>WILL NOT</b> pay for the following:</p> <ul style="list-style-type: none"> <li>• Salaries of supervisory personnel – only the salaries of direct staff involved in the project are eligible.</li> <li>• Overhead – office space, utilities, telephone, etc. will not be paid for unless dedicated <b>EXCLUSIVELY</b> to the CDBG funded activity. There will be no pro-rating of such expenses.</li> <li>• Food – Unless essential to the client services such as nutrition and food preparation classes or a food bank, no food or entertainment may be purchased with CDBG funds.</li> <li>• For public service activities – Facility maintenance or repair is not eligible. Apply for public improvement funds if your building is in need of rehabilitation.</li> <li>• Work that is contracted for prior to the execution of the agreement with the City or that has not been competitively procured cannot be paid with CDBG funds. This includes construction as well as professional services. <b>All work paid for with CDBG funds must be competitively bid. We will provide the required federal bid documentation to add to your bid package.</b></li> </ul>

## US HUD CDBG STATUTORY OBJECTIVE JUSTIFICATION

### Low Mod Benefit

- **Area Benefit** – Describe how the proposed activity serves the residents in a primarily residential area and how you determined that the area is predominantly low- and moderate-income. **NOTE:** Public service activities **CANNOT** be qualified as an Area Benefit Activity. (Please reference the **Low-Moderate Income Area map** of the City of Paterson provided by Community Development).

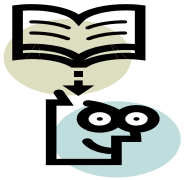
- **Limited Clientele** – if the proposed activity is a public service and is limited to a specific group of people, at least 51% of whom are low- and moderate-income persons, indicate which of the three categories of limited clientele activities best describes the activity.
- **Presumed Benefit** – Please describe the beneficiaries of the proposed services: (**NOTE: Handicap Barrier Removal Projects should check Presumed Benefit/Severely Disabled Adults below**).

○ Abused children	○ Battered spouses
○ Elderly persons	○ Severely disabled adult (use census population report definition)
○ Homeless persons	○ Illiterate adults
○ Persons living with AIDS	○ Migrant farm workers

- **Family size and income** – Please use the income qualification form provided to document the household income levels. **Note:** at least 51% of the program beneficiaries must be person whose family income does not exceed the limits summarized.
- **Nature and location of activity** – Indicate the nature and location of the activity as such that it will be used predominantly by low- and moderate-income persons. For example, an adult day care center designed to serve residents of a public housing development. Attach an explanation of how the activity meets this objective.

### Prevention and/or Elimination of Slum and Blight

- Only Public Facility building rehabilitation or demolition can be qualified as a “slums and blight” activity.



Attached are forms and information regarding the CDBG Program

- Sample CDBG agreement
- Income qualification form
- Quarterly Progress Report
- Expenditure Report and draw request
- Subrecipient Monitoring Policy
- City of Paterson Median Household Income MAP
- Guidelines for managing your CDBG funds (Guide booklet)
- Playing by the Rules (Guide booklet)
- 2015 Action Plan – Schedule of Events