

**City of Greenville**  
**2020 Non-Profit**  
**Funding Workshop**  
**2021 CDBG Funds**

# Workshop Agenda

- Funds available
- CDBG Overview
- CDBG & Non-Profits (Sub-recipient)
- CDBG-CV CARES Act Funding
- The Application Process
- The Approval Process
- Working with your Grant funds
- Agency Monitoring and Reporting
- Questions and Answers

# Funds Available

Approximately:

- Public Service - \$100,000
- COVID-19 Public Service - \$100,000
- Public Facility Improvement - \$200,000

## HCDA

Housing and Community Development Act (HCDA) of 1974 created

### Community Development Block Grant



# CDBG Overview

- Entitlement City since 1994
- Formula Grant

## CDBG Objective

Preservation and development of viable communities by providing decent housing, a suitable living environment, and economic development opportunities, public services and public facility improvements principally for low and moderate income persons.

## CDBG Overview

- Communities develop their own programs and funding priorities based on local needs.
- HUD has established guidelines to define the types of projects and activities that may be undertaken and to ensure each project or activity meets one of the national objectives of the CDBG Program.

# CDBG Overview

## THREE NATIONAL OBJECTIVES

- Benefit low-moderate income persons either individually or area-wide, or activities that benefit special populations.
- Aid in the prevention or elimination of slums and blight.
- Meet urgent need.



# CDBG Overview

- Administration
- Housing Rehabilitation
- Public Facility Improvement
- Public Services
- Acquisition
- Clearance/Demolition
- Infrastructure Improvement

# CDBG Overview

## Federal rules and regulations

- A minimum of 70% of the annual grant must support activities that benefit low-to-moderate-income (LMI) persons.

# CDBG Overview

- Income must be documented and verified for each client or household. (some exceptions)
- A maximum of 15% of the total annual grant can be used for public service activities.
- A maximum of 20% of the total annual grant can be used for administrative activities.
- Administrative, Public Service, and Public Facility project records must be maintained for 5 years from the completion of the project.

# CDBG Overview

- CDBG funds generally may not be used for religious activities or provided to primarily religious entities for activities. CDBG funds may be used for eligible public services to be provided through a religious entity, provided that the entity enters into an agreement with the City stating that it will not discriminate on the basis of religion and it will not provide any sort of religious services or activities as part of the project/service.

# CDBG Overview

- Monthly / Quarterly / Annual reports with supporting documentation are required, as well as monitoring visit(s) to ensure compliance with appropriate rules and regulations.



## Documentation Record Keeping

- Eligibility
- National objective
- Citizen participation
- Fair housing
- Financial
- Other requirements

# CDBG Overview

## HUD Required Reports:

- Consolidated Plan (CP)
- Annual Action Plan (AAP)
- Consolidated Annual Performance & Evaluation Report (CAPER)

The City encourages all residents to participate in the planning and Development of the CP & AAP.

# Non-profits

## CDBG & Non-Profits

The City seeks to provide funding for projects and services that are innovative and meet the national objectives as identified by the CDBG Program:

- Housing Counseling
- Services that benefit low-moderate income households
- Homeless or special needs populations
- Job Training
- Youth Development



# Choosing Projects or Services

## Eligible Activities

Youth services (mentoring, after school programs)

Services for senior citizens

Employment services (job training)

Financial - Homebuyer Education / Counseling

Services for the homeless

Substance abuse services (counseling / treatment)

Crime prevention

Recreational services

# Choosing Projects or Services

## Eligible Activities (Cont.)

- CDBG funds may be used to pay for labor, supplies and material to maintain the portion of a facility in which the public service is located. This includes the purchase or lease of equipment & other property needed for the public service.
- To utilize CDBG funds the service must:
  - Be a new service, or an increase in the level of an existing service which is being provided by the grantee,
  - Service at least 70% low income; or provide service to a low income neighborhood in Greenville.

# Choosing Projects or Services

## Ineligible Activities

There are certain expenses or projects that nonprofits will seek funding for which are ineligible expenses for CDBG funds.  
(Please note that this is not an all-inclusive list).

## Ineligible Activities

Organizations Administrative Cost

- Salaries and Benefits
- Rent, Utilities, Telephone

Political Activities

Income Payments to clients (food, clothing, rent, mortgage, etc.)

Activities outside the City of Greenville corporate limits

Acquisition of Real Property for a Religious Facility or improvement to a religious facility or other projects that are for a religious nature purpose

Any Organization or Service not benefiting Low-Moderate income households

# CDBG-CV CARES Act Funding

## CDBG - CV

- Similar to existing sub-recipient program
- Funding is to solely address Coronavirus related needs
- Allows for greater support of local non-profits to meet COVID-19 related needs
- Must serve LMI citizens

## CDBG - CV

- Amount of award will be determined based on response to the availability of funds and/or priority of need
- Funds will be available in 2020 program year
- Application will be available and accepted for CDBG-CV following HUD approval
- Timeline will vary

# Application Process



# Required Documentation

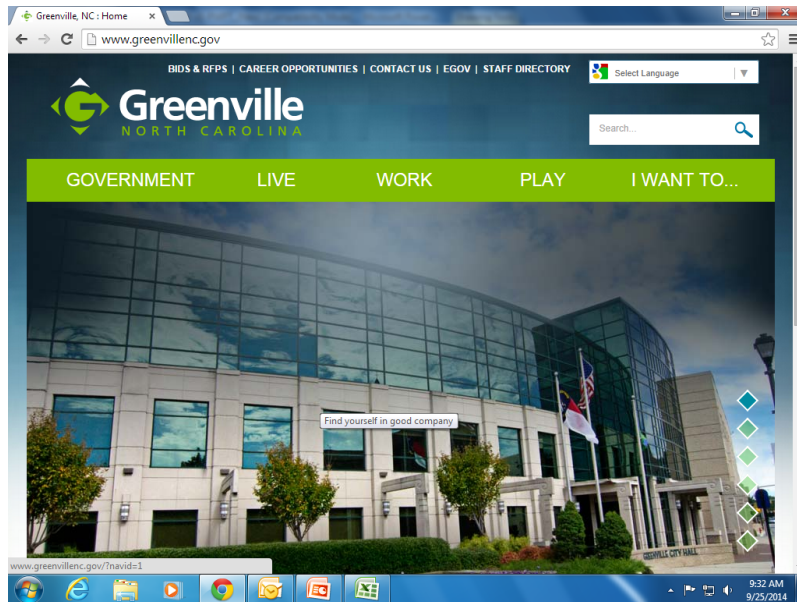
- Application from the Housing Division

Proof of:

- 501c(3) Status
- Articles of Incorporation
- Current Audit Documentation
- Board Member Lists
- Program Information & Explanation
- Valid lease (during funding year)



# Application from the Housing Division



## 501c(3) Status

- 501c(3) status, a copy must be provided that documents your LEGAL status from the IRS as an established non-profit.
- You must be recognized legally as a non-profit by Charter or Articles of Incorporation.
- You must have at least two years experience as a non-profit in the area for which you are requesting funding.

# Current Audit Documentation

- A copy must be provided for the 2018 & 2019 calendar years. (two most recent and consecutive)
- The audits must be clean and free of findings.
- The audit must have been completed by a **Certified Public Accountant**.



# Board Members List

- Complete list of all board members with home mailing addresses and phone numbers
- Total number of required board members
- Affiliations (COG, Retired, ECU, etc.)
- Length of Time on Board



# Board Members List

- Conflict of Interest: Board members must not be related to anyone in the decision making process. (Housing Division Staff, COG Staff, AHLC, City Council, HUD, etc.)
- Furthermore, Board members must not be employed by the City of Greenville (HD/CMO/CAO/etc.) or HUD
  - Exception: City of Greenville divisions not a part of the review or decision process.





# Program Information

- Organization Information
- Program Types and Descriptions
- Any Additional Information
- Funding Sources
- Staff Listing and Staff Resumes



# Application Do's & Don'ts

- Be innovative
  - We're looking for new and innovative projects
  - If your project has been funded before - how can you increase your level of service
- Funds are limited so be realistic in your request
  - Is it a project you can complete within 12 months?
  - Do you have other funds available?
    - CDBG funds are "gap" funds. We cannot fund a project 100%
- Don't forget the Basics
  - Complete ALL questions in the application (use N/A)
  - Use the application checklist to verify all requested information has been provided



# Application Due Date

Applications must be in the Planning & Development Services Department Housing Division office by **4:00 PM** on Thursday, **December 31, 2020**.

Applications received after the deadline for any reason will  
NOT be accepted.

Must provide one (1) signed original & one (1) copy,  
to include the application and all attachments.

Each must be in a separate bound folder or notebook.

# Internal Process

- Grant applications go through a four step approval process:
  1. Staff Review  
(Non-compliant organizations are notified.)
  2. Affordable Housing Loan Committee reviews the requests and makes funding recommendations to City Council.  
(Compliant organizations present projects to the AHLC.)
  3. City Council reviews the Committee's recommendation and may adopt or change the funding allocations.
  4. The Council's funding decision is then sent to HUD as part of the City of Greenville's Annual Action Plan for HUD approval or denial.

# Internal Process

- Organizations notified of awards
- Agreements signed & work begins

# **Presentations to the Affordable Housing Loan Committee (AHLC)**

- Prepare a 10 minute presentation for the AHLC
  - Overview of your program
  - Overview of your project / service and why it is needed
- Come prepared for a brief question & answer period with the AHLC about your project/service

# AHLC Proposal Scoring

▪ Need for the service	30
▪ Internal & External Consistency	10
▪ Leveraging	15
▪ Self Sufficiency	10
▪ Innovation & Partnerships	10
▪ Financial Feasibility	5
▪ Performance	10
▪ Direct Benefit	10
▪ New/Previous Applicant	<u>10</u>
Total points	110

# Agency Background

- Prior work experience with CDBG and other grant funds
- Adequate staff
- Key staff experience/capability
- Agency capacity
- Debarment
- Insurance

# Target Population

- Service area identified (Greenville City Limits)
- Any special attention to target population
- Are gaps and barriers identified?

# Service Need

- Is the need adequately described?
- Will the project address program & service gaps?
- Will the project improve the quality of life?
- Does the applicant indicate outcomes?



# Approach to Service/Work Plan

- Short term goals
- Does the applicant define goals?
- Is the process adequately described?
- Outcomes and success measureable?

# Coordination & Collaboration

- What National Objective is being met?
- Any efforts to coordinate and collaborate with other agencies?
- Any MOU or agreements in application?  
(MOU = Memorandum of Understanding)

# Current Financial & Other Resources

- Budget included on forms.
- Is budget focused on services not admin?
- Is the budget reasonable?
- At least 85% of funds must be utilized directly for your program, project, or service.

# Projected Timeline

January 2021 Applications reviewed by HD Staff

End of Jan 2021 Organizations notified (application status)  
Organizations notified of Affordable Housing  
Loan Committee (AHLC) presentation

February 2021 Organizations present projects/answer questions (AHLC)

April 2021 City Council reviews the AHLC recommendation and  
may adopt or change the funding allocations.

# Projected Timeline

May 2021 The Council's funding decision is then sent to HUD as part of the City of Greenville's Annual Action Plan for their approval.

June 2021 Organizations Notified of Awards

July/Aug 2021 Contracts signed / Work Begins

# Working With CDBG Grant Funds

- Funds are distributed by reimbursement only.
- Please do not begin ANY work until your contract has been signed (Greenville City Manager) and your scope of work approved.
  - We cannot and will not reimburse for any expenses incurred prior to the date of the Greenville City Manager's signature.
- Provide monthly reports by the 15<sup>th</sup> of each month for compliance.

# Working With CDBG Grant Funds

- Submit Monthly Request for expended funds by the 15<sup>th</sup> of each month for reimbursement.
- Funds are to be expended within the 12 month contract period.
- All funded non-profits will be required to submit quarterly beneficiary data reports.
- A cumulative final report will be required at the end of the funding year.

# Quarterly Report Timeline

- July – September **Due on:** October 15<sup>th</sup>
- October – December **Due on:** January 15<sup>th</sup>
- January – March **Due on:** April 15<sup>th</sup>
- April – June **Due on:** July 15<sup>th</sup>



# Agency Monitoring and Reporting

# Agency Monitoring and Reporting

- What is the purpose of a sub-recipient monitoring?
  - It's a HUD Requirement.
    - Sub-recipient monitoring is a key part of the CDBG program. The City bears the responsibility to ensure that Sub-recipients follow federal regulations, conduct the projects / services and accomplish the goals as established in the sub-recipient agreement.
  - Monitoring also provides opportunities for both the City and the Sub-recipients to identify issues that may hinder efforts to successfully accomplish the goals and address these issues in a timely manner.
  - Monitoring is also used by the City as a way to identify sub-recipient needs and provide technical assistance if necessary.

# Items to have available

- Administrative files
- Client/project files
- Audit/financials
- Board minutes
- File cabinet
- Insurance certificate
- Policies and procedure manual
- Knowledgeable Staff
- IRS forms
- State (NC) forms

# Agency Monitoring and Reporting

What happens during a monitoring visit?

- Progress of Project/Service reviewed
- Client Files reviewed for compliance
- Administrative Files reviewed
- Monthly reports are reviewed
- Site/project visit
- Staff & Sub-recipients will have the opportunity to discuss any concerns or issues

# Agency Monitoring and Reporting

## Use of Monthly Reports for Monitoring:

- Monthly reports are used to track progress of your project / service.
  - Reports are designed to capture information needed for reporting purposes by the City.
  - Reporting forms will be provided by the City and are due by the 15<sup>th</sup> of each month.
- Monthly reports also give Subrecipients an opportunity to “shine” by sharing with the City all the activities and events happening within their agency.
- Beneficiary Data reports collected quarterly and used for documentation into HUD’s Integrated Disbursement Management System (IDIS).

# Questions and Answers

# **Staff Contact Information**

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